

SECTION V

Since the insurance legislation in the various jurisdictions in Canada is not exactly the same, certain differences must be accommodated.

Note that the differing filing dates have been outlined in Section II, and the mailing addresses are provided in Section IX - Appendix(a).

Also included are the statutory references that may be necessary to provide the authoritative references for the completion of each jurisdiction's filing.

Newfoundland & Labrador

Other specific instructions necessary to meet Newfoundland & Labrador's requirements may be circulated by the Superintendent to the appropriate insurers, prior to year-end.

Legislation

The Insurance Companies Act: R.S.N. 1990

Language

Contact the Regulator for direction.

Signature Requirements

The province of Newfoundland & Labrador has no section in the Insurance Companies Act stating specifically who must verify the Annual Return.

Actuary's Report

The actuary's Certificate of Opinion is considered an integral part of the Annual Return and failure to include it would deem the statement incomplete. In addition to this Certificate, provincially regulated companies are also required to submit a full copy of the Actuary's Report with their Annual Return.

Statutory Filings by Federally Registered Insurers

Commencing with the 2002 Annual Return, statutory filings made by Federally registered insurers will only need to be submitted to the Office of the Superintendent of Financial Institutions, Canada.

Prince Edward Island

Other specific instructions necessary to meet Prince Edward Island's requirements may be circulated by the Superintendent, to the appropriate insurers, prior to year-end.

Legislation

Insurance Act: R.S.P.E.I. 1974

Language

Contact the Regulator for direction.

Actuary's Report

Insurers are required to file only a Certificate of Opinion with the condition that a copy of the Actuary's Report be available at any time upon request.

Signature Requirements

The Annual Return shall be verified by the president, vice-president or managing director, or other director appointed for the purpose by the board of directors, and by the secretary or manager of the insurer.

Statutory filings by Federally registered insurers

Federally registered insurers are required to file only the following pages from their Annual Return (P&C-1):

Page 67.10 and 67.30

Nova Scotia

Other specific instructions necessary to meet Nova Scotia's requirements may be circulated by the Superintendent, to the appropriate insurers, prior to year-end.

Legislation

Insurance Act: R.S.N.S 1967

Language

Contact the Regulator for direction.

Actuary's Report

Insurers are not required to file their Actuary's Report with the condition that a copy be available at any time upon request.

Signature Requirements

Nova Scotia has no section in the Insurance Act stating specifically who must verify the Annual Return.

Statutory filings by Federally registered insurers

Federally registered insurers are required to file only the following pages from their Annual Return (P&C-1):

Page 10.10, 67.10, 67.20, 67.30 and 99.10

New Brunswick

Other specific instructions necessary to meet New Brunswick's requirements may be circulated by the Superintendent, to the appropriate insurers, prior to year-end.

Legislation

Insurance Act: R.S.N.B 1973

Regulations to the Insurance Act:

- (1) The Auto Insurance Classification
- (2) Licence and Examination

Language

Filings in either official language are acceptable.

Actuary's Report

Insurers are required to file only a Certificate of Opinion with the condition that a copy of the Actuary's Report be available at any time upon request.

Signature Requirements

The Annual Return shall be verified by the president, vice-president or managing director, or other director appointed for the purpose by the board of directors, and by the secretary or manager of the insurer.

QuebecLegislation

- (1) Companies Act: Part 1, Chapter C-38
- (2) Insurance Act: Chapter A-32
Regulation to the Insurance Act:
Application of the Act, Chapter A-32, r.1

Signature Requirements

Per Section 309 of the Insurance Act, the two persons signing the Annual Return must be directors of the insurer.

Special Reporting

Every insurer licensed to write business in Quebec, whether incorporated under the laws of Quebec, the laws of Canada or some other jurisdiction, must:

- (a) complete Pages 30.40, 30.45, 30.47, 60.40, 60.41, 70.21 and 70.35 of the Annual Return; and
- (b) complete Page 67.15 if insurer has written, during the current year or in a prior year, policies for a term of more than 12 months. The data reported on Page 67.15 must include:
 - for policies for a term not exceeding 12 months:
 - total premiums for policies written during the current year;
 - for policies for a term of more than 12 months:
 - portion of premiums applicable to the first twelve months of the term for the policies written during the current year;
 - portion of premiums applicable to the following period of the term for policies written in the previous year (from the 13th to 24th months, without exceeding 12 months);
 - portion of premiums applicable to the following period of the term for policies written in the year before the previous year (from the 25th to the 36th months, without exceeding 12 months);
 - and so forth for the following periods until the expiration of the term of premiums written.

A copy of the major letters of credit and/or confirmation from trustees of deposits held for the account of the insurer (reported on Page 70.40) must be attached to the Annual Return.

Quebec (cont'd)Loans and advances to subsidiaries and affiliates

Any Quebec incorporated Insurers must show loans and advances to subsidiaries and affiliates on Page 50.40 as investment in Subsidiaries and Affiliates.

Exhibits NOT Required

The following exhibits or sections of exhibits need not be completed by Quebec incorporated insurers that transact insurance in Quebec only:

<u>Page</u>	<u>Exhibit</u>
10.10	Corporate data, Officers, Auditor, Actuary
10.15	Directors
40.07	Summary of Investments
90.70	Reinsurance ceded - Out of Canada

Actuary's Report

Pursuant to sections 298.15 and 309 of the Quebec Act respecting Insurance every insurer authorised to practice "damage" (property and casualty) insurance in Quebec must attach an actuary's Expression of Opinion concerning the valuation of the provisions and reserves to its Annual Return.

A copy of the Actuary's Report that establishes and presents the provisions and reserves must be forwarded to the Autorité des marchés financiers upon request.

The actuary will have to include in the report a description of the assumptions and methods used in the valuation of the said reserves or provisions and also state and justify the criteria that have served as the basis for choices made.

Moreover, the report must also include the other information required by the Autorité des marchés financiers of Quebec, for those insurers specifically requested to do so.

Insurers with charters from outside Quebec, which transact insurance in Quebec and for which no specific report is required by the Autorité des marchés financiers, must file with the Autorité a copy of the Actuary's Report filed with their home jurisdiction, and ensure compliance with the Quebec Act respecting insurance.

A copy of the resolution of the board of directors concerning the appointment of the actuary must be forwarded to the Autorité des marchés financiers within 10 days of the actuary's initial appointment or at the change of the actuary.

Quebec (cont'd)Auditor's Report

For Quebec incorporated insurers the report is to be made to the Autorité des marchés financiers. All other insurers licensed in Quebec must submit a copy of the auditor's report addressed to their regulator.

In addition, all insurers are expected to provide the Autorité des marchés financiers with a copy of their annual report including the auditor's report to the shareholders and members.

Letters of Credit

Letters of Credit must be in a format acceptable to the Autorité des marchés financiers.

In general, letters of credit may be used to offset the reserve for unregistered reinsurance to the extent of 15% of the amount of the unearned premiums and outstanding losses recoverable from each assuming reinsurer, or \$3.5 million, whichever is less;

On a case by case basis, the Autorité des marchés financiers will consider approval of the use of letters of credit in larger amounts, but in no circumstances will the amount of letters of credit approved exceed 15% of the total assets of the insurer. The main criteria in evaluation of these special cases will be the size and financial strength of the unregistered reinsurer;

These limits are applicable to all insurers licensed in Quebec.

A copy of the major letters of credit must be sent with the Annual Return.

Financial Statements of Subsidiaries and Affiliates

Insurers licensed in Quebec must file a copy of their subsidiaries and affiliates' audited financial statements with their Annual Return, for those subsidiaries and affiliates reported on Page 20.10, line 40.

Minimum Capital Test (MCT) – (Pages 30.70, 30.71 and 70.38)

Instructions to complete Pages 30.70, 30.71 and 70.38 for insurers incorporated in Quebec are in Autorité MCT Guideline also available on Autorité Web site. Instructions in Section VI do not apply.

OntarioLegislation

- (1) Corporations Act: R.S.O. 1990 - Part V
- (2) Insurance Act: R.S.O. 1990

Regulations to the Insurance Act, specifically:

- (a) Regulation 669 Financial Statements

Guidelines

Bulletin No. 13/92 - Use of the Canadian Depository for Securities Limited
Bulletin No. 01/02 - Investments by Insurers Guideline
Bulletin No. 08/04 - Minimum Capital Test for P&C Insurance Companies

Earthquake

Refer to the OSFI's Earthquake Exposure Sound Practices Guidelines.

Letters of Credit

Letters of Credit must be in the form as noted in Section IV. In general, letters of credit may be used to offset the reserve for unregistered reinsurance to the extent of 10% of the total amount of the unearned premiums and outstanding losses recoverable from assuming reinsurers.

Details of Letters of Credit from affiliated unregistered reinsurers must be notified to the Superintendent.

Ontario (cont'd)**Discounting**

Starting with the 2003 Annual Return, actuarial liabilities are required to be reported on a discounted basis. The discounting requirement will apply to Ontario incorporated Property and Casualty insurance companies and to reciprocal exchanges in Ontario for which the Report of the Actuary is required.

Language

Filings in either official language are acceptable.

Statutory filings by Federally registered insurers

Statutory filings made by Federally registered insurers, as required by section 102 of the Ontario Insurance Act, will only need to be submitted to the Office of the Superintendent of Financial Institutions, Ottawa.

Ontario FOIPOP consent form

The Freedom of Information and Protection of Privacy Act S.O. 1987, c. 25 (FOIPOP) came into force on January 1, 1988. This Act provides that where information about an individual is collected other than directly from the individual, the collection is lawful only if, among other things, it is authorised by a statute. Further, whenever information is collected about an individual, that individual must be informed of the legal authority for its collection **and** the principal purpose for which the personal information is intended to be used.

Since the Annual Return includes personal information, the Consent and Notification form issued pursuant to the FOIPOP Act and included in Section IX - Appendix (c) must be completed by all Provincially incorporated insurers. A copy must be given by the insurer to each individual named in page 10.15 of the Annual Return. Since many of these persons are known to the insurer, it is strongly recommended that the insurer commence the notification process well in advance of the date the filing is due. The certificate is to be signed by the same person who signs the Annual Return.

Ontario (cont'd)*Actuary's Report and Auditors' Report**Actuary's Report*

Subsection 121.13 of the Insurance Act (Part II.1) requires that every insurer incorporated in Ontario, except those described in subsection 121.20, must submit with its Annual Return a valuation report by the appointed actuary on his/her evaluation of actuarial and other policy liabilities of the insurer. The exception under subsection 121.20 applies if the insurer is a mutual insurance corporation that is a member of the Fire Mutuals Guarantee Fund.

The report must be addressed to the Superintendent of Financial Services, Financial Services Commission of Ontario, and must comprise a certificate and a report, both of which must be signed. Detailed instructions for completing the Report was forwarded to the insurers and will be updated separately through correspondence with the companies.

Note: Federally regulated insurers are not required to file an actuarial report with FSCO.

Auditors' Report

All insurers incorporated in Ontario are required to have their Auditors' Report addressed to the Superintendent of Financial Services, Financial Services Commission of Ontario. All other insurers licensed in Ontario should refer to the general instruction in Section II.

All Provincially incorporated insurers, licensed in Ontario are expected to provide the FSCO with a copy of their Annual Report including the Auditors Report to the shareholders and members when published.

Ontario (cont'd)*General Information*

All Ontario incorporated insurers must complete the General Information pages 10.10 to 10.60.

Except for the insurers prescribed in Section 102(9) of the Act or in the Regulation, all Ontario incorporated insurers must complete the statutory compliance pages for the **Minimum Capital Test (MCT) (30.70 and 30.71)**. The Minimum Capital Test is to be completed using the Superintendent's Guideline No. **08/04**.

Working Papers

Insurers licensed in Ontario are required to maintain appropriate working papers to support information contained in the Annual Return. This is a requirement under Section 443 of the Act.

Signature Requirements

The Annual Return shall be verified, by the president, vice-president or managing director, or other director appointed for the purpose by the board of directors and by the secretary or manager of the insurer.

Investment exhibits

Section 433(4)(c) places a restriction on Ontario incorporated companies with respect to investments not otherwise authorized under the Act. These are normally referred to as basket clause investments. Companies should provide details of these investments on a schedule, which should be filed with the P&C-1.

Securities lending

Securities lending is prohibited for companies incorporated in Ontario.

Financial Statements of Subsidiaries

Ontario incorporated insurers should have a copy of the current financial statements of each subsidiary available at the insurer's head office.

Manitoba

Other specific instructions necessary to meet Manitoba's requirements may be circulated by the Superintendent, to the appropriate insurers, prior to year-end.

Legislation

The Insurance Companies Act: R.S.M. 1987

Regulation to the Insurance Act;
Insurance Company Classes of Insurance

Language

Filings in either official language are acceptable.

Actuary's Report

Insurers are not required to file their Actuary's Report with the condition that a copy be available at any time upon request.

Statutory filings by Federally registered insurers

Statutory filings made by Federally registered insurers, as required by Section 84 of the Act, will only need to be submitted to the Office of the Superintendent of Financial Institutions, Ottawa.

Insurers other than Provincial Insurers and Reciprocal Insurance Exchanges

A report that sets out the particulars of the insurer's business in Manitoba during the year (Section 84). To meet this requirement, insurers must file pages 67.10 and 67.30.

Saskatchewan

Other specific instructions necessary to meet the Saskatchewan's requirements may be circulated by the Superintendent, to the appropriate insurers, prior to year-end.

Legislation

The Saskatchewan Insurance Act

Regulations to The Saskatchewan Insurance Act:

- The Saskatchewan Insurance Regulations 2003

Discounting

Starting with the 2003 Annual Return, actuarial liabilities are required to be reported on a discounted basis. The discounting requirement will apply to Saskatchewan incorporated Property and Casualty insurance companies and to reciprocal exchanges in Saskatchewan for which the Report of the Actuary is required.

*Filing Requirements**Provincially Incorporated Insurers and Reciprocal Insurance Exchanges*

1. A complete annual return including the auditor's opinion (Section 86)
2. An Actuarial Report if required by the Superintendent.
3. The audited financial statements with auditor's opinion.
4. Audited financial statements for any subsidiaries with auditor's opinion;
5. If subsidiaries are regulated financial institutions, the filings with the primary regulators.

Saskatchewan (cont'd)

In addition to the above, Reciprocal Insurance Exchanges need to file:

6. The name and address of the attorney for the reciprocal insurance exchange.
7. The particulars respecting the reserve fund and guarantee fund maintained by the reciprocal insurance exchange.

For Insurers Other than Provincial Insurers and Reciprocal Insurance Exchanges

1. A report that sets out the particulars of the insurers business in Saskatchewan during that year (Section 87). To meet this requirement the insurers may file pages 10.10 (Corporation information) and the provincial exhibits 67.10 to 67.30.

All annual filings must be filed as follows:

1. If limited by the Superintendent to reinsurance only, 105 days after the financial yearend (Subsection 86(3) & 87(3)).
2. For all other insurers 60 days after the financial yearend (Subsection 86(3) & 87(3)).

Language

Contact the Regulator for direction.

Signature Requirements

For provincial insurers and reciprocal insurance exchanges, the Annual Return shall be verified by the president, vice-president or managing director, or other director appointed for the purpose by the board of directors and by the secretary or manager of the insurer.

Statutory filings by Federally registered insurers

Federally registered insurers are required to file only the following pages from their Annual Return (P&C-1):

Page 10.10, 67.10, 67.30 and 99.10

AlbertaLegislation

This section is only applicable to Alberta incorporated insurers.

Insurance Act: R.S.A. 2000

Regulations to the Insurance Act:

	<u>No.</u>	<u>Date</u>
(1) Automobile Accident Insurance Benefits Regulation	352/72	01/06/98
(2) Automobile Insurance Premiums Regulation	124/04	10/1/04
(3) Certificate Expiry, Penalties, Fees Regulation	125/01	07/11/01
(4) Classes of Insurance Regulation	121/01	07/11/01
(5) Diagnostic and Treatment Protocols Regulation	122/04	10/1/04
(6) Enforcement and Administration Regulation	129/01	07/11/01
(7) Fair Practices Regulation	382/03	12/17/03
(8) Insurance Agents and Adjusters Regulation	122/01	07/11/01
(9) Market Conduct Regulation	128/01	07/11/01
(10) Minor Injury Regulation	123/04	10/1/04
(11) Miscellaneous Provisions Regulation	120/01	07/11/01
(12) Provincial Companies Regulation	124/01	07/11/01
(13) Reciprocal Insurance Exchange Regulation	123/01	07/11/01
(14) Transitional Insurance Regulation	130/01	07/11/01

Ministerial Directives (MD) and Orders (MO) under the Insurance Act

	<u>No.</u>	<u>Effective Date</u>
(1) MD- Delegation to Superintendent of Insurance	06-Jan	09/30/01
(2) MD- Delegation to Alberta Insurance Council	05-Jan	09/30/01
(3) MD- Delegation to Life Insurance Council	01-Jan	09/30/01
(4) MD- Delegation to General Insurance Council	02-Jan	09/30/01
(5) MD- Delegation to Insurance Adjusters' Council	03-Jan	09/30/01
(6) MD- Appointment of Examiners	04-Jan	09/30/01
(7) MO - Fees under the Insurance Act	02-Jan	09/30/01

Filing Requirements

- Alberta incorporated insurers, reinsurers and fraternal benefit societies are required to file a complete Annual Return;
- All other provincially incorporated:
 - insurers registered in Alberta are only required to file Page 67.10, "Provincial and Territorial Exhibit of Premiums Written" and Page 67.30, "Provincial and Territorial Exhibit of Claims Incurred Including Adjustment Expenses";
 - fraternal benefit societies are required to file a complete Annual Return.

Alberta (cont'd)Filing Requirements (cont'd)

- Federally registered insurers are only required to file Page 67.10, “Provincial and Territorial Exhibit of Premiums Written” and Page 67.30, “Provincial and Territorial Exhibit of Claims Incurred Including Adjustment Expenses”. The filing of an Annual Return with the Office of the Superintendent of Financial Institutions, Ottawa will satisfy this reporting requirement for the comparable period.

All filings must be received within 60 days after the company’s fiscal year-end, except those of Alberta incorporated reinsurers who must file within 105 days after the company’s fiscal year-end.

A copy of the current financial statements of each subsidiary must be made available on request.

Language

Annual Returns must be submitted in English.

Signature Requirements

Section 44(3)(f) of the Insurance Act states the Annual Return shall be approved and signed by the president, vice-president or managing director or other director appointed for the purpose by the board of directors and by the secretary or manager of the company.

Actuary's Report

Pursuant to Section 44(3)(d) of the Insurance Act, Alberta incorporated insurers licensed under this Act shall submit, with the Annual Return, an opinion, in accordance with Section 405, by an actuary or by another person with experience and training acceptable to the Superintendent on the adequacy of provisions made for unearned premiums, unpaid claims and claims adjustment expenses as of the end of the year covered by the Annual Return.

Federally and extra-provincially incorporated insurers are not required to file their Actuary's Report.

(1) Certification by Non-Actuary

The following non-actuaries may apply to the Superintendent to have their opinion accepted:

- (a) A senior financial claims or underwriting officer, employed in Canada, of the insurer or of a corporation holding an exclusive management contract in Canada with the insurer, who is not signing the affidavit verifying the Annual Return, and who purports to have the relevant training and experience for the purpose;

Alberta (cont'd)*Actuary's Report (cont'd)*

- (b) A member of a provincial institute of chartered accountants employed in Canada by an independent auditing firm, who has relevant experience in establishing policy and claims reserves;
- (c) A claims consultant who has at least ten years active experience in the Canadian industry; or
- (d) In the case of a small insurer, a senior officer of the reinsurance intermediary with which the insurer has been doing business for at least five years.

Should the insurer wish to use a non-actuary, the insurer must request approval before December 1st, clearly identifying the person being proposed, that person's current position, and a brief summary of the person's pertinent educational background and work experience. Since the reports will require a significant amount of statistical analysis and projection, any relevant training in statistics should be noted. If the person preparing the report on claims reserves intends to use a loss projection software package, the name of such software should be noted.

Approval will be valid only for the current year and subsequent approvals will be required on an annual basis.

(2) Discounting of Reserves

Starting with the 2003 Annual Return, the reporting of actuarial liabilities on a discounted basis by Alberta incorporated Property and Casualty insurance companies and to reciprocal exchanges in Alberta is optional.

However, insurers must advise the Superintendent of any changes made to the basis used. Insurers are expected to file on either a discounted or undiscounted basis on a consistent basis.

(3) Format of the Actuarial Opinion and Report

The opinion should state the status of the person signing it, their title, their relationship to the insurer, and, if not a Fellow of Canadian Institute of Actuaries, how they qualify.

The Insurance Act requires that two reports be submitted with the Annual Return, one in respect of premium reserves and one in respect of claims reserves. If the same person is signing both reports, there is no reason why the two reports cannot be combined into one document.

Alberta (cont'd)Auditor's Report

Pursuant to Section 43(1), all insurers licensed in Alberta must submit a copy of their audited financial statements within 180 days of the insurer's year end.

The auditor's report must be filed with the Annual Return and addressed to the Superintendent of Insurance, Alberta Finance.

Annual Report

All Alberta incorporated insurers, are expected to file a copy of their Annual Report including the Auditors Report to the shareholders and members when published.

Financial Statements of Subsidiaries

A copy of the current financial statements of each subsidiary must be made available on request.

British Columbia

For current instructions relating to British Columbia's filing requirements, please consult the website of the Financial Institutions Commission (FICOM) at www.fic.gov.bc.ca.

Legislation

Company Act, RS 1996, Chapter 62
Financial Institutions Act, RS 1996, Chapter 141
Insurance Act, RS 1996, Chapter 226
Insurance (Marine) Act, RS 1996, Chapter 230
Insurance Premium Tax Act, RS 1996, Chapter 232

Regulations under the Financial Institutions Act (FIA) applicable to all insurance companies.

- Capital Requirements Regulation
- Designation of Provinces Regulation
- Extraprovincial Corporations Disclosure of Information Regulation
(not applicable to B.C. incorporated insurers)
- Financial Institutions Fees Regulation
- Insurer Exemption Regulation
- Insurance Compensation Plans Regulation
- Non-Reporting Company Exemption Regulation
- Insurance Company Motor Vehicle Liability Insurance Regulation
- Marketing of Financial Products Regulation

Regulations to the FIA applicable only to British Columbia incorporated insurance companies:

- Audit and Audit Committee Regulation
- Insurance Company Reinsurance Limitation Regulation
- Insurance Company Reserves Valuation Regulation
- Investment and Lending Regulation
- Limitations on Acquisitions Regulation
- Related Party Transaction Regulation

British Columbia (cont'd)

Legislation (cont'd)

Regulations to the Insurance Act applicable to all insurance companies:

1. Insurance Classes Regulation
2. Motor Vehicle Insurance Policy Limits Regulation

Language

Contact the Regulator for direction.

Signature Requirements

Please consult FICOM's website.

Auditor and Actuary Reports:

Please consult FICOM's website.

Yukon

Other specific instructions necessary to meet the Yukon's requirements may be circulated by the Superintendent, to the appropriate insurers, prior to year-end.

Legislation

The Yukon Insurance Act: R.S.Y. 1986

Regulation to the Insurance Act
Comm. Order 1977/235: #2 - Classes of Insurance

Language

Contact the Regulator for direction.

Actuary's Report

Insurers are required to file only a Certificate of Opinion with the condition that a copy of the Actuary's Report be available at any time upon request.

Signature Requirements

The Annual Return shall be verified by the president, vice-president or managing director, or other director appointed for the purpose by the board of directors, and by the secretary or manager of the insurer.

Northwest Territories

Other specific instructions necessary to meet the Northwest Territories' requirements may be circulated by the Superintendent, to the appropriate insurers, prior to year-end.

Legislation

Insurance Act: Acts of N.T. 1975

Regulation #82 from the Revised Regulation Book
Part I: Classes of Insurance and Insurer's Licences

Language

Contact the Regulator for direction.

Signature Requirements

The Annual Return shall be verified by the president, vice-president or managing director, or other director appointed for the purpose by the board of directors, and by the secretary or manager of the insurer.

Nunavut

Other specific instructions necessary to meet Nunavut's requirements may be circulated by the Superintendent, to the appropriate insurers, prior to year-end.

Legislation

Insurance Act (Nunavut); in force April 1, 1999

Insurance Regulations (Nunavut); in force April 1, 1999

Language

Contact the Regulator for direction.

Signature Requirements

The Annual Return shall be verified by the president, vice-president or managing director, or other director appointed for the purpose by the board of directors, and by the secretary or manager of the insurer.

FederalInsurance Companies Act (ICA)

Legislation governing federally regulated property and casualty companies was most recently proclaimed June 1, 1992, with subsequent amendments.

Regulations issued to date affecting Canadian property and casualty companies are as follows:

SHORT TITLE:**STATUTORY AUTHORITY:**

Affiliated Persons (Insurance Companies) Regulations	Section 170 of the Insurance Companies Act
Assets (Property and Casualty Companies) Regulations	Sections 516 and 703 of the Insurance Companies Act
Coming Into Force Order (Act Respecting Insurance Companies and Fraternal Benefit Societies)	Subsection 763(1) of the Insurance Companies Act
Commercial Loan (Insurance Companies) Regulations	Subsection 490(1) and section 703 of the Insurance Companies Act
Complaint Information (Canadian Insurance Companies) Regulations	Sections 487 and 703 of the Insurance Companies Act
Cost of Borrowing (Canadian Insurance Companies) Regulations	Sections 479 to 483, 485 and 703 of the Insurance Companies Act
Credit Information (Insurance Companies) Regulations	Sections 489 and 607 of the Insurance Companies Act
Equity Valuation (Insurance Companies) Regulations	Sections 494, 508, 509 and 703 of the Insurance Companies Act
Financial Leasing Corporation Regulations	The definition "financial leasing corporation" in subsection 490(1) and section 703 of the Insurance Companies Act

Federal (cont'd)Insurance Companies Act (ICA) (cont'd)

SHORT TITLE:	STATUTORY AUTHORITY:
Investments (Canadian Companies) Regulations	The definition "total assets" in subsection 2(1) and sections 503 to 506, 508, 509 and 703 of the Insurance Companies Act
Investment Valuation (Canadian Companies) Regulations	Bill C-82 causes this regulation to be revoked
Minority Investment (Insurance Companies) Regulations	Section 501 of the Insurance Companies Act
Miscellaneous Amendments Regulations (Department of Finance and OSFI)	Various
Name Use (Insurance Companies) Regulations	Section 703 and subsection 705(4) of the Insurance Companies Act
Property and Casualty Company Borrowing Regulations	The definition "total assets" in subsection 2(1) and sections 476 and 703 of the Insurance Companies Act
Prospectus (Insurance Companies) Regulations	Paragraphs 299(1)(a) to (d) of the Insurance Companies Act
Prospectus Exemptions (Insurance Companies) Regulations	Paragraphs 299(1)(e) and (f) of the Insurance Companies Act
Protection of Assets (Insurance Companies) Regulations	Paragraph 703(g) of the Insurance Companies Act
Public Inquiry (Insurance Companies) Rules	Subsection 26(5) of the Insurance Companies Act
Real Property Interests Valuation (Insurance Companies and Societies) Regulations	Sections 506, 507, 509, 563, 564, 566 and 703 of the Insurance Companies Act

Federal (cont'd)Insurance Companies Act (ICA) (cont'd)**SHORT TITLE:****STATUTORY AUTHORITY:**

Regulatory Capital (Insurance Companies) Regulations

Subsection 2(1) and section 703 of the Insurance Companies Act

Reinsurance (Canadian Companies) Regulations

Section 465 of the Insurance Companies Act

Related Party Transactions (Insurance Companies) Regulations

Sections 533 and 703 of the Insurance Companies Act

Resident Canadian (Insurance Companies) Regulations

Paragraph (b) of the definition "resident Canadian" in section 2 and section 703 of the Insurance Companies Act

Security Certificate Transfer Fee (Insurance Companies) Regulations

Subsection 89(2) and section 703 of the Insurance Companies Act

Securities Dealing Restrictions (Insurance Companies) Regulations

Section 468 of the Insurance Companies Act

Securities Dealing Restrictions (Insurance Companies) Regulations - Amendment

Section 468 of the Insurance Companies Act

Specialized Financing Corporation (Insurance Companies) Regulations

The definition "specialized financing corporation" in subsection 490(1) and section 703 of the Insurance Companies Act

Subsidiaries Holding Company Shares (Insurance Companies) Regulations

Paragraph 703(h) of the Insurance Companies Act

Total Assets (Canadian Companies and Societies) Regulations

Definition "total assets" in subsection 2(1) and section 703 of the Insurance Companies Act

Federal (cont'd)Guidelines and bulletins

In November 1994, OSFI issued a binder: *Guidelines for Property and Casualty Insurance Companies* containing current (and to contain future) **guidelines and bulletins** issued by the Office that are relevant to federally regulated property and casualty insurers. These documents are available from the OSFI web site at <http://www.osfi-bsif.gc.ca> or by fax request to (613) 952-8219.

Guidelines and bulletins issued to date:

<u>Guideline</u>	<u>Issued</u>
Accounting for NHA-insured Mortgage-backed Securities	July 1992
Accounting for Reinsurance of Short-Term Insurance Contracts (draft)	September 1996
Accounting for Structured Settlements	April 1998
Asset Securitization	July 1994
Derivatives Best Practices	May 1995
Derivatives Disclosure - Additional Requirement	October 1995 August 1996
Earthquake Exposure Sound Practices	August 1997
Impaired Loans - New Impaired Loans Policy	March 1995 September 1995
Investment Concentration Limit	March 1994
Minimum Asset Test / Deposit Adequacy Test - Substantial Investments in Financial Institutions	August 1993

Federal (cont'd)Guidelines and bulletins (cont'd)

<u>Guideline</u>	<u>Issued</u>
Processing Information Outside Canada	May 1992
Prudent Person Approach	January 1993
Securities Lending	September 1996 (replaces December 1991)
Transfers of Financial Assets with Recourse	July 1994
Minimum Capital Test	November 2002

<u>Bulletin</u>	<u>Issued</u>
Creation of Security Interests	May 1994
Materiality Criteria for Related Party Transactions	December 1993
Substantial Investment in Securities Firms	January 1995
Use of Depositories	December 1996

Federal (cont'd)*Auditor's Report to Shareholders/Policyholders*

The Auditor's Report to shareholders/policyholders, together with the annual financial statements, is to be filed with OSFI's Regulatory Information Division no later than 21 days prior to the Annual Meeting. If the Annual Meeting is held by Resolution in Writing, then no later than 30 days following the date of signing of the Resolution in Writing.

Financial Statements of Subsidiaries

Federally regulated insurers are required to keep a copy of the current financial statements of each subsidiary at the insurer's head office, to be available on request.

Unpaid Claims and Adjustment Expenses - (Page 20.20, line 13)

In accordance with section 667 of the Insurance Companies Act, insurers must not report an amount for Unpaid Claims and Adjustment Expenses that is lower than the Actuary's best estimate.

Dividends declared to Shareholders - (Page 20.40, line 11)

The insurer's "MCT ratio" (Page 30.70, line 90) must be at least 150% on a post-dividends declared basis.

Federal (cont'd)*Letters of Credit*

Letters of credit must be in the standard wording prescribed by OSFI.

In general, letters of credit may be used to offset the reserve for unregistered reinsurance to the extent of 10% of the total amount of the unearned premiums and outstanding losses recoverable from assuming reinsurers.

On a case by case basis, OSFI will consider approval of the temporary use of letters of credit in larger amounts, but in no circumstances will the amount of letters of credit approved exceed 15% of the total assets of the insurer. The main criteria in evaluation of these special cases will be the size and financial strength of the unregistered reinsurer.

Letters of credit from affiliated unregistered reinsurers must be held in the custody of the Superintendent in order to be recognized.

Affidavit Verifying Annual Return - (Page 99.10)

The Affidavit must be signed by the President/Chief Executive Officer and another executive officer or another director.