



**Reference: Guideline for Banks/FBBs/
T&L/Co-op/Life/P&C**

March 26, 2003

To: All Federally Regulated Financial Institutions

Subject: Revised Guideline E-13 - Legislative Compliance Management (LCM)

This Guideline sets out OSFI's expectations for the management of regulatory risks inherent in business activities throughout federally regulated financial institutions. It is the product of extensive consultation with industry and within OSFI, after the Draft Guideline was published for comment last year. It replaces the July 2002 Draft Guideline.

In revising the Guideline, OSFI shifted its focus to functional day-to-day and independent oversight controls, and away from specific organizational structures. Accordingly, the Guideline outlines the basic elements of a sound compliance control framework and an expectation that institutions will structure their controls in ways that are appropriate and effective in their particular circumstances.

The Guideline is available in English and French on OSFI's Web site at (<http://www.osfi-bsif.gc.ca>) in the Publications section. It may also be obtained by contacting Mr. Stéphane Dupel, General Services Division, by e-mail at pub@osfi-bsif.gc.ca or by facsimile at (613) 954-4331.

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