
BULLETIN NUMBER:	INS-12-001
TITLE:	2012 MINIMUM CAPITAL TEST (MCT) GUIDELINE
LEGISLATION:	<i>THE FINANCIAL INSTITUTIONS ACT (FIA), CAPITAL REQUIREMENTS REGULATION</i>
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DISTRIBUTION:	BRITISH COLUMBIA INCORPORATED INSURANCE COMPANIES AUTHORIZED TO CARRY ON GENERAL INSURANCE BUSINESS (Insurers)

The purpose of this bulletin is to advise Insurers that the Superintendent of Financial Institutions, British Columbia has adopted the 2012 MCT Guideline, issued October 2011 by the Office of the Superintendent of Financial Institutions, Canada (OSFI). The Guideline will come into effect on January 1, 2012.

For reference, Section 8 of the Capital Requirements Regulation of the FIA of British Columbia states in part, that the minimum adequate capital base of a general insurance company is determined in accordance with the MCT Guideline as established and published, and amended from time to time by OSFI.

Apart from differences due to law and unless otherwise stated, the Superintendent of Financial Institutions, British Columbia will adopt future changes to the MCT Guideline as established and published, and amended by OSFI.

Link to websites:

OSFI's 2012 MCT Guideline:

http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/guidelines/capital/guidelines/MCT2012_e.pdf

OSFI's October 4, 2011 letter:

http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/guidelines/capital/guidelines/MCT2012_let_e.pdf

FIA Capital Requirements Regulation of British Columbia:

http://www.bclaws.ca/EPLibraries/bclaws_new/document/ID/freeside/11_315_90

If there are any questions about this bulletin, please contact the Insurance Department staff at Insurance@ficombc.ca.

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