

<b>OSFI GUIDELINES - INSURANCE</b>					
		<b>Life &amp; Fraternal</b>		<b>P&amp;C</b>	
<b>Capital Adequacy Requirements</b>		Federal (OSFI-Regulated)	B.C. Incorporated	Federal (OSFI-Regulated)	B.C. Incorporated
A	<a href="#">Life Insurance Capital Adequacy Test 2018</a>	Applicable	Applicable	N/A	N/A
A	<a href="#">Minimum Continuing Capital and Surplus Requirements 2016</a>	Applicable	Applicable	N/A	N/A
A	<a href="#">Minimum Capital Test 2018</a>	N/A	N/A	Applicable	Applicable
A	<a href="#">Minimum Capital Test 2016</a>	N/A	N/A	Applicable	Applicable
A-4	<a href="#">Regulatory Capital and Internal Capital Targets</a>	Applicable	Applicable	Applicable	Applicable
	<a href="#">Advisory – Capital Requirements for Federally Regulated Mortgage Insurers</a>	N/A	N/A	Applicable	Applicable
		<b>Life &amp; Fraternal</b>		<b>P&amp;C</b>	
<b>Accounting</b>		Federal (OSFI-Regulated)	B.C. Incorporated	Federal (OSFI-Regulated)	B.C. Incorporated
	<a href="#">IFRS 9 Financial Instruments and Disclosures</a>	Applicable	Applicable	Applicable	Applicable
C-1	<a href="#">Impairment – Sound Credit Risk Assessment and Valuation Practices for Financial Instruments at Amortized Cost</a>	Applicable	Applicable	Applicable	Applicable
D-1A	<a href="#">Annual Disclosures</a>	Applicable	Applicable	N/A	N/A
D-1B	<a href="#">Annual Disclosures</a>	N/A	N/A	Applicable	Applicable
D-5	<a href="#">Accounting for Structured Settlements</a>	N/A	N/A	Applicable	Applicable
D-6	<a href="#">Derivatives Disclosure</a>	Applicable	Applicable	Applicable	Applicable
D-9	<a href="#">Source of Earnings Disclosure (Life Insurance Companies)</a>	Applicable	Applicable	N/A	N/A
D-10	<a href="#">Accounting for Financial Instruments Designated as Fair Value Option</a>	Applicable	Applicable	Applicable	Applicable
		<b>Life &amp; Fraternal</b>		<b>P&amp;C</b>	
<b>Sound Business and Financial Practices</b>		Federal (OSFI-Regulated)	B.C. Incorporated	Federal (OSFI-Regulated)	B.C. Incorporated

TABLE CURRENT AS OF JANUARY 2018

	<a href="#">Corporate Governance Guideline</a>	Applicable	Applicable	Applicable	Applicable
B-3	<a href="#">Sound Reinsurance Practices and Procedures</a>	Applicable	Applicable*	Applicable	Applicable*
B-8	<a href="#">Deterring &amp; Detecting Money Laundering</a>	Applicable	Applicable*	N/A	N/A
B-20	<a href="#">Residential Mortgage Underwriting Practices and Procedures</a> <sup>1</sup>	Applicable	Applicable*	Applicable	Applicable*
B-21	<a href="#">Residential Mortgage Insurance Underwriting Practices and Procedures</a>	N/A	N/A	Applicable	Applicable
E-4A	<a href="#">Role of the Canadian Chief Agent &amp; Record Keeping Requirements</a>	Applicable	N/A	Applicable	N/A
E-5	<a href="#">Retention/Destruction of Records</a>	Applicable	Applicable	N/A	N/A
E-10	<a href="#">Use of Depositories by Insurance Companies</a>	Applicable	Applicable*	Applicable	Applicable*
E-12	<a href="#">Inter-segment Notes for Life Insurance Companies</a>	Applicable	Applicable*	N/A	N/A
E-13	<a href="#">Regulatory Compliance Management (RCM) Guideline</a>	Applicable	Applicable	Applicable	Applicable
E-14	<a href="#">Role of the Independent Actuary</a>	Applicable	N/A	N/A	N/A
E-15	<a href="#">Appointed Actuary: Legal Requirements, Qualifications and Peer Review</a>	Applicable	Applicable*	Applicable	Applicable*
E-16	<a href="#">Participating Account Management and Disclosure to Participating Policyholders and Adjustable Policyholders</a>	Applicable	N/A	N/A	N/A
E-17	<a href="#">Background Checks on Directors and Senior Management of FREs</a>	Applicable	N/A <sup>2</sup>	Applicable	N/A <sup>2</sup>
E-18	<a href="#">Stress Testing</a>	Applicable	Applicable	Applicable	Applicable
E-19	<a href="#">Own Risk and Solvency Assessment (ORSA)</a>	Applicable	Applicable	Applicable	Applicable
E-21	<a href="#">Operational Risk Management</a>	Applicable	Applicable	Applicable	Applicable

<sup>1</sup> FICOM's Residential Mortgage Underwriting Guideline for Credit Unions is not applicable to insurance companies.

<sup>2</sup> FICOM has its own process for screening directors, senior officers, subscribers and shareholders of insurance companies. See [http://www.fic.gov.bc.ca/pdf/FicomForms/FinancialInstitutionsDivision\\_PIR.pdf](http://www.fic.gov.bc.ca/pdf/FicomForms/FinancialInstitutionsDivision_PIR.pdf)

TABLE CURRENT AS OF JANUARY 2018

E-22	<a href="#">Margin Requirements for Non-Centrally Cleared Derivatives</a>	Applicable	Applicable	Applicable	Applicable
	<a href="#">Memorandum to the Actuary (Life Insurance)</a>	Applicable	Applicable	N/A	N/A
	<a href="#">Memorandum for the Appointed Actuary's Report on Property and Casualty Insurance Business</a>	N/A	N/A	Applicable	Applicable
	<a href="#">Advisory – Cyber Security Self-Assessment Guidance</a>	Applicable	Applicable	Applicable	Applicable
	<a href="#">Advisory – New technology-based outsourcing arrangements</a>	Applicable	Applicable	Applicable	Applicable
		<b>Life &amp; Fraternal</b>		<b>P&amp;C</b>	
<b>Prudential Limits and Restrictions</b>		Federal (OSFI-Regulated)	B.C. Incorporated	Federal (OSFI-Regulated)	B.C. Incorporated
B-1	<a href="#">Prudent Person Approach</a>	Applicable	Applicable*	Applicable	Applicable*
B-2	<a href="#">Large Exposure Limits</a>	Applicable	Applicable*	N/A	N/A
B-2	<a href="#">Investment Concentration Limit</a>	N/A	N/A	Applicable	Applicable*
B-4	<a href="#">Securities Lending</a>	N/A	N/A	Applicable	Applicable*
B-4	<a href="#">Securities Lending</a>	Applicable	Applicable*	N/A	N/A
B-5	<a href="#">Asset Securitization</a>	Applicable	Applicable*	Applicable	Applicable*
B-7	<a href="#">Derivatives Sound Practices</a>	Applicable	Applicable	Applicable	Applicable
B-9	<a href="#">Earthquake Exposure Sound Practices</a>	N/A	N/A	Applicable	Applicable <sup>3</sup>
B-10	<a href="#">Outsourcing of Business Activities, Functions and Processes</a>	Applicable	Applicable	Applicable	Applicable
B-11	<a href="#">Pledging</a>	Applicable	Applicable*	Applicable	Applicable*
E-2	<a href="#">Commercial Lending Criteria</a>	Applicable	Applicable*	N/A	N/A
E-2A	<a href="#">Commercial Lending Restrictions - Foreign Life &amp; Foreign Fraternal</a>	Applicable	N/A	N/A	N/A

<sup>3</sup> B-9 Earthquake Exposure Sound Practices is also applicable to extra-provincial P&C insurers.

TABLE CURRENT AS OF JANUARY 2018

E-6	<a href="#">Draft Materiality Criteria for Related Party Transactions</a>	Applicable	Under review	Applicable	Under review
E-6	<a href="#">Materiality Criteria for Related Party Transactions</a>	Applicable	Under review	N/A	N/A
E-6	<a href="#">Materiality Criteria for Related Party Transactions</a>	N/A	N/A	Applicable	Under review

\* FICOM has adopted this guideline but not all sections apply. See [Appendix 1](#) for additional details.

**APPENDIX 1**

Please view the table below for additional details on the application of some guidelines.

<b>Guideline</b>		<b>Application Notes</b>
B-8	<a href="#">Deterring &amp; Detecting Money Laundering</a>	FICOM has signed a memorandum of understanding for exchanging information with FINTRAC. In order to meet FINTRAC obligations, PRFIs should observe the general policies, principles and processes for a sound AML/ATF program outlined from page 7 onwards in this guideline. Specific references to OSFI legislation, processes and measures contained in pages 1 – 6 are not applicable to PRFIs at this time.
E-10	<a href="#">Use of Depositories by Insurance Companies</a>	PRFIs should observe the safekeeping requirements outlined in Sections 6, 7 and 8 of this guideline. Specific references to OSFI legislation or regulations are not applicable to PRFIs.
E-12	<a href="#">Inter-segment Notes for Life Insurance Companies</a>	Any provisions contained in the guideline related to OSFI Guideline E-6 <i>Materiality Criteria for Related Party Transactions</i> are not applicable at this time.
B-3	<a href="#">Sound Reinsurance Practices and Procedures</a>	See: <a href="#">Letter: Adoption of OSFI Guideline B3: Sound Reinsurance Practices and Procedures</a>
E-15	<a href="#">Appointed Actuary: Legal Requirements, Qualifications and Peer Review</a>	See: <a href="#">Letter to all BC Incorporated Insurers</a> <a href="#">Appendix: FICOM Variations from OSFI Guideline E-15</a>
B-1	<a href="#">Prudent Person Approach</a>	See: <a href="#">Letter: Adoption of a Prudent Person Approach</a> <a href="#">Appendix: Clarification of Requirements</a>
B-2	<a href="#">Large Exposure Limits</a>	
B-2	<a href="#">Investment Concentration Limit</a>	
B-4	<a href="#">Securities Lending</a>	
B-4	<a href="#">Securities Lending</a>	
B-5	<a href="#">Asset Securitization</a>	
B-7	<a href="#">Derivatives Sound Practices</a>	
B-11	<a href="#">Pledging</a>	
B-20	<a href="#">Residential Mortgage Underwriting Practices and Procedures</a>	
E-2	<a href="#">Commercial Lending Criteria</a>	