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To: CEOs and Board Chairs, BC Life Insurers

Re: Guide to Intervention – BC Life Insurers and Life Insurance Societies

The Financial Institutions Commission (FICOM) is releasing its guide to intervention for BC incorporated life insurers. This guide outlines the supervisory actions that FICOM will take based on a life insurer's risk profile¹.

Risk-based supervision is a process that enables FICOM to identify areas of concern at an early stage and intervene effectively as to minimize losses, or exposure of loss, to policyholders and insureds. As an insurer's risk profile increases, FICOM's supervisory actions will escalate to reflect the urgency required to address any issues or problems.

FICOM considers the unique structure of each insurer including the nature, scope, complexity, and risk profile when determining the level of intervention. As such, not all supervisory actions outlined in this guide will apply in every circumstance.

We welcome the opportunity to present this topic during an upcoming board meeting. For more information or for presentation requests, please contact either myself at frank.chong@ficombc.ca or Harry James, Director, Policy Initiatives at harry.james@ficombc.ca.

Yours truly,

Frank Chong
Executive Director, Regulations

HJ/ac

¹ As represented by the Composite Risk Rating (CRR) under FICOM's supervisory framework. The supervisory framework details the process for assessing the safety, stability and conduct of insurers.

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- Superintendent of Financial Institutions
 - Superintendent of Pensions
 - Superintendent of Real Estate
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