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TITLE:	PUBLIC ACCESS TO FINANCIAL INFORMATION
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Section 130 of the *Financial Institutions Act*

This bulletin is to advise British Columbia's provincially regulated insurance companies ("British Columbia insurers") of the requirements to provide public access to financial information under Section 130 of the *Financial Institutions Act* ("FIA").

Section 130 of the FIA states:

130 (1) A financial institution must keep at each branch or office of the financial institution a copy of its most recent annual financial statement and auditor's report.

(2) Every person may examine free of charge during the usual business hours of the financial institution a copy of a financial statement and auditor's report referred to in subsection (1).

(3) At the request of any person, a financial institution must provide that person with a copy of a financial statement and auditor's report on payment of a reasonable amount, if any, for that service that the directors may specify.

This section ensures that the financial statements and auditors' reports of financial institutions are available for public scrutiny.

Enhanced Public Access

In order to enhance the public access to the financial information under Section 130, the Financial Institutions Commission ("FICOM") recommends that provincial insurers also post their audited financial statements on their official websites within 90 days after the end of their financial year. A provincial insurer is an insurance entity that has been issued a business authorization under Section 61 of the FIA.

Public disclosure of reliable and timely information facilitates the understanding by prospective and existing policyholders of the financial position of insurers and the risks to which they are subject to. Also, when provided with appropriate information, markets can act efficiently, rewarding those insurers that operate effectively and penalizing those that do not. This aspect of market discipline serves as an adjunct to supervision.

This office recognizes that some provincial insurers are already providing financial information to the public through their company websites.

Therefore, to facilitate the accessibility of financial information, FICOM's website will provide a link to the audited financial statements posted on provincial insurers' websites. Provincial insurers are asked to provide notice to FICOM when they have posted new financial information on their websites.

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

Staff of the Financial Institutions Commission periodically issue information bulletins to provide technical interpretations and positions regarding certain provisions contained in the *Financial Institutions Act* and Regulations. While the comments in a particular part of an information bulletin may relate to provisions of the law in force at the time they were made, these comments are not a substitute for the law. The reader should consider the comments in light of the relevant provisions of the law in force at the time, taking into account the effect of any relevant amendments to those provisions or relevant court decisions occurring after the date on which the comments were made. Subject to the above, an interpretation or position contained in an information bulletin generally applies as of the date on which it was published, unless otherwise specified.