



BULLETIN NUMBER:	INS-12-005
TITLE:	2013 MINIMUM CAPITAL TEST GUIDELINE
LEGISLATION:	THE <i>FINANCIAL INSTITUTIONS ACT</i>, CAPITAL REQUIREMENTS REGULATION
DATE:	DECEMBER 2012
DISTRIBUTION:	BRITISH COLUMBIA INCORPORATED INSURANCE COMPANIES AUTHORIZED TO CARRY ON GENERAL INSURANCE BUSINESS (Insurers)

The purpose of this bulletin is to inform British Columbia P&C Insurers that the Financial Institutions Commission (FICOM) has adopted the 2013 Minimum Capital Test (MCT) Guideline, issued in November 2012 by the federal Office of the Superintendent of Financial Institutions (OSFI). The guideline will come into effect on January 1, 2013.

For reference, Section 8 of the Capital Requirements Regulation of the *Financial Institutions Act* 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, FICOM will adopt future changes to the MCT Guideline as established, published and amended by OSFI.

Link to websites:

OSFI's 2013 MCT Guideline:

http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/guidelines/capital/guidelines/mct2013_e.pdf

OSFI's 2013 MCT's Accompanying Letter:

http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/guidelines/capital/guidelines/mct2013_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 Financial Institutions Division staff at Insurance@ficombc.ca.