

INSTRUMENT OF DELEGATION

April 4, 2018

WHEREAS:

- A. The Financial Institutions Commission ("Commission") is established under section 201 of the *Financial Institutions Act* ("FIA"), R.S.B.C. 1996, c. 141;
- B. The Superintendent of Financial Institutions ("Superintendent") is a position established by section 207 of the FIA, and is granted certain powers and responsibilities under the FIA, the *Credit Union Incorporation Act*, R.S.B.C. 1996, c.82 ("CUIA") and the *Society Act*, R.S.B.C. 1996, c. 433 ("SA");
- C. The FIA provides that the Commission may delegate certain powers to the Superintendent in accordance with section 201 of the FIA; and
- D. The Commission wishes to delegate certain powers to the Superintendent, set out how the Superintendent is to report to the Commission on how the delegated powers have been exercised, review this instrument at least annually and set out how the Commission may terminate this instrument;

THEREFORE THE COMMISSION DELEGATES CERTAIN OF ITS POWERS AND AUTHORITIES TO THE SUPERINTENDENT AS FOLLOWS:

Term

- 1. This instrument becomes effective on the date it is executed and revokes the Instrument of Delegation executed March 7, 2016.

Delegation

- 2. Pursuant to section 201(5) of the FIA a delegation under this Instrument does not prevent the Commission from exercising a delegated power.
- 3. The Commission delegates to the Superintendent the powers and duties in the sections of the FIA, and the CUIA listed in Schedule A to this instrument, except with respect to any institution identified by the Commission as a systemically important financial institution.

4. The Commission delegates to the Superintendent the powers and duties in the sections of the FIA listed in Schedule B to this instrument on the condition that the Superintendent will inform the Commission before the powers and duties are exercised.
5. The Commission delegates to the Superintendent all powers it has in the FIA and CUIA to establish and revise forms.

Reporting

6. For each of the powers and duties listed in paragraph 5 above (forms) and Schedule A, the Superintendent will, at each meeting of the Commission, provide to the Commission a written report describing:
 - i. the number of applications the Superintendent received, and how many applications were withdrawn, declined, and approved;
 - ii. the number of forms, orders and voluntary compliance agreements made, and a copy of each of the forms, orders and agreements; and
 - iii. all significant issues that arose in the course of the Superintendent's exercise of those powers and duties including a description of how those issues were resolved.
7. For each of the powers and duties listed in Schedule B, the Superintendent will, within five business days of exercising the powers and duties delegated in this Schedule or otherwise resolving a matter related to those powers and duties, provide to the members of the Commission a written report:
 - i. attaching the orders or permissions made pursuant to these powers and duties; and
 - ii. describing all significant issues that arose in the course of the Superintendent's exercise of those powers and duties including a description of how these issues were resolved.

Review

8. The Commission shall review this instrument not later than 12 months after the date on which this instrument is executed, and thereafter shall review the instrument at least every 12 months. Failure to carry out any review does not affect the validity of this instrument.

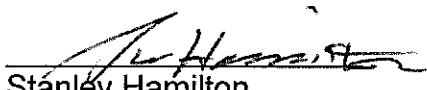
Revision

9. The Commission may revise any part of this instrument by providing the Superintendent with written notice of the revision.

Termination

10. The Commission may revoke, in whole or in part, the delegation of any or all of the powers and duties set out in the Schedules to this instrument by providing the Superintendent with written notice of the revocation.

Executed on behalf of the Financial Institutions Commission
this 4th day of April, 2018.



Stanley Hamilton
Chair
Financial Institutions Commission

Schedule A
(Report at each Commission meeting)

Financial Institutions Act

Section

- | | |
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| 33 | Commission's consent to restoration |
| 63 | Certification of business authorization |
| 64 | Consent to voluntary revocation of business authorization |
| 93(1) | Commission's order prohibiting use of form by a financial institution (where the Superintendent is of the opinion that the matter should proceed by way of the summary procedure set out in section 238, and including entering into consent orders in such circumstances) |
| 117 | Appointment and removal of auditor (Commission order to fill vacancy) |
| 160 | Application for business authorization (only if the entity is regulated by the federal Office of the Superintendent of Financial Institutions ("OSFI")) |
| 166 | Application for business authorization of an amalgamated extraprovincial corporation (only if the entity is regulated by OSFI) |
| 187(8) | Reissuance of permit for reciprocal insurance |
| 217 | Granting of time extensions for filings with the Commission |
| 236 | Commission's power to impose conditions with respect to decisions made by the Superintendent pursuant to section 160 under delegation |
| 241.1 | Assessment of investigation and hearing costs (resulting from Commission or Superintendent order) |
| 244 | Commission's order to cease or remedy (where the Superintendent is of the opinion that the matter should proceed by way of the summary procedure set out in section 238, and including entering into voluntary compliance agreements and consent orders in such circumstances) |

- 245** Order to freeze property
- 253.1** Administrative penalties (where the amount of penalty sought is \$10,000 or less for an individual or \$25,000 or less for a corporation, or any amount where the Superintendent has made the order or received the undertaking giving rise to consideration of an administrative penalty)
- 277.2** Appointment of assistant to administrator

Credit Union Incorporation Act

Section

- 14** Commission consent to name reservation
- 29.3** Commission may examine records of credit union being wound up
- 39.71** Commission's consent to filing of altered constitution or rules
- 40** Common bond approval of alteration to accommodate amalgamation
- 74** Annual general meeting time extension order

Schedule B
(5 business day reporting)

Financial Institutions Act

Section

- 275** Supervision of a credit union (Note: subject to Commission section 201(8) confirmation)
- 277** Supervision powers (Note: subject to Commission section 201(8) confirmation)
- 277.1** Additional circumstances where credit union supervision 277 orders may be made without credit union being under supervision (Note: subject to Commission section 201(8) confirmation by virtue of access to 277 powers)