



March 31, 2010

To: Federally Regulated Life Insurance Companies and Fraternal Benefit Societies
Federally Regulated Property and Casualty Insurance Companies

Subject: Response Paper on OSFI's Regulatory and Supervisory Approach to Reinsurance

OSFI has now finalized its policy approach to reinsurance regulation and supervision following a comprehensive assessment of the comments received in regard to the *Discussion Paper on OSFI's Regulatory and Supervisory Approach to Reinsurance* released in December 2008.

The attached response paper outlines OSFI's policy decisions and impending reforms to its reinsurance regulatory and supervisory framework, articulates its rationale for these decisions, and sets out a timetable for implementing reforms.

Enquiries regarding the response paper may be directed to Philippe-A. Sarrazin, Director, Legislation and Policy Initiatives, by facsimile to (613) 998-6716, or via e-mail to philipe.sarrazin@osfi-bsif.gc.ca.

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