



Unclassified

December 12, 2008

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

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

OSFI is initiating a review of its reinsurance regulatory and supervisory framework through the attached discussion paper. The purpose of the paper is to outline OSFI's current regulatory and supervisory approach to reinsurance, to identify a number of OSFI initiatives underway in this area and, more importantly, to consult the industry on the overall policy direction of reinsurance regulation and supervision in Canada.

Although OSFI has conducted various consultations with individual companies (or sectors) on specific reinsurance issues in the past few years, this represents an effort to assess the reinsurance regulatory and supervisory framework at a broader level and to consult more widely.

OSFI welcomes any comments on the discussion paper from all interested stakeholders. Please send your written comments to Philippe-A. Sarrazin, Director, Legislation and Policy Initiatives, no later than March 6, 2009 by facsimile to (613) 998-6716 or via email to philipe.sarrazin@osfi-bsif.gc.ca.

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