



MEMORANDUM

Date: September 10, 2020

To: Federally Regulated Property and Casualty Insurance Companies and Canadian Branches of Foreign Insurance Companies

From: Chris Townsend, Senior Director, Actuarial Division, Insurance Supervision Sector

Subject: Property and Casualty Memorandum to the Appointed Actuary

Copy: Appointed Actuaries of Federally Regulated Property and Casualty Insurance Companies and Canadian Branches of Foreign Insurance Companies

Every year, OSFI updates the Property and Casualty Memorandum to the Appointed Actuary (the Memorandum), that is issued pursuant to subsection 667(2) of the *Insurance Companies Act*.

This Memorandum can be found on the OSFI website in English and French respectively at:

http://www.osfi-bsif.gc.ca/Eng/fi-if/rtn-rlv/fr-rf/ic-sa/pc-sam/Pages/PC_AA_Memo_2020.aspx

http://www.osfi-bsif.gc.ca/fra/fi-if/rtn-rlv/fr-rf/ic-sa/pc-sam/Pages/PC_AA_Memo_2020.aspx

Please note that the electronic filing of the Unpaid Claims and Loss Ratio Analysis Exhibit is due at the same time as the P&C Return. Electronic filing instructions for the exhibit are available separately from this Memorandum.

The Memorandum specifies the contents of the annual Appointed Actuary's Report to OSFI. Key changes to the Memorandum include:

1. Section 2.2:
 - a. Filing deadline wording for Peer Review Report aligned with OSFI's Guideline E-15 (page 6);
2. Section 6.4:
 - a. Added wording to request for the explanation and commentary on the impact of COVID-19 and the adjustments on the policy liabilities valuation for this year (page 11);

3. Other updates:

- a. Updated references to FCT (Financial Condition Testing) from DCAT (Dynamic Capital Adequacy Testing);
- b. Updated email address (for receiving the cover letter for Disclosure of Compensation) to aaacompletterpc@osfi-bsif.gc.ca.

Should you have any questions, please do not hesitate to contact Chelsea Chen at 416-973-8934 or at chelsea.chen@osfi-bsif.gc.ca.

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