Letter

Title	Guidance for Reinsurance Security Agreements – Letter (2010)
Date	December 24, 2010
Sector	Life Insurance and Fraternal Companies Property and Casualty Companies

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

The Guidance for Reinsurance Security Agreements (RSAs) is now being released in final form following public consultations on a draft version of the Guidance issued in August 2010.

The Guidance sets out OSFI's minimum standards with respect to collateral secured through the establishment of an RSA. It also outlines OSFI's expectations regarding the operation by companies of the RSA process. It applies to all federally regulated insurers, including life insurers and property and casualty insurers, domestic insurance companies and foreign insurance companies in respect of their insurance business in Canada, registered reinsurers, and fraternal benefit societies, for reinsurance cessions and retrocessions.

Please refer to the Implementation section of the Guidance for details on OSFI's implementation expectations and corresponding timelines.

Questions relating to the Guidance section on the Supervision of RSAs should be addressed by e-mail at SAAR-SSAVMRCA@osfi-bsif.gc.ca.

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