

Regulatory Statement

Renewal of Registration of a Captive Insurance Company

Regulatory Statement Number	INS-18-008
Legislation:	<i>Insurance (Captive Company) Act</i>
Related Forms:	Application for Renewal of Captive Insurance Company Certificate Captive Insurance Annual Financial Return
Date:	October 1, 2018
Distribution:	All Captive Insurance Companies Registered in British Columbia

PURPOSE

This Regulatory Statement (“Statement”) outlines the application process by which a British Columbia (“BC”) captive insurance company (“captive”) may renew its registration annually with the Superintendent of Financial Institutions (“Superintendent”).

BACKGROUND INFORMATION

Captive companies are incorporated under the *Business Corporations Act* (“BCA”) and governed by the *Insurance (Captive Company) Act* (“ICCA”). Once registered with the Superintendent, a captive company may carry on insurance business in BC. The registration expires annually and must be renewed.

LEGISLATION

Under [Section 6\(5\)](#) of the ICCA and Sections [6](#), [7](#), and [8](#) of the *Insurance (Captive Company) Regulation* (“ICCR”), a captive is required to file an application for renewal of its registration with the Superintendent on or before 90 days after its fiscal year end.

REQUIREMENTS

Applicants must submit the following materials to the BC Financial Services Authority (“BCFSA”), on or before 90 days after the captive’s fiscal year end:

- non-refundable [application fee of \\$2,500](#) payable to BCFSA;
- completed [Application for Renewal of Registration of Captive Insurance Company](#);
- completed [Captive Insurance Annual Financial Return](#);
- audited financial statements, including auditor’s report;
- actuarial report completed by an independent qualified actuary¹;
- management discussion and analysis of parent or association, if available;
- audited financial statements of parent or association, including auditor’s report;
- audited financial statements of affiliated companies (if applicable);
- financial projections, including balance sheets and income statements for the next three years along with the underlying assumptions and supporting calculations where applicable;
- copy of insurance policies issued by the captive;

¹ Fellow of the Canadian Institute of Actuaries

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- copy of the Investment Policy;
- illustration or chart outlining the captive's reinsurance program including limits and net retention by risk (copy of reinsurance agreements may be requested);
- Personal Information Returns for any new officers or directors of the captive; and
- explanation and documentation pertaining to any material changes

BCFSA staff may make additional requests for information in the case where further clarification is required or a potential concern has been identified.

INSTRUCTIONS

To make an enquiry or to request a meeting with BCFSA staff in respect of an application, please contact Statutory Approvals at statapprovals@bcfsa.ca or at (604) 398-5034.

All notices, information or documentation referenced in this Statement may be submitted via the [Integrated Regulatory Information System](#) ("IRIS"), a secure portal through which regulated entities may provide information to BCFSA. IRIS, as well as [instructions](#) on how to set up an account and submit an application through IRIS, may be accessed on BCFSA's website.

Application fees may be paid in IRIS by credit card (Visa or Mastercard). Payment by credit card through IRIS is an integrated part of a submission and will be remitted when the applicant submits the required application materials. Please contact statapprovals@bcfsa.ca for instructions on how to remit payment if you wish to pay an application fee by electronic fund transfer, wire, or cheque.

As the BC Financial Services Authority, we issue Regulatory Statements outlining how entities must operate, or the form and content required by the Regulator for mandatory regulatory filings identified in the Financial Institutions Act and Credit Union Incorporation Act, Regulations, and other pertinent legislation. While the comments in a particular part of a Regulatory Statements may relate to provisions of the law in force at the time they were made, these comments are not a substitute for the law. The reader should consider the comments in light of the relevant provisions of the law in force at the time, taking into account the effect of any relevant amendments to those provisions or relevant court decisions occurring after the date on which the comments were made. Subject to the above, instructions, definitions, and positions contained in a Regulatory Statements generally apply as of the date on which it was published, unless otherwise specified.