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## SYLLABUS OF BASIC EDUCATION

Fall 2017

### Regulation and Financial Reporting (Nation Specific) Exam 6 - Canada

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The syllabus for this four-hour exam is defined in the form of learning objectives, knowledge statements, and readings.

**LEARNING OBJECTIVES** set forth, usually in broad terms, what the candidate should be able to do in actual practice. Included in these learning objectives are certain methodologies that may not be possible to perform on an examination, such as complex simulations, but that the candidate would still be expected to explain conceptually in the context of an examination.

**KNOWLEDGE STATEMENTS** identify some of the key terms, concepts, and methods that are associated with each learning objective. These knowledge statements are not intended to represent an exhaustive list of topics that may be tested, but they are illustrative of the scope of each learning objective.

**READINGS** support the learning objectives. It is intended that the readings, in conjunction with the material on earlier examinations, provide sufficient resources to allow the candidate to perform the learning objectives. Some readings are cited for more than one learning objective. The CAS Syllabus & Examination Committee emphasizes that candidates are expected to use the readings cited in this *Syllabus* as their primary study materials.

Thus, the learning objectives, knowledge statements, and readings complement each other. The learning objectives define the behaviors, the knowledge statements illustrate more fully the intended scope of the learning objectives, and the readings provide the source material to achieve the learning objectives. Learning objectives should not be seen as independent units, but as building blocks for the understanding and integration of important competencies that the candidate will be able to demonstrate.

Note that the range of weights shown should be viewed as a guideline only. There is no intent that they be strictly adhered to on any given examination—the actual weight may fall outside the published range on any particular examination.

The overall section weights should be viewed as having more significance than the weights for the individual learning objectives. Over a number of years of examinations, absent changes, it is likely that the average of the weights for each individual overall section will be in the vicinity of the guideline weight. For the weights of individual learning objectives, such convergence is less likely. On a given examination, in which it is very possible that not every individual learning objective will be tested, there will be more divergence of guideline weights and actual weights. Questions on a given learning objective may be drawn from any of the listed readings, or a combination of the readings. There may be no questions from one or more readings on a particular exam.

After each set of learning objectives, the readings are listed in abbreviated form. Complete text references are provided at the end of this exam syllabus.

Items marked with a bold **SK** or **SKU** constitute the Fall 2017 Exam 6-Canada Study Kit that may be purchased from the CAS Online Store. The Fall 2017 Update to the Spring 2017 Study Kit includes only the new items marked with a bold **SKU**; the Update may be purchased from the CAS Online Store. Items marked with a bold **OP** (Online Publication) are available at no charge and may be downloaded from the CAS website.

Please check the “*Syllabus Updates*” section of the CAS Web Site for any changes to the *Syllabus*.

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Materials for Study, Fall 2017 Exam 6-C

Exam 6C-1



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The inherent nature of the material addressed in this nation-specific exam makes it subject to continual development and change. It is expected that the candidates will respond to exam questions based on the current syllabus presented below. Recognizing the changing nature of law, regulation, and financial reporting requirements, however, the CAS Syllabus & Examination Committee will strive to acknowledge candidates who also respond with the current state in their solutions to examination questions.

In addition, this exam assumes that the candidate has completed Online Course 2. Online Course 2 contains fundamental background material for both Section A (Regulation of Insurance and Canadian Insurance Law) and Section C (Financial Reporting and Solvency).



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## A. Regulation of Insurance and Canadian Insurance Law

Range of weight for Section A: 15-20 percent

Candidates should understand the role of the insurance business as a supplier of a vital service. Because of the essential and highly technical nature of insurance, a system of regulatory controls has been established requiring insurers to demonstrate that they are providing fair and reliable services in accordance with the statutes and regulations of each jurisdiction.

The material in this section encompasses Canadian and U.S. insurance legislation and regulations including their historical development. Judicial decisions affect insurance regulation and insurance benefits to the extent they interpret the law and thereby modify regulatory behavior. Candidates are presented with a number of Canadian cases that have contributed to the development of legal precedents in the area of insurance.

LEARNING OBJECTIVES	KNOWLEDGE STATEMENTS
<p>1. Describe the historical development of insurance legislation and regulations, including the division of responsibility between federal and provincial/state regulators.</p> <p>Range of weight: 2-6 percent</p>	<p>a. British North America Act b. Privy Council c. Federal and provincial regulation of insurance d. Office of the Superintendent of Financial Institutions e. Foreign and provincial insurance companies f. Nature of Canadian insurance regulations g. History of U.S. insurance regulation</p>
<b>READINGS</b>	
<ul style="list-style-type: none"><li>• Baer and Rendall</li><li>• KPMG PACICC</li><li>• Mayhall</li><li>• McDonald</li><li>• Noonan</li></ul>	



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<p>2. Discuss the current state of insurance regulation in Canada.</p> <p>Range of weight: 5-8 percent</p>	<ul style="list-style-type: none"> <li>a. Motor vehicle injury compensation systems</li> <li>b. Rate regulation in Canada and its effects</li> <li>c. Legislative/Regulatory requirements with respect to Automobile Insurance in Ontario (mandatory insurance coverages, claims settlement practices, underwriting practices, rates, and risk classification)</li> <li>d. Required and prohibited elements of a rate and risk classification system in Ontario Automobile Insurance</li> <li>e. Situations where a certificate of the actuary is required</li> <li>f. Key elements of actuarial analysis required by insurance regulations in Ontario Automobile Insurance</li> <li>g. Elements of actuarial analysis that an actuary must certify (certificate of the actuary)</li> <li>h. Use of credit scoring in ratemaking and underwriting practices</li> <li>i. Market conduct</li> <li>j. Solvency</li> </ul>
<p><b>READINGS</b></p>	
<ul style="list-style-type: none"> <li>• AAA Credit Scores</li> <li>• Alberta</li> <li>• Alberta TNC</li> <li>• CIA CSOP (Ratemaking, Section 2600)</li> <li>• FSCO Coverages</li> <li>• FSCO Private Auto</li> <li>• FSCO Reg. 664</li> <li>• FSCO UBI</li> <li>• IBC Code of Conduct</li> <li>• KPMG et al.</li> <li>• KPMG PACICC</li> <li>• KPMG Regulatory Oversight</li> <li>• OSFI Supervisory Framework</li> </ul>	



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LEARNING OBJECTIVES	KNOWLEDGE STATEMENTS
<p>3. Discuss the issues, outcome, rationale and implications of landmark decisions for the insurance industry.</p> <p>Range of weight: 5-8 percent</p>	<p>a. Specific landmark court decisions cited in the Readings section</p> <p>b. Canadian cap for non-pecuniary general damages</p> <ul style="list-style-type: none"><li>• Trilogy of Supreme Court of Canada decisions</li><li>• Limits on damages</li><li>• Current state of cap</li><li>• Exceptions to cap</li></ul>
<b>READINGS</b>	
<ul style="list-style-type: none"><li>• Baer and Rendall</li><li>• BC Credit</li><li>• Davidson</li><li>• Landmark Legal</li><li>• McDonald</li></ul>	

LEARNING OBJECTIVES	KNOWLEDGE STATEMENTS
<p>4. Describe the litigation environment with respect to insurance.</p> <p>Range of weight: 2-6 percent</p>	<p>a. Trends in tort litigation, including tort reform and class action suits</p> <p>b. Mass torts (e.g., asbestos); examples of the impact of latent liability can have on P&amp;C insurance companies</p> <p>c. Types of litigation costs</p> <p>d. Canadian litigation system vs. other systems</p>
<b>READINGS</b>	
<ul style="list-style-type: none"><li>• AAA Mass Torts</li><li>• ATRA</li><li>• Harris</li><li>• KPMG et al.</li></ul>	



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## B. Government and Industry Insurance Programs

Range of weight for Section B: 15-20 percent

This section focuses on the identification of major Canadian insurance programs administered by government agencies and insurance industry organizations. The candidates are expected to have an understanding of the objectives, operations, and effectiveness of the following insurance programs:

- Agricultural Insurance
- Employment insurance
- Flood insurance
- Guaranty funds including the Canadian Property and Casualty Insurance Compensation Corporation (“PACICC”)
- Health care insurance
- Residual personal insurance markets, e.g., auto, property
- Terrorism Risk Insurance
- Workers compensation insurance

LEARNING OBJECTIVES	KNOWLEDGE STATEMENTS
1. Describe the origin and purpose of specific government and insurance industry programs.  Range of weight: 5-7 percent	a. Reason for inception b. Major historical developments c. Philosophy of program
2. Describe the operations and risk transfer process for each government and insurance industry program listed in the introduction to Section B and their interactions with the voluntary private insurance sector.  Range of weight: 5-7 percent	a. Funding mechanisms and sources of funding b. Allocation/assignment of exposures and associated costs c. Automobile residual market participation ratios d. Eligibility provisions e. Claim settlement and insurance coverage provisions f. Welfare (subsidization) versus insurance principles g. Private response to gap in government program h. Government response to gap in private program



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<p>3. Evaluate the effectiveness of a government and insurance industry program (actual, as listed in the introduction to Section B, or hypothetical).</p> <p>Range of weight: 5-7 percent</p>	<p>a. How to measure performance of programs:</p> <ul style="list-style-type: none"><li>• Solvency</li><li>• Efficiencies</li><li>• Stability</li><li>• Viability and long term prospects</li></ul> <p>b. How well program meets its purpose</p> <p>c. Effect of external factors (e.g., economic conditions, weather, regulation, etc.)</p>
<p><b>READINGS</b></p>	
<ul style="list-style-type: none"><li>• Agricultural Programs</li><li>• Dibra and Leadbetter</li><li>• Dutil</li><li>• Government Insurers Study Note</li><li>• IBC Flood</li><li>• KPMG et al.</li><li>• Morneau Shepell</li><li>• PACICC</li><li>• Webel 1</li><li>• Webel 2</li></ul>	



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## C. Financial Reporting and Solvency

Range of weight for Section C: 55-60 percent

This section addresses financial reporting and solvency issues. The intent is to address Canadian and global issues related to the reporting of financial results for property and casualty insurers. The core of the syllabus focuses on Canadian issues with an overview of relevant differences in other countries.

Candidates should have detailed knowledge of the contents, purposes, and recent changes in the Canadian Annual Return, including recent guidelines issued by the Office of the Superintendent of Financial Institutions (OSFI) and the provincial regulatory authorities. Specifically, candidates are expected to be knowledgeable of the sections of the Canadian Annual Return related to financial statements (such as the balance sheet and income statement), capital statements, insurance, and reinsurance.

This section is complemented by readings on solvency monitoring systems such as the Minimum Capital Test (MCT), Dynamic Capital Adequacy Testing (DCAT), and ORSA.

LEARNING OBJECTIVES	KNOWLEDGE STATEMENTS
<p>1. Describe the elements and prepare the schedules of the Canadian Annual Return.</p> <p>Range of weight: 25-30 percent</p>	<p>a. Financial statements prepared in accordance with IFRS</p> <ul style="list-style-type: none"><li>• Financial position</li><li>• Net income</li><li>• Comprehensive Income</li><li>• Changes in equity</li><li>• OSFI annual return</li><li>• Notes to financial statements</li></ul> <p>b. Valuation of policy liabilities in accordance with accepted actuarial practice in Canada</p> <ul style="list-style-type: none"><li>• Claim Liabilities</li><li>• Premium Liabilities</li></ul> <p>c. Reinsurance accounting issues</p> <ul style="list-style-type: none"><li>• Risk transfer</li><li>• Effect of different types of reinsurance on financial statements.</li><li>• Commutation</li></ul> <p>d. Calculation of excess (deficiency) ratio of net claim liabilities</p> <p>e. Calculation of Earthquake Reserves</p>





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### READINGS

- Blanchard and Klann
- CCIR Instructions
- CAS Financial Reporting
- CIA Accounting Standards
- CIA CSOP
- CIA Disclosure
- CIA Discounting
- CIA Duration
- CIA Materiality
- CIA MfAD
- CIA Premium Liabilities
- CIA Reinsurance Treatment
- CIA Runoff
- CIA Subsequent Events
- CIA Taxes
- CIA Valuation
- Freihaut and Vendetti
- OSFI Annual Return I
- OSFI Annual Return II
- OSFI Earthquake
- OSFI Memorandum



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LEARNING OBJECTIVES	KNOWLEDGE STATEMENTS
<p>2. Evaluate the financial health of an insurance entity based on various solvency frameworks.</p> <p>Range of weight: 25-30 percent</p>	<ul style="list-style-type: none"><li>a. MCT</li><li>b. DCAT</li><li>c. Stress testing</li><li>d. Internal target capital ratios</li><li>e. MSA ratios</li><li>f. Key financial measures used by rating agencies</li><li>g. Rules-based and principles-based solvency regulation (ORSA, MCT and Solvency II)</li><li>h. A.M. Best rating system</li></ul>
<b>READINGS</b>	
<ul style="list-style-type: none"><li>• AM Best Understanding BCAR</li><li>• AM Best Catastrophe</li><li>• CIA CSOP</li><li>• CIA DCAT</li><li>• CIA Valuation</li><li>• Feldblum</li><li>• ICP 17</li><li>• MSA</li><li>• OSFI Annual Return I</li><li>• OSFI Annual Return II</li><li>• OSFI Corporate Governance</li><li>• OSFI MCT</li><li>• OSFI Stress Testing</li><li>• OSFI Target Capital</li><li>• OSFI ORSA</li></ul>	



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## D. Professional Responsibilities of the Actuary in Financial Reporting

Range of weight for Section D: 10-15 percent

This section focuses on the professional responsibilities of the appointed actuary related to the reporting of financial results by property and casualty insurers in Canada. The candidate will be required to understand the various statutory requirements of the appointed actuary under the Insurance Companies Act and the provincial insurance acts related to financial reporting and general corporate governance.

The material in this section encompasses sections of federal and provincial insurance laws and regulations, regulatory guidelines, and professional standards of practice and educational notes issued by the Canadian Institute of Actuaries that are related to the financial reporting of general insurers.

LEARNING OBJECTIVES	KNOWLEDGE STATEMENTS
1. Explain the responsibilities of an actuary as defined by standards of practice, regulators, and insurance laws for financial reporting.  Range of weight: 10-15 percent	a. Statutory Actuarial Opinion b. Contents of Statutory Reports of the Actuary c. Standards of Practice d. Educational Notes e. Insurance Companies Act f. Actuary and auditor relationship g. Regulatory requirements
<b>READINGS</b>	
<ul style="list-style-type: none"> <li>• CIA Accounting Standards</li> <li>• CIA CSOP</li> <li>• CIA DCAT</li> <li>• CIA Disclosure</li> <li>• CIA Discounting</li> <li>• CIA Duration</li> <li>• CIA Materiality</li> <li>• CIA MfAD</li> <li>• CIA Runoff</li> <li>• CIA Subsequent Events</li> <li>• CIA Taxes</li> <li>• CIA Valuation</li> <li>• ICA</li> <li>• KPMG PACICC</li> <li>• OSFI AA</li> <li>• OSFI Earthquake</li> <li>• OSFI Memorandum</li> </ul>	



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## Complete Text References for Exam 6-Canada

Text references are alphabetized by the citation column.

Citation	Abbreviation	Learning Objective	Source
Alberta Treasury Board and Finance, "Alberta Standard Automobile Insurance Policy Form - Transportation Network S.P.F. No. 9," June 28, 2016, pp. 1-4.	Alberta TNC	A2	OP NEW
A.M. Best Company, Inc., <i>A.M. Best Methodology</i> , "Understanding BCAR For Canadian Property/Casualty Insurers," June 24, 2016.	AM Best Understanding BCAR	C2	OP
A.M. Best Company, Inc., <i>A.M. Best Methodology</i> , "Catastrophe Analysis in A.M. Best Ratings," November 3, 2011.	AM Best Catastrophe	C2	OP
American Academy of Actuaries Mass Torts Subcommittee, "Overview of Asbestos Claims Issues and Trends," Mass Torts Subcommittee monograph, August 2007, pages 1-11. Candidates will not be responsible for material in the exhibits.	AAA Mass Torts	A4	OP
American Academy of Actuaries, "NAIC Public Hearing on Credit-Based Insurance Scores," April 30, 2009.	AAA Credit Scores	A2	OP
"ATRA Tort Reform Record," CAS Study Note, December 19, 2012.	ATRA	A4	SK
"Auto Insurance Grid Rate Calculator," Alberta Automobile Insurance Rate Board. Candidates are only responsible for the information displayed under the sections titles "Background" and "Grid Premium for Basic Coverage."	Alberta	A2	OP
Baer, M.G. and Rendall, J.A., <i>Cases on the Canadian Law of Insurance</i> , Sixth Edition, Carswell, 2000, pp. 67-91, 93-100, 302-304, 518-529, 821-827, and 829-831. Candidates are responsible for the following cases: <i>Glenn v. Scottish Union and National Insurance Company Ltd.</i> (Chapter 1); <i>Regal Films Corporation Ltd. v. Glens Falls Insurance Company</i> (Chapter 2); <i>Fletcher v. MPIC</i> (Chapter 8); <i>Broadhurst and Ball v. American Home</i> ; and <i>Dillon v. Guardian Insurance</i> (Chapter 11).	Baer and Rendall	A1, A3	SK
Blanchard, R.S. and Klann, J., "Basic Reinsurance Accounting—Selected Topics," CAS Study Note, October 2012.	Blanchard and Klann	C1	OP



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Citation	Abbreviation	Learning Objective	Source
Canadian Council of Insurance Regulators, <i>Annual Statement Instructions P&amp;C-1</i> , 2016, Sections I, III, IV, V, and VI. Candidates will be responsible for detailed instructions for the pages listed in OSFI Annual Return I and OSFI Annual Return II. NOTE: Please use the 2016 edition that has been archived on the CAS Web Site with permission for educational purposes.	CCIR Instructions	C1	OP NEW
Canadian Institute of Actuaries, Consolidated Standards of Practice, 1620, 1630, 2200, 2400, 2500, and 2600, June 9, 2015.	CIA CSOP	A2, C1, C2, D1	OP
Canadian Institute of Actuaries, "Educational Note: Consideration of Future Income Taxes in the Valuation of Policy Liabilities," July 2005.	CIA Taxes	C1, D1	OP
Canadian Institute of Actuaries, "Educational Note: Discounting and Cash Flow Considerations for P&C Insurers," May 2016. Candidates are responsible for the Excel illustrations attached to the Educational Note.	CIA Discounting	C1, D1	OP NEW
Canadian Institute of Actuaries, "Educational Note: Duration Considerations for P&C Insurers," March 2017. Candidates are responsible for the Excel illustrations attached to the Educational Note.	CIA Duration	C1, D1	OP NEW
Canadian Institute of Actuaries, "Educational Note: Dynamic Capital Adequacy Testing," November 2013. Candidates are not responsible for details related to life insurance companies.	CIA DCAT	C2, D1	OP
Canadian Institute of Actuaries, "Educational Note: Evaluation of the Runoff of P&C Claim Liabilities when the Liabilities are Discounted in Accordance with Accepted Actuarial Practice," June 2011.	CIA Runoff	C1, D1	OP
Canadian Institute of Actuaries, "Educational Note: Guidance to the Appointed Actuary for Property and Casualty Insurers," August 2016.	CIA Valuation	C1, C2, D1	OP NEW
Canadian Institute of Actuaries, "Educational Note: Implications of CICA Accounting Standards 3855 and 1530," January 2007.	CIA Accounting Standards	C1, D1	OP
Canadian Institute of Actuaries, "Educational Note: Margins for Adverse Deviations for Property-Casualty Insurance," December 2009.	CIA MfAD	C1, D1	OP
Canadian Institute of Actuaries, "Educational Note: Premium Liabilities," July 2016. Candidates are responsible for the Excel illustrations attached to the Educational Note.	CIA Premium Liabilities	C1	OP NEW
Canadian Institute of Actuaries, "Educational Note: Subsequent Events," October 2015.	CIA Subsequent Events	C1, D1	OP NEW
Canadian Institute of Actuaries, "Report: Materiality," October 2007. Candidates are not responsible for material in the Appendix.	CIA Materiality	C1, D1	OP



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Citation	Abbreviation	Learning Objective	Source
Canadian Institute of Actuaries, "Report of the CIA Task Force on the Appropriate Treatment of Reinsurance," October 2007. Candidates will be responsible for the following sections: Key Principles of Risk Transfer (pp. 11-12), Qualitative Assessment (pp. 13), Limitations of Risk Transfer (pp. 15-18) and Other Issues (pp. 18-23).	CIA Reinsurance Treatment	C1	OP
Canadian Institute of Actuaries, "Research Paper: Disclosure Requirements IFRS 4-Insurance Contracts for P&C Insurers," October 2010.	CIA Disclosure	C1, D1	OP
Canadian Underwriter, "B.C. judge quashes order requiring insurer to review all credit score consent forms obtained since 2004," May 2013.	BC Credit	A3	OP
Chevalier, Sarah, "Agricultural Risk Management Programs in Canada," October 2014. Note that the table on page 6 is for reference only.	Agricultural Programs	B1-B3	SK
Davidson, J., "The Cap on Non Pecuniary General Damages: Where is it Going and How Does it Affect Litigation?"	Davidson	A3	OP
Dibra, S. and Leadbetter, D., "Why insurers fail: The dynamics of property and casualty insurance insolvency in Canada," Property and Casualty Insurance Compensation Corporation, 2007, excluding pp. 9-13, 33-40.	Dibra and Leadbetter	B1-B3	OP
Dutil, R., "Facility Association," CAS Study Note, May 2008.	Dutil	B1-B3	OP
Feldblum, S., "Rating Agencies," CAS Study Note, October 3, 2011, pp. 1-7 and 14-19, including Appendix A. Candidates are not responsible for Section 4, Appendices B-D, and the endnotes.	Feldblum	C2	OP
Financial Services Commission of Ontario, "Private Passenger Automobile Filing Guidelines-Major," October 2016, pp. 1-5 (excluding filing format), 11-21 (starting from Section 3), and Appendix B2.	FSCO Private Auto	A2	OP
Financial Services Commission of Ontario, "Regulation 664 of the Revised Regulations of Ontario 1990 Automobile Insurance made under the Ontario Insurance Act," amended version as of 26 <sup>th</sup> August 2015.	FSCO Reg. 664	A2	OP
Financial Services Commission of Ontario, "Usage-Based Automobile Insurance Pricing in Ontario," Bulletin A-05/13, October 2013.	FSCO UBI	A2	OP
Financial Services Commission of Ontario, "What do the coverages mean?," October 2014.	FSCO Coverages	A2	OP NEW



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Citation	Abbreviation	Learning Objective	Source
Freihaut, D. and Vendetti, P., "Common Pitfalls and Practical Considerations in Risk Transfer Analysis," <i>Casualty Actuarial Society E-Forum</i> , Spring 2009. Appendices A and B are for information only and will not be directly tested.	Freihaut and Vendetti	C1	OP
Germani, W., et al., "Government Insurers Study Note," CAS Study Note, April 2017, pp. 1-5, excluding Crop Insurance.	Government Insurers Study Note	B1-B3	OP NEW
Harris, C., "Tort Reform Tension," <i>Canadian Underwriter.ca</i> , August 2005.	Harris	A4	OP
Insurance Bureau of Canada, "Code of Conduct for Insurers' use of Credit Information (CODE)."	IBC Code of Conduct	A2	OP
Insurance Bureau of Canada, "The financial management of flood risk," 2015.	IBC Flood	B1-B3	OP
"Insurance Companies Act," Chapter 47, Sections 165(1), 165(2), 203, 331(1), 331(2), 331(4), 346, 357-370, 464, 465, 476-478, 517, 581, 625-632, 641, 664, 665, 667(1), 667(2), and 674 (updated to July 1, 2013).	ICA	D1	SK
International Association of Insurance Supervisors, "Insurance Core Principles, Standards, Guidance and Assessment Methodology," November 2015. ICP 17 Capital Adequacy. The candidate is responsible for all standards for capital adequacy (17.1 to 17.18) but not for the related guidance statements.	ICP 17	C2	OP
KPMG, Eckler Partners Ltd. & Exactor Insurance Services, Inc., "Motor Vehicle Insurance in British Columbia - At the Crossroads, Volume II: Options and Choices," Section II excluding Section F.	KPMG et al.	A2, A4, B1-B3	SK
KPMG, "Property and Casualty Insurance Compensation Corporation (PACICC), The P&C Actuary's Role in Solvency Monitoring," excluding pp. 2-3 and excluding Part 7.	KPMG PACICC	A1, A2, D1	OP
KPMG, "Research Report - Best Practices for Actuarial Involvement in the Regulatory Oversight of Property and Casualty Insurance Rates," December 2012, pp. 21-31.	KPMG Regulatory Oversight	A2	SK



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“Landmark Legal Insurance Cases in Canada” which covers the following cases: Whiten v. Pilot Insurance Co.; Somersall v. Friedman; Somersall v. Scottish and York; Sansalone v. Wawanesa Mutual Insurance Co.; Nichols v. American Home Assurance Co.; Amos v. Insurance Corporation of British Columbia; KP Pacific Holdings Ltd. v. Guardian Insurance Co. of Canada; Alie v. Bertrand & Frere Construction Company Limited; British Columbia v. Imperial Tobacco Canada Ltd.; Resurface Corp. v. Hanke; and Morrow v. Zhang (Sections I, II, III, IV, VI (E), VII, VIII, and IX.); PIPEDA Report of Findings #2012-005; Kusnierz v. Economical Mutual Insurance Company; Aviva Canada Inc. v. Pastore.	Landmark Legal	A3	SK
Mayhall, III, Van R. “A Brief Chronicle of Insurance Regulation in the United States, Parts 1 and II.”	Mayhall	A1	OP
McDonald, B.R., <i>Life Insurance Laws of Canada (Common Law Provinces)</i> , Life Underwriters Association of Canada, 1995, pp. A1-1, A2-1 to A2-9, B1-1 to B1-2, B2-1 to B2-3, and B4-1 to B4-3. Candidates are responsible for all cases cited in this text.	McDonald	A1, A3	SK
<i>Morneau Shepell Handbook of Canadian Pension and Benefit Plans</i> , Fifteenth Edition, 2011, CCH Canadian Limited, Chapters 15-17. Candidates will not be responsible for specific values and figures included in the text.	Morneau Shepell	B1-B3	SK
MSA Research, Inc., “MSA Report on Property & Casualty, Canada, 2016,” Section 3, pp. 1-10.	MSA	C2	SKU NEW
Noonan, B., “Protecting the Pledge,” <i>Foundations of Regulation, Best’s Review</i> , October 2005.	Noonan	A1	OP
Odomirok, K.C., et al., <i>Financial Reporting Through the Lens of a Property/ Casualty Actuary</i> , Casualty Actuarial Society, 2014, Edition 4, Chapters 1-5, 25, 27, and 28.	CAS Financial Reporting	C1	OP
Office of the Superintendent of Financial Institutions Canada, “Corporate Governance,” January 2013, Section VI and Annex B only.	OSFI Corporate Governance	C2	OP
Office of the Superintendent of Financial Institutions Canada, “Earthquake Exposure Sound Practices Guideline” Guideline B-9, February 2013.	OSFI Earthquake	C1, D1	OP
Office of the Superintendent of Financial Institutions Canada, Guideline E-15, “Appointed Actuary: Legal Requirements, Qualifications, and Peer Review,” September 2012.	OSFI AA	D1	OP
Office of the Superintendent of Financial Institutions Canada Guideline E-18, “Stress Testing,” December 2009.	OSFI Stress Testing	C2	OP





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Citation	Abbreviation	Learning Objective	Source																														
<p>Office of the Superintendent of Financial Institutions Canada Guideline, “Minimum Capital Test (MCT) for Federally Regulated Property and Casualty Insurance Companies, Effective January 1, 2016.” Candidates are <b>not</b> responsible for the following sections:</p> <table border="1" data-bbox="204 627 938 768"> <tr> <td>1.2.2.</td> <td>2.1.1.1.</td> <td>3</td> <td>4.6.</td> <td>5.1.1.5.</td> <td>6.1.1.</td> </tr> <tr> <td>1.2.3.</td> <td>2.1.2.</td> <td></td> <td></td> <td>5.1.1.6.</td> <td>6.2.1.</td> </tr> <tr> <td></td> <td>2.1.3.</td> <td></td> <td></td> <td>5.2.2.</td> <td>6.2.2.</td> </tr> <tr> <td></td> <td>App. 2-A</td> <td></td> <td></td> <td>5.3.4.1.</td> <td>6.2.3.</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>5.3.4.2.</td> <td>6.3.</td> </tr> </table> <p>Candidates are <b>not</b> responsible for risk factors relating to insurance, market, or credit risk.</p>	1.2.2.	2.1.1.1.	3	4.6.	5.1.1.5.	6.1.1.	1.2.3.	2.1.2.			5.1.1.6.	6.2.1.		2.1.3.			5.2.2.	6.2.2.		App. 2-A			5.3.4.1.	6.2.3.					5.3.4.2.	6.3.	OSFI MCT	C2	OP NEW
1.2.2.	2.1.1.1.	3	4.6.	5.1.1.5.	6.1.1.																												
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	App. 2-A			5.3.4.1.	6.2.3.																												
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Office of the Superintendent of Financial Institutions Canada Guideline, “Regulatory Capital and Internal Capital Targets,” November 2015.	OSFI Target Capital	C2	OP																														
Office of the Superintendent of Financial Institutions Canada, “Memorandum for the Appointed Actuary’s Report on Property and Casualty Insurance Business,” 2016.	OSFI Memorandum	C1, D1	OP NEW																														
Office of the Superintendent of Financial Institutions Canada, “Own Risk and Solvency Assessment,” November 2015.	OSFI ORSA	C2	OP																														
Office of the Superintendent of Financial Institutions Canada, “Supervisory Framework,” December 2010.	OSFI Supervisory Framework	A2	OP																														
<p>Office of the Superintendent of Financial Institutions Canada, Sample Return, 2016 (Q1), Approved by the Canadian Council of Insurance Regulators - P&amp;C-1, pp. 20.10, 20.20, 20.30, 20.42, 20.45, 20.54, 30.61, 30.62, 30.64, 30.66, 30.71, 30.73, 30.75, 30.77, 30.79, 40.07, 60.30, 70.60, 70.61, and 80.10.</p> <p>NOTE: Please use the 2016 edition that has been archived on the CAS Web Site for educational purposes.</p> <p>Candidates may wish to review illustrations of sample Annual Return schedules (please use the link provided on the CAS Web Site). These illustrations are for information only and will not be directly tested.</p>	OSFI Annual Return I	C1, C2	OP NEW																														



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Citation	Abbreviation	Learning Objective	Source
Office of the Superintendent of Financial Institutions Canada, Annual Supplement, 2016, Approved by the Canadian Council of Insurance Regulators - P&C-1, pp. 10.60, 60.40, and 60.41.  NOTE: Please use the 2016 edition that has been archived on the CAS Web Site for educational purposes.  Candidates may wish to review illustrations of sample Annual Return schedules (please use the link provided on the CAS Web Site). These illustrations are for information only and will not be directly tested.	OSFI Annual Return II	C1, C2	OP NEW
Property and Casualty Insurance Compensation Corporation, "Guide to Compensation Plan for Property and Casualty Insurers," May 2010.	PACICC	B1-B3	OP
Webel, B., "Terrorism Risk Insurance: Issue Analysis and Overview of Current Program," Congressional Research Service, July 23, 2014, pp. 5-11.	Webel 1	B1-B3	OP
Webel, B., "Terrorism Risk Insurance Legislation the 114th Congress: Issue Summary and Side-by-Side Analysis," Congressional Research Service, January 20, 2015, Summary page and pp. 1-3.	Webel 2	B1-B3	OP NEW



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Baer, M.G.; and Rendall, J.A., <i>Cases on the Canadian Law of Insurance</i> , Fifth Edition, 1995, Carswell, Attention: Customer and Order Services, One Corporate Plaza, 2075 Kennedy Road, Scarborough, Ontario M1T 3V4, Canada; telephone: (416) 609-3800 or (800) 387-5164; fax: (416) 298-5082; website: <a href="http://www.carswell.com">www.carswell.com</a> .
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Financial Institutions Act, "Insurance Companies Act," Chapter 47, The Federal Publication, 388 King Street West, Toronto, Ontario M5V 1K2, Canada; telephone: (416) 860-1611.

Financial Services Commission of Ontario, 5160 Yonge Street, P.O. Box 85, North York, Ontario M2N 6L9, Canada; telephone: (416) 250-7250; fax: (416) 590-7070; website: [www.ontarioinsurance.com](http://www.ontarioinsurance.com).

Insurance Bureau of Canada, 240 Duncan Mill Road, Suite 700, Toronto, Ontario M3B 1Z4, Canada; telephone: (416) 445-5912; fax: (416) 445-2183.

*Morneau Shepell Handbook of Canadian Pension and Benefit Plans*, Fifteenth Edition, 2011, CCH Canadian Limited, 90 Shepherd East, Suite 300, North York, Ontario M2N 6X1, Canada; telephone: (416) 224-2248; fax: (800) 461-4131.

Office of the Superintendent of Financial Institutions Canada, 255 Albert Street, Ottawa, Ontario K1A 0H2 Canada; telephone: (613) 990-7788; fax: (613) 952-8219; website: [www.osfi-bsif.gc.ca](http://www.osfi-bsif.gc.ca).