

Advisory

BCFSA Adopts Guideline B-3 'Sound Reinsurance Practices and Procedures'

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Distribution: B.C. Incorporated Insurance Companies
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PURPOSE

Following a public consultation, BCFSA is now adopting Guideline B-3 'Sound Reinsurance Practices and Procedures' (B-3) originally published by the Office of the Superintendent of Financial Institutions (OSFI).

As part of this adoption, BCFSA is publishing a BCFSA version of B-3, hereafter referred to as the Guideline, for B.C. incorporated insurance companies (insurers) to follow.

The Guideline will come into effect on January 1, 2029. This more than three-year transition period permits insurers time to effectively adjust their business practices accordingly. Insurers should remain compliant with the currently in-force Guideline B-3 until the new one takes effect on January 1, 2029.

BACKGROUND

BCFSA undertook a 90-day consultation from April 8 to July 8, 2025, seeking feedback from insurers on four OSFI guidelines, including B-3, for adoption by BCFSA. Upon request, BCFSA extended the deadline for consultation to August 8. The consultation included an invitation for written feedback as well as opportunities for insurers to provide feedback in one-on-one discussions with BCFSA.

Written and verbal feedback related to B-3 focused on implementation and requested that BCFSA provide a longer timeframe than typical for a guideline. BCFSA took this feedback into consideration when determining the implementation timeline communicated above.

BCFSA values the feedback it receives during consultations and thanks everyone that took the time to participate in the consultation.

If you have questions regarding the Guideline, please contact us at policy@bcfsa.ca.

ADDITIONAL INFORMATION

- [Sound Reinsurance Practices and Procedures Guideline](#)