



359832

September 1, 2017

Dear Stakeholder:

As you are aware, the Ministry of Finance is currently undertaking a broad review of the *Financial Institutions Act* (FIA) and the related *Credit Union Incorporation Act* (CUIA). The purpose of the review is to consider the regulatory tools British Columbia has to oversee credit unions, insurance companies and intermediaries, and trust companies, and whether changes to the legislative and regulatory framework are needed.

The Ministry released the initial public consultation paper for the FIA/CUIA review in 2015. More than 40 written submissions were received in response to the paper, including from the credit union system and individual credit unions, insurers and insurance sector and intermediary organizations, trust companies, public sector organizations, businesses, banking and other organizations, and individual British Columbians. Ministry staff also met with a number of stakeholders, including credit unions, insurance sector and intermediary organizations and associations, trust companies, individuals and others, to discuss their written submissions.

In 2016, the Ministry released a report which provided a high-level summary of the input provided by stakeholders.

Ministry staff are in the process of preparing a second consultation paper, setting out the Minister's proposed policy direction and outlining possible legislative and regulatory changes. Stakeholders will be invited to provide feedback on the proposed legislative and regulatory changes, and this feedback will be taken into account before legislative and regulatory changes are developed. It is anticipated that this second consultation paper will be released in early 2018.

Financial sector stability and consumer protection are important public policy objectives for government, and an effective regulatory framework helps to ensure that British Columbians continue to benefit from a financial services sector that is strong, stable, and inspires public confidence and trust. Government is committed to providing an effective and balanced regulatory framework which protects the interests of depositors, policyholders, beneficiaries, members and the public, while ensuring the financial services sector is not unduly burdened so that it is able to innovate, take reasonable risks, and compete effectively.

.../2

Thank you for your participation in this important review.

Sincerely,

A handwritten signature in blue ink, appearing to read "Lori Wanamaker". The signature is fluid and cursive, with a large initial "L" and "W".

Lori Wanamaker  
Deputy Minister