

May 29, 2008

All licensed Saskatchewan Trust and Loan Corporations, Saskatchewan Provincial Insurers and all Reciprocal Insurance Exchanges

Dear Sir/Madam:

Re: Adoption of International Financial Reporting Standards (“IFRS”)

This letter is being sent to all Saskatchewan Trust Corporations, Saskatchewan Loan Corporations, Saskatchewan Provincial Insurers and Reciprocal Insurance Exchanges (collectively, “Regulated Entities”) to remind them of the mandatory transition from Canadian GAAP to IFRS for fiscal years beginning on or after January 1, 2011.

In April, 2008, the Canadian Accounting Standards Board (“AcSB”) published an Omnibus Exposure Draft, “Adopting IFRS in Canada” (“Exposure Draft”) confirming the requirements for publicly accountable enterprises (“PAE”). After reviewing the Exposure Draft’s definition of PAE, the Superintendent concurs with the determination of the Office of the Superintendent of Financial Institutions (Canada) (“OSFI”) which found that all Regulated Entities have fiduciary responsibilities and are therefore within the definition of PAE.

Accordingly, all Regulated Entities must adopt IFRS as required in AcSB’s plan for fiscal years beginning on or after January 1, 2011.

Additionally, the Superintendent has assessed whether Regulated Entities will be allowed early adoption of IFRS and has determined that early adoption will not be allowed. This position is consistent with that taken by OSFI on the basis that comparability of financial results would be impaired, and that the applicable solvency tests and financial returns need to be reviewed to determine necessary changes to accommodate IFRS. Therefore, no Regulated Entities will be allowed to early adopt IFRS.

Please note that Regulated Entities’ progress in implementing IFRS will be assessed as part of our examinations. If you have any questions, please contact Garth Trenholm at (306) 787-2961 or Garth MacLeod at (306) 787-2955.

Yours truly,

“Cory Peters”

Cory Peters, CA
Manager, Licensing, Audit & Compliance