

OSFI-56	20.010	CONSOLIDATED FINANCIAL STATEMENTS - ASSETS	
<p>Purpose: To disclose the consolidated assets of the society as part of the consolidated Balance Sheet.</p>			
<p>General commentary:</p> <p>Refer to CICA Handbook section 4210 and AcG-9 - Financial Reporting by Life Insurance Enterprises</p> <p>This page must be completed even if the society has no subsidiaries. This will ensure consistency with other societies and will assist in compiling OSFI's database.</p> <p>If there has been a change in accounting policies, the figures appearing in column 02, "Prior Year" should be restated as required under GAAP. Also, the word "Restated" should be added to the column heading. A reference to this change in accounting practice should be made in the notes to the financial statements on page 20.055 or provide details page 30.055. Notes on Annual Return.</p> <p>The safekeeping locations of all invested assets shown on this page are to be disclosed on page 20.090.</p>			
Line	Col.	Cross Ref.	Practice
001	All	P 20.090	<p>Cash</p> <p>Include here all amounts held in banks or other financial institutions. If the net balance of all accounts in a single financial institution is an overdraft, (i.e where there is a legal offset) the net balance should instead be included in liabilities on page 20.020, line 030, Accounts Payable.</p> <p>Cash invested in short term instruments should be included in line 004.</p>
004	All	P 20.075 L 001 C04-C02	<p>Short Term Investments</p> <p>Investments having an original term to maturity of one year or less, includes term deposit, GICs, commercial paper, treasury bills, etc.</p>
007	All		<p>Accrued Investment Income</p> <p>Include income due and accrued as at the balance sheet date.</p>

OSFI-56	20.010 (cont'd)	CONSOLIDATED FINANCIAL STATEMENTS - ASSETS	
Line	Col.	Cross Ref.	Practice
010	All		<p>Accounts Receivable</p> <p>Include net outstanding premiums, agents' debit balances, and amounts due from brokers and other insurers. Amounts should be reported after the deduction, if any, of an allowance for doubtful accounts.</p>
020	All		<p>Certificate Loans</p> <p>Loans are to be reported at their unpaid balances. If the amount outstanding exceeds a certificate's cash surrender value, the excess should be classified out of certificate loans and shown as an unsecured loan on line 060 and a provision for collectibility established in accordance with GAAP.</p>
021	All	P 20.075 L 027 C04-(C02+C03)	<p>Bonds and Debentures</p> <p>Fixed term investments having a fixed maturity date or dates for the repayment of principal (includes convertible bonds). If original term to maturity at date of issue of the instrument was one year or less, include it on line 004 Short Term Instruments.</p>
030	All	P 20.075 L 030 C04-(C02+C03)	<p>Mortgage Loans</p> <p>Amounts reported should be after the deduction of general and specific provisions, if any, which were established to reflect non-collectibility of loan balances.</p> <p>Mortgage Loans includes sale agreements, powers of sale, and mortgages in process of foreclosure, where title has not yet passed to the society.</p>

OSFI-56	20.010 (cont'd)	CONSOLIDATED FINANCIAL STATEMENTS - ASSETS	
Line	Col.	Cross Ref.	Practice
040	All	P 20.075 L 050 C04-(C02+C03)	Preferred and Common Shares Includes convertible preferred shares and options, warrants, rights in respect of shares, mutual funds and other similar investments such as segregated funds (other than the society's segregated funds) and other equity instruments.
050	All	P 20.075 L 055 C04-(C02+C03)	Real Estate Real estate includes ground rent, foreclosed property where title has passed to the society and properties held for the society's own use. Amounts to be shown after the writedown, if any, for other than temporary declines in values as defined by CICA - AcG-9. Real estate is reported on a gross basis with all mortgages and other encumbrances reported as liabilities on line 033 page 20.020.
060	All	P 20.075 L 069 C04-(C02+C03)	Other Loans and Invested Assets Seed money provided for segregated funds operations should be reported as part of Goodwill and Other Assets, line 081.
080	All		Future Income Taxes Net debit balances arising from different treatment of amounts in income tax returns and in annual return.
081	All		Goodwill and Other Assets Other Assets include furniture and equipment after the deduction of accumulated depreciation, prepaid expenses, deferred charges, and amounts transferred from the Insurance Fund of the society into its own segregated funds.

OSFI-56	20.020	CONSOLIDATED FINANCIAL STATEMENTS - LIABILITIES AND SURPLUS	
Purpose:			
To disclose the consolidated liabilities and surplus of the society.			
General commentary:			
See general commentary under page 20.010 and refer to CICA Handbook section 4210 and AcG-8 - Financial Accounting Guideline.			
Line	Col.	Cross Ref.	Practice
001	All	P 20.091 (L029+L039+L045) C 02	Liabilities Net Actuarial Liabilities Under Insurance Certificates and Annuity Contracts References: CICA Handbook section 4210, AcG-8 and OSFI's Memorandum to the Actuary.
010	All		Other Insurance Certificate and Contract Liabilities Provisions for outstanding claims and certificateholder amounts on deposit should be reported on this line. Certificateholder dividends declared, including the change in provision, should be expensed in the income statement, line 035.
030	All		Accounts Payable Includes bank overdrafts (see page 20.010 line 001), amounts owing to agents and brokers, commissions payable and amounts due to other insurers and expenses due and accrued.
033	All		Mortgage Loans and Other Real Estate Encumbrances To be reported here instead of as a deduction from real estate.

OSFI-56	20.020 (cont'd)	CONSOLIDATED FINANCIAL STATEMENTS - LIABILITIES AND SURPLUS	
Line	Col	Cross Ref	Practice
039	All		Other Liabilities Report all other liabilities, including accrued interest on delayed policy settlements, unallocated amounts, investment income received in advance, liabilities for fees and income taxes payable.
052	All	P 20.095 L 099 C 06	Other Debt All other debt not shown above, including loans and notes payable is to be included on this line.
072	All		Surplus Account Report the consolidated surplus of the society.
073	All		Currency Translation Account CICA Handbook sections 4210 and 1650.
079	01	P 20.040 L 029 C 03	Total Surplus Sum of lines 072 and 073.
079	02	P 20.040 L 029 C 04	Total Surplus Prior Year Sum of lines 072 and 073

OSFI-56	20.030	CONSOLIDATED FINANCIAL STATEMENTS - INCOME STATEMENT	
Purpose:			
To disclose the consolidated income statement of the society.			
General commentary:			
The income statement excludes any income earned on segregated funds in accordance with GAAP, however management fees and related revenue and expense items in respect of segregated funds are included.			
(See general commentary under page 20.010 and refer to CICA Handbook section 4210 and AcG-9 - Financial Reporting by Life Insurance Enterprises)			
Line	Col.	Cross Ref.	Practice
001	All		Revenue Premiums - Insurance Refer to instructions on page 30.030, line 001.
003	All		Premiums - Annuities Exclude premiums paid through premium waiver riders. Amounts are net of reinsurance ceded.
010	All		Net Investment Income Include taxes other than income taxes (e.g., property tax) on investments in the determination of net investment income.
023	All		Other Revenue Fees from Administrative Services Only (ASO) business if any provided by the society and investment and other management fees earned from segregated funds are to be included in Other Revenue - consistent with amounts reported as Other Revenue on page 30.030.

OSFI-56	20.030 (cont'd)	CONSOLIDATED FINANCIAL STATEMENTS - INCOME STATEMENT	
Line	Col.	Cross Ref.	Practice
024	All		<p>Fraternal and Other Fund Revenue</p> <p>Fraternal Fund Revenue is to be reported here. Related fraternal fund expenses should be reported in line 061 below. (Excludes Segregated Funds if any operated by the society.)</p>
030	All		<p>Claims</p> <p>Include all claims under insurance and annuity contracts, paid and incurred, net of reinsurance. For accident and sickness business, include adjustment expenses if any incurred. (Adjustment expenses refers to expenses incurred such as for medical review in administering the claim payment process.)</p>
031	All		<p>Annuity Payments</p> <p>Include individual annuity claims paid and incurred, net of reinsurance.</p>
032	All		<p>Other</p> <p>Other includes interest on certificateholder deposits and interest on claims.</p>
033 034	All All		<p>Net Changes to Certificate Liabilities</p> <p>Insurance Annuities</p> <p>Include only the change in actuarial reserves. The change in the provision for certificateholder dividends are to be included in line 035 below.</p>
035	All		<p>Certificateholder Dividends</p> <p>Includes amounts paid as well as any change in the provision.</p>

OSFI-56	20.030 (cont'd)	CONSOLIDATED FINANCIAL STATEMENTS - INCOME STATEMENT	
Line	Col.	Cross Ref.	Practice
036	All		<p>Transfer to and (Transfer from) Segregated Funds</p> <p>This line is to be used where there has been a transfer of certificate liabilities between a society's Segregated Fund and its Insurance Fund. The usual indicator as to whether this line should be used is to determine whether a new certificate with an insurance element to it has been created. If so, this line should not be used. In that case, the portion of the funds received for such insurance coverage should be allocated to the premium lines of the income statement.</p> <p>For situations where no new certificates of insurance have been created, the usual debit and credit booking of this type of transaction should be to the "Net Changes to Policy Liabilities" lines and to the "Transfer to and (Transfer from) Segregated Funds" line 036. The reason for using line 036 is that the transaction is netted out in the expense portion of the income statement and therefore does not affect the premium income of a society. In summary, the transfer of liabilities between the Insurance Fund and Segregated Fund should not give rise to a change in net income as a result of the change to actuarial liabilities.</p>
040	All		<p>Commissions</p> <p>Includes commission expense relating to net outstanding premiums.</p>

OSFI-56	20.030 (cont'd)	CONSOLIDATED FINANCIAL STATEMENTS - INCOME STATEMENT	
Line	Col.	Cross Ref.	Practice
050	All		<p>Interest</p> <p>Include interest incurred on mortgage loans and other real estate encumbrances and other interest paid, including bank borrowings.</p> <p>Do not include interest paid or credited to certificateholder amounts on deposit. This is to be reported as Other Certificateholder Benefits on line 032 above.</p>
060	All		<p>General Expenses and Taxes (Excluding Income Taxes)</p> <p>Excludes expenses and taxes deducted from investment income on line 010 Net Investment Income. Expenses incurred in respect of Fraternal and Other Funds are to be deducted from related revenue earned and reported in line 024 above.</p>
061	All		<p>Fraternal and Other Fund Expenses</p> <p>Report expenses of the Fraternal and other funds (excluding segregated funds if any operated by the Society).</p>
071	All		<p>Provision for Income Taxes</p> <p>Current</p>
072	All		<p>Future</p> <p>Taxes should include Investment Income Taxes but exclude other taxes (e.g., property taxes) on investments deducted from Investment Income on line 010 Net Investment Income.</p>
085			<p>Extraordinary Items - (Net of Income Taxes of \$)</p> <p>In the space provided for the inside datapoint page 20.030, line 085, column 03, report the related current year's income tax amount.</p>

OSFI-56	20.040	CONSOLIDATED FINANCIAL STATEMENTS - STATEMENT OF SURPLUS	
Purpose: To disclose the change in the balance of the consolidated surplus of the society for the year			
General commentary: To report the reconciliation of surplus from the beginning to the end of the year, split by Insurance Fund and Fraternal and Other Funds.			
Line	Col.	Cross Ref.	Practice
001	All		Balance at Beginning of Year Report the ending balance of the Statements of Surplus as reported at the end of the preceding year.
002 & 003			Write-in Amount The portions of i) prior period adjustments, and ii) accounting policy changes which have been applied retroactively and which have been allocated to the statement of surplus are to be reported on this line. Such changes would normally be fully explained in the notes to the financial statement, or separately on page 30.055 Notes on Annual Return.
010	01, 02	P 20.030 L 099 L 095 C 01	Net Income Report Net Income pertaining to columns 01 and 02 from page 20.030, lines 099 and 095 respectively.
029	03	P 20.020 L 079	

OSFI-56	20.046	CONSOLIDATED FINANCIAL STATEMENTS - STATEMENT OF CASH FLOWS
Purpose: To provide information concerning cash flows.		
General Commentary: This Statement is provided as a guide only. Societies may complete this page or attach a Statement of Cash Flows as prepared for the society's financial statements.		

OSFI-56	20.055	CONSOLIDATED FINANCIAL STATEMENTS - NOTES TO CONSOLIDATED FINANCIAL STATEMENT
<p>Purpose:</p> <p>To disclose additional information which management of the society considers necessary for fair disclosure.</p>		
<p>General commentary:</p> <p>It is acceptable for societies to include here a draft of the notes if they have not yet been finalized at the date of filing. In such an event they should be clearly marked as "Draft". When they are finalized they are to be subsequently forwarded to OSFI.</p> <p>Note that any additional comments and explanations of unusual items in the annual return can also be provided on page 30.055. Notes on Annual Return.</p>		

OSFI-56	20.060	CONSOLIDATED FINANCIAL STATEMENTS - AUDITORS' REPORT
<p>Purpose:</p> <p>To include the report of the auditor which is required under subsection 667(3) of the <i>Insurance Companies Act</i>.</p>		
<p>General commentary:</p> <p>Two copies of the Auditor's Report to the Superintendent are to be included with (or attached to this page of) the annual return. This report and opinion should cover pages 20.010 - 20.060 and page 88.010 of OSFI-56. This includes the (consolidated) Balance Sheet, Income Statement, Statement of Cash Flows, Notes to the Financial Statements and Segregated Funds Net Assets and Changes in Net Assets.</p> <p>Note also that the statement of the affairs of the society submitted to the annual general meeting, together with the Auditor's Report thereon, should also be filed with the Annual Return or at a later date if not available at the time of filing.</p>		

OSFI-56	20.061	RECONCILIATION OF THE CONSOLIDATED FINANCIAL STATEMENTS TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS.
<p>Purpose:</p> <p>To provide a reconciliation of the consolidated and non-consolidated financial statements.</p>		
<p>General Commentary:</p> <p>This reconciliation should be prepared in respect of each major categories of assets, liabilities, income and expenses to account for the differences. Where a society has a foreign subsidiary whose accounts do not conform to Canadian GAAP, the impact of the difference on the balance sheet should be reported. This page was left blank to allow societies to free form their practice.</p> <p>For societies that prepare such a reconciliation as part of their audited statements, a copy of that reconciliation would be sufficient for OSFI's purposes.</p>		

OSFI-56	20.064	CONSOLIDATED SEGMENTED INFORMATION
<p>Purpose:</p> <p>To provide segmented information on the consolidated society operations.</p>		
<p>General Commentary:</p> <p style="text-align: center;">Reference: CICA Handbook section 1700 Segmented Information</p> <p>Provide segmented data on a consolidated basis by industry segment and geographic segment in accordance with section 1700 of the CICA Handbook. Fraternal Fund activities of subsidiaries should be reported under Fraternal Fund Operations, activities of other subsidiaries should be reported as Other.</p> <p>The consolidated totals should agree to the consolidated financial statements (provided there have been no inter-segment transactions).</p>		

OSFI-56	20.070	CONSOLIDATED BASIS-DERIVATIVE INSTRUMENT RISK PROFILE - OFF BALANCE SHEET INSTRUMENTS	
<p>Purpose:</p> <p>To determine the nature and extent of the risks respecting derivative instruments undertaken by the society.</p>			
<p>General Commentary:</p> <p>These pages are to be completed on a consolidated basis.</p> <p>References: OSFI Guideline D-6 Derivatives Disclosure MCCSR Guideline CICA Handbook section 3860 Financial Instruments - Disclosure and Presentation</p>			
Line	Col	Cross Ref	Practice
001-005 021-025 031-033	01		Indicate whether specified derivative instrument was employed during the reporting year.
001-005 021-025 031-033	02*		<p>* see Legend - Risk Role at bottom of page</p> <p>Indicate what risk role(s) the society assumes in using each derivative type (using the legend at the bottom of page 20.070).</p> <p>Where the society assumes more than one risk role in respect of a particular instrument, each role should be indicated by category.</p> <p>For example, during the reporting period, the reporting entity may have been a trader in interest rate swaps and used them as well for hedging. In this case, beside the interest rate swaps it would show risk role 1 and 2.</p> <p>A market trader is a society who, on a regular basis, provides bid and ask price quotes in one or more derivative instruments, and, honours those quotes; thereby supplying the market with a source of liquidity in those derivatives.</p>

OSFI-56	20.070 (cont'd)	CONSOLIDATED BASIS-DERIVATIVE INSTRUMENTS RISK PROFILE - OFF BALANCE SHEET INSTRUMENTS	
Line	Col	Cross Ref	Practice
001-049	03 to 09		Report the gross notional principal amount at year end for all derivative contracts by type and class of derivative instrument. The consolidated amounts should be reported in column 03 and the non-consolidated amount for the life company only, reported in column 04.
001-049	05		Report the notional amounts relating to all derivative contracts that are not exchange traded.
001-049	06		Report the notional amounts relating to all derivative contracts that are held for trading purposes.
All	7, 8, 9		The total notional principal amount reported in column 03 should be broken down by the remaining term to maturity. The sum of these columns should equal the amount reported in column 03.
001-049	10		Credit Risk - (Positive Mark to Market Exposure) Report amounts only for contracts that have credit risk (i.e., positive mark to market exposure) after offsetting in accordance with CICA Handbook section 3860.
070	10		Report on line 070 any adjustments for master netting agreements not recognized for GAAP accounting purposes as outlined in CICA Handbook section 3860 because there is no intention of settling on a net basis or of realizing the asset and settling the liability simultaneously.
	11		The Credit Equivalent Amount is determined on the basis outlined in section 8 of the MCCSR Guideline.

OSFI-56	20.072	CONSOLIDATED BASIS - DERIVATIVE INSTRUMENTS RISK PROFILE - GROSS/NET MARK TO MARKET EXPOSURE	
Purpose: To determine the extent of the risks undertaken by the society with respect to types of contract classified by counter-party credit rating.			
<p>General Commentary:</p> <p>These pages to be completed on a consolidated basis.</p> <p>References: OSFI Guideline D-6, Derivatives Disclosure CICA Handbook section 3860, Financial Instruments.</p>			
Line	Col	Cross Ref	Practice
001-009	All		<p>For each credit rating category, report the net positive mark to market exposure relating to each type of contract, split between exposures to related and arms' length counterparties. The net positive mark to market exposure (net positive replacement cost of a contract) is the summation of all individual positive mark to market exposures (except that an offsetting of negative mark to market contract exposures with the same counterparty is permitted only in accordance with the criteria outlined in CICA Handbook section 3860).</p>
011-019	All		<p>For each credit rating category report the gross positive mark to market exposure relating to each type of contract, split between exposures to related and arms' length counterparties.</p> <p>The gross positive mark to market exposure (gross positive replacement cost of a contract) is the exposure before offsetting in accordance with the criteria outlined in CICA Handbook section 3860. Do not report contracts with negative mark to market exposure.</p>

OSFI-56	20.075	SUMMARY OF INVESTMENTS - CONSOLIDATED
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Purpose:

To provide a breakdown of the society's investments on a consolidated basis.

General Commentary:

References: CICA Handbook section 3025 Impaired Loans,
and AcG-9 - Financial Reporting by Life
Insurance Enterprises
OSFI Guideline C-1, Impaired Loans

OSFI requires societies to maintain detailed listings of investments for examination; they are not required to be submitted with the OSFI-56 return.

Book value (before provisions) is defined by Canadian GAAP unless otherwise specified by OSFI. The amounts for book value less gross and specific provisions should agree to the amounts reported on the consolidated balance sheet page 20.010. Report the specific provisions and general provisions in columns 02 and 03.

Market value should be derived using methodology commonly used by the investment community - unless otherwise specified by OSFI.

In column 01 indicate the impaired amount (before provisions) as determined and monitored by the society, for each type of investment. Also refer to instructions for page 70.000 Summary of Investments (non-consolidated) for additional information.

Line	Col.	Cross Ref	Practice
001	C04-(C02)	P 20.010 L 004 C 01	Short-term investments
027	C04-(C02+C03)	P 20.010 L 021 C 01	Total Bonds and Debentures
030	C04	P 20.079 L 059 C 08	Mortgage Loans (Before Provisions)
041+047+049	C04-(C02+C03)	P 20.010 L 040 C 01	Preferred and Common Shares on the consolidated balance sheet should be the sum of lines 041, 047 and 049.

OSFI-56	20.075 (cont'd)	SUMMARY OF INVESTMENTS - CONSOLIDATED	
Line	Col.	Cross Ref.	Practice
055	C04	P 20.076 L 059 C 07	Real Estate should be gross of encumbrances but after writedowns for other than temporary declines in value, determined in accordance with CICA Accounting Guideline AcG-9 - Financial Reporting by Life Insurance Enterprises. Mortgage loans and other encumbrances should be reported separately on line 033, page 20.020.
069	C04-(C02+C03)	P 20.010 L 060 C 01	Total Other Loans and Invested Assets Should be the sum of lines 061+062 as reported on line 069.
All	02	P 20.085 C 11	Specific Provisions - See instructions page 20.085. The total for each investment type (i.e., bonds and debentures, common stocks, etc.) and the total reported on line 099 should agree with the total reported on page 20.085 Summary of Provisions - Consolidated, column 11.
All	03	P 20.085 C 10	General Provisions - See instructions page 20.085 The amounts reported on lines 027-099 should agree to amounts reported in column 10 on page 20.085.
101	All		Fixed Term Bonds and Debentures Report the fixed term amounts for bonds and debentures included on lines 002 to 023.

OSFI-56	20.075 (cont'd)	SUMMARY OF INVESTMENTS - CONSOLIDATED	
Line	Col.	Cross Ref.	Practice
102	All		<p>Convertible Bonds and Debentures</p> <p>Report the convertible amounts for bonds and debentures included on lines 002 to 023.</p>
103	All		<p>Fixed Term Preferred Shares</p> <p>Report the fixed term issues (i.e., with stated maturity for redemption) for preferred shares included on lines 035 to 038.</p>

OSFI-56	20.076	REAL ESTATE - GEOGRAPHIC DISTRIBUTION BY TYPE - CONSOLIDATED	
<p>Purpose:</p> <p>To provide a summary of real estate by location and by type of property on a gross consolidated basis (before provisions)</p>			
<p>General Commentary:</p> <p>References: CICA Handbook section 3025, Impaired Loans, and AcG-9 - Financial Reporting by Life Insurance Enterprises OSFI Guideline C-1, Impaired loans</p> <p>This schedule provides an analysis of the consolidated gross book value (before provisions) of real estate, including foreclosed real estate which is held for sale. Where mortgage encumbrances exist, they should not be deducted from the value of the real estate. Where a property has more than one use, (i.e., office and retail) the whole property should be classified as one type based upon the use of the majority of the floor space.</p> <p>Per CICA, AcG-9 when a decline in value of a real estate portfolio is other than temporary, the carrying value of the portfolio should be written down to recognize the decline in value. The Guideline also states that the carrying value of real estate should be written down when there has been an other than temporary decline in value. That is, a condition has persisted for a period of three or four years that include a decline in value which is other than temporary.</p>			
Line	Col	Cross Ref	Practice
All	01		Residential - A single dwelling having no wall in common with another dwelling and designed for occupancy by a single family.
All	02		Multiple Residential - Include all other residentials except singles.
All	03		Office - Real property consisting of buildings that are used primarily as offices.
All	04		Retail Stores - Real property consisting of buildings that are used primarily as retail stores including shopping plazas.

OSFI-56	20.076 (cont'd)	REAL ESTATE - GEOGRAPHIC DISTRIBUTION BY TYPE - CONSOLIDATED	
Line	Col	Cross Ref	Practice
All	05		<p>Industrial</p> <p>Real property consisting of buildings that are used primarily for industrial purposes including manufacturing and warehouses.</p>
All	06		<p>Other</p> <p>Include all other types of real estate including vacant land.</p>
059	07	P20.075 L 055 C 04	Total Real Estate
All	08		<p>Total Foreclosed Real Estate</p> <p>Separately identify in column 08 amounts included in columns 01 to 07 that are foreclosed properties held for sale.</p> <p>Reference CICA section 3025.48</p>

OSFI-56	20.077	INSURED MORTGAGE LOANS - SUMMARY BY TYPE - ARREARS AND PROVISIONS - CONSOLIDATED
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Purpose:

To disclose the arrears and specific provisions on various categories of consolidated insured mortgage loans.

General Commentary

References: *Insurance Companies Act* section 469(1)
Insurance Companies Act section 2 (1),
CICA Handbook sections 4210 and 3025
OSFI Guideline C-1, Impaired Loans
OSFI Guideline A, Minimum Continuing Capital and Surplus Requirements

A residential mortgage is one that is secured by residential property. Residential property is defined as real property consisting of buildings that are used, or are to be used, to the extent of the majority of the floor space thereof, as one or more private dwellings.

A single residential property is a dwelling having no wall in common with another dwelling and designed for occupancy by a single family. Include all other residential properties under "multiple".

Note that the definition of residential mortgages differs from that applicable to the MCCSR calculations.

Insured loans are those where the amount owed by the borrower is insured against default by Canada Mortgage and Housing Corporation (CMHC), another government body, or by a private insurer.

Despite the title, there is no explicit disclosure of foreclosure activity. Included in gross amount are Foreclosures in progress (title has not yet passed to society).

Line	Col	Cross Ref	Practice
All	01		Gross Mortgage Loans - Report the total amount of all insured mortgage loans before general and specific provisions.
All	02		Net Mortgage Loans - Report the total amount of all insured mortgage loans minus general and specific provisions

OSFI-56	20.077 (cont'd)	INSURED MORTGAGE LOANS - SUMMARY BY TYPE - ARREARS AND PROVISIONS - CONSOLIDATED	
Line	Col	Cross Ref	Practice
010	All		Include all insured loans not disclosed in lines 001 and 002.
019	01	P20.079 L 019 C 01	Total in Canada
023	All		<p>Restructured loans allow the lender to grant any of the following concessions to the borrower that it would not otherwise consider:</p> <ul style="list-style-type: none"> (a) a reduced interest rate; (b) uncompensated deferral or extension of principal repayments or interest payments; (c) forgiveness of a portion of principal or previously accrued interest; (d) acceptance of assets other than cash in settlement of a larger amount of the loan than is represented by the estimated net proceeds from sale of the assets; (e) other concessions which would not be considered in the absence of the weakened financial condition of the borrower. <p>The arrears status of restructured loans is established with respect to the terms of the restructure, rather than original loan terms.</p> <p>Refer to CICA Handbook sections 3025.32-37 (when adopted by the society).</p>

OSFI-56	20.077 (cont'd)	INSURED MORTGAGE LOANS - SUMMARY BY TYPE - ARREARS AND PROVISIONS - CONSOLIDATED	
Line	Col	Cross Ref	Practice
All	03-08		<p>For purposes of identifying the appropriate column, the age of arrears is defined as the number of days that has elapsed since the due date of the oldest payment or partial payment (principal and/or interest) that has not been received according to the terms of the loan as of the statement date.</p> <p>The net amounts reported in columns 04, 06 and 08 should be the gross amount of mortgage loans in arrears minus specific provisions.</p>
All	09		<p>Impaired Amount (Before Provisions)</p> <p>Report the impaired amount (before provisions or individual and group allowances) in accordance with CICA Handbook section 3025.</p>
030-053	All		<p>Follow the same procedures as for the equivalent line descriptions for lines 001 to 023 for loans secured by property located outside Canada.</p>
019+049	All	P20.078 L091	<p>The sum of lines 019 + 049 for all columns should equal the amount reported on line 091 for the equivalent columns of the summary on page 20.078.</p>

OSFI-56	20.78	UNINSURED MORTGAGE LOANS - SUMMARY BY TYPE - ARREARS, PROVISIONS AND FORECLOSURES IN PROCESS - CONSOLIDATED
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Purpose:

To disclose the arrears and specific provisions and pending foreclosure actions for various categories of uninsured mortgage loans, reported on a gross of provisions basis.

General Commentary:

References: *Insurance Companies Act section 469(1)*
 Insurance Companies Act section 2(1)
 CICA Handbook sections 4210 and 3025
 OSFI Guideline C-1, Impaired Loans
 **OSFI Guideline A, Minimum Continuing Capital and Surplus
Requirements**

A residential mortgage is one that is secured by residential property. Residential property is defined as real property consisting of buildings that are used, or are to be used, to the extent of the majority of the floor space thereof, as one or more private dwellings.

A single residential property is a dwelling having no wall in common with another dwelling and designed for occupancy by a single family. Include all other residential properties under "multiple".

Note that the definition of residential mortgages differs from that applicable to the MCCSR calculations.

Columns 01, 03, 05, 07 and 09 are to be reported on a gross basis; only column 02 is book value less general and specific provisions. Columns 04, 06 and 08 are book values less specific provisions only.

Uninsured loans are those where the amount owed by the borrower is not insured against default by Canada Mortgage and Housing Corporation (CMHC), another government body, or by a private insurer. Insured loans are disclosed on page 20.077.

Line	Col	Cross Ref	Practice
All	01		Gross Mortgage Loans - Report the total amount of all uninsured mortgage loans before general and specific provisions

OSFI-56	20.078 (cont'd)	UNINSURED MORTGAGE LOANS - SUMMARY BY TYPE - ARREARS, PROVISIONS AND FORECLOSURES IN PROCESS - CONSOLIDATED	
Line	Col	Cross Ref	Practice
All	02		Net Mortgage Loans - Report the total amount of all uninsured mortgage loans minus general and specific provisions.
010	All		Include all uninsured loans not disclosed on lines 001 and 002.
019	01	P20.079 L019 C02 to C07	Total of lines 001 to 010. The total in Canada should equal the sum of columns 02 to 07 reported on line 019, page 20.079.
023	All		Restructured loans - Refer to page 20.077 instructions and CICA Handbook, sections 3025.32-37 (when adopted by the society). The arrears status of restructured loans is established with respect to the terms of the restructure, rather than original loan terms.
All	03-08		For purposes of identifying the appropriate column, the age of arrears is defined as the number of days that has elapsed since the due date of the oldest payment or partial payment (principal and/or interest) that has not been received according to the terms of the loan as of the statement date. The net amounts reported in columns 04, 06 and 08 should be the gross amounts in arrears minus specific provisions.
030-053	All		Follow the same procedures as for the equivalent line descriptions for lines 001 to 023 for loans secured by property located outside Canada.

OSFI-56	20.078 (cont'd)	UNINSURED MORTGAGE LOANS - SUMMARY BY TYPE - ARREARS, PROVISIONS AND FORECLOSURES IN PROCESS - CONSOLIDATED	
Line	Col	Cross Ref	Practice
090	01	P20.079 L059 C02 to C07	Total Uninsured Mortgages should equal the sum of columns 02 to 07 reported on line 059, page 20.079.
099	01	P20.075 L030 C04	Total Mortgage Loans - Gross (before provisions)
All	09		<p>Total Foreclosures/Collections in Process - Gross Amount</p> <p>Include in this column the book value of loans in arrears (before provision) listed in columns 03, 05 and 07 where legal steps are being taken to collect the mortgage.</p> <p>A mortgage is in the process of foreclosure/collection when the company has advised the mortgagee that the company is commencing legal steps to collect the mortgage and includes:</p> <ul style="list-style-type: none"> (a) steps to foreclose on the property or (b) steps to sell the property under power of sale.
All	10		<p>Total Foreclosures/Collections in Process - Net Amount</p> <p>Report the book value of loans in arrears listed in columns 04, 06 and 08 less specific provisions, which are in the process of Foreclosure/Collection as described in column 09.</p>
All	11		<p>Impaired Amount (Before Provisions)</p> <p>Report the impaired amount (before provisions or individual and group allowances) in accordance with CICA section 3025.</p>

OSFI-56	20.079	MORTGAGE LOANS - GEOGRAPHIC DISTRIBUTION - CONSOLIDATED-GROSS (before provisions)	
Purpose:			
To provide a summary of gross mortgage loans by location and by type of property (before provisions).			
General Commentary: The loan amounts to be included in this schedule are to be gross (before provisions).			
Insured loans are those where the amount owed by the borrower is insured against default by Canada Mortgage and Housing Corporation (CMHC), another government body, or by a private insurer. Refer to instructions on page 20.076 for property type definitions.			
Line	Col	Cross Ref	Practice
001-012	All		The gross value of Canadian loans should be classified according to the province in which the property securing the loan is located, with all insured mortgages reported in column 01 and all uninsured mortgages reported by type of property in columns 02 to 07.
001-012	09,10		The gross amount of principal (before provisions) where a loan is in arrears more than 90 days should be reported in column 09 for insured mortgages and column 10 for uninsured mortgages.
All	08		Total Mortgages reported should be the sum of both insured mortgages reported in column 01 plus the sum of the uninsured mortgages reported in columns 02 to 07.
All	11		Specific Provisions - Report the amount of specific provisions for all gross mortgage loans reported in column 08.
059	08	P20.075 L030 C04	Total Mortgages (Gross - Before Provisions)
059	11	P20.075 L030 C02	Specific Provisions

OSFI-56	20.080	INVESTMENTS - CONSOLIDATED BASIS (BY GROUP)	
<p>Purpose:</p> <p>To provide an indication of the exposure of a society to a particular company or corporate group.</p>			
<p>General Commentary:</p> <p>Provide details of all investments and loans at book value where the total amount invested or advanced to an individual company or group of related companies exceeds the greater of 5% of the society's equity or \$500,000. A group of companies includes all affiliates and subsidiaries that are ultimately controlled, either directly or indirectly, by the same beneficial shareholder or group of related shareholders.</p> <p>Please provide subtotal of investments and loans for each group.</p> <p>Do not include derivative instruments, securities issued or guaranteed by the government which have a zero rating for MCCSR purposes. Investments made for the segregated fund account holders should also be excluded.</p>			
Line	Col	Cross Ref	Practice
N/A	06		<p>Other Loans and Investments</p> <p>Include short-term debt, guarantees and leases.</p>

OSFI-56	20.081	SUBSTANTIAL INVESTMENTS	
Purpose:			
To provide details of all investments made in which the society has made a substantial investment directly or indirectly (excluding society's investments in subsidiaries and affiliates).			
General Commentary:			
Sections 551 to 570 of the <i>Insurance Companies Act</i> sets out limitations regarding investments that may be made by societies in other corporations. A substantial investment is one where the society owns more than either 10% of the total voting shares of another corporation or 25% of any class of its non-voting shares including consolidated subsidiaries of the corporation.			
Line	Col	Cross Ref	Practice
N/A	04		If the society has made investments in a particular corporation over a period of time, the date of each acquisition of shares should be included.
N/A	08 & 09		The amounts set out in these columns should be at the original cost.
N/A	10		Guarantees included in this column should be the face value of the guarantee.
N/A	11 & 12		Both total assets of the corporation and equity of the corporation should be as at the latest fiscal year-end for the corporation.

OSFI-56	20.085	CONSOLIDATED SUMMARY OF PROVISIONS
<p>Purpose:</p> <p>To disclose details of provisioning and write-downs taken by a society on a consolidated basis.</p>		
<p>General Commentary:</p> <p>References: CICA Handbook section 3025, Impaired Loans and AcG-9 - Financial Reporting by Life Insurance Enterprises OSFI Guideline C-1, Impaired loans</p> <p>It is important that OSFI have an understanding of the amounts of provisioning and write-downs taken by a society to adequately assess solvency. Societies are required to complete this page following the general definitions provided below.</p> <p>Per CICA, AcG-9 Financial Reporting by Life Insurance Enterprises, real estate and equity securities should be considered as separate portfolios for purposes of assessing whether an other than temporary decline in the value of an entire equity portfolio has occurred.</p> <p>The general and specific provisions are amounts that are netted against the book value of the assets on the balance sheet. The valuation margin for asset default that is included in the actuarial reserves should be reported on line 039.</p> <p>Provisions</p> <p>An estimated expense or charge for the excess of the recorded investment over the estimated realizable amount. Provisions may be reversed if circumstances warrant this action.</p> <p>General Provisions</p> <p>A provision or group allowance covering a total portfolio or group of specific assets. The provision is an estimate based on experience or current view of the likelihood of loss in the overall portfolio.</p> <p>Specific Provisions</p> <p>A provision or individual allowance that has been established for a specific or individual asset for the excess of the recorded investment over the estimated realizable amount.</p>		

OSFI-56	20.085 (cont'd)	CONSOLIDATED SUMMARY OF PROVISIONS
<p>Write-downs</p> <p>A reduction of the recorded investment in an asset either in full or in part by the amount considered beyond realistic prospect of recovery.</p> <p>It should be noted that the columns dealing with the release of provisions will generally reflect the following types of transactions:</p> <ol style="list-style-type: none"> 1. the sale of an asset that has a provision allocated to it; 2. the transfer of a provision to reflect a write-down; and 3. the reversal of a provision in cases where circumstances have improved. <p>The amounts reported on lines 001 to 029 are those amounts that have been netted against the assets on the balance sheet. The total in column 12 should be the sum of column 10, General Provisions, plus column 11, Specific Provisions, (which are after foreign currency adjustment).</p> <p>The valuation margin for asset default determined in the valuation of actuarial reserves is to be reported on line 039 as the amount of the valuation margin for asset default. The reporting on line 039 is for disclosure purposes only. The title of columns 03, 08 and 12 applies to these columns on line 039.</p>		

OSFI-56	20.090	LOCATION OF CASH AND INVESTED ASSETS CONSOLIDATED BASIS	
<p>Purpose:</p> <p>To provide information on the location of cash and invested assets (excluding real estate) in and out of Canada.</p>			
<p>General Commentary</p> <p>In prior years, societies provided information regarding the location of their investments in the detailed investment schedules. As the detailed schedules will no longer be required, societies are asked to outline the location of invested assets by type of asset. The "Type of Asset" is intended to cover broad categories such as bonds, common shares, etc. In the unlikely event that OSFI is required to take control of a society, it is essential that the location of its assets as well as those of its subsidiaries be known. Assets held at the society's own premises should be included with the address of the particular office indicated.</p> <p>Assets held by a regulatory body, either in Canada or in a foreign jurisdiction should also be specified.</p> <p>For mortgage loans, the location where the legal documentation is maintained should be reported here; the location of the property securing the society's mortgage loans is set out in summary form on page 70.021.</p>			
Line	Col	Cross Ref	Practice
	05	P 20.010	The total value included in column 05 should equal the total book value of invested assets, excluding real estate, shown on the consolidated asset page, page 20.010.

OSFI-56	20.091	ACTUARIAL LIABILITIES SUMMARY - CONSOLIDATED	
Purpose:			
To provide a summary of the actuarial liabilities of the society on a consolidated basis.			
General Commentary:			
The actuarial liabilities exhibit summarizes the consolidated direct and net actuarial liabilities by line of business and should be prepared in accordance with GAAP as outlined in the CICA Handbook section 4210.			
The Memorandum to the Actuary sets out the procedures used in determining all actuarial liabilities and requires that a detailed analysis by line of business be provided in the Actuary's Report.			
The net actuarial liabilities reported should be net of all reinsurance ceded, including reinsurance with unregistered companies which has not been approved by the Superintendent.			
Line	Col.	Cross Ref.	Practice
ACTUARIAL LIABILITIES			
029+039 +045	02	P 20.020 L 001 C 01	The sum of the net actuarial liabilities under insurance policies and annuity contracts reported on line 029 plus line 039 plus line 045 "Other Actuarial Liabilities - Property and Casualty Insurance Subsidiaries", if any, should agree to the consolidated balance sheet on page 20.020.
045	All		Other Actuarial Liabilities Report here the actuarial liabilities of property and casualty insurance subsidiaries, if any.

OSFI-56	20.091 (cont'd)	SUPPLEMENTARY ACTUARIAL EXHIBIT - CONSOLIDATED	
Line	Col.	Cross Ref.	Practice
<p>General Commentary:</p> <p>The Supplementary Actuarial Exhibit (to be completed on a consolidated basis) is required to be used in the MCCSR calculation.</p> <p>The information on the Supplementary Actuarial Exhibit should include amounts for all life insurance subsidiaries on the same basis as would be required if they were federally incorporated Canadian life insurers.</p>			
SUPPLEMENTARY ACTUARIAL EXHIBIT			
020	All		<p>Cash Surrender Value Deficiencies - Aggregate Basis</p> <p>Calculate the society's consolidated cash value deficiencies on an aggregate basis in a consistent manner, regardless of the different types of business which gave rise to them. Reserve excesses on certificates with excess reserve over cash value would be allowed to offset reserve deficiencies on certificates with such deficiencies.</p>
021	All		<p>Cash Surrender Value Deficiencies - Certificate by Certificate Basis</p> <p>Calculate the society's consolidated cash value deficiencies on a certificate by certificate basis in a consistent manner regardless of the type of business which gives rise to them. Certificates with reserve excesses are not allowed to offset certificates with deficiencies (except where noted in the Memorandum to the Actuary).</p>

OSFI-56	20.091 (cont'd)	SUPPLEMENTARY ACTUARIAL EXHIBIT - CONSOLIDATED	
Line	Col.	Cross Ref.	Practice
022	All		<p>Transitional Solvency Provisions</p> <p>Report the society's transitional solvency provision established in accordance with the Memorandum to the Actuary. OSFI requires the transitional solvency certificate provision be held until formal standards have been implemented for the GAAP valuation of participating insurance.</p>
023	All		<p>Negative Reserves</p> <p>Calculate the society's negative reserves on a certificate by certificate basis in a consistent manner regardless of the different typed of business which gave rise to them.</p>
024	All		<p>Reserves Required by Other Jurisdictions</p> <p>If a society is required to establish reserves by a provincial regulator or another regulatory body in a foreign jurisdiction, that exceeds the corresponding reserves determined on a Canadian basis, the total of these additional reserves should be reported on line 024.</p>

OSFI-56	20.095	OTHER DEBT - CONSOLIDATED BASIS	
Purpose:			
To disclose the other debt borrowed by the society.			
General Commentary:			
Loans, notes, debentures and all other non subordinated debt should be identified by type and reported on this page by lender. For other debt issued by subsidiaries, please identify the subsidiary and provide a subtotal for each subsidiary.			
Line	Col	Cross Ref	Practice
059	06	P 30.020 L 052 C 01	Sub-total - Other debt issued by the society should agree to the non-consolidated balance sheet.
099	06	P 20.020 L 052 C 01	Total - Other debt issued by the society and by subsidiaries should agree to the consolidated balance sheet provided there has been no inter-society debt, which of course would be eliminated on the consolidated balance sheet.