

LIFE-2	95.010 to 95.040	Provincial Exhibits	
<p>The provincial and territory columns 01 to 13 should be completed on the basis of current residence of the individual policyholder or group policy certificateholder. For all columns, premiums should be reported on a written basis and agree with other exhibits of the Annual Return. Details relating to these and the "Miscellaneous" column 18 are explained in the instructions below. Premiums from Segregated Funds should be excluded.</p> <p>The instructions and data validation references included here have been issued by the AMF, in coordination with the other provinces and territories. For any clarification on these pages and instructions, please contact the AMF (email: dap@lautorite.qc.ca).</p>			
Line	Col	Cross Ref	Practice
	01 to 13		<p>The provincial exhibits should be completed on the basis of current residence of the individual policyholder / group policy certificateholder, irrespective of whether the policy is issued in Canada or out of Canada. Data pertaining to premiums assumed and premiums ceded should be similarly reflected in the appropriate lines. In a similar manner, all benefits paid and incurred should be reported based on Province / Territory of residency.</p> <p>In respect of group contracts directly written and shared, whether pertaining to contracts issued in Canada or on spillover groups in Canada on group contracts issued out of Canada, Canadian Branches should maintain a record of the current address of the group certificateholders. Addresses of the certificateholders forming the group should be obtained at the time of the issue of group contracts. The Canadian Branch should also establish procedures to update any changes in the address of any of its certificateholders forming the group. This requirement applies equally to shared groups as well as spillover groups, irrespective of the number of certificateholders involved in small groups.</p> <p>Back-up records of the addresses of group certificateholders should be available for verification by auditors or OSFI. Where such records in respect of In Force groups are not currently available, Canadian Branches are required to obtain such residential address data from the group contractholders and maintain them for future verifications.</p>

LIFE-2		95.010 to 95.040	Provincial Exhibits
Line	Col	Cross Ref	Practice
	18		<p>Miscellaneous</p> <p>If a policyholder is no longer resident in Canada, that policyholder's transaction with the Canadian Branch should be grouped under this column.</p> <p>The total of columns 01 to 18 should agree with column 23 In Canada Only on a written basis.</p>
	28		<p>Out of Canada</p> <p>Out of Canada does not apply for Canadian Branches of foreign life insurers registered under the <i>Insurance Companies Act</i>.</p>

LIFE-2		95.010	Premiums
<p>The information contained on page 20.030 relates to the total business of the Canadian Branch on a non-consolidated basis. Information included on this page should be consistent with that of page 20.030.</p> <p>For both accident and sickness policies and life insurance policies, premiums reported on page 95.010 should be without any deduction for policyholder dividends and experience rating refunds. The full amount of such dividends and refunds should be included on page 95.020.</p> <p>For more details on Premiums, Canadian Branches should follow the instructions for page 45.010.</p>			
Line	Col	Cross Ref	Practice
001	01 to 13		<p>Licensed Y/N</p> <p>Indicate yes if the Canadian Branch is licensed to transact business in the Province / Territory.</p>
699	23	P 20.030 L 040 C 01	Total in Canada
699	33	P 20.030 L 040 C 01	Total

LIFE-2	95.020	Policyholder Benefits Paid and Incurred	
<p>Information included should be consistent with that of page 20.030.</p> <p>In the case of shared group contracts, the entries on this page should relate only to the reporting Canadian Branch's share of such group contracts. For purposes of the Annual Return, LIFE-2, "shared" business means shared with registered life insurers.</p> <p>Include all benefits paid and incurred in settlement of insurance and annuity contracts as well as the increase in the provision for incurred but not reported claims.</p>			
Line	Col	Cross Ref	Practice
699	23	P 20.030 L 250 C01	Total in Canada
699	33	P 20.030 L 250 C 01	Total

LIFE-2	95.020	Policyholder Dividends and Experience Rating Refunds – Direct	
<p>Policyholder dividends and experience rating refunds should include amounts paid to policyholders, and should not include the change in provision for policyholder dividends and experience rating refunds.</p> <p>Reinsurers are not expected to report Policyholder Dividends or ERRs on this page. If paid to insurers, these should be reported as Other Expenses. For reinsurers line 989 on page 95.020 is expected to be zero and lines 360 and 390 in the Income Statement, page 20.030 are also expected to be zero.</p> <p>For both accident and sickness policies and life insurance policies, premiums reported on page 95.010 should be without any deduction for policyholder dividends and experience rating refunds. The full amount of such dividends and refunds should be included on this page.</p>			

LIFE-2	95.030	Movement of Insurance – Life – Individual (Direct)	
<p>Information included should be consistent with that of page 75.040.</p> <p>Amounts related to Segregated Funds are not to be included in the movement of life policies. The opening balances should agree with the prior year's closing balances. Amounts pertaining to policies providing for the payment of benefits in instalments or providing for deferred payments should be equal to the commuted value.</p> <p>Changes in plans should only be recorded if the amount of insurance has increased or decreased with the increase or decrease being reported on line 080 or 200 as appropriate.</p> <p>When convertible term policies are converted to life or endowment policies in accordance with the contract privilege, the conversion should be treated as a policy change and no entries should appear in the Movement of Policies unless the amount of insurance is changed. In this latter event, an increase or a decrease, as the case may be, should be shown on line 080 or 200.</p> <p>When a policy is terminated, the amount shown as "ceased" should be the amount heretofore carried as in force. No attempt should be made to reflect, on this page, adjustments to the face amount that may take place on termination.</p>			
Line	Col	Cross Ref	Practice
020 420			<p>In Force – Beginning of Year</p> <p>The opening balance should agree with the closing balance for the prior year. Other corrections or adjustments to the opening balances should be reported on lines 080, 200, 480 and 600.</p>
040 440	33	P 75.040 L 010 C 01 + 11	<p>New effected</p> <p>Policies are to be included on this line from the date the Canadian Branch assumes the risk.</p> <p>This line is not to include paid-up or extended insurance granted in lieu of surrendered policies (whether surrendered at the end of the deferred period or at any other time), or policies that are mere transfers or changes of former policies.</p> <p>Policies newly issued in the last ten days of the year which are subsequently rescinded during the 10-day "free-look" period should not be included as "new effected". In cases of accounting systems where such new issues are already included as completed transactions prior to the expiry of the "free look" period, a reversal of the transactions or an adjustment to reflect the actual amount of new business for which the Canadian Branch is on the risk is appropriate, as opposed to entering such rescinded policy amounts on other lines on this page.</p>

LIFE-2		95.030	Movement of Insurance – Life – Individual (Direct)
Line	Col	Cross Ref	Practice
040 440 (cont'd)			Individual policies issued as a result of the election of the conversion option by a certificate holder on withdrawal from a group insurance policy should be reported under Individual - New Effected.
060 460			Old revived These lines relate to policies that were reinstated from lapse status during the accounting period.
160 560			Surrender Only policies under which there are surrender values. For example, a policy is considered surrendered when the premium payment is made with the dividends and the dividends are no longer sufficient to support the premium payment. Policies terminated by payment of the proceeds in advance of the maturity date, at a discount, or by reason of non-repayment of policy loans, are to be entered here as ceased by surrender.
180 580			Lapse Only policies under which no surrender values or non-forfeiture options were available at the date of termination should be included on this line.
250			Currency Revaluation This reflects the change in the account due to the change in the year end currency exchange rate.
299	33	P 75.040 L 110 C 01 + 11	In force – End of Year
399	33	P 75.040 L 199 C 01 + 11	Net in force – End of Year

LIFE-2	95.040	Movement of Insurance – Life – Group (Direct)	
<p>Information included should be consistent with that of page 75.040.</p> <p>In respect of group contracts directly written and shared, Canadian Branches should maintain a record of the current address of the group certificateholders in Canada. Addresses of the certificateholders forming the group should be obtained at the time of the issue of group contracts. The Canadian Branch should also establish procedures to update any changes in the address of any of its certificateholders forming the group. This requirement applies equally to shared groups as well as spillover groups, irrespective of the number of certificateholders involved in small groups.</p> <p>Back-up records of the addresses of group certificateholders in Canada should be available for verification by auditors or regulators. Where such records in respect of In Force groups are not currently available, Canadian Branches are required to obtain such residential address data from the group contractholders and maintain them for future verifications.</p> <p>Group policies issued on a shared basis should be reported as "Direct Written". For purposes of the annual return, form LIFE-2, "shared" business means shared with registered Canadian Branches.</p> <p>Where a group insurance policy has been used on a "shared" basis, the Canadian Branch should enter the total number of certificates, but show only its own share of the amount of insurance whether it administers the policy or not; that share, and that share only, is to be regarded as direct written, by either an administering or a sharing life insurer. Similarly, when a policy or certificate is terminated, only the Canadian Branch's share of the insurance should be shown as "ceased".</p>			
Line	Col	Cross Ref	Practice
020 420			<p>In Force – Beginning of Year</p> <p>The opening balance should agree with the closing balance for the prior year. Other corrections or adjustments to the opening balances should be reported on lines 080, 200, 480 and 600.</p>
040 440	33	P 75.040 L 010 C 06 + 16	<p>New effected</p> <p>Policies are to be included on this line from the date the Canadian Branch assumes the risk.</p> <p>This line is not to include paid-up or extended insurance granted in lieu of surrendered policies (whether surrendered at the end of the deferred period or at any other time), or policies that are mere transfers or changes of former policies.</p>

LIFE-2		95.040	Movement of Insurance – Life – Group (Direct)
Line	Col	Cross Ref	Practice
040 440 (cont'd)	33		Policies newly issued in the last ten days of the year which are subsequently rescinded during the 10-day "free-look" period should not be included as "new effected". In cases of accounting systems where such new issues are already included as completed transactions prior to the expiry of the "free look" period, a reversal of the transactions or an adjustment to reflect the actual amount of new business for which the Canadian Branch is on the risk is appropriate, as opposed to entering such rescinded policy amounts on other lines on this page.
060 460			Old revived These lines relate to policies that were reinstated from lapse status during the accounting period.
160 560			Surrender Only policies under which there are surrender values. For example, a policy is considered surrendered when the premium payment is made with the dividends and the dividends are no longer sufficient to support the premium payment. Policies terminated by payment of the proceeds in advance of the maturity date, at a discount, or by reason of non-repayment of policy loans, are to be entered here as ceased by surrender.
180 580			Lapse Only policies under which no surrender values or non-forfeiture options were available at the date of termination should be included on this line.
250			Currency Revaluation This reflects the change in the account due to the change in the year end currency exchange rate.
299	33	P 75.040 L 110 C 06 + 16	In Force – End of Year
399	33	P 75.040 L 199 C 06 + 16	Net in force – End of Year