

SECTION II

General

The P&C-1 is considered to be generally self-explanatory and accordingly, the text on each page of the Return is considered as part of the Instructions. Below are additional points to assist in the preparation of the Annual Return.

- (i) The filing deadlines on Page II-4 of this Section are the dates by which the Annual Returns must be received by Regulators. A February 28 deadline refers to the last day of February.
- (ii) The Annual Return(s) filed with Regulators must be reproduced in single-sheet, two-page style (back to back), on 8 1/2 by 14 inch paper of good quality. A sample Annual Return is provided after Section X.

Some jurisdictions require a supplementary file to be filed with the Annual Return. Please refer to Page II-4 of this Section for details.

- (iii) The full name of the insurer and the year must be shown on the cover and on Page 10.10, and on **every** page (an abbreviated form of the name is acceptable on the "inside" pages).

The "code number" assigned to each insurer by its primary Regulator must also be shown on the cover, in the lower right corner.

In jurisdictions where the original must be accompanied by copies, the covers are to be marked "ORIGINAL" or "DUPLICATE", as applicable.

- (iv) The Annual Return must be properly verified by Affidavit (Page 99.10). Insurers should refer to Section V for jurisdictional requirements.

All filed copies of the Annual Return must bear the original signatures of the appropriate officers, directors, commissioner and/or notary public. Photocopies of signatures will not be accepted.

General (cont'd)

- (v) Pages containing no data are to be included with the filed Return(s), **except for** the Out-of-Canada exhibits on Pages 90.21 through 90.70.
- (vi) All dollar amounts reported in the Annual Return are to be reported in Canadian dollars. Insurers are to follow the Recommendations in the Handbook of the Canadian Institute of Chartered Accountants with regard to foreign currency translation
- (vii) Dollar amounts must be rounded to the nearest thousand dollars except for certain figures such as per share data. Individual items must be adjusted so that the total is not affected by rounding to the nearest thousand dollars.
- (viii) Pre-printed information or descriptions must not be changed. In some parts of the Annual Return (e.g. Page 20.10) write-in information is not acceptable. For most other schedules, adequate blank lines are provided for additional information. Any write-in information must be self-explanatory. If additional pages are required for detail information, it must be provided in like forms, titled, dated, identified as to insurer, and pages numbered using the following convention: 70.38A, 70.38B, etc.
- (ix) All sub-totals and totals must be calculated and reported, since Regulators use the amounts as reference points. Where supplementary listings are filed (e.g. investments), the totals must be carried forward to the actual exhibits in the Annual Return.
- (x) To indicate a number contrary to normal expectation, insurers must use "(649)", i.e. brackets, rather than "-649", i.e. a minus sign.
- (xi) An Actuary's Report on the adequacy of the provision for unearned premiums and unpaid claims must be filed with the Annual Return; failure to include one would deem the filing incomplete for most jurisdictions.

Insurers should refer to Section V for specific jurisdictional requirements. Also note that a certificate of opinion, in lieu of a full report, is not acceptable.

General (cont'd)

- (xii) An Auditors' Report must be filed with the Annual Return; failure to include one would deem the filing incomplete.

The Auditors' Report should be addressed to the primary Regulator (Superintendent / **Autorité**), and (other) Provincial Superintendents, where applicable. For example:

"To the Superintendent of Financial Institutions Canada, and the Provincial Superintendents of Financial Institutions / Insurance".

Insurers should refer to Section V for specific jurisdictional requirements. The Report must cover the Financial Statements section (Pages 20.10 through 20.60) of the Annual Return. The Report and opinion must be based on the total business of the insurer without regard to the division of business between in and out of Canada.

The Auditor's Report to the shareholders/policyholders, together with the annual Financial Statement, is expected to be filed with the Annual Return; this is a requirement in certain jurisdictions (refer to Section V). If there are material differences in classification between the annual Financial Statement and the financial statements included in the Annual Return, a reconciliation should be completed and filed with the Annual Return, and the Auditor's Report to the Regulator(s) on the Annual Return should include a comment that the auditor has reviewed the reconciliation and that it appropriately reflects reconciling items between the annual Financial Statement and the financial statements included in the Annual Return.

- (xiii) Financial Statements of Subsidiaries: refer to Section V for specific jurisdictional requirements, where applicable.
- (xiv) For amended return filing, see Page II-5 of this Section.
- (xv) If the filed information is illegible, inaccurate or incomplete, the Annual Return will not be considered filed.
- (xvi) Dates are to be reported using the convention DD/MM/YYYY (e.g. 31/12/1996), and names are to be reported with the surname first (e.g. ABLE, Ingrid M.).

Deadlines

An Annual Return must be filed in every jurisdiction where the insurer is licensed or registered as follows:

Jurisdiction	Deadline	Number of hard copies required	Supplementary file required
Federal	60 days after year-end, except 105 days for reinsurers (R)	2	Yes
Newfoundland and Labrador	March 31	1(PN)(F)	Yes
Prince Edward Island	February 28	1(F)	*
Nova Scotia	March 31	1(F)	*
New Brunswick	March 31	1	*
Quebec	March 1, except March 15 for reinsurers (R)	1	Yes
Ontario	February 28, except April 15 for reinsurers (R)	2(PO)(F)	Yes
Manitoba	February 28, except March 31 for reinsurers (R)	1(F)	*
Saskatchewan	February 28	1(F)	*
Alberta	60 days after year-end, except 105 days for reinsurers (R)	2(PA)	*
British Columbia	90 days after year-end, except 105 days for reinsurers (R)	1(PB)(F)	Yes
Yukon	March 15	1	No
Northwest Territories	February 28	1	No
Nunavut	February 28	1	No

(F): Federally registered insurers should refer to Section V for filing requirements.

(PN): Insurers incorporated in Newfoundland & Labrador, or in another province.

(PO): Insurers incorporated in Ontario, or in another province.

(PA): Insurers incorporated in Alberta. Other insurers, reinsurers and fraternal benefit societies registered in Alberta should refer to Section V, Filing Requirements – Alberta.

(PB): Insurers incorporated in B.C., or in another province.

(R): Insurers whose certificates of registry are limited to reinsurance.

* Required if produced

Mailing Addresses

See Section IX - Appendix (a) for the mailing addresses of all Regulators.

Penalties for Late Filing

Annual Returns must be received in the office of the Regulator on the due dates. There are penalties for late filing in all jurisdictions. In some jurisdictions, late filing is an offence that may result in prosecution as well as fines.

Electronic Filing

The Canadian Council of Insurance Regulators (CCIR) has undertaken to provide for insurers to file data electronically. The specifications for "diskette/CD-Rom filing" are in Section IX - Appendix (f), (g) and (h).

Supplementary diskette/CD-Rom filing of Annual Returns or electronic filing via a secure means provided by their Regulator is compulsory for all federally registered, Quebec, Ontario and British Columbia licensed property and casualty insurers. Please refer to the schedule on page II-4 for the requirements of other jurisdictions. Insurers are encouraged to consult their primary Regulator to determine their electronic filing requirements.

Supplementary diskette/CD-Rom filing of Interim Returns or electronic filing via a secure means provided by their Regulator is also compulsory for federally registered, and Quebec and Ontario licensed insurers.

Interim Returns

See Section IX - Appendix (f) and (i) for Interim Return Instructions.

Amended Annual Returns

If amendments are made to the Annual Return, an amended file, validation report and transmittal form, together with the amended pages (on which the changes have been highlighted) and an updated Affidavit (Page 99.10) must be filed immediately with every jurisdiction where the insurer has filed an original. An updated Auditors' Report may also be required if there are material changes affecting pages 20.10 to 20.60 of the Annual Return.