

OSFI-77	87.000	SUMMARY OF INVESTMENTS (Vested in Trust)	
<p>Purpose:</p> <p>To provide an overview of the investment portfolio vested in trust.</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>OSFI requires branches to maintain detailed listings of investments for examination, but they are not required to be submitted with the OSFI-77 report.</p> <p>Note that investments in subsidiaries and joint ventures are excluded from page 87.000 but investments in affiliates are to be included. Canadian GAAP rules are to be followed with respect to conversions of foreign denominated securities to Canadian currency.</p> <p>Indicate the impaired or non-performing amount (before provisions) for each type of investment in column 01. Details of how the branch determines and monitors impaired or non performing, amounts should be included in the society's Prudent Person Investment Policy and should be available for review if requested by OSFI.</p> <p>Book value is as defined by Canadian GAAP unless otherwise specified by OSFI. The book value less general and specific provisions should agree to the amounts on the balance sheet (non-consolidated).</p> <p>Market value should be derived using methodology commonly used by the investment community - unless otherwise specified by OSFI.</p>			
Line	Col	Cross Ref	Practice
001	C04-C02	P 83.010 L 015 C 01	Short-term investments are defined as investments with an original term to maturity at issue of 1 year or less.

OSFI-77	87.000 (cont'd)	SUMMARY OF INVESTMENTS (Vested in Trust)	
Line	Col	Cross Ref	Practice
002 to 009			Government bonds include those issued or fully guaranteed by the Government or Crown Corporation.
010 to 019			Includes all authorities with statutory powers of taxation below the level of state or provincial governments.
020 to 023			Classify corporate bonds or debentures by country depending on the location of the issuers head office, irrespective of the currency applicable to the security. Include fixed income private placements. Include under the appropriate classification securities issued by corporations conditionally guaranteed by governments.
030	04	P 87.021 L 019 C 08	Include all mortgage loans. Private placement bonds with mortgage characteristics should be included under corporate bonds (lines 020 to 023).
035 to 038			Show all preferred shares whether classified as fixed term or equity in the balance sheet. The location of the head office of the issuer determines the country for purposes of this classification.
041	C04-(C02+C03)	P 83.010 L 031+ L 042 C 02	Total Preferred Shares

OSFI-77	87.000 (cont'd)	SUMMARY OF INVESTMENTS (Vested in Trust)	
Line	Col	Cross Ref	Practice
042 to 045			Show total investments in common shares whether public or private. The location of the head office of the issuer determines the classification by country, irrespective of the currency in which the securities are denominated.
047	C04-(C02+C03)	P 83.010 L 045 C 02	Total Common Shares
048			Sum lines 041 and 047 and enter totals on line 048.
049	C04-(C02+C03)	P 83.010 L 059 C 02	<p>Other Equity Investments</p> <p>Show totals of investments in other equity instruments e.g., units in mutual funds, venture capital (excluding real estate ventures), etc.</p> <p>Note that all transfers to the society's own segregated funds should be reported with goodwill and other assets on the balance sheet. Refer to instructions page 87.060, line 055.</p>
051	C04-(C02+C03)	P 83.010 L 051 C 02	<p>Total Real Estate</p> <p>Show real estate gross of encumbrances but after writedowns for other than temporary declines in value determined in accordance with CICA Accounting Guideline AcG-9 - include buildings held for own use, and also properties acquired as a result of mortgage default activity. The latter should be initially brought into real estate at the lower of book or market as determined by appraisal.</p>

OSFI-77	87.000 (cont'd)	SUMMARY OF INVESTMENTS (Vested in Trust)	
Line	Col	Cross Ref	Practice
061	C04-(C02+C03)	P 83.010 L 021 C 02	<p>Other Loans</p> <p>Include commercial or other loans which do not fall into other investment categories above and leases.</p> <p>Do not classify non-interest bearing loans or advances as investments unless there is the possibility of capital accrual.</p>
062	04	P 87.014 L 049 C 05	Other invested assets i.e., where a return on capital was anticipated at the time of investment. Provide details on page 87.014.
All	02		<p>Specific Provisions</p> <p>Refer to page 87.050 for definition. These are netted against the book value of investments on the asset side of the balance sheet.</p>
All	03		<p>General Provisions</p> <p>Refer to page 87.050 for definition. These are amounts that are netted against the book value on the asset side of the balance sheet.</p>
101	All		<p>Fixed Term Bonds & Debentures</p> <p>Report the fixed term amounts for bonds and debentures included on lines 002 to 023.</p>
102	All		<p>Convertible Bonds & Debentures</p> <p>Report the convertible amounts for bonds and debentures included on lines 002 to 023.</p>

OSFI-77	87.000 (cont'd)	SUMMARY OF INVESTMENTS (Vested in Trust)	
Line	Col	Cross Ref	Practice
103	All		<p data-bbox="846 401 1252 432">Fixed Term Preferred Shares</p> <p data-bbox="846 468 1336 569">Report the fixed term amounts for preferred shares included on lines 035 to 038.</p>

OSFI-77	87.001	SUMMARY OF COMMERCIAL LOANS	
Purpose:			
To summarize commercial loan exposure.			
General Commentary:			
<p>Commercial loans, as defined in the <i>Insurance Companies Act</i>, may consist of investments which would normally be reported under other headings in the balance sheet (see section 490 for definition and section 562 for lending limit). Only societies with Head Office Accounts of over \$25 million are permitted to hold commercial loans in excess of 5% of total assets, provided they have received OSFI's prior written approval. Please refer to OSFI Guideline E-2, Commercial Lending Criteria for further information.</p> <p>This schedule requires societies to identify investments which fall under the <i>Insurance Companies Act</i> definition of commercial loans, and to indicate under which balance sheet headings they have been reported. Note that separate schedules are required for consolidated and non-consolidated assets respectively; please complete both schedules to ensure completeness of the OSFI database.</p> <p>Par value normally represents the amount to be received at a fixed date(s) in the future. For mortgages, enter the principal outstanding, for preferred shares, enter par value if known.</p> <p>Book value is the amount used for balance sheet purposes in accordance with GAAP, net of specific provisions.</p> <p>Market value should be derived using methodology commonly used by the investment community - unless otherwise specified by OSFI.</p>			
Line	Col	Cross Ref	Practice
001 to 021	02	P 83.010	Identify commercial loans included under various investment categories on page 83.010.
039	02		Calculate the total consolidated commercial loans reported on line 038, column 02 as a percentage of total consolidated assets reported on page 83.010, line 089, column 01.
040 to 061	01 to 03	P 83.010	Identify commercial loans included under various investment categories on page 83.010.
099	02		Calculate percentage of total non-consolidated commercial loans against book value (to nearest 1 decimal place) by dividing line 089, column 02 by total assets on page 83.010, line 089, column 01.

OSFI- 77	87.003	CAPITAL GAINS AND (LOSSES) ON INVESTMENTS	
Purpose:			
Summarize gains(losses) by various investment types and summarize deferral and amortization activity and outstanding balances. This provides OSFI with an overview of total gains, etc.			
General Commentary:			
Societies should maintain working papers showing the calculations for review by OSFI examiners if requested.			
Bonds include any other term investments except for mortgage loans, which are entered in column 02. Equities include any other equity investments (other than joint ventures) (see CICA Handbook section 4210 for definitions of "fixed term" and "equity" investments). Losses are shown as "negatives".			
Line	Col	Cross Ref	Practice
001	01 to 05		Total of all realized gains (i.e., where proceeds minus book value is positive).
002	01 to 05		Total of all realized losses (i.e., where proceeds minus book value is negative). Note treatment of defaults and permanent capital impairments as follows: for bonds, losses caused by permanent impairment due to lack of credit worthiness of the issuer, and for mortgage loan losses caused by default situations or where the loan is otherwise permanently impaired, losses are to be reported on page 84.060, line 060 and on page 87.050.
003	01 to 05		Lines 001-002 = line 003
007	01 to 05		Book values should be written down where there is a permanent impairment in the capital element of the investment. For real estate, writedowns for other than temporary declines in value should be determined in accordance with CICA Accounting Guideline AcG 9 - Write downs must be recognized in revenue in the year the write down occurs. Write ups on individual investments are generally not appropriate. See CICA Handbook for guidance.

OSFI-77	87.003 (cont'd)	CAPITAL GAINS AND LOSSES ON INVESTMENTS	
Line	Col.	Cross Ref	Practice
008	01 to 04		Report the currency adjustment to assets denominated in Other than Canadian dollars upon conversion for reporting in Canadian dollars.
009	01 to 05		Report non-amortizable gains or losses. Non-amortizable gains on individual securities transactions are generally unlikely.
017	01 to 05		Lines 010+014= line 017
020 021 029	01	P 84.060	See instructions for page 84.060, line 003.
020 021 029	02	P 84.060	See instructions for page 84.060, line 023.
020 021 029	03	P 84.060	See instructions for page 84.060, line 011.
020 021 029	04	P 84.060	See instructions for page 84.060, line 031.
020 021 029	05	P 84.060	See instructions for page 84.060, line 031 and footnote to page 84.060. Line 029, column 06 should cross-reference to page 83.020, line 040, column 01.
020+031	04+05	P 84.060 L 031 C 01	Amortization of Net Realized and Unrealized Gains and (Losses)
030	03, 04, 05		Total should agree to prior years ending balance reported in the annual return.

OSFI-77	87.003 (cont'd)	CAPITAL GAINS AND LOSSES ON INVESTMENTS	
Line	Col.	Cross Ref	Practice
031 to 039	03	P 84.060	See instructions for page 84.060, line 011.
031	04	P 84.060 P 87.031	Total should agree with line 099, column 12 of page 87.031 See instructions for page 84.060, line 031.
035	04 05	P 84.060	This line eliminates the amount of unrealized gains/losses, included on line 030, pertaining to properties disposed of during the year.
038	03 to 06		Lines 031-035= Line 038
039	03 to 06		Show the impact of any adjustments required to reflect change to the exchange rate applicable at year end.
049	03 to 06		Total is equal to the sum of lines 030, 038 and 039.
All	06		Sum columns 01 to 05 inclusive and enter total in column 06.

OSFI-77	87.012	INVESTMENTS IN REAL PROPERTY SUBSIDIARIES - SHARES (ASSETS VESTED IN TRUST)	
Purpose:			
Supporting schedule for page 83.010, line 079, providing details of investments in the common and preferred shares of real property subsidiaries that are vested in trust.			
General Commentary:			
Per section 612(2) of the <i>Insurance Companies Act</i> , only investments in real property corporations may be vested in trust.			
Each class of shares for each subsidiary should be shown separately. A subtotal should be provided for each subsidiary.			
Line	Col	Cross Ref	Practice
	01		Short name may be used if it clearly identifies the real property.
	02		Show each class of shares separately.
	03		Where there is no contractual rate, show the rate of dividend for the current year.
	06		Cost should include contributed surplus, if any. It may be necessary to report it as a separate item for a particular subsidiary.
	07		Book value should be determined using the equity method as described in the CICA Handbook section 3050.
All	09		Net Income of Subsidiary - Report the branch's equity share of the net income of the subsidiary for the current year.
	10		Market Value - Report the market value of the investment at the end of the current year (Vested in Trust).

OSFI-77	87.013	SUMMARY OF INVESTMENTS IN FINANCIAL INSTITUTIONS SECTOR (Non-Affiliates) (Vested in Trust)	
<p>Purpose:</p> <p>To disclose the society's investments in the financial institutions sector (non-affiliated corporations only).</p>			
<p>General Commentary:</p> <p>Over the last several years there have been a number of failures of financial institutions, both in Canada and abroad. It is important that OSFI be kept apprised of the degree of exposure of Foreign Fraternal Benefit Societies to the specific sector in which it is in competition. Include all investments in bonds, debentures, loans and shares in societies in the financial institutions sector.</p> <p>Include all investments in non-affiliated financial institutions, a financial institution is defined in section 2 of the <i>Insurance Companies Act</i>.</p> <p>A subtotal for columns 07 and 08 should be supplied for each institution.</p>			
Line	Col	Cross Ref	Practice
All	01	-	<p>Name of financial institutions Show the name of each financial institution in which the society has investments.</p>
	02	-	<p>Description of Investments e.g., bonds, debentures, loans, shares</p>
	06		<p>Par Value or Number of Shares For bonds and debentures, show the par value (face amount). For shares, show the number of shares owned. For loans, show the original amount of the loan.</p>
	07		<p>Book Value</p> <p>The value of the investment as recorded in the society's books at year-end.</p> <p>The amount appearing in this column for a particular investment should agree to the amount included on page 83.010, line 070, column 02 for that investment.</p>

OSFI-77	87.014	OTHER INVESTED ASSETS (Vested in Trust)
<p>Purpose:</p> <p>To provide details of items reported as Other Invested Assets on the balance sheet which are vested in trust.</p>		
<p>General Commentary:</p> <p>Items not classified as fixed term investments or equity investments per CICA Handbook section 4210 should be reported as Other Invested Assets on line 062 of the balance sheet, page 83.010. List the name of the investee and provide a description for each investment on this exhibit. The total book value (before provisions) on line 049, column 05 should cross-reference to page 87.000, column 04, line 062.</p>		

OSFI-77	87.014	INTERESTS IN JOINT VENTURES (Vested in Trust)	
<p>Purpose:</p> <p>To provide details of the branch's interests in joint ventures.</p>			
<p>General Commentary:</p> <p>Reference CICA Handbook sections 3055 and 3050.45</p> <p>List the name and provide a description of each interest that the society holds in joint ventures.</p>			
Line	Col	Cross Ref	Practice
	04		Per CICA Handbook section 3050.45 report interests in joint ventures on the equity basis in these non-consolidated financial statements.
089	04	P 83.010 L 078 C 02	Total Interests in Joint Ventures - Vested in Trust

OSFI-77	87.021	MORTGAGE LOANS - GEOGRAPHIC DISTRIBUTION - GROSS (before provisions) - Assets Vested in Trust	
Purpose:			
To provide a summary of gross mortgage loans by location and by type of property (before provisions) for assets vested in trust.			
General Commentary:			
The 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 87.029 for property type definitions.			
Line	Col	Cross Ref	Practice
001-012	All		The gross value of Canadian loans vested in trust 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.
	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.
019	08	P 87.000 L 030 C 04	Total Mortgages (Gross before Provisions)
019	11	P 87.000 L 030 C 02	Specific Provisions - Total

OSFI-77	87.022	MORTGAGE LOANS - SUMMARY BY TYPE - ARREARS, PROVISIONS AND FORECLOSURES IN PROCESS (Assets Vested in Trust)	
<p>Purpose:</p> <p>To disclose the arrears and specific provisions on various categories of insured mortgage loans that are vested in trust.</p>			
<p>General Commentary</p> <p>References: <i>Insurance Companies Act</i> section 469(1) <i>Insurance Companies Act</i> section 2 (1) CICA Handbook sections 4210 and 3025 OSFI Guideline C-1, Impaired Loans OSFI Guideline A, Test of Adequacy of Assets and Margin Requirement</p> <p>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 at least the majority of the floor space thereof, as one or more private dwellings.</p> <p>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".</p> <p>Note that the definition of residential mortgages differs from that applicable to the Test of Adequacy of Assets and Margin Requirement.</p> <p>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.</p> <p>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 company).</p>			
Line	Col	Cross Ref	Practice
All	01		Gross Mortgage Loans - Report the total amount of all insured mortgage loans before general and specific provisions (or individual and group allowances).
All	02		Net Mortgages Loans - Report the total amount of all insured mortgage loans minus general and specific provisions.

OSFI-77	87.022 (cont'd)	MORTGAGE LOANS - SUMMARY BY TYPE - ARREARS, PROVISIONS AND FORECLOSURES IN PROCESS (Assets Vested in Trust)	
Line	Col	Cross Ref	Practice
010	All		Include all non-residential insured loans not disclosed in lines 001 to 003.
019	01	P 87.021 L 019 C 01	Total Insured Total of lines 001 to 010.
019+049	All	P 87.021 L 019 C 08	The sum of lines 019+049 should equal the amount reported on line 019 of page 87.021.
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 section 3025.32-.37.</p>

OSFI-77	87.022 (cont'd)	MORTGAGE LOANS - SUMMARY BY TYPE - ARREARS, PROVISIONS AND FORECLOSURES IN PROCESS (Assets Vested in Trust)	
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>Total Foreclosures/Collections in Process - Gross Amount</p> <p>Include in this column the book value of loans in arrears 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 society has advised the mortgagee that the society is commencing legal steps to collect the mortgage and includes:</p> <p>(a) steps to foreclose on the property; or</p> <p>(b) steps to sell the property via power of sale.</p>
All	10		<p>Total Foreclosures/Collections in Process - Net Amount - Report the book value of loans in arrears listed in columns 04, 06 and 08 minus specific provisions which are in the process of being foreclosed/collected as described in column 09 above.</p>
030-053	All		<p>Follow the same procedures as for the equivalent line descriptions for lines 001 to 023 for uninsured loans.</p>
All	11		<p>Impaired Amount (Before Provisions)</p> <p>Report the impaired amount (before provisions or individual and group allowances) included in column 01 in accordance with CICA Handbook section 3025.</p>

OSFI-77	87.023	MORTGAGE LOANS - SUMMARY BY TYPE - ARREARS, PROVISIONS AND FORECLOSURES IN PROCESS (Total Mortgages Canadian Branch)	
<p>Purpose:</p> <p>To disclose the arrears and specific provisions and pending foreclosure actions for various categories of uninsured mortgage loans for the total Canadian branch.</p>			
<p>General Commentary:</p> <p>References: <i>Insurance Companies Act</i> section 469(1) <i>Insurance Companies Act</i> section 2(1) CICA Handbook sections 4210 and 3025 OSFI Guideline C-1, Impaired Loans OSFI Guideline A, Test of Adequacy of Assets and Margin Requirements</p> <p>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.</p> <p>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".</p> <p>Note that the definition of residential mortgages differs from that applicable to the Test of Adequacy of Assets and Margin Requirement calculations.</p> <p>Columns 01, 03, 05, 07 and 09 are to be reported on a gross basis; only column 02 is net of general and specific provisions (or individual and group allowances). Columns 04, 06 and 08 are book values less specific provisions only.</p> <p>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. These loans are disclosed on page 87.022.</p>			
Line	Col	Cross Ref	Practice
All	01		Gross Mortgage Loans - Report the total amount of all uninsured mortgages before general and specific provisions.
All	02		Net Mortgage Loans - Report the total amount of all uninsured mortgages minus general and specific provisions.

OSFI-77	87.023 (cont'd)	MORTGAGE LOANS - SUMMARY BY TYPE - ARREARS, PROVISIONS AND FORECLOSURES IN PROCESS (Total Mortgages Canadian Branch)	
Line	Col	Cross Ref	Practice
010	All		Include all non-residential insured loans not disclosed on lines 001 to 003.
019	01		Total Insured Total of lines 001 to 010.
019+049	02	P 83.010 L 030 C 01	Net Mortgage Loans
023	All		Restructured Loans Refer to instructions page 87.022 and CICA Handbook section 3025.32-.37. 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 amount in arrears minus specific provisions.
030-053	All		Follow the same procedures as for the equivalent line descriptions for lines 001 to 023 for uninsured loans.

OSFI-77	87.023 (cont'd)	MORTGAGE LOANS - SUMMARY BY TYPE - ARREARS, PROVISIONS AND FORECLOSURES IN PROCESS (Total Mortgages Canadian Branch)	
Line	Col	Cross Ref	Practice
All	09		<p>Total Foreclosures/Collections in Process - Gross Amount</p> <p>Include in this column the book value of loans in arrears 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 society has advised the mortgagee that the society is commencing legal steps to collect the mortgage and includes:</p> <p>(a) steps to foreclose on the property; or</p> <p>(b) steps to sell the property via power of sale.</p>
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 minus specific provisions which are in the process of being foreclosed/collected as described in column 09 above.</p>
All	11		<p>Impaired Amount (Before Provisions)</p> <p>Report the impaired amount (before provisions or individual and group allowances) included in column 01 in accordance with CICA Handbook section 3025.</p>

OSFI-77	87.024	25 LARGEST UNINSURED MORTGAGE LOANS (ASSETS VESTED IN TRUST)	
<p>Purpose:</p> <p>To disclose the branch's 25 largest investments in Uninsured Mortgage Loans that are vested in trust.</p> <p>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.</p> <p>Loans should be arranged in descending order by outstanding principal balance (gross before provisions).</p>			
<p>General Commentary:</p> <p>Include both residential and non-residential mortgage loans.</p>			
Line	Col	Cross Ref	Practice
All	01	-	<p>Account Number</p> <p>The number assigned to the mortgage loan by the branch.</p>
	02	-	<p>Name of Borrower</p> <p>The name of the individual/organization to whom the mortgage loan was given.</p>
	03	-	<p>Number of Days in Arrears</p> <p>Record the number of days mortgage loan payment(s) have been due and unpaid.</p>
	04	-	<p>Rate of interest</p> <p>Record the interest rate the mortgage has been contracted for.</p>
	05	-	<p>Maturity Date</p> <p>Show day, month, year.</p>

OSFI-77	87.024 (cont'd)	25 LARGEST UNINSURED MORTGAGE LOANS (ASSETS VESTED IN TRUST)	
Line	Col	Cross Ref	Practice
	06	-	Balance of Loan (Before provisions) Show the outstanding balance (before provisions) as at year-end.
	07		Specific Provisions Report the specific provisions (individual allowance) that have been taken against each specific mortgage loan.
	08		Amount of Cumulative Prior Encumbrances If the society's mortgage loan is not a first charge on the property, the total cumulative amount of all mortgages and prior claims should be included in this column.
All	09	-	Address of Property Show the location address of the property in which the society has a mortgage loan investment.
	10		Property Type Refer to property type definitions on page 87.029.
	11	-	Market Value of Property Show the market valuation of the property as at year-end. If the loan is shared with other lenders having an equivalent claim on the property, the market value of the property should be multiplied by the proportion that the society's loan is of all loans having an equivalent claim.
	12	-	Year Property Appraised Show the year the property was last appraised.

OSFI-77	87.029	REAL ESTATE - GEOGRAPHIC DISTRIBUTION BY TYPE - GROSS (Before Provisions) ASSETS VESTED IN TRUST	
<p>Purpose:</p> <p>To provide a summary of real estate by location and by type of property (before provisions) that is vested in trust</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 gross book value of real estate (before provisions) that is vested in trust, including foreclosed real estate which is held for sale. Where mortgages or 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 indicates a loss in value which is other than a temporary decline.</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.

OSFI-77	87.029 (cont'd)	REAL ESTATE - GEOGRAPHIC DISTRIBUTION BY TYPE - GROSS (Before Provisions) ASSETS VESTED IN TRUST	
Line	Col	Cross Ref	Practice
All	04		Retail Stores Real property consisting of buildings that are used primarily as retail stores including shopping plazas.
All	05		Industrial Real property consisting of buildings that are used primarily for industrial purposes including manufacturing and warehouses.
All	06		Other Include all other types of real estate including vacant land.
059	07	P 87.000 L 051 C 04	Total Real Estate Sum of columns 01 to 06.
All	08		Total Foreclosed Real Estate Separately identify in column 08 amounts included in columns 01 to 07 that are foreclosed properties held for sale. CICA Handbook section 3025.48

OSFI-77	87.031	REAL ESTATE-VALUATION AND AMORTIZATION OF UNREALIZED GAINS AND LOSSES (Real Estate Owned Directly by the Canadian Branch)	
Purpose: To support the valuation and amortization of unrealized gains and losses of real estate properties which are owned directly by the branch.			
<p>General Commentary:</p> <p>References: CICA Handbook sections 3025 and 4210 and AcG-9 - Financial Reporting by Life Insurance Enterprises <i>Insurance Companies Act - Investment Valuation Regulations - 3.1, 6.1</i></p> <p>This schedule supports the amortization of unrealized gains and losses on investment and own use real estate properties, including ground rents (page 84.060, line 031, column 01). Note that losses are reported as negatives.</p> <p>Properties acquired through foreclosure: no amortization takes places as such properties are written down to market (appraised) value each year per CICA Handbook section 3025.</p> <p>Only the following properties are required to be listed:</p> <ul style="list-style-type: none"> a) properties where there is an impairment writedown recorded during the year; b) properties with market value less than book value; c) properties where a current appraisal is not on file; d) properties that have been sold and were included in the prior year return; e) the largest of all <u>other</u> properties that have a book value over \$5 million (maximum 25 properties) 			
Line	Col	Cross Ref	Practice
All	01		Report the address and I.D. # of the property in column 01 with subtotals for each country for foreign properties.
All	02		<p>Property Type - Report the type of property as either residential, multiple residential, office, retail stores, industrial or other. Refer to instructions page 87.029 for property type definition.</p> <p>Identify with an “I” properties held for investment/income; an “O” properties held for own use; and an “FS” properties acquired by foreclosure and held for sale; and an “FI” properties acquired by foreclosure and held for investment; and an “*” if vested in trust.</p>
All	05		Report the book value at the beginning of the year (before provisions) for properties that are still held at year-end.

OSFI-77	87.031 (cont'd)	REAL ESTATE-VALUATION AND AMORTIZATION OF UNREALIZED GAINS AND LOSSES (Real Estate Owned Directly by the Canadian Branch)	
Line	Col	Cross Ref	Practice
All	06		<p>For existing properties, include capital expenditures for the statement year. For properties acquired during the year, report the acquisition cost plus capital additions since acquisition. For properties acquired through foreclosure, report the appraised value at the date of foreclosure plus post-appraisal capital additions.</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.</p>
All	08		Capital additions since the effective date of the most recent appraisal.
All	12		Properties acquired through foreclosure, which should be identified with an (F) in column 02, should include 100% of decline in value i.e., excess of column 07 over column 11.
All	17		<p>Foreign Currency Adjustment</p> <p>Report any adjustment due to currency translation of foreign properties at year end.</p>
All	19		<p>Specific Provisions / Writedowns</p> <p>Report the specific provisions that have been booked against the individual property. Include (in brackets) the amount of specific provision reversals where an asset is written down.</p>
All	20		Net income includes gross income, operating expenses, taxes, and the amount of amortization included in column 12.

OSFI-77	87.031 (cont'd)	REAL ESTATE-VALUATION AND AMORTIZATION OF UNREALIZED GAINS AND LOSSES (Real Estate Owned Directly by the Canadian Branch)	
Line	Col	Cross Ref	Practice
080	01		In line 080, "Total Amount (Property by Property Basis) where Adjusted Appraised Value is Less Than Book Value", please report the total excess of book value of properties over corresponding total adjusted appraised value in respect of properties where the adjusted appraised value is less than book value.
099	21	P 83.020 L 033 C 01	Total Mortgage loan and other real estate encumbrance.

OSFI-77	87.032	REAL ESTATE-VALUATION AND AMORTIZATION OF UNREALIZED GAINS AND LOSSES (Real Estate Owned by Subsidiaries)	
Purpose: To support the valuation and amortization of unrealized gains and losses of real estate properties which are owned by subsidiaries.			
<p>General Commentary:</p> <p>References: CICA Handbook sections 3025 and 4210 and AcG-9 - Financial Reporting by Life Insurance Enterprises <i>Insurance Companies Act - Investment Valuation Regulations - 3.1, 6.1</i></p> <p>This schedule supports the change in the book value of subsidiaries (page 83.010, line 079, column 01) as well as the amortization of unrealized gains and losses on such properties (page 84.060, line 031, column 01). As the subsidiaries' financial statements will show 100% of realized gains/losses, a special schedule will provide the figures to adjust the equity value to reflect the 10% amortization of realized gains/losses. This is accomplished by subtracting/adding an amount equal to the balance of the unamortized realized gains/losses and adding/subtracting the applicable amount of the unrealized increase/decrease of the carrying value of real estate holdings to the subsidiaries' equity value. Refer to the General Section of these Instructions for rates of amortization. Ground rents are included in this schedule.</p> <p>Only the following properties are required to be listed:</p> <ul style="list-style-type: none"> a) properties where there is an impairment writedown recorded during the year; b) properties with market value less than book value; c) properties where a current appraisal is not on file; d) properties that have been sold and were included in the prior year return; e) the largest of all <u>other</u> properties that have a book value over \$5 million (maximum 25 properties) 			
Line	Col	Cross Ref	Practice
All	01		Report the address and I.D. # of the property in column 01 with subtotals for each country for foreign properties.
All	02		<p>Property Type - Report the type of property as either residential, multiple residential, office, retail stores, industrial or other. Refer to instructions page 87.029 for property type definition.</p> <p>Identify with an "I" properties held for investment/income; an "O" properties held for own use; and an "FS" properties acquired by foreclosure and held for sale; and an "FI" properties acquired by foreclosure and held for investment; and an "*" if vested in trust.</p>

OSFI-77	87.032 (cont'd)	REAL ESTATE-VALUATION AND AMORTIZATION OF UNREALIZED GAINS AND LOSSES (Real Estate Owned by Subsidiaries)	
Line	Col	Cross Ref	Practice
All	05		Report the book value at the beginning of the year (before provisions) for properties that are still held at year end.
All	06		For existing properties, include capital expenditures for the statement year. For properties acquired during the year, report the acquisition cost plus capital additions since acquisition. 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. For properties acquired through foreclosure, report the appraised value at the date of foreclosure plus post-appraisal capital additions.
All	08		Capital additions since the effective date of the most recent appraisal.
All	12		Properties acquired through foreclosure, which should be identified with an asterisk (*) in column 01, should include 100% of the decline in values ie the excess of column 07 over column 11.
All	17		Foreign Currency Adjustment Report any adjustment due to currency translation of foreign properties at year end.
All	19		Specific Provisions / Writedowns Report specific provisions that have been booked against the individual property. Include (in brackets) the amount of specific provision reversals where an asset is written down.

OSFI-77	87.032 (cont'd)	REAL ESTATE-VALUATION AND AMORTIZATION OF UNREALIZED GAINS AND LOSSES (Real Estate Owned by Subsidiaries)	
Line	Col	Cross Ref	Practice
All	20		Net income includes gross income, operating expenses, taxes, and the amount of amortization included in column 11. Depreciation and mortgage interest are not included. This amount increases/decreases the equity value of the subsidiary.
080	01		In line 080, "Total Amount (Property by Property Basis) where Adjusted Appraised Value is Less Than Book Value", report the total excess of book value of properties over corresponding total adjusted appraised value in respect of properties where the adjusted appraised value is less than book value.

OSFI-77	87.050	SUMMARY OF PROVISIONS - CANADIAN BRANCH
<p>Purpose:</p> <p>To disclose details of provisioning and write-downs taken by the branch.</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 the branch to adequately assess solvency. Societies are required to complete this page following the general definitions provided below.</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 loss in value which is other than temporary decline.</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-77	87.050 (cont'd)	SUMMARY OF PROVISIONS - CANADIAN BRANCH
<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.</p> <p>The Total provisions in column 12 should be the sum of the General and Specific Provisions reported in columns 10 and 11.</p> <p>The valuation margin for asset default included in actuarial reserves is included on line 039 for disclosure purposes only. The title of columns 03, 08 and 12 applies to these columns on line 039.</p>		

OSFI-77	87.060	ACCOUNTS RECEIVABLE AND OTHER ASSETS - CANADIAN BRANCH	
Purpose: To disclose details of accounts receivable and other assets of the branch.			
General Commentary: Reference: CICA Handbook section 3020 Accounts and notes receivable should be segregated so as to show separately, ordinary trade accounts, amounts owing by related parties and other unusual items of substantial amount. An account or note receivable should be written off as soon as it is known to be uncollectible or should be written down to its estimated realizable value as soon as it is known that it is not collectible in full. If, after writing off all known uncollectible accounts, it is expected that some further losses will be incurred, an allowance for doubtful accounts should be provided. The allowance should be determined in accordance with generally accepted practices.			
Line	Col	Cross Ref	Practice
001-019	01 & 02	Part of P 83.010 L 010	Accounts Receivable from Subsidiaries and Affiliates: CICA Handbook section 3840 and OSFI Guideline E-6, Materiality Criteria for Related Party Transactions To disclose the amount receivable from related parties (subsidiaries and affiliates) at the financial statement date.
020	(01+02) -03	P 84.050	Outstanding Premiums Columns (01+02)-03 should agree to page 84.050, lines 058+059, column 03.
021 & 022	01, 02 & 03		Agents' Debit Balances and Brokers' Balances The amounts which are due to the branch from agents and insurance brokers (do not offset the receivables with amounts due to agents and insurance brokers).

OSFI- 77	87.060 (cont'd)	ACCOUNTS RECEIVABLE AND OTHER ASSETS	
Line	Col	Cross Ref	Practice
023	All		<p>Federally Registered Insurers and Approved Provincial Reinsurers</p> <p>Report all amounts receivable from federally registered insurers and provincial reinsurers approved by the Superintendent as a reinsurer.</p>
025	01 02 03		<p>Other Insurers</p> <p>The amounts due to the society from all non federally registered insurers and other insurers not reported on line 023. This includes amounts receivable from reinsuring companies for claims paid, shared contracts and payments receivable under settlement annuities.</p>
029	01 02 & 03		<p>Other Receivables</p> <p>The amounts due the society on ancillary and other fee business.</p>
040- 042	01 02 03		<p>Goodwill</p> <p>CICA Handbook section 3062.22-.48</p> <p>The amount attributed to goodwill should be shown separately to the extent that it has not been written down.</p>
050	01 02 03		<p>Furniture and Equipment (less accumulated depreciation)</p> <p>CICA Handbook section 3061</p> <p>Include Chief Agent's Assets for Test of Adequacy of Assets and Margin Requirements (i.e., automobiles, computer hardware and leasehold improvements).</p>

OSFI- 77	87.060 (cont'd)	ACCOUNTS RECEIVABLE AND OTHER ASSETS	
Line	Col	Cross Ref	Practice
051	01 02 03		<p>Prepaid and Deferred Charges</p> <p>CICA Handbook sections 3040 and 3070</p> <p>The amounts shown are items such as prepaid commissions and the cumulative difference between the amounts expensed and funding contributions to pension plan.</p>
052	01 02 03		<p>Intangibles</p> <p>CICA Handbook section 3062.06-.21</p>
055	All		<p>Transfer to Society's own Segregated Funds</p> <p>Report all amounts held in units of the society's own segregated fund as seed money for segregated fund operations at market value. Section 452 of the <i>Insurance Companies Act</i> stipulates that funds may only be transferred into a society's own segregated funds for the creation and maintenance of segregated funds. Income related to changes in market value of Transfers to/from Society's Own Segregated Funds should be reported as Other Income on page 84.070.</p>
060			<p>Current Income Taxes Receivable</p> <p>Report the amount of any current income tax assets. CICA Handbook section 3465.</p>
061 to 062	01 02 03		<p>Other Assets</p> <p>Include miscellaneous and other investments.</p>
069	03	P 83.010 L 081 C 01	Total Goodwill and Other Assets

OSFI-77	87.080	INVESTMENTS - (VESTED IN TRUST) (BY GROUP OF COMPANIES)	
Purpose:			
To provide an indication of the exposure of the vested investments of a foreign branch of the society to a particular company or corporate group.			
General Commentary:			
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 branch's equity (head office account) 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.			
Do not include derivative instruments, securities issued or guaranteed by the government which have a zero rating for Test of Adequacy of Assets and Margin Requirement calculations. Investments made for the segregated fund account holders should also be excluded.			
Line	Col	Cross Ref	Practice
N/A	05		Other Loans and Investments Include short-term debt, guarantees and leases.