



# Guide to the Annual Information Return

## 1. Filing the Annual Information Return (AIR)

The Office of the Superintendent of Financial Institutions (OSFI) and Canada Revenue Agency (CRA) have designed this joint Form OSFI 49 - Annual Information Return (AIR) in an effort to eliminate duplication and reduce the cost of filing two separate annual returns. The consolidated form comprises the Annual Information Return, as required by the *Pension Benefits Standards Act, 1985* (PBSA) and Schedule A, as required by the *Income Tax Act* and Regulations.

In accordance with section 12 of the PBSA and sections 12 and 25 of the Pension Benefits Standards Regulations, the administrator of a pension plan shall file an AIR with the Superintendent annually, or at such other intervals or times as the Superintendent may direct, within six months after the end of the plan year to which it relates. The information provided in Schedule A will satisfy the filing requirements under section 8409 of the Income Tax Regulations. OSFI will be responsible for sending the information contained in Schedule A to CRA.

The required fees are to be determined according to the current fee schedule on page 5 of this Guide. OSFI's Finance and Corporate Planning Division (FCPD) will invoice plan sponsors for annual filing fees after OSFI has received the AIR. **PLEASE DO NOT SEND** your fees with your completed AIR.

## 2. Explanation of Certain Sections of the AIR

If the space allotted in any section of the AIR is insufficient to enter the required information, additional sheets of paper may be used and attached to the AIR. There is also a small space for explanatory notes on page 20.016 of the AIR.

### Page 20.010

**Line 001:** Administrators are asked to provide both PBSA and CRA registration numbers on this line.

**Line 003:** Indicate the type of pension plan: defined benefit, defined contribution (money purchase) or a combination plan. A combination plan is one with defined benefit and defined contribution components.

**Line 004:** A public company has shares traded in the marketplace.

**Line 007:** The name of the plan as defined in the plan documents is to be entered on this line.

**Line 012:** The person or other prescribed body legally responsible for administering the plan is to be entered on this line.

**Lines 021 to 027:** If the plan is administered by a third party, the name and address should be indicated on these lines. The third-party administrator is not to be confused with the plan administrator, as entered on line 012 or as defined in the PBSA.

**Lines 032 to 037:** If the pension plan books and records are held at a location other than the plan administrator or third-party administrator, their location is to be indicated on these lines.

**Lines 038 and 039:** The name of the fund custodian(s), the policy or account numbers, and a contact person are to be entered on these lines.

**Line 045:** The period covered by the AIR may be less, but may not be more, than 12 months. Therefore, a change in plan year end will result in an AIR that covers a period of less than 12 months. Fees should be prorated for the period covered by the AIR.

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### **Membership**

Active members are defined as those who have joined the plan and have not terminated their membership. Active members therefore include those whose membership was interrupted because of lay-off, suspension, disability or leave of absence, whether or not contributions were made on their behalf, during the period under review.

**Line 002:** Ensure that membership at the beginning of the period under review reflects the membership at the end of the previous year.

**Line 003:** New entrants to active membership include new members joining the plan and transfers from other plans.

**Line 006:** All types of retirements – normal, early, disability, or special – and deaths of active members are to be reported on this line.

**Line 008:** Terminations of membership include those who terminate employment and those who are transferred to another pension plan.

**Line 013:** Provide the number of inactive members for whom no contributions were made. An inactive member is a member who is employed by the company but is not accruing benefits. Retirees and deferred members are not inactive members.

## Membership by Location of Employment

**Lines 015 to 034:** Active members are to be reported by province of employment in columns 001 and 002. Males and females are reported separately for Statistics Canada purposes. The total number of members, both male and female, in included employment is to be entered in column 003.

## Included Employment

Included employment is employment in connection with the operation of any work, undertaking or business that is subject to the legislative authority of the Government of Canada. The following activities generally fall under the category of included employment:

- any undertaking or business in connection with navigation and shipping, both inland and maritime;
- rail transportation connecting two or more provinces;
- air transportation;
- interprovincial road transportation;
- communications, including radio, television, telegraph, telephone companies;
- chartered banks;
- any undertaking declared by the Parliament of Canada to be for the general advantage of Canada (this includes uranium mining and flour, feed or seed mills west of the Lakehead);
- employment in the Northwest Territories, the Yukon Territory or Nunavut.

**Line 035:** Administrators are to ensure that the amount reported should be the sum of columns 001 and 002 on line 034. As a validation check, the grand total on line 035 should be the same as the number of members at the plan year end on line 011.

## Current Service Payments

**Lines 040 to 044:** The amounts of member contributions and additional voluntary contributions actually remitted to the fund during the period are to be reported on line 040 and line 042 respectively. Member contributions for the purpose of purchasing flexible benefits are to be reported under voluntary contributions.

**Line 045:** Current service contributions, as required by the plan documents or the most recent actuarial valuation report for the period under review, are to be entered on this line.

**Line 047:** The amount of surplus assets in a defined benefit plan or unvested forfeitures in a money purchase (defined contribution) plan and used to reduce required employer current service contributions, is to be reported on this line.

Note: Unvested forfeitures in a money purchase (defined contribution) plan are employer contributions, and the interest accrued thereon, that were made on behalf of former members who forfeited entitlement as a result of terminating employment before their benefit was vested.

**Line 049:** The total amount of net employer current service contributions actually remitted to the plan for the period under review is to be entered on this line.

**Lines 050 to 054:** If different rates apply to different classes of employees, the portion of payroll or other contribution base corresponding to each class is to be indicated. For example, if 70% of the members are in Class A and 30% are in Class B, the payroll must reflect this breakdown.

**Line 056:** The collective bargaining agent is the union, even if the union does not negotiate pension plan matters on behalf of the members. Also indicate the expiration date of the current collective agreement.

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Note: Administrators of money purchase (defined contribution) plans are not required to answer any of the questions on this page.

#### **Special Payments**

Special payments include those amounts recommended by the actuary as being required to amortize an unfunded liability or solvency deficiency in a prescribed period of time. Another type of special payment would be a lump-sum amount remitted by the employer to cover, in full, the cost of amendments that increased the plan's liability. An explanation of such a special payment should be given on page 20.016, line 010.

**Lines 001 and 002:** Unfunded liability and solvency deficiency payments that have been remitted to the plan during the period under review are to be reported on these lines.

#### **Adjustments to Pensions**

**Lines 006 to 044:** This section is for the purpose of collecting information on any regular or ad hoc increases to retirees or surviving spouses in receipt of a pension and former members with entitlement to a deferred pension.

#### **Page 20.016**

#### **Participating Employers and Trustees**

**Line 001:** List all participating employers, whether or not the plan is a multi-employer plan. If there are more than four employers participating in the plan, attach a separate list.

**Line 002:** If the plan has individual trustees, include a current list of the trustees and their phone numbers.

## Amendments

**Line 003:** Indicate whether any amendments were made to the plan and whether the amendments were submitted to OSFI.

### 3. Certification

The AIR certification on page 20.016 must be signed by an authorized officer of the plan administrator, as defined in section 7 of the PBSA. The administrator is certifying that the information provided on the AIR is true, correct and complete. This certification applies to both OSFI and CRA information.

### 4. Fee Schedule

**PLEASE DO NOT SEND** your fees with your completed AIR. OSFI's Finance and Corporate Planning Division (FCPD) will invoice plan sponsors for annual filing fees after OSFI has received the AIR. Plan sponsors are requested to file the AIR within six months of the plan year end. For information purposes only, the current fee schedule is set out below.

| <b>Filing Fees</b>     |                               |                              |                    |                    |
|------------------------|-------------------------------|------------------------------|--------------------|--------------------|
| <b>Effective Date</b>  | <b>Per Member up to 1,000</b> | <b>Per Member Over 1,000</b> | <b>Minimum Fee</b> | <b>Maximum Fee</b> |
| <b>October 1, 2004</b> | <b>\$12.00</b>                | <b>\$6.00</b>                | <b>\$240</b>       | <b>\$120,000</b>   |

Fees payable for previous years are to be calculated using the fee schedule for that year. For further information, visit our web site at [www.osfi-bsif.gc.ca](http://www.osfi-bsif.gc.ca) or contact us at:

Office of the Superintendent of Financial Institutions  
255 Albert Street  
Ottawa, Ontario  
K1A 0H2  
Telephone: (613) 990-8124  
Fax: (613) 991-6118



## Schedule A

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Note: If you need more information on this schedule, contact the general enquiries services of the Registered Plans Division of Canada Revenue Agency at (613) 954-0419 for service in English and (613) 954-0930 for service in French.

**Line 002:** Total amount of benefits paid.

**Line 005:** Total amount of all transfers to other plans including registered pension plans (RPPs), registered retirement savings plans (RRSPs), and registered retirement income funds (RRIFs).

**Line 007:** Total amount transferred in from other deferred profit sharing plans (DPSPs), RPPs, and RRSPs.

**Line 010:** A plan terminates when contributions have ceased and members have ceased to accrue benefits. An inactive plan is one that has been terminated by the plan sponsor but the total plan funds have not been disbursed.

Examples of inactive plans are those that:

- have no active plan membership, but the employer is continuing to pay pension benefits from the fund; or
- are on a paid-up basis but retain registration with the Agency.

**Line 020:** An **active member** is an employee who accrues benefits in a defined benefit plan, or who makes contributions or on whose behalf the employer makes contributions to a money purchase plan. According to the Income Tax Regulations, a **connected person** is generally one who:

- owns, directly or indirectly, 10% or more of the issued shares of any class of the capital stock of the employer or a related corporation;
- does not deal at arm's length with the employer (see section 251 of the *Income Tax Act* for details); or
- is a specified shareholder of the employer by reason of paragraph (d) of the definition of specified shareholder in subsection 248(1) of the *Income Tax Act*.

For a complete definition of a **connected person**, see subsection 8500(3) of the Income Tax Regulations.

**After line 025:**

For specified multi-employer plans, no further questions.

For multi-employer plans, go to line 050.

For all other plan types, continue with line 030.

A specified multi-employer plan (SMEP) has the following characteristics:

- the plan is a MEP (see definition later);
- employers participate in the plan under a collective bargaining agreement and contributions are according to a negotiated formula;
- employer contributions are based on hours worked by employees or some other similar measure;
- all or nearly all (90% is acceptable) of the employers are taxable entities;
- it is expected that at least 15 non-related employers will contribute to the plan in the year, or at least 10% of the active members of the plan will be employed in the year by more than one participating employer; and
- the plan administrator applied and was granted designation as a SMEP under paragraph 8510(2)(b) of the Income Tax Regulations.

For a complete definition of a SMEP, see section 8510 of the Income Tax Regulations.

A multi-employer plan (MEP) is a plan for which, at the beginning of the year, it is reasonable to expect that no more than 95% of the active plan members will work for any one of the employers or group of related employers at any time during the year.

For a complete definition of a MEP, see subsection 8500(1) of the Income Tax Regulations.

**Line 045:** If the plan sponsor is a corporation, indicate whether the corporation underwent a change of control during the plan year. If the sponsor is not a corporation, check the box N/A for “Not Applicable.”