

Summary of regulatory filing requirements

Federal

Pension legislation filing requirements

Plan registration

Pension plans are registered under both:

- The Income Tax Act (with the Canada Revenue Agency (CRA)), and
- The federal Pension Benefits Standards Act (PBSA).

A registration package is prepared by Manulife in accordance with the plan specifications supplied to us. The required documents are then forwarded to you for signature and are submitted by Manulife to the CRA and the Office of the Superintendent of Financial Institutions.

Plan amendment

Any amendment must be filed with the CRA and the Office of the Superintendent of Financial Institutions (OSFI).

- **Filing delay after amendment is made:** 60 days

Annual Information Return (AIR)

AIR: report of all plan activities (membership, plan amendments, contributions, terminations, etc.) occurring during the plan year. It must be prepared and filed electronically after each plan year with the pension authorities. It serves as a plan registration renewal document. It is also used in order to ensure that the contributions owing to the plan have been deposited in the pension fund and that the plan is administered according to standards.

Annually, Manulife sends out an information package concerning the required legislative filing of AIRs and other reports and can assist in providing the information required for electronic AIR filing and the preparation of other reports. We will complete the required report based on the information we have on file and return it to you for signature and forwarding to the regulatory authorities.

- **AIR filing delay from plan fiscal year-end:** 180 days

Financial statements

Under many jurisdictions, financial statements must be prepared annually to report on the plan's financial activities during a plan year. They must include a Statement of plan assets and a Statement of revenues and expenditures, both to be prepared on the basis of generally accepted accounting principles. There are two types of financial statements:

Certified financial statement: financial statements, which are certified by the plan sponsor.

Audited financial statement: financial statements, which are audited by a qualified accountant and include an auditor's report.

- **Financial statement is required to be filed.**
- **Certified financial statement accepted if:**
 - ✓ Funds are held and managed by an insurance company;
 - ✓ Funds are held and managed under the pooled funds of a trust company; or
 - ✓ All funds are managed by a trust company but are held outside the pooled funds and there is less than \$5,000,000 in assets and less than 100 members. Otherwise, financial statements must be audited.

Manulife can assist in the preparation of these documents. Please consult the annual information package concerning the required legislative filing of AIRs and other reports for more information.

Cost certificate

Confirms a pension plan's funding requirements and is prepared by either Manulife or the plan sponsor. The cost certificate must be submitted when the plan is first registered and each time amendments are adopted that have financial implications for the plan.

If you wish Manulife to prepare a cost certificate, a written request must be submitted, which includes the plan name, client number, an estimate of the contributions required to be made in the first year to be covered by the cost certificate (broken down between member and employer required contributions) or the contributory earnings expected for the year in question, and the date (or period) the cost certificate is due. The latest applicable fee schedule is included in our information package.

Pension legislation filing requirements (continued)

Statement of Investment Policy and Goals/Procedures (SIP&G/P)

The plan sponsor must adopt a written Statement of Investment Policies and Goals/Procedures for the plan, which will cover such questions as:

- ✓ Who has investment discretion?
- ✓ What is/are the investment mix/option(s)?
- ✓ What are the investment return objectives?
- ✓ What are the policies respecting conflicts of interest, securities lending and voting rights?

- SIP&G/P filing delay from plan start date/date of revision: 60/60 days with the pension committee.
- SIP&G/P filing required with pension authorities: not required.

Note: A Model Statement of Investment Policy and Goals/Procedures for Defined Contribution pension plans can be found on the Manulife VIP Room website for plan sponsors at manulife.ca.

Other filing requirements

Pension Adjustment reporting (PA)

PA: total of the member's pension credits under a Registered Pension Plan (RPP) or a Deferred Profit Sharing Plan (DPSP) for the year. It is used to calculate an individual's Registered Retirement Savings Plan (RRSP) deductible contribution room.

- The PA amount must be indicated in box 52 of the T4 slip, which must be provided to members by the last day of February following the calendar year to which the slip applies.

The image shows a portion of a T4 slip (STATEMENT OF REMUNERATION PAID / ETAT DE LA REMUNERATION PAYEE). The 'Year / Année' is 2015. Box 52, labeled 'Pension adjustment - line 206 / Facteur d'équivalence - ligne 206', contains the PA amount. Other visible boxes include 'Employment income - line 301' and 'Income tax deducted - line 437'.

Note: Please see the T4 slips and Relevé 1 forms – RPP and DPSP page, which can be found in Your group retirement program quick reference guide.

Pension Adjustment Reversal (PAR)

PAR: figure, which serves to restore RRSP deductible contribution room a member loses when membership in a pension plan is terminated and the member is not fully vested. The PAR is the total non-vested employer contributions that were forfeited for participation in the plan since 1990.

- **T10 PAR slip and T10 summary:** you must send T10 PAR slips to affected members and a copy of the slips as well as the T10 summary to the CRA no later than 60 days after the end of the calendar quarter in which the termination occurs (no later than 31 days after the end of December for the last calendar quarter).

The image shows a T10 slip titled 'PENSION ADJUSTMENT REVERSAL (PAR) / FACTEUR D'EQUVALENCE RECTIFIE (FER)'. It includes fields for 'Year of PAR / Année du FER', 'PAR amount / Montant du FER', 'Plan registration number / Numéro d'agrément du régime', 'social insurance number / Numéro d'assurance sociale', and 'Amendment / Modification'.

The image shows a T10 summary form titled 'SUMMARY OF PENSION ADJUSTMENT REVERSALS (PARs) / SOMMAIRE DES FACTEURS D'EQUVALENCE RECTIFIES (FER)'. It includes fields for 'Name of registered pension plan (RPP) or deferred profit-sharing plan (DPSP) / Nom du régime de pension agréé (RPA) ou du régime de participation différée aux bénéfices (RPDB)' and 'Plan registration number / Numéro d'agrément du régime'.

Manulife is able, in many instances, to calculate the PAR and if so, it will be reported to you for inclusion in the T10 PAR reporting slip.

Note: An example of a T10 slip and T10 summary can be found in the T10 reporting guide of Your group retirement program quick reference guide. To find out more about PA and PAR Reporting, please visit the CRA website at www.cra-arc.gc.ca/E/pub/tg/t4040/ to consult their T4040 - RRSPs and other registered plans for retirement.

Important: Please bear in mind that the legislation and the regulations of the pertinent jurisdiction prevail over this summary. While every effort has been made to ensure the accuracy of the information, no warranty is expressed or implied as to the accuracy, adequacy or completeness of the information, and Manulife is not responsible for any errors and omissions, or for the results obtained from the use of such information.

For more information, please visit the following related sites:

- Joint forum of financial market regulators: www.jointforum.ca
- Office of the Superintendent of Financial Institutions Canada: www.osfi-bsif.gc.ca
- Canada Revenue Agency: www.cra-arc.gc.ca