Guide

Title	Pooled Registered Pension Plan Annual Information Return, Auditor's Report and the Pension Plan Annual Corporate Certification
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General

The purpose of this instruction guide (the Guide) is to assist administrators of pooled registered pension plans (PRPPs) subject to the *Pooled Registered Pension Plans Act* (PRPP Act) and the *Income Tax Act* (ITA) in completing the:

- Pooled Registered Pension Plan Annual Information Return (PDF)[1] (PRPP AIR);
- Filing of the Auditor's Report[2]; and the
- Pension Plan Annual Corporate Certification (PPACC).

These returns are required to be filed with the Office of the Superintendent of Financial Institutions (OSFI).

The Guide does not supersede the requirements of the PRPP Act, the Pooled Registered Pension Plans Regulations (the PRPP Regulations), the Directives of the Superintendent Pursuant to the Pooled Registered Pension Plans Act (the Directives), or the ITA or the Income Tax Regulations.

Who Must File

The administrator of a PRPP, or its agent, subject to the PRPP Act and the ITA must file the PRPP AIR, an Auditor's Report and the PPACC.

Filing Due Date

The PRPP AIR, an Auditor's Report and the PPACC must be filed within four months after the end of the plan year to which they relate [3].

Filing Requirements

The administrator of a PRPP must file the PRPP AIR, an Auditor's Report and PPACC using the Regulatory Reporting System (RRS) [4]. The required information for the PRPP AIR and PPACC must be entered directly into the on-line web forms in RRS. All amounts reported in the PRPP AIR must be expressed in dollars, not thousands of dollars. The Auditor's Report must be submitted by uploading a copy of the document in RRS.

For further information on how to file using RRS, please consult the Manage Financial Returns User Guide for Insurance Companies and Private Pension Plans (PDF) and other RRS training material available on the OSFI website. RRS training material can also be found in RRS in the Documents folder under Training and Support.

Several fields in the returns cannot be edited by the filer; such fields are either auto-calculated based on data entered in the return or are pre-filled based on data entered in previous years' returns. Pre-filled fields based on data collected can only be changed by resubmitting the historical return with accurate data. Instructions for resubmitting an accepted return can be found on page 51 of the Manage Financial Returns User Guide for Insurance Companies and Private Pension Plans (PDF).

Plan administrators are expected to keep a copy of the PRPP AIR in their records. This copy is to be signed by the plan administrator and be available for examination by the plan members or other parties [5].

Annual Information Return

Section 1 – Plan Information

Line 001 – Official name of the plan

Enter the name of the PRPP as licensed.

Lines 002 and 003 – CRA and OSFI registration numbers

Enter both registration numbers.

Lines 004 to 011

Enter the contact information for the administrator[6] of the PRPP.

Line 012 – Name of the authorized officer

Enter contact person's name with the authority to file on behalf of the PRPP.

Line 013 – Plan Year End

Enter the year end in month and day format (MM-DD). For example,12-31.

Line 014 – Period of this report

Enter the beginning and end dates of the period covered by the AIR, which is usually the plan year. Proper format for these fields is YYYY-MM-DD.

Line 015 – Number of months in this reporting period

Enter the number of months (which may not exceed 12) covered by the AIR. Partial months, such as when a PRPP is not registered on the first or last day of a month, should be considered a whole month.

Section 2 – Financial Data for the Plan Year

Line 016 – Market value of assets at prior plan year-end

RRS will automatically pre-fill this line based on data entered in the previous years' return.

Line 017 – Employer contributions

Enter the total dollar amount of contributions made by all participating employers during the plan year. This includes employer contributions receivable at year end.

Line 018 – Member Contributions

Enter the total dollar amount of contributions made by all members during the plan year. This includes employee contributions receivable at year end.

Line 019 – Amount transferred to the plan from a RPP, SPP, DPSP, RRSP, RRIF or other pension plan.

Where a PRPP allows for members to transfer funds into the PRPP, enter the total amount transferred into the plan during the plan year.

Definitions:

- RPP: Registered Pension Plan
- SPP: Simplified Pension Plan
- DPSP: Deferred Profit Sharing Plan
- RRSP: Registered Retirement Savings Plan
- RRIF: Registered Retirement Income Fund
- Other Pension Plan: For example, another PRPP

Line 020 – Total increase due to investments

This line will be auto-calculated using the sum of lines 020a to 020c.

Line 020a – Investment income

Enter the amount of investment income resulting from interest, dividends, rents and sums earned on investments other than by an increase in their value, whether or not the income has been realized. For example, the yield realized when treasury bonds are cashed in and income generated by securities loans should be reported on this line.

Line 020b – Net gains (losses) on investments – realized

Enter the amount of realized net gains (or losses) on investments following an investment transaction. They are to be measured from the fair value at the most recent PRPP financial statement date. These amounts are also referred to as realized fair value.

Line 020c – Net gains (losses) on investments – unrealized

Enter the amount of unrealized net gains (or losses) on investments following a change in the fair value of investments or an adjustment following a change in the way they were valued. Unrealized gains (or losses) are to be measured from the fair value at the most recent PRPP financial statement date. These amounts are also referred to as unrealized fair value.

Deductions

Line 021 – Amount used to purchase annuities

Enter the total dollar value of money transferred out of the plan in order to purchase annuities for members who have elected to purchase an annuity as per Section 54 of the PRPP Act.

Line 022 – Amount transferred from the plan to another PRPP, pension plan or retirement savings plan.

Enter the total dollar value of money transferred out of the plan to another PRPP, pension plan or retirement savings plan. Section 54 of the PRPP Act provides options for the transfer of funds from the PRPP.

Definitions:

- LRSP: Locked-in Retirement Savings Plan
- RLISP: Restricted Locked–in Savings Plan
- RLIF: Restricted Life Income Fund
- LIF: Life Income Fund
- Other RPP: Another Registered Pension Plan
- Other Pension Plan: For example, another PRPP

Line 023 – Amount of variable payments

Section 48 of the PRPP Act provides that a PRPP may offer a variable payment option to members where certain conditions, as set out by the PRPP Regulations, are met. Enter the total value of variable payments made from the plan during the plan year.

Line 024 – Other distributions paid from the plan

Enter the total value of other payments out of the plan not covered by the other categories, such as small balance unlocking, non-residency or disability.

Line 025 – Total fees/expenses paid from plan (not included in Management Expense Ratio (MER))

Enter the total fees/expenses paid from the plan. This includes any fees, levies or other charges that are triggered by the actions of a member.

Line 026 – Market value of assets at current plan year-end

This line will be auto-calculated using the sum of lines 016 through 020 less the sum of lines 021 through 025.

Section 3 – Plan Membership (by location at the end of the plan year)

This section is used to provide information on membership by sex, location and jurisdiction. Members are to be reported by province of employment. Males and females are reported separately for Statistics Canada purposes. Some PRPPs registered under the PRPP Act include members whose work is not in included employment. Federal members are members that are employed in included employment, which is defined under section 2(1) of the PRPP Act.

Member

Any employee of a participating employer that is part of a class of employee for which the PRPP is offered is considered a member[7] unless they have opted out of the PRPP under section 41(5) of the PRPP Act or who object to becoming members of the plan because of their religious beliefs.

Lines 028 to 040 – Membership by location at the end of the plan year

Enter the membership by province of employment:

- Column 001: Enter the number of male members in the PRPP whose work may or may not be in included employment.

- Column 002: Enter the number of female members in the PRPP whose work may or may not be in included employment.
- Column 003: Auto-calculated using information entered in columns 001 and 002.
- Column 004: Enter the number of members (both male and female) working in included employment only.

Included employment[8] is employment in connection with any work, undertaking or business that is subject to the legislative authority of the Government of Canada.

Line 041

Total line will be auto-calculated using information entered in columns 001, 002, 003, 004 for lines 028 to 040.

Section 4A – Default Investment Option – Financial Data

Enter information for each default target date / balanced fund. If there is more than one target date / balanced fund, click the "Add" button located at the bottom of this section of the form.

For investment options **other than** the default option, please complete "Section 4B – Other Investment Options" of the return. Additional instructions for this section can be found below.

Line Investment Options ID

Select an Investment Options ID using the **drop down** menu. Each investment option should have a different Investment Option ID.

Line 042 – Default Contribution Rate

Enter the default contribution rate set by the plan for a member that does not set their contribution rate.

Line 043 – Name of Default Investment Option

Enter the name of the default investment option.

Line 044 – Cost

Enter the cost incurred for the plan year expressed as a percentage. Cost refers to the fees, levies or other charges that reduce a member's return on investment other than those triggered by the member's actions for this investment option. This amount should reflect all costs and reflect the low cost requirement in section 26 of the PRPP Act and section 20 of the PRPP Regulations.

Line 045 – Annual rate of return (net of expenses)

Enter the annual rate of return for the plan year after all expenses have been deducted, expressed as a percentage. For negative rates of return, please insert a negative percentage.

Line 046 – Market value of assets

Enter the market value of assets at the end of the plan year, expressed in dollars.

Line 047 – Investments Held (list top 10 holdings in percentage format)

Enter the name of the investment and the percentage of assets invested at the end of the plan year in each holding.

Lines 048 to 054 – Asset Allocation

Enter the percentage of assets held at the end of the plan year, the sum of which should total 100%, in each of the following asset classes:

- Line 048: Cash and Equivalents
- Line 049: Canadian Bonds
- Line 050: Foreign Bonds
- Line 051: Canadian Equity
- Line 052: US Equity
- Line 053: Foreign Equity
- Line 054: Other - include any types of assets not included in the above categories.

Section 4B – Other Investment Options – Financial Data

Click the “Add” button to enter information for each investment option, other than the default option(s) described in Section 4A above. If more than one other investment option exists, click the “Add” button located at the bottom of this section of the form.

Line Other Investment Options ID

Select an Investment Options ID using the **drop down** menu. Each investment option should have a different Investment Option ID.

Line 056 – Name of Investment Option

Enter the name of the investment option.

Line 057 – Cost

Enter the cost incurred for the plan year expressed as a percentage. Cost refers to the fees, levies or other charges that reduce a member's return on investment other than those triggered by the member's actions for this investment option. This amount should reflect all costs and reflect the low cost requirement in section 26 of the PRPP Act and section 20 of the PRPP Regulations.

Line 058 – Annual rate of return (net of expenses)

Enter the annual rate of return for the plan year after all expenses have been deducted, expressed as a percentage. For negative rates of return, please insert a negative percentage.

Line 059 – Market value of assets

Enter the market value of assets at the end of the plan year, expressed in dollars.

Line 060 – Investments Held (list top 10 holdings in percentage format)

Enter the name of the investment and the percentage of assets invested at the end of the plan year in each holding.

Lines 061 to 067 – Asset Allocation

Enter the percentage of assets at the end of the plan year, the sum of which should total 100%, in each of the following asset classes:

- Line 061: Cash and Equivalents
- Line 062: Canadian Bonds
- Line 063: Foreign Bonds
- Line 064: Canadian Equity
- Line 065: US Equity
- Line 066: Foreign Equity
- Line 067: Other - include any types of assets not included in the above categories.

Section 5 – Other Plan Information

Line 068 – Designated pooled pension plan:

Select "Yes" or "No" to indicate whether the plan is a designated plan under section 147.5(1) of the *Income Tax Act* (ITA). If the plan meets one of the following conditions stated in 147.5(1) of the ITA, it would be considered a designated pooled pension plan:

- the plan has fewer than 10 participating employers;
- the fair market value of the property held by members employed by one participating employer exceeds 50% of the fair market value of the plan;
- more than 50% of the members of the plan are employed by one participating employer; or
- participation of one or more employers occurs primarily to avoid the application of the previous conditions.

Line 069 – 10% rule, the 30% rule, and related party transaction rules

Select "Yes" or "No" to indicate whether the plan complies with the 10% rule, the 30% rule, and related party transaction rules.

- The administrator of a PRPP must not, directly or indirectly,

- invest more than 10% of the total market value of the funds in a members account in, or lend more than 10% of the total market value of the funds in a member's account to any one person, associated person or affiliated corporations, subject to the exceptions in subsection 9(2) and 9(3) of the PRPP Regulations.

- The administrator of a PRPP must not, directly or indirectly, invest the assets of the PRPP in the securities of a corporation to which are attached more than 30% of the votes that may be cast to elect the directors of the corporation.
- Subject to the exceptions and non-applications noted in sections 13 and 14 of the PRPP Regulations,
  - the administrator of a PRPP must not, directly or indirectly lend funds in a member's account to a related party, or invest those funds in the securities of a related party, or enter into a transaction with a related party on behalf of the PRPP.
  - during the period of 12 months after the day on which a person ceases to be a related party of a PRPP, the administrator of the PRPP must not, directly or indirectly, lend funds in a member's account to that person, or invest those funds in the securities of that person, or enter into a transaction with that person on behalf of the PRPP.

Line 070 – Low cost requirement

Select "Yes" or "No" to indicate whether the plan complies with the low cost requirement described in section 26 of the PRPP Act and section 20 of the PRPP Regulations.

Line 071 – Prohibition on offering inducements

Select "Yes" or "No" to indicate whether the plan complies with the prohibition described in section 24 of the PRPP Act. With the exception of those listed in section 19 of the PRPP Regulations, PRPP administrators cannot give, offer or agree to give or offer to an employer an inducement to enter into a contract in respect of a PRPP.

Line 072 – Number of members that contributed to the plan during the year

Enter the number of members that contributed to the plan during the year. This number may be different than the number reported in Section 3 given that Section 3 only reflects the membership at the end of the plan year. Do not

include members that have set their contribution rate to 0 (zero) for the entire year.

Line 073 – Number of members that contributed to the plan during the year, but are not employed with an employer participating in the plan

Enter the number of members that have entered into a contract with the administrator as an individual. These members would be considered to fall under provincial jurisdiction.

Line 074 – Auditor's report

An auditor's report must be uploaded in RRS along with the AIR filing. Where there are no assets in the plan, upload a document declaring that an auditor's report is not required as there are no assets in the plan.

The Auditor's Report must be prepared in accordance with generally accepted accounting principles, the primary source of which is the Handbook of the Chartered Professional Accountants of Canada.

Line 075 – List of employers who are participating in the plan at year-end

Enter the number of participating employers in the plan at year-end. In addition, click the “Add” button to enter information in the table for each participating employer: business ID, business name, business number, and their contributory status.

Section 6 – Certification

An authorized officer must certify this return[9] prior to filing. This officer need not be the same one referred to in Section 1 above; however, they must have the authority to file on behalf of the PRPP administrator.

Enter the name, position, telephone number and email address of the authorized officer who completed the certification as well as the date of the certification.

Pension Plan Annual Corporate Certification (PPACC)

The PPACC certifies that the Organization Profile has been reviewed and that roles and contact information in RRS is complete and up-to-date. Roles and contact information can be updated in RRS by creating and submitting a return

for each role for which information is to be added or updated. Please refer to page 44 of the RRS Manage Corporate Returns: User Guide (PDF) for additional information on creating and submitting corporate returns to update roles and contact information in RRS.

OSFI expects PRPP plan administrators to review and update their Organization Profile. Appendix A outlines the primary information related to the ongoing administration and filing of regulatory returns for a PRPP.

If there is any information that needs to be added, removed or updated in the PRPP's Organizational Profile, the following steps should be followed to update the information:

1. Create the applicable return(s). To determine which return to create for the information that needs to be updated, please refer to Appendix A. For instructions on creating returns to update a plan's Organizational Profile, follow the steps listed in the Manage Corporate Returns Quick Reference Guide (PDF) or, for more detailed instructions, refer to Section 3.5 - General Instructions on How to Create a Corporate Return of the RRS Manage Corporate Returns: User Guide (PDF).

   If names or contact information need to be updated for more than one plan role, there is the option of creating one return and entering all the updates in the single return or creating a separate return for each update.

   Once the necessary returns have been created, they will appear in the Draft Returns section, the same location where all other returns are stored until completed and submitted.

2. Open each created return in the Draft Returns section and complete the necessary updates. For instructions on completing these updates, refer to Section 4.0 – Specific Corporate Returns Instructions of the RRS Manage Corporate Returns: User Guide (PDF).

   As with other returns in the Draft Returns section, these returns can be saved in draft form until they are fully completed and ready to submit.

3. Once a return is ready to submit, go to the Submit Return sub-menu in the Submission section and click on the "submit" button next to the return you wish to submit.

A PRPP's Organization Profile can be updated by submitting a corporate return through RRS at any time during the year. Updates should be made as soon as changes occur. This provides OSFI with the most recent contact information and will expedite the completion of the PPACC at year end.

Once information in the PRPP's Organizational Profile is updated, complete and submit the PPACC.

For further information, please visit the OSFI website or contact us at:

Office of the Superintendent of Financial Institutions

255 Albert Street

Ottawa, Ontario

K1A 0H2

Telephone: 613-991-0609

Email: ReturnsAdmin@osfi-bsif.gc.ca

Appendix A

Primary Plan Information to Confirm and Update in the Regulatory Reporting System (RRS)

Information to Confirm and Update	Location in Organization Profile	Return to Use For Updates	Information to Include in RRS
General Plan Contact Information	Organization Contact Information	Organization Contact Information Return	Business mailing address Plan contact email address Phone number
Plan Administrator Pension Fund Custodian (organization) Pension Fund Custodian (individual) Other, if applicable (organization) Other, if applicable (individual)	Current Plan Sponsor, Plan Administrator and Other Roles	Required Roles and Contact Information Return	Name Mailing address Email address Phone number
Funding Vehicle	Current Plan Sponsor, Plan Administrator and Other Roles	Funding Vehicle Information Return	Funding vehicle type Policy number

Note: The first time the plan's Organization Profile is completed, the requested information in all of the relevant fields must be entered. This information does not need to be provided annually. Rather, the information in RRS will need to be reviewed and any necessary updates will need to be made as required. The Pension Plan Annual Corporate Certification is filed annually.

1 Subsection 58(1) of the PRPP Act.

2 Subsection 27(j) of the PRPP Regulations.

3 Subsection 58(4) of the PRPP Act.

4 Returns are not considered received at OSFI until the filing process is complete and the returns have been accepted in RRS. If the PRPP is not registered to file returns using RRS, it should do so immediately. PRPP plan administrators must contact the Bank of Canada, as host of the RRS system, to register for access to the Bank of Canada secure site and the RRS system. For assistance in registering, please contact RRS Support at the Bank of Canada by phone at 1 855-865-8636, or by email at rrs-sdr@bank-banque-canada.ca.

5 Subsection 57 of the PRPP Act.

6 Subsection 2(1) of the PRPP Act: The administrator means the holder of a licence.

7 Subsection 2(1) of the PRPP Act defines "member" as a person who holds an account with a pooled registered pension plan.

8 Subsection 2(1) of the PRPP Act.

9 Return means section 1 through 6 of this Annual Information Return.