Letter

Title	Updates to the Administrative Procedures for Late and Erroneous Filing Penalty Framework
Category	Sound Business and Financial Practices
Date	November 15, 2023
Sector	Life Insurance and Fraternal Companies Property and Casualty Companies

- **To:**
  - Canadian Life Insurance Companies, Fraternal Benefit Societies, Property & Casualty Insurance Companies and
  - Branches of Foreign Life Insurance Companies, Fraternal Benefit Societies and Property & Casualty Insurance Companies
  - Attention: Chief Executive Officers/Chief Agents and Chief Compliance Officers
- **From:**
  - Andrew Miller

    Chief Data Officer

This letter informs you of changes made to the Administrative Procedures for Late and Erroneous Filing Penalty (LEFP) Framework effective for fiscal year end 2023.

Several insurance returns have recently been added under Appendices II, III and IV, applicable for Life insurance companies, insurance holding companies, non-operating life companies, fraternal benefit societies, Property & Casualty (P&C) Insurance Companies and Federal Regulated Mortgage Insurers. The following returns are now subject to the LEFP framework:

- Unpaid Claims and Loss Ratio Analysis Exhibit (PC5), for P&C and Mortgage insurers;
- Financial Condition Testing (FCT) Template (951), for Life insurers;
- Financial Condition Testing (FCT) Template (952), for P&C and Mortgage insurers;

- AAR Supplementary Tables (987), for P&C and Mortgage insurers;
- AAR Discount Curve (PC6), for P&C and Mortgage insurers;
- Standardized Stress Testing (935), for Life, P&C and Mortgage insurers;
- Own Risk and Solvency Assessment (ORSA) Key Metrics Report (OL), for Life insurers;
- Own Risk and Solvency Assessment (ORSA) Key Metrics Report (OP), for P&C and Mortgage insurers.

The revised LEFP administrative procedures have now been posted and can be viewed on OSFI's website. The Life, P&C and MI reporting requirements have also been updated accordingly.

If you need additional information, please contact your company's Lead Supervisor at OSFI. If you have any questions about completing or filing the financial returns, please call Returns Administration at (613) 991-0609 or email at RRSsupport-SDRsoutien@osfi-bsif.gc.ca.