

**Notice of the *Autorité des marchés financiers* relating to administrative monetary sanctions imposed
for late filing of information or documents
(sections 405.1 and following of *An Act respecting insurance*)**

Note: This Notice of the *Autorité des marchés financiers* updates the notice on the same subject published in section 5.1, p. 57 and following of the AMF Bulletin of November 30, 2007 - Vol. 4, no. 48.

Importance of filing, within the prescribed time periods, the information required under *An Act respecting insurance* and the documents requested by the *Autorité des marchés financiers*

Part of the mission of the *Autorité des marchés financiers* (the "AMF" or the "Authority") is to ensure that the financial institutions and other regulated entities of the financial sector comply with the solvency standards applicable to them as well as with the obligations imposed on them under *An Act respecting insurance*, R.S.Q., c. A-32 (the "Act").

The filing of the information required under the Act or requested by the AMF within the prescribed time periods helps the AMF fully assume this mission and protect the interests of consumers of financial products and services.

Every insurer, federation of mutual insurance associations and guarantee fund (collectively the "filers") must ensure that reliable and complete information is submitted to the AMF on a timely basis in accordance with the due dates stipulated in the Act or determined by the AMF.

Accordingly, under section 405.1 of the Act, the AMF may impose an administrative sanction on a person or company for failure to comply with a provision of the Act or a regulation thereunder and collect payment of the sanction.¹

Every insurer must, **before March 1 of each year**, prepare and file with the AMF, in the form it determines, a statement of income for the year ending on the preceding December 31 (first paragraph of section 305 of the Act). A similar obligation applies to federations of mutual insurance associations (section 93.186 of the Act) and to the guarantee fund (section 93.263 of the Act).

Where an insurer holds a licence restricted to the business of reinsurance (a "reinsurer"), it must file an income statement before March 15 of each year (second paragraph of section 305 of the Act).

The annual statement of every insurer must be certified under oath by at least two of its directors and must be accompanied with the report of the auditor and with the actuary's certificate for the annual report on provisions and reserves (first paragraph of section 309 of the Act). A similar obligation regarding the certification by directors and the auditor's report applies to federations of mutual insurance associations (section 93.188 of the Act) and to guarantee funds (section 93.265 of the Act).

In addition, section 285.16 of the Act sets out the date by which insurers constituted under the laws of Québec (with exceptions provided for in the second paragraph of section 285.1 of the Act) must send the AMF a report on the activities of the ethics committee.

The information stipulated in sections 298.13, 298.14 and 298.15 and in the second paragraph of section 309 of the Act (actuary's reports) are required at the request of the AMF. Please also refer to section 303 of the Act, which stipulates that every insurer must furnish to the AMF the additional statements and information requested by the AMF on the dates and in the form fixed by the AMF.

¹ Section 405.1 of the Act states as follows:

"Following the establishment of facts brought to the attention of the Authority showing that a person or partnership has failed to comply with a provision of this Act or a regulation thereunder, the Authority may impose an administrative sanction on that person or partnership and collect payment thereof.

The amount of the sanction shall be proportionate to the seriousness of the violation and may, in no case, exceed \$1,000,000."

Under section 316 of the Act, the AMF may request documents and information it considers appropriate. Therefore, filers must complete, in particular, the form "Attestation of Compliance of Versions" certifying that the files (PDF, Excel and ASCII) contain the same financial data as those submitted to the auditor and on which his report (paper version) was produced.

Responsibility to file documents before the prescribed due dates

To facilitate compliance by filers with their filing obligation, at the end of each reference period, the AMF prepares a list of the documents to be filed with the AMF and the dates by which they are to be filed. These documents may differ depending on the filer's activities.

The tables in the appendix to this Notice concern insurers, federations of mutual insurance associations and guarantee funds (Appendix 1) and reinsurers (Appendix 2). These tables specify the documents for which a sanction will be imposed for any filing failure and the filing due dates for these documents.

The prescribed due dates shown in the tables are for filers with a December 31 year-end. For filers with a different year-end, the dates are determined by the AMF (third paragraph of section 305 of the Act).

Filers must therefore ensure that the AMF receives the requested information, in the prescribed form, **before the prescribed due date.**

Administrative sanction for late filing or failure to file one or more documents

The table below shows the sanctions applicable for failure to file the required documents or failure to file them before the prescribed due dates. Sanctions are imposed where some or all of the documents are not filed.

These sanctions are based on a filer's total assets (excluding segregated funds assets for an insurer) for the preceding fiscal year.

Total assets (excluding segregated funds assets for an insurer)	Amount of sanction per day	Maximum sanction
\$2.5 billion and more	\$1,800 for the first business day and, if applicable, \$1,500 for each additional day	\$67,800
More than \$250 million but less than \$2.5 billion	\$900 for the first business day and, if applicable, \$750 for each additional day	\$33,900
\$250 million and less	\$500 for the first business day and, if applicable, \$300 for each additional day	\$13,700

The amount of the sanction is higher on the first business day during which the filer is in default of its filing obligation. The maximum amount payable is based on a maximum default period of 45 days.

After this period, the AMF may take any appropriate measures to ensure compliance with the Act.

The amount of the sanction is doubled for repeat offences.

A list of administrative monetary sanctions imposed will be published in the AMF Bulletin.

Notice

Where a filer has not sent the requested information to the AMF within the prescribed time period set out in the Appendix, the AMF will issue a notice to the filer, pursuant to section 405.3 of the Act, stating, in particular, the alleged facts and the grounds which appear to justify the administrative sanction.

The AMF must give the filer fifteen (15) days in which to present written observations. Please note that the AMF will not contact filers to discuss their observations.

Further to an assessment of the written comments and observations submitted, the AMF will issue a decision in writing confirming its intention to maintain, amend or cancel the administrative sanction previously announced by way of the notice.

The default period begins on the dates shown in the appended tables.

The administrative sanction is payable within 30 days from the date of the decision issued by the AMF, to the following address:

Autorité des marchés financiers
Direction de la surveillance des assureurs
Place de la Cité, tour Cominar
2640, boulevard Laurier, 3^e étage
Québec (Québec) G1V 5C1

Payment of the administrative sanction may be made by cheque, bank draft or money order, payable to the *Autorité des marchés financiers*.

Sums collected by the AMF from administrative sanctions imposed pursuant to section 405.1 of the Act will be paid in full, in accordance with section 38.2 of *An Act respecting the Autorité des marchés financiers*, R.S.Q., c. A-33.2, to a fund set up by the AMF for the benefit of consumers and earmarked in particular for information about insurance products and services.

Additional information

Additional information is available from:

Direction de la surveillance des assureurs
Surintendance de l'encadrement de la solvabilité
E-mail: info-divulgations@lautorite.qc.ca
Telephone: 1 (877) 525-0337

**DOCUMENTS TO BE FILED BY INSURERS, FEDERATIONS OF MUTUAL INSURANCE ASSOCIATIONS
AND GUARANTEE FUNDS
WITH A DECEMBER 31 YEAR-END
AND SUBJECT TO LATE FILING SANCTIONS ***

Name of document	Form	Due before
DAMAGE INSURERS (P&C)		
Québec		
Annual return	P&C-1	March 1
Interim return (June)	P&C-1	August 15
Attestation of compliance of versions		March 1
Certification by directors		March 1
Auditor's report to AMF covering pages 20.10 through 20.60		March 1
Appointed actuary's report, including certificate		March 1
Annual report or audited financial statements presented to members or shareholders		March 31
Ethics committee report		March 1
Dynamic Capital Adequacy Testing (DCAT)		June 1
Complaint examination policy reports		Dates determined by the AMF. See AMF website - Insurance and financial planning / Insurers / Obligations and administrative procedures / Complaint examination
Other		
Annual return	P&C-1 or P&C-2	March 1
Interim return (June)	P&C-1 or P&C-2	August 15
Attestation of compliance of versions		March 1
Certification by directors		March 1
Auditor's report to primary regulatory covering pages 20.10 through 20.60		March 1
• Extra-provincial and Canadian		
• Foreign		May 31
Appointed actuary's report, including certificate		March 1
Audited financial statements presented to members or shareholders		March 31
• Extra-provincial and Canadian		

* The due dates shown in this table are established for insurers who have a December 31 year-end. For those with a different year-end, the filing due dates are determined by the AMF. For example, for an insurer with an October 31 year-end, the filing due date for documents requested on an annual basis is January 1, not March 1. The filing due date for interim returns and statements is June 15, not August 15.

Name of document	Form	Due before
• Foreign		May 31
Dynamic Capital Adequacy Testing (DCAT)		December 31
Complaint examination policy reports		Dates determined by the AMF. See AMF website - Insurance and financial planning / Insurers / Obligations and administrative procedures / Complaint examination
FEDERATIONS OF MUTUAL INSURANCE ASSOCIATIONS		
Financial statements		March 1
Attestation of compliance of versions		March 1
Certification by directors		March 1
Auditor's report to AMF		March 1
GUARANTEE FUNDS		
Financial statements		March 1
Attestation of compliance of versions		March 1
Certification by directors		March 1
Auditor's report to AMF		March 1
INSURERS OF PERSONS (LIFE)		
Québec		
Annual return	LIFE-1	March 1
Interim return (June)	LIFE-1	August 15
Attestation of compliance of versions		March 1
Certification by directors		March 1
Auditor's report to AMF covering pages 20.010 through 20.060 and 60.010		March 1
Capital Adequacy Requirements	QFP	March 1
Appointed actuary's report on policy liabilities, including certificate		March 1
Annual report or audited financial statements presented to members or shareholders		March 31
Ethics committee report		March 1
Dynamic Capital Adequacy Testing (DCAT)		December 31
Complaint examination policy reports		Dates determined by the AMF. See AMF website - Insurance and financial planning / Insurers / Obligations and administrative procedures / Complaint examination

Name of document	Form	Due before
Canadian and Extra-provincial		
Annual return	LIFE-1	March 1
Interim return (June)	LIFE-1	August 15
Attestation of compliance of versions		March 1
Certification by directors		March 1
Minimum Continuing Capital and Surplus Requirements (MCCSR)	OSFI-87	March 1
Minimum Continuing Capital and Surplus Requirements (MCCSR) (June) Canadian companies only	OSFI-87	August 15
Auditor's report to primary regulator covering pages 20.010 through 20.060 and 60.010		March 1
Appointed actuary's report, including certificate		March 1
Audited financial statements presented to members or shareholders		March 31
Dynamic capital adequacy testing (DCAT)		December 31
Complaint examination policy reports		Dates determined by the AMF. See AMF website - Insurance and financial planning / Insurers / Obligations and administrative procedures / Complaint examination
Foreign		
Annual return	LIFE-2	March 1
Interim return (June)	LIFE-2	August 15
Attestation of compliance of versions		March 1
Certification by directors		March 1
Test of Adequacy of Assets in Canada and Margin Requirements (TAAM)	OSFI-86	March 1
Test of Adequacy of Assets in Canada and Margin Requirements (TAAM) (June)	OSFI-86	August 15
Auditor's report to primary regulator covering pages 20.010 through 20.060 and 60.010		May 31
Appointed actuary's report, including certificate		March 1
Audited financial statements presented to members or shareholders		May 31
Dynamic Capital Adequacy Testing (DCAT)		December 31
Complaint examination policy reports		Dates determined by the AMF. See AMF website - Insurance and financial planning / Insurers / Obligations and administrative procedures / Complaint examination

Name of document	Form	Due before
MUTUAL BENEFIT ASSOCIATIONS		
Québec		
Annual statement	S-3	March 1
Interim statement (June)		August 15
Attestation of compliance of versions		March 1
Certification by directors		March 1
Auditor's report to AMF		March 1
Appointed actuary's report, including certificate		March 1
Annual report or audited financial statements presented to members		March 31
Complaint examination policy reports		Dates determined by the AMF. See AMF website - Insurance and financial planning / Insurers / Obligations and administrative procedures / Complaint examination
Extra-provincial and Canadian		
Annual return	LIFE-1	March 1
Interim return (June)	LIFE-1	August 15
Attestation of compliance of versions		March 1
Certification by directors		March 1
Minimum Continuing Capital and Surplus Requirements (MCCSR)	OSFI-87	March 1
Minimum Continuing Capital and Surplus Requirements (MCCSR) (June)	OSFI-87	August 15
Auditor's report to primary regulatory covering pages 20.010 through 20.060 and 60.010		March 1
Appointed actuary's report, including certificate		March 1
Audited financial statements presented to members or shareholders		March 31
Dynamic Capital Adequacy Testing (DCAT)		December 31
Complaint examination policy reports		Dates determined by the AMF. See AMF website - Insurance and financial planning / Insurers / Obligations and administrative procedures / Complaint examination

Name of document	Form	Due before
Foreign		
Annual return	LIFE-2	March 1
Interim return (June)	LIFE-2	August 15
Attestation of compliance of versions		March 1
Certification by directors		March 1
Test of Adequacy of Assets in Canada and Margin Requirements (TAAM)	OSFI-86	March 1
Test of Adequacy of Assets in Canada and Margin Requirements (TAAM) (June)	OSFI-86	August 15
Auditor's report to primary regulator covering pages 20.010 through 20.060 and 60.010		May 31
Appointed actuary's report, including certificate		March 1
Audited financial statement presented to members or shareholders		May 31
Dynamic Capital Adequacy Testing (DCAT)		December 31
Complaint examination policy reports		Dates determined by the AMF. See AMF website - Insurance and financial planning / Insurers / Obligations and administrative procedures / Complaint examination
FUNERAL INSURANCE COMPANIES		
Québec		
Annual statement	S-20	March 1
Interim statement (June)		August 15
Attestation of compliance of versions		March 1
Certification by directors		March 1
Auditor's report to AMF		March 1
Appointed actuary's report, including certificate		March 1
Annual report or audited financial statements presented to members		March 31
Complaint examination policy reports		Dates determined by the AMF. See AMF website - Insurance and financial planning / Insurers / Obligations and administrative procedures / Complaint examination

**DOCUMENTS TO BE FILED BY REINSURERS
WITH A DECEMBER 31 YEAR-END
AND SUBJECT TO LATE FILING SANCTIONS***

Name of document	Form	Due before
DAMAGE INSURERS (P&C)		
Québec		
Annual return	P&C-1	March 15
Interim return (June)	P&C-1	August 31
Attestation of compliance of versions		March 15
Certification by directors		March 15
Auditor's report to AMF covering pages 20.10 through 20.60		March 15
Appointed actuary's report, including certificate		March 15
Annual report or audited financial statements presented to members or shareholders		March 31
Ethics committee report		March 1
Dynamic Capital Adequacy Testing (DCAT)		June 1
Other		
Annual return	P&C-1 or P&C-2	March 15
Interim return (June)	P&C-1 or P&C-2	August 31
Attestation of compliance of versions		March 15
Certification by directors		March 15
Auditor's report to primary regulator covering pages 20.10 through 20.60		March 15
<ul style="list-style-type: none"> • Canadian and extra-provincial 		May 31
<ul style="list-style-type: none"> • Foreign 		May 31
Appointed actuary's report, including certificate		March 15
Audited financial statements presented to members or shareholders		March 31
<ul style="list-style-type: none"> • Canadian and extra-provincial 		May 31
<ul style="list-style-type: none"> • Foreign 		May 31
Dynamic Capital Adequacy Testing (DCAT)		December 31

* The due dates shown in this table are established for reinsurers who have a December 31 year-end. For those with a different year-end, the filing due dates are two months after their year-end date. For example, for reinsurers with an October 31 year-end, the filing due date for documents requested on an annual basis is January 15, not March 15. The filing due date for interim returns and statements is June 30, not August 31.

Name of document	Form	Due before
INSURERS OF PERSONS (LIFE)		
Québec		
Annual return	LIFE-1	March 15
Interim return (June)	LIFE-1	August 31
Attestation of compliance of versions		March 15
Certification by directors		March 15
Auditor's report to AMF covering pages 20.010 to 20.060 and 60.010		March 15
Capital Adequacy Requirements	QFP	March 15
Appointed actuary's report on policy liabilities, including certificate		March 15
Annual report or audited financial statements presented to members or shareholders		March 31
Ethics committee report		March 1
Dynamic Capital Adequacy Testing (DCAT)		December 31
CANADIAN AND EXTRA-PROVINCIAL		
Annual return	LIFE-1	March 15
Interim return (June)	LIFE-1	August 31
Attestation of compliance of versions		March 15
Certification by directors		March 15
Minimum Continuing Capital and Surplus Requirements (MCCSR)	OSFI-87	March 15
Minimum Continuing Capital and Surplus Requirements (MCCSR) (June) – Canadian companies only	OSFI-87	August 31
Auditor's report to primary regulator covering pages 20.010 through 20.060 and 60.010		March 15
Appointed actuary's report, including certificate		March 15
Audited financial statements presented to members or shareholders		March 31
Dynamic Capital Adequacy Testing (DCAT)		December 31

Name of document	Form	Due before
Foreign		
Annual return	LIFE-2	March 15
Interim return (June)	LIFE-2	August 31
Attestation of compliance of versions		March 15
Certification by directors		March 15
Test of Adequacy of Assets in Canada and Margin Requirements (TAAM)	OSFI-86	March 15
Test of Adequacy of Assets in Canada and Margin Requirements (TAAM) (June)	OSFI-86	August 31
Auditor's report to primary regulator covering pages 20.010 to 20.060 and 60.010		May 31
Appointed actuary's report, including certificate		March 15
Audited financial statements presented to members or shareholders		May 31
Dynamic Capital Adequacy Testing (DCAT)		December 31