

**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 updates the notice on the same subject published in section 5.1, p. 95 and following of the AMF Bulletin of December 16, 2011 - Vol. 8, no. 50 (in French only).

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 and using a medium specified by the AMF,¹ 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 any of its regulations, and collect payment of the sanction.²

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 guarantee funds (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 set out 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 file with the AMF the additional statements and information requested by the AMF on the dates and in the form fixed by the AMF.

Under section 316 of the Act, the AMF may request documents and information it considers appropriate.

¹ Section 25.2 of *An Act respecting the Autorité des marchés financiers*, R.S.Q., c. A-33.2.

² Section 405.1 of the Act states that:

"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."

Responsibility to file documents before the prescribed due dates

To help filers comply 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 dates by which documents are to be filed, as well as the sanctions that will be imposed if a document is filed late or not filed. The dates shown in the tables are for filers with an October 31 or a December 31 year-end.

Filers must therefore ensure that the AMF receives the requested documents and information, in the prescribed form, **before the prescribed due dates**. The AMF requires the information and documents to be submitted in several digital formats (pdf, Excel, ASCII). Failure to file in all the prescribed formats will be considered a default.

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.

In addition, sanctions will be imposed for failure to submit documents electronically using the medium specified by the AMF.³ Documents filed in hard copy will be considered not filed with the AMF and thus a default.

These sanctions are based on a filer's total assets (excluding segregated fund 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 default period will be calculated as of the first business day, to a maximum 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.

³ Decision 2012-PDG-0106, (2012), Vol.9, no. 23, B.A.M.F., section 5.6 (in French only).

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 imposed by way of the notice.

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
BASED ON YEAR-END
AND SUBJECT TO LATE FILING SANCTIONS**

Name of document		Due <u>before</u>	Due <u>before</u>
Year-end:		Dec. 31	Oct. 31
Damage insurers (P&C)			
Québec			
Annual return	P&C-1	March 1	January 1
Attestation of compliance of versions - P&C-1		March 1	January 1
Interim return (six months)	P&C-1	August 15	June 15
Attestation of compliance of versions - P&C-1 (six months)		August 15	June 15
Certification by directors		March 1	January 1
Auditor's report to AMF (pp. 20.10 through 20.60)		March 1	January 1
Appointed actuary's report on policy liabilities, including certificate		March 1	January 1
Annual report or audited financial statements presented to members or shareholders		March 31	January 31
Ethics committee report		March 1	January 1
Dynamic Capital Adequacy Testing - DCAT		June 1	June 1
Complaint examination policy reports		NOTE 1	NOTE 1
Other			
Annual return	P&C-1 P&C-2	March 1	January 1
Attestation of compliance of versions - P&C-1 or P&C-2		March 1	January 1
Interim return (six months)	P&C-1 P&C-2	August 15	June 15
Attestation of compliance of versions - P&C-1 or P&C-2 (six months)		August 15	June 15
Certification by directors		March 1	January 1
Auditor's report to primary regulator (pp. 20.10 through 20.60)			
· Canadian and extra-provincial		March 1	January 1
· Foreign		May 31	March 31
Appointed actuary's report on policy liabilities, including certificate		March 1	January 1
Audited financial statements presented to members or shareholders			
· Canadian and extra-provincial		March 31	January 31
· Foreign		May 31	March 31
Dynamic Capital Adequacy Testing - DCAT		December 31	December 31
Complaint examination policy reports		NOTE 1	NOTE 1
Federations of mutual insurance associations			
Financial statements		March 1	N/A
Attestation of compliance of versions		March 1	N/A
Certification by directors		March 1	N/A
Auditor's report to AMF		March 1	N/A
Guarantee funds			
Financial statements		March 1	N/A
Attestation of compliance of versions		March 1	N/A
Certification by directors		March 1	N/A
Auditor's report to AMF		March 1	N/A

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Name of document		Due <u>before</u>	Due <u>before</u>
	Year-end:	Dec. 31	Oct. 31
Insurers of persons (Life)			
Québec			
Annual return	LIFE-1	March 1	January 1
Attestation of compliance of versions - LIFE-1		March 1	January 1
Interim return (six months)	LIFE-1	August 15	June 15
Attestation of compliance of versions - LIFE-1 (six months)		August 15	June 15
Certification by directors		March 1	January 1
Auditor's report to AMF (pp. 20.010 through 20.060 and 60.010)		March 1	January 1
Capital Adequacy Requirements - QFP	QFP	March 1	January 1
Attestation of compliance of versions - QFP		March 1	January 1
Capital Adequacy Requirements - QFP (six months)	QFP	August 15	June 15
Attestation of compliance of versions - QFP (six months)		August 15	June 15
Appointed actuary's report on policy liabilities, including certificate		March 1	January 1
Annual report or audited financial statements presented to members or shareholders		March 31	January 31
Ethics committee report		March 1	January 1
Dynamic Capital Adequacy Testing - DCAT		December 31	December 31
Complaint examination policy reports		NOTE 1	NOTE 1
Canadian and extra-provincial			
Annual return	LIFE-1	March 1	January 1
Attestation of compliance of versions - LIFE-1		March 1	January 1
Interim return (six months)	LIFE-1	August 15	June 15
Attestation of compliance of versions - LIFE-1 (six months)		August 15	June 15
Certification by directors		March 1	January 1
Minimum Continuing Capital and Surplus Requirements - MCCSR	OSFI-87	March 1	January 1
Attestation of compliance of versions - MCCSR		March 1	January 1
Minimum Continuing Capital and Surplus Requirements - MCCSR (six months) Canadian only	OSFI-87	August 15	June 15
Attestation of compliance of versions - MCCSR (six months)		August 15	June 15
Auditor's report to primary regulator (pp. 20.010 through 20.060 and 60.010)		March 1	January 1
Appointed actuary's report on policy liabilities, including certificate		March 1	January 1
Audited financial statements presented to members or shareholders		March 31	January 31
Dynamic Capital Adequacy Testing - DCAT		December 31	December 31
Complaint examination policy reports		NOTE 1	NOTE 1
Foreign			
Annual return	LIFE-2	March 1	January 1
Attestation of compliance of versions - LIFE-2		March 1	January 1
Interim return (six months)	LIFE-2	August 15	June 15
Attestation of compliance of versions - LIFE-2 (six months)		August 15	June 15
Certification by directors		March 1	January 1
Test of Adequacy of Assets in Canada and Margin Requirements - TAAM	OSFI-86	March 1	January 1
Attestation of compliance of versions - TAAM		March 1	January 1
Test of Adequacy of Assets in Canada and Margin Requirements - TAAM (six months)	OSFI-86	August 15	June 15
Attestation of compliance of versions - TAAM (six months)		August 15	June 15
Auditor's report to primary regulator (pp. 20.010 through 20.060 and 60.010)		May 31	March 31
Appointed actuary's report on policy liabilities, including certificate		March 1	January 1
Audited financial statements presented to members or shareholders		May 31	March 31
Dynamic Capital Adequacy Testing - DCAT		December 31	December 31
Complaint examination policy reports		NOTE 1	NOTE 1

**DOCUMENTS TO BE FILED BY INSURERS, FEDERATIONS OF MUTUAL INSURANCE ASSOCIATIONS
AND GUARANTEE FUNDS
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AND SUBJECT TO LATE FILING SANCTIONS**

Name of document		Due <u>before</u>	Due <u>before</u>
Year-end:		Dec. 31	Oct. 31
Mutual benefit associations			
Québec			
Annual return	S-3	March 1	January 1
Attestation of compliance of versions - S-3		March 1	January 1
Interim return (six months)	S-3	August 15	June 15
Attestation of compliance of versions - S-3 (six months)		August 15	June 15
Certification by directors		March 1	January 1
Auditor's report to AMF		March 1	January 1
Appointed actuary's report on policy liabilities, including certificate		March 1	January 1
Annual report or audited financial statements presented to members		March 31	January 31
Complaint examination policy reports		NOTE 1	NOTE 1
Canadian and extra-provincial			
Annual return	LIFE-1	March 1	January 1
Attestation of compliance of versions - LIFE-1		March 1	January 1
Interim return (six months)	LIFE-1	August 15	June 15
Attestation of compliance of versions - LIFE-1 (six months)		August 15	June 15
Certification by directors		March 1	January 1
Minimum Continuing Capital and Surplus Requirements - MCCSR	OSFI-87	March 1	January 1
Attestation of compliance of versions - OSFI-87		March 1	January 1
Minimum Continuing Capital and Surplus Requirements - MCCSR (six months)	OSFI-87	August 15	June 15
Attestation of compliance of versions - OSFI-87 (six months)		August 15	June 15
Auditor's report to primary regulator (pp. 20.010 through 20.060 and 60.010)		March 1	January 1
Appointed actuary's report on policy liabilities, including certificate		March 1	January 1
Audited financial statements presented to members or shareholders		March 31	January 31
Dynamic Capital Adequacy Testing - DCAT		December 31	December 31
Complaint examination policy reports		NOTE 1	NOTE 1
Foreign			
Annual return	LIFE-2	March 1	January 1
Attestation of compliance of versions - LIFE-2		March 1	January 1
Interim return (six months)	LIFE-2	August 15	June 15
Attestation of compliance of versions - LIFE-2 (six months)		August 15	June 15
Certification by directors		March 1	January 1
Test of Adequacy of Assets in Canada and Margin Requirements - TAAM	OSFI-86	March 1	January 1
Attestation of compliance of versions - OSFI-86		March 1	January 1
Test of Adequacy of Assets in Canada and Margin Requirements - TAAM (six months)	OSFI-86	August 15	June 15
Attestation of compliance of versions - OSFI-86 (six months)		August 15	June 15
Auditor's report to primary regulator (pp. 20.010 through 20.060 and 60.010)		May 31	March 31
Appointed actuary's report on policy liabilities, including certificate		March 1	January 1
Audited financial statements presented to members or shareholders		May 31	March 31
Dynamic Capital Adequacy Testing - DCAT		December 31	December 31
Complaint examination policy reports		NOTE 1	NOTE 1

**DOCUMENTS TO BE FILED BY INSURERS, FEDERATIONS OF MUTUAL INSURANCE ASSOCIATIONS
AND GUARANTEE FUNDS
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Name of document		Due <u>before</u>	Due <u>before</u>
Year-end:		Dec. 31	Oct. 31
Funeral insurance companies			
Québec			
Annual return	S-20	March 1	January 1
Attestation of compliance of versions - S-20		March 1	January 1
Interim return (six months)	S-20	August 15	June 15
Attestation of compliance of versions - S-20 (six months)		August 15	June 15
Certification by directors		March 1	January 1
Auditor's report to AMF		March 1	January 1
Appointed actuary's report on policy liabilities, including certificate		March 1	January 1
Annual report or audited financial statements presented to members		March 31	January 31
Complaint examination policy reports		NOTE 1	NOTE 1

NOTE 1: Dates determined by AMF. Consult the AMF website by clicking on the following link:

<http://www.lautorite.qc.ca/en/complaint-examination.html>

**DOCUMENTS TO BE FILED BY REINSURERS
BASED ON YEAR-END
AND SUBJECT TO LATE FILING SANCTIONS**

Name of document		Due <u>before</u>	Due <u>before</u>
Year-end:		Dec. 31	Oct. 31
Damage insurers (P&C)			
Québec			
Annual return	P&C-1	March 15	January 15
Attestation of compliance of versions - P&C-1		March 15	January 15
Interim return (six months)	P&C-1	August 31	June 30
Attestation of compliance of versions - P&C-1 (six months)		August 31	June 30
Certification by directors		March 15	January 15
Auditor's report to AMF (pp. 20.10 through 20.60)		March 15	January 15
Appointed actuary's report on policy liabilities, including certificate		March 15	January 15
Annual report or audited financial statements presented to members or shareholders		March 31	January 31
Ethics committee report		March 1	March 1
Dynamic Capital Adequacy Testing - DCAT		June 1	June 1
Other			
Annual return	P&C-1 P&C-2	March 15	January 15
Attestation of compliance of versions - P&C-1 or P&C-2		March 15	January 15
Interim return (six months)	P&C-1 P&C-2	August 31	June 30
Attestation of compliance of versions - P&C-1 or P&C-2 (six months)		August 31	June 30
Certification by directors		March 15	January 15
Auditor's report to primary regulator (pp. 20.10 through 20.60)			
• Canadian and extra-provincial		March 15	January 15
• Foreign		May 31	March 31
Appointed actuary's report on policy liabilities, including certificate		March 15	January 15
Audited financial statements presented to members or shareholders			
• Canadian and extra-provincial		March 31	January 31
• Foreign		May 31	March 31
Dynamic Capital Adequacy Testing - DCAT		December 31	December 31

**DOCUMENTS TO BE FILED BY REINSURERS
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Insurers of persons (Life)			
Québec			
Annual return	LIFE-1	March 15	January 15
Attestation of compliance of versions - LIFE-1		March 15	January 15
Interim return (six months)	LIFE-1	August 31	June 30
Attestation of compliance of versions - LIFE-1 (six months)		August 31	June 30
Certification by directors		March 15	January 15
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Capital Adequacy Requirements	QFP	March 15	January 15
Attestation of compliance of versions - QFP		March 15	January 15
Capital Adequacy Requirements (six months)	QFP	August 31	June 30
Attestation of compliance of versions - QFP (six months)		August 31	June 30
Appointed actuary's report on policy liabilities, including certificate		March 15	January 15
Annual report or audited financial statements presented to members or shareholders		March 31	January 31
Ethics committee report		March 1	January 1
Dynamic Capital Adequacy Testing - DCAT		December 31	December 31
Canadian and extra-provincial			
Annual return	LIFE-1	March 15	January 15
Attestation of compliance of versions - LIFE-1		March 15	January 15
Interim return (six months)	LIFE-1	August 31	June 30
Attestation of compliance of versions - LIFE-1 (six months)		August 31	June 30
Certification by directors		March 15	January 15
Minimum Continuing Capital and Surplus Requirements - MCCSR	OSFI-87	March 15	January 15
Attestation of compliance of versions - OSFI-87		March 15	January 15
Minimum Continuing Capital and Surplus Requirements - MCCSR (six months) Canadian only	OSFI-87	August 31	June 30
Attestation of compliance of versions - OSFI-87 (six months)		August 31	June 30
Auditor's report to primary regulator (pp. 20.010 through 20.060 and 60.010)		March 15	January 15
Appointed actuary's report on policy liabilities, including certificate		March 15	January 15
Audited financial statements presented to members or shareholders		March 31	January 31
Dynamic Capital Adequacy Testing - DCAT		December 31	December 31
Foreign			
Annual return	LIFE-2	March 15	January 15
Attestation of compliance of versions - LIFE-2		March 15	January 15
Interim return (six months)	LIFE-2	August 31	June 30
Attestation of compliance of versions - LIFE-2 (six months)		August 31	June 30
Certification by directors		March 15	January 15
Test of Adequacy of Assets in Canada and Margin Requirements - TAAM	OSFI-86	March 15	January 15
Attestation of compliance of versions - OSFI-86		March 15	January 15
Test of Adequacy of Assets in Canada and Margin Requirements - TAAM (six months)	OSFI-86	August 31	June 30
Attestation of compliance of versions - OSFI-86 (six months)		August 31	June 30
Appointed actuary's report on policy liabilities, including certificate		March 15	January 15
Audited financial statements presented to members or shareholders		May 31	March 31
Dynamic Capital Adequacy Testing - DCAT		December 31	December 31