

Actuary's Certification

Defined Benefit Single Employer Pension Plan (SEPP) to SEPP Transfer under Section 80 or 81

A. Actuarial Reports and financial requirements

1. The supporting transfer valuation reports for each plan were prepared as at the effective date of the transfer, and contain all required disclosures. The actuarial assumptions and methods for the solvency valuations for both plans were consistent with each other and in accordance with accepted actuarial practice in Canada.
2. The plan sponsors have been informed that in order to meet the solvency ratio requirement set out in the Regulations:
 - ☐ an additional contribution is required to be made to the original plan in the amount of \$_____ (as of the effective date of the transfer), or
 - ☐ an additional contribution is required to be made to the successor plan in the amount of \$_____ (as of the effective date of the transfer), or
 - ☐ No additional contributions are required to either plan.
3. If the original plan was in a surplus position as of the effective date of transfer, a proportionate share of the surplus, determined on a solvency basis as described in the Regulations, is included in the amount to be transferred to the successor plan.
 - ☐ Not applicable
4. If plan liabilities changed since the last filed valuation as a result of an amendment with an effective date prior to the effective date of transfer, the financial impact was reported in a valuation report or cost certificate filed on _____. The sponsor(s) contributions have been adjusted accordingly.
 - ☐ No such amendments were made to the plan.
5. Where the successor plan does not provide the same pension and other benefits as were accrued under the original plan, for each transferred member,
 - (i) the commuted value of benefits under the successor plan is not less than the commuted value of benefits under the original plan, as adjusted for any payments made to a prescribed retirement savings arrangement or made directly to the transferred members in connection with the transfer of assets, determined as of the effective date of the transfer and calculated in accordance with CIA standards and the PBA and Regulations; and
 - (ii) the amount of accrued pension benefits under the successor plan must equal at least 85% of the amount of pension benefits accrued under the original plan as at the effective date.

Sample calculations and any other information helpful to demonstrate compliance with these requirements have been provided with the application.

 - ☐ Not applicable.
6. If the original plan is a multi-jurisdictional pension plan and not all DB assets of the original plan are being transferred to the successor plan, the valuation report contains:
 - (i) a summary of the allocation of original plan assets between the jurisdictions, and
 - (ii) a statement that the allocation has been prepared in compliance with any applicable regulatory agreement between two or more relevant jurisdictions.
 - ☐ Not applicable.

7. If the original pension plan had a letter of credit in place as at the effective date of the transfer, this is disclosed in the transfer report for the original plan and the amount of the letter of credit is included in the assets of the original plan. A recommendation has been made to the plan sponsor of the original plan indicating that additional contributions may be required to replace the value of the letter of credit in accordance with the timeline set out in the application prior to the assets being transferred.
- ☐ Not applicable.
8. Financial Information for each plan before and after the effective date of the transfer has been provided in the format shown below the actuaries' certifications.

B. Certification of the Actuary for each plan

Original plan name: _____
Registration number: _____

I hereby certify that, to the best of my knowledge and belief and after making diligent inquiry where applicable, all documents and information provided under Section A with respect to the original plan are accurate and complete and have been prepared in accordance with CIA standards and the PBA and Regulations.

Name of Actuary
Corporate Affiliation
Date

Successor plan name: _____
Registration number: _____

I hereby certify that, to the best of my knowledge and belief and after making diligent inquiry where applicable, all documents and information provided under Section A with respect to the successor plan are accurate and complete and have been prepared in accordance with CIA standards and the PBA and Regulations.

Name of Actuary
Corporate Affiliation
Date

Requested Format of the "Financial Summary" to be provided for each plan

All figures rounded to nearest thousand; terms have the same meaning as in the Regulations.

<i>Based on the transfer valuation report as at the effective date of transfer</i>	Before Transfer	Transfer Amount In/Out	After Transfer
Plan assets related information			
Market value			
Total value of letters of credit			
Prior year credit balance			
Plan liabilities information			
Going-concern liabilities			
Solvency liabilities			
Windup liabilities			
Funded status indicators			

Going-concern Funded ratio			
Solvency ratio			
Transfer ratio			
Plan membership			
Number of (active) members			
Number of former and retired members			

Important Information:

- If DC assets are being transferred as well as DB assets, the application should address both components, but this certification only addresses the DB component.
- If multiple original plans are being transferred into a successor plan, a separate “Actuary’s Certification” should be completed for each such transfer.
- Any substantive changes made to the language in this form should be clearly disclosed.