Annual Statistics Report

Alberta Superintendent Of Pensions

July 1, 2008 – June 30, 2009

Freedom To Create. Spirit To Achieve.

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MESSAGE FROM THE SUPERINTENDENT

I am pleased to present the annual statistical report on the status of pension plans in Alberta. The report is designed to give the reader information on various features of the private pension system, including regulatory activity, the types of plans being registered, and the funding of those plans.

The report is divided into three sections:

- The first section provides a brief description and overview of activity over the past year.
- The second section examines plan membership and the types of plans registered under the *Employment Pension Plans Act*. Funding, solvency, and actuarial assumptions used in defined benefit pension plans are also covered.
- The third section provides information regarding the financial hardship access program.

The report combines commentary with graphical representations by way of tables and graphs. The report is primarily completed as at June 30, 2009 and is based on data received from pension plans that primarily correspond to a Dec 31, 2008 plan fiscal year end and tabulated by my office. Valuation data for certain Specified Multi-Employer Pension Plans, which was filed with my office by September 2009, is also included in this report.

We appreciate the cooperation and support of the pension industry. This report is part of our effort to make communication a two-way street, providing useful information for the industry. Comments about this report and suggestions for improvements are welcome.

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We look forward to working together in partnership with our stakeholders throughout the year.

Sincerely,

Original signed by

Dennis Gartner
Alberta Superintendent of Pensions

Section 1 – Alberta Superintendent of Pensions

Roles and Responsibilities

Administering the EPPA

The office of the Alberta Superintendent of Pensions (the Superintendent's Office), a branch of Alberta Finance, is responsible for the administration and enforcement of the *Employment Pension Plans Act*, RSA 2000, Chapter E-8 (EPPA).

The Superintendent administers and enforces the EPPA, which came into force on January 1, 1987, and is the successor to the *Pension Benefits Act* of 1967. It is designed to safeguard benefits promised to employees under private sector pension plans.

Every Alberta pension plan must be registered, with the exception of certain plans exempted by section 68(1) of the *Employment Pension Plans Regulation*. The registration of a pension plan allows the Superintendent's Office to ensure that each plan continues to comply with the terms and conditions of the EPPA.

- Registered pension plans are monitored to ensure they are administered correctly and that plan funds are sufficient to cover earned benefits.
- Pension plans that do not meet the requirements of the EPPA may be refused registration.
- A Certificate of Registration may be cancelled if a plan does not comply with the requirements of the EPPA. A Certificate of Registration is cancelled when a plan terminates and all assets of that plan have been paid out.

Reciprocal Agreements

The Alberta government is party to two reciprocal agreements, one with the Government of Canada and one with all provinces having similar pension legislation to Alberta's EPPA. These agreements are authorized by section 6 of the EPPA.

- Both agreements provide for the reciprocal registration, examination, and inspection of pension plans.
- Under the agreements, a pension plan that is subject to the legislation of more than one authority is supervised by the authority having jurisdiction over the greatest number of plan members (the "majority authority").
- Where the agreements apply, and Alberta is the major authority, the Superintendent's Office carries out the duties and responsibilities and administers the legislation of the other pension jurisdictions.

<u>Plans for Connected Individuals/Plans for Specified Individuals</u>

Plans for Connected Individuals (PCIs) are pension plans whose only members are connected persons for the purposes of the *Income Tax Act*, such as individuals who own at least 10 percent of the company, or do not deal at arm's length with the owner. Plans for Specified Individuals (PSIs) are those plans which are considered 'designated plans' under the Income Tax Act (Canada).

Both PCI and PSI plans have been completely excluded from this report.

Regulating Plans

As of June 30, 2009, the Superintendent's Office was responsible for the supervision of 725 pension plans.

1. A total of 637 of those plans had registered status under the Act.

    - 445 of these plans contained only defined contribution provisions;
    - 168 of these plans contained defined benefit provisions; and
    - 24 of these plans were Specified Multi-Employer Pension Plans.

2. Of the remaining 88 plans, all of which are still subject to the Act and Regulation:

    - 24 have been reviewed but require further documentation before they could be registered;
    - 61 were terminated but awaiting cancellation of the certificate of registration; and;
    - 3 were in suspended or delayed windup status.

Terminated Plans

The Superintendent's Office cancelled Certificates of Registration for 26 pension plans during the year under review. The terminated plans covered 1985 members.

Table 1 outlines why plans were discontinued and shows the membership distribution. Please note that some of the plans terminated in the year have effective dates of cancellation in years other than the July 1, 2008 - June 30, 2009 fiscal year.

Table 1
Discontinued Pension Plans

Reason for Discontinuance	Number of Pension Plans	Number of Members Affected
Company Dissolved	1	282
Financial/Administrative Considerations	1	41
No Members Left in Plan	6	49
No Reason Given	3	163
Non-Compliance	1	5
Other	8	1058
Replaced by Group RRSPs	5	323
Replaced by New Plan	1	64
Totals	26	1985

Section 2 - Supervised Plans

Plan Funds

Contributions

Contributions to pension plans before the application of forfeiture credits and excess assets for the year was $2,024 million.

- ❖ The amount includes employee required contributions, employee voluntary contributions, employee optional ancillary contributions, employer current service contributions, and employer special payments to amortize solvency deficiencies and/or unfunded liabilities.

- ❖ Required employer contributions were about $1,400 million. Approximately $95 million in required employer current service contributions were offset by using existing excess assets and forfeiture credits. This represents about 6.8% percent of total required employer current service contributions.

  This compares with required employer contributions of about $1,127 million and contribution offsets of about $98 million for the previous fiscal year.

  Special payments in respect of solvency deficiencies were $225 million while special payments in respect of unfunded liabilities were $104 million for total special payments of $329 million.

  This compares with total special payments of about $422 million in the previous fiscal year.

- ❖ Required employee contributions were about $260 million with an additional $35 million in employee voluntary and optional ancillary contributions. This compares with required employee contributions of about $222 million and voluntary contributions of about $33 million for the previous fiscal year.

Table 2 outlines contributions made during the year.

Table 2 Contributions to Plans Supervised for the Year Ending June 30, 2009			
Employee Contributions			
Required	$260,242,318		
Voluntary	$18,803,803		
Optional Ancillary	$15,879,639		
Total	**$294,925,760**		**$294,925,760**
Employer Contributions			
Current Service	$1,263,581,841		
Contributions Credited to Contingency Reserve	$136,686,740		
Less Forfeitures Used		($6,692,439)	
Less Excess Assets Used		($88,724,465)	
Net Current Service	**$1,400,268,581**	**($95,416,904)**	**$1,304,851,677**
Unfunded Liabilities Payments	$104,487,266		
Solvency Deficiency Payments	$224,702,744		
Net Other Payments	**$329,190,010**		**$329,190,010**
Total	**$1,729,458,591**	**($95,416,904)**	**$1,634,041,687**
Employee and Employer Contributions (Gross)			**$2,024,384,351**
Employee and Employer Contributions (Net)			**$1,928,967,447**

Plan Information

Active Members

A total of 661 active and pending pension plans covering 237,479 active members were supervised by the Superintendent's Office as at June 30, 2009.

- 431 pension plans with 100 active members or less (totaling 13,758 members) accounted for 65.2% of all registered pension plans and 5.8% of all active members.

Table 3 provides a full breakdown of plans by membership size.

Table 3 **Active Membership of Active and Pending Plans** **for the Year Ended June 30, 2009**		
Membership Range	**Number of Plans**	**Number of Members**
0-10	112	592
11-50	214	5,813
51-100	105	7,353
101-200	74	10,167
201-300	35	8,879
301-400	20	6,864
401-500	8	3,551
501-600	9	4,768
601-1000	27	21,510
1001-1500	18	21,989
1501-2000	18	30,766
2001-3000	6	14,369
3001-4000	1	3,056
4001-5000	1	4,427
5000+	13	93,375
Totals	**661**	**237,479**

Jurisdictions

Of the active and pending plans, 84.66% of members were employed in Alberta and 4.87% of members were employed in Ontario– the second largest province of employment. The remaining 10.53% were employed in the other provinces and territories. A small number of members were employed outside of Canada.

Note that these figures do not include the thousands of Albertans who are members of pension plans registered in other jurisdictions or in public sector plans that are not required to register under the EPPA.

Table 4 lists the number of plans that had members, and the breakdown of membership, in each jurisdiction. There is some overlap, as some plans had members in several jurisdictions. Graph 3 is a province-by-province comparison of percentages of members.

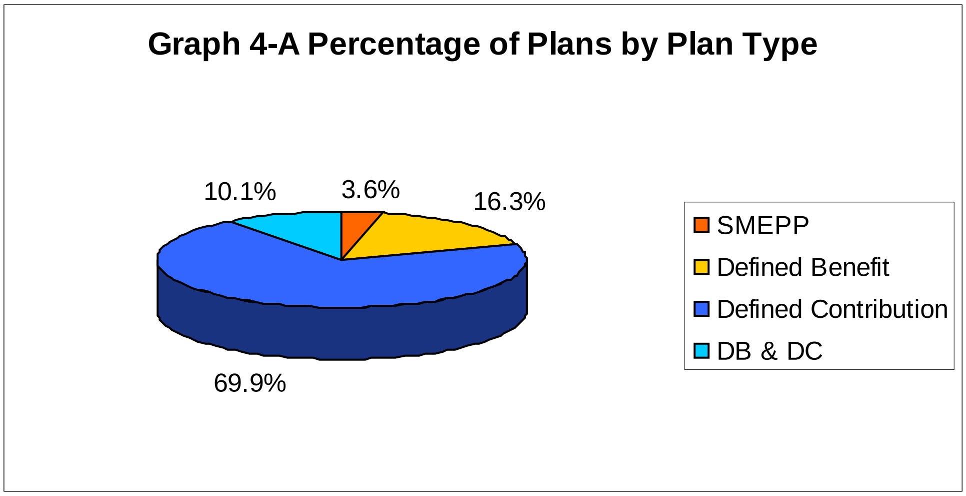
Table 4
Active membership by Jurisdiction for Active and Pending Plans as of June 30, 2009

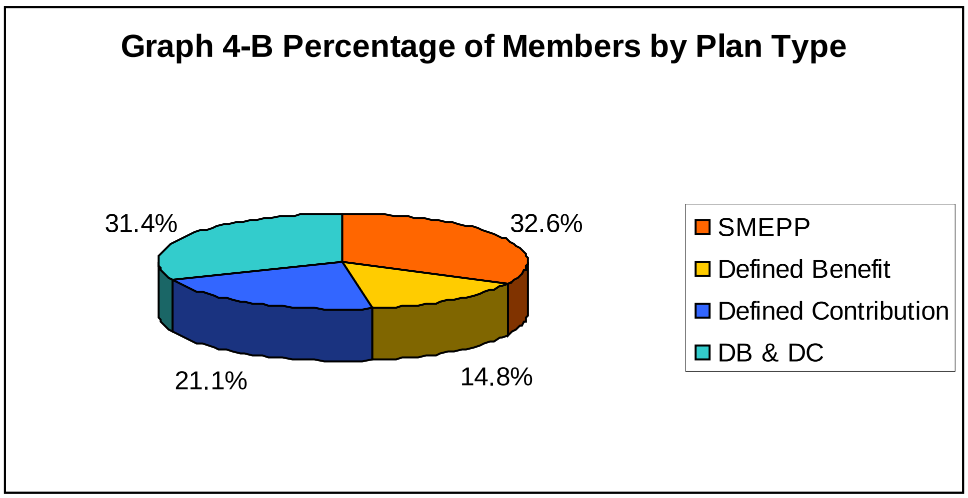
Jurisdiction	Number of Plans	Number of Members	Percentage of Members
Alberta	661	201,050	84.66%
Ontario	102	11,561	4.87%
British Columbia	149	9,775	4.12%
Saskatchewan	110	6,052	2.55%
Manitoba	65	3,059	1.29%
Quebec	47	1,950	0.82%
Newfoundland	28	1,193	0.50%
New Brunswick	16	1,011	0.43%
Nova Scotia	39	999	0.42%
Outside Canada	24	496	0.21%
Northwest Territories	17	231	0.10%
Yukon Territory	8	59	0.02%
Prince Edward Island	7	43	0.02%
Total		**237,479**	100.00%

Benefit Type

Of the active and pending non-PSI plans, 69.9% were plans that contained **only** defined contribution provisions; however, these plans covered only 21.1% of active members. The majority of plans with only defined contribution provisions were plans for small employers. Plans containing only defined benefit provisions (excluding SMEPPs) represented 16.3% of plans, covering 14.8% of members. Plans containing both defined benefit and defined contribution provisions (excluding SMEPPs) made up 10.1% of plans, but covered 31.4% of members.

Specified Multi-Employer Pension Plans represented 3.8% of plans, but covered 32.6% of members.


Graph 4-A Percentage of Plans by Plan Type
10.1%
3.6%
16.3%
69.9%
SMEPP
Defined Benefit
Defined Contribution
DB & DC

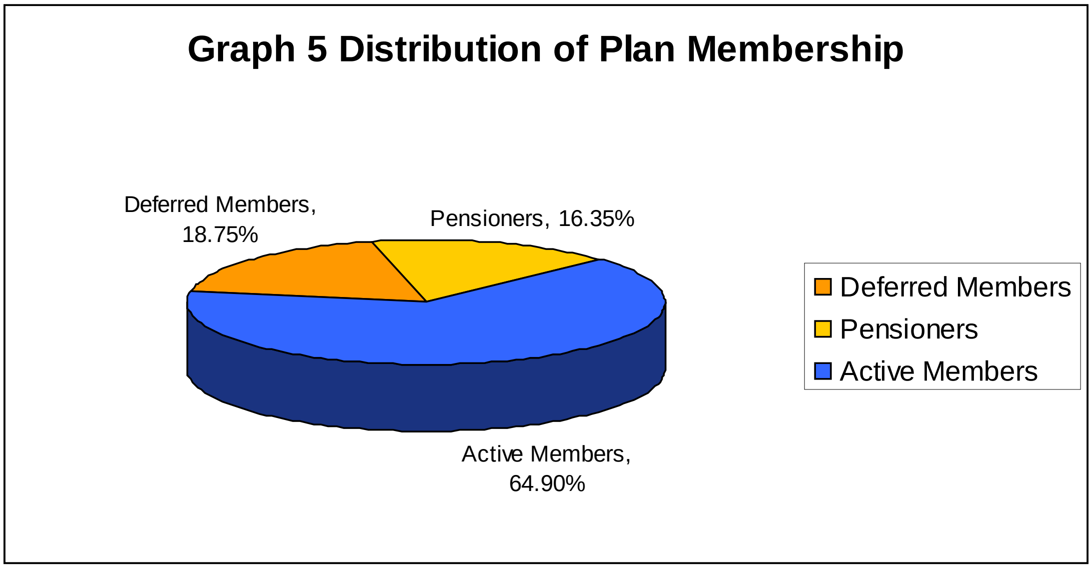

Graph 4-B Percentage of Members by Plan Type
31.4%
32.6%
21.1%
14.8%
SMEPP
Defined Benefit
Defined Contribution
DB & DC

Former Members

As of June 30, 2009, there were 128,436 former members entitled to benefits under actively registered pension plans. Of these, 68,609 were deferred vested members (members neither earning nor receiving pensions, but with entitlements remaining in the plan), including suspended members. There were also 59,827 receiving pension payments, including members receiving a disability pension.

With changes made to the Annual Information Return (AIR) in 2006, the number of former members in all plans – including defined contribution plans – is now being captured.

Graph 5 shows the distribution of membership for the current year.



Funding and Solvency

Assets

The market value of assets of active and pending pension plans registered in Alberta as of June 30, 2009 was about $21.18 billion.

- The market value of assets attributable to plans with only defined contribution provisions (excluding SMEPPs) was about $1.35 billion.
- The market value of assets attributable to pension plans with defined benefit provisions (excluding SMEPPs) was about $15.37 billion.
- The market value of assets attributable to SMEPPs was about $4.46 billion.

- The per-member market value of assets was approximately:
  - $24,052 for members and former members under a defined contribution provision;
  - $88,889 for members and former members under a defined benefit provision; and,
  - $32,876 for members and former members under a SMEPP.
- Average market value of assets per plan were approximately:
  - $2.91 million for defined contribution provisions;
  - $87.84 million for defined benefit provisions; and,
  - $185.83 million for SMEPPs.
- The difference in assets among the types of plans is explained by the few very large defined benefit plans and SMEPPs versus a large number of small defined-contribution plans.

Table 5 gives a breakdown of total assets and average assets by plan type.

Table 5
Plan Assets by Plan Type
for Active and Pending Plans as at June 30, 2009

Type of Plan	Plans	Number of Members		Total Assets (Millions)		Average Assets per Plan (Thousands)		Average Assets Per Member[2]	
		Active	Total	Market	Utilized[1]	Market	Utilized[1]	Market	Utilized
Defined Benefit	175	108,866	172,939	$15,372	$15,263	$87,840	$87,217	$88,889	$88,258
Defined Contribution	462	47,000	55,907	$1,345	$1,345	$2,911	$2,911	$24,052	$24,052
SMEPP	24	76,865	135,663	$4,460	$4,638	$185,833	$193,250	$32,876	$34,190
	661	232,731	364,509	$21,177	$21,246	$32,038	$32,142	$58,097	$58,287

(See Notes next page)

Note:

1. Utilized value of assets is based on the most recent cost certificate. It is the value employed by the actuary for valuing going concern liabilities and may be adjusted from market value using “smoothing” methods. The value of utilized assets for any particular plan will vary considerably, based on the year that the last cost certificate for the plan was filed with the Superintendent. Furthermore, the market value of assets is reported annually on the AIR while the utilized value is only reported on the cost certificate, and may be filed only on a triennial basis.

2. Based on total number of members (i.e. active members, deferred and suspended members, and pensioners).

The rest of this report’s comments deal solely with plans that have defined benefit provisions, which are referred to herein as defined benefit plans. In most cases, SMEPPs (which have defined benefit provisions) are shown separately. For the purposes of this report, and where appropriate, 2 DC SMEPPs have been included in these tables. The market value of assets is used in this report as the liability values for these plans.

Liabilities

Going-Concern Basis

Going-concern liabilities for active and pending defined benefit pension plans averaged over $109.5 million per plan and $70,673 per member. Table 6 shows liabilities by plan type on a going-concern basis.

Table 6
Going-Concern Plan Liabilities By Plan Type for Active and Pending Plans as of June 30, 2009

Type of Plan	Plans	Number of Members		Total Liability	Per Plan Average Total Liability	Average Total Liability Per Member
		Active	Total	Ongoing	Ongoing	Ongoing
Defined Benefit	175	108,866	172,939	$16,603,998,036	$94,879,989	$96,012
SMEPP	24	76,865	135,663	$5,205,752,324	$216,906,347	$38,373
Total	**199**	**185,731**	**308,602**	**$21,809,750,360**	**$109,596,735**	**$70,673**

Termination Basis

Termination (solvency) liabilities for active and pending defined benefit pension plans averaged over $119.3 million per plan and $77,356 per member. Table 7 shows liabilities by plan type on a termination basis.

Table 7
Plan Termination Liabilities By Plan Type for Active and Pending Plans as of June 30, 2008

Type of Plan	Plans	Number of Members		Total Liability	Per Plan Average Total Liability	Average Total Liability Per Member
		Active	Total	Solvency	Solvency	Solvency
Defined Benefit	175	108,866	172,939	$17,883,624,705	$102,192,141	$103,419
SMEPP	24	76,865	135,663	$5,850,149,730	$243,756,239	$43,123
Total	**199**	**185,731**	**308,602**	**$23,503,119,641**	**$119,265,198.17**	**$76,907**

Unfunded Liabilities and Solvency Deficiencies

An unfunded liability exists when liabilities are greater than assets calculated on a going-concern basis (i.e. assuming the plan continues in operation). Such deficits must be amortized in 15 years or less.

A solvency deficiency exists when assets would be insufficient to cover all liabilities if the plan were to terminate as of the valuation date. However, because a solvency deficiency is a calculation of an amount requiring an accelerated amortization (five years), it includes credit for the first five years of unfunded liability special payments. Therefore, it is not a pure representation of the wind-up position of the plan. The solvency ratio (see page 22) is a better representation of the wind-up position as it excludes credit for future special payments.

Total unfunded liabilities were $2,593 million while solvency deficiencies totaled $4,052 million.

- ❖ 104 registered pension plans with defined benefit provisions, covering 94,054 total members, had unfunded liabilities.

  125 plans, covering 147,053 total members, had solvency deficiencies.

- ❖ A total of 83 plans with defined benefit provisions had both an unfunded liability and a solvency deficiency.

- ❖ 8 SMEPPs, covering 71,223 total members, had unfunded liabilities.

  16 SMEPPs, covering 100,380 total members, had solvency deficiencies.

- ❖ A total of 8 SMEPPs had both an unfunded liability and a solvency deficiency.

Table 8 outlines unfunded liabilities and solvency deficiencies.

Table 8

Unfunded Liabilities and Solvency Deficiency by Plan Type for Active and Pending Plans as of June 30, 2009

Unfunded Liabilities					
Type of Plan	**Number of Plans**	**Total Members**	**Total Unfunded Liability**	**Average Per Plan**	**Average Per Member**
Defined Benefit	104	94,054	($713,466,150)	($6,860,251)	($7,586)
SMEPP	8	71,223	($1,879,335,225)	($234,916,903)	($26,387)
Total	**112**	**165,277**	**($2,592,801,375)**	**($23,150,012)**	**($15,688)**

Solvency Deficiencies					
Type of Plan	**Number of Plans**	**Total Members**	**Total Solvency Deficiency**	**Average Per Plan**	**Average Per Member**
Defined Benefit	125	147,053	($3,166,211,568)	($25,329,693)	($21,531)
SMEPP	16	100,380	($885,659,736)	($55,353,734)	($8,823)
Total	**141**	247,433	**($4,051,871,304)**	**($28,736,676)**	**($16,376)**

Assets In Excess of Liabilities

Going-Concern

- ❖ 68 plans with defined benefit provisions, covering a total of 27,955 members, had plan assets in excess of their plan liabilities on a going-concern basis.

- ❖ 14 SMEPPs, covering a total of 46,560 members, had plan assets in excess of their plan liabilities on a going-concern basis.

Solvency

- ❖ 47 plans with defined benefit provisions, covering a total of 10,973 members, had plan assets in excess of their plan liabilities on a solvency basis.

- ❖ 6 SMEPPs, covering a total of 19,663 members, had plan assets in excess of their plan liabilities on a solvency basis.

Table 9 provides further information on plans with excess assets on either a going-concern or solvency basis.

Table 9

Assets in Excess of Liabilities by Plan Type For Active and Pending Plans as of June 30, 2009

Going Concern				
Type of Plan	Number of Plans	Total Members	Total Assets Exceeding Liabilities	Average Per Plan
Defined Benefit	68	78,882	$755,428,482	$11,109,242
SMEPP	14	59,668	$146,043,215	$10,431,658
Total	**82**	**138,550**	**$901,471,697**	$10,993,557
Solvency				
Type of Plan	Number of Plans	Total Members	Total Assets Exceeding Liabilities	Average Per Plan
Defined Benefit	47	25,883	$730,806,849	$15,549,082
SMEPP	6	30,511	$48,716,484	$8,119,414
Total	**53**	**56,394**	**$779,523,333**	$14,707,987

Funded and Solvency Ratios

Graph 6 demonstrates the funded and solvency ratios of pension plans with defined benefit provisions. Graph 7 highlights these ratios for SMEPPs.

Funded Ratio

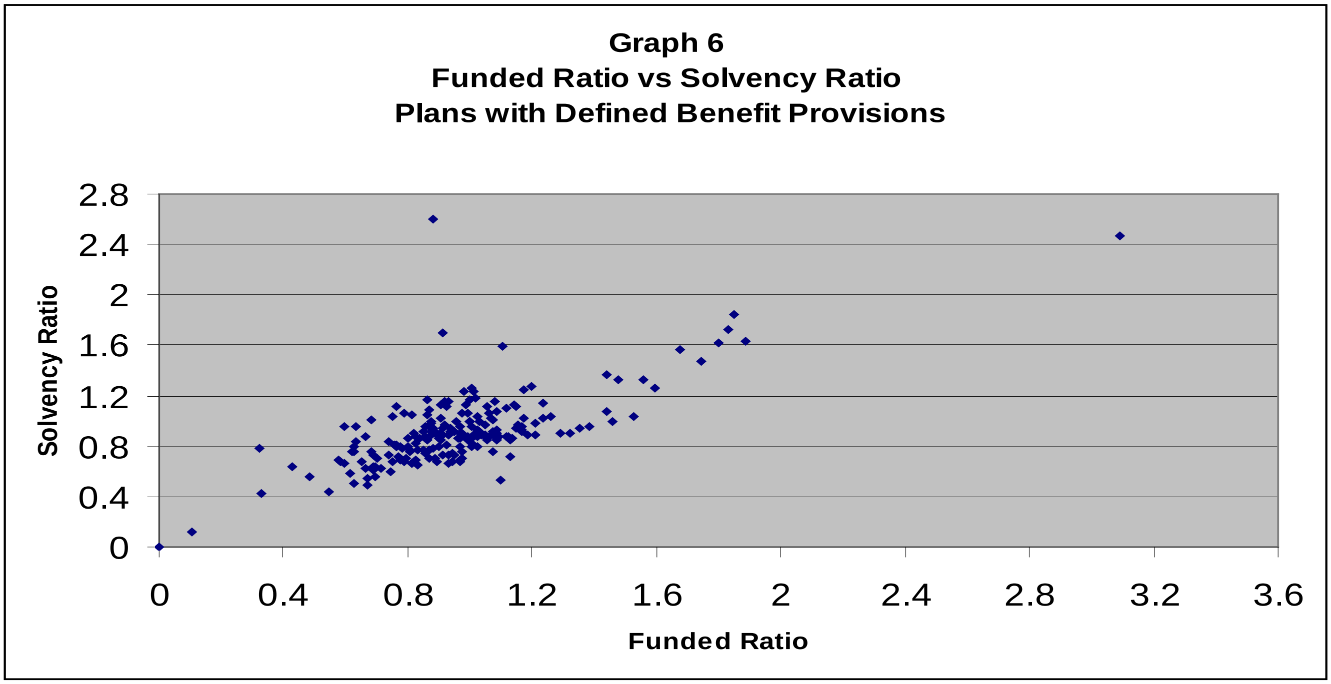
- ❖ Of the plans with defined benefits:
  - 38.4% had a funded ratio of 1.0 or better;
  - 36.1% had a funded ratio between 0.85 and 1.0; and,
  - 25.6% had a funded ratio of less than 0.85.
- ❖ Of the SMEPPs reported on:
  - 63.6% had a funded ratio of 1.0 or better;
  - 27.3% had a funded ratio between 0.85 and 1.0; and,
  - 9.1% had a funded ratio of less than 0.85.

Solvency Ratio

- ❖ Of the plans with defined benefits reported on:
  - 18.6% had a solvency ratio of 1.0 or better;
  - 44.2% had a solvency ratio between 0.85 and 1.0; and,
  - 37.2% had a solvency ratio of less than 0.85.
- ❖ Of the SMEPPs reported on:
  - 27.3% had a solvency ratio of 1.0 or better;
  - 40.9% had a solvency ratio between 0.85 and 1.0; and,
  - 31.8% had a solvency ratio of less than 0.85.

A total of 11 plans with defined benefits are exempt from making solvency payments because they were classified as a publically funded plan.

A total of 7 SMEPPs are exempt from making solvency payments because they applied for, and were granted, the exemption in return for strengthened going concern funding.


Graph 6
Funded Ratio vs Solvency Ratio
Plans with Defined Benefit Provisions
Solvency Ratio
2.8
2.4
2
1.6
1.2
0.8
0.4
0
0
0.4
0.8
1.2
1.6
2
2.4
2.8
3.2
3.6
Funded Ratio

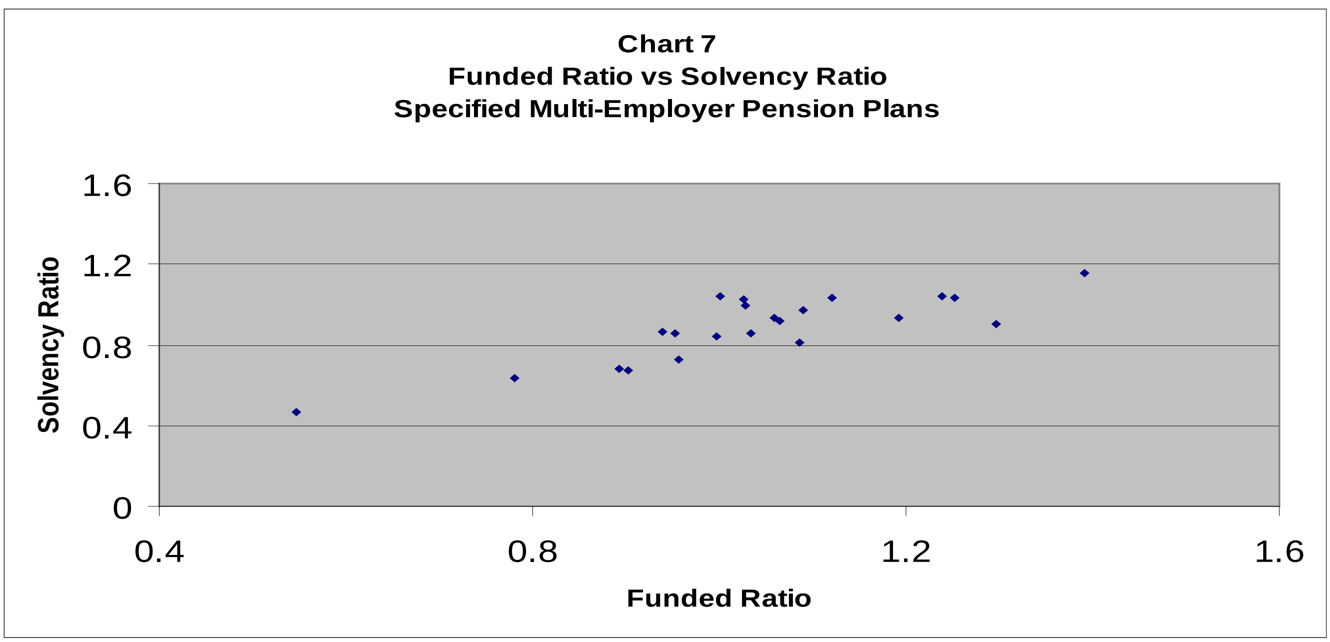


Chart 7
Funded Ratio vs Solvency Ratio
Specified Multi-Employer Pension Plans
Solvency Ratio
1.6
1.2
0.8
0.4
0
0.4
0.8
1.2
1.6
Funded Ratio

Actuarial Assumptions

Value of Assets

Market value of plan assets was the most popular method for determining the actuarial value of the assets of a pension plan.

- The majority of plans, 70.3%, used Market; another 28.8% used an average/adjusted market value.
- The remaining 0.9% of plans used book value or adjusted book, a blend of book and market value, or used other methods for valuing the actuarial value of assets of the pension plan.

Table 10 summarizes utilized values by plan type.

Table 10
Utilized Value of Assets for Active and Pending Plans as of June 30, 2009

	Defined Benefit	SMEPP
Adjusted/Average Market (includes smoothing)	47	9
Market	126	13
Average/Blend of Book and Market	1	0
Other	1	0
Total	**175**	**22**

Mortality Tables and Withdrawal Rates

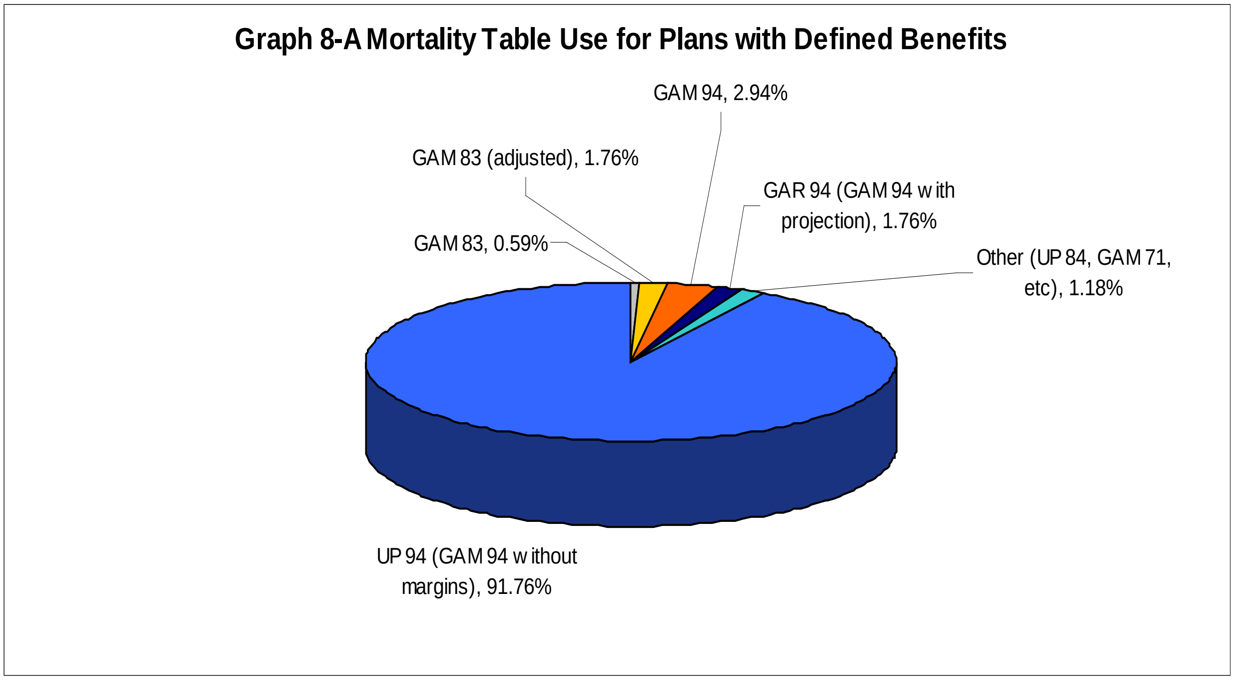
Defined Benefit Provisions

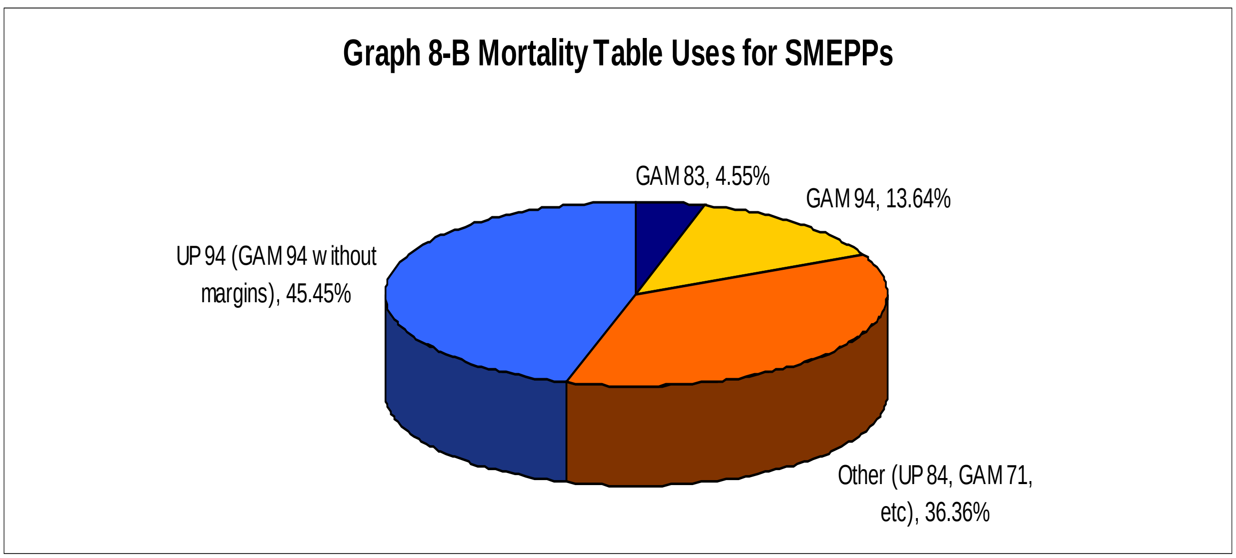
The UP 94 (GAM 94 without margins) was used by 91.8% of pension plans with defined benefit provisions. Another 1.8% of pension plans used the GAM 83 (adjusted). Another 6.5% of the plans surveyed used either true sample mortality or some other mortality table.

SMEPPs

The UP 94 (GAM 94 without margins) was used by 45.5% of SMEPPs. Approximately 36.4% of the plans surveyed used Other (UP 84, GAM 71, etc).

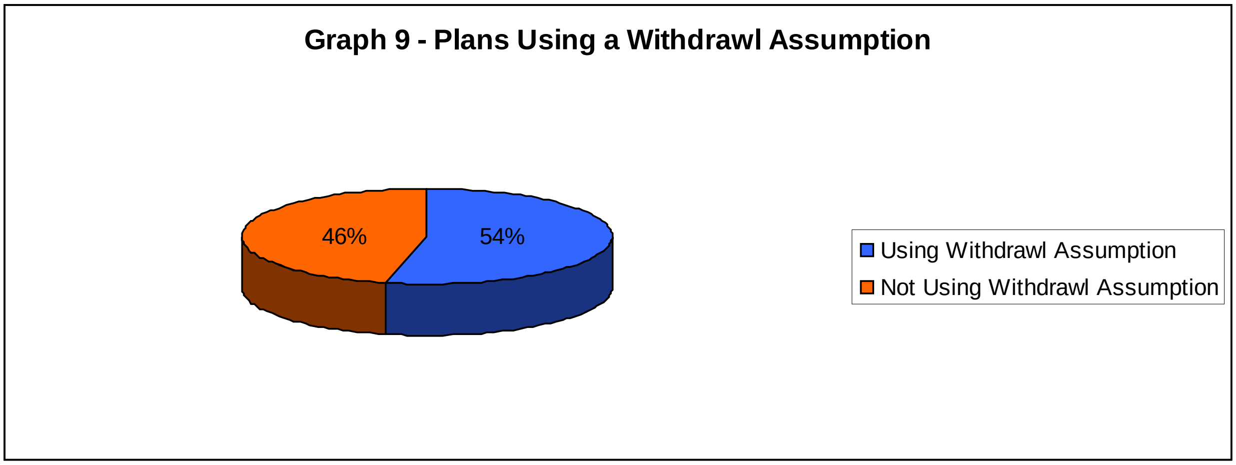
Graphs 8 A and B summarize mortality tables used in defined benefit pension plans.





Withdrawal Assumption

The percentage of plans using a withdrawal assumption was 53.7%. Graph 9 shows the withdrawal rate assumptions.



Interest Rates and Salary Assumptions

Interest Assumptions

- A long-term interest assumption of between 7.00 percent and 5.51 percent was used by 75.4% of plans as shown by Table 11. There were no plans using an interest rate assumption greater than 7.50 percent.

Table 11
Interest Assumptions used for Plans as of June 30, 2009

Rate (%)	Defined Benefit Pension Plans	SMEPP
7.26 - 7.50	3	0
7.01-7.25	0	1
6.76-7.00	8	1
6.51-6.75	10	2
6.26-6.50	48	3
6.01-6.25	36	4
5.76-6.00	38	4
5.51-5.75	9	1
5.25-5.50	8	3
Less than 5.25	15	3
Total	**175**	**22**

Salary Assumptions

- ❖ A total of 127 pension plans with defined benefit provisions used a salary escalation assumption as shown in Table 12.
    - The salary escalation assumption is the sum of the indicated inflation, productivity, and merit assumptions.
- ❖ This table demonstrates only those plans indicating a salary escalation assumption.

Table 12

Salary Escalation Assumptions Used for Plans as of June 30, 2009

Rate (%)	Defined Benefit Provisions
Greater than 7.00	1
6.76 – 7.00	1
6.51 – 6.75	1
6.26 – 6.50	1
6.01 – 6.25	1
5.76 – 6.00	1
5.51 – 5.75	6
5.26 – 5.50	2
4.76 – 5.00	10
4.51 – 4.75	2
4.26 – 4.50	13
4.01 – 4.25	6
3.76 – 4.00	39
3.50 – 3.75	24
Less than 3.5	19
Total	**127**

Salary – Interest Differential Assumptions

- Table 13 demonstrates the amount by which the interest assumption exceeded the salary escalation assumption in defined benefit pension plans that used a salary escalation assumption.

Table 13

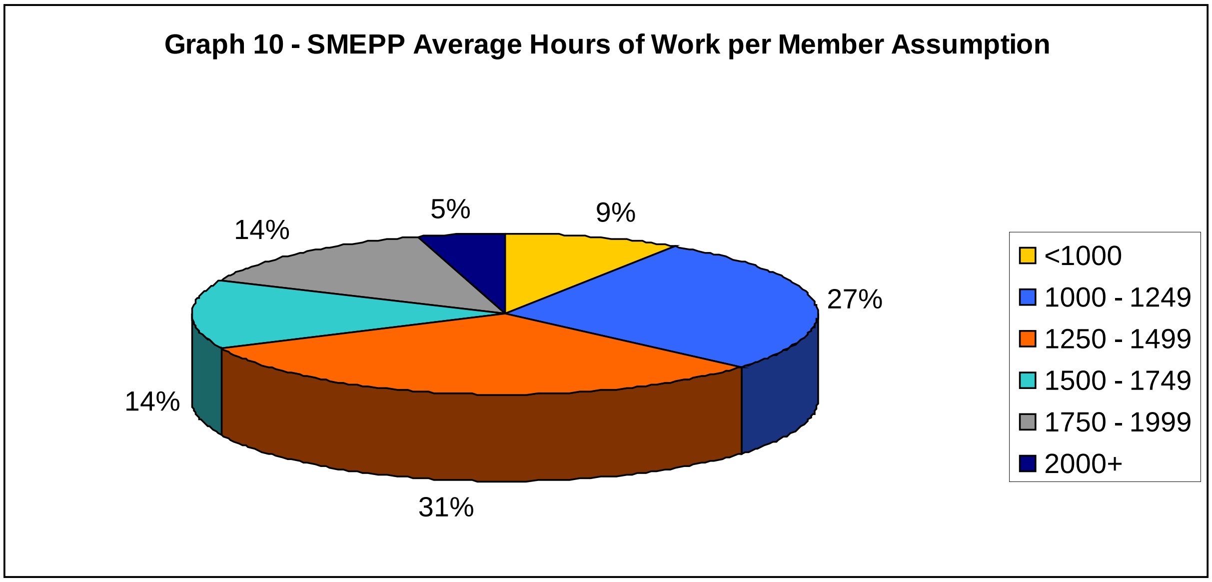
Percentage Difference between Interest and Salary Escalation Assumptions Used for Plans as of June 30, 2009

Rate (%)	Number of Plans
3.76 or Over	4
3.51 – 3.75	0
3.26 – 3.50	5
3.01 – 3.25	4
2.76 – 3.00	5
2.51 – 2.75	7
2.26 – 2.50	31
2.01 – 2.25	16
1.76 – 2.00	22
1.51 – 1.75	3
1.26 – 1.50	10
1.01 – 1.25	4
0.76 – 1.00	4
0.51 – 0.75	3
0.26 – 0.50	3
0.01 – 0.25	1
-0.24 – 0.00	1
-0.5 – -0.25	0
Less than -0.5	4
Total	**127**

Hours Worked Assumptions

The final assumption surveyed was average hours worked by a member in a plan year, which applies only to SMEPPs with defined benefit provisions.

Graph 10 shows a breakdown of the hours worked assumption used by plans and the number of active members assumed by the actuary in completing the valuation report.



Section 3 – Financial Hardship Access

Financial Hardship Unlocking

Effective May 14, 2003, individuals possessing Locked-In Retirement Accounts and Life Income Funds locked in under the EPPA were permitted to access some of the funds in the locked-in products in cases of financial hardship. In order to gain access to locked-in funds, individuals must apply to the Superintendent. Applicants must demonstrate that they qualify under at least one of eight potential situations of financial hardship.

The Superintendent's Office reviewed a total of 1,703 applications during the fiscal year. Applicants applied for a total of $26,954,379 and the Superintendent's Office consented to the release of $15,763,184 for an average of $12,210 per successful application.

Table 14 illustrates the number of applications per reason of financial hardship, as well as the average amounts released per application. Graph 11 illustrates the applications received per reason.

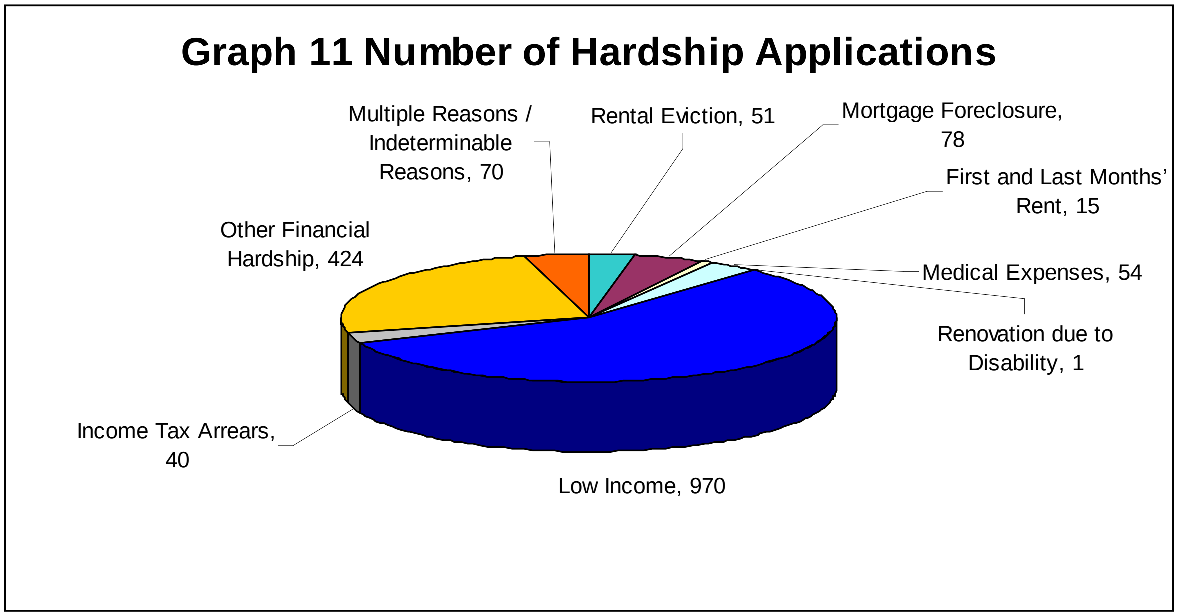
The most common reason for a denial is that the application:

- did not meet the criteria of the program,
- was incomplete and additional information was not provided, or
- was out of scope, meaning our office did not have jurisdiction of the account.

Table 14

Funds Released from Locked-in Accounts under the Financial Hardship Program Between July 1, 2008 and June 30, 2009

Reason of Financial Hardship	Number of Applications	No. of Successful Applications	Dollar Value of Funds Released	Average Release per Successful Application
Rental Eviction	51	44	$446,172.38	$10,140.28
Mortgage Foreclosure	78	64	$1,225,329.27	$19,145.77
First and Last Months' Rent	15	12	$67,377.71	$5,614.81
Medical Expenses	54	43	$354,842.73	$8,252.16
Renovation due to Disability	1	0	$0.00	$0.00
Low Income	970	868	$10,879,294.05	$12,533.75
Income Tax Arrears	40	31	$492,347.61	$15,882.18
Other Financial Hardship	424	216	$2,121,385.31	$9,821.23
Multiple Reasons / Indeterminable Reasons	70	13	$176,434.45	$13,571.88
Total	**1,703**	**1,291**	**$15,763,183.51**	**$12,210.06**



Graph 12 illustrates the number of financial hardship applications received per month over the past fiscal year.