



SECTION: Administrator

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c. 8(1)(d)

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Taken from the "Your Questions Answered" column published in the PCO Bulletin. Please see the disclaimer at the beginning of the directory.

Note: Due to legislative changes, the reference to the "PBA, 1987" should now read the "PBA, R.S.O. 1990."

Is an insurance company the Administrator of the portion of the pension plan covered by guaranteed annuity contracts?

No. Sponsors and consultants have posed an example where they believe that an insurance company may be the Administrator for one portion of the benefits (e.g. guaranteed annuity contract), and the plan sponsor is the Administrator for the remaining benefits not guaranteed by the insurance company. Clause 8(1)(d) of the PBA, 1987 specifies that for an insurance company to be the named Administrator all pension benefits must be guaranteed by the insurance company. In the example, not all the benefits are guaranteed by the insurance company, therefore it is only the plan sponsor, not the insurance company, who should be the named Administrator.