



SECTION: Administrative Expenses

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TITLE: Finders Fee or Insurance Broker Commission Payable from Pension Fund - PBA, 1987 s. 22

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Note: The reference to the PBA, 1987 (in the title above) should now read the PBA, R.S.O. 1990.

Under the PBA, is the payment of “finders fees” or insurance broker commissions considered an administrative expense payable out of the pension fund?

The role of the administrator and agents with respect to fees is governed by section 22. Under subsection 22(9), the administrator is entitled to “pension benefits, ancillary benefits, a refund of contributions and fees, and expenses related to the administration of the pension plan...”. Subsection (11) entitles agents to “a usual and reasonable fee and expense for the services provided” in regard to the pension plan.