



SECTION: Administrative Expenses
INDEX NO.: A200-800
TITLE: Payment on Wind Up - PBA, 1987 ss. 71(2)*
PUBLISHED: Bulletin 1/2 (May 1990)
APPROVED BY: The Superintendent of Pensions
EFFECTIVE DATE: When Published [Information outdated - Feb. 2000]

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

What is the process for paying administrative expenses out of a pension plan which is in the process of winding up?

Subsection 71(2) of the *PBA*, 1987 prohibits an Administrator from making any payments out of the fund except in accordance with a wind up report approved by the Superintendent. Paying administrative expenses out of the plan (where the plan provides for this) however, is an exception to this rule. An interim account of administrative expenses, along with a request for the Superintendent to authorize payment, should be prepared by the Administrator and sent to the Pension Officer in charge of the wind up. Consent will normally be given promptly in writing.

*PBA, R.S.O. 1990, ss. 70(2)

Reviewed by PCO Staff in Summer 1996.