



Financial Services Commission of Ontario
Commission des régimes de retraite de l'Ontario

SECTION: Wind Up

INDEX NO.: W100-301

TITLE: Notice of Proposal for Partial Wind Up
- PBA, 1990 ss. 68(2) and (3), ss. 112(1) and (3)
- O. Reg. 909, ss. 28(1)

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Written Notice of Proposal for Partial Wind Up of a Pension Plan

Subsection 68(2) under the *Pension Benefits Act* (the “PBA”) requires that written Notice of Proposal to Wind up a Pension Plan must be provided to specified persons or bodies who have an interest in the pension plan. In accordance with subsection 68(3), in the case of a proposal to wind up only a portion of a pension plan, the administrator is required to give notice to the members, former members or other persons who are “affected” by the partial wind up.

Therefore, in the case of a partial wind up of a pension plan, subsection 68(3) requirements with respect to the meaning of the word “affected” shall be as follows:

The administrator shall give written Notice of Proposal to Partially Wind up a Pension Plan to:

- a) the Superintendent;
- b) each member of the pension plan who is entitled to receive payment from the pension plan as a result of the partial wind up;
- c) each former member of the pension plan who is entitled to receive payment from the pension plan as a result of the partial wind up;
- d) each trade union that represents members of the pension plan;
- e) the advisory committee of the pension plan; and
- f) any other person who is entitled to receive payment from the pension plan as a result of the partial wind up.

In accordance with subsection 28(1) of the Regulations under the PBA, notice required under section 68 of the PBA shall include,

- a) the name of the plan and its provincial registration number;

- b) the proposed date of the partial wind up;
- c) notice that each member, former member or any other person who will be entitled to receive payment from the pension plan as a result of the partial wind up will be provided with an individual statement setting out entitlements and options under the plan and the PBA; and
- d) where a plan requires member contributions and the employment of the members will cease as a result of the partial wind up, notice of the member's right to make contributions in respect of the period of notice of termination of employment required under Part XIV of the *Employment Standards Act*.

In accordance with subsection 112(1) of the PBA, service of the notice by personal delivery or first class mail to all persons listed above is required. However, under subsection 112(3), when considered appropriate in the circumstances, the Superintendent may authorize an alternative form of notice or service of the notice.

Where the partial wind up results from an event affecting the employment of the members, such as in the case of a plant closure, the Superintendent may require that all members who are employed in the location, who participate in the plan on or after the date notice of the event is released, and who lose employment as a result of the event must be included as persons entitled to receive payment from the pension plan at partial wind up.