



SECTION: Pooled Fund Central Registry

INDEX NO.: P400-500

TITLE: Simplified Filing Procedure

APPROVED BY: Superintendent of Pensions

PUBLISHED: (Distributed by Notice)

EFFECTIVE DATE: July 25, 1989 [No longer applicable - Jan. 2001]

To All Institutions or Organizations Offering Pooled, Mutual or Segregated Funds As Investment Vehicles for Pension Funds (the "Pooled Fund Vendors"):

The *Pension Benefits Act, 1987* (the "PBA, 1987") and Regulation 708/87 (the "Regulation") require that pension plan administrators file a Statement of Investment Policies and Goals (the "Statement") with the Pension Commission of Ontario (the "PCO"). For most pension plans, the Statement and an Investment Policy Return must be filed by December 31, 1989 (see attached Bulletin for exemptions). The administrator of the pension plan is responsible for completing and filing the Statement.

The administrator is also responsible for ensuring that investments of pension plan funds are made in accordance with the restrictions in the PBA, 1987 and Regulation, whether or not the investments are in pooled, mutual or segregated funds that are operated and managed externally.

For a pension plan with assets fully invested in pooled, mutual or segregated funds where the administrator's control extends only to fund selection - the PCO has determined that a simplified arrangement for filing the Statement is acceptable.

In preparing the Statement for such a pension plan, the administrator may make reference to the prospectus, offering or other descriptive document (the "pooled fund documents") instead of duplicating detailed descriptions of investment policies contained within the pooled fund document. This will ease the administrative burden on administrators and their agents, and facilitate compliance with the legislation.

In order that your clients - pension plan administrators - can benefit from this simplified filing procedure, your cooperation is essential. Details are set out below.

Central Registry for Pooled Fund Documents

To participate in the central registry, a pooled fund investor is requested to deposit the pooled fund document with the PCO to be placed in a central registry. If the pooled fund document is in the central registry, the administrator may in the Statement, make reference to the pooled fund document. For example, where the pooled fund document describes

an asset mix policy that meets the PCO's guidelines for a description of asset mix policy, the administrator can refer to the pooled fund document without repeating or describing the contents of the document.

The administrator remains responsible for ensuring that the investments of the fund comply with the investment restrictions in the PBA, 1987 and the Regulation, and for filing a Statement that fully complies with the Regulation and guidelines. The information respecting minimum statutory requirements that administrators must provide in the Statement is detailed in the attached Bulletin.

We recognize that pooled fund documents may not address all items required in the Statement, as set out in the Regulation and described in the Bulletin. Nor will pooled fund documents necessarily indicate that the investments of pooled funds will be in compliance with investment restrictions for pension funds in the Regulation.

Therefore, the more clearly the pooled fund document states that investments of the fund are made in compliance with the regulation, and the more comprehensively it covers the requirements of the regulation and the guidelines, the more convenient it is for the administrator in preparing the Statement. Accordingly, you may wish to revise the pooled

fund document that you deposit with the PCO, or deposit supplementary material with such documents for the assistance of the administrators whose pension funds are invested in your pooled funds.

Even if the pooled fund document appears to be in compliance with the Regulation as to investment restrictions and the guidelines for the Statement, the administrator must separately address the following items in the Statement:

- 1) the type of pension plan;
- 2) the nature of pension plan liabilities if defined benefit;
- 3) a reference to the pooled fund or funds selected or to be selected;
- 4) a description of asset allocation if more than one fund is selected; and
- 5) the conflict-of-interest policy respecting the selection of pooled funds.

Pooled fund documents may be deposited with the PCO by forwarding them to [editor's note: updated 09/95]: The ~~Central Registry, Pension Commission of Ontario, 250 Yonge Street, 29th Floor, Toronto, Ontario M5B 2N7.~~

The establishment of a central registry is a voluntary program in which we request you actively participate. The simplified Statement and central registry are expected to ease the administrative burden on administrators of pension plans. If you have any questions, contact Bruce Macnaughton, Director, Policy and Research Branch at 416-314-0695 or Jules Huot, Senior Policy Analyst at 416-314-0613.

Yours truly,

(signed)

Robert H. Hawkes, Superintendent of Pensions