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SECTION: Refund of Contributions to Plan Members

INDEX NO.: R400-100

TITLE: Applications to the Commission for Consent to a Refund  
- PBA, 1987 ss. 64(7) and (8)\*

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### **Refund of Contributions to Plan Members**

Where an application is made to the Commission under subsection 64(7) of the *Pension Benefits Act*, 1987 for consent to a refund of contributions to plan members, staff will recommend that the Commission give its consent only where:

- a) the requirements of subsection 64(8) are satisfied; that is,
  - i) the plan (or an amendment to the plan) provides for the refund; and
  - ii) the employer has assumed responsibility for funding all pension benefits associated with the contributions;
- b) either
  - i) after the refund has been made, the ratio of the market value of the assets of the plan to the solvency liabilities of the plan is 1.0 or more; or
  - ii) where prior to the refund, the ratio of the market value of the assets of the plan to the solvency liabilities of the plan is less than 1.0, the ratio is not further reduced as a result of the refund; and
- c) there is equitable treatment of the individuals within any category or categories (actives, retirees, deferreds) to whom the refund is being made.

If the plan has been amended to deem required contributions to be additional voluntary contributions, the requirements of subsection 64(8) and the foregoing policy criteria will apply. In all cases, and notwithstanding that the foregoing requirements are met, the Commission will use its discretion under subsection 64(8) in granting its consent.

\*PBA, R.S.O. 1990 ss. 63(7) and (8)

*See also Policy A400-500.*