

FSRAFinancial Services Regulatory
Authority of Ontario

Ontario

ARSFAutorité ontarienne de réglementation
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May 21, 2021

Attn: Madalena Winhold
Madalena_winhold@manulife.ca
CPO_Cont_Serv@manulife.ca
The Manufacturers Life Insurance Company
Plan Design Services -- Group Retirement Solutions
25 Water Street S., Del. Stn. KC6
Kitchener, ON N2G 4Z5

and

Attn: Brandi Rodriguez
brodriguez@srgretail.com
Manager, Payroll & HR Operations
SFP Canada Inc.
c/o Schurman Retail Group
300 Oak Bluff Lane
Goodlettsville, TN USA 37072

**Re: Registered Pension Plan for Salaried Employees of SFP Canada Ltd.
Registration Number 1215425**

Enclosed, please find the Notice of Intended Decision with respect to the above noted pension plan.

Yours truly,

Mitzi D'Souza
Administrative Assistant, Pensions
Enclosure

c: Chantal Laurin, Financial Services Regulatory Authority of Ontario

IN THE MATTER OF the *Pension Benefits Act*, R.S.O. 1990, c. P.8 (the “Act”), in particular sections 69 and 89;

AND IN THE MATTER OF The Registered Pension Plan for Salaried Employees of SFP Canada Ltd., Registration Number 1215425 (the “Plan”).

NOTICE OF INTENDED DECISION

TO: The Manufacturers Life Insurance Company
Plan Design Services
Group Retirement Solutions
25 Water Street S., Del. Stn. KC6
Kitchener ON N2G 4Z5

Attention: Madalena Winhold
Plan Design-GRS Plan Sponsor Services

Appointed Administrator & Applicant

AND TO: SFP Canada Ltd.
C/O Shurman Retail Group
300 Oak Bluff Lane
Goodlettsville, TN 37072

Attention: Brandi Rodriguez
Manager of Payroll and Human Resources Operations

Employer

TAKE NOTICE THAT pursuant to section 69 of the Act, and by delegated authority from the Chief Executive Officer of the Financial Services Regulatory Authority of Ontario (the “Chief Executive Officer”), the Director, Relationship Management and Special Pension Services, intends to make an order to wind up the Plan effective February 29, 2020 . Details of this intended decision are described below.

SI VOUS DÉSIREZ RECEVOIR CET AVIS EN FRANÇAIS, veuillez nous envoyer votre demande par courriel immédiatement à: contactcentre@fsrao.ca.

YOU ARE ENTITLED TO A HEARING BY THE FINANCIAL SERVICES TRIBUNAL (THE “TRIBUNAL”) PURSUANT TO SUBSECTION 89(6) OF THE ACT. A hearing by

the Tribunal about this Notice of Intended Decision may be requested by completing the enclosed Request for Hearing Form (Form 1) and delivering it to the Tribunal within thirty (30) days after this Notice of Intended Decision is served on you. The Request for Hearing Form (Form 1) must be mailed, delivered, faxed or emailed to:

Address: Financial Services Tribunal
25 Sheppard Avenue West, 7th floor
Toronto ON M2N 6S6

Attention: Registrar

Fax: 416-226-7750

Email: contact@fstontario.ca

TAKE NOTICE THAT if you do not deliver a written request for a hearing to the Tribunal within thirty (30) days after this Notice of Intended Decision is served on you, an order will be issued as described in this Notice of Intended Decision.

For additional copies of the Request for Hearing Form (Form 1), visit the Tribunal's website at www.fstontario.ca.

The hearing before the Tribunal will proceed in accordance with the *Rules of Practice and Procedure for Proceedings before the Financial Services Tribunal* ("Rules") made under the authority of the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22. The Rules are available at the website of the Tribunal: www.fstontario.ca. Alternatively, a copy can be obtained by telephoning the Registrar of the Tribunal at (416) 590-7294, or toll free at 1-800-668-0128 extension 7294.

REASONS FOR INTENDED DECISION

1. SFP Canada Ltd. ("SFP") is the employer under the Plan and was the administrator of the Plan prior to December 8, 2020.
2. The Plan is a single employer defined contribution plan.
3. On January 28, 2020, SPF employees were advised by SPF's parent company, the Sherman Retail Group, that SPF's operations would be discontinued and that, as a result, their employment with SPF would cease effective February 29, 2020.
4. On February 11, 2020, the fund custodian, The Manufacturers Life Insurance Company ("Manulife"), was advised by the Sherman Retail Group that SFP would be closing all stores in Canada, and that the last day of employment for Canadian employees would be February 29, 2020. Sherman Retail Group further notified

Manulife that the last contributions to the Plan would be remitted no later than March 20, 2020.

5. On August 14, 2020 SFP became bankrupt within the meaning of *Bankruptcy and Insolvency Act (Canada)* and Richter Advisory Group Inc., Licenced Insolvency Trustee was appointed as trustee.
6. Pursuant to subsection 8(1.1) of the Act, the Insolvency Coordinator, by delegated authority from the Chief Executive Officer, appointed Manulife to act as the administrator of the Plan effective December 8, 2020.
7. Subsection 69(1)(c) of the Act provides that the Chief Executive Officer may require the wind up of a pension plan if the employer is bankrupt within the meaning of *Bankruptcy and Insolvency Act (Canada)*.
8. Manulife, in its capacity as the Plan administrator, has filed a Wind up Order Request stating that the SPF is bankrupt within the meaning of *Bankruptcy and Insolvency Act (Canada)*. The Wind up Order Request further states that all required contributions were remitted to the pension fund of the Plan for the period ending February 29, 2020. [All of the members of the Plan ceased employment with SPF effective February 29, 2020.]
9. Therefore, the Chief Executive Officer has grounds pursuant to subsection 69(1) to order a wind up of the Plan and proposes to order the wind up of the Plan.
10. Such further and other reasons as may come to my attention.

DATED at Toronto, Ontario,

May 18 , 2021.



Paul Martiniello
Director, Relationship Management and Special Pension Services

By delegated authority from the Chief Executive Officer