Superintendent of Financial Services		Surintendant des services financiers
	Ontario	

IN THE MATTER OF the *Pension Benefits Act*, R.S.O. 1990, c. P.8, as amended (the "*PBA*")

AND IN THE MATTER OF a Notice of Intended Decision of the Superintendent of Financial Services to consent, under section 78(1) of the *PBA*, to a payment out of the pension fund for the Mercantile & General of Canada Pension Plan, Registration Number 275370.

TO:

Swiss Reinsurance Company Ltd
1000 - 150 King Street West
Toronto ON M5H 1J9

Attention: Janet Podpora
Vice President, Communications & HR

Applicant and Employer

AND TO

Peggy McCallum
Fasken Martineau DuMoulin LLP
2400 - 333 Bay St., Bay Adelaide Centre, Box 20
Toronto ON M5H 2T6

NOTICE OF INTENDED DECISION

I INTEND TO CONSENT, under section 78(1) and 79 (3.1) of the *PBA*, to the payment out of the pension fund for the Mercantile & General of Canada Pension Plan, Registration Number 275370 (the "Plan"), to Swiss Reinsurance Company Ltd, in the amount of $4,658,994 as at May 31, 2013, plus investment returns thereon.

I PROPOSE TO MAKE THE CONSENT effective only after the Applicant satisfies me that:

    a. 84% of the net surplus has been paid pro-rata to the class;

b. the opt-out member has been paid;

c. Swiss Re, class, legal, and actuarial expenses have been paid as approved by the court.

I INTEND TO CONSENT FOR THE FOLLOWING REASONS:

1. Swiss Reinsurance Company Ltd is the employer and administrator as defined in the Plan (the "Employer").

2. As indicated in the report provided with the Employer's application for payment of surplus updated as at May 31, 2013, the surplus in the Plan was estimated at $30,774,000.

3. The application discloses that by class action agreement by Court Order:

   the net surplus in the Plan at the date of payment is to be distributed:

   a. $4,658,994 (16%) to the Employer, with the employer paying for the opt-out member and expenses as approved by Court Order;

   b. $25,849,977 (84%) to the class beneficiaries of the Plan as defined in the agreement.

4. The Employer has applied, pursuant to section 78(1) and 79(3.1) of the *PBA*, for consent of the Superintendent of Financial Services to the payment of 16% of the net surplus to be distributed from the Plan, after payment of 84% of net surplus to the class and opt-out member and payment of expenses as approved by the Court Order.

5. The application appears to comply with sections 78, 79(1) and all other applicable requirements under the *PBA* and Regulation 909, R.R.O 1990, as amended.

6. Such further and other reasons as come to my attention.

YOU ARE ENTITLED TO A HEARING by the Financial Services Tribunal (the "Tribunal") pursuant to section 89(6) of the *PBA*. **To request a hearing, you must deliver to the Tribunal a written notice that you require a hearing, within thirty (30) days after this Notice of Intended Decision is served on you.[1]**

YOUR WRITTEN NOTICE must be delivered to:

Financial Services Tribunal
5160 Yonge Street

14th Floor
Toronto, Ontario
M2N 6L9

Attention: The Registrar

FOR FURTHER INFORMATION on a Form for the written notice, please see the Tribunal website at www.fstontario.ca or contact the Registrar of the Tribunal by phone at 416- 590-7294, toll free at 1-800-668-0128, ext. 7294, or by fax at 416-226-7750.

IF YOU FAIL TO REQUEST A HEARING WITHIN THIRTY (30) DAYS, I MAY CARRY OUT THE INTENDED DECISION AS DESCRIBED IN THIS NOTICE.

DATED at Toronto, Ontario, this **5th** day of **March, 2014**.

Original Signed By

Brian Mills
Deputy Superintendent, Pensions

[1]*NOTE - Pursuant to section 112 of the PBA any Notice, Order or other document is sufficiently given, served or delivered if delivered personally or sent by regular mail and any document sent by regular mail shall be deemed to be given, served or delivered on the fifth day after the date of mailing.*