

Content on this page has been transferred from the Financial Services Commission of Ontario (FSCO) site as a PDF for reference. Links that appear as related content have also been transferred and can be found at the end of this document.

Imperial Oil Limited Retirement Plan - January 16, 2009.

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

AND IN THE MATTER OF a Proposal of the Superintendent of Financial Services to Make an Order under section 69(1)(e) of the *PBA* relating to the **Imperial Oil Limited Retirement Plan**, Registration Number **347054**.

TO:

IMPERIAL OIL LIMITED

111 St. Clair Avenue West

Toronto, Ontario

M5W 1K3

Attention:

J.B. MacIntyre,

Manager, Plans, Payrolls and

Administration Human Resources

NOTICE OF PROPOSAL

I PROPOSE TO MAKE AN ORDER under section 69(1) (e) of the *PBA* that Imperial Oil Limited Retirement Plan, Registration Number 347054 (the "Plan") be partially wound up in relation to those members and former members of the Plan who ceased to be employed by Imperial Oil Limited at its location at 111 St. Clair Ave. West Toronto (the "St. Clair location") during the period September 28, 2004 until June, 30 2006.

REASONS:

1. On September 28, 2004 Imperial Oil announced it was moving its head office from the St. Clair location to a location in Calgary. At the time the relocation was announced there were 722 active members at the St. Clair location. The relocation took place between June 23, 2005 and August 25, 2005 and resulted in 233 head office employees being transferred to Calgary.
2. During the period of the relocation and in the period up until June 30 2006 a total of 200 employees terminated employment at the St. Clair location including 133 early retirements, 21 resignations and 46 terminations. Sixty-six of the sixty-seven terminations and resignations had age and years of continuous service equal to 55 and were not offered to "grow-in" to the early retirement benefits that are available under the Plan.
3. Section 69(1) (e) provides that the Superintendent may require the full or partial wind up of a pension plan if "all or a significant portion of the business carried on by the employer at a specific location is discontinued".

4. Whether measured by the total number of positions that were discontinued at the St. Clair location (433), or only the positions where employment was terminated and not replaced at that location (200), a significant portion of the business at that location was discontinued within the meaning of section 69(1)(e) of the PBA. Therefore there are grounds to order a partial wind up in this case.
5. Where it has been demonstrated that the entitlements of the members affected by a partial wind up under the *PBA* have otherwise been provided, the Superintendent may exercise his discretion not to order a partial wind up. However, the 66 members whose employment has been terminated as a result of the head office relocation and who had 55 points would be eligible to grow-in to certain benefits under section 74 of the PBA if the Plan is partially wound up. Therefore, there is good reason for the Superintendent to exercise his discretion to order a partial wind up in this case.
6. Such further and other reasons as may come to my attention.

YOU ARE ENTITLED TO A HEARING by the Financial Services Tribunal (the ATribunal@) 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 Proposal is served on you.***

YOUR WRITTEN NOTICE must be delivered to:

Financial Services Tribunal
5160 Yonge Street
14th Floor
Toronto ON M2N 6L

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 PROPOSAL AS DESCRIBED IN THIS NOTICE.

THE ADMINISTRATOR IS REQUIRED pursuant to section 89(5) to transmit a copy of this Notice of Proposal to members of the Plan whose employment was terminated during the period September 28, 2004 until June 30 2006.

DATED at Toronto, Ontario, this 16th day of January, 2009

K. David Gordon
Deputy Superintendent, Pensions

* **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 seventh day after the date of mailing.