



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 Proposal of the Superintendent of Financial Services to consent, under section 78(1) of the *PBA*, to a payment out of the Pension Plan for Employees of Sybron Canada LP, Registration Number 0201764.

TO: **Sybron Canada LP**
Sybron Specialties, Inc.
1717 West Collins Ave.
Orange, California USA 92867

Attention: Ms. Gisella Brett
Director, Compensation and Benefits

Applicant and Employer

AND TO: **Osler, Hoskin & Harcourt LLP**
c/o Ms. Louise Greig
1 First Canadian Place, 61st Floor
Toronto, ON M5X 1B8

NOTICE OF PROPOSAL

I PROPOSE TO CONSENT, under section 78(1) of the *PBA*, to the payment out of the Pension Plan for Employees of Sybron Canada LP, Registration Number 0201764 (the "Plan") in respect of the partial wind up of its predecessor pension plan, Pension Plan of Sybron Canada Ltd. for Employees of its Denco Division and Beavers Dental Products Limited Subsidiary, Registration No. 0902320 (the "Denco-Beavers Plan"), to **Sybron Canada LP**, in the amount of \$950,000, as at December 31, 2008, plus adjustments to the actual date of payment.

I PROPOSE TO MAKE THE CONSENT effective only after the Applicant satisfies me that all benefits, including payments pursuant to the minutes of settlement, set out in paragraph 7 below, and any other payments to which the members, former members, and any other persons entitled to such payments, have been paid, purchased, or otherwise provided for.

REASONS:

1. Sybron Canada LP is the employer as defined in the Plan.
2. The Plan is the successor to the Denco-Beavers Plan.
3. The Denco-Beavers Plan was partially wound up, effective June 30, 1986.
4. The Denco-Beavers Plan was merged with the Plan effective April 1, 1996.
5. As at December 31, 2008, surplus relating to the partial wind up of the Denco Beavers Plan was estimated at \$1,817,000. The portion of the wind-up surplus attributable to the Ontario Affected Members as defined in the Settlement Agreement dated August 18, 2008 was estimated at \$1,260,000 (the "Ontario Surplus").
6. The Plan provides for payment of surplus to the Employer on wind up of the Plan.
7. The application discloses that the Ontario Surplus in the Plan at the date of payment, after deduction of expenses is to be distributed as follows:
 - a) \$200,000 to the beneficiaries of the Plan as defined in the Settlement Agreement;
 - b) \$110,000 to pay outstanding Legal Fees incurred by Ontario Affected Members; and
 - c) the residual amount to the Employer.
8. The Employer has applied, pursuant to section 78 and 79(3) of the PBA, section 8(2) of Regulation 909, R.R.O. 1990 ("Regulation"), and section 7a(2) of O. Regulation 708/87 for consent of the Superintendent of Financial Services to the payment of the surplus from the Plan.
9. Section 79(3)(b) of the PBA provides: "Subject to section 89 (hearing and appeal), the Superintendent shall not consent to an application by an employer in respect of surplus in a pension plan that is being wound up in whole or in part unless, the pension plan provides for payment of surplus to the employer on the wind up of the pension plan".

Section 8(2)(b) of the Regulation provides: "A payment may be made from surplus out of a pension plan that is being wound up in whole or in part if (a) the payment would have been permitted by this section as it read immediately before the 18th day of December 1991 and (b) notice of proposal to wind up the pension plan was given to the Superintendent of Pensions before December 18, 1991".

Section 7a.(2)(c) of O. Reg. 708/87 provides: "Payments may be made from surplus out of a pension plan that is being wound up in whole or in part if the Commission files with the court a consent under subsection 79(1) of the Act, where a court order authorizes the distribution of funds from surplus".
10. On November 14, 2008, the Ontario Superior Court of Justice declared that at all relevant times, the terms of the Denco-Beavers Plan and the 1982 Trust Agreement, as amended, provide for payment of Ontario Surplus to Sybron Canada LP in accordance with section 79 of the PBA, and that Sybron Canada Ltd is entitled to a refund of the Ontario Surplus.

11. The application appears to comply with sections 78, 79(3)(a) and (b) of the PBA, section 8(2) of the Regulation, and section 7a.(2)(c) of O. Reg. 708/87.

12. 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 Proposal 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 PROPOSAL AS DESCRIBED IN THIS NOTICE.

DATED at Toronto, Ontario, this 4th day of November, 2009.

K. David Gordon
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 seventh day after the date of mailing.