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PCO Decision - January, 1999

Commission Decisions - Applications January 28, 1998

(Note: In this section, "Commission" refers to the Pension Commission of Ontario.)

Surplus Withdrawal on Plan Wind Up Pursuant to a Surplus Sharing Agreement - clause 8(1)(b) of Reg. 909, (as amended by O. Reg. 743/91) and s. 78(1) and 79(3) of the Act

At the Commission meeting held January 28, 1999, pursuant to subsection 78(1) of the PBA and clause 8(1)(b) of the Regulation, the Commission consented to the payment of plan surplus plus investment earnings thereon to the date of payment as follows:

1. The Retirement Plan for Manufacturing Hourly Paid Employees of LaSalle Machine Tool of Canada Limited, Registration Number 570671

Payment of surplus to 143420 Ontario Inc. from The Retirement Plan for Manufacturing Hourly Paid Employees of La Salle Machine Tool of Canada, Limited, Registration Number 570671, in the amount of \$190,700 as at October 31, 1996, adjusted for investment earnings thereon, actual expenses incurred in connection with the wind up and actual benefit payments made in respect of the wind up of the plan.

This consent shall not be effective until the applicant satisfies the Commission that all benefits, benefit enhancements, including enhancements pursuant to the surplus sharing agreement, 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.

2. Pension Plan for Salaried Employees of Munich Reinsurance Company of Canada and The Great Lakes Reinsurance Company, Registration Number 519702

Payment of surplus to The Great Lakes Reinsurance Company from the Pension Plan for Salaried Employees of Munich Reinsurance Company of Canada and The Great Lakes Reinsurance Company, Registration Number 519702, in the amount of 49.9% of the surplus in the plan (total surplus in the plan estimated to be \$1,211,800 as at October 1, 1997) adjusted to reflect investment earnings or losses and expenses plus other gains / losses such as annuity purchase prices.

This consent shall not be effective until the applicant satisfies the Commission that all benefits, benefit enhancements, including enhancements pursuant to the surplus sharing agreement, 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.

3. Federated Genco Limited, Local 6979, United Steelworkers of America Pension Plan, Registration Number 214569

Payment of surplus to Federated Genco Limited from the Federated Genco Limited, Local 6979, United Steelworkers of America Pension Plan, Registration Number 214569, in the amount of 50% of the surplus in the plan (total surplus in the plan estimated to be \$167,099 as at August 31, 1994) plus a proportional adjustment for interest and expenses from the date of wind up to the date of payment.

This consent shall not be effective until the applicant satisfies the Commission that all benefits, benefit enhancements, including enhancements pursuant to the surplus sharing agreement, 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.

4. Seiko Canada Inc. Pension Plan, Registration Number 493437

Payment of surplus to Seiko Canada Inc. from the Seiko Canada Inc. Pension Plan, Registration Number 493437, in the amount of 50% of the surplus in the plan (total surplus in the plan estimated to be \$1,781,000 as at November 30, 1997) plus investment earnings and less expenses thereon to the date of payment.

The Commission consented to the course of action proposed by the Applicant, Seiko Canada Inc., set out in Ms. N. Peterson's letter of January 27, 1999, whereby Applicant will approach insurance companies to request annuity quotations to provide for the amounts of basic benefits and surplus entitlement of 18 former members of the plan ("Unlocated Beneficiaries") who, despite all reasonable efforts, the Applicant has been unable to locate. The insurance companies will be required to hold the lump sum pending any of the Unlocated Beneficiaries providing proof of entitlement.

This consent shall not be effective until the applicant satisfies the Commission that all benefits, benefit enhancements, including enhancements pursuant to the surplus sharing agreement, 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.

5. Hawker Siddeley Canada Inc. Pension Plan for Salaried Employees, Registration Number 344192

Payment of surplus to Hawker Siddeley Canada Inc. ("Hawker") and CGTX Inc., from the Hawker Siddeley Canada Inc. Pension Plan for Salaried Employees, Registration Number 344192, in the amount of 50% of the surplus in the plan as of June 17, 1996 (\$39,761,785, after setting aside an amount of surplus for which a transfer may be requested to Atchison Casting Corporation) plus 50% of the gains (net of losses) thereon to the date of payment less 50% of expenses and fees related to the wind up of the plan and distribution of the surplus assets. The Applicant's share of surplus is to be shared 90.47% to Hawker and 9.53% to CGTX Inc.

This consent shall not be effective until the applicant satisfies the Commission that all benefits, benefit enhancements, including enhancements pursuant to the surplus sharing agreement, 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 for the decision on standing and the merits will follow separately.

Pension Benefits Guarantee Fund ("PBGF")

Declaration that the PBGF Applies to Pension Plans

On January 28, 1999, the Commission, pursuant to subsection 90(1) of the PBA, issued a Declaration that the PBGF applies to the following pension plan:

- 1. Revised Pension Plan for Employees of G.W. Martin Veneer Ltd. (Searchmount Division), Hourly Employees, Registration Number 414730**

Allocations, subsection 34(7) of Regulation 909 under the PBA

On January 28, 1999, the Commission, pursuant to subsection 34(7) of Regulation 909 under the PBA, authorized an allocation of money from the PBGF to be paid (as outlined below) to the following plan to provide, together with the Ontario assets, for the benefits determined under section 34 of the Regulation. Any money not required to provide such benefits shall be returned to the PBGF.

- 1. Revised Pension Plan for Employees of G.W. Martin Veneer Ltd. (Searchmount Division), Hourly Employees, Registration Number 414730**

Allocate and pay an amount not to exceed \$340,900 to provide, together with the assets of the Plan, for the benefits determined in accordance with section 34 of the Regulation.

Updated: February 25, 1999