

E-blast to administrators of plans registered in Ontario with members in Quebec

Subject: Adoption of the Agreement Respecting Multi-jurisdictional Pension Plans

On May 20, 2011, the [Government of Ontario](#) announced the signing of the [Agreement Respecting Multi-jurisdictional Pension Plans](#) (the “multi-jurisdictional agreement” or the “MJPPA”) by Ontario and Quebec. The MJPPA comes into effect on July 1, 2011 for:

- pension plans registered in Ontario with Quebec members and
- pension plans registered in Quebec with Ontario members.

Ontario and Quebec have adopted the MJPPA, together accounting for 64 per cent of the multi-jurisdictional pension plans in Canada. From this strong starting point, adoption of the MJPPA by other jurisdictions is expected as soon as they are able to do so. The existing [Memorandum of Reciprocal Agreement](#) and/or bilateral agreement with the federal government, if applicable, will remain in effect for all members and other beneficiaries (retirees, deferred vested, etc.) in those jurisdictions that have not yet signed the MJPPA.

A number of important items are updated or clarified in the MJPPA, including:

- **Final Location** - For determining benefits earned under a pension plan, the member’s entire benefit is based on the pension legislation that applied to the member at the time the pension benefits are determined; for example on termination of employment, retirement, death or termination of membership.
- **Note:** Ontario’s **Pension Benefits Guarantee Fund (PBGF) coverage continues to apply** to members in respect of the benefits they earned while employed in Ontario. The administrator of a pension plan that is subject to the PBGF must keep a record of all periods of each member’s service in Ontario and benefits earned with respect to that service.
- **Asset Allocation** – For determining the allocation of pension plan assets between jurisdictions, a consistent and transparent step-by-step process is applied in such situations as the transfer of assets between pension plans on the sale of a company, the withdrawal of a participating employer and the wind-up or partial wind-up of a multi-jurisdictional pension plan.

As the number of jurisdictions that have signed the MJPPA grows, more members of multi-jurisdictional pension plans will be subject to the MJPPA.

More information on the MJPPA and its application to multi-jurisdictional pension plans registered in Ontario is available through the following links:

- [General information about the Multi-jurisdictional Pension Plans Agreement](#)
- [FSCO’s questions and answers on the MJPPA](#)

- [The Canadian Association of Supervisory Pension Authorities \(CAPSA\) communiqué about the MJPPA](#)
- [The Multi-jurisdictional Pension Plans Agreement](#)
- [The Commentary Guide on the MJPPA](#)

You can contact FSCO by email at pensionpolicy@fSCO.gov.on.ca with your questions related to multi-jurisdictional pension plans where Ontario is the major authority and the MJPPA and its application to multi-jurisdictional pension plans registered in Ontario.