



SECTION:	Disclosure – By the Administrator
INDEX NO.:	D100-300
TITLE:	Members' Annual Statements and Termination Statements - PBA ss. 27, 28 and 50 - Regulation 909 ss. 20(2), 40, 41, 43 and 44
APPROVED BY:	Superintendent of Financial Services
PUBLISHED:	FSCO Website (August 2013)
EFFECTIVE DATE:	July 1, 2012
REPLACES:	I150-805

This policy replaces I150-805 (Members' Annual Statement) as of the effective date of this policy.

Note: Where this policy conflicts with the Financial Services Commission of Ontario Act, 1997, S.O. 1997, c. 28 (FSCO Act), Pension Benefits Act, R.S.O. 1990, c. P.8 (PBA) or Regulation 909, R.R.O. 1990 (Regulation), the FSCO Act, PBA or Regulation govern.

*Note: The electronic version of this policy, including direct access to all linked references, is available on FSCO's website at www.fsrao.ca. All pension policies can be accessed from the **Pensions** section of the website through the **Pension Policies** link.*

The purpose of this policy is to clarify:

- a pension plan member's right to receive an annual statement from the administrator of a pension plan (administrator);
- a pension plan member's right to receive a termination statement when the plan member terminates employment or otherwise ceases to be a member of the plan; and
- a pension plan beneficiary's right to receive a death/survivor benefits statement.

Requirement to Provide Statements

The administrator must provide each plan member with an annual written statement that contains specific information about the plan and the member's benefits under the plan. Members do not need to ask for an annual statement and the PBA does not allow members to waive their entitlement to receive an annual statement. This requirement is set out in section 27 of the PBA. The annual statement must include specific information about the pension plan, the member's pension benefits and any ancillary benefits.

As set out in section 28 of the PBA, the administrator must also provide a written statement to a member containing specific information when a member terminates employment or otherwise ceases to be a member of the plan. A written statement must also be provided to any other person who becomes entitled to a payment under the plan due to the member's termination of employment or membership in the plan.

Content of Statements

The required content of the annual statement is described in [section 40](#) of the Regulation. The required content for termination statements that must be given to a member of a pension plan who terminates employment or ceases to be a member for reasons other than retirement or death is described in [section 41](#) of the Regulation. The required content for termination statements that must be given to a retiring member is described in [section 44](#) of the Regulation. The required content for death/survivor benefits statements is described in [section 43](#) of the Regulation. The required content for a termination statement provided to a member in relation to the payment of a small pension amount differs from the required content of a termination statement that is provided to a member in other circumstances. The required content for a termination statement that is provided to a member in relation to the payment of a small pension amount is described in [section 41\(1.1\)](#) of the Regulation.

Timing

The administrator must provide plan members with their annual statement within six months after the plan's fiscal year end. Termination statements must be provided within 30 days after the member terminates employment or plan membership. In cases where notice of termination is not provided in advance, the administrator must issue the statement within 30 days after receipt of notice. If a former member of the plan elects to transfer the commuted value of the benefit, under section 20(2) of the Regulation, the administrator must comply with the request within 60 days after receipt of the completed election.

The administrator must advise plan members at least 60 days before their normal retirement date (or their proposed retirement date, if a date has been selected), of any options available for payment of the pension and the time period in which the options may be exercised. As set out in section 44 of the Regulation, the retirement statement must be issued within 30 days after a member retires. If the administrator did not receive notice from the member before retirement, the retirement statement must be issued within 30 days after the administrator receives a completed application required for payment of the pension to begin.

As set out in section 43 of the Regulation, when a member, former member or retired member dies, the administrator must provide a death/survivor benefits statement to the member's spouse, beneficiary or estate that becomes entitled to the benefit. The death/survivor benefits statement is to be issued within 30 days after the administrator receives notice of the death. The spouse has 90 days to make a payment election, and the administrator must comply with the election within 60 days. If the beneficiary is not the member's spouse, there is no specific time limit in which the administrator must comply with the beneficiary's election but the Superintendent expects administrators to act in a timely manner.

In plan wind-up situations the administrator is required to provide a statement that sets out the benefits and options available to each person entitled to a benefit or refund on the wind-up of the plan. For information on these statements please refer to FSCO policy [W100-102 \(Filing Requirements and Procedure on Full or Partial Wind-Up of a Pension Plan\)](#).

Electronic Delivery

The administrator may provide these statements to a member electronically, but only if the member has given consent. For more information on electronic communications with plan members, please refer to FSCO Policy [A300-806 – Electronic Communications Between Plan Administrators and Plan Beneficiaries](#) and [CAPSA Guideline No. 2 – Electronic Communication in the Pension Industry](#).