
FAQs - Pension Benefits Guarantee Fund (PBGF)

Q1. *REVISED* What is a PBGF Assessment Certificate and when must it be filed?

A1. The PBGF Assessment Certificate is an online Superintendent approved form. The form sets out the calculation of the PBGF assessment. It must be filed electronically through the Pension Services Portal, by the PBGF assessment date, which is nine months after the fiscal year end of the pension plan..

Where a plan is winding up, a final PBGF Assessment Certificate must be filed within 6 months after the effective date of the wind up. - 1/2019

Q2. *REVISED* There are two versions of the PBGF Assessment Certificate. Which one do I use?

A2. The form you use depends on the assessment date. Form 2.2, which incorporates the new assessment structure effective January 1, 2019, should be used for an assessment date on or after January 1, 2019. Form 2.1 should be used for an assessment date prior to January 1, 2019.

Plans are now able to file using Form 2.2 for assessment dates on and after January 1, 2019.. If such a plan filed early using the old PBGF Assessment Certificate (Form 2.1), it will be required to refile the PBGF Assessment Certificate using Form 2.2. - 1/2019

Q3. *NEW* Who must complete the PBGF Assessment Certificate?

A3. An authorized representative of the administrator of the pension plan (who is authorized on the Pension Services Portal) must complete the PBGF Assessment





Certificate, except for the certification in Part 5. The authorized representative does not need to be an employee of the administrator (for example, it could be the plan's actuary). Note that the authorized representative is subject to the same fiduciary standards as the administrator.

The plan's actuary must complete Part 5 of the PBGF Assessment Certificate (the actuary's certification), after Part 2 is completed. The actuary must have authorized access through the Pension Services Portal. – 1/2019

Q4. *REVISED* Can the PBGF assessment be paid from the pension fund?

A4. In any fiscal year, a PBGF assessment may only be paid from the pension fund if the following conditions are satisfied:

1. the plan administrator has filed a cost certificate within the first 90 days of that fiscal year showing that the plan has Available Actuarial Surplus (AAS); and
2. for the same fiscal year, after the application of any AAS to reduce contributions for normal cost and for the provision for adverse deviation (PfAD) in respect of normal cost, the plan still has AAS remaining.

It should be noted that the ability to use an actuarial gain to pay a PBGF assessment under section 7(4) of Regulation 909 was revoked as at May 1, 2018. Therefore, PBGF assessments may be paid under section 7(4) only if they were paid prior to May 1, 2018. Effective May 1, 2018, AAS may be used to pay PBGF assessments in accordance with section 7.0.3(2) of Regulation 909, but only where a new valuation report has been filed under the new rules.

For more information on how plan surpluses may be used to pay PBGF assessments, see the attached [chart?](#). This chart also indicates which provisions govern contribution holidays under different valuation scenarios that have different valuation and filing dates. – 1/2019

Q5. *NEW* What information is used in completing the PBGF Assessment Certificate?

A5. In accordance with section 37 of Regulation 909, the PBGF assessment is determined using information contained in the last valuation report filed under sections 3, 13 or 14





Regulation 909 on or before the PBGF assessment date.

For plans registered in Ontario, the valuation date and period covered by the last report filed under section 13 or 14 are auto-populated in the PBGF Assessment Certificate, and data from that report must be entered in Part 2 of the PBGF Assessment Certificate. (For plans registered in jurisdictions outside of Ontario, and which must file a PBGF Assessment Certificate with respect to its Ontario members, these dates will need to be entered manually from the last valuation report filed in that jurisdiction. Similarly, data from that report must also be entered in Part 2 of the PBGF Assessment Certificate.)

Where the plan has approved a benefit improvement, and a section 3 report has been filed before the PBGF assessment date, the increase in solvency liabilities and any lump sum payments must be reported in the PBGF Assessment Certificate. There are fields in Part 2 of the form for this purpose. –1/2019

Q6. *NEW* Does the administrator need to refile the PBGF Assessment Certificate where a new valuation report under section 3 or 14 has been filed after the assessment date?

A6. If a new valuation report under section 3 or 14 has been filed after the assessment date, but with a valuation date earlier than the assessment date, then a new PBGF Assessment Certificate must be filed, pursuant to sections 37(8) and (9) of Regulation 909. The PBGF Assessment Certificate will automatically calculate the change in the assessment from the previous filing. – 1/2019

