

- (b) began to be determined and accounted for separately at a date subsequent to the start of the employer's participation in the plan, and the initial determination and accounting of the assets of the plan respecting that employer was consistent with, and conducted on the basis of, an allocation of the assets of the plan in accordance with the requirements of this Part and in relation to a situation other than that described in clause (c), (d) or (e) of section 10.

Allocation of employer shares into portions

(3) Any employer share allocated in accordance with subsection (2) shall be further allocated into portions in the manner provided for in section 11, and used in the manner provided for in section 17, as if the employer share consisted of the assets of a separate pension plan for that employer.

Allocation of remaining assets into portions

(4) For the purposes of an asset allocation under this Part involving a pension plan described in subsection (1), any assets of the plan not allocated to an employer share in accordance with subsection (2) shall be allocated into portions in the manner provided for in section 11, and used in the manner provided for in section 17, without considering the liabilities described in clause (b) of subsection (1) related to an employer for which an employer share has been allocated under this section.

Explanatory Notes:

This section sets out specific rules for the allocation of assets for a particular type of multi-employer pension plan, involving plan members related to a participating employer for which a separate account has been established and administered under the plan regarding the assets, liabilities, contributions, benefits and expenses of that employer and its plan members, as if that account was a separate pension plan. For example, Alberta's pension legislation provides for the establishment of "multi-unit pension plans".

This section is only applicable to such a pension plan if the elements referred to above have been determined and accounted for separately:

- *since the start of the employer's participation in the plan; or*
- *after the start of the employer's participation in the plan, where the initial allocation of plan assets to the employer's account was made in accordance with the method for allocating assets in the event of the splitting of a pension plan as described in clauses 10(a) or (b) of the Agreement.*

This section can apply to a pension plan even where separate accounting is only used for some of the employers that participate in the plan.

Where this section applies with respect to the allocation of a pension plan's assets, the assets of the plan that have been determined and accounted for separately for an employer would constitute an "employer share" in relation to that employer. Each employer share determined in relation to the plan would then be further allocated into jurisdictional portions in accordance with the asset allocation methodology set out in section 11 of the Agreement.

Examples:

- 1) *An employer participates in a pension plan with more than one participating employer. A separate account was established and has been maintained since the start of that employer's participation in the plan consistent section 12 of the Agreement. The employer employs members in Ontario and Quebec.*

The employer decides to establish its own successor pension plan for all of its employees, regardless of their jurisdiction of employment. The original pension plan will also be amended to transfer the assets and liabilities of that employer's plan members to the successor plan. As a result, the assets of the original plan related to the employer's separate account under that plan would constitute that employer's employer share for the purposes of section 12 of the Agreement, and those assets would be transferred to the successor plan after all required regulatory approvals have been obtained.

- 2) *The employer described in example 1 above decides to establish a successor plan, but only for its Ontario employees. The original pension plan will also be amended to transfer the assets and liabilities of that employer's Ontario plan members to the successor plan. As a result, the assets of the original plan related to the employer's separate account under that plan would constitute that employer's employer share for the purposes of section 12 of the Agreement. That employer share would then be further allocated into Ontario and Quebec portions in accordance with section 11 of the Agreement. The Ontario portion so determined would then be transferred to the successor plan after all required regulatory approvals have been obtained.*

Text from Agreement:

SECTION 13

DETERMINATION OF PORTIONS FOR ASSET ALLOCATION

Determination of portions

13. (1) The assets of a pension plan that are to be allocated into portions in accordance with subsection (2) of section 11 shall be allocated into portions as of the date of allocation in accordance with the levels of priority of allocation set out in this section.

Contributions and similar amounts

(2) First, allocate assets of the pension plan equal to the sum of the following contributions and amounts, to the extent that such contributions and amounts are still credited to the account of a person having benefits under the plan on the date of allocation:

- (a) any contributions paid into the pension fund of the plan and any amounts that the person had elected to transfer into the pension fund of the plan, other than contributions and amounts used to fund benefits that are not determined solely as a function of amounts credited to the account of the person; and
- (b) any interest attributable to contributions or amounts described in clause (a).

Core liabilities

(3) Second, allocate assets of the pension plan equal to the sum of the following liability amounts, provided that the pension legislation that would govern those liabilities if this Agreement did not exist would require them to be funded on a solvency basis:

- (a) the value of benefits under the plan that are being paid on a regular and periodic basis to any person on the date of allocation, whether or not the benefit is payable for the lifetime of the person, and determined taking into account:
 - (i) any periodic increase in the benefits, based on any index, rate or formula provided for in the plan; and
 - (ii) any related benefits that are payable due to the death of the person;
- (b) the value of lifetime benefits accrued under the plan by any person who, on the date of allocation, is entitled to receive payment of the benefits on that

date or a later date, but who is not in receipt of payment of the benefits as of the date of allocation, determined:

- (i) using the earliest age at which all such persons are entitled to payment of unreduced lifetime benefits, without reference to any other requirements or conditions under the terms of the plan or any applicable pension legislation;
 - (ii) taking into account any post-retirement periodic increase in the lifetime benefits, based on any index, rate or formula provided for in the plan; and
 - (iii) taking into account any related benefits that are payable due to the death of the person, whether such death occurs before or after the person starts receiving payment of lifetime benefits under the plan and determined at the age described in subclause (i);
- (c) in respect of any person who has been required to make contributions under the plan, the amount by which the contributions made by the person plus any interest attributable to those contributions exceeds the amount representing 50% of the value of the benefits payable to the person under the plan, subject to the following requirements:
- (i) the contributions, interest and value of the benefits shall be calculated as of the date of allocation and consistent with either the pension legislation that governs the benefits or the terms of the plan, whichever produces a larger excess amount; and
 - (ii) any such excess amount already determined in relation to a person before the date of allocation shall not be included, whether or not such previously determined excess amount has been refunded to the person; and
- (d) any unpaid part of the value of the benefits payable under the plan to a person who had elected before the date of allocation to be paid the value of the person's benefit entitlements under the plan, as well as any interest attributable to that unpaid part.

Other liabilities whose funding is required

(4) Third, allocate assets of the pension plan equal to the sum of the following liability amounts:

- (a) the value of benefits accrued under the plan, other than those referred to in subsection (3), by any person who, on the date of allocation, is entitled to

receive payment of the benefit on that date or a later date, but who is not in receipt of payment of the benefit as of the date of allocation, provided that the pension legislation that would govern the benefits if this Agreement did not exist would require that such benefits be funded on a solvency basis; and

- (b) subject to subsection (5), the value of the additional liability referred to in clause (b) of subsection (2) of section 6.

Assets related to additional liability

(5) Where the assets of the pension plan that are allocated to a portion under subsections (2), (3) and (4) in the absence of the requirements of this subsection exceed the value of benefits and other amounts accrued under the plan that are related to that portion:

- (a) the value calculated for clause (b) of subsection (4) shall be reduced by the excess amount referred to in this subsection; and
- (b) the assets of the plan not allocated to a portion due to the application of clause (a) may be allocated to other portions in accordance with subsection (4).

Balance of assets

(6) Fourth, for the purposes of an asset allocation in any situation other than that described in clause (c), (d) or (e) of section 10:

- (a) any assets of the pension plan remaining after the allocations made in accordance with subsections (2) to (4) shall be sequentially allocated to the portion or portions with the lowest going concern ratio, until the going concern ratio of that portion equals the going concern ratio of the portion with the next highest going concern ratio;
- (b) the sequential allocation of the plan's assets described in clause (a) shall be made until all portions have the same going concern ratio or no assets remain to be allocated, whichever occurs first;
- (c) if, after applying the sequential allocation of assets described in clauses (a) and (b), the going concern ratio of each portion is lower than 1.0, any assets of the pension plan yet to be allocated shall be allocated to the portions so that the going concern ratios of all portions remain the same, until the going concern ratio of each portion reaches 1.0 or no assets remain to be allocated, whichever occurs first;
- (d) for the purposes of clauses (a), (b) and (c), the going concern ratio of a portion shall be calculated by using the assets of the pension plan allocated

to the portion in accordance with this section and the going concern liabilities of the plan that are subject to the jurisdiction's pension legislation applicable to that portion, other than assets and liabilities related to contributions and amounts described in subsection (2); and

- (e) any assets of the pension plan remaining after the allocations made in accordance with clauses (a), (b) and (c) shall be allocated pro rata to the total of the going concern liabilities determined for each portion.

Balance of assets for certain asset allocations

(7) Fourth, for the purposes of an asset allocation in a situation described in clause (c), (d) or (e) of section 10:

- (a) allocate assets of the pension plan equal to the value of benefits accrued under the plan, other than those referred to in subsections (2), (3) or (4), to which persons are entitled under the plan as of the date of allocation; and
- (b) any assets of the pension plan remaining after the allocations made in accordance with subsections (2) to (5) and clause (a) shall be allocated pro rata to the total of the values determined for each portion in applying subsections (2) and (3) and clause (a) of subsection (4).

Explanatory Notes:

This section establishes levels of priority for allocating the assets of a pension plan into jurisdictional portions when the asset allocation is to be conducted using the standard allocation methodology described in subsection 11(2) of the Agreement.

An overview of the levels of priority

This section requires that plan assets be allocated into jurisdictional portions according to four levels of priority. The first three levels of priority are based on the liabilities of the plan that would arise if the plan were to wind up on the date of the asset allocation (see subsection 14(2) of the Agreement). This approach provides a level of protection to plan members in instances where, for example, a plan split and resulting transfer of assets from the plan is immediately followed by a full wind up of the plan. In such circumstances, if the value of the plan's assets, calculated on a wind up basis, is less than the value of its wind up liabilities for the benefits that are required by the legislation that governs those benefits to be funded, then the assets that have been transferred to the other pension plan, as well as those remaining in the initial plan, should enable both plans to provide a comparable level of benefit security to the affected plan members.

First level of priority

The first level of priority for allocating a pension plan's assets under subsection 13(2) of the Agreement covers the value of benefits determined solely as a function of amounts credited to the account of a person having benefits under the plan. This includes employer and employee contributions made under a defined contribution component of the plan, optional ancillary contributions made under a flexible component of the plan, additional voluntary contributions made by plan members, lump sum amounts that a person has elected to transfer into the pension fund of the plan and excess contributions determined in the application of a pension legislation's 50% rule before the date of allocation. The first level of priority also includes the interest attributable to the amounts described above.

It is important to note that the contributions or other amounts described above must still be credited to the account of the person on the date of allocation, and that any contributions or amounts that have been converted into lifetime or periodic benefit entitlements are not covered under the first level of priority. For example, lump sum amounts that have been transferred from one pension plan and are immediately used to recognize years of service and provide additional benefit entitlements under another pension plan will not be covered under the first level of priority.

Second level of priority

The second level of priority covers what are referred to in subsection 13(3) of the Agreement as the "core liabilities" of the pension plan.

In order for a plan liability to qualify as a core liability for the purposes of the asset allocation, the jurisdiction's pension legislation that governs the liability must require its funding on a solvency basis. For example, post-retirement indexation of benefits under a pension plan is a potential core liability under subsection 13(3) of the Agreement. Post-retirement indexation is not required to be funded on a solvency basis under Ontario's pension legislation, but is required to be funded on a solvency basis under Quebec's pension legislation. As a result, for a pension plan with members employed in both Ontario and Quebec, the value of any post-retirement indexation provided under the plan will not be a core liability in relation to Ontario members, but will be a core liability in relation to the Quebec members. This will be the case even if the plan has actually been funding the post-retirement indexation on a solvency basis for all members, including the Ontario members, before the date of allocation.

The value of the core liabilities that relate to a pension plan and to a jurisdictional portion of the plan's assets is equal to the sum of the value of the following four components, all of which are determined on a wind up basis (and which must be required to be funded on a solvency basis by that jurisdiction's pension legislation):

- the value of benefits that are being paid on a regular and periodic basis by the plan on the date of allocation. This includes both lifetime benefits (e.g., the normal pension) and temporary benefits (e.g., bridge benefits);*

- *the value of accrued lifetime benefits that are not yet in payment on the date of allocation, including the value of the following benefits that are related to such lifetime benefits:*
 - *pre-retirement death benefits;*
 - *post-retirement death benefits;*
 - *post-retirement indexation;*
- *the value of any excess contributions resulting from application of the 50% rule under pension legislation, where those excess contributions were not already determined before the date of allocation and not already included in the first level of priority; and*
- *for a person who had elected to be paid the commuted value of his or her benefit entitlements under the plan before the date of allocation, but such commuted value has yet to be fully paid out by that date, the unpaid balance of the commuted value and any interest attributable to that balance.*

Third level of priority

The third level of priority in subsection 13(4) of the Agreement covers the value of any plan liabilities that are required to be funded on a solvency basis by the jurisdiction's pension legislation that governs the liabilities, where those liabilities are not covered in the core liabilities. The value of these liabilities is also determined on a wind up basis.

The following is a non-exhaustive list of plan liabilities that could be included in the third level of priority, where such liabilities are required to be funded on a solvency basis by the jurisdiction's pension legislation that governs the liabilities and the liabilities are not covered in the core liabilities:

- *pre-retirement inflation adjustment (including the "additional benefit" under Quebec's pension legislation)*
- *disability benefits (not already in payment)*
- *grow-in benefits (as provided under Ontario's pension legislation)*
- *bridging benefits*
- *subsidized early retirement benefits*
- *consent benefits*

The third level of priority also includes what is referred to in the Agreement as an "additional liability". The pension legislation of a jurisdiction may provide additional benefit security for pension plan members employed in its jurisdiction by requiring that an additional liability be established and funded in relation to those members. The third level of priority in the asset allocation will recognize such an additional liability with respect to a jurisdiction as long as:

- *the additional liability is required under that jurisdiction's pension legislation to be funded on a solvency basis; and*
- *that jurisdiction's pension legislation specifies that the additional liability is established and funded for the purposes of section 6(2)(b) of the Agreement.*

Where an additional liability is recognized in the third level of priority with respect to a jurisdiction, if the assets of a pension plan (including those related to the additional liability) allocated to that jurisdiction’s portion under the first, second and third levels of priority exceeds the total plan liabilities for that jurisdiction calculated under those levels of priority, the plan assets allocated to that jurisdictional portion due to the additional liability will be reduced until that portion’s allocated assets equal its liabilities, and the plan assets formerly allocated to that jurisdiction due to the additional liability may be allocated to other jurisdictional portions in accordance with the third level of priority.

Fourth level of priority

The rules for allocating the assets of a pension plan under the fourth level of priority vary depending on whether the asset allocation is the result of either:

- the full or partial wind up of the plan, or the withdrawal of an employer from a multi-employer pension plan, as described in clauses 10(c), (d) and (e) of the Agreement (referred to below as a “plan wind up situation”); or*
- the split of the pension plan or a payment of assets to the employer in a non-plan wind up situation, as described in clauses 10(a), (b) and (f) of the Agreement (referred to below as a “non-plan wind up situation”).*

A) Rules for plan wind up situations:

In a plan wind up situation, the fourth level of priority in subsection 13(7) of the Agreement involves two steps.

The first step is to allocate plan assets to cover, for each jurisdiction, the value of plan benefits that are governed by that jurisdiction’s pension legislation and that are not required by that jurisdiction’s pension legislation to be funded on a solvency basis.

Any plan assets that remain after the first step described above would be allocated among each jurisdictional portion according to the following formula:

		Value, for that jurisdictional portion, of all plan liability amounts calculated under the first, second and third levels of priority that are required by that jurisdiction’s pension legislation to be funded on a solvency basis ¹
Remaining assets	X	-----
		Value, for all jurisdictional portions, of all plan liability amounts calculated under the first, second and third levels of priority that are required by the pension legislation of the jurisdiction that governs the liability amount to be funded on a solvency basis ¹

¹ *Excluding any liability amount related to an additional liability established under the pension legislation of a jurisdiction*

The formula above focuses mainly but not solely upon the plan benefits that were most pertinent in creating the remaining assets. As such, the value of plan benefits that are not required to be funded under the applicable jurisdiction's pension legislation is not taken into consideration for the allocation of the plan's remaining assets among jurisdictional portions. By including the value of contributions and other amounts covered under the first level of priority, the allocation methodology under this fourth level of priority will accommodate even the case of a pure defined contribution plan (i.e., one that has no defined benefit component whatsoever) with assets in excess of its liabilities (e.g., as may be the result after the full conversion of a defined benefit plan into a defined contribution plan).

B) Rules for non-plan wind up situations:

In a non-plan wind up situation, the fourth level of priority in subsection 13(6) of the Agreement also involves two steps. First, all remaining plan assets would be allocated to the jurisdictional portions with the lowest going concern ratios in order to produce, to the extent possible, the same going concern ratio for each jurisdictional portion. When all portions have the same going concern ratio, if that ratio is lower than 1.0, any remaining plan assets will continue to be allocated to the portions so that the going concern ratio of each portion rises uniformly until the going concern ratio of each portion reaches 1.0. For the purposes of this first step, the going concern ratio of a jurisdictional portion is determined without taking into account the contributions and amounts covered under the first level of priority.

If any plan assets still remain to be allocated after the first step described above, the second step requires a final allocation to be done pro rata to the total going concern liabilities of each portion. All going concern liabilities are taken into account in this second step, including those that relate to the contributions and amounts covered under the first level of priority. Doing so will accommodate even the case of a pure defined contribution plan with assets in excess of its liabilities.

Examples:

A) Core liabilities under the second level of priority and subsection 13(3) of the Agreement:

- 1) *A pension plan has a normal retirement age of 65. The plan does not provide for an unreduced lifetime benefit for members below the normal retirement age of 65. In this situation, the value of the plan's core liabilities respecting a member of the plan who has yet to commence payment of a pension on the allocation date will be calculated using the lifetime benefit payable to such member at age 65, provided that the pension legislation of the member's jurisdiction of employment requires such a lifetime benefit to be funded on a solvency basis.*
- 2) *A pension plan has a normal retirement age of 65. However, all members of the plan are entitled to an unreduced lifetime benefit at age 60. In this situation, the value of*

the plan's core liabilities respecting a member of the plan who has yet to commence payment of a pension on the allocation date will be calculated using the lifetime benefit payable to such member at age 60, provided that the pension legislation of the member's jurisdiction of employment requires such a lifetime benefit to be funded on a solvency basis.

- 3) A pension plan has a normal retirement age of 65. A member of the plan is entitled to an unreduced lifetime benefit at age 60 if the member is still an active member when the request to commence payment of the member's pension is made (i.e., a member who ceases to be an active member before age 60 is not eligible for that benefit). In this situation, the value of the plan's core liabilities respecting a member of the plan who has yet to commence payment of a pension on the allocation date will be calculated using the lifetime benefit payable to such member at age 65, provided that the pension legislation of the member's jurisdiction of employment requires such a lifetime benefit to be funded on a solvency basis.*
- 4) A pension plan has a normal retirement age of 65. However, all members of the plan are entitled to an unreduced lifetime benefit at age 60. One particular member has met the conditions in the plan terms or applicable pension legislation to receive an unreduced pension at age 55. In this situation, the value of the plan's core liabilities respecting this member, as for all plan members who have yet to commence payment of a pension on the allocation date, will be calculated using the lifetime benefit payable to such member at age 60, provided that the pension legislation of the member's jurisdiction of employment requires such a lifetime benefit to be funded on a solvency basis. The amount by which the value of the unreduced pension payable to this particular member at age 55 exceeds the value of the unreduced pension payable at age 60 will be a benefit liability covered under the third level of priority for the plan's allocation of assets, as set out in clause 13(4)(b) of the Agreement.*
- 5) A pension plan provides a pre-retirement indexation benefit to all of its members. The plan's liability for such a benefit in relation to any member would not be counted as a core liability for the purposes of the second level of priority in allocating the assets of the plan.*
- 6) A pension plan provides a post-retirement indexation benefit to all of its members. The plan's liability for such a benefit in relation to a member would be counted as a core liability for the purposes of the second level of priority in allocating the assets of the plan if the pension legislation of the member's jurisdiction of employment requires post-retirement indexation benefits to be funded on a solvency basis (e.g., as under Quebec's pension legislation). The plan's liability for such a benefit would not be counted as a core liability for the purposes of the second level of priority if the pension legislation of the member's jurisdiction of employment does not require*

post-retirement indexation benefits to be funded on a solvency basis (e.g., as under Ontario's pension legislation).

B) Plan wind up situations:

- 1) *A hybrid defined benefit/defined contribution multi-jurisdictional pension plan registered with the Financial Services Commission of Ontario is to be partially wound up due to the closure of the employer's business division dealing with inter-provincial transportation. The employees of the affected business division are the only members of the plan that are subject to the federal pension legislation. An actuary is retained by the plan to calculate the allocation of plan assets among the various jurisdictional portions as required under the Agreement. The following table illustrates the relevant plan liability components related to each level of priority under section 13 of the Agreement for each jurisdictional portion respecting this plan:*

Value of relevant liability components for each jurisdictional portion

	British Columbia	Federal	Ontario	Quebec	Total
Defined contribution component	15	10	150	125	300
Core liabilities	75	85	1200	1000	2360
Other liabilities whose funding is required²	5	10	250	115	380
Other liabilities whose funding is not required²	0	0	150	0	150
Total liabilities	95	105	1750	1240	3190

For the purposes of this example, assume that no "additional liability" has been established for the plan in relation to any applicable jurisdiction. Assume also that the total market value of the plan's assets is 3300. In this situation, the overall wind up ratio of the pension plan is 103.4%, calculated by including the assets and liabilities of the defined contribution component of the plan. The market value of plan assets (3300) exceeds the amount required to cover the first three levels of priority for the allocation of assets, as well as the plan liabilities that are not required to be funded on a solvency basis (300 + 2360 + 380 + 150 = 3190). As a result, it must be determined how the remaining plan assets (110 = 3300 – 3190) will be allocated among the four jurisdictional portions.

² *For all examples related to Section 13 of the Agreement, meaning benefits required to be funded on a solvency basis by the jurisdiction's pension legislation that applies to the benefit in question.*

Allocation of remaining assets

	British Columbia	Federal	Ontario	Quebec	Total
Value of benefits covered under the first three levels of priority	95.0	105.0	1600.0	1240.0	3040.0
Remaining plan assets allocated	3.4	3.8	57.9	44.9	110.0

The value of the benefits that are covered under the first three levels of priority are those for which funding on a solvency basis is required by the applicable pension legislation. As shown in the table above, the total value of those benefits for the federal jurisdictional portion is 105. In addition, the total value of the benefits for which funding is required on a solvency basis for all jurisdictional portions is 3040, and the value of the remaining plan assets that must be allocated among jurisdictional portions is equal to 110. Consequently, the share of the remaining plan assets to be allocated to the federal portion is calculated as:

$$\frac{105}{3040} \times 110 = 3.8$$

The following table summarizes the results of the entire asset allocation process:

Allocation of assets in accordance with the methodology set out in the Agreement

	British Columbia	Federal	Ontario	Quebec	Total assets allocated
First level of priority	15.0	10.0	150.0	125.0	300.0
Second level of priority	75.0	85.0	1200.0	1000.0	2360.0
Third level of priority	5.0	10.0	250.0	115.0	380.0
Fourth level of priority	3.4	3.8	207.9	44.9	260.0
Total assets allocated (by jurisdictional portion)	98.4	108.8	1807.9	1284.9	3300.0
Final solvency ratio (by jurisdictional portion)	103.6%	103.6%	103.3%	103.6%	103.4%

As shown in the table above, the final solvency ratio for the Ontario portion is lower than that calculated for the other three jurisdictional portions. This is because Ontario is the only one of the four jurisdictions in this example that has plan liabilities

not required to be funded on a solvency basis. As noted above, such liabilities are not taken into account when allocating the remaining plan assets among jurisdiction portions once all plan liabilities are satisfied under the fourth level of priority.

The total plan assets allocated to the federal portion equal 108.8 and the total plan liabilities for members subject to the pension legislation of the federal jurisdiction are equal to 105. How those plan assets of 108.8 will be used to settle the benefits of the plan members subject to the federal pension legislation will be determined in accordance with that legislation.

- 2) *A multi-jurisdictional pension plan, which is a pure defined contribution pension plan, is registered with the Régie des rentes du Québec and is to be fully wound up. The relevant plan liability components related to each level of priority under section 13 of the Agreement for each jurisdictional portion respecting this plan are as follows:*

Value of relevant liability components for each jurisdictional portion

	British Columbia	Federal	Ontario	Québec	Total
Defined contribution component	150	100	600	850	1700
Total liabilities	150	100	600	850	1700

For the purposes of this example, assume that the total market value of plan assets is 1825.

This example raises the issue of allocating assets among jurisdictional portions for a pure defined contribution pension plan whose total assets exceed its total liabilities. The following table illustrates how the remaining plan assets (125 = 1825 – 1700) in this example will be allocated among the four jurisdictional portions involved.

Allocation of remaining assets

	British Columbia	Federal	Ontario	Quebec	Total
Value of benefits covered under the first level of priority	150.0	100.0	600.0	850.0	1700.0
Remaining plan assets allocated	11.0	7.4	44.1	62.5	125.0

Under the asset allocation method in the Agreement, the allocation of the remaining plan assets is based on the values of the plan benefits and liability amounts covered

under the first three levels of priority. For a pure defined contribution pension plan, all those values are part of the first level of priority. Consequently, the remaining plan assets in this example are allocated pro rata to the total of the values determined for each jurisdictional portion under the first level of priority. For example, the share of the remaining plan assets to be allocated to the Québec portion is calculated as:

$$\frac{850}{1700} \times 125 = 62.5$$

The following table summarizes the results of the entire asset allocation process:

Allocation of assets in accordance with the methodology set out in the Agreement

	British Columbia	Federal	Ontario	Quebec	Total assets allocated
First level of priority	150.0	100.0	600.0	850.0	1700.0
Fourth level of priority	11.0	7.4	44.1	62.5	125.0
Total assets allocated (by jurisdictional portion)	161.0	107.4	644.1	912.5	1825.0

- 3) A multi-jurisdictional pension plan registered with the Financial Services Commission of Ontario is to be fully wound up. The following table illustrates the relevant plan liability components related to each level of priority under section 13 of the Agreement for each jurisdictional portion respecting this plan:

Value of relevant liability components for each jurisdictional portion

	British Columbia	Federal	Ontario	Quebec	Total
Defined contribution component	15	10	150	125	300
Core liabilities	75	85	1200	1000	2360
Other liabilities whose funding is required					
• Benefit liabilities other than core liabilities	5	10	250	115	380
• Additional liability	0	0	0	80	80
Other liabilities whose funding is not required	0	0	150	0	150
Total liabilities (excluding the additional liability)	95	105	1750	1240	3190

On the plan's wind up date (which is also the asset allocation date), British Columbia's pension legislation contains a temporary moratorium respecting that legislation's requirements to fund pension plans on a solvency basis. This moratorium has been in place for three years and allows an employer to avoid making special payments to a plan's pension fund in relation to the plan's solvency deficiency. Since this is a temporary moratorium and not a permanent measure, plan liabilities related to British Columbia members will continue to be accounted for under the second and third levels of priority as provided for under the rules of allocation for those levels of priority, rather than all such liabilities falling to the fourth level of priority.

The total market value of plan assets is 2950. Consequently, the solvency ratio of the plan as a whole is 92.5%, calculated by including the assets and liabilities of the defined contribution component of the plan.

Since the market value of plan assets (2950) exceeds the sum of the values for the plan's defined contribution component and core liabilities ($300 + 2360 = 2660$), the first two levels of priority in the asset allocation will be fully covered.

*The third level of priority in the asset allocation relates to other plan liabilities whose funding is required by the applicable pension legislation and is divided into two categories: **"benefits other than those referred to in core liabilities"** and the **"additional liability"**. For the purposes of this example, assume that more than five years ago Quebec's pension legislation required the establishment of an additional liability for all Quebec plan members (in this case, a special "provision for adverse deviation" or PfAD) that is recognized for the purposes of the Agreement, and Quebec's legislation requires that this additional liability be funded on a solvency basis. As a result, an additional liability of 80 appears in the above table with respect to the Quebec jurisdictional portion.*

Based on these assumptions, plan assets of 290 ($2950 - 2660$) remain to be allocated under the third level of priority. In this example, the allocation of those assets (290) will require two steps. The table below helps to understand how the initial allocation will be done.

Initial allocation of assets under third level of priority (Other liabilities whose funding is required)

	British Columbia	Federal	Ontario	Quebec	Total
Assets needed to cover benefits other than those referred to in core liabilities	5.0	10.0	250.0	115.0	380.0
Assets needed to cover benefits other than those referred to in core liabilities and the additional liability	5.0	10.0	250.0	195.0	460.0
Initial asset allocation, taking into account the additional liability	3.2	6.3	157.6	122.9	290.0

The value of the plan's "benefits other than those referred to in core liabilities" and "additional liability" (460) for all jurisdictional portions exceeds by far the remaining plan assets available (290). In accordance with section 16 of the Agreement, the available plan assets are therefore initially allocated to the jurisdictional portions pro rata to the total value of the other liabilities that rank equally in the third level of priority. In this example, the pro rata ratio is equal to 0.63 (290 divided by 460). Applying that ratio to the Quebec liabilities at the third level of priority results in an initial plan asset allocation amount of 122.9 (0.63 x 195.0) to the Quebec jurisdictional portion at this level of priority.

However, this initial asset allocation amount (122.9) to the Quebec portion at this level of priority exceeds the value of the benefits at this level of priority whose funding is required by Quebec's pension legislation by 7.9 (122.9 – 115.0). In accordance with subsection 13(5) of the Agreement, that excess of 7.9 will be subtracted from the asset allocation made to the Quebec portion at this level of priority and will be allocated to the other jurisdictional portions.

In the table below, the value of all plan benefit liabilities not covered by the initial asset allocation at the third level of priority is 97.9. The 7.9 in plan assets subtracted from the Quebec portion is allocated to the other jurisdictional portions pro rata to the total value of all plan benefit liabilities not covered by the initial asset allocation at this level of priority. In this example, the pro rata ratio is equal to 0.081 (7.9 divided by 97.9), and that ratio is applied to the benefit liabilities of a jurisdictional portion that were not covered by the initial asset allocation at this level of priority to determine the additional amount to be allocated to that portion (see table below). For instance, applying that ratio to the Ontario portion results in additional plan assets of 7.5 (0.081 x 92.4) being allocated to the Ontario portion.

Final allocation of assets under the third level of priority (Other liabilities whose funding is required)

	British Columbia	Federal	Ontario	Québec	Total
Assets needed to cover benefits other than those referred to in core liabilities	5.0	10.0	250.0	115.0	380.0
Initial asset allocation, taking into account the full Quebec additional liability	3.2	6.3	157.6	122.9	290.0
Revised initial asset allocation, reducing excess Quebec additional liability amount	3.2	6.3	157.6	115.0	282.1
Liabilities not covered by the initial asset allocation	1.8	3.7	92.4	0.0	97.9
Allocation of the excess Quebec additional amount	0.1	0.3	7.5	0.0	7.9
Final asset allocation at this third level of priority	3.3	6.6	165.1	115.0	290.0

The allocation of the plan's assets at the third level of priority is now complete. The following table summarizes the results of the entire asset allocation process:

Allocation of assets in accordance with the methodology set out in the Agreement

	British Columbia	Federal	Ontario	Quebec	Total
First level of priority	15.0	10.0	150.0	125.0	300.0
Second level of priority	75.0	85.0	1200.0	1000.0	2360.0
Third level of priority	3.3	6.6	165.1	115.0	290.0
Forth level of priority	0.0	0.0	0.0	0.0	0.0
Total assets allocated (by jurisdictional portion)	93.3	101.6	1515.1	1240.0	2900.0

How the plan assets allocated to a particular jurisdictional portion will be used to settle the benefits of the plan members that are subject to that jurisdiction's pension legislation will be determined in accordance with that legislation.

C) Non-plan wind up situations:

- 1) *Part of the assets of a multi-jurisdictional pension plan registered with the Financial Services Commission of Ontario are to be transferred to a pension plan registered with the federal Office of the Superintendent of Financial Institutions due to the sale of the original employer's business division dealing with inter-provincial transportation. The employees of the affected business division are the only members of the original plan that are subject to the federal pension legislation. The following table illustrates the relevant liability components of the original plan related to each level of priority under section 13 of the Agreement for each jurisdictional portion respecting this plan:*

Value of relevant liability components for each jurisdictional portion

	British Columbia	Federal	Ontario	Québec	Total
Defined contribution component	15	10	200	125	350
Core liabilities	75	85	1250	1000	2410
Other liabilities whose funding is required	5	10	300	115	430
Other liabilities whose funding is not required	0	0	150	0	150
Total liabilities (on solvency basis)	95	105	1900	1240	3340
Going concern liabilities	115	130	2000	1625	3870

For the purposes of this example, assume that no “additional liability” has been established for the plan in relation to any applicable jurisdiction. Assume also that the total market value of the plan's assets is 2900. In this situation, the overall wind up ratio of the pension plan is 86.8% and its overall going concern ratio is 74.9%, both calculated by including the assets and liabilities of the defined contribution component of the plan.

Since the market value of plan assets (2900) exceeds the sum of the values for the plan's defined contribution component and core liabilities (350 + 2410 = 2760), the first two levels of priority under the asset allocation will be fully covered.

In this example, plan assets of 140 (2900 – 2760) would remain to be allocated to jurisdictional portions under the third level of priority. The following table illustrates how the allocation of plan assets at the third level of priority would be conducted:

Allocation of remaining assets under the third level of priority

	British Columbia	Federal	Ontario	Québec	Total
Other liabilities whose funding is required	5.0	10.0	300.0	115.0	430.0
Remaining plan assets allocated	1.6	3.3	97.7	37.4	140.0

The value of the plan's "other liabilities whose funding is required" (430) exceeds the remaining plan assets available (140). In accordance with section 16 of the Agreement, the available plan assets are therefore allocated to the jurisdictional portions pro rata to the total value of the liabilities that rank equally in the third level of priority. In this example, the pro rata ratio is equal to 0.3256 (140 divided by 430), and that ratio is applied to a jurisdictional portion's "other benefits whose funding is required" to determine the amount of the remaining plan assets to allocate to that portion. For instance, applying that ratio to the Ontario portion results in 97.7 (0.3256 x 300.0) of the remaining plan assets being allocated to the Ontario portion.

The following table summarizes the results of the entire asset allocation process:

Allocation of assets in accordance with the methodology set out in the Agreement

	British Columbia	Federal	Ontario	Québec	Total assets allocated
First level of priority	15.0	10.0	200.0	125.0	350.0
Second level of priority	75.0	85.0	1250.0	1000.0	2 410.0
Third level of priority	1.6	3.3	97.7	37.4	140.0
Forth level of priority	0.0	0.0	0.0	0.0	0.0
Total assets allocated (by jurisdictional portion)	91.6	98.3	1547.7	1162.4	2900.0

As shown in the table above, the total plan assets allocated to the federal portion equal 98.3. As provided under section 18 of the Agreement, the federal jurisdiction's pension legislation will govern how those assets can be utilized with respect to the asset transfer.

- 2) *Part of the assets of a multi-jurisdictional pension plan registered with the Financial Services Commission of Ontario are to be transferred to a different pension plan due to the sale of one of the original employer's business divisions. Some of the employees of the affected business division are subject to Ontario's pension legislation while other employees of the affected business division are subject to Quebec's pension legislation, due to their respective places of employment. After the sale transaction, the plan will continue to have other Ontario and Quebec members. The following table illustrates the relevant liability components of the original plan related to each level of priority under section 13 of the Agreement for each jurisdictional portion respecting this plan.*

Value of relevant liability components for each jurisdictional portion

	British Columbia	Federal	Ontario	Québec	Total
Defined contribution component	15	10	200	125	350
Core liabilities	75	85	1250	1000	2410
Other liabilities whose funding is required	5	10	300	115	430
Other liabilities whose funding is not required	0	0	150	0	150
Total liabilities (on solvency basis)	95	105	1900	1240	3340
Going concern liabilities	115	130	2000	1625	3870

For the purposes of this example, assume that no "additional liability" has been established for the plan in relation to any applicable jurisdiction. Assume also that the total market value of the plan's assets is 3250. In this situation, the overall wind up ratio of the pension plan is 97.3% and its overall going concern ratio is 84.0%, both calculated by including the assets and liabilities of the defined contribution component of the plan.

Since the market value of plan assets (3250) exceeds the sum of the values for the plan's defined contribution component, core liabilities and other liabilities whose funding is required ($350 + 2410 + 430 = 3190$), there are sufficient plan assets to fully cover the first three levels of priority.

In this example, plan assets of 60 ($3250 - 3190$) would remain to be allocated to jurisdictional portions under the fourth level of priority. At the fourth level of priority, plan assets are first allocated to the portion having the lowest initial going concern ratio until that portion's going concern ratio equals that of the jurisdiction with the second lowest initial going concern ratio. Plan assets are then allocated to both of

those portions such that their going concern ratios rise in a uniform manner until they equal the going concern ratio of the jurisdiction with the third lowest initial going concern ratio, and so on until all portions have the same going concern ratio. The following table illustrates the application of this process:

Allocation of remaining assets under the fourth level of priority

	British Columbia	Federal	Ontario	Quebec
Going concern ratio of jurisdictional portion ³	80.0%	79.2%	86.1%	74.3%
Assets needed to reach second lowest going concern ratio	0.0	0.0	0.0	72.5

In this example, the above table shows that Quebec's portion has the lowest going concern ratio (74.3%). To reach the next highest going concern ratio (79.2% for the federal jurisdiction's portion), plan assets of 72.5 would have to be allocated to the Quebec portion. Consequently, all remaining plan assets (60) would be allocated to the Quebec portion. In this example, that ends the asset allocation process under the fourth level of priority and the overall allocation process.

The following table summarizes the results of the entire asset allocation process:

Allocation of assets in accordance with the methodology set out in the Agreement

	British Columbia	Federal	Ontario	Québec	Total assets allocated
First level of priority	15.0	10.0	200.0	125.0	350.0
Second level of priority	75.0	85.0	1250.0	1000.0	2410.0
Third level of priority	5.0	10.0	300.0	115.0	430.0
Fourth level of priority					
• Assets allocated to reach the second lowest going concern ratio	0.0	0.0	0.0	60.0	60.0
Total assets allocated (by jurisdictional portion)	95.0	105.0	1750.0	1300.0	3250.0

³ In accordance with the Agreement, the going concern ratio for a jurisdictional portion under the fourth level of priority is determined without taking into account plan assets and liabilities covered under the first level of priority, until all portions have the same going concern ratio on that basis and that going concern ratio reaches 1.0.

As provided under section 18 of the Agreement, Ontario's pension legislation will govern how the assets allocated to Ontario's portion can be utilized with respect to the asset transfer, while Quebec's pension legislation will govern how the assets allocated to Quebec's portion can be utilized with respect to the asset transfer.

- 3) *A pension plan has the same characteristics as the plan in example 2 above, but the total value of the plan assets is 4000. This example illustrates the application of the asset allocation methodology in a non-plan wind up situation where the plan's assets exceed both the plan's wind up liabilities and going concern liabilities on the allocation date.*

The following table summarizes the results of the entire asset allocation process:

Allocation of assets in accordance with the methodology set out in the Agreement

	British Columbia	Federal	Ontario	Québec	Total assets allocated
First level of priority	15.0	10.0	200.0	125.0	350.0
Second level of priority	75.0	85.0	1250.0	1000.0	2410.0
Third level of priority	5.0	10.0	300.0	115.0	430.0
Forth level of priority					
• Assets allocated to reach the second lowest going concern ratio	0.0	0.0	0.0	72.5	72.5
• Assets allocated to reach the third lowest going concern ratio	0.0	1.0	0.0	12.5	13.5
• Assets allocated to reach the highest going concern ratio	6.1	7.3	0.0	91.7	105.1
• Assets allocated to reach the going concern ratio of 1.0	13.9	16.7	250.0	208.3	488.9
• Allocation of remaining plan assets	3.9	4.4	67.2	54.6	130.0
Total assets allocated (by jurisdictional portion)	118.9	134.4	2067.2	1679.6	4000.0

Text from Agreement:**SECTION 14****RULES OF APPLICATION****Alternative funding arrangements**

14. (1) For the purposes of this Part, the assets of a pension plan include any alternative funding arrangement described in section 6 that exists in relation to the plan at the time the assets of the plan are allocated into portions in accordance with this Part.

Determining value of benefits and assets

(2) For the purposes of sections 11 to 13, except subsection (6) of section 13, the value of the benefits and other amounts payable under a pension plan and the assets of the plan shall be determined as if the pension plan were wound up on the date of allocation.

Deemed solvency funding requirement

(3) If, at the time the assets of a pension plan are allocated into portions in accordance with this Part, a liability amount related to the plan or a benefit under the plan that is subject to a jurisdiction's pension legislation would not, if this Agreement did not exist, be required to be funded on a solvency basis due to a temporary suspension under that legislation of a requirement under that legislation that would otherwise require the funding of such liability amount or benefit on a solvency basis, the liability amount or benefit shall be deemed to be one that is required by that legislation to be funded on a solvency basis for the purposes of subsection (3) of section 13 and clause (a) of subsection (4) of section 13.

Explanatory Notes:

This section provides that the assets of a pension plan that are to be allocated into jurisdictional portions include any alternative funding arrangement described in section 6 of the Agreement that exists in relation to the plan on the date of allocation. However, the pension legislation that governs the alternative funding arrangement can affect the characteristics of the alternative funding arrangement for the purposes of the asset allocation (for example, by affecting the value of the alternative funding arrangement as an asset of the pension plan).

This section also provides that the value of the benefits and other amounts payable under a pension plan, as well as the assets of the plan, will be determined as if the pension plan were wound up on the date of allocation. However, in situations other than a full pension plan wind up, a partial pension plan wind up or a withdrawal of an employer from a multi-employer pension plan, the values taken into account under the fourth level of priority will be determined on a going concern basis.

Example:

A multi-jurisdictional pension plan registered with the Régie des rentes is to be fully wound up. On the wind up date, the plan administrator holds a letter of credit in support of the plan's funding requirements, as permitted by Quebec's pension legislation.

Quebec's legislation specifies that if the administrator of a pension plan holds letters of credit on the date the plan winds up, the letters of credit must be called upon pay into the plan's pension fund an amount equal to the lesser of:

- the amount by which the plan's liabilities exceed the plan's assets on the wind up; or*
- the full amount of the letters of credit held by the plan administrator.*

In this example, as of the plan's wind up date, the plan's total wind up liabilities are 1000, the plan administrator holds a letter of credit under which a maximum amount of 135 is payable into the plan's pension fund in the event of the plan's wind up and the plan's pension fund has other assets with a total market value of 880. For the purposes of the allocation of the plan's assets into jurisdictional portions, the allocation will proceed on the basis that the letter of credit will provide an amount equal to 120 to the plan's pension fund (bringing the pension plan to a fully funded status, but no more), based on the requirements of Quebec's legislation respecting letters of credit.

Text from Agreement:**SECTION 15****REDUCTION METHOD****Reduction method**

15. (1) Subject to subsection (2), to the extent that a value or amount referred to in subsection (3) or (4) of section 13 relates to benefits arising from the application of a provision of a pension plan or of pension legislation that came into effect less than five years before the date of allocation, such value or amount shall, for the purposes of subsection (3) or (4) of section 13, be reduced:

- (a) by 100%, if the period from the date that the provision of the pension plan or pension legislation came into effect to the date of allocation is less than one year;
- (b) by 80%, if the period is one year or more, but less than two years;
- (c) by 60%, if the period is two years or more, but less than three years;
- (d) by 40%, if the period is three years or more, but less than four years; and
- (e) by 20%, if the period is four years or more, but less than five years.

Exception to reduction method

(2) The major authority for a pension plan may permit the assets of the plan to be allocated into the portions described in subsection (2) of section 11 without applying the requirements of subsection (1) if a Fellow of the Canadian Institute of Actuaries certifies that the liabilities of the plan that are related to the plan assets to be allocated into the portions described in subsection (2) of section 11 do not exceed those assets on a solvency basis.

Explanatory Notes:

If a jurisdiction amends its pension legislation to introduce a new legislated benefit that must be funded or requires the funding of a benefit where no such funding requirement existed beforehand, or if a plan improves its benefits and those benefits are required to be funded under the pension legislation that applies to those benefits, this section sets out a five-year transition period to transfer the liabilities for these benefits from the fourth level of priority in the asset allocation to the second or third level of priority (depending on whether the liability qualifies as a “core liability” or as “other liabilities whose funding is required”).

Example:

A pension plan has members employed in Ontario and Quebec. Ontario amends its pension legislation to require the establishment and funding of an additional benefit effective December 31, 2010. The liabilities for the additional benefit do not qualify as a core liability for the purposes of an asset allocation under the Agreement.

On October 31, 2013, the pension plan winds up. On the wind up date, the value of the plan's liabilities associated with the new Ontario benefit is equal to 1000. In this example, the wind up occurs after the second anniversary, but prior to the third anniversary, of the effective date of the requirement to establish the new Ontario benefit. As a result, 40% (or 400) of the value of the plan's liabilities associated with the new Ontario benefit would be included in the third level of priority for the asset allocation. The remaining 60% (or 600) of the value of the plan's liabilities associated with the new Ontario benefit would be included in the fourth level of priority for the asset allocation.

Text from Agreement:

SECTION 16

INSUFFICIENCY OF ASSETS

Insufficiency of assets

16. If, at one of the levels of priority of allocation established by section 13, the assets of a pension plan that have yet to be allocated to a portion described in subsection (2) of section 11 are less than the total value of the benefits and other amounts that rank equally in that level of priority of allocation, the available plan assets shall be allocated to the portions pro rata to the total value of the benefits and other amounts that rank equally in that level of priority of allocation.

Explanatory Notes:

This section sets out how the assets of a pension plan will be allocated when those assets are insufficient to fully cover the value of the liabilities and other amounts related to a particular level of priority.

Examples:

Please see the examples provided in the explanatory notes for section 13 of the Agreement, some of which illustrate the allocation of assets when a pension plan's assets are insufficient to fully cover the value of the liabilities and other amounts related to a particular level of priority.

Text from Agreement:**SECTION 17****USE OF ASSETS FOLLOWING ALLOCATION****Use of allocated assets**

17. (1) Where an asset allocation for a pension plan is made under this Part in any situation other than that described in clause (c), (d) or (e) of section 10, each portion of the assets of the plan allocated in accordance with sections 11 to 16 shall be utilized in conformity with the pension legislation applicable to the benefits and other amounts related to that portion.

Use of allocated assets for certain asset allocations

(2) Where an asset allocation for a pension plan is made under this Part in a situation described in clause (c), (d) or (e) of section 10, each portion of the assets of the plan allocated in accordance with sections 11 to 16 shall be utilized, in conformity with the pension legislation applicable to the benefits and other amounts related to that portion, to satisfy payment of those benefits and other amounts arising from the wind up of the plan or the withdrawal of the employer, as the case may be. In addition, any remaining assets related to that portion shall be distributed in accordance with that pension legislation, if so required under that legislation. No assets of the plan allocated to one portion shall be utilized to satisfy payment of the benefits and other amounts related to another portion on the wind up of the plan or the withdrawal of the employer, as the case may be.

Use of remaining allocated assets

(3) Where a situation described in clause (c) or (d) of section 10 occurs and the assets of a pension plan that have been allocated to a portion in accordance with sections 11 to 16 have been utilized to fully satisfy payment of the benefits and other amounts related to that portion that arise from the partial wind up of the plan or the withdrawal of the employer, as the case may be, and any other assets related to that portion have been distributed as required by the pension legislation applicable to the benefits and other amounts related to that portion, any remaining assets related to that portion shall remain in the pension fund of the plan and be commingled with the other assets therein.

Explanatory Notes:

This section sets out how the assets of a pension plan that have been allocated among jurisdictional portions in accordance with Part IV of the Agreement would be used subsequent to the allocation. Once the allocations have been made, the assets of the portion allocated to particular jurisdiction will be used in the manner set out in the pension legislation of that jurisdiction.

PART V
RELATIONS BETWEEN AUTHORITIES

Text from Agreement:

SECTION 18
COOPERATION

Reciprocal obligations

18. The pension supervisory authorities that are subject to this Agreement shall:

- (a) provide to each other any information required for the application of this Agreement or pension legislation, and if requested, may provide other information which is reasonable in the circumstances;
- (b) assist each other in any matter concerning the application of this Agreement or pension legislation as is reasonable in the circumstances, particularly with respect to subsection (7) of section 4, and may act as agent for each other;
- (c) upon the request of such an authority, transmit to that authority any information on steps taken for the application of this Agreement and amendments to pension legislation, to the extent that such amendments affect the application of this Agreement;
- (d) notify each other of any difficulty encountered in the interpretation or in the application of this Agreement or pension legislation; and
- (e) seek an amicable resolution to any dispute that arises between them with respect to the interpretation of this Agreement.

Explanatory Notes:

This section requires that pension supervisory authorities cooperate with each other for the purposes of administering the Agreement. This includes sharing information, providing assistance and seeking amicable resolutions to disputes between the authorities.

PART VI
EXECUTION AND COMING INTO FORCE OF AGREEMENT

Text from Agreement:

SECTION 19
EXECUTION AND COMING INTO FORCE

Effective date

19. This Agreement shall come into force:

- (a) on ***[insert the date agreed to for the coming into force of this Agreement under this clause]***, in respect of each government on behalf of which this Agreement has been signed on or before that date; and
- (b) on the date unanimously agreed to by all governments that are party to this Agreement in respect of a government on behalf of which this Agreement is signed after ***[insert the date agreed to for the coming into force of this Agreement under clause (a)]***.

Explanatory Notes:

This section establishes when the Agreement will come into force for the jurisdictions whose governments form the initial parties to the Agreement, and when it will come into force for jurisdictions whose governments become party to the Agreement after the initial effective date.

Example:

If the initial effective date of the Agreement under clause 19(a) of the Agreement is set as January 1, 2011, the Agreement would come into force as of January 1, 2011, for those jurisdictions whose governments have signed on to the Agreement on or by that date.

Therefore, any jurisdiction whose government has not signed on to the Agreement as of January 1, 2011, would be subject to section 19(b) with respect to when that jurisdiction would become subject to the Agreement.

For example, suppose the governments of the following jurisdictions sign on to the Agreement in relation to the following dates:

Jurisdiction	Date Agreement signed	Effective Date
Quebec	January 15, 2010	January 1, 2011
Ontario	January 15, 2010	January 1, 2011
British Columbia	January 15, 2010	January 1, 2011
Canada	June 1, 2010	January 1, 2011
Nova Scotia	September 1, 2010	January 1, 2011
Newfoundland and Labrador	January 1, 2011	January 1, 2011
Saskatchewan	January 2, 2011	June 1, 2011 (by consensus)
Alberta	May 1, 2011	September 1, 2011 (by consensus)
New Brunswick	September 1, 2011	January 1, 2012 (by consensus)
Manitoba	January 1, 2014	June 1, 2014 (by consensus)

As of January 1, 2011, the Agreement would be effective for Quebec, Ontario, British Columbia, Canada, Nova Scotia and Newfoundland and Labrador (the “original signatories”) in accordance with clause 19(a) of the Agreement.

- The government of Newfoundland and Labrador signs on to the Agreement on the day that the Agreement comes into effect, and is therefore considered an original signatory in accordance with clause 19(a).*

Saskatchewan, whose government signs on to the Agreement on January 2, 2011, is subject to clause 19(b) of the Agreement and must reach consensus with the original signatories as to when the Agreement becomes effective for its jurisdiction. Assume for the purposes of this example that the Agreement becomes effective for Saskatchewan on June 1, 2011, as determined by consensus between the original signatories and Saskatchewan.

Alberta, whose government signs on to the Agreement on May 1, 2011, is subject to clause 19(b) of the Agreement and must reach consensus with the original signatories and Saskatchewan as to when the Agreement becomes effective for its jurisdiction. Assume for the purposes of this example that the Agreement becomes effective for Alberta on September 1, 2011.

- Although the Agreement would not be in force for Saskatchewan until June 1, 2011, its government is a signatory on the date Alberta’s government signs on to the Agreement, and its consent must also be obtained as to the Agreement’s effective date for Alberta.*

New Brunswick, whose government signs on to the Agreement on September 1, 2011, is subject to clause 19(b) and must reach consensus with the original signatories,

Saskatchewan and Alberta as to when the Agreement becomes effective for its jurisdiction. Assume for the purposes of this example that the Agreement becomes effective for New Brunswick on January 1, 2012.

Finally, on January 1, 2014, Manitoba's government signs on to the Agreement, and in accordance with clause 19(b), must reach consensus with the original signatories, Saskatchewan, Alberta and New Brunswick as to when the Agreement becomes effective for its jurisdiction. Assume for the purposes of this example that the Agreement becomes effective for Manitoba on June 1, 2014.

Text from Agreement:

SECTION 20

ADDITIONAL PARTIES

Unanimous consent

20. (1) A government may become party to this Agreement with the unanimous consent of the governments that are party to it.

Effects

(2) This Agreement shall enure to the benefit of and be binding upon a government that becomes a party to this Agreement, the government's jurisdiction and the jurisdiction's pension supervisory authority as of the date referred to, as the case may be, in clause (a) or (b) of section 19.

Explanatory Notes:

This section provides a mechanism for the government of a jurisdiction to enter into the Agreement after the initial effective date of the Agreement.

Text from Agreement:

SECTION 21

WITHDRAWAL

Written notice

21. (1) A government that is party to this Agreement may withdraw from this Agreement by giving written notice to all other governments that are party to this Agreement. Such notice shall be signed by a person authorized by the laws of the withdrawing government's jurisdiction to sign this Agreement.

Waiting period

(2) The withdrawal shall take effect on the first day of the month following expiry of a period of three years following the date on which the notice was transmitted. The withdrawal shall affect only the withdrawing government, and the Agreement shall remain in force for all other governments.

Minor authority

(3) Where, upon expiry of the three-year period referred to in subsection (2), the pension supervisory authority for the withdrawing government's jurisdiction acts as a minor authority with respect to a pension plan, the major authority for the plan shall provide, upon request, that minor authority with copies of all relevant records, documents and other information concerning the plan in the major authority's possession.

Major authority

(4) Where, upon expiry of the three-year period referred to in subsection (2), the pension supervisory authority for the withdrawing government's jurisdiction acts as the major authority for a pension plan, such authority shall:

- (a) determine which pension supervisory authority, if any, shall become the new major authority for the plan in accordance with section 3 as of the effective date of the withdrawal; and
- (b) provide the new major authority for the plan referred to in clause (a), as soon as possible after such authority assumes its functions, with all relevant records, documents and other information in its possession concerning the plan.

Notice by major authority

(5) The pension supervisory authority that becomes a pension plan's new major authority in accordance with subsection (4) shall, as soon as possible after assuming its functions, inform the plan administrator and each of the plan's minor authorities of the date on which it assumed the functions of major authority.

Notice by plan administrator

(6) The administrator of a pension plan that receives from the plan's new major authority notice of the information provided for in subsection (5) shall transmit such information:

- (a) to each employer that is party to the plan and any collective bargaining agent that represents any person who has rights or benefits under the plan within 90 days after such notice; and
- (b) to any person who has rights or benefits under the plan who is entitled to receive an annual statement of the person's benefits under the plan, no later than the expiry of the period for providing such persons with their next annual statements of benefits.

Decisions and recourse

(7) Despite sections 4 and 6, where a pension supervisory authority becomes a pension plan's new major authority in accordance with subsection (4):

- (a) all matters related to the plan that are pending before a prior major authority on the day preceding the new major authority's assumption of its functions under this Agreement shall be continued before that prior major authority;
- (b) all matters related to the plan that concern a decision, order, direction or approval proposed or made by a prior major authority and pending before any administrative body or court on the day preceding the new major authority's assumption of its functions under this Agreement shall be continued before such body or court;
- (c) for every matter in respect of which the prior major authority referred to in clause (a) or the administrative body or court referred to in clause (b) has proposed or made a decision, order, direction or approval to which the pension legislation or other legislation applying on the day preceding the new major authority's assumption of its functions under this Agreement provides a right of recourse:
 - (i) such right shall be maintained so long as the period provided for exercising that right has not expired; and
 - (ii) such recourse may be brought before the administrative body or court provided for by the legislation giving entitlement thereto;
- (d) for any matter related to the plan not described in clauses (a) to (c) that occurred before the new major authority's assumption of its functions under this Agreement and that related to the provisions of the pension legislation

of a prior major authority's jurisdiction in respect of a matter referred to in Schedule B:

- (i) the prior major authority may, even after it loses its status as major authority for the plan, conduct an examination, investigation or inquiry into the matter in accordance with the pension legislation of the prior major authority's jurisdiction to determine whether compliance with that legislation was met, and in such case, the matter shall remain subject to that prior major authority; and
 - (ii) where the matter constitutes an offence under the pension legislation of the prior major authority's jurisdiction, the offence may be prosecuted by the competent authority in that jurisdiction, and in such case, the matter shall remain subject to that prior major authority; and
- (e) all matters referred to in clauses (a) to (d) shall remain subject to the pension legislation or other legislation that applied to such matters on the day preceding the new major authority's assumption of its functions under this Agreement.

Explanatory Notes:

After a jurisdiction's government has entered into the Agreement, it may determine that it no longer wishes to participate in the Agreement. This section establishes the requirements and timeframes for a government to withdraw its jurisdiction from the Agreement.

Text from Agreement:

SECTION 22

AMENDMENT

Unanimous consent

22. This Agreement may be amended with the unanimous written consent of the governments that are party to this Agreement.

Explanatory Notes:

This section establishes the level of consent required to amend the Agreement.

Text from Agreement:

SECTION 23

COUNTERPARTS

Execution in counterparts

23. This Agreement or any amendment to this Agreement may be executed in counterparts.

Explanatory Notes:

This section establishes that each government that enters into the Agreement may do so by having a governmental representative sign an individual copy of the Agreement, even if it is not the same copy that has been signed by the other signatories of the Agreement.

Text from Agreement:

SECTION 24

EXECUTION IN ENGLISH AND IN FRENCH

Authentic texts

24. This Agreement and any amendment to this Agreement shall be executed in the English and French languages, each text being equally authoritative.

Explanatory Notes:

This section sets out the language requirements for the purposes of the Agreement and any amendment to the Agreement.

PART VII
IMPLEMENTATION AND TRANSITIONAL PROVISIONS

Text from Agreement:

SECTION 25

REPLACEMENT

Prior agreements

25. On the date referred to in clause (a) or (b) of section 19, as the case may be, this Agreement replaces the agreement entitled “Memorandum of Reciprocal Agreement” and any similar agreement respecting the application of pension legislation to pension plans made between the governments that are party to this Agreement or between the departments or agencies of such governments, to the extent that such plans are subject to this Agreement.

Explanatory Notes:

This section establishes when and how the Agreement replaces the existing Memorandum of Reciprocal Agreement and any existing federal-provincial bilateral agreements respecting the regulation of multi-jurisdictional pension plans, for the jurisdictions whose governments have entered into the Agreement.

Text from Agreement:

SECTION 26

TRANSITION

Preliminary measure

26. (1) Where this Agreement comes into force on a date set out under section 19 and on that date a pension plan to which this Agreement would apply is registered with a pension supervisory authority that was not already the major authority for the plan immediately before that date:

- (a) if the plan is registered with only one pension supervisory authority and that authority is subject to this Agreement on that date, that authority shall become the major authority for the plan as of that date;
- (b) if the plan is registered with more than one pension supervisory authority and each of those authorities is subject to this Agreement on that date, the major authority for the plan shall be, of those authorities, the authority of the jurisdiction with the plurality of active members of the plan, as determined in accordance with subsection (3) of section 3 and considering only those jurisdictions whose pension legislation would, if this Agreement and any other agreement respecting the supervision of pension plans did not exist, require the plan to be registered with the pension supervisory authority of that jurisdiction; and
- (c) if the plan is registered with more than one pension supervisory authority and not all of those authorities are subject to this Agreement on that date, this Agreement shall not apply to the plan until such time as all of the authorities with which the plan is registered are subject to this Agreement, at which time the requirements of clause (b) shall apply to the plan.

Equal number of active members

(2) Where the major authority for a pension plan cannot be determined by applying clause (b) of subsection (1) because two or more jurisdictions have authority over an equal number, greater than zero, of active members of the plan, the major authority for the plan shall be, of those jurisdictions, the authority whose main office is in closest proximity to the main office of the administrator of the plan. For the purposes of this subsection:

- (a) the main office of a pension supervisory authority is the office from which the authority conducts most of its supervisory activities; and

- (b) the main office of the pension plan administrator is the office from which the plan administrator described in the text of the pension plan conducts most of the plan's administration.

Notice by major authority

(3) The pension supervisory authority that becomes a pension plan's major authority in accordance with this section shall, as soon as possible after assuming its functions, inform the plan administrator and each of the plan's minor authorities of the date on which it assumed the functions of major authority.

Notice by plan administrator

(4) The administrator of a pension plan that receives from the plan's major authority notice of the information provided for in subsection (3) shall transmit such information:

- (a) to each employer that is party to the plan and any collective bargaining agent that represents any person who has rights or benefits under the plan within 90 days after such notice; and
- (b) to any person who has rights or benefits under the plan who is entitled to receive an annual statement of the person's benefits under the plan, no later than the expiry of the period for providing such persons with their next annual statements of benefits.

Decisions and recourse

(5) Despite sections 4 and 6, where a pension supervisory authority becomes a pension plan's major authority in accordance with this section:

- (a) all matters related to the plan that are pending before a pension supervisory authority on the day preceding the major authority's assumption of its functions under this Agreement shall be continued before that pension supervisory authority;
- (b) all matters related to the plan that concern a decision, order, direction or approval proposed or made by a pension supervisory authority and pending before any administrative body or court on the day preceding the major authority's assumption of its functions under this Agreement shall be continued before such body or court;
- (c) for every matter in respect of which the pension supervisory authority referred to in clause (a) or the administrative body or court referred to in clause (b) has proposed or made a decision, order, direction or approval to which the pension legislation or other legislation applying on the day preceding the major authority's assumption of its functions under this Agreement provides a right of recourse:

- (i) such right shall be maintained so long as the period provided for exercising that right has not expired; and
 - (ii) such recourse may be brought before the administrative body or court provided for by the legislation giving entitlement thereto;
- (d) for any matter related to the plan not described in clauses (a) to (c) that occurred before the major authority's assumption of its functions under this Agreement and that related to the provisions of the pension legislation of a pension supervisory authority's jurisdiction in respect of a matter referred to in Schedule B:
- (i) the pension supervisory authority may, even after the major authority assumes its functions under this Agreement for the plan, conduct an examination, investigation or inquiry into the matter in accordance with the pension legislation of that authority's jurisdiction to determine whether compliance with that legislation was met, and in such case, the matter shall remain subject to that pension supervisory authority; and
 - (ii) where the matter constitutes an offence under the pension legislation of the pension supervisory authority's jurisdiction, the offence may be prosecuted by the competent authority in that jurisdiction, and in such case, the matter shall remain subject to that pension supervisory authority; and
- (e) all matters referred to in clauses (a) to (d) shall remain subject to the pension legislation or other legislation that applied to such matters on the day preceding the major authority's assumption of its functions under this Agreement.

In witness whereof the undersigned do hereby execute this Agreement:

FOR THE GOVERNMENT OF ***[JURISDICTION NAME]***

Date

Minister of ***[Ministry Name]***

Explanatory Notes:

This section sets out transitional requirements where the Agreement first comes into force in relation to a pension plan, such as how the major authority for the plan will be determined, notice requirements and the status of matters pending before the Agreement takes effect for the plan.

Examples:

- 1) *Ontario and Quebec become subject to the Agreement on January 1, 2011. A pension plan registered immediately before that date with the Financial Services Commission of Ontario (“FSCO”) has active members employed in both Ontario and Quebec.*

FSCO will become the major authority for the plan under the Agreement on January 1, 2011. As soon as possible after that date, FSCO will notify the administrator of the plan and the Régie des rentes du Québec (“Régie”) that it (FSCO) became the major authority for the plan under the Agreement effective January 1, 2011. The plan administrator must then provide this information to any employer participating in the plan and any collective bargaining agent for plan members within 90 days of receiving FSCO’s notice. The plan administrator must also provide this information to any person entitled to receive an annual statement of benefits from the plan by the time that the next annual statement of benefits is required to be provided (for example, under Ontario’s pension legislation, such statements are required to be provided to active plan members within 6 months after the plan fiscal year end).

- 2) *Ontario becomes subject to the Agreement on January 1, 2011, and Saskatchewan becomes subject to the agreement on June 1, 2011. A pension plan registered with FSCO throughout this period only has active members employed in both Ontario and Saskatchewan.*

Section 2(1) of the Agreement provides that the Agreement only applies to a pension plan if the plan would be subject to registration with a pension supervisory authority under the pension legislation of more than one jurisdiction that is subject to the Agreement. Before June 1, 2011, only one jurisdiction related to this plan (i.e., Ontario) is subject to the Agreement. As such, the Agreement will not apply to this plan until June 1, 2011, at which time FSCO will become the major authority for the plan under the Agreement.

- 3) *Quebec and the federal jurisdiction become subject to the Agreement on January 1, 2011. A pension plan is registered immediately before that date with both the Régie and the federal Office of the Superintendent of Financial Institutions (“OSFI”). The plurality of active plan members are employed in the federal*

jurisdiction. As a result, OSFI will become the major authority for the plan under the Agreement on January 1, 2011.

If, however, the federal jurisdiction in this example did not become subject to the Agreement until March 1, 2012, the plan would remain registered with both the Régie and OSFI until March 1, 2012, at which time OSFI would become the major authority for the plan under the Agreement.

**SCHEDULE A
PENSION LEGISLATION**

Alberta

1. *Employment Pension Plans Act*, R.S.A. 2000, c. E-8.

British Columbia

2. *Pension Benefits Standards Act*, R.S.B.C. 1996, c. 352.

Manitoba

3. *Pension Benefits Act*, R.S.M. 1987, c. P32.

New Brunswick

4. *Pension Benefits Act*, S.N.B. 1987, c. P-5.1.

Newfoundland and Labrador

5. *Pension Benefits Act, 1997*, S.N.L. 1996, c. P-4.01.

Nova Scotia

6. *Pension Benefits Act*, R.S.N.S. 1989, c. 340.

Ontario

7. *Pension Benefits Act*, R.S.O. 1990, c. P.8.

Quebec

8. *Supplemental Pension Plans Act*, R.S.Q., c. R-15.1.

Saskatchewan

9. *Pension Benefits Act, 1992*, S.S. 1992, c. P-6.001.

Federal jurisdiction

10. *Pension Benefits Standards Act, 1985*, R.S.C. 1985 (2nd supp.), c. 32.

SCHEDULE B
MATTERS COVERED BY INCORPORATED LEGISLATIVE PROVISIONS

SECTION 1
MAJOR AUTHORITY'S PENSION LEGISLATION

Major authority's pension legislation

1. The pension legislation applicable to a pension plan shall be the pension legislation of the jurisdiction of the major authority for the plan in the following areas of pension legislation:

Registration of pension plans

1. Legislative provisions respecting:
 - (a) the duty of the pension plan administrator to ensure that the plan complies with the applicable pension legislation;
 - (b) requirements that a pension plan be registered with the authority;
 - (c) prohibitions against administering a pension plan not registered with the authority;
 - (d) the pension plan registration process (including the filing of required forms and documents, the form in which such documents must be filed, the contents of documents and filing deadlines);
 - (e) whether registration of a plan is proof of compliance with the applicable pension legislation; and
 - (f) the authority's power to refuse or revoke the registration of a plan due to non-compliance with the applicable pension legislation.

Registration of pension plan amendments

2. Legislative provisions respecting:
 - (a) requirements that pension plan amendments, or amendments to prescribed pension plan documents, be registered with the authority;
 - (b) the amendment registration process (including the filing of required forms and documents, the form in which such documents must be filed, the contents of documents and filing deadlines);

- (c) whether registration of an amendment is proof of compliance with the applicable pension legislation;
- (d) the authority's power to refuse or revoke the registration of a plan amendment due to non-compliance with the pension legislation applicable to the plan under clause (a) of subsection (1) of section 6 of the Agreement;
- (e) the ability of the administrator to administer the amended plan if it does not comply with the applicable pension legislation; and
- (f) requirements for notice of registration of the amendment to be provided to active members or other persons, the form and content of the notice and deadlines for providing such notice.

Pension plan administrators

3. Legislative provisions respecting:

- (a) requirements that a pension plan be administered by an administrator;
- (b) who may be an administrator; and
- (c) the right of active members or other persons to establish an advisory committee to advise the administrator, and requirements respecting such an advisory committee.

Pension plan administrators' duties

4. Legislative provisions respecting:

- (a) requirements that the pension plan administrator or the trustee, custodian or holder of the pension fund:
 - (i) administer the pension plan or pension fund in accordance with the applicable pension legislation and the plan terms;
 - (ii) stand in a fiduciary relationship to active members or other persons;
 - (iii) hold the pension fund in trust for the active members or other persons;
 - (iv) act honestly, in good faith and in the best interests of the active members or other persons;

- (v) exercise the care, diligence and skill of a prudent person;
 - (vi) invest the pension fund in accordance with the applicable pension legislation, the pension plan's written investment policies, in the best interests of the active members or other persons or in a reasonable and prudent manner; and
 - (vii) hold an annual or periodic meeting with the active members or other persons;
- (b) requirements that persons involved in the administration of a pension plan or pension fund:
- (i) employ all knowledge and skill they possess by reason of their business or profession;
 - (ii) familiarize themselves with their fiduciary duties and obligations; and
 - (iii) possess the skills, capability and dedication required to fulfill their responsibilities and seek advice from qualified advisors where appropriate;
- (c) conflict of interest requirements for persons involved in the administration of a pension plan or pension fund;
- (d) requirements for the selection, use and supervision of the administrator's agents or advisors, and requirements for such agents or advisors;
- (e) requirements that the employer or trustee provide information to the administrator; and
- (f) requirements respecting to the payment of expenses related to the pension plan.

Pension plan records

5. Legislative provisions respecting:

- (a) how long any person must retain information related to the pension plan; and

- (b) requests by the plan administrator for information necessary for the administration of the pension plan.

Funding of ongoing pension plans (not in the case of full or partial plan wind up)

6. Legislative provisions respecting:

- (a) requirements for contributions made to the pension fund (including the type or form of contributions, the manner in which they must be made and deadlines for making them);
- (b) minimum plan funding and solvency levels (including plan funding and solvency levels related to pension plan amendments and the use of plan assets for the funding of plan amendments);
- (c) the ability to take contribution holidays;
- (d) requirements for actuarial valuation reports to be filed with the authority in respect of pension plans (including the form and content of such reports, filing deadlines and actuarial standards to be applied in preparing such reports);
- (e) requirements for refunds of contributions to employers, active members or other persons;
- (f) restrictions on the amount of the commuted value of a person's benefit entitlements under a pension plan that can be transferred out of the pension fund of the plan where the plan is not fully funded on a solvency or going concern basis;
- (g) who may be the trustee, custodian or holder of the pension fund; and
- (h) requirements for the provision of information between administrators and the trustees, custodians or holders of pension funds with respect to contributions, and for notice to the authority of contributions not remitted when due.

Pension fund investments

7. Legislative provisions respecting:

- (a) requirements for the investment of the pension fund (including limitations on investments and requirements that pension fund assets to be held in the name of the pension plan);

- (b) requirements that the administrator prepare a written investment policy, requirements for such a policy (including the form and content of the policy, whether it must be filed with the authority and the deadline for filing) and requirements regarding to whom such a policy must be provided; and
- (c) requirements in situations where active members or other persons direct the investment of their contributions (including the minimum number and type of investment options offered, the education and advice available to active members or who may provide the advice).

Pension fund assets

- 8. Legislative provisions respecting:
 - (a) requirements for pension fund assets to be held by specified fund holders under a specified type of agreement;
 - (b) requirements for contributions to be remitted to the pension fund;
 - (c) requirements that the pension fund be held separate and apart from the employer's assets and deeming the pension fund to be held in trust for the active members or other persons;
 - (d) an administrator's lien and charge on the employer's assets equal to the amounts deemed held in trust; and
 - (e) the administrator's duty to take immediate action (including court proceedings) to obtain outstanding contributions.

Provision of information

- 9. Legislative provisions respecting:
 - (a) requirements for documents and information to be filed by the administrator or any other person with the authority, including:
 - (i) periodic information returns;
 - (ii) actuarial information for defined benefit plans;
 - (iii) financial statements (including audited financial statements); and
 - (iv) the form and content of the documents and information, who must prepare them and filing deadlines;

- (b) requirements for the following documents and information to be provided by the administrator, including the form and content of the documents and information, who must prepare them and deadlines for providing them:
 - (i) pension plan summaries for active members or employees entitled to join the plan; and
 - (ii) annual or periodic statements for active members or other persons; and
- (c) requirements for the inspection of pension plan documents in the possession of the administrator, authority or other persons (including who is entitled to inspect the documents and information, how often, where and at what cost).

Plan membership

- 10. Legislative provisions respecting:
 - (a) pension plans being for one or more classes of employees; and
 - (b) the ability of the employer to establish separate plans for full-time and part-time employees.

Appointment of pension plan administrator

- 11. Legislative provisions respecting:
 - (a) the ability of the authority to appoint itself or another person as administrator of a pension plan and rescind the appointment; and
 - (b) the powers of an appointed administrator.

SECTION 2

MAJOR AUTHORITY'S POWERS

Major authority's powers

2. Where the pension legislation of the major authority's jurisdiction applies to a pension plan in accordance with section 1 of this Schedule, the following areas of the pension legislation of the major authority's jurisdiction shall, for the purposes of the plan and all jurisdictions that are subject to this Agreement in respect of the plan, also apply in respect of the application of the pension legislation described in section 1 of this Schedule:

Powers of examination, investigation or inquiry

1. All powers of examination, investigation or inquiry given to the major authority.

Orders, directions, approvals or decisions

2. The issuance of, or proposal to issue, orders, directions, approvals or decisions by the major authority, and any modification as may be made to such an order, direction, approval or decision by the authority, an administrative body or a court.

Reconsideration or review

3. The rights of the plan or a person affected by an order, direction, approval or decision of the major authority, an administrative body or a court to have the order, direction, approval or decision reconsidered or reviewed by the authority, an administrative body or a court.

Offences and penalties

4. The offences and penalties that may be applied where the plan or a person is found to have contravened the terms of the applicable pension legislation.

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