



BULLETIN NUMBER:	PENS 16-007
TITLE:	Filing of notice of termination of plans
LEGISLATION:	<i>Pension Benefits Standards Act</i>
DATE:	September 2016

PURPOSE

This bulletin outlines the requirement to file the notice of termination of pension plans.

BACKGROUND INFORMATION

It has come to the Superintendent's attention that some pension plans failed to file the required notice of termination of their pension plan by the prescribed date. There are some cases where the delay between the actual termination of the plan and the provision of notice to the Superintendent exceeds seven months.

REQUIREMENT TO FILE NOTICE OF THE TERMINATION OF PENSION PLANS

Under section 97 (1) of *Pension Benefits Standards Act* (PBSA), a "responsible person," as that term is defined in the PBSA, may elect to terminate a pension plan. Section 97 (3) of PBSA sets out the requirement of the filing of the termination election notice. A copy of the notice needs to be filed with the Superintendent immediately after the election to terminate, or at least 60 days before the intended effective date of the termination if the election to terminate the plan is more than 60 days before the intended effective date of the termination.

Example 1:

ABC Company elected to terminate the plan on September 1, 2016 with an intended effective date of October 31, 2016. ABC is required to file the notice to the Superintendent immediately because the election date is less than 60 days before the intended effective date.

Example 2:

XYZ Limited elected to terminate the plan on September 1, 2016 with an intended effective date of December 31, 2016. XYZ is required to file the notice to the Superintendent not later than November 1, 2016, because the election date is more than 60 days before the intended effective date.

CONSEQUENCES OF LATE FILING OF TERMINATION PLANS

Failure to file the termination notice by the required date may result in:

1. Under Section 97 (4) of the PBSA, the Superintendent may, by order, specify a different effective date of the termination than the intended effective date, and require employer contributions up to the effective termination date specified by the Superintendent; and
2. As permitted under Section 116 of the PBSA, the Superintendent may order an administrative penalty against the plan.

MORE INFORMATION

If you have any questions, you may contact the Superintendent at Pensions@ficombc.ca or by phone at 604.660.3555.

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