Pension Benefits Act
Loi sur les régimes de retraite

ONTARIO REGULATION 99/06

STELCO INC. PENSION PLANS

Consolidation Period: From March 31, 2006 to the e-Laws currency date.

No amendments.

Note: This Regulation is revoked on May 2, 2016. See: O. Reg. 99/06, s. 21.

This Regulation is made in English only.

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INTERPRETATION

Interpretation

1. (1) In this Regulation,

"adjusted solvency deficiency" means, in relation to a pension plan, the amount, if any, by which the solvency liabilities of the plan in respect of the original benefits exceed the solvency assets of the plan in respect of the original benefits as set out in a report submitted for the plan to the Superintendent under this Regulation;

"benefit improvements" means, in relation to a pension plan, benefit improvements described in subsection (3);

"General Regulation" means Regulation 909 of the Revised Regulations of Ontario, 1990 (General) made under the Act;

"Hamilton Hourly Plan" means the Stelco Inc. Bargaining Unit Pension Plan for Members of United Steelworkers of America, registered under the Act as number 354878;

"Hamilton Salaried Plan" means the Stelco Inc. and Participating Subsidiaries Retirement Plan for Salaried Employees, registered under the Act as number 338509;

"initial solvency deficiency" means, in relation to a pension plan, the amount, if any, by which the solvency liabilities of the plan exceed the solvency assets of the plan as set out in the initial report required by section 10;

"Lake Erie Hourly Plan" means the Stelco Inc. Bargaining Unit Pension Plan for Lake Erie Steel Company Members of United Steelworkers of America, registered under the Act as number 698761;

"Lake Erie Salaried Plan" means the Stelco Inc. Retirement Plan for Lake Erie Steel Company Salaried Employees, registered under the Act as number 698753;

"original benefits" means, in relation to a pension plan, the pensions, pension benefits and ancillary benefits provided under the plan, effective on or before December 31, 2005, that, when valued, give rise to the going concern liabilities and the solvency liabilities of the plan as set out in the reports required by sections 10 and 11;

"participating pension plan" means a pension plan that is a participating pension plan as determined under section 2;

"special payment" means, in relation to benefit improvements under a participating pension plan, a payment determined in accordance with section 7 and, in relation to wind up benefits, a payment determined in accordance with section 8;

"wind up benefits" means, in relation to a pension plan, any benefits referred to in clauses (a) to (h) of the definition of "solvency liabilities" in subsection 1 (2) of the General Regulation which are payable on the wind up of a pension plan, in whole or in part, and which are excluded from the calculation of the solvency liabilities disclosed in any of the reports filed under sections 10 and 11. O. Reg. 99/06, s. 1 (1).

(2) Expressions in this Regulation have the same meaning as in the General Regulation, except where otherwise indicated. O. Reg. 99/06, s. 1 (2).

(3) For the purposes of this Regulation, benefit improvements are made under a pension plan if an amendment to the plan affects the pensions, pension benefits or ancillary benefits provided by the plan and increases the amount of the normal cost, the going concern liabilities or the solvency liabilities of the plan and if the amendment is filed or takes effect after December 31, 2005. O. Reg. 99/06, s. 1 (3).

(4) In this Regulation, a reference to an amount with respect to a pension plan, such as the normal cost or the adjusted solvency deficiency, is a reference to the amount as set out in the applicable report submitted to the Superintendent under this Regulation. O. Reg. 99/06, s. 1 (4).

(5) For the purposes of this Regulation,

(a) the special payments determined under paragraph 3 of subsection 14 (4) of this Regulation are deemed to be special payments determined in accordance with clause 5 (1) (b) of the General Regulation; and

(b) the special payments determined under paragraph 3 of subsection 14 (5) of this Regulation are deemed to be special payments determined in accordance with clause 5 (1) (e) of the General Regulation. O. Reg. 99/06, s. 1 (5).

PARTICIPATING PENSION PLANS

Status as participating pension plan

2. (1) The Hamilton Hourly Plan, the Hamilton Salaried Plan, the Lake Erie Hourly Plan and the Lake Erie Salaried Plan, respectively, are each a participating pension plan until the earlier of,

(a) December 31, 2015; and

(b) the day that is 90 days after the day on which the administrator submits a report in respect of the plan to the Superintendent under section 12 indicating,

(i) that the plan does not have any adjusted solvency deficiency, and

(ii) that reports submitted under section 12 in respect of all the other participating pension plans also indicate that none of those plans has any adjusted solvency deficiency. O. Reg. 99/06, s. 2 (1).

(2) Despite subsection (1), if the administrator submits a report described in clause (1) (b) and if, within the 90-day period described in that clause, the Superintendent issues a notice of proposal to make an order under subsection 88 (2) of the Act with respect to any of the reports referred to in clause (1) (b), the pension plan continues to be a participating pension plan until the earlier of,

(a) December 31, 2015; and

(b) 60 days after the earliest of,

(i) the date on which the proposal is finally determined and is not subject to any further appeal to or review by a tribunal or court, but only if, as a result of the final determination of the proposal, it is concluded that the plan has no adjusted solvency deficiency in relation to the original benefits,

(ii) the date on which a settlement is reached in respect of the proposal and, as a result of the settlement, it is concluded that the plan has no adjusted solvency deficiency in relation to the original benefits, or

(iii) the date on which the notice of proposal is withdrawn. O. Reg. 99/06, s. 2 (2).

(3) Despite subsection (1), if the employer gives a written notice to the Superintendent stating that a participating pension plan ceases to be a participating pension plan, and if the employer is otherwise authorized by an agreement to give such a notice to the Superintendent, the plan ceases to be a participating pension plan on the later of,

(a) the date on which the Superintendent receives the notice; and

(b) the date specified in the notice as the date on which the plan ceases to be a participating pension plan. O. Reg. 99/06, s. 2 (3).

CONTRIBUTIONS AND OTHER PAYMENTS

Initial contribution in 2006

3. (1) An aggregate initial contribution of $400 million is to be made to all of the participating pension plans for the original benefits, and the $400 million shall be allocated among the plans in accordance with this section. O. Reg. 99/06, s. 3 (1).

(2) On or before March 31, 2006, the employer or a person required to make contributions on behalf of the employer shall pay into the pension fund of a participating pension plan the amount calculated using the formula,

$$(A \times B/C) - D$$

in which,

“A” is $400 million,

“B” is the amount of the initial solvency deficiency of the plan,

“C” is the aggregate amount of the initial solvency deficiency of each of the participating pension plans, and

“D” is the aggregate amount of all contributions, if any, paid into the pension fund of the plan on or after January 1, 2006 and before April 1, 2006 excluding amounts paid in respect of a prior year of the plan and excluding amounts paid under this section.

O. Reg. 99/06, s. 3 (2).

(3) In the formula set out in subsection (2), the amount represented by the expression “B/C” is to be calculated to four decimal places. O. Reg. 99/06, s. 3 (3).

Monthly payments in 2006

4. (1) An aggregate contribution of $32.5 million is to be made to all of the participating pension plans for the original benefits for the period beginning on July 1, 2006 and ending on December 31, 2006, and the $32.5 million shall be allocated among the plans in accordance with this section. O. Reg. 99/06, s. 4 (1).

(2) The employer or a person required to make contributions on behalf of the employer shall pay into the pension fund of a participating pension plan for the period from July 1 to December 31, 2006 the amount calculated using the formula,

$$E \times F/G$$

in which,

“E” is $32.5 million,

“F” is the amount of the adjusted solvency deficiency of the plan, and

“G” is the aggregate amount of the adjusted solvency deficiency of each of the participating pension plans.

O. Reg. 99/06, s. 4 (2).

(3) Despite subsection (2), if the aggregate amount of the normal cost of each of the plans for the original benefits for the period from July 1 to December 31, 2006 is greater than or equal to $32.5 million, the employer or a person required to make contributions on behalf of the employer shall pay into the pension fund of a participating pension plan for the period from July 1 to December 31, 2006 the amount calculated using the formula,

$$E \times H/I$$

in which,

“E” is $32.5 million,

“H” is the amount of the normal cost of the plan for the original benefits for the period, and

“I” is the aggregate amount of the normal cost of each of the participating pension plans for the original benefits for the period.

O. Reg. 99/06, s. 4 (3).

(4) Despite subsection (2), if the aggregate amount of the normal cost of each of the plans for the original benefits for the period from July 1 to December 31, 2006 is less than \$32.5 million, and if the normal cost of one or more of the plans (an "affected plan") for the original benefits for the period is greater than the amount that would be payable under subsection (2) into the pension fund of the affected plan, the employer or a person required to make contributions on behalf of the employer shall pay into the pension fund of a participating pension plan the amount determined in accordance with the following rules:

1. The amount payable into the pension fund of each affected plan is the amount of the normal cost of the plan for the original benefits for the period.
2. The total amount available to be allocated to the plans which are not affected plans is calculated by subtracting from \$32.5 million the total amount payable under paragraph 1 to the affected plans.
3. The amount payable into the pension fund of each of the plans which are not affected plans is calculated using the formula,

$$J \times F/K$$

in which,

"J" is the total amount available to be allocated to the plans which are not affected plans as calculated under paragraph 2,

"F" is the amount of the adjusted solvency deficiency of the plan, and

"K" is the aggregate amount of the adjusted solvency deficiency of each of the plans which are not affected plans.

O. Reg. 99/06, s. 4 (4).

(5) In the formulas set out in subsections (2), (3) and (4), the amounts represented by the expressions "F/G", "H/I" and "F/K" are to be calculated to four decimal places. O. Reg. 99/06, s. 4 (5).

(6) The amount payable into a pension fund under subsection (2), (3) or (4) is payable in six equal instalments and payment is due on the last day of each month beginning with July 2006 and ending with December 2006. O. Reg. 99/06, s. 4 (6).

Monthly payments, 2007 to 2010

5. (1) An annual aggregate contribution of \$65 million is to be made to all of the participating pension plans for the original benefits for each year beginning with 2007 and ending with 2010, and the \$65 million shall be allocated among the plans in accordance with this section. O. Reg. 99/06, s. 5 (1).

(2) If the aggregate amount of the year's adjusted normal cost of each of the plans is equal to or greater than \$65 million, the employer or a person required to make contributions on behalf of the employer shall pay into the pension fund of a participating pension plan for a year the amount calculated using the formula,

$$L \times M/N$$

in which,

"L" is \$65 million,

"M" is the amount of the year's adjusted normal cost of the plan, and

"N" is the aggregate amount of the year's adjusted normal cost of each of the participating pension plans.

O. Reg. 99/06, s. 5 (2).

(3) If the aggregate amount of the year's adjusted normal cost of each of the plans is less than \$65 million, the employer or a person required to make contributions on behalf of the employer shall pay into the pension fund of a participating pension plan for a year the amount calculated using the formula,

$$L \times P/Q$$

in which,

"L" is \$65 million,

"P" is the amount of the preceding year's adjusted solvency deficiency of the plan, and

"Q" is the aggregate amount of the preceding year's adjusted solvency deficiency of each of the participating pension plans.

O. Reg. 99/06, s. 5 (3).

(4) Despite subsection (3), if the aggregate amount of the year's adjusted normal cost of each of the plans is less than $65 million and if the year's adjusted normal cost of one or more of the plans (an "affected plan") is greater than the amount that would be payable under subsection (3) into the pension fund of the affected plan, the employer or a person required to make contributions on behalf of the employer shall pay into the pension fund of a participating pension plan the amount determined in accordance with the following rules:

1. The amount payable into the pension fund of each affected plan is the amount of the year's adjusted normal cost of the plan.
2. The total amount available to be allocated to the plans which are not affected plans is calculated by subtracting from $65 million the total amount payable under paragraph 1 to the affected plans.
3. The amount payable into the pension fund of each of the plans which are not affected plans is calculated using the formula,

$$R \times P/S$$

in which,

"R" is the total amount available to be allocated to the plans which are not affected plans as calculated under paragraph 2,

"P" is the amount of the preceding year's adjusted solvency deficiency of the plan, and

"S" is the aggregate amount of the preceding year's adjusted solvency deficiency of each of the plans which are not affected plans.

O. Reg. 99/06, s. 5 (4).

(5) In the formulas set out in subsections (2), (3) and (4), the amounts represented by the expressions "M/N", "P/Q" and "P/S" are to be calculated to four decimal places. O. Reg. 99/06, s. 5 (5).

(6) The amount payable into a pension fund under subsection (2), (3) or (4) for a year is payable in 12 equal instalments, and payment is due on the last day of each month of the year. O. Reg. 99/06, s. 5 (6).

(7) In this section,

"preceding year's adjusted solvency deficiency" means, with respect to a participating pension plan, the adjusted solvency deficiency as set out in the report with a valuation date of December 31 of the preceding year that is submitted for the plan to the Superintendent under section 11;

"year's adjusted normal cost" means, with respect to a participating pension plan, the amount by which "T" exceeds "U", where,

"T" is the normal cost for the year for the original benefits as set out in the report with a valuation date of December 31 of the preceding year that is submitted for the plan to the Superintendent under section 11, and

"U" is the amount that is the lesser of,

(a) the amount by which the market value of the assets exceeds the going concern liabilities with respect to the original benefits, as set out in the same report, and

(b) the amount by which the solvency assets exceed the solvency liabilities with respect to the original benefits, as set out in the same report. O. Reg. 99/06, s. 5 (7).

Monthly payments, 2011 to 2015

6. (1) An aggregate annual contribution of $70 million is to be made to all of the participating pension plans for the original benefits for each year beginning with 2011 and ending with 2015, and the $70 million shall be allocated among the plans in accordance with this section. O. Reg. 99/06, s. 6 (1).

(2) The employer or a person required to make contributions on behalf of the employer shall pay into the pension fund of a participating pension plan for a year the amount calculated in accordance with subsections 5 (2) to (7), read as if every reference to $65 million in those subsections were a reference to $70 million. O. Reg. 99/06, s. 6 (2).

Contributions, etc., for benefit improvements

7. (1) This section applies if a participating pension plan is amended to provide benefit improvements. O. Reg. 99/06, s. 7 (1).

(2) The employer or a person required to make contributions on behalf of the employer shall pay into the pension fund of the plan the contributions and other payments that the employer would be required to make under the General Regulation, determined as if the benefit improvements alone were being provided by the pension plan. O. Reg. 99/06, s. 7 (2).

(3) The amount of the contributions and other payments required by subsection (2) is the amount set out in the schedule respecting the benefit improvements that is set out in the applicable report to the Superintendent submitted under this Regulation. O. Reg. 99/06, s. 7 (3).

Contributions, etc., for wind up benefits

8. (1) This section applies if a participating pension plan is being wound up in whole or in part. O. Reg. 99/06, s. 8 (1).

(2) For the purposes of subsection 75 (2) of the Act, the following rules prescribe the manner in which and the times when the employer is required to pay the money due under subsection 75 (1) of the Act:

1. The liability for the original benefits payable to members or former members who are affected by the wind up is to be funded in the same manner as the liability for the original benefits in respect of members and former members who are not affected by the wind up.
2. The liability for the benefit improvements, if any, payable to members or former members who are affected by the wind up is to be funded in the same manner as the liability for the benefit improvements for members and former members who are not affected by the wind up.
3. The wind up benefits, if any, payable to members or former members who are affected by the wind up are to be treated as if they were benefit improvements, and the liability for these wind up benefits is to be funded in the same manner as the liability for the benefit improvements for members and former members who are not affected by the wind up.
4. The employer or a person required to make contributions on behalf of the employer shall pay into the pension fund of the plan the payments that the employer would be required to make under section 7, determined as if the benefit improvements and the wind up benefits payable to members or former members who are affected by the wind up were benefit improvements for the members and former members who are not affected by the wind up. O. Reg. 99/06, s. 8 (2).

(3) Section 31 of the General Regulation does not apply with respect to the funding of the liabilities described in subsection (2). O. Reg. 99/06, s. 8 (3).

Funding following the final report

9. (1) This section applies with respect to a pension plan on and after the valuation date of the final report for the plan under section 12. O. Reg. 99/06, s. 9 (1).

(2) The requirements of the General Regulation governing the funding of the pension plan apply on and after the valuation date of the final report, except as otherwise provided in this section, and the plan must be funded in accordance with the information in the appendix to the report. O. Reg. 99/06, s. 9 (2).

(3) The following rules apply with respect to the funding requirements:

1. For the purposes of the special payments referred to in clauses 5 (1) (b) and (e) of the General Regulation, the applicable period begins on the valuation date of the final report.
2. The liability for benefits described in section 20 that remains to be funded under section 75 of the Act as of the valuation date must be funded in accordance with section 31 of the General Regulation, with the payments commencing on the valuation date rather than the date of wind up. O. Reg. 99/06, s. 9 (3).

(4) If the final report is submitted under subsection 12 (2), the employer or a person required to make contributions on behalf of the employer shall continue to make contributions and payments as required by sections 4 to 8, as applicable, and not in accordance with the General Regulation until the plan ceases to be a participating pension plan. O. Reg. 99/06, s. 9 (4).

(5) If the plan ceases to be a participating pension plan before January 1, 2016, any contributions and payments described in subsection (4) that are made after the valuation date of the final report are deemed, for the purposes of section 19, to be contributions and payments that are based on estimates and they are deemed to be contributions and payments made for the purposes of complying with the General Regulation. O. Reg. 99/06, s. 9 (5).

REPORTS TO THE SUPERINTENDENT

Initial report

10. (1) The administrator of a participating pension plan shall cause the plan to be reviewed and shall submit to the Superintendent on or before May 1, 2006 an initial report with a valuation date of December 31, 2005. O. Reg. 99/06, s. 10 (1).

(2) The initial report must set out the information that is required under subsections 13 (1) and (1.1) of the General Regulation, determined as if the pension plan were newly registered on December 31, 2005. O. Reg. 99/06, s. 10 (2).

(3) The initial report must also set out the following information on the basis of a solvency valuation:

1. The amount of the initial solvency deficiency for the plan and for each of the other participating pension plans.

2. The amount of the adjusted solvency deficiency for the plan and for each of the other participating pension plans after taking into account any contribution made under section 3 to each of the plans.

3. The amount of the contribution made under section 3 to the plan and to each of the other participating pension plans. O. Reg. 99/06, s. 10 (3).

(4) The initial report must also set out the following information separately for the plan and for each of the other participating pension plans:

1. The information that would be required in a report filed under subsections 13 (1) and (1.1) of the General Regulation, prepared on the basis,

   i. that section 5.1 of the General Regulation does not apply to the participating plans, and

   ii. that the initial contribution required under section 3 of this Regulation is not made.

2. The information that would be required in a report filed under subsections 13 (1) and (1.1) of the General Regulation, prepared on the basis,

   i. that section 5.1 of the General Regulation does not apply to the participating plans, and

   ii. that the initial contribution required under section 3 of this Regulation is made.

3. The information that would be required in a report filed under subsections 13 (1) and (1.1) of the General Regulation on the basis,

   i. that section 5.1 of the General Regulation applies to the participating plans, and

   ii. that the initial contribution required under section 3 of this Regulation is not made. O. Reg. 99/06, s. 10 (4).

(5) For the purposes of determining the information required by paragraphs 1 to 3 of subsection (4), the solvency deficiency of the plan is the amount by which the solvency liabilities exceed the solvency assets of the plan on the valuation date. O. Reg. 99/06, s. 10 (5).

Annual reports

11. (1) The administrator of a participating pension plan shall cause the plan to be reviewed and shall submit to the Superintendent on or before September 30 in each year, beginning in 2007 and ending in 2015, an annual report with a valuation date of December 31 of the preceding year. O. Reg. 99/06, s. 11 (1).

(2) If the plan has not been amended before the valuation date to provide benefit improvements and if it has not been wound up in whole or in part on or before the valuation date, the annual report must set out,

(a) the information described in subsections 14 (7) and (8) of the General Regulation, determined using actuarial methods that are consistent with those used in the initial report for the plan;

(b) the adjusted solvency deficiency and the aggregate amount of the adjusted solvency deficiency for each of the participating pension plans; and

(c) the amount of the payment to the plan required by section 5 or 6, as the case may be, and to each of the other participating pension plans for the year. O. Reg. 99/06, s. 11 (2).

(3) The annual report must set out the following information:

1. All gains and losses to the pension plan during the period since the valuation date of the preceding report that result from the difference between the actual experience and the experience expected by the actuarial assumptions on which the preceding report was based.

2. All gains and losses to the pension plan during the period since the valuation date of the preceding report that result from changes in actuarial assumptions since the preceding report. O. Reg. 99/06, s. 11 (3).

(4) If the plan has been amended before the valuation date to provide benefit improvements, the annual report must set out the information described in subsection (2) and it must also include a separate schedule setting out all of the information that is described in subsections 14 (7) and (8) of the General Regulation and that has been set out in an earlier report submitted under this section or section 14 of this Regulation with respect to the benefit improvements, but updated to the current valuation date. O. Reg. 99/06, s. 11 (4).

(5) If the plan has been wound up in whole or in part before the valuation date, the annual report must set out the information described in subsection (2), and it must also include a separate schedule setting out all of the information that is described in subsections 14 (7) and (8) of the General Regulation with respect to wind up benefits that have been set out in an earlier report submitted under section 70 of the Act, but updated to the current valuation date. O. Reg. 99/06, s. 11 (5).

(6) If the annual report includes a schedule respecting benefit improvements or respecting wind up benefits, the following rules apply:

1. The assets and liabilities of the plan in respect of any benefit improvements and wind up benefits must be determined and disclosed separately from the assets and liabilities of the plan that are in respect of the original benefits.
2. The normal cost in respect of the benefit improvements must be disclosed separately from the normal cost of the plan that is not in respect of the benefit improvements; and the normal cost must be determined in a manner that is consistent with the determination made in the interim report filed with respect to the benefit improvements.
3. The going concern unfunded liabilities and solvency deficiencies, if any, in respect of the benefit improvements and wind up benefits at the valuation date must be determined in accordance with the General Regulation with reference to,
   i. the assets and liabilities determined under paragraph 1, and
   ii. each of the schedules about benefit improvements or wind up benefits, as the case may be, that was included in the most recent report submitted under this Regulation.
4. The going concern unfunded liabilities or solvency deficiencies, if any, determined under paragraph 3 must be liquidated in accordance with the General Regulation. O. Reg. 99/06, s. 11 (6).

Final report

12. (1) The administrator of a participating pension plan shall submit to the Superintendent on or before April 30, 2016 a final report with a valuation date of December 31, 2015 for the purpose of determining whether or not the plan has an adjusted solvency deficiency as of that valuation date. O. Reg. 99/06, s. 12 (1).

(2) Despite subsection (1), the administrator of a participating pension plan may, at any time before December 31, 2015, submit to the Superintendent a final report with a valuation date not earlier than 120 days before the date on which the report is submitted that indicates that the plan does not have an adjusted solvency deficiency and that none of the other participating plans has an adjusted solvency deficiency. O. Reg. 99/06, s. 12 (2).

(3) Despite subsection (1), the administrator of a pension plan that ceases to be a participating pension plan as a result of a notice given under subsection 2 (3) shall submit to the Superintendent a final report with a valuation date that is the day on which the plan ceases to be a participating pension plan, and shall do so within 120 days after the valuation date. O. Reg. 99/06, s. 12 (3).

(4) The final report must include the appendix described in section 13. O. Reg. 99/06, s. 12 (4).

(5) The final report must set out the following information:

1. All gains and losses to the pension plan during the period since the valuation date of the preceding report that result from the difference between the actual experience and the experience expected by the actuarial assumptions on which the preceding report was based.
2. All gains and losses to the pension plan during the period since the valuation date of the preceding report that result from changes in actuarial assumptions since the preceding report. O. Reg. 99/06, s. 12 (5).

(6) In calculating the amount of the adjusted solvency deficiency, for the purposes of the final report, the following amounts may be included in the solvency assets in respect of the original benefits:

1. Any excess of solvency assets over solvency liabilities in respect of benefit improvements and wind up benefits.
2. Any additional contributions to the plan made by the employer or a person required to make contributions on behalf of the employer. O. Reg. 99/06, s. 12 (6).

Appendix to the final report

13. (1) The appendix to a final report for a participating pension plan must satisfy the requirements set out in this section. O. Reg. 99/06, s. 13 (1).

(2) The appendix must set out the information respecting the plan that is required under subsections 13 (1) and (1.1) of the General Regulation, determined as if the plan were newly registered on the valuation date of the final report. O. Reg. 99/06, s. 13 (2).

(3) The appendix must separately identify any liability for benefits described in section 20 of this Regulation that remains to be funded under section 75 of the Act as of the valuation date of the final report. O. Reg. 99/06, s. 13 (3).

Interim reports re benefit improvements

14. (1) If an amendment to a participating pension plan provides for benefit improvements, the administrator of the pension plan shall submit an interim report to the Superintendent within six months after the date on which the amendment is required to be submitted for registration. O. Reg. 99/06, s. 14 (1).

(2) The interim report must contain the information described in subsection 3 (1) of the General Regulation. O. Reg. 99/06, s. 14 (2).

(3) The interim report must include a separate schedule setting out the benefit improvement and setting out the contributions, calculated in accordance with the General Regulation, that are required to provide the benefit improvement. O. Reg. 99/06, s. 14 (3).

(4) The interim report must set out the following information on the basis of a going concern valuation:

1. The normal cost, if any, in respect of the benefit improvement.
2. The increase, if any, in the going concern liabilities attributable to the benefit improvement.
3. The special payments, if any, required to liquidate the amount described in paragraph 2, with interest calculated at the going concern valuation interest rate under the General Regulation, by equal monthly instalments over a period of not more than 15 years beginning on the valuation date of the report. O. Reg. 99/06, s. 14 (4).

(5) The interim report must also set out the following information on the basis of a solvency valuation:

1. The increase, if any, in the solvency liabilities attributable to the benefit improvement.
2. The amount, if any, by which the amount described in paragraph 1 exceeds the present value of the special payments described in paragraph 3 of subsection (4) that are scheduled for payment within a period of five years beginning on the valuation date of the interim report, calculated using the same interest rates as those used to calculate the solvency liabilities.
3. The special payments, if any, required to liquidate the amount described in paragraph 2, calculated using the same interest rates that are used to calculate the solvency liabilities, by equal monthly instalments over a period of not more than five years beginning on the valuation date of the interim report. O. Reg. 99/06, s. 14 (5).

Preparation and certification of reports

15. (1) Every report required by this Regulation to be submitted to the Superintendent must be prepared and certified by a person who is authorized under section 15 of the General Regulation to prepare reports and certificates under section 14 of the General Regulation. O. Reg. 99/06, s. 15 (1).

(2) A report prepared under this Regulation must satisfy the requirements of the General Regulation, except as otherwise specified by this Regulation. O. Reg. 99/06, s. 15 (2).

(3) In the preparation of any report required under this Regulation, other than the preparation of the appendix to a final report, the following are not permitted:

1. The use of an averaging method that stabilizes short-term fluctuations in the market value of the plan assets in the calculation of a “solvency asset adjustment”, as that term is defined in subsection 1 (2) of the General Regulation, in a solvency valuation.
2. The use of an averaging method to determine the value of going concern assets for the purposes of a going concern valuation. O. Reg. 99/06, s. 15 (3).

(4) All reports submitted under this Regulation for a pension plan, other than the appendix to a final report, must be prepared using actuarial methods that are consistent with those used in the initial report submitted under section 10 for the plan. O. Reg. 99/06, s. 15 (4).

(5) Where this Regulation specifies that a report for a participating pension plan (the “reporting plan”) must include information about another pension plan, the administrator of the reporting plan is not required to include the information about the other plan if, despite the administrator’s best efforts to obtain it, that information is not available to the administrator when the report is due. O. Reg. 99/06, s. 15 (5).

GENERAL

Exemptions from Act provisions

16. (1) An employer is exempt, in respect of a participating pension plan, from subsections 57 (3) and (4) of the Act, except with respect to contributions required under section 7 of this Regulation and, on or before the effective date of the wind up of the participating pension plan, with respect to contributions required under sections 4, 5 and 6 of this Regulation. O. Reg. 99/06, s. 16 (1).

(2) A person who is required to make a contribution on behalf of an employer does not, solely by virtue of making such a contribution, become subject to any other obligations of an employer under the Act or the General Regulation. O. Reg. 99/06, s. 16 (2).

Exemptions from General Regulation provisions

17. A participating pension plan is exempt from the following provisions of the General Regulation until the day that is the earlier of May 1, 2016 or the day on which the plan ceases to be a participating pension plan:

1. Subsections 4 (1) to (4).

2. Sections 7 and 12.
3. Section 14, except where otherwise provided in this Regulation. O. Reg. 99/06, s. 17.

Access to reports and other information

18. (1) The administrator of a participating pension plan shall make the following reports and information available to the administrator of every other participating pension plan, to every employer who contributes to any of the participating pension plans and to every person required to make contributions to such a plan on behalf of the employer:

1. Every report submitted to the Superintendent under this Regulation in respect of the plan.
2. Every amendment to the plan.
3. Every notice of proposal issued by the Superintendent under the Act in respect of the plan. O. Reg. 99/06, s. 18 (1).

(2) The reports and information referred to in subsection (1) must be made available within 60 days of their filing or issuance, as the case may be. O. Reg. 99/06, s. 18 (2).

Payments based on estimates

19. (1) If an employer or a person required to make contributions on behalf of an employer is required to make a payment for a month under this Regulation before a report containing information necessary to calculate the amount of the payment is submitted to the Superintendent, the employer or person shall make the payment based upon estimates made in accordance with this section. O. Reg. 99/06, s. 19 (1).

(2) If a payment based upon estimates is higher than the payment calculated using the correct information contained in the report submitted to the Superintendent, the employer or a person required to make contributions on behalf of the employer shall give written notice of the difference to the Superintendent within 90 days after the applicable report is submitted to the Superintendent and, after giving the notice to the Superintendent, the employer or person required to make contributions on behalf of the employer is permitted,

(a) to deduct the difference from a subsequent payment or payments into the pension fund; or

(b) to apply for the consent of the Superintendent under subsection 78 (4) of the Act to withdraw the difference. O. Reg. 99/06, s. 19 (2).

(3) If a payment based upon estimates is lower than the amount required by the report submitted to the Superintendent, the employer or person required to make contributions on behalf of the employer shall pay the difference into the pension fund within 90 days after the applicable report is submitted to the Superintendent. O. Reg. 99/06, s. 19 (3).

(4) Any estimate must be based on the applicable corresponding information that is set out in the most recent prior report submitted to the Superintendent under this Regulation or under section 14 of the General Regulation, whichever applies in the circumstances. O. Reg. 99/06, s. 19 (4).

(5) Subsection (4) does not apply with respect to a payment required by section 3 for a participating pension plan and, for the purposes of such a payment, any estimate must be based on the preliminary actuarial valuations as of December 31, 2005 for the participating pension plans that have been prepared by the actuary for the plan. O. Reg. 99/06, s. 19 (5).

Restriction on payments during wind up

20. (1) If a participating pension plan is being wound up in whole or in part, the administrator is not permitted to transfer funds from the pension fund of the pension plan for any of the following purposes until the solvency assets in respect of the members and former members who are affected by the wind up are at least equal to the solvency liabilities in respect of the same members and former members:

1. To purchase a life annuity for any person who is entitled to any of the affected benefits.
2. To pay to the pension fund related to another pension plan any portion of the commuted value of a pension or deferred pension in respect of a person who is entitled to any of the affected benefits.
3. To pay into a retirement savings arrangements prescribed for the purposes of clause 42 (1) (b) of the Act any portion of the commuted value of a deferred pension in respect of a person who is entitled to any of the affected benefits. O. Reg. 99/06, s. 20 (1).

(2) In subsection (1),

"affected benefits" means the original benefits payable to a member or former member who is affected by the wind up, any benefit improvements payable to a member or former member who is affected by the wind up and any wind up benefits payable to a member or former member who is affected by the wind up. O. Reg. 99/06, s. 20 (2).

21. OMITTED (PROVIDES FOR THE REVOCATION OF THIS REGULATION). O. Reg. 99/06, s. 21.

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