

**Publisher's Note**  
**2018 — Release 4**  
Previous release was 2018-3

|                          |
|--------------------------|
| From Your Library:       |
| <input type="checkbox"/> |
| _____                    |
| <input type="checkbox"/> |
| _____                    |
| <input type="checkbox"/> |
| _____                    |
| <input type="checkbox"/> |
| _____                    |
| <input type="checkbox"/> |

---

Andrea Boctor and Mariana MacIntosh  
**Pension Benefits Law in Ontario**

Pension Benefits Law in Ontario is an indispensable resource to the understanding and practice of pension law. It provides a comprehensive annotation and analysis of the Ontario Pension Benefits Act and related Regulations. Copies of forms, reciprocal agreements and the Bulletins, Guidelines and Policies are also included. The case law reviewed includes the decisions of the Financial Services Tribunal, plus reported and unreported cases of the trial and appellate courts of Canada. Each provision sets forth a list of terms defined in the Act and Regulations, and the definition sections are cross-referenced with the applicable provisions.

Below is a summary of changes made or proposed to the *Pension Benefits Act* (Ontario) (“**PBA**”), Regulation 909 (General) (the “**Regulations**”) and other regulations made under the PBA, material initiatives of the Ontario government and Financial Services Commission of Ontario (“**FSCO**”), and material cases affecting the PBA for the period from **August 1, 2018**, to **September 30, 2018**, as well as cases affecting pension minimum standards legislation in other Canadian jurisdictions that we think are relevant to the PBA:

---

THOMSON REUTERS CANADA

Customer Support

1-416-609-3800 (Toronto & International)

1-800-387-5164 (Toll Free Canada & U.S.)

Fax 1-416-298-5082 (Toronto)

Fax 1-877-750-9041 (Toll Free Canada Only)

Email [CustomerSupport.LegalTaxCanada@TR.com](mailto:CustomerSupport.LegalTaxCanada@TR.com)

This publisher's note may be scanned electronically and photocopied for the purpose of circulating copies within your organization.

## FSCO Policies and Forms

- **Updated: Form 4.1 - Waiver of Survivor's Benefit from an Ontario Locked-in Account (LIRA, LIF or LRIF)**

On August 10, 2018, FSCO released an updated Form 4.1. This form must be used by the spouse of the owner of an Ontario locked-in account to waive his or her right to receive a survivor's benefit.

- **Revisions to Form 9 - Actuarial Information Summary (AIS)**

On September 6, 2018, FSCO announced that it will be revising the AIS in response to the new funding regime set out in Regulation 250/18, in collaboration with the Canada Revenue Agency.

FSCO also announced that the existing AIS on the Pension Services Portal remains effective until the new AIS is released. Frequently Asked Questions will follow.

## Highlights of the Report

- **Include:**
  - the median going concern funded ratio improved for the fifth consecutive year to reach 111% as at December 31, 2017;
  - the percentage of underfunded plans on a going concern basis decreased to 22% from 30% in the 2016 Report;
  - the projected median solvency ratio improved to 96% as at December 31, 2017 versus 91% as at December 31, 2016;
  - while there was no significant change to the overall allocation between fixed and nonfixed income, alternative assets as a proportion of the asset mix of pension funds grew to 8.4% from 7% as reported in the 2016 Report; and
  - larger pension funds tended to allocate more assets to real estate and alternative investments, and less to bonds and equity - on average, pension funds with over \$1 billion in assets invested 15.7% in real estate and alternative investments combined (compared to an average allocation of 10.5% for all plans combined).

- ***2018 Funding Reform***

On August 29, 2018, FSCO published a chart to illustrate the rules applicable to five different scenarios (based on valuation and filing dates) regarding the ability to take contribution holidays and whether plan surpluses can be used to pay Pension Benefit Guarantee Fund (PBGF) assessments. The chart is in response to the new funding regime, set out in section 55.1 of the PBA and Regulation 250/18 (which amends Regulation 909), which came into effect on May 1, 2018.

