

Caution:

This consultation draft is intended to facilitate dialogue concerning its contents. Should the decision be made to proceed with the proposal, the comments received during consultation will be considered during the final preparation of the regulation. The content, structure, form and wording of the consultation draft are subject to change as a result of the consultation process and as a result of review, editing and correction by the Office of Legislative Counsel.

CONSULTATION DRAFT

ONTARIO REGULATION

to be made under the

PENSION BENEFITS ACT

Amending Reg. 909 of R.R.O. 1990

(GENERAL)

1. Subsection 14 (4.2) of Regulation 909 of the Revised Regulations of Ontario, 1990 is revoked and the following substituted:

(4.2) The following rules apply with respect to jointly sponsored pension plans listed in subsection 1.3.1 (3):

1. Subsections (2) and (3) do not apply.
2. If a report filed under this section or submitted under section 4 indicates that the ratio of the pension plan's going concern assets to its going concern liabilities is less than 0.9, the next report under this section in respect of the plan shall be prepared and certified with a valuation date that is not more than one year after the valuation date of the report that was filed or submitted.
3. For the purposes of paragraph 2, the value of a pension plan's going concern assets is the sum of the following:
 - i. The market value of investments held by the plan plus any cash balances of the plan and accrued or receivable income items of the plan.
 - ii. An amount, which may be zero, positive or negative, by which the market value of the plan's assets described in subparagraph i is adjusted as the result of applying an averaging method that is consistent with the averaging method that was applied to determine the value of the plan's going concern assets for the going concern valuation in the report.

4. For the purposes of paragraph 2, the value of a pension plan's going concern liabilities is the present value of the accrued benefits of the pension plan determined on the basis of a going concern valuation using a benefit allocation method and actuarial assumptions that are consistent with the actuarial assumptions on which the going concern valuation in the report was based.
5. For the purposes of paragraph 2, the going concern liabilities of a plan may exclude liabilities in respect of future escalated adjustments that are discretionary or conditional as set out in the terms of the plan.

(4.3) Paragraphs 2 to 5 of subsection (4.2) do not apply with respect to a report with a valuation date on or before December 31, 2025 that is filed under this section or submitted under section 4 by a jointly sponsored pension plan listed in subsection 1.3.1 (3).

2. Section 40 of the Regulation is amended by adding the following subsection:

(2.2) Subclauses (1) (p) (v), (v.1) and (vi) do not apply with respect to a jointly sponsored pension plan listed in subsection 1.3.1 (3).

3. Section 40.1 of the Regulation is amended by adding the following subsection:

(3.2) Clause (1) (m) does not apply with respect to a jointly sponsored pension plan listed in subsection 1.3.1 (3).

4. Section 40.2 of the Regulation is amended by adding the following subsection:

(3.2) Clause (1) (l) does not apply with respect to a jointly sponsored pension plan listed in subsection 1.3.1 (3).

5. Section 1 of Ontario Regulation 320/23 is revoked.

Commencement

6. [Commencement]