



Proposed Changes to Instruction Guide – Termination of a Defined Benefit Pension Plan

Date: January 20, 2020

OSFI is issuing draft revisions to the Instruction Guide for the Termination of a Defined Benefit Pension Plan (the Instruction Guide). The Instruction Guide, last issued in 2016, sets out the filing and reporting requirements for a defined benefit pension plan that has terminated, in whole or in part, under the *Pension Benefits Standards Act, 1985* (PBSA). These requirements also apply to plans with both a defined benefit and a defined contribution component.

Revisions reflect amendments to the *Assessment of Pension Plans Regulations* that came into effect April 1, 2019 and remove references to pre 2016 PBSA requirements regarding information for members and former members. Revisions also include further details on OSFI's expectations regarding the following:

- Plans that include benefits subject to provincial pension legislation
- Timing expectations for solvency deficit amortization payments and how any overpayment of an employer's contribution towards a solvency deficit is treated under the PBSA on plan termination
- Underfunded negotiated contribution plans or plans with insolvent employers
- Pension benefit and pension benefit credit calculation dates for former members
- Refunds of surplus to members and former members or the employer
- Members and former members who cannot be located

Questions and comments concerning these changes may be sent to Sylvia Bartlett, Manager of the Policy Team in the Private Pension Plans Division, by email at sylvia.bartlett@osfi-bsif.gc.ca. OSFI will post a non-attributed summary of stakeholder comments and OSFI's responses when the final version of the Instruction Guide is released. Comments should be provided no later than February 28, 2020 (or March 31st depending on posting date).

New applications may be submitted using the draft Instruction Guide and accompanying form until they are replaced by finalized versions.

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