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SECTION: Pension Benefits Guarantee Fund (PBGF)  
INDEX NO.: P200-160  
TITLE: Assessment As An Administrative Expense  
- O. Reg. 708/87 s. 33  
APPROVED BY: The Superintendent of Pensions  
PUBLISHED: Bulletin 2/4 (February 1992), page 11  
EFFECTIVE DATE: When Published. (Formerly P200-850) [No longer applicable - Feb. 2000]

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*Taken from the "Your Questions Answered" column published in the PCO Bulletin. Please see the disclaimer at the beginning of the directory.*

**Can the annual assessment for the PBGF be paid from the pension fund as an administrative expense? What happens if the employer is insolvent and the PBGF assessment is outstanding?**

No. Section 33 of the Regulation specifically states that the employer shall pay the PBGF assessment; it is not an administrative expense. In the event of an insolvency the outstanding PBGF assessment would constitute a claim against the employer company.

*(This policy was previously catalogued as P200-850). Amendments to the Regulations in 1992 have affected this answer. Please refer to s. 7 of Regulation 909 for more recent information relating to payment of the annual PBGF assessment from the plan fund.*