

FSRAFinancial Services Regulatory
Authority of Ontario

Ontario

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February 11, 2021

Attn: Brian Lavarnway
Brian.Lavarnway@thecrosbygroup.com
Chief Accounting Officer / Corporate Controller
The Crosby Group
2600 N. Cenral Expressway
Richardson TX 75080 USA

and

Attn: Jennifer Agnew
Jennifer.Agnew@bmkplaw.com
BMKP Law
Richmond-Adelaide Centre, Box 17
130 Adelaide Street West, Suite 1005
Toronto ON M5H 3P5 CANADA**Re: FKI Industries Canada Limited Group Pension Plan
Registration Number 0561084**

Enclosed, please find the Notice of Intended Decision with respect to the above noted pension plan.

Yours truly,

Mitzi D'Souza
Administrative Assistant, Pensions

Enclosure

C: Anne Moloney, Financial Services Regulatory Authority of Ontario

IN THE MATTER OF the *Pension Benefits Act*, R.S.O. 1990, c. P.8 (the “Act”), in particular subsections 78(1) and 79(3.1);

AND IN THE MATTER OF FKI Industries Canada Limited Group Pension Plan, Registration Number 0561084 (the “Plan”).

NOTICE OF INTENDED DECISION

TO: The Crosby Group
2600 N. Central Expressway
Richardson, TX 75080
U.S.A.

Attention: Brian Lavarney
Chief Accounting Officer/Corporate Controller

Employer & Applicant

AND TO: Jennifer Agnew
BMPK Law
Richmond-Adelaide Centre, Box 17
130 Adelaide Street West, Suite 1005
Toronto ON M5H 3P5

Legal Counsel for the Applicant

TAKE NOTICE THAT pursuant to subsection 78(1) of the Act, and by delegated authority from the Chief Executive Officer of the Financial Services Regulatory Authority of Ontario (the “Chief Executive Officer”), the Head, Pension Plan Operations and Regulatory Effectiveness (the “Head”), intends to make an order to consent to the payment of surplus in respect of the Plan to Crosby Canada Inc., in the amount of \$1,024,200 as at July 31, 2019, plus investment earnings thereon to the date of payment and less expenses. Details of this intended decision are described below.

SI VOUS DÉSIREZ RECEVOIR CET AVIS EN FRANÇAIS, veuillez nous envoyer votre demande par courriel immédiatement à: contactcentre@fsrao.ca.

YOU ARE ENTITLED TO A HEARING BY THE FINANCIAL SERVICES TRIBUNAL (THE “TRIBUNAL”) PURSUANT TO SUBSECTION 89(6) OF THE ACT. A hearing by the Tribunal about this Notice of Intended Decision may be requested by completing the enclosed Request for Hearing Form (Form 1) and delivering it to the Tribunal within thirty (30) days after this Notice of Intended Decision is served on you. The Request for Hearing Form (Form 1) must be mailed, delivered, faxed or emailed to:

Address: Financial Services Tribunal
5160 Yonge Street
14th Floor, Box 85
Toronto ON M2N 6L9

Attention: Registrar

Fax: 416-226-7750

Email: contact@fstontario.ca

TAKE NOTICE THAT if you do not deliver a written request for a hearing to the Tribunal within thirty (30) days after this Notice of Intended Decision is served on you, an order will be issued as described in this Notice of Intended Decision.

For additional copies of the Request for Hearing Form (Form 1), visit the Tribunal's website at www.fstontario.ca.

The hearing before the Tribunal will proceed in accordance with the *Rules of Practice and Procedure for Proceedings before the Financial Services Tribunal* ("Rules") made under the authority of the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22. The Rules are available at the website of the Tribunal: www.fstontario.ca. Alternatively, a copy can be obtained by telephoning the Registrar of the Tribunal at (416) 590-7294, or toll free at 1-800-668-0128 extension 7294.

REASONS FOR INTENDED DECISION

1. Crosby Canada Inc. is the employer and administrator as defined in the Plan (the "Employer").
2. The Employer partially wound up the Plan on April 28, 1990, because of the closure of the ACCO-Canadian Material Handling manufacturing division.
3. The Plan was fully wound up on December 31, 2012.
4. The Employer's application ('Application') discloses that a Surplus Sharing Agreement ("SSA") has been entered into between the Employer and the ACCO Surplus Sharing Group. The ACCO Surplus Sharing Group is defined in the Application as the twenty-one (21) members, and each member is either:
 - One of the twenty one (21) individuals who were active members of the Plan as of the ACCO Partial Wind Up, being April 28, 1990 (the "ACCO Partial Wind-Up Date), or
 - A surviving spouse or the estate of such individual

5. The Plan's actuary (Willis Towers Watson (WTW)) prepared an updated wind-up report for ACCO Partial Wind Up on April 29, 2016, which indicated that ACCO Surplus was \$1,329,100 as of December 31, 2015. WTW further established that the ACCO Surplus was \$1,365,600 as at July 31, 2019.
6. As indicated in the Application, the surplus in the Plan as at July 31, 2019, is to be distributed as follows:
 - (a) 75% to the Employer; and
 - (b) 25% to the ACCO Surplus Sharing Group, subject to a minimum payment of \$1,200
7. As indicated in the Application, the total surplus assets available for distribution, as of July 31, 2019, is \$1,365,600. The surplus payable to the Employer in accordance with the SSA is estimated to be \$1,024,200 and \$341,400 to the ACCO Surplus Sharing Group as of July 31, 2019.
8. The Employer has applied, pursuant to paragraph 77.11(7)3, section 78 and subsection 79(3.1) of the Act for consent to the payment of the surplus of \$1,024,200 as at July 31, 2019, plus investment earnings thereon to the date of payment and less expenses.
9. The Application appears to comply with paragraph 77.11(7)3, section 78, subsection 79(3.1) and all other applicable requirements under the Act and Regulation 909, R.R.O. 1990, as amended.
10. Such further and other reasons as may come to my attention.

DATED at Toronto, Ontario, February 11, 2021.



Jennifer Rook
Head, Pension Plan Operations and Regulatory Effectiveness

By delegated authority from the Chief Executive Officer