

Disclaimer

This is a reproduction of a NOID as issued and is provided for reference purposes only. In the event of an inconsistency, the NOID as issued takes precedence over this reproduction.

Superintendent of
Financial
Services



Surintendant des
services
financiers

IN THE MATTER OF the Pension Benefits Act, R.S.O. 1990, c. P.8, as amended (the “PBA”);

AND IN THE MATTER OF a Notice of Intended Decision of the Superintendent of Financial Services (“Superintendent”) to consent, under section 80.4 of the PBA, to the conversion and transfer of assets from the Pension Plan for Employees of Kitchener-Waterloo Hospital, Registration Number 0266841 (herein referred to as the “SEPP”) to the Healthcare of Ontario Pension Plan (“HOOPP”), Registration Number 0346007 (herein also referred to as the “JSPP”).

TO:

**Grand River Hospital Corporation
835 King Street West
Kitchener ON N2G 1G3**

Attention:

**Jennifer O’Brien
Vice-President, Human Resources**

Applicant and Employer

AND TO:

**Healthcare of Ontario Pension Plan
1 York Street, Suite 1900
Toronto ON M5J 0B6**

Attention:

**Ms. Rachel Arbour
Assistant Vice President, Plan Services, HOOPP**

Plan Administrator

NOTICE OF INTENDED DECISION

I INTEND TO CONSENT, under section 80.4 of the PBA, to the conversion and transfer of assets from the SEPP to the JSPP in accordance with the application of the Grand River Hospital Corporation filed on October 24, 2018, with additional materials submitted on November 2, 2018, December 17, 2018, January 24, 2019, and February 1, 2019, (the “Application”).

Si vous désirez recevoir cet avis en français, veuillez envoyer votre demande immédiatement à: Adjointe, audiences, Greffe, Commission des services financiers de l'Ontario, 5160 rue Yonge, boîte 85, Toronto ON M2N 6L9.

YOU ARE ENTITLED TO A HEARING by the Financial Services Tribunal (the "Tribunal") pursuant to section 89(6) of the PBA. **A hearing before the Tribunal about this Notice of Intended Decision may be requested by completing the enclosed Request for Hearing (Form 1) and submitting it to the Tribunal within 30 days after this Notice of Intended Decision is served on you.**¹ **A copy of that form is included with this Notice of Intended Decision.** Additional copies can be obtained by visiting the Tribunal's website at www.fstontario.ca.

If a Request for Hearing (Form 1) is submitted to the Tribunal within 30 days after this Notice of Intended Decision is served on you, sections 89(8) and 89(9) of the PBA provide that the Tribunal shall appoint a time for and hold a hearing, and by order may direct the Superintendent to make or refrain from making the intended decision indicated in this notice and to take such action as the Tribunal considers the Superintendent ought to take in accordance with the PBA and the regulations, and for such purposes, the Tribunal may substitute its opinion for that of the Superintendent.

IF NO WRITTEN REQUEST FOR A HEARING IS MADE within 30 days after this Notice is served on you, TAKE NOTICE THAT, provided that the required amendment to the JSPP has been adopted and filed as set out herein, the Superintendent will make the intended decision pursuant to section 89(7) of the PBA.

A completed Request for Hearing form must be received by the Tribunal within 30 days after this Notice is served on you. The Request for Hearing form may be mailed, faxed or delivered to:

Financial Services Tribunal
5160 Yonge Street
14th Floor
Toronto, Ontario
M2N 6L9

Attention: The Registrar
Fax: 416-226-7750

The hearing before the Tribunal will proceed in accordance with the Rules of Practice and Procedure for Proceedings before the Financial Services Tribunal made under the authority of the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22. Those Rules are available at the website of the Tribunal at: 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 ext. 7294.

REASONS FOR INTENDED DECISION:

1. The Grand River Hospital Corporation is the employer, sponsor and administrator of the SEPP, which is a public sector single employer pension plan that qualifies for a conversion and transfer of assets under section 80.4(1) of the PBA. HOOPP is a jointly sponsored pension plan that is sponsored and administered by the Board of Trustees of the Healthcare of Ontario Pension Plan.

2. October 24, 2018, the Grand River Hospital Corporation filed an application under section 80.4 of the PBA for the Superintendent's approval of a proposed conversion and transfer of assets from the SEPP to the JSPP.
3. The effective date of the proposed transfer of assets is June 1, 2019.
4. On January 24, 2019, and February 1, 2019, the Grand River Hospital Corporation responded in writing to the Superintendent's request for additional information regarding the Application. On November 2, 2018, and December 17, 2018, the Grand River Hospital Corporation submitted additional materials to supplement the Application. These materials included an updated copy of the restated plan text that was approved by the Grand River Hospital Board of Directors on November 27, 2018, certified copies of each type of supplementary disclosures that were mailed to the SEPP plan members, former members and certain applicable members who transferred employment to a HOOPP employer due to a previous restructuring of Grand River Hospital, along with certifications confirming the dates that these notices were sent. These supplementary disclosures had no impact on the benefit amounts disclosed in the standard notices.
5. Section 80.4(13) of the PBA provides that the Superintendent shall consent to the conversion and transfer of assets from a single employer pension plan to a jointly sponsored pension plan in accordance with the Application if all of the listed criteria are satisfied. These criteria are set out in section 80.4(13) of the PBA, which states:

80.4 (13) The Superintendent shall consent to the transfer of assets in accordance with the application if all of the following criteria, and such other criteria as may be prescribed, are satisfied:

- 1. Notice of the application for the Superintendent's consent has been given in accordance with this section to the members, former members, retired members and other persons entitled to benefits under the single employer pension plan and to any trade union that represents members of the plan.*
- 2. The employer of the single employer pension plan and the sponsors of the jointly sponsored pension plan have entered into an agreement with respect to the proposed transfer of assets.*
- 3. Notice of the proposed conversion of the pension plan and transfer of assets has been given in accordance with this section to the members, former members, retired members and other persons entitled to benefits under the plan, to any trade union that represents members of the plan and to the Superintendent.*
- 4. Consent to the proposed conversion and transfer of assets has been given or is deemed to have been given, in accordance with this section, by the members, former members, retired members and other persons entitled to benefits under the plan.*
- 5. As of the effective date of the transfer, the employer is a participating employer under the jointly sponsored pension plan.*
- 6. As of the effective date of the transfer, the transferred members and other transferees cease to be entitled to benefits under the single employer pension plan and they are entitled to benefits under the jointly sponsored pension plan.*

7. *As of the effective date of the transfer, the commuted value of the pension benefits provided under the jointly sponsored pension plan for the transferred members is not less than the commuted value of their pension benefits under the single employer pension plan, as adjusted for any payments made from the single employer pension plan to a prescribed retirement savings arrangement or made directly to the transferred members in connection with the transfer of assets.*
 8. *As of the effective date of the transfer, the pension benefits provided under the jointly sponsored pension plan for the other transferees are, at a minimum, the same as the pension benefits provided for them under the single employer pension plan.*
 9. *As of the effective date of the transfer, every transferred member is entitled to credit in the jointly sponsored pension plan for the period of his or her membership in the single employer pension plan for the purpose of determining eligibility for membership in, or entitlement to benefits under, the jointly sponsored pension plan.*
6. The Superintendent is satisfied that the following statutory criteria have been met:
1. Notice of the Application for the Superintendent's consent was provided in accordance with section 80.4(13)1;
 2. The Grand River Hospital Corporation and the Board of Trustees of HOOPP entered into an agreement with respect to the proposed conversion and transfer of assets on May 8, 2018, thereby satisfying the criterion in section 80.4(13)2;
 3. Notices providing information on the proposed conversion and transfer of assets have been given in accordance with section 80.4(13)3;
 4. Consent to the proposed conversion and transfer of assets has been given in accordance with section 80.4(13)4; and
 5. The Grand River Hospital Corporation is a partially participating employer in the JSPP in respect of certain of its other employees. As of the effective date of the transfer, the Grand River Hospital Corporation will fully participate in the JSPP in accordance with section 80.4(13)5.
7. The SEPP filed amendments subsequent to the filing of the Application, and the JSPP had previously filed an amendment that partially satisfied the requirements of Schedule 10 of Ontario Regulation 311/15. In order for the Superintendent to be satisfied that the criterion under paragraphs 6, 7, 8 and 9 of section 80.4(13) have been met, the following must be satisfied:
- The JSPP must file with the Superintendent the text of the SEPP in effect immediately prior to the June 1, 2019, transfer effective date, as a document that supports the benefits payable from the JSPP.
8. Once the SEPP text is filed for the JSPP as set out in paragraph 7 above, the criteria for the Superintendent's consent under paragraphs 6, 7, 8 and 9 of section 80.4(13) of the PBA will be met.
9. Such further and other reasons as may come to my attention.

DATED at Toronto, Ontario, this 1st day of March, 2019.

Original Signed By

Lester J. Wong
Deputy Superintendent, Pensions
By delegated authority from the
Superintendent of Financial Services

COPY:

Mr. W. Randy Colbert
Senior Director
Willis Towers Watson
175 Bloor Street East, South Tower
Suite 1701
Toronto ON M4W 3T6

1 *NOTE - Pursuant to section 112 of the PBA any Notice, Order or other document is sufficiently given, served or delivered if delivered personally or sent by regular mail and any document sent by regular mail shall be deemed to be given, served or delivered on the fifth day after the date of mailing.*

© Queen's Printer for Ontario, 2019