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Drug Trading Company Limited Pension Plan for Salaried Employees - January 8, 2009.

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 Proposal by the Superintendent of Financial Services to make an Order under section 78(1) of the *PBA* consenting to a payment out of the **Drug Trading Company Limited Pension Plan for Salaried Employees** (the Plan), Registration Number **0575993**.

TO:

Drug Trading Company Limited

5965 Coopers Avenue
Mississauga, ON L4Z 1R9

Attention:

Eugene Gidaro
Vice President, Finance

Applicant and Employer

NOTICE OF PROPOSAL

I PROPOSE TO MAKE AN ORDER under section 78(1) of the *PBA*, consenting to the payment out of Drug Trading Company Limited Pension Plan for Salaried Employees, Registration Number 0575993 to **Drug Trading Company Limited**, in the amount of \$75,129 as at April 30, 2005 plus adjustments to the actual date of payment.

I PROPOSE TO MAKE THIS ORDER effective only after the Applicant satisfies me that payment to members, pursuant to the Surplus Distribution Agreement set out in paragraph 5. below, has been made or otherwise provided for.

I PROPOSE TO MAKE THIS ORDER FOR THE FOLLOWING REASONS:

1. Drug Trading Company Limited is the employer as defined in the Plan.
2. The Plan was partially wound up effective March 31, 1998.
3. As at April 30, 2005 the surplus in the Plan related to the partial wind up was estimated at \$909,453.
4. The Plan provides for payment of surplus to the Employer on wind up of the Plan.
5. The application discloses that by written agreement made by the Employer, and 67% of the affected Ontario Participants as defined in the Surplus Distribution Agreement, the surplus

related to the affected Ontario participants (the Ontario Surplus) in the Plan at the date of payment, after adjustment for investment earnings and expenses, is to be distributed:

- a) 75% to the Employer; and
 - b) 25% to the affected Ontario Participants.
6. The Employer has applied, pursuant to section 78 of the *PBA*, and section 8(1)(b) of Regulation 909, R.R.O.1990 (Regulation), for consent of the Superintendent of Financial Services to the payment of 75% of the Ontario Surplus to be distributed from the Plan, adjusted for investment earnings thereon to the date of payment and further adjusted for legal, actuarial and administrative expenses in respect of the pension plan, the surplus sharing agreement, and the application.
7. The application appears to comply with sections 78, 79(3)(a) and (b) of the *PBA* and with sections 8(1)(b), 28(5), 28(5.1) and 28(6) of the Regulation.
8. Such further and other reasons as come to my attention.

YOU ARE ENTITLED TO A HEARING by the Financial Services Tribunal (the "Tribunal") pursuant to section 89(6) of the *PBA*. **To request a hearing, you must deliver to the Tribunal a written notice that you require a hearing, within thirty (30) days after this Notice of Proposal is served on you.***

YOUR WRITTEN NOTICE must be delivered to:

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

Attention: The Registrar

FOR FURTHER INFORMATION on a Form for the written notice, please see the Tribunal website at www.fstontario.ca **or** contact the Registrar of the Tribunal by phone at 416- 590-7294, toll free at 1-800-668-0128, ext. 7294, or by fax at 416-226-7750.

IF YOU FAIL TO REQUEST A HEARING WITHIN THIRTY (30) DAYS, I MAY CARRY OUT THE PROPOSAL AS DESCRIBED IN THIS NOTICE.

DATED at Toronto, Ontario, this 8th day of January, 2009

K. David Gordon
Deputy Superintendent, Pensions

Copy: Ms. Natasha Monkman, Hicks Morley
Ms. Lesa MacDonald, Koskie Minsky

* **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 seventh day after the date of mailing.