



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 to consent under section 78(1) of the
PBA relating to the payment out of the pension fund for The Canada Life
Canadian Employees' Pension Plan, Registration Number 0354563.

NOTICE OF INTENDED DECISION

TO: The Canada Life Assurance Company
c/o London Life Insurance Company
255 Dufferin Avenue
London ON N6A 4K1

Attention: Cathy MacDonald
Director, Corporate Benefits Financial Management

Applicant and Employer

I INTEND TO MAKE AN ORDER CONSENTING to the surplus withdrawal application
(the "Application") filed by The Canada Life Assurance Company in respect of The
Canada Life Canadian Employees' Pension Plan, Registration Number 0354563, (the
"Plan") under section 78(1) of the *PBA*.

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.

I INTEND TO CONSENT effective only after the Applicant satisfies me that any
payments pursuant to the Surplus Sharing Agreement to which the members, former
members and any other persons are entitled, and any other payments to which the
members, former members and any other persons are entitled, have been paid,
purchased, or otherwise provided for.

I INTEND TO CONSENT FOR THE FOLLOWING REASONS:

1. The Canada Life Assurance Company is the employer and administrator as defined in the Plan (the "Employer").
2. The Plan was wound up, in part, effective at the following dates:
 - March 1, 1999 – Indago Capital Management Inc. (Indago partial wind up)
 - February 28, 2001 – Pelican Food Services Limited (Pelican partial wind up)
 - February 28, 2001 – Adason Properties Limited (Adason partial wind up)
 - June 30, 2005 – Workforce integration (Integrated partial wind up)
3. As indicated in the "Report on the Updated Financial Positions for the June 30, 2005, Indago, Pelican Foods and Adason Partial Wind-ups and the Transfer of the Remaining Liabilities of the Indago, Pelican Foods and Adason Partial Wind-ups to the Ongoing Portion of the Plan as at August 31, 2014" (the "Report"), the amount of surplus in the Plan in relation to the four partial wind ups was estimated to be \$24,286,000, as follows:
 - March 1, 1999 - Indago partial wind up - \$1,483,000
 - February 1, 2001- Pelican partial wind up - \$3,783,000
 - February 1, 2001 - Adason partial wind up - \$8,428,000
 - June 30, 2005 - Integrated partial wind up - \$10,592,000
4. The Application discloses that by a revised Surplus Sharing Agreement (the 'Agreement'), approved by the Ontario Superior Court on January 21, 2014, between:
 - (a) the Employer
and
 - (b) a percentage of the members affected by the four partial wind ups (the "PWU Members") and include spouses, beneficiaries or estates as applicable, of any deceased PWU Members, as indicated below:
 - March 1, 1999 - Indago partial wind up - 80%
 - February 1, 2001- Pelican partial wind up - 89%
 - February 1, 2001 - Adason partial wind up - 97%
 - June 30, 2005 - Integrated partial wind up - 84%

the surplus in the Plan related to the partial wind ups to be distributed at the date of payment, after deduction of expenses as follows:

- (a) 30.34% to the Employer;
- (b) 57.22% to the PWU Members; and
- (c) 12.44% to those individuals in receipt of a monthly pension from the Plan

on April 12, 2005 (whether as a former member of the Plan or as the surviving spouse of a former member) as well as individuals entitled to a deferred vested pension under the Plan on that date, provided they have consented to the settlement and not opted out of the Class Action as defined as Non-PWU members in the Agreement.

5. The Employer has applied, pursuant to section 78 of the *PBA*, for consent of the Superintendent of Financial Services to the payment of 30.34% (or approximately \$7.4 million) of the surplus to be distributed from the Plan adjusted for the applicable portion of the investment returns and actual expenses, plus adjustments to the actual date of payment.
6. The application appears to comply with sections 77.11(7)3, 78, 79(3.1) and all other applicable requirements under the *PBA* and Regulation 909, R.R.O 1990, as amended.
7. 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*. **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, subsections 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 of Financial Services (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.

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.

IF NO WRITTEN REQUEST FOR A HEARING IS MADE within 30 days after this Notice is served on you, TAKE NOTICE THAT the Superintendent will carry out the INTENDED DECISION AS DESCRIBED IN THIS NOTICE pursuant to section 78(1) 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. They may be mailed, faxed, or delivered to:

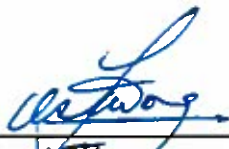
Financial Services Tribunal
5160 Yonge Street
14th Floor
Toronto, Ontario
M2N 6L9

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: 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.

DATED at Toronto, Ontario, this *17th* day of July, 2015.



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

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