



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

AND IN THE MATTER OF an Order of the Superintendent of Financial
Services under section 98 of the *PBA* relating to the **Canada Valve Pension
Plan for Hourly Employees**, Registration Number C-4761

TO: **The Toronto-Dominion Bank Group**
 c/o Legal Department
 66 Wellington Street West
 TD Bank Tower, 12th floor
 Toronto ON M5K 1A2

Attention: **Alvin Lampert**
 Senior Counsel

ORDER

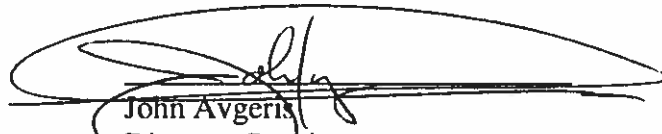
THE SUPERINTENDENT OF FINANCIAL SERVICES BY ORDER requires you to provide the information set out in this Order relating to the Canada Valve Pension Plan for Hourly Employees, Registration Number C-4761 (the “Plan”) to the Superintendent of Financial Services within 30 days from the date of this Order.

THE PURPOSE OF THIS ORDER is to enable the Superintendent of Financial Services to ascertain whether the *PBA* and the Regulations are being complied with, pursuant to section 98 of the *PBA*.

THE FOLLOWING INFORMATION IS REQUIRED TO BE PROVIDED WITHIN THIRTY (30) DAYS FROM THE DATE THIS ORDER IS SERVED ON YOU: all information and documents relating to Konstantinos Vagelis, a former member of the Plan, regarding his pension entitlement from the Plan and the transfer of funds from the Plan relating to his pension entitlement.

THE REASONS FOR THIS ORDER are affixed as an appendix.

DATED at Toronto, Ontario, this 4th day of November, 2014.


John Avgeris
Director, Pensions
By delegated authority from the
Superintendent of Financial Services

APPENDIX

REASONS:

1. Canada Valve Limited ("Canada Valve") was the employer and administrator of the Plan.
2. Konstantinos Vagelis ("Mr. Vagelis") was a member of the Plan until his part of the Plan was discontinued on or about February 9, 1979. Mr. Vagelis received a letter from Canada Valve's agent Executive Compensation Consultants Limited ("EEC") at that time stating that he was entitled to a deferred pension from the Plan.
3. The Plan was wound up effective October 2, 1982.
4. Guaranty Trust Company of Canada ("Guaranty") was amalgamated with three other trust companies to form Central Guaranty Trust Company effective December 31, 1988. Guaranty was the trustee for the Plan at the time it was wound up. Guaranty transferred funds from the Plan to The Empire Life Insurance Company ("Empire Life") in order to purchase annuities for the members and former members affected by the wind up.
5. Empire Life has advised the Superintendent of Financial Services (the "Superintendent") that although Mr. Vagelis' name was initially on the list of members and former members affected by the wind up for whom annuities were to be purchased that Empire Life received from EEC on or about September 30, 1982, Mr. Vagelis' amount was crossed out and the initials "NPW" (not proceeded with) appear beside his name. Empire Life has no other records relating to Mr. Vagelis.
6. Mr. Vagelis died on or about September 5, 2011.

7. Mr. Vagelis' widow has contacted the Superintendent to find out if Mr. Vagelis is entitled to any pension payments from the Plan.
8. Canada Valve became insolvent at some point between the wind up of the Plan and December 31, 1992.
9. The Toronto-Dominion Bank ("TD"), purchased the assets, including the trusteeship and agency business, of Central Guaranty Trust Company on or about December 31, 1992.
10. The Superintendent has also made inquiries of Mercer Canada Inc. ("Mercer"), the actuarial firm that prepared the wind up report, and Mueller Canada Inc. ("Mueller"), the company that purchased the business of Canada Valve effective May 31, 1985, as to whether any information exists concerning Mr. Vagelis. Neither Mercer nor Mueller has any such information. Mueller did not assume responsibility for the Plan when it purchased Canada Valve's business.
11. The Superintendent is attempting to determine how Mr. Vagelis' deferred pension was handled on the wind up of the Plan. The Superintendent has made inquiries of TD as the only remaining potential source of information. TD has responded that it has no records, but that Mr. Vagelis must have chosen either a lump sum transfer or a transfer to a registered retirement savings plan.
12. TD purchased the business of Guaranty and should have received all of Guaranty's records relating to the Plan. If Mr. Vagelis was not ultimately on the list for annuities to be purchased from Empire Life, his selection of another option should be on file with TD's purchased assets from Guaranty.
13. The *Pension Benefits Act* in 1982 stated in clause 20(1)(a) that a pension plan shall contractually provide that a member of the plan who has been in the service of the employer for a continuous period of ten years, or has been a member of the plan for such period, whichever occurs first, and who has attained the age of forty-five years, is entitled upon termination of his employment prior to his attaining retirement age, to a deferred life annuity commencing at his normal retirement age equal to the pension benefits provided in respect of service as an employee in Ontario or in a designated province.
14. The *Pension Benefits Act* in 1982 further stated in subsection 21(2) that upon the termination or winding up of a pension plan, the employer was liable to pay all amounts that would otherwise have been required to be paid to meet the tests for solvency prescribed by the regulations to the insurer, administrator or trustee of the pension plan.
15. The *Pension Benefits Act* in 1982 further stated in subsection 26(1) that where a pension plan is wound up, an employee in Ontario who has been in the continuous employment of the employer or has been a member of the pension plan for at least ten years and who has attained the age of 45 years had the right to elect: a deferred pension; an early retirement pension if the plan so provided; the transfer of his pension benefit credit to a pension plan of a new employer if the transfer was accepted by the new employer; or a transfer of the amount of his pension benefit credit to a registered retirement savings plan.

16. Under section 98 of the *PBA*, the Superintendent may require an employer, an administrator, or any other person to provide information for the purpose of enabling the Superintendent to ascertain whether the Act and the regulations are being complied with. The Superintendent requires TD to provide the information specified in the Order to enable the Superintendent to ascertain whether Mr. Vagelis' pension benefits were transferred in accordance with the *PBA* when the Plan was wound up in 1982.
17. Section 109 of the *PBA* states that every person who contravenes the Act, regulations, or an order made under the Act is guilty of an offence.
18. Every person who is guilty of an offence under the *PBA* is, by Section 110, liable on conviction to a fine of not more than \$100,000 for the first conviction and not more than \$200,000 for each subsequent conviction.
19. This Order, excluding the reasons, may be filed in the Superior Court of Justice and upon being filed is enforceable as an order of that court.