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**IN THE MATTER OF** the *Pension Benefits Act*, R.S.O.  
1990, c. P.8 (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, to a payment out of the pension  
fund for the Pension Plan for Employees of Intact and its  
Affiliated Companies (formerly AXA Ex-Citadel Plan),  
Registration Number 0337089.

**TO: Intact Financial Corporation**  
**700 University Avenue, Suite 1500-A**  
**Toronto ON M5G 0A1**

**Attention: Francoise Guenette**  
**SVP Corporate & Legal Service**

**Applicant and Employer**

**AND TO: Alyson Frankie**  
**Hicks Morley Hamilton Stewart Storie LLP**  
**39<sup>th</sup> Floor, Box 371, TD Centre**  
**77 King St. W**  
**Toronto ON M5K 1K8**

**AND TO: Clio M. Godkewitsch**  
**Koskie Minsky LLP**  
**20 Queen Street West**  
**Suite 900, Box 52**  
**Toronto, ON M5H 3R3**

### **NOTICE OF INTENDED DECISION**

**I INTEND TO CONSENT**, under section 78(1) of the *PBA*, to the payment out of the pension fund for the Pension Plan for Employees of Intact and its Affiliated Companies (formerly AXA Ex-Citadel Plan), Registration Number 0337089 (the "Plan"), to **Intact Financial Corporation**, in the amount of \$1,916,900 as at December 31, 2013, plus adjustments to the actual date of payment.

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 thirty (30) days after this Notice of Intended Decision is served on you.**<sup>1</sup>

Additional copies of the enclosed Form 1 can be obtained by visiting the Tribunal's website at [www.fstontario.ca](http://www.fstontario.ca).

**If a Request for Hearing (Form 1) is submitted to the Tribunal within thirty (30) days after this Notice of Intended Decision** is served on you, subsection 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 ("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 thirty (30) days after this Notice is served on you, TAKE NOTICE THAT the Superintendent will carry out the CONSENT pursuant to section 89(7) of the PBA.**

A completed Request for Hearing form must be received by the Tribunal within 30 days of 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 Procedures 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](http://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.

**I INTEND TO MAKE THE CONSENT** effective only after the Applicant satisfies me that that all payments pursuant to the Surplus Sharing Agreement ("SSA") to which the members, former members and any other persons entitled to, set out in paragraph 4 blow have been paid, purchased or otherwise provided for.

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<sup>1</sup> 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.

**I INTEND TO CONSENT FOR THE FOLLOWING REASONS:**

1. **Intact Financial Corporation** is the employer and administrator as defined in the Plan (the "Employer").
2. The Plan was partially wound up effective April 15, 1992.
3. As indicated in the report provided with the Employer's application for payment of surplus as at December 31, 2013, the surplus in the Plan was estimated at \$3,305,000.
4. The application discloses that by written agreement between:
  - (a) the Employer; and
  - (b) 76% of the former members and other persons who are affected by the partial wind up and who are entitled to payments under the Plan as of the date of the partial wind up (which percentage represents a number of former members and other persons entitled to payment under the Plan that the Superintendent considers appropriate in the circumstances);the surplus in the Plan at the date of payment, after deduction of expenses, is to be distributed:
  - (a) 58% to the Employer; and
  - (b) 42% to the beneficiaries of the Plan as defined in the Surplus Sharing Agreement.
5. The Employer has applied, pursuant to sections 77.11(7)3, 78 and 79(3.1) of the PBA, for consent of the Superintendent to the payment of 58% of the surplus to be distributed from the Plan, plus adjustments as agreed to in the SSA, 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 may come to my attention.

**DATED** at Toronto, Ontario, this 11<sup>th</sup> day of March, 2016.



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