



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 of the Superintendent of Financial Services to consent, under section 78(1) of the *PBA*, to a payment out of **The Retirement Plan for the Employees of CaroTrans Canada Ltd.**, Registration Number 0966291.

TO: **CaroTrans Canada Ltd.**
Suite 1600, 1 First Canadian Place
100 King Street West
Toronto ON M5X 1G5

Attention: Catherine Pawluch
Director

Applicant and Employer

NOTICE OF PROPOSAL

I PROPOSE TO CONSENT, under section 78(1) of the *PBA*, to the payment out of The Retirement Plan for the Employees of CaroTrans Canada Ltd., Registration Number 0966291 (the "Plan"), to **CaroTrans Canada Ltd.**, in the amount of \$401,310, as at March 31, 2003, plus adjustments to the actual date of payment.

I PROPOSE TO MAKE THE CONSENT effective only after the Applicant satisfies me that all benefits pursuant to the surplus distribution agreement set out in paragraph 5 below have been paid or otherwise provided for.

REASONS:

1. CaroTrans Canada Ltd. is the employer as defined in the Plan.
2. As at March 31, 2003 surplus in the Plan was estimated at \$445,900.

3. The Plan was wound up, effective March 31, 2003.
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 85% of the former members and other persons entitled to payments from the fund, the surplus in the Plan at the date of payment, after deduction of expenses is to be distributed:
 - a) 90% to the Employer; and
 - b) 10% to the beneficiaries of the Plan as defined in the Surplus Distribution Agreement.
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 100% of the surplus to be distributed from the Plan (after adding investment earnings).

Section 79(3)(b) of the *PBA* provides: "Subject to section 89 (hearing and appeal), the Superintendent shall not consent to an application by an employer in respect of surplus in a pension plan that is being wound up in whole or in part unless, the pension plan provides for payment of surplus to the employer on the wind up of the pension plan."

Section 8(1)(b) of the Regulation provides: "No payment may be made from surplus out of a pension plan that is being wound up in whole or in part unless, the payment is to be made to an employer with the written agreement of,

- (i) the employer,
 - (ii) the collective bargaining agent of the members of the plan or, if there is no collective bargaining agent, at least two-thirds of the members of the plan, and
 - (iii) such number of former members and other persons who are entitled to payments under the pension plan on the date of the wind up as the Superintendent considers appropriate in the circumstances."
7. The application appears to comply with sections 78 and 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.**¹

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 **9th** day of **June, 2010**

K. David Gordon
Deputy Superintendent, Pensions

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 seventh day after the date of mailing.

