

Goodmans^{LLP} Update

OSFI Actions to Address Issues Stemming From COVID-19

The federal pension regulator, the Office of the Superintendent of Financial Institutions (OSFI) has announced [actions to address issues stemming from COVID-19](#) faced by federally registered pension plans.

As we outlined in our previous Client Update, the *Impact of COVID-19 on Pension Plans*, regulators in Ontario and elsewhere are actively monitoring the financial environment, considering and making the necessary modifications. OSFI is doing so by making adjustments to its policies to protect the interests of pension plan members and beneficiaries and to allow administrators of federally regulated private pension plans to focus their efforts on addressing other challenges presented by the COVID-19 crisis, including its impact on financial markets.

Freeze on Portability Transfers

Plan administrators are no longer permitted to grant portability transfers or annuity purchases related to defined benefit provisions of pension plans. Absent plan specific or special circumstances, the Superintendent will not consent to any such transfer or purchase, given that financial market conditions have negatively affected the funded status of pension plans. The freeze is intended to protect the benefits of plan members and beneficiaries. The payment of ongoing pensions is not impacted by this change.

Extension of Filing Deadlines

OSFI is extending the deadlines for certain actions and annual filing requirements, including those under the *Pension Benefits Standards Act* (Canada). OSFI has extended the prescribed deadline from six months to nine months following plan year-end for the following filings:

- Annual Information Return and related documents
- Certified Financial Statement
- Auditor's Report Filing Confirmation
- Actuarial Report and Actuarial Information Summary
- Annual statements to members and former members and spouses

In respect of the Annual Information Return, OSFI will issue an invoice for the annual assessment after the extended deadline.

Suspension of Policy Development

OSFI has suspended the following consultation initiatives and policy development work related to new or revised guidance until conditions stabilize:

- Instruction Guide for the Preparation of Actuarial Reports for Defined Benefit Pension Plans
- Instruction Guide for the Termination of a Defined Benefit Pension Plan
- Instruction Guide for Authorization of Amendments Reducing Benefits in Defined Benefit Pension Plans

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Further Information

For any questions or for further information concerning any of the topics discussed in this Update, please contact any members of the [Pensions, Benefits and Compensation Group](#).

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