

**FINANCIAL SERVICES TRIBUNAL**

**IN THE MATTER OF** the *Pension Benefits Act*, R.S.O. 1990, c. P.8, as amended by the *Financial Services Commission of Ontario Act, 1997*, S.O. 1997, c. 28 (the "Act");

**AND IN THE MATTER OF** a Proposal by the Superintendent of Financial Services to make an order under Section 69 of the Act respecting London Life Insurance Company Staff Pension Plan, Registration No. 0343368 (the "Plan");

**AND IN THE MATTER OF** a Hearing in Accordance with subsection 89(8) of the Act.

**BETWEEN:**

**LONDON LIFE INSURANCE COMPANY**

Applicant

and -

**SUPERINTENDENT OF FINANCIAL SERVICES AND THE EXECUTIVE MEMBERS OF THE LONDON LIFE MEMBERS' COMMITTEE, ALEX MURPHY, DON MATHEWSON AND BARBARA MCGEE**

Respondents

**REVISED DISPOSITION OF REQUEST FOR REVIEW**

In written reasons dated February 7, 2001, we rendered our final decision in this matter, directing the Superintendent of Financial Services to carry out a proposal, contained in a Notice of Proposal dated February 17, 2000, to order that the London Life Staff Pension Plan be wound up in part. The order of the Superintendent, modified in accordance with our decision, would direct the wind up of the Plan, pursuant to clause 69(1)(d) of the Act, in relation to those members of the Plan who ceased to be employed by London Life in 1996 as a result of the reorganization of the business of London Life.

On February 19, 2001, the Respondents made a Request for Review of our decision pursuant to Part X of the Tribunal's Interim Rules of Practice and Procedure. That Request asks for a review on the basis that our decision failed to address two issues, namely:

- the extent to which employees who voluntarily left their employment at London Life during 1996 should be included or excluded from the partial wind up group affected by the partial wind up; and
- whether clause 69(1)(e) of the Act should be invoked to order a partial wind-up of the Plan on the basis of certain office closures and office amalgamations effected by London Life in 1995 and 1997.

London Life responded to the Request for Review on February 26, 2001. We have decided to deal with the Request on the basis of the representations in the Request and the response to the Request and on the basis of subsequent supplementary representations, all of which were made in writing.

Neither of the two issues that the Respondents would like us to address had to be considered in our decision in order for us to dispose of London Life's challenge to the proposed partial wind up order of the Superintendent.

If the Superintendent is unable to agree with the position that London Life may ultimately take on the first issue - whether some or all of those who voluntarily terminated their employment with London Life should be included in the partial wind up group - she could propose to refuse to approve the partial wind up report reflecting the composition of that group, which London Life is obliged to file under the terms of the Act. London Life would then have the opportunity to make another request for a hearing by this Tribunal to challenge any such proposed refusal. In other words, there is an appropriate process, at a subsequent stage in the partial wind up, for resolving the first issue if it turns out to be a real issue in this case. Therefore, it would be premature for us to address the first issue, at this stage, through a review of our decision..

London Life agreed, in the course of the hearing preceding our decision, that the office closures that it carried out in 1995 and 1997 constituted a basis for a partial wind up order, under subsection 69(1)(e) of the Act, in relation to the affected employees. If London Life does not proceed to wind up the Plan in relation to those employees, the Superintendent could issue a notice of proposal to order such a wind up. London Life would then be entitled to make a further request for a hearing by this Tribunal in respect of that proposal. In other words, there is an appropriate process for resolving the second issue as it relates to office closures if London Life should fail to proceed with a partial wind up in relation to the employees affected by those closures. Therefore, it would be premature for us to address the second issue in that respect, at this stage, through a review of our decision.

The issue of whether the office amalgamations that London Life carried out in 1995 and 1997 constituted a basis for a partial wind up order, under subsection 69(1)(e) of the Act, was not one of the original issues put before us in this case. However, both the office closures and the office amalgamations that took place in 1995 and 1997 were potentially relevant to one of the issues that was before us, namely:

If the Tribunal should decide to direct the Superintendent to order a partial wind up of the Plan, what are the appropriate commencement and end dates for the partial wind up order concerning the Plan.

Having decided to direct the Superintendent to order a partial wind up, we concluded that the appropriate commencement date and end date for the partial wind up that was the subject of the Superintendent's Notice of Proposal were January 1, 1996 and December 31, 1996 and that there was an insufficient connection between the events occurring outside that period, including the office closures and office amalgamations in 1995 and 1997, and the events occurring within that period, to justify extending the period backwards or forwards. Therefore, we did not need to deal with the question of whether the office closures and office amalgamations that took place in 1995 and 1997 would, of themselves, constitute the basis for a partial wind up order or orders. We believe that it would be unwise to address that question in the context of this case and in the absence of prior consideration of the question, in a specific and discrete way, through the administrative processes of the office of the Superintendent.

For all of these reasons, we have decided not to review our decision in this matter.

DATED at Toronto, this 18<sup>th</sup> day of April, 2001.

“Colin H.H. McNair”  
Colin H. H. McNair, Vice Chair of the  
and Chair of the Panel

“Louis Erlichman”  
Louis Erlichman, Member of the Tribunal  
Tribunal and of the Panel

“William M. Forbes”  
William M. Forbes, Member of the Tribunal  
and of the Panel