



February 20, 2008

Dear Pension Plan Administrator:

**Re: 2007 - 2008 Pension Sector Assessment**

As previously communicated to you by the Financial Services Commission of Ontario (FSCO), the Annual Information Return (AIR) fee structure for pension plans has been replaced with a general assessment. You will shortly receive an invoice covering your pension plan's assessment for the period April 1, 2007, to March 31, 2008.

All pension plan administrators will receive a pension assessment invoice in February of each year. The first pension assessment period runs from April 1, 2007, to March 31, 2008, and applies to plans with fiscal year ends falling within this period.

The pension assessment has two components: a preliminary calculation, similar to the prior AIR fee structure, and an adjustment.

**A. The Preliminary Calculation**

The preliminary calculation is based on pension plan membership as provided in the most recent AIR on file as of December 31, 2007. The amount/charge is \$6.15 per member and \$4.25 per former member and other plan beneficiary, with a minimum of \$250 and a maximum of \$75,000 per plan.

**B. The Adjustment (appears as Estimated Portion on invoice)**

The adjustment reflects the difference between the total expected pension sector costs for the fiscal year, less the aggregate of all expected fees and the amount that would be collected from all pension plans under the preliminary calculation.

This difference is allocated among all pension plans on a pro rata basis using each pension plan's preliminary amount and the total amount for all pension plans determined under the preliminary calculation.

The adjustment may be positive or negative. While minimum and maximum limits apply to the preliminary calculation, the total pension assessment (preliminary calculation plus adjustment) may be less than the minimum or more than the maximum limits of the preliminary calculation.

**C. The Pension Assessment**

The pension assessment for a period will be the sum of the preliminary calculation and the adjustment for each pension plan.

For the 2007-2008 fiscal year the estimated pension sector cost is \$13,835,739.34. The pension assessment required to cover the costs was based on the following figures (A-B) = (C+D):

A. Estimated Sector Cost	\$13,835,739.34	C. Preliminary Amount	\$12,187,149.45
B. Estimated Fees	- \$209,142.36	D. Adjustment Amount	\$1,439,447.53
<b>Total:</b>	<b>\$13,626,596.98</b>	<b>Pension Assessment:</b>	<b>\$13,626,596.98</b>

Note: as per the Ontario Regulation 11/01 (Assessment of Expenses and Expenditure) section 11. (1), an adjustment of 11.8% is required to recover the pension sector costs.

Please note that the Ministry of Government Services, (MGCS) Ontario Shared Services (OSS), will be issuing the pension assessment invoices, collecting the assessments, following up on any overdue payments, issuing monthly statements, and handling general inquiries about the invoices on behalf of FSCO. **Please ensure you send your cheque to the address noted on the invoice and it is received within 30 days of the invoice date.** For billing and payment inquiries please contact OSS at 1-877-535-0554.

For inquiries relating to your pension assessment calculation, please contact Joey Shiner, Coordinator, Administrative and Support Services, Pension Division, FSCO, by telephone at 416-226-7806, or toll-free at 1-800-668-0128 ext. 7806, or by email at [jshiner@fSCO.gov.on.ca](mailto:jshiner@fSCO.gov.on.ca).

**Reminder:**

- The Annual Information Return (AIR) and Pension Benefits Guarantee Fund (PBGF) certificate (if applicable) must still be filed in the normal fashion.
- Do not submit a fee with the AIR form.
- Do not combine the PBGF fee (if applicable) with the pension assessment.
- Do not mail the AIR form and/or PBGF certificate with the pension assessment.

Thank you for your attention to this matter.

Yours truly,

Isobel Fealdman  
Director, Strategic & Operational Planning Branch  
Corporate Services Division  
Financial Services Commission of Ontario