



FINANCIAL SERVICES COMMISSION

INFORMATION CIRCULAR

LUMP SUM PAYMENTS UNDER PRE-EXISTING PENSION PLANS

JUNE 26th, 2012

1. The Financial Services Commission (“the Commission”) intends through this Circular to provide guidance to pension administrators and assist them in discharging their respective roles under the Occupational Pension Benefits Act (“the OPBA”). This Circular is not intended to be a substitute for or replace any additional obligations under the OPBA, its regulations or the Financial Services Commission Act.
2. The Commission wishes to inform relevant persons that the Occupational Pension Benefits Act does not prohibit the payment of lump sum entitlements to a member of a pension plan in circumstances where:
 - (a) The pension plan was made prior to February 1, 2011;
 - (b) The individual was a member of the plan before February 1, 2011; and
 - (c) Those specific types of payments were agreed between the parties as an option under the terms of the plan.
3. For the purposes of this Circular, the term “member” includes a deferred member, retired member or claimant.