

September 19, 2019

ARTICLE

Time-Sensitive and One-Time Opportunity to Fix Pension Plan Filings

Since January 1, 2018, the Ontario pension regulator has had the power to impose administrative monetary penalties (AMPs) of up to \$25,000 for contraventions of the Ontario pension legislation. The regulator has granted a one-time opportunity, expiring on October 31, 2019, to administrators to make certain past-due filings to avoid the imposition of summary AMPs. Plan administrators should make good use of this time-limited opportunity.

The Stick — Administrative Monetary Penalties

There are two types of AMPs: general AMPs and summary AMPs. Summary AMPs apply to late regulatory filings.

Both types of AMPs are subject to a maximum of \$10,000 for a contravention by an individual or \$25,000 for a contravention by a person other than an individual.

AMPs cannot be paid from the pension fund.

The Carrot — A One-Time Opportunity

The Ontario pension regulator announced that it will proactively assist plan administrators to become compliant by October 31, 2019 for filings that are due prior to September 30, 2019. If the specified past-due filings are filed by October 31, 2019, summary AMPs will not be imposed.

This "grace period" is a one-time opportunity.

Action Plan — Bring the Pension Plan into Compliance!

This limited window, expiring October 31, 2019, is fast approaching its end date. Late filings after October 31, 2019 run a real risk of being subject to summary AMPs, which have to be paid "out-of-pocket".

Plan administrators should review all of their pension plan filing obligations to ensure that they are up-to-date. If they are not, this grace period is the opportunity to bring the pension plan into compliance.

Contact Us

BLG's Pensions and Benefits Group would be pleased to advise pension plan sponsors and administrators of their filing obligations, past-due filings, and amendments to bring pension plans up to legislative compliance. Our Pensions and Benefits Group has extensive experience assisting pension plan sponsors and administrators in legal compliance and would be pleased to assist.

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