



March 2024

The Multi-Sector Pension Plan (“MSPP”) has been designated as a Specified Ontario Multi-Employer Pension Plan, or SOMEPP. This letter is for information only. It does not require any action by you.

The MSPP is a Multi-Employer Pension Plan (MEPP) under the Pension Benefits Act of Ontario (PBA). The MSPP is registered in Ontario as the plurality of its members are employed in Ontario. The MSPP currently has over 283 active participating employers and over 23,937 current members. The SOMEPP designation allows the MSPP temporary relief from the standard solvency funding requirements under the PBA.

The Actuarial Valuation and Review performed as of January 1, 2023 showed that the total projected employer and employee contributions coming into the MSPP are more than sufficient to cover the costs of the MSPP on a “going-concern” basis. This means employer and employee contributions to the Plan are sufficient to cover the cost of the next year’s accrual of benefits (the normal cost), the administrative expenses of the MSPP, and the annual amortization payment in respect of the going-concern unfunded actuarial accrued liability.

Normally, the MSPP would be required to make amortization payments to pay off its solvency shortfall (the transfer ratio of the MSPP is 74.8% at January 1, 2023 so the solvency shortfall is 25.2% at that date). However, given the MSPP’s SOMEPP status, amortization payments in respect of the solvency shortfall are not currently required. Ontario created the SOMEPP rules since Multi-Employer Pension Plans are much less likely to be wound up than single-employer plans. The MSPP’s transfer ratio is estimated to be 73.0% at January 1, 2024. This value will be impacted by, among other things, the volatility in the financial markets. The Trustees continue to carefully monitor the Plan’s financial position and its transfer ratio.

In the unlikely event of a wind-up of the MSPP when its transfer ratio is less than one, its assets would not be sufficient to fund all accrued benefits.

If you have any questions or want more information, please contact InBenefits at: (905) 889-6200 (option 1) or 1-800-287-4816 (toll free anywhere in Canada).

(FSCO Registration #1085653)