

Initial Publication: April 9, 2020

Updated as of: September 8, 2020 (9:00 am ET)

COVID-19: Cross-Canada Updates for Pension Plan Administrators

Authors: [Elizabeth M. Brown](#), [Lisa J. Mills](#), [Terra L. Klinck](#), [John Prezioso](#), [Cary K. Wong](#), [Jennifer Agnew](#), [Nicolas J. Guadagnolo](#) and [Jason R. Paquette](#)

Pension regulators and governments across the country have responded to the COVID-19 pandemic. While relief efforts to date vary by jurisdiction and are generally limited by existing pension legislation and regulations, it is clear that regulators and governments are providing relief for sponsors and administrators of both defined benefit (“DB”) and defined contribution (“DC”) registered pension plans on a variety of fronts.

This Sidebar focuses on initiatives that will be relevant for pension plan administrators. Please see our [COVID-19: Cross Canada Updates for Employers](#) for a summary of relief measures and updates relating to plan funding and other employer matters.

Key regulatory updates for plan administrators summarized in this Sidebar include the following:

- Continuity of regulatory operations;
- Extensions to filing deadlines;
- Extensions for the delivery of member communications; and
- New and existing restrictions on commuted value transfers from DB plans.

We also outline other pension plan issues that administrators and employers will want to keep in mind when dealing with workforce changes during the COVID-19 pandemic. Broader employment and labour law considerations and general plan administrator fiduciary oversight considerations are **not** analysed herein, but will also need to be taken into account by employers and plan administrators in the current environment.

This Sidebar summarizes current regulatory announcements and initiatives and is based on public information current to the date and time indicated at the outset of this document.



This Sidebar has been updated to address the extension of deemed Infectious Disease Emergency Leaves under the *Employment Standards Act*.

Further pension law and policy changes are anticipated over the coming months as regulators and governments continue to navigate the current circumstances. This Sidebar will be updated on a regular basis as changes are released. Please continue to check [here](#) for updated versions.

Key Regulatory Updates

Continuity of Regulatory Operations

The offices of all Canadian pension regulators remain operational, albeit on a reduced capacity basis. Generally, pension regulators are encouraging electronic communications and filings. However, the Registered Plans Directorate (“RPD”) of the Canada Revenue Agency (“CRA”) is not generally accepting submissions via email. RPD should be contacted to confirm the method of communication to be used for any particular interaction.

Extensions for Filing Requirements

Pension regulators and governments across the country anticipated that plan administrators may face difficulties in meeting deadlines for various statutory filing requirements and, in most cases, have provided automatic extensions to these deadlines. No application is required to obtain these extensions.

The availability and length of these filing extensions vary widely across the jurisdictions. The following chart provides a summary of the automatic extensions announced to date.¹

Jurisdiction	Annual Information Return (“AIR”)	Financial Statements (“FS”)	Actuarial Valuation Report (“AVR”)
Ontario²	December 31, 2020 <i>(applicable to AIRs originally due between June 18 and December 31, 2020)</i>	December 31, 2020 <i>(applicable to FS originally due between June 18 and December 31, 2020)</i>	Additional 3 months <i>(if valuation date is December 31, 2019 or January 1, 2020)</i>

¹ The filing requirements in each applicable jurisdiction can vary; please contact us if you require further details in respect of a pension plan registered in an applicable jurisdiction.

² A full list of the COVID-19-related filing extensions can be found in FSRA’s guidance [Pension Sector Emergency Management Response](#) (No. PE0204INF)



Jurisdiction	Annual Information Return (“AIR”)	Financial Statements (“FS”)	Actuarial Valuation Report (“AVR”)
Federal <i>(applicable to plans with a year-end between September 30, 2019 and March 31, 2020)</i>	Additional 3 months	Additional 3 months	Additional 3 months
Alberta <i>(applicable to filings originally due between March 31 and June 30, 2020)</i>	Additional 180 days	Additional 180 days	Additional 180 days ³
British Columbia <i>(applicable to: (1) AIRs and FS originally due between March 30 and December 29, 2020; and (2) AVRs with a review date of December 31, 2019 or a due date in 2020)</i>	Additional 60 days	Additional 60 days	Additional 90 days
Saskatchewan <i>(applicable to filings originally due between March 31 and July 31, 2020)</i>	Additional 3 months	N/A	N/A
Manitoba <i>(applicable to plans with a fiscal year ending in October to December 2019)</i>	Additional 2 months	N/A	N/A
Nova Scotia	August 31, 2020 <i>(applicable to AIRs originally due between March 31 or June 30, 2020)</i>	August 31, 2020 <i>(applicable to FS originally due between March 31 or June 30, 2020)</i>	May 31, 2020 <i>(applicable to AVRs originally due March 31 or April 30)</i>
New Brunswick <i>(applicable to AIRs originally due before June 30, 2020 and AVRs originally due before September 30, 2020)</i>	Additional 90 days	N/A	Additional 90 days
Newfoundland and Labrador <i>(applicable to AIRs originally due between March 31 and August 31, 2020)</i>	Up to an additional 6 months	N/A	N/A

³ If an administrator elects to complete an AVR sooner than the usual 3-year triennial cycle, the administrator is asked to inform the Alberta pension regulator of that decision as soon as possible. The Alberta pension regulator has indicated that the normal 270-day filing requirement will apply to this off-cycle valuation.



Jurisdiction	Annual Information Return (“AIR”)	Financial Statements (“FS”)	Actuarial Valuation Report (“AVR”)
Québec⁴ <i>(applicable to filings with deadlines that had not expired by March 12, 2020 but will expire in 2020)</i>	Additional 3 months	N/A	Additional 3 months

For Ontario-registered pension plans that require relief beyond the automatic extensions provided, FSRA has also indicated that plan administrators or their authorized agents who are registered on FSRA’s Pension Services Portal (“PSP”) may submit filing extension requests of up to 60 days via the PSP (as permitted under section 105 of the Ontario *Pension Benefits Act* (“Ontario PBA”). If the filing extension request is for a period beyond 60 days, FSRA has requested that submissions be made by email (preferably) or regular mail to the plan’s assigned Pension Officer.

FSRA has also confirmed that it may use its discretion to extend the deadlines for the following filings:

- off-cycle AVRs with an original due date in 2020 (other than those for which the automatic extension above applies). FSRA requests that the administrator inform FSRA of the intention to file the off-cycle report and request the extension at least two weeks in advance of the filing deadline; and
- PBGF assessment certificates, if an administrator is unable to file the certificate due to the COVID-19 disruption.⁵

While no extension has been granted for the payment of PBGF assessments, the *General* regulation under the Ontario PBA (the “Ontario Regs”) has been amended to reduce the penalty for late payment. For assessments due between April 30, 2020 and December 31, 2020, if paid late, the employer is only required to pay interest on the amount of the assessment, rather than 120% of the assessment, as is normally the case (provided the payment is made by December 31, 2020).

⁴ The extensions were originally announced by Retraite Québec in April and on July 15, 2020 the extensions were included in a draft regulation with retroactive effect to March 13, 2020. A full list of the automatic deadline extensions can be found in the Retraite Québec’s FAQs: <https://www.retraitequebec.gouv.qc.ca/en/faq/covid-19/Pages/covid-19-rcr.aspx#mesure-rcr-1>

⁵ FSRA confirmed that it does not have authority to permit the non-payment or delay of a PBGF assessment or to waive interest or penalties related to a late payment.



Extensions for the Delivery of Member Communications

In most jurisdictions, a plan administrator is required to provide annual statements to members within 6 months after the end of the plan year.⁶ For plans with plan years ending December 31st, the 2019 annual statements were therefore required to be provided by the end of June 2020. Many jurisdictions also require that periodic statements be provided to former members and/or retired members. Member disclosure and notice requirements also arise in relation to certain events and transactions (e.g., termination, retirement or death benefit statements, notices relating to plan amendments, mergers and wind-ups). The requirements and deadlines for this additional member disclosure vary between jurisdictions.

In anticipation that plan administrators may have faced difficulties meeting these member disclosure deadlines, some regulators and governments granted automatic extensions for the delivery of these communications. No application is required to access these extensions. As with the filing deadline extensions, the availability and length of these member communication extensions vary widely across the various jurisdictions. The following chart provides a high-level summary of the automatic extensions announced to date:

Jurisdiction	Annual statements to members and retired members (as applicable) ⁷	Other Individual Member Statements (e.g., on termination, retirement or death) and Notices
Ontario	December 31, 2020 (if due between June 18 and December 31, 2020) *FSRA must be given advance notice of the delay	Extensions granted for plan amendment notices and asset transfer notices ⁸
Federal	Additional 3 months for plans with a year-end between September 30, 2019 and March 31, 2020	Requests for extension will be considered on a case-by-case basis
Alberta	Additional 180 days	Additional 90 days for a plan summary or member-driven event disclosure statements due between March 31 and prior to July 1, 2020 ⁹
British Columbia	Additional 60 days for statements originally due between March 30 and December 29, 2020	Upon request by administrator ¹⁰

⁶ In Québec and New Brunswick, plan administrators are required to provide the annual statement within 9 months after the plan year-end, whereas in Newfoundland and Labrador, the requirement is that statements be provided at least every 3 years or upon member request.

⁷ Under the Federal *Pension Benefits Standards Act, 1985*, annual statements are also required to be provided to former members, whereas under the Ontario PBA, statements are required to be provided to retired and former members on a biennial basis.

⁸ See FSRA's guidance [Pension Sector Emergency Management Response](#) (No. PE0204INF) for further details.

⁹ The Alberta pension regulator has also granted an additional 90-day extension for an administrator to respond to a request for an examination and provision of information.

¹⁰ The B.C. pension regulator has provided an additional 30-day extension for termination statements for collectively-bargained multi-employer plans with a March 30, 2020 deadline.



Jurisdiction	Annual statements to members and retired members (as applicable) ⁷	Other Individual Member Statements (e.g., on termination, retirement or death) and Notices
Saskatchewan	Additional 3 months for statements originally due between March 31 and July 31, 2020	No extension granted at this time
Québec ¹¹	Additional 3 months	No extension granted at this time
New Brunswick	Additional 90 days for statements originally due prior to June 30, 2020	No extension granted at this time

Note that in some cases, even though an application to the regulator to access the extension is not required, the regulator has requested that plan administrators notify applicable members of the delay.

With many plan administrators working remotely, the COVID-19 pandemic raises practical issues with minimum standards requirements to deliver paper copies of member statements and other disclosure information, unless the administrator has obtained the consent of the member or other beneficiary to receive communications electronically. Presumably due to statutory constraints, pension regulators have not authorized the distribution of statements and notices to members and other beneficiaries via electronic means without prior consent.¹²

Electronic Beneficiary Designations

The Ontario *Succession Law Reform Act* was amended effective May 12, 2020, to expressly permit electronic beneficiary designations for “plans”, including pension, retirement and benefit plans, provided that the designation is made in accordance with the Ontario *Electronic Commerce Act, 2000* (“ECA”).¹³ While this is a welcomed modernization of the regime for beneficiary designations in Ontario, plan administrators will need to ensure that any new processes put in place are compliant with the requirements under the ECA. Please contact us for more details in this regard.

DB Commuted Value (“CV”) Transfers

Given the likely deterioration in the funded status of many DB plans in Canada, many pension regulators and governments confirmed historic rules or implemented new rules that restrict the ability of administrators to complete full CV transfers from a DB plan.

¹¹ The extensions were originally announced by Retraite Québec in April and on July 15, 2020 the extensions were included in a draft regulation with retroactive effect to March 13, 2020. A full list of the automatic deadline extensions can be found in the Retraite Québec’s FAQs: <https://www.retraitequebec.gouv.qc.ca/en/fag/covid-19/Pages/covid-19-rcr.aspx#mesure-rcr-1>

¹² The Ontario PBA was amended effective January 1, 2020 to allow for electronic communications as the default method of distribution for certain communications to members and former members. Most administrators have not yet provided the requisite notice to members that provides for deemed consent to receive statements electronically.

¹³ The Ontario PBA was amended in 2018 to permit electronic beneficiary designations.



These measures are intended to protect the security of benefits of the entire plan membership.

The Ontario PBA

Under section 19(4) of the Ontario Regs, where an administrator “knows or ought to know” that the transfer ratio of a DB plan may have fallen by 10% or more since the date of the last filed actuarial valuation (or, pursuant to section 19(5) of the Ontario Regs, if the transfer ratio in the most recently filed valuation was above 1 and has fallen to 0.9 or less), the administrator cannot complete a CV transfer without the prior approval of the Chief Executive Officer (“CEO”) of FSRA.

On May 22, 2020, [FSRA released Approach Guidance on Limitations on Commuted Value Transfers and Annuity Purchase](#) (DB Pension Plans) (the “FSRA CV Policy”). The FSRA CV Policy provides comprehensive guidance to administrators regarding considerations that should be taken into account and processes to be followed in relation to sections 19(4) and 19(5) of the Ontario Regs. Of particular note, the FSRA CV Policy provides as follows:

- During periods of market uncertainty, administrators of Ontario-registered pension plans should be considering whether the transfer ratio (“TR”) of a plan has fallen by 10% or more. Administrators cannot rely upon quarterly checks in such circumstances.
- After fully considering its PBA and fiduciary obligations, an administrator may decide that the best course of action is to not apply for approval of continued CV transfers. In such a case, FSRA requests that it be notified, in a timely manner, of this approach along with an explanation of why the approach was taken. FSRA also expects administrators to have a plan to return to a situation where CVs can be transferred.
- Administrators should use a [Form 10](#) to make applications under sections 19(4) and 19(5) of the Ontario Regs. The Form should be submitted by email to CVTransfers@fsrao.ca.
- An **expedited review** of an administrator’s application to resume CV payments will generally be considered if: (i) the administrator will process full CV payments if an amount equal to the transfer deficiency is remitted with each CV payment; (ii) the plan’s TR is at least 85% and the administrator proposed to transfer full CV payments so long as the aggregate of all transfer deficiencies since the last valuation does not exceed 5% of the plan’s assets; or (iii) the updated TR is less than 85% and the administrator proposes to only transfer out a portion of the CV at the updated TR, with the remainder being transferred out within 5 years. In such cases, FSRA will strive to respond to the application within 5 business days.
- Where an expedited review is not applicable, an in-depth review will be undertaken by FSRA. The FSRA CV Policy sets out factors that will be taken into account when



assessing such applications. FSRA will strive to respond to these applications within 15-20 business days.

- Approvals given by FSRA will remain in effect until the next valuation report is filed or the date on which the transfer ratio drops by 5% or more from the level identified in the Form 10. If the transfer ratio drops by 5% or more from the level identified in the Form 10, the administrator must again cease making CV payments and decide whether to file a new Form 10.
- Administrators must consider what and when to communicate to members when section 19(4) or section 19(5) of the Ontario Regs apply.

The Federal Pension Benefits Standards Act, 1985 (the “PBSA”) - Updated

On March 27, 2020, in response to market volatility due to COVID-19, the Office of the Superintendent of Financial Institutions (“OSFI”) implemented a full freeze on CV transfers and annuity purchases relating to DB provisions of federally-regulated pension plans. The rules governing the freeze were set out in OSFI’s [FAQs](#) and the [Directives of the Superintendent](#).

Effective August 31, 2020, OSFI lifted the temporary freeze on portability transfers and annuity purchases for DB provisions of federally-regulated pension plans through the issuance of revised [FAQs](#) and [Directives](#). The August 31, 2020 changes institute rules that are similar to the rules in place prior to the freeze. More specifically, under the new rules:

- the amount of a CV transfer cannot exceed the “transfer value” (i.e., the CV of the pension benefit multiplied by the plan’s “transfer ratio”). The transfer ratio is the lesser of: (i) the solvency ratio determined in the plan’s most recent actuarial report; and (ii) this same solvency ratio projected to a date no earlier than March 31, 2020;
- where the plan’s transfer ratio is less than 1.0, a member’s full CV can be transferred if: (i) the amount by which the CV exceeds the transfer value (i.e. the “transfer deficiency”) is remitted to the pension fund, or (ii) the transfer deficiency for any individual transfer is less than 20% of the YMPE for that year, provided that the sum of all individual CVs transferred on this basis does not exceed 5% of the plan’s assets; and
- where the full amount of the CV is not transferred to an individual, the transfer deficiency (plus interest) must be transferred on the earlier of: (i) 5 years from the date the CV of the pension benefit was calculated; and (ii) the date on which the solvency ratio of the plan is determined to be at least one, based on an actuarial report with a valuation date no earlier than March 31, 2020.



The Alberta Employment Pension Plans Act (the “EPPA”) and the British Columbia Pension Benefits Standards Act (the “BC PBSA”)

In its [EPPA Update 20-01](#) issued on April 1, 2020, the Alberta Superintendent of Pensions reminded administrators that, as required by the EPPA, they must not, without the consent of or without being directed to do so by the Superintendent, transfer assets out of the pension fund if the transfer would impair the solvency of the plan. Plan administrators are encouraged to contact the Superintendent’s Office for guidance.

Similarly, in its [COVID-19: Frequently Asked Questions Bulletin](#), the British Columbia pension regulator reminded administrators that under the BC PBSA, an administrator must not, without the consent of, or without being directed to do so by the B.C. Superintendent, transfer assets out of the pension fund if such transfer would impair the solvency of the plan. The B.C. pension regulator also expects that an administrator will notify the B.C. Superintendent in writing of its decision to suspend a CV payment or lump sum transfer based on a lower solvency ratio of the plan.

The Québec Supplemental Pension Plans Act (the “SPPA”)

On July 15, 2020, the Québec government published a draft regulation and updated [guidance](#), which among other things, provides that all transfers and refunds from a DB plan between April 17 and December 31, 2020, must take into account a degree of solvency that reflects the plan’s current financial situation, i.e. the solvency position as at the last working day of the month preceding the date on which the value of the member’s benefits was determined (unless the value was determined prior to April 1, in which case the degree of solvency would be based on March 31).¹⁴ These measures were previously announced by Retraite Québec in April.

The Saskatchewan Pension Benefits Act, 1992 (the “Saskatchewan PBA”)

On April 16, 2020, the *Pension Benefits Regulations, 1993* under the Saskatchewan PBA were amended to provide that administrators must obtain the prior written consent of the Saskatchewan Superintendent of Pensions to transfer monies or make payments out of DB plans, if, in the Superintendent’s opinion, the transfer or payment would impair the solvency of the pension fund. Coincident with this amendment, the Superintendent issued a notice that, effective April 16, 2020, “[i]n the Superintendent’s opinion, given the current financial market conditions, transfers or payments from defined benefit plans would impair the solvency of pension funds.”¹⁵

¹⁴ It is not necessary to provide the actuary’s estimate of the degree of solvency to Retraite Québec unless it is requested.

¹⁵ See the notice from the Saskatchewan Financial and Consumer Affairs Authority: https://www.fcaa.gov.sk.ca/public/CKeditorUpload/Pensions/Communication_and_notice_-_Freeze_on_transfer_or_payments_out_of_Defined_Benefit_plans_-_FINAL_-_April_16_2020.pdf.



Along with the notice, the Saskatchewan pension regulator issued a series of [Q&A's](#) to provide clarity on the new rules, including that the freeze does not apply to pensions in pay, additional voluntary contributions that are not used to provide additional benefits, refunds to non-vested members or small benefit payments.

The New Brunswick Pension Benefits Act (the “NB PBA”)

The [COVID-19 Update](#) from the New Brunswick pension regulator reminded administrators that if there is reason to believe that the transfer ratio of a plan has been reduced by more than 10% since the most recently filed actuarial valuation report, the administrator cannot transfer a CV unless, after recalculation, the transfer can be carried out as provided for in the NB PBA.

The Manitoba Pension Benefits Act

[Communique #1](#) from the Manitoba Office of the Superintendent - Pension Commission, states that in the event a plan administrator becomes aware that the plan's solvency position has declined since the last filed actuarial valuation report, the administrator should take the necessary steps to assess whether further transfers based on the solvency ratio as of the last filed valuation or cost certificate would impair, or further impair, the solvency of the plan.

Delay of Forthcoming Changes to CV Actuarial Standards

On April 6, 2020, the Actuarial Standards Board of the Canadian Institute of Actuaries (the “ASB”) [announced](#) that the effective date of the revisions to actuarial standards of practice for the calculation of CVs would be delayed to a date no earlier than December 1, 2020. The revised standards of practice were released in January 2020 and were to become effective August 1, 2020. The revisions include changes relating to pension commencement assumptions, interest rate assumptions and specific provisions for target benefit plans. The ASB stated that they would continue to monitor the circumstances and implications of the COVID-19 pandemic and will consider a further revision to the effective date if warranted.

Newfoundland and Labrador Consultation on Unlocking Options

On July 29, 2020, in response to the COVID-19 pandemic, the Newfoundland and Labrador government [announced consultations](#) regarding potential amendments to the Newfoundland and Labrador *Pension Benefits Act, 1997*, that would allow individuals with locked-in pension accounts to access a portion of their retirement income if they are experiencing “sufficient financial strain”. The announcement indicates that the expanded unlocking options will apply only to individuals who have transferred their pension plan funds to a locked-in retirement savings vehicle (i.e. not to members who



are actively participating in a pension plan). The consultation period closes September 30, 2020.

Pension Accrual Calculations: Leaves, Other Absences and Variations to Pay

The COVID-19 pandemic has resulted in unprecedented changes to workplaces across Canada, with very different changes depending upon the particular workforce. Employees are absent from the workplace for a variety of reasons on both a paid and unpaid basis (e.g., sick leaves or short-term disability leaves in accordance with the employer's established policy, a COVID-19 leave in accordance with employment standards COVID-19 leave provisions (which vary by jurisdiction) or an employer-specific policy, and temporary lay-offs). Plan administrators will need to carefully review plan terms and governing legislation and regulations to ensure that leaves and alternate forms of pay are properly taken into account for contribution and pension accrual purposes.

Income tax legislation has also been amended in response to COVID-19 to address the pension aspects of periods of reduced pay and temporary suspensions of contributions made in response to COVID-19. These provisions are summarized in our [COVID-19: Cross-Canada Updates for Employers Sidebar](#).

Ontario's Infectious Disease Emergency Leave

On May 29, 2020 Regulation 228/20 "Infectious Disease Emergency Leave" under the Ontario *Employment Standards Act, 2000* ("ESA") became effective. Among other things, this regulation provides that an employee is deemed to be on an "infectious disease emergency leave" ("IDEL") at any time in the "COVID-19 Period" during which the employee's hours are temporarily reduced or eliminated because of COVID-19. The "COVID-19 Period" is defined as the period starting March 1, 2020 and ending on January 2, 2021.¹⁶ Regulation 228/20 does not apply to unionized employees.

As with other statutory leaves, the ESA sets out rules governing an employee's continued participation in pension and other employee benefit plans during an IDEL, including a *deemed* IDEL. Under these Ontario rules employees continue to participate in workplace pension plans unless they opt not to make the employee required contributions. However, for deemed IDELs, Regulation 228/20 specifies that if an employee was not participating in (or the employer was not contributing to) a pension or benefit plan as of May 29, 2020, the employer is not obligated to provide continued participation in that plan for employees later deemed to be on an IDEL.

¹⁶ On September 3, 2020, the government extended the COVID-19 Period to its current end date by amending Regulation 228/20. The COVID-19 Period was originally slated to end on September 4, 2020, being six weeks after the *Reopening Ontario (A Flexible Response to COVID-19) Act, 2020* came into force ending the declared emergency in Ontario.



Pandemic Pay

Some employers are paying additional remuneration to front-line workers during the pandemic. Governments have also announced that “pandemic pay” will be provided to eligible front-line workers. More specifically, pandemic pay is being provided in accordance with an agreement reached between the federal government and the provinces. The federal government is providing most of the funding for pandemic pay but allowing each province to determine who will be eligible for the pay and how much employees will receive. To date, legislation and regulations regarding pandemic pay have only been released by a few jurisdictions, with most only outlining their program details in news releases or program websites.

In most provinces, this government support is delivered through employer payrolls. Some governments, including the Ontario government, have announced that this pandemic pay is “non-pensionable” (except for Canada Pension Plan purposes) and will “have no impact on benefits paid by employers”. This suggests an intent by the Ontario government that employers would not be required to provide DC contributions to a pension or other savings plan on this pandemic pay or that such pay be taken into account for DB plan accruals. We will continue to monitor this issue.

Investment Considerations

Losses suffered in public equity markets in March and the subsequent increase to public equities and changes to asset values in other asset classes may have caused the asset mix of a DB plan to fall outside of the asset mix parameters set out in the plan’s Statement of Investment Policy and Procedures (“SIPP”). Plan administrators should ensure on an ongoing basis that their plan’s asset holdings match the guidelines set out in the SIPP to assess whether any investment-related action(s) and/or SIPP changes are required.

Pension Plan Borrowing

Draft amendments to the *Income Tax Regulations* [released by the Department of Finance on July 2, 2020](#) are intended to address potential liquidity challenges faced by pension plans during the COVID-19 pandemic. The new provisions will temporarily suspend the 90-day limit on borrowing and the prohibition against loans that are part of a series of loans and repayments. The suspension applies to pension plan loans that are entered into after April 2020 and before February 2021. The loan or the series of loans and repayments must be repaid no later than April 30, 2021.

* * * * *

If you have any questions regarding this update, please do not hesitate to call a sidebar with any of us – we’re here to help.



Elizabeth M. Brown
416-922-0678
elizabeth.brown@bmkplaw.com

Terra L. Klinck
416-922-1106
terra.klinck@bmkplaw.com

Cary K. Wong
416-922-4683
cary.wong@bmkplaw.com

Nicolas J. Guadagnolo
416-922-8348
nicolas.guadagnolo@bmkplaw.com

Lisa J. Mills
613-369-5477 | 416-922-9865
lisa.mills@bmkplaw.com

John Prezioso
416-922-6697
john.prezioso@bmkplaw.com

Jennifer Agnew
416-504-4128
jennifer.agnew@bmkplaw.com

Jason R. Paquette
416-922-9084
jason.paquette@bmkplaw.com

This *Sidebar* publication does not constitute legal advice and must not be treated or relied on as such. It provides general information about legal issues and developments as of the date indicated based on available information, including government announcements. Laws implementing particular government programs may differ from the government announcements summarized in this Sidebar, given the rapid pace at which emergency measures to address COVID-19 are being released. Please check for updates to this Sidebar. Please read our full disclaimer at <http://www.bmkplaw.com/terms-of-use>. This publication is copyrighted by Brown Mills Klinck Prezioso LLP and may not be reproduced in whole or in part in any form without the express written consent of Brown Mills Klinck Prezioso LLP.