

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

DAVID KIDD, ALEXANDER HARVEY,  
JEAN PAUL MARENTETTE, GARRY C. YIP, LOUIE NUSPL, SUSAN HENDERSON  
and LIN YEOMANS

Plaintiffs

-and-

THE CANADA LIFE ASSURANCE COMPANY,  
A.P. SYMONS, D. ALLEN LONEY and JAMES R. GRANT

Defendants

***Proceeding under the Class Proceedings Act, 1992***

**SUPPLEMENTARY RESPONDING MOTION RECORD OF  
THE CANADA LIFE ASSURANCE COMPANY  
(Motion Returnable January 10, 2014)**

January 3, 2014

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Lawyers for certain Objectors

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Objector

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**I N D E X**

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***Proceeding under the Class Proceedings Act, 1992***

**SUPPLEMENTARY AFFIDAVIT OF WALLACE B. ROBINSON  
(Sworn January 2 , 2014)**

**I, WALLACE B. ROBINSON, of the City of London, in the Province of Ontario,  
MAKE OATH AND SAY:**

1. I am Assistant Vice-President, Pension Benefits, at Canada Life. I am a Fellow – Canadian Institute of Actuaries and a Fellow – Society of Actuaries and I am familiar with the Plan and the proposed settlement of this proceeding. I therefore have knowledge of the matters to which I swear in this affidavit. This affidavit is supplementary to my affidavit of November 27, 2013 and terms defined in my earlier affidavit have the same meaning herein.

2. Canada Life through its counsel has over the last several weeks received copies of correspondence between the objector Dan Anderson and the Financial Services Commission of Ontario (“FSCO”) relating to the manner in which commuted values were calculated for

members of the Integration PWU. Attached as Exhibit A is a copy of a letter to Mr. Anderson from FSCO dated December 17, 2013 in which FSCO sets out its position that the assumptions and methods shown in the partial wind up report are consistent with the accepted actuarial practice, FSCO Policies and the Pension Benefits Act and Regulation and that there is no need to change the commuted values in the circumstances of this case.

3. In his affidavit sworn November 27, 2013, Alexander Harvey attached as Exhibit A a copy of the affidavit of David Kidd sworn January 4, 2012 without exhibits. Attached as Exhibit B is an excerpt from Exhibit S from Mr. Kidd's affidavit which was the information package sent to Class members in March 2011.

4. In the affidavit filed by Janice Durst sworn December 20, 2013, Ms Durst compares the commuted value of \$375, 245.70 as found in her 2011 information package (see p. 246 of the Supplemental Motion Record of the Plaintiffs) with a commuted value computation of \$544,059.53 provided to Ms Durst by Canada Life in August, 2013 (see pp. 248 and 274-275 of the Supplemental Motion Record of the Plaintiffs). What Ms Durst has neglected to note however is that the commuted value in her 2011 information package is as of her termination date of November 30, 2006 and the package states that interest would be added to the commuted value amount to the date of payment. The interest rate is 4.5% (as shown in her package under "Assumptions", page 248 of the Supplemental Motion Record of the Plaintiffs).

5. In order to compare the two computed value computations, interest has to be added to the computed value amount of \$375, 245 as of November 30, 2006 to bring it up to August, 2013. With interest to August, 2013, the commuted value of \$375, 245 increases to \$503, 220.

6. Finally, under cover of a letter dated December 20, 2013 (see pages 3-7 of Supplemental Motion Record of the Plaintiffs), Mr Mazurek produced a list of some 92 Objectors who he represents. Of the list of 92, some 25 are non-partial wind up members (who

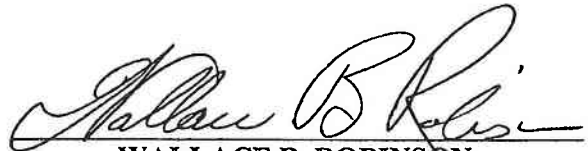
are listed in Exhibit C attached hereto). In addition, I have included in Exhibit C the names of 6 individuals on Mr Mazurek's list who I could not locate on my list of Class members.

**SWORN BEFORE ME** at the City of London,  
in the Province of Ontario, on January 2, 2014.



Commissioner for Taking Affidavits

*Amy Metzger*



WALLACE B. ROBINSON

These are Exhibits A-C referred to in  
the Affidavit of Wallace B. Robinson

Sworn before me this 2<sup>nd</sup> day of  
January, 2014.

A handwritten signature in cursive script, appearing to read "Amy Metzger", written over a horizontal line.

A Commissioner, etc.  
*Amy Metzger*



# Exhibit A

**Financial Services  
Commission  
of Ontario**

Pension Plans Branch

5160 Yonge Street  
Box 85  
Toronto ON M2N 6L9

Telephone: (416) 226-7776  
Facsimile: (416) 226-7777

**Commission des  
services financiers  
de l'Ontario**

Direction des régimes de retraite

5160, rue Yonge  
Boîte 85  
Toronto ON M2N 6L9

Téléphone: (416) 226-7776  
Télécopieur: (416) 226-7777



Ontario

December 17, 2013

Registration Number: 0354563

Dan Anderson  
[Dan.anderson@sympatico.ca](mailto:Dan.anderson@sympatico.ca)

Dear Mr. Anderson:

**Re: The Canada Life Canadian Employees' Pension Plan**

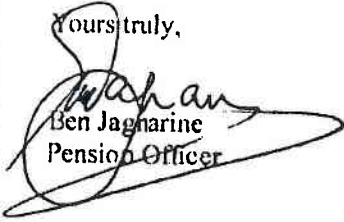
I am sending this letter to confirm the position of the Financial Services Commission of Ontario (FSCO) on the two issues that you have raised in your correspondence and that were discussed during our telephone call on December 13, 2013.

I confirm that FSCO has not provided de facto approval of the settlement that is being put before the Ontario Superior Court of Justice on January 10, 2014. The partial wind up effective June 30, 2005, was approved by FSCO on April 14, 2011 for the distribution of the basic benefits only as it relates to the wind up group of members. We had reviewed the partial wind up report and found that the assumptions and methods shown in the report are consistent with the accepted actuarial practice, FSCO Policies and the Pension Benefits Act and Regulation, from which FSCO derives its powers.

I also confirm that the Financial Services Commission of Ontario Policies T800-403, T800-401, and W100-102 have been reviewed by our legal, actuarial, and policy staff and that FSCO sees no reason to interpret these policies as requiring the commuted values to be changed in the circumstances of this case.

If at any time you have any questions or concerns, you may contact me either at the address above, or directly by telephone at (416) 590-7157, or toll free at 1-800-668-0128, extension 7157. Please quote the registration number shown at the top of this letter.

Yours truly,

  
Ben Jagarine  
Pension Officer

BJ

# Exhibit B

EXHIBIT B

554

8

This is Exhibit S referred to in the  
affidavit of David Todd  
sworn before me, this 4th  
day of January 20 12

CG

A COMMISSIONER FOR TAKING AFFIDAVITS



# 555 Read this First

Version française de la trousse de renseignements  
Pour obtenir la version française de la trousse de  
renseignements, veuillez communiquer avec le service  
à la clientèle de la Canada-Vie au numéro sans frais  
1 888 262-1847

## THE CANADA LIFE CANADIAN EMPLOYEES PENSION PLAN SETTLEMENT PROPOSAL

### Your Information and Instruction Guide

#### Quick Facts

What?	This information package describes financial benefits that you may be eligible to receive under a proposed settlement of a class action. However, there must be a certain level of agreement from those eligible to participate or no one will receive any of the benefits proposed. The package was prepared to help you make an informed decision.
Why?	The benefits are part of the proposed settlement of court proceedings involving The Canada Life Canadian Employees Pension Plan. You are, or were, an active member of the Plan (or you are the spouse or beneficiary of a former Plan member).
How?	You can use the forms in this package to indicate if you agree or disagree with the proposed settlement. It's your choice - but please make an active, informed decision. Please complete and return the Decision Form (included in this package).
How much?	Your "Personal Information Statement" (included in this package) shows an estimate of the financial benefits you may receive if there is sufficient agreement to the Proposal from eligible individuals such as yourself.
When?	Timelines in this package show the history of the settlement process and the expected next steps.
What's next?	Please read this Information and Instruction Guide carefully. It will explain how to review the package contents and make your decision. We request that you respond by returning your Decision Form by May 13, 2011. Information sessions will be held before that date to help you make your decision.



**23. What does it mean for surplus to be allocated to members proportionally based on the value of their benefits under the Plan?**

An example will help to illustrate this concept. The example uses the Integration PWU, but the numbers used below are not the actual numbers - they are for illustration purposes only.

An actuarial document, called a partial wind-up report, must be prepared for the Integration PWU and filed with the pension regulator. It shows the value of the pension benefits earned under the Plan by the members included in the Integration PWU as at the date of the partial wind-up (the value of pension benefits is sometimes referred to as the pension plan's "liabilities" related to the members in question).

In this hypothetical example, the total value of all the pension benefits earned by all members included in the Integration PWU is \$200,000,000. Also, Mary, one of the members included in the Integration PWU, is entitled to pension benefits under the Plan valued at \$10,000.

Finally, in this hypothetical example, the surplus attributable to the Integration PWU, after expenses, is \$1,000,000.

As described in this information package, Partial Wind-Up surplus is to be split as follows:

- 20.24% will be paid to Canada Life.
- 12.44% will be paid to the members of the Non-PWU Group.
- 57.22% will be paid to the members of the PWU Group.

57.22% of \$1,000,000 is \$572,200, and therefore the group of members included in the Integration PWU will share \$572,200. Since Mary is included in the Integration PWU, she is a member of the PWU Group, and therefore she will share in the \$572,200 that is payable to that group.

Mary's share of that amount is calculated as follows: in this example, the value of the pension benefits she earned under the Plan, as at the date of the Integration PWU, is \$10,000. Since the total value of all pension benefits earned by members included in the Integration PWU is \$200,000,000, the value of Mary's pension benefits represents 0.005% of the total (\$10,000 divided by \$200,000,000 equals 0.005%).

Therefore, Mary will receive 0.005% of the \$572,200 surplus to be shared by the group of members included in the Integration PWU. The result of that calculation is \$2,861, which is the amount of surplus that Mary will receive, if the Settlement Proposal proceeds.

**24. Why does my Personal Information Statement show only an estimate of my possible surplus share? How and why could the estimate change?**

The amount of surplus that you actually receive, should the Proposal proceed, will likely be different (higher or lower) than the estimate shown on your Personal Information Statement for various reasons. First of all, until all of the pension benefits earned by members affected by the Partial Wind-Ups are paid or provided for, the value of those benefits will fluctuate for various reasons, including changes in interest rates, which will affect the amount of the Partial Wind-Up surplus (the more valuable the benefits, the less surplus will remain, and vice versa).

Also, the assets of the Plan fund are invested in stocks, bonds and other investments, and therefore the total amount of Partial Wind-Up surplus will also fluctuate depending on the returns on those investments.

As the overall Partial Wind-Up surplus fluctuates, so will the amount to be shared by the eligible members.

**25. Will tax be payable on my surplus share?**

Surplus distributions received in cash are considered taxable income by the Canada Revenue Agency, and may attract income tax depending on each individual's personal circumstances. Canada Life will deduct applicable withholdings for tax when making lump-sum surplus payments from the Plan to individuals.

If a member of the Surplus Sharing Group is entitled to more than \$15,000 in surplus payable in cash, they will be able to contribute part or all of it to a registered retirement savings plan (RRSP) without withholdings, if he or she first confirms to Canada Life that he or she has available RRSP contribution room.

**26. What happens if a member of the Surplus Sharing Group dies before receiving his or her share of surplus?**

If a member of the Surplus Sharing Group dies before receiving his or her surplus share, the share will be paid instead to the member's spouse, designated beneficiary or estate. Any necessary consents must have been provided by the individual before he or she died, or (if applicable) they must be provided after the death by the spouse, beneficiary or estate.

## Selecting Legal Counsel

**27. What if an eligible member wants to consent to the Settlement Proposal but doesn't want to retain legal counsel to do so?**

If an eligible member wants to consent to the Proposal but does not want to retain the counsel selected by the member committees, he or she should call the Canada Life Service Centre toll-free at 1-888-252-1847 so that the necessary documents can be sent to the eligible member. If a member makes this choice, it is recommended that the member obtain independent legal advice at the member's own expense.

Members who retain counsel already selected by the member committees by filling out the Decision Form will not be obligated to pay any legal fees. For members who would be included in the potential Adason PWU, counsel is Sack Goldblatt Mitchell LLP. For all other members, counsel is Koskie Minsky LLP and Harrison Pensa LLP.

*Note: The information package that includes this Detailed Description document refers to a Settlement Proposal related to The Canada Life Canadian Employees Pension Plan (the "Plan"). While every effort has been made to ensure that these materials are accurate, in the event of any error, omission or discrepancy between what is said in the information package and what is contained in either the Surplus Sharing Agreement or the Plan, the provisions of the Surplus Sharing Agreement and the terms of the Plan, both as may be amended from time to time, as well as the terms of any applicable Court Order or regulatory approval, shall govern.*

Exhibit C



**Mazurek's Objectors**

<b>Non-PWU Members</b>			
<b>Last Name</b>	<b>First Name</b>		<b>Status at PWU Date</b>
Adams	Cecil		Non-PWU Retired
Badcock	Shirley		Non-PWU Active
Bambury	William		Non-PWU Retired
Bond	John		Non-PWU Retired
Brewer	Bruce		Non-PWU Retired
Conquer	Suzanne		Non-PWU Active
Cooper	Charles		Non-PWU Retired
Da Silva	Eugenio	deceased	Non-PWU Retired
Daly	Norm	deceased	Non-PWU Retired
Davis	Bill		Non-PWU Retired
Davy	Phil		Non-PWU Retired
Emond	Evelyn	deceased	Non-PWU Retired
Evel	Jim		Non-PWU Retired
Harvey	Henrietta		Non-PWU Retired
Horvath	Pira		Non-PWU Retired
Howse	Francie		Non-PWU Retired
Kitagawa	Gene		Non-PWU Retired
Mahoney	Jennifer		Non-PWU Deferred
McIlwaine	Bill		Non-PWU Deferred
Mills	Eric		QC top-up
Newman	Howard		Non-PWU Retired
Orviss	John		Non-PWU Retired
Rudd	Marilyn		Non-PWU Deferred
Silva	Maria		Non-PWU Deferred
Thomson	James L.		Non-PWU Retired

<b>Not on List of Class Members</b>		
<b>Last Name</b>	<b>First Name</b>	
Da Silva	Rafaela	
Farolan	Maria	
Keil	Karl	
Newton	Eileen	
Samek	Hedy	
Sturge	Gary	

**DAVID KIDD et al.**

Plaintiffs

- and -

**THE CANADA LIFE ASSURANCE  
COMPANY et al.**

Defendants

Court File No. 05-CV-287556CP

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SUPERIOR COURT OF JUSTICE**

Proceeding commenced at TORONTO  
Proceeding under the *Class Proceedings Act, 1992*

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(Sworn January 2, 2014)

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