

**Financial Services
Commission
of Ontario**

Deputy Superintendent
Pension Division

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

Surintendant adjoint
Direction des régimes de retraite

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November 25, 2016

Registration Number: 0351684

Mr. Jeff Wareham
National Representative (Retired)
Unifor the Union
National Office
205 Placer Court
Toronto ON M2H 3H9

Dear Mr. Wareham:

Re: Navistar Canada, Inc. Non-Contributory Retirement Plan

Thank you for your letter dated October 28, 2016, regarding the above Plan.

I am writing to you in response to your letter written on behalf of Unifor to object to certain aspects of the Navistar Canada, Inc. Non-Contributory Retirement Plan Partial Wind Up report as at July 28, 2011, prepared February 29, 2016 (the "Report") and submitted to the Superintendent of Financial Services in April 2016.

The Superintendent has now completed his review of the Report as well as the communications from Unifor and from Navistar Canada Inc. since the Report was filed. The Superintendent intends to approve the Report pursuant to subsection 70(5) and section 77.8 of the *Pension Benefits Act* (PBA).

After carefully considering the matter and the submissions from Unifor and Navistar, I have concluded that the partial wind up report meets the requirements of the PBA and protects the interests of the members, former members, retired members, and other persons entitled to benefits under the Plan. In particular, I am satisfied that the correct date for calculating the benefits of members who were temporarily laid off, but maintained recall rights, is the date they were advised that they would not be recalled to work.

The Report and other documents filed by Navistar indicate that members who have previously made elections to receive their entitlements, will receive revised option forms and have the ability to revise their previous elections. In addition, adjustments will be made, if necessary, to reflect the payments that were previously paid. The Special Early Retirement provision (subject to eligibility) will be included in all applicable calculations.

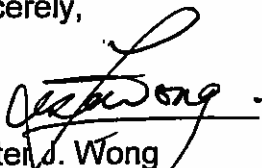
Please note that the Financial Services Commission of Ontario derives its powers from the PBA. As it does not appear that the PBA was contravened in this case we intend to proceed with the approval of the aforementioned Report.

You are entitled to a hearing by the Financial Services Tribunal (the "Tribunal") pursuant to subsection 89(6) of the PBA. A hearing before the Tribunal may be requested by completing a Request for Hearing (Form 1) and submitting it to the Tribunal within 30 days after this letter is served on you. (Pursuant to section 112 of the PBA any Notice, Order or other document is sufficiently given, served or delivered if delivered personally or sent by regular mail and any document sent by regular mail shall be deemed to be given, served or delivered on the fifth day after the date of mailing).

As a result, unless you file a request for a hearing by filing a Form 1 – Request for Hearing (available at www.fstontario.ca) with the Financial Services Tribunal within 30 days of the date this letter is served on you, the Superintendent will be approving the Report pursuant to subsection 89(7) of the PBA. Subsections 89(8) and 89(9) of the PBA provide that the Tribunal shall appoint a time for and hold a hearing, and by order may direct the Superintendent to make or refrain from making the intended decision and to take such action as the Tribunal considers the Superintendent ought to take in accordance with the PBA and the regulations, and for such purposes, the Tribunal may substitute its opinion for that of the Superintendent.

Should you have any questions or concerns, you may contact Mr. David Pahn, Pension Officer, either at the address above, directly at (416) 226-7815, or toll-free at 1-800-668-0128, extension 7815. Please quote the registration number shown at the top right-hand corner of this letter.

Sincerely,



Lester J. Wong
Deputy Superintendent, Pensions

Copy: Michelle Rohner, Navistar Canada Inc.
Howard Cimring, Morneau Shepell