

DIRECTIVE NO. 16

Issued under the *Pension Benefits Act, 1997*, effective October 1, 2019

DATED at St. John's, this 4th day of March, 2020



MICHAEL DELANEY
Superintendent of Pensions

Interest on Contributions

The interest rate required by the Superintendent to be credited to defined benefit plans under subsections 36(2) and (3) of the Act shall be equal to or greater than the rate of interest calculated on the basis of the average of the yields of 5-year personal fixed term chartered bank deposit rates, by using the last reported weekly yield for any month as published by the Bank of Canada in CANSIM Series V80691336, over a reasonably recent period, such that the averaging period does not exceed 12 months.

This Directive replaces Directive No. 16 issued January 1, 2006 and shall take effect on October 1, 2019.