



Pension Investment
Association of Canada

Association canadienne des
gestionnaires de caisses de retraite

December 13, 2018

CAPSA Secretariat
5160 Yonge Street, 16th Floor
Toronto, ON M2N 6L9
Delivered Via Email: capsa-acor@fSCO.gov.on.ca

Re: Guideline No. 2 Electronic Communication in the Pension Industry and Guidance on Solvency or hypothetical wind-up liabilities based on actual life insurance company annuity quotation

The purpose of this letter is to provide comments from the Pension Investment Association of Canada (PIAC) on the recently released update to Guideline #2 on Electronic Communication in the Pension Industry, and the guidance issued on solvency or hypothetical wind-up liabilities based on actual life insurance company annuity quotation.

PIAC has been the national voice for Canadian private and public pension funds since 1977 in matters related to pension investment and governance. Senior investment professionals employed by PIAC's member funds are responsible for the oversight and management of over \$2 trillion in assets on behalf of millions of Canadians. PIAC's mission is to promote sound investment practices and good governance for the benefit of pension plan sponsors and beneficiaries. PIAC's positions on public policy reflect the fiduciary framework in which member funds operate and its commitment to work in the best interests of plan members.

Guideline No. 2 Electronic Communication in the Pension Industry

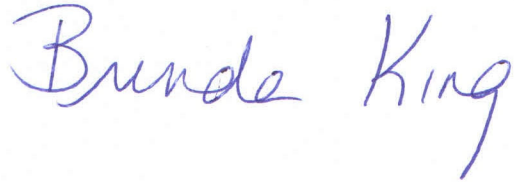
PIAC commends CAPSA for updating this guideline to encourage regulators to enable electronic communications as the default option. PIAC has been promoting this for many years and we look forward to individual CAPSA members which have not already done so implementing the necessary legislative changes to make electronic communications the default option. We appreciate CAPSA's recognition of how this change will improve the efficiency and effectiveness of pension administration.

Guidance on Solvency or hypothetical wind-up liabilities based on actual life insurance company annuity quotation

We have no comments on the details of CAPSA's guidance but commend CAPSA for proposing a single harmonized approach across pension jurisdictions in Canada on this matter. Regulatory harmonization is an important means to improve administrative efficiency for plan sponsors.

We appreciate this opportunity to share our support for CAPSA's guidance to pension plans on these important issues.

Yours sincerely,

A handwritten signature in blue ink that reads "Brenda King". The signature is written in a cursive, flowing style.

Brenda King
Chair