



**Guideline No. 9**  
**Searching for Un-locatable Members of a Pension Plan**

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## Introduction

Pension plan regulators receive a large number of inquiries from pension plan members looking for their pensions as well as from pension plan administrators and third party consultants who cannot locate members (un-locatable members) entitled to pension benefits.

Un-locatable members present an ongoing challenge for pension plan administrators as they try to trace members who have terminated plan membership and deferred their pension benefits. With increased job mobility, there can be a significant period between an employee terminating employment and becoming eligible to receive a pension. This creates an increased likelihood of the member's contact information becoming out of date.

In a plan wind-up situation, the challenge is intensified if the administrator is unable to locate all members or former members of the pension plan who are entitled to benefits from the pension fund. In most jurisdictions, the administrator must allow the un-locatable members' entitlements to remain in the pension fund until the member is located. As a result, the administrator cannot complete the plan wind up until pension plan assets have been fully disbursed. Plan administrators maintain their responsibilities and fiduciary duties until assets are distributed to all former plan members and/or their beneficiaries before a plan can be fully wound up.

This Guideline is designed to outline best practices and options with respect to searching for un-locatable members.

## Roles/Responsibilities – Records Management

### *Individuals Entitled to Pension Plan Benefits*

Individuals entitled to benefits under a pension plan have a role to play in ensuring that their contact information on file with the plan administrator is up-to-date.

Administrator(s) should be notified whenever there is a change to a mailing address, electronic communication address, changes to spousal/common-law declarations and beneficiary designations. This can reduce the possibility of administrators not being able to locate a member or their beneficiaries when they become eligible to receive the benefits to which they are entitled.

### *Plan Administrator*

Pension plan administrators are responsible for retaining and maintaining accurate pension plan records. This includes ensuring contact information for all plan members and beneficiaries is current. Co-ordinating and sharing information among entities such as custodians, service providers, bargaining agents and plan sponsors could be one way of doing so.

Plan records for members and beneficiaries should be retained for at least as long as they have an entitlement under the pension plan. This may include information related to plan enrolment, beneficiary designations, pension statements, court documents related to breakdown of a spousal relationship, etc. Even if members may not provide contact details each time there is a change, or do not provide this information in a timely manner, the administrator should retain all available records to minimize loss of member and beneficiary information.

CAPSA recommends that all administrators develop and implement a comprehensive records management and retention policy. The policy should specify appropriate practices and procedures that address elements such as how to manage plan records, how long they should be retained and also specify individuals/entities who are responsible for these records.

The records management policy should include a component that sets out how the plan administrator will maintain contact with plan members, as administrators often face great difficulties in trying to track down former members when they have been out of touch with them for a period of time. Administrators could also develop a separate policy on the processes for managing member contact information, and reference this policy in their records management policy. Plan administrators can establish their policy based on their plan specifics. For example, some jurisdictions have a requirement to provide periodic statements to former and retired members. Plan administrators could use this as an opportunity to remind them to update their contact information.

## **Searching for un-locatable members**

When a plan administrator is unable to contact plan members through their last known address, it is the administrator's responsibility to conduct a search for these members.

In most jurisdictions, there is no legislative framework or standardized process associated with searching for un-locatable members. However, CAPSA encourages plan administrators to use all reasonable methods to locate plan members, unless there are other/additional legislative requirements.

Common search tools include:

- last known e-mail address;
- custodian/fund holder associated with the plan;
- searches of government databases and other public records in jurisdictions where these are available;
- union contacts;
- professional associations;
- social media channels;
- retiree associations;
- registered letters to the last known address of the member;

- newspaper advertisements; and,
- professional search organizations.

Plan administrators may use flexibility to customize search parameters based on the nature of the employer's business and the size and demographics of the pension plan. They should also consider privacy concerns when utilizing search methods.

There may also be a great variance in the costs involved for different methods. For example, using search engines via the internet is relatively inexpensive while the cost of hiring professional search organisations may be high.

Administrators should periodically review and modify their search processes as new approaches, avenues and technology become available over time. They should develop and implement a fulsome policy that details all components of a search process, including how frequently to conduct a search. This can help plan administrators review the methods and procedures they implement, so that they are relevant and effective for their pension plan.

## **Steps to Consider after an Unsuccessful Search**

### ***Federal***

To assist with searches, the Canada Revenue Agency (CRA) may provide a letter forwarding service at a cost, to help in locating individuals. The requestor should consider CRA services only as a last resort, and only when all other efforts to locate an individual have been exhausted, including those through private sector organizations.

The CRA will review the written request, along with any material to be sent, and will have final authority with regard to the wording of any letter sent on behalf of the requesting organization. The CRA may forward letters provided they are free of any unwelcome intrusion of privacy and they demonstrate some benefit to the recipient. The CRA will not provide the requestor with any results of letter-forwarding activities or any individual information.

### ***Provincial***

Plan administrators should review the options available to them through the provincial legislative framework as the level of guidance from each provincial jurisdiction can vary. A few provinces have unclaimed property legislation; after an unsuccessful search based on established criteria, a member can be declared missing and the administrator can apply for permission to transfer the member's assets to the unclaimed property office. Pension plan members searching for lost pension entitlements can then search the unclaimed property database. Some jurisdictions have also published guidelines to provide assistance regarding member searches.

***Other***

Where feasible, pension plan administrators could establish a database/registry of missing members on the sponsoring employer or the administrator's website. By providing relevant missing member data on an external facing website, anyone could access the registry to search for their name. Plan administrators must take into account the applicable privacy laws that apply to the disclosure of personal information on such a database/registry. Plan administrators should monitor the database/registry on a regular basis to ensure that it is up to date, and that appropriate security measures are in place to protect any personal information that is publically available.

The nature and location of the employer's business could be useful in determining what other search methods could be effective. These could include searches through local newspaper obituaries and funeral homes, websites of related professional associations and advertisements in local newspapers and radio stations.