



November 25, 2020

Re: CAPSA Guideline No. 7 – Pension Plan Funding Policy

On behalf of the Canadian Association of Pension Supervisory Authorities (CAPSA), we are pleased to release a consultation draft of revisions to *CAPSA Guideline No. 7 Pension Plan Funding Policy* (Guideline).

In keeping with CAPSA's commitment to promote a common regulatory approach and consistent standards for plan administration in specific areas, CAPSA undertook a review of the Guideline.

The revised Guideline provides guidance on the development and adoption of funding policies for pension plans that provide defined benefits or target benefits.


Since the publication of the original Guideline, there have been new plan designs, and legislated funding requirements for pension plans that have resulted in new issues and elements that pension plan administrators need to consider. The revised Guideline includes best practices that plan administrators and sponsors should consider and incorporate into a plan's funding policy. It is intended to assist pension plan administrators in meeting their fiduciary duty while protecting the entitlements of pension plan beneficiaries.


CAPSA invites your feedback on the draft of the revised Guideline. We request that your comments be as specific as possible. Please provide your submissions to: capsa-acor@fsco.gov.on.ca, by January 11, 2021.

We will publish all submissions on the CAPSA website at the end of the consultation period.

We appreciate your participation in this consultation. CAPSA will fully consider all comments as it works towards finalizing revisions to the Guideline.

Sincerely,


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