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December 13, 2018

**By e-mail:** capsa-acor@fSCO.gov.on.ca

**Attention:** CAPSA Secretariat

CAPSA Secretariat  
5160 Yonge Street, 16th Floor  
Toronto, ON M2N 6L9

**Subject: Consultation Paper – Guideline No. 2  
(Electronic Communication in the Pension Industry)**

Dear Sir/Madam:

On behalf of PBI Actuarial Consultants Ltd. (“PBI”), we wish to thank you for providing us with the opportunity to comment on the Consultation Paper on Guideline No. 2: Electronic Communication in the Pension Industry (“Guideline”). PBI is an actuarial and administrative pension, benefits and investment consulting firm providing innovative, actuarially sound and cost-effective integrated solutions to fulfill our clients’ pension and benefits needs. Our mission is to build on the longstanding reputation of our individual actuaries and consultants to establish our firm as the pre-eminent Canadian provider of actuarial consulting services to clients with defined benefit and collectively bargained, trusted pension and benefits arrangements.

Working in an administrative capacity, PBI communicates with a wide variety of members who range in age and in their understanding of e-communications. We feel that it is important to keep the members in mind while reviewing this Guideline as it should represent their best interests.

Based on our experience, we generally find that current active members do prefer electronic communication however, those who are currently in receipt of a monthly pension benefit may not. These current retirees have continuously insisted on written communication. However, as e-communication evolves very quickly, we also believe it will also evolve with a new generation of retirees who will probably be more used to e-communication and willing to receive their information electronically than the preceding generation.

In our submission, we will highlight areas (by identifying the relevant sections of the Guideline) that we believe could be improved and how we believe it can be improved in the final version of the Guideline.

### **Section 1.2**

With e-communication definition being very broad in application and mostly with all technologies that are now available to plan administrators and/or plan sponsors, we believe that this section should emphasize that prescribed documentation that must be provided by legislation should remain accessible later on by the member. We are also of the opinion that the Guideline could clarify that it should remain accessible for the required period under prescribed legislation. Otherwise, it may impose an obligation on the plan administrator/plan sponsor to keep accessible all other types of e-communication (other than prescribed documentation that must be provided by legislation), such as live chats, for example. We believe that this non-prescribed documentation could remain accessible later on or not at the plan administrator’s/plan sponsor’s discretion.



### Sections 2.2 and 2.3

We believe that Section 2.2 should be revised to say that where pension legislation has a deemed consent clause, if a member has provided an e-mail address to the plan administrator/plan sponsor or has access to the plan's "information system", then such consent is automatically deemed by such member to receive all Plan related documentation by e-communication. We understand that some members may want to continue receiving their pension information in a more traditional way (e.g. paper copy) and as such, they can always have an option to opt out should they not wish to receive the documentation by e-communication.

Furthermore, with regards to the timing to revoke either express or deemed consent as stipulated in Section 2.3, we believe that the Guideline should be clarified to state when the member should be informed of that right as well as when the member is entitled to revoke express/deemed consent.

### Section 3.3

We believe that a safeguard position (e.g. more flexibility as to how this should first be handled) should be provided to the plan administrator/plan sponsor before having to send a paper copy immediately if e-communication fails. For example, the plan administrator/plan sponsor could first try to contact the member to confirm or update the information on file in order to re-send the documentation by e-communication, prior to sending a paper copy. However, this wouldn't prevent any person from requesting a paper copy, if needed. Furthermore, the Guideline makes no difference based on deadlines to act in the event that e-communication fails (i.e., if a prescribed deadline to send out the paper copy is imposed by pension legislation, the requirement to act "immediately" may or may not apply).

We also believe this section should distinguish between documentation that is for informational purposes, such as a Plan summary document, versus documentation where a choice has to be made by the member, such as a benefit election form on termination, retirement or death. The reason is because the onus on the plan administrator/plan sponsor is not the same. There is a sense of urgency for documentation where a choice has to be made by member as opposed to a simple information document.

Once again, PBI would like to thank you for the opportunity to provide our input on this matter. We would be pleased to assist you in whatever way we can, or to discuss our submission and provide any clarification regarding our comments, as required.

Regards,

**PBI Actuarial Consultants Ltd.**

A handwritten signature in black ink, appearing to read "R. Prasad".

Rupe Prasad

A handwritten signature in black ink, appearing to read "Sonia Massicotte".

Sonia Massicotte

RP/SM:jb