



Meeting Highlights of Joint Forum Spring Meeting

March 21, 2012
Québec City, Quebec

Product Disclosure and Regulation

The Joint Forum established a Product Disclosure and Regulation Committee in 2010 to examine the responsibilities of financial product manufacturers, intermediaries and consumers in ensuring that consumers are offered suitable products and are able to make informed decisions.

The Committee reported that, as its first step, the Committee has been engaged in a dialogue with key stakeholder associations and their member companies which manufacture financial products to obtain information from the product manufacturers on their processes and practices, particularly as they relate to the impact on retail investors.

Earlier this year, the Canadian Life and Health Insurance Association (CLHIA), the Investment Funds Institute of Canada (IFIC) and representatives from their member firms presented to the Committee an overview of processes and practices for the development of Individual Variable Insurance Contracts (IVICs) and mutual funds. Based on the discussions at the sessions and broader input to be obtained from other firms in the industry, the CLHIA and IFIC will provide detailed written reports to the Committee later this spring.

Capital Accumulation Guidelines

The Joint Forum re-constituted its Capital Accumulation Plans Committee in 2011 to examine certain issues related to capital accumulation plans (CAPs) referred to the Joint Forum by the Canadian Association of Pension Supervisory Authorities (CAPSA) as well as to assess the implications of the Proposed Pooled Registered Pension Plans on CAPs and to consider whether other governance standards need to be incorporated into the Joint Forum CAP Guidelines.

The CAP Committee reported that it held a consultation session with stakeholders to obtain input on these issues based on a research and analysis paper the Committee had developed. The session participants included representatives from the CAP Guidelines Committee, the CAP Guidelines Industry Advisory Group, the CAPSA DC Plans Committee and the CAPSA DC Plans Industry Advisory Group.

The CAP Guidelines Committee will review the input obtained during the consultation

session to determine its next steps.

Regulatory Enforcement and Information Sharing

The Regulatory Enforcement and Information Sharing initiative was established in 2006 to develop mechanisms to allow for more effective sharing of information on regulatory enforcement issues and actions across sectors and jurisdictions. The Joint Forum prepared a vision document which articulated the common objectives for this initiative.

The Joint Forum has since built upon the objectives of the initiative and drafted a vision/scope document that outlines the importance of a single, shared regulatory enforcement action database as well as the requirements for it to be created.

The Joint Forum received an update on the Canadian Council of Insurance Regulators (CCIR) initiative to assess the feasibility of establishing a database for insurance disciplinary action. The Canadian Securities Administrators (CSA) has established and made a searchable database available to the public.

The shared database envisioned in the Joint Forum database would draw from the information in the CSA and CCIR databases. At the meeting, the Joint Forum members reiterated their support for a centralized means for consumers to access disciplinary action information.

Consumer Information and Education

The Joint Forum Consumer Information and Education Committee was established in 2006 to coordinate regulatory efforts on consumer information and education including exchanging information on best practices in delivering information and partnering with other organizations.

The Commissioner of the Financial Consumer Agency of Canada (FCAC), Ursula Menke, spoke at the meeting regarding the FCAC mandate, priorities and key initiatives, as well as potential areas and projects that the FCAC, the Joint Forum and its constituent members could work on cooperatively.

Based on this dialogue with the FCAC, the Joint Forum will consider whether and what actions the Joint Forum should undertake on financial literacy.

Next Meeting

The Fall 2012 Joint Forum meeting will be held on September 26, 2012 in Charlottetown, PEI.