GUIDELINES FOR CAPITAL ACCUMULATION PLANS
BACKGROUNDER

- The Joint Forum of Financial Market Regulators' (Joint Forum) was established in January 1999 by the Canadian Securities Administrators (CSA), the Canadian Council Of Insurance Regulators (CCIR) and the Canadian Association of Pension Supervisory Authorities (CAPSA), as a mechanism for addressing issues of common interest arising from the growing integration of the financial services sector.

- The mandate of the Joint Forum is to pro-actively facilitate and coordinate the development of harmonized, cross-sectoral and cross-jurisdictional solutions to financial services regulatory issues. Since its inception, the Joint Forum has focussed on strengthening consumer protection through regulatory harmonization and enhanced consumer disclosure, and through co-ordinated and improved intermediary proficiency standards.

- The Joint Forum is chaired by David Wild, Chair of the Saskatchewan Financial Services Commission and Superintendent of Pensions

- The Joint Forum Working Committee on Capital Accumulation Plans was established in 1999 to examine the adequacy of investment information and assistance provided to members of capital accumulation plans where members are able to make investment choices.

- Three million Canadians belong to over 60,000 CAPs. Over seventy per cent of these plans allow members to make investment choices.

- In April 2001, the Joint Forum released for consultation a discussion paper entitled *Proposed Regulatory Principles for Capital Accumulation Plans*.

- In response, 44 submissions were received from stakeholders across Canada. Based on the responses revised principles were developed and approved by CAPSA, CCIR, the CSA and the Joint Forum in April 2002.

- An industry task force, was drawn from the membership of insurance, pension and securities industry stakeholder associations as well as employer, consumer, labour and retiree groups, was assembled to assist the committee in developing detailed guidelines based on the revised principles.

- CAPSA, CCIR, the CSA and the Joint Forum approved the guidelines for consultation on April 2, 2003.