

April 30, 2003

Mr. Stephen Paglia
Senior Policy Analyst
Joint Forum Project Office
5160 Yonge Street
Box 85, 17th Floor
North York, ON
M2N 6L9

**Re: Consultation Paper 81-403 Rethinking Point of Sale
Disclosure for Segregated Funds and Mutual Funds (the "Paper")**

Dear Mr. Paglia:

The Association of Canadian Pension Management (ACPM) is the national voice of private and public sector pension plan sponsors in Canada, as well as the professional advisory firms they retain. The ACPM's 1000 members represent over 500 pension plans with total pension assets of \$400 billion, representing 80 percent of Canadian pension fund assets.

ACPM's mission is to promote the growth and health of Canada's retirement income system by championing the following principles:

- clarity in pension legislation, regulation and arrangements;
- good governance and administration; and
- balanced consideration of stakeholders' interests.

It is in furtherance of the good governance and administration principle and the recent initiatives on the part of the Joint Forum to harmonize aspects of the regulatory environment applicable to the insurance, securities and pension market places that the ACPM has reviewed the Paper. The ACPM congratulates the Joint Forum for identifying the "disconnects" that exist in the retail marketplace.

There are many features of the retail market that are not applicable to the group environment because of the active role of the plan sponsor in selecting and monitoring investment options, and who, unlike intermediaries in the retail market, has no conflict of interest with the plan members in respect of this role. However, one could foresee how such disconnects could also apply to group plans if more of the retail features were imported.

The ACPM supports the concept of "access equals delivery" and is a strong supporter of the use of electronic media to deliver information to plan members. That said, we can foresee the potential for cost increases particularly in the area of the provision of continuous disclosure, parts of which must be updated on a quarterly basis. This would be of particular concern to us if the advantage to plan members of the lower costs of group plans were to be eroded by increased administration costs where the benefit was not evident. We commend the Joint Forum for initiating a cost benefit study before introducing any changes.

As you are no doubt aware the Joint Forum has released its Proposed Guidelines for Capital Accumulation Plans. It is the hope of the ACPM that the Joint Forum will monitor the impact of these various regulatory initiatives to ensure that any potential overlap or duplication is eliminated.

We thank for your attention to this important matter.

Yours truly,



Priscilla H. Healy
Chair, Advocacy and Government Relations Committee
THE ASSOCIATION OF CANADIAN PENSION MANAGEMENT