



The Canadian Association of Pension Supervisory Authorities (“CAPSA”) today released CAPSA Guideline No. 5 - Guideline on Fund Holder Arrangements (“Guideline No. 5”). The final version of Guideline No. 5 follows the release of a draft Guideline on Fund Holder Arrangements in May 2010, and stakeholder submissions during the consultation period which ended in September 2010.

Guideline No. 5 defines key players in fund holder arrangements, establishes fund holder principles, and outlines the responsibilities of employers, plan sponsors, plan administrators, fund holders, custodians, third-party service providers, pension regulators, and the Canada Revenue Agency. Individuals or groups performing any of these roles should review and become familiar with Guideline No. 5. While CAPSA guidelines do not have the force of law, they are intended to promote good governance practices and to clarify aspects of pension administration in Canada. The guidelines may also be looked on favourably by the courts as providing guidance on industry best practices.

In addition to Guideline No. 5, CAPSA released a table summarizing the legislative provisions across Canadian jurisdictions relating to plan administration, standard of care and fiduciary responsibilities, fund holder duties, and a number of other related issues.

Guideline No. 5, the legislative table, and a letter to stakeholders are available on CAPSA’s website at:

http://www.capsa-acor.org/en/init/fund_holder/fund_holder.asp

If you have questions or would like further information on this or other related topics, please contact any member of the Spectrum HR Law LLP Pensions, Employment Benefits, and Executive Compensation practice group:

Christopher Brown cbrown@spectrumhrlaw.com
Colin Galinski cgalinski@spectrumhrlaw.com
Kristin Smith ksmith@spectrumhrlaw.com
Scott Sweatman ssweatman@spectrumhrlaw.com
Michael Wolpert mwolpert@spectrumhrlaw.com

Spectrum HR Law LLP

<http://spectrumhrlaw.com>