



SECTION: Administrator

INDEX NO.: A300-900

TITLE: Searching for Plan Beneficiaries
- PBA s. 22

APPROVED BY: Superintendent of Financial Services

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Note: Where this policy conflicts with the Financial Services Commission of Ontario Act, 1997, S.O. 1997, c. 28 (FSCO Act), the Pension Benefits Act, R.S.O. 1990, c. P.8 (PBA) or Regulation 909, R.R.O. 1990 (Regulation), the FSCO Act, the PBA or Regulation govern.

*Note: The electronic version of this policy, including direct access to all linked references, is available on FSCO's website at www.fSCO.gov.on.ca. All pension policies can be accessed from the **Pensions** section of the website through the **Pension Policies** link.*

The purpose of this policy is to set out the steps pension plan administrators (administrators) should consider when searching for plan beneficiaries.

General

FSCO's policy on the roles and responsibilities of the administrator includes the requirements of section 22 of the PBA, which imposes a duty on the administrator to exercise the care, diligence and skill in the administration of the pension fund that a person of ordinary prudence would exercise in dealing with the property of another person. This duty includes the obligation to maintain accurate and current member records, including contact information.

FSCO's policy on the management and retention of pension plan records also provides information for administrators on this subject.

Former and retired members and others with pension entitlements do not always keep their contact information current with the administrator. As a result, prudent administrators should establish processes and procedures to update member records in order to provide information and notifications required under the PBA and Regulations.

The Search Process

Administrators may use various methods to search for current addresses or other contact information.

The administrator should choose search method(s) in the context of their particular pension plan. Some factors for consideration are the:

- nature and location of the employer;
- pension plan's size and demographics;
- magnitude of the pension and/or commuted value entitlement;
- cost of the search to the plan and/or the employer; and,
- likely effectiveness of the approach.

Administrators may use a combination of methods, and over time determine which are most effective.

Administrators should document the type of method(s) used to search for every individual's current contact information, and the date(s) they were used.

Examples of individual-directed search methods include:

- an email notification to the last known email address;
- a registered letter to the last known address;
- online telephone directories (e.g. Canada 411);
- the administrator's files for family or emergency contacts;
- the last known employer (relevant for multi-employer pension plans);
- union, professional or similar association, if applicable;
- search services of a government agency, where available;
- professional search company;
- internet and social media sites;
- local newspaper obituaries and/or local funeral home announcements; and,
- private detective

Administrators may also find it useful to supplement individual-directed searches with broad-based communications such as:

- administrator's/employer's website and/or intranet;
- administrator's/employer's newsletters;
- administrator's/employer's social media channels;
- advertisements in local media.

Maintaining Contact

Regular personalized communication is one of the most effective ways to maintain contact with former and retired members. The requirement to provide biennial statements to former and retired members is one way of doing this. Each plan administrator can determine if more frequent contact is appropriate.

When active members terminate employment and become former members or retirees, administrators should consider including information in the termination/retirement package about the importance of keeping the administrator informed of any future changes to their contact information. This is especially significant for former members who are less likely to communicate with their former employer or administrator during the deferral period.

Regular contact with former and retired members, and following up immediately when mail is returned, can help plan administrators ensure that all members ultimately receive pension information and the benefits to which they are entitled.