

July 10, 2008

Mr. Robert L. Brown  
Director of Research  
Ontario Expert Commission on Pensions  
777 Bay Street  
P.O. Box 102  
Toronto, ON M5G 2C8

Dear Mr. Brown:

This past April, ACPM conducted an online survey of our Individual Members' views on the subject of unlocking of pension benefits. A total of 157 individuals (28% of our membership) responded to the survey. The breakdown of the respondents by category is as follows:

- (a) 33% were Advisors (lawyer, actuary, consultant),
- (b) 16.7% were Plan Sponsors with both DB and DC plans,
- (c) 15.4% were DB Plan Administrators,
- (d) 8.3% were Plan Sponsors with DB plans,
- (e) 8.3% were Plan Administrators for both DC and DB plans,
- (f) 16% of respondents put themselves in the "Other" category.
- (g) The majority (51%) of respondents indicated that they lived in Ontario.

The results were definitive, in that 71% of respondents either disagreed or strongly disagreed with unlocking of pension benefits on retirement at age 55 and older and on termination of employment, regardless as to whether it was a defined benefit or a defined contribution plan. Of the total respondents, 62% also disagreed or strongly disagreed with the suggestion that unlocking should be permitted as a plan design feature available to plan sponsors.

An interesting finding arising out of the survey results was that 63% of respondents agreed that members of pension plans wanted the right to unlock their pension funds, but that said, 71% of the respondents still disagreed with unlocking of pension benefits.

A large number of respondents, 77%, indicated that their responses to the questions regarding unlocking of pension benefits on retirement or termination or as a design feature would not be different if, instead of referring to complete unlocking of benefits, these questions referred to partial unlocking, such as under Alberta pension standards legislation where 50% unlocking is permitted on conversion of accumulated benefits into income. This result makes it clear that there would be no benefit in carrying out a follow-up survey on partial unlocking of benefits.

ACPM is currently reviewing the survey results and in due course the Association will develop a policy position on this issue for future reference.

Should you have any questions please feel free to contact me.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Bryan Hocking', written over a large, faint circular stamp or watermark.

Bryan Hocking  
Chief Executive Officer

jl/BDH