

# DB to DC Pension Conversion Rules



*Here's what the pension laws say about providing members with notice and an explanation of a plan amendment converting a DB plan to a DC plan*

**FEDERAL (& ALL 3 TERRITORIES):** a. Plans must notify members of plan amendment within 6 months of creating it; b. Notice must be given at place of employment or mailed to personal residence; c. If amendment will reduce accrued benefits or commuted value, notice must at a minimum include: (i) a description of and justification for the amendment and other options considered; (ii) explanation of financial position of the plan before and after the amendment; (iii) information about priority position of member groups under the amended plan; (iv) for NCDB plans, statement about possible need for additional amendments further reducing benefits; (v) statement all documents are filed with OSFI; and (vi) contact information for OSFI [[Pension Benefits Standards Act](#), Sec. 28(1)(a); [Pension Benefits Standards Regulations](#), Sec. 22; [Office of the Superintendent of Financial Institutions Canada, Guideline for Converting Plans from Defined Benefit to Defined Contribution](#), August 2001; [Instruction Guide: Authorization of Amendments Reducing Benefits in Defined Benefit Pension Plans](#), April 2006].

**ALBERTA:** Notice of plan amendment must be given in writing; and b. Summary or explanation of proposed, potentially adverse amendment must be given at least 45 days before the effective date [[Employment Pension Plans Act](#), Sec. 15(1)].

**BRITISH COLUMBIA:** Explanation or summary of amendment to plan must be provided to members within 90 days after registration of amendment [[Pension Benefits Standards Act](#), Sec. 10].

**MANITOBA:** Written explanation of any amendment that can affect benefits must be provided within 180 days after effective date of amendment or within 90 days after Commission's approval of amendment [[Pension Benefits Regulations](#), Sec. 23(7)].

**NEW BRUNSWICK:** a. Written explanation of any amendment that may adversely affect members' rights must also invite members to submit comments to the Superintendent; b. Members have 45 days to comment; c. Superintendent can forgo notice if it determines the amendment is only technical and won't substantially affect rights, or if amendment is agreed to by a trade union; and d. Notice of any other type of amendment must be given within 60 days after amendment is registered [[Pension Benefits Act](#), Sec. 24(1)].

**NEWFOUNDLAND & LABRADOR:** a. A written explanation of terms and conditions of an

amendment must be provided within 60 days after registration of the amendment to any member, former member or person affected by the amendment; and b. Notice is given if it is personally delivered, sent via registered mail or delivered to the person's last known address [Pension Benefits Act, Sec. 25, Sec. 70].

**NOVA SCOTIA:** a. If amendment could reduce benefits, written explanation must be given to all members (or union, if there is one) and must invite members to comment to administrator and Superintendent; b. Superintendent won't register amendment for 45 days after that notice; c. Superintendent can forgo notice if it finds amendment is only technical and won't substantially affect benefits or if it's agreed to by trade union or part of collective agreement; d. Notice or document is sufficiently given if personally delivered or sent via first class mail or delivered to last known address; and e. If amendment is not one that will reduce benefits, an explanation must be given within 60 days after registration of amendment, unless Superintendent waives notice and then must give notice at next annual statement of pension benefits [Pension Benefits Act, Sec. 32(1), (4) and (5)].

**ONTARIO:** a. If an amendment would reduce benefits or otherwise adversely affect members' rights, must provide a written notice explaining the amendment and inviting comments; b. Superintendent will not register the amendment until 45 days after date of notice; c. Notice is also due after amendment is registered; d. Notice can be waived by Superintendent if amendment is only technical or won't substantially affect benefits or adversely affect any person or is agreed to by trade union or established by collective agreement; e. A trade union must get written notice of change that could adversely affect members it represents; and f. Notice of amendments not adversely affecting members must be given within 60 days of registration or if Superintendent waives such notice, with next annual statement [Pension Benefits Act, Sec. 26]

**QUÉBEC:** Each member must get written notice of amendment and notified they can access it at employer's office or pension committee offices if either is 150 km from members' workplace or by requesting a written copy if neither location is that close [Supplemental Pension Plans Act, Sec. 22, Sec. 26].

**SASKATCHEWAN:** Members must be given written explanation and summary of amendment within 90 days of registration [Pension Benefits Act, Sec. 13(1); Pension Benefits Regulation, Sec. 11(2); SK Financial Services Commission, Conversion of a Defined Benefit Plan to a Defined Contribution Plan].