

# *Employer* *Bulletin*

from the Pension Corporation

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**To:** All College Pension Plan employers  
**From:** Karen Harper, Chief Knowledge Officer  
**Date:** April 2004  
**Topic:** Deemed Trust Provision

The *Pension Benefits Standards Act* (PBSA) contains a deemed trust provision that all pension plans are required to incorporate into their plan rules. The deemed trust provision requires plan employers to keep employer and member contributions separate and apart from the employer's own assets, or if not actually kept separate then it is deemed to be so.

The College Pension Plan formally adopted the deemed trust provision in December 2003.

The PBSA has always required pension plan employers to comply with this provision. The only change is the College Pension Plan has expressly incorporated the deemed trust provision into the pension plan rules.

This does not require any change in administrative practice for employers in remitting and accounting for pension contributions. In the event that an employer becomes insolvent, employer and member contributions cannot be attached and must be remitted directly to the pension fund.

*Over...*

If you have any questions, please contact Employer Services at:

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## PENSION CORPORATION



This publication provides general information about the pension plan and is based on the relevant plan documents (statutes, regulations and rules). If there is a discrepancy between this publication and the plan documents, the plan documents will apply.