



Considerations when joining DBplus

Employer effective date

The effective date of employer participation in DBplus has payroll implications for initial contributions. Regular contributions to DBplus must be made on all pensionable earnings on and after the employer's effective date of participation. This means that contributions must be made on pensionable earnings received by the member that are in respect of the period on and after the effective date.

For an employer merging their existing defined benefit pension plan into CAAT: the effective date can be any day of the month but is often the first of a month. Contributions for the first pay period that straddles the effective date must only be on the portion of earnings attributable to the period between the effective date and the end of the pay period.

For all other employers joining DBplus: the effective date can be any day of the month. To ease payroll administration, employers should consider the following:

- If employees are paid on a monthly or semi-monthly basis: it is easiest to have the effective date be the first of a month.
- If employees are paid on a weekly or bi-weekly basis: it is easiest to have the effective date be the first day of a payroll period.

Employee eligibility for membership

For each class of employees that DBplus is extended to, the standard terms for DBplus require that:

1. All regular full-time employees must join DBplus on the later of the effective date of the employer participation in DBplus or their date of hire; and
2. All other employees (i.e., part-time or contract) may elect to join at any time on or after the later of the effective date of the employer participation in DBplus or their date of hire.

(To qualify as an employee, generally a worker must receive a T4 slip from the employer.)

CAAT is open to considering non-standard eligibility conditions that:

- Require some or all non-regular full-time employees to join DBplus (for example, where it is already a condition of employment to participate in the employer's current pension arrangement);
- Provide for a waiting period (e.g., probationary period) before an employee is eligible to join in accordance with pension standards legislation; and
- Exclude certain classes of employees in accordance with pension standards legislation (e.g., hourly employees).



DBplus

A regular full-time employee will continue to participate if they change to non-full-time status.

Employees excluded from participation in DBplus include: those who are age 71 or older in the year prior to when they would otherwise join; and any employees who are required to participate in and accrue benefits under certain other pension plans (such as a public service pension plan).

You may need to confirm with your employees if they are currently in receipt of a CAAT pension: if so, they will have to decide whether to suspend that pension and contribute to DBplus, or to not contribute to DBplus and continue receiving their CAAT pension.