There is a significant difference between a transfer of assets between custodians when only one plan is involved, and a transfer of assets between two pension plans. Policy A700-151 deals with the change of custodian of plan assets. Increasingly, however, this administrative practice is being used for transactions involving transfers of assets between plans — transactions which require the prior approval of the Superintendent under sections 80 and 81 of the PBA. The difference between a change of custodian and a transfer of assets is clarified below.

Where the asset transfer involves one pension plan and there is no other underlying transaction, the transfer is a change of custodian. See policy A700-151 (Change of Custodian – Filing and Amendment Requirements) for information on the filing and other requirements that arise from the change in custodian.
Where the asset transfer involves **two or more** pension plans, and assets are being transferred from one plan to another, the transfer is a **transfer of assets**. This requires the Superintendent’s approval prior to the transfer, as well as the filing of an asset transfer application. Such transfers would include, but are not limited to, purchase/sale transactions, merger of plans, adoption of a new plan by spinning off assets from a current plan, and plan conversion.

In all cases, any new investment contract or policy arising from a transfer of assets must be filed in accordance with Section 12(3) of the PBA and be accompanied by Form 1.1 – Application for Registration of a Pension Plan Amendment and any other documentation required for the Superintendent’s consent.

Further information on the process for obtaining the Superintendent’s approval for a transfer under section 80 or 81 of the PBA is available in the A700 series of policies posted on the FSCO website.