



SECTION: Funding of Plans
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Taken from the “Your Questions Answered” column published in the PCO Bulletin. Please see the disclaimer at the beginning of the directory.

I am a member of a contributory pension plan. I do not want to continue contributing to the plan and intend to ask my employer to stop the automatic deductions from my earnings. Does my employer have to comply with my request?

Your employer must administer the pension plan in accordance with the terms of the plan document and the minimum standards and requirements of the PBA. If you are a member of a pension plan which permits members to elect to suspend their membership in the plan, or the plan document includes that provision, your employer will comply with your request. Although you will make no further contributions and employer contributions made on your behalf will also cease, your inactive membership in the plan will continue to be credited for the purpose of vesting and locking-in the benefit accrued up to the date of suspension.

However, where the suspension provided is not included in the plan document, your contributory participation in the plan must continue until the earliest of:

- 1) the effective date of any amendment which provides for benefit accrual for your class of member on a non-contributory basis;
- 2) your date of termination from the service of your employer; or
- 3) the date the pension plan is wound up.

It should also be noted that in a situation where a plan member was not required to contribute to the plan, the same response would apply.

Unless a suspension provision is included in the plan document, a plan member will have no alternative and must continue to accrue benefits in accordance with the terms of the pension plan.