



## COMMUNIQUÉ

### For University of Ottawa Active and Deferred Pension Plan Members

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#### *Important information on changes to pension plan pre-retirement death benefits-November 2014*

Effective July 24, 2014, amendments to the Ontario Pension Benefits Act (PBA) reversed the October 31, 2012 decision of the Ontario Court of Appeal (Court) in Carrigan v. Carrigan Estate (Carrigan) (*Please refer to our [communiqué posted on our Web Site in June 2013](#)*). This is welcome news because this eliminates the conflict between the standard view of spousal priority for pre-retirement death benefits and the Court's interpretation, returning to the standard. This change could apply to you if you have not yet started receiving pension benefits.

Under the Court's interpretation a pre-retirement death benefit under Section 48 of the PBA was payable to the deceased member's designated beneficiary and not to the member's surviving common law spouse (as defined in the PBA) when the member also had a married spouse from whom he was separated but not divorced. Section 48 of the PBA has now been amended to provide that with respect to deaths on or after July 24, 2014, a surviving common law spouse once again has priority over the designated beneficiary. Also, while Carrigan did not deal directly with the mandatory 60% joint and survivor form of pension for members with a spouse, due to parallel wording in the PBA, Section 44 of the PBA was also amended to confirm the rights of a common law spouse.

Following our notification of June 2013 informing members that if they have a common law spouse and a married spouse from whom they were separated but not divorced, you may wish to consider naming your common law spouse as an eligible spouse for the pre-retirement death benefit. You no longer need to declare your common-law spouse as a beneficiary in order for your common-law spouse to receive the benefit.

With the revised Ontario pension rules, a death benefit for pre-retirement death of an active or deferred pension member will be paid:

- To the member's married spouse if they were living together at the time of the member's death;
- To the spouse the member is living with at the time of death (common-law or legally married spouse); this person will have priority over any other person (definition of common-law spouse is available online in the [text of the pension plan](#));
- To the member's designated beneficiary if the member does not have an eligible spouse or if the eligible spouse has waived priority; or
- To the member's estate if the member does not have an eligible spouse and or a surviving designated beneficiary.

**If you're an active or deferred pension member with a common-law spouse** and you want your pension plan pre-retirement death benefits to be payable to your common-law spouse in the event of your death, you must ensure your common-law spouse is listed as the eligible spouse. If you're an active member, please be sure to also review your beneficiary designation and civil status on your personal pension statement. If you're a deferred member, please contact the University of Ottawa Pension Sector to confirm your designation, eligible spouse and civil status and make any desired changes with the University's Pension Sector. We encourage you to obtain professional advice, particularly if you have an agreement or court order concerning family property or if you have special estate planning needs.

You can complete a new pension plan beneficiary designation form and a civil status declaration form by visiting the [Human Resources website](#). Return your completed forms to Human Resources in room 019 of Tabaret Hall. The University's website also contains the annual report and financial statements of the pension plan, and we invite you to consult them for any additional information. Please remember that it is important to always notify the Pension Sector whenever you have a life event that results in a change to your situation.

Please don't hesitate to contact us if you have any questions about your pension benefits.

Manager, Pension Sector

This notice provides you with general information for illustration purposes only and is based on current applicable legislation and the current provisions of the University of Ottawa pension plan, which are subject to change. Your situation at the time of death may lead to different results.

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