

Civil Service Superannuation Fund

PENSION BENEFITS ON DEATH PRIOR TO RETIREMENT

The following information relates to pension benefits that may be available upon the death of a plan member who has not yet commenced a monthly pension. Once a member has commenced a monthly pension, any death benefits payable would depend on the pension option selected at retirement.

Pension Benefits on Death Prior to Retirement

Pension benefits following the death of a member who has not yet retired depend on the relationship status of the member.

- Married or Common-Law - Death benefits will be paid to the member's spouse or recognized common-law partner unless:
 - that spouse or partner has waived those rights, or
 - at the time of the member's death, they were living separate and apart due to a breakdown of their relationship.

An eligible spouse/partner may elect to receive these pension benefits in the form of either a lifetime pension or a lump sum amount. Lump sum amounts paid to an eligible spouse or common-law partner are locked-in unless specific provisions apply. Locked-in lump sum amounts may be transferred to a Locked-In Retirement Account or Life Income Fund. No tax is withheld on locked-in transfers.

- Single - If a member does not have an eligible spouse or partner at the time of death, pension benefits are paid to the member's estate or designated beneficiary(ies). Death benefits paid to an estate or beneficiary are paid as a taxable lump sum payment.

Beneficiary Designations

Although it is not necessary to do so, *The Beneficiary Designation Act* provides that a member of a pension plan may designate a beneficiary to receive benefits under that plan.

A beneficiary designation can be made in any of the following ways: by an instrument signed by the participant; by an instrument signed by another on the participant's behalf, or by a Will. A designation form for this purpose can be found on the Board's website at www.cssb.mb.ca under General Employee Information, then Forms, or by contacting the Board office.

The material provided in this Fact Sheet is intended to summarize information on a general basis only and does not replace getting specific information relevant to your personal situation or circumstances.

PENSION BENEFITS ON DEATH PRIOR TO RETIREMENT (cont'd)

Where the Board has been provided with a valid beneficiary designation, pension benefits payable on the death of a member prior to retirement may be paid to one or more designated beneficiaries rather than to the member's estate.

A beneficiary designation in any format does not over-ride the rights of an eligible spouse or common-law partner to receive pension benefits payable on the death of a member prior to retirement if that spouse or partner has not waived those rights.

Pension benefits will not be paid directly to a minor. If naming a minor as a beneficiary, you may want to consider establishing a trustee to hold the property of the minor. You should seek legal advice prior to doing so to ensure that the property is held on proper terms of trust for the beneficiary. We recommend that legal advice be obtained in conjunction with any designation intended to create a trust.

Relationship Breakdown

A spouse/partner is not entitled to a survivor benefit on pre-retirement death if living separate and apart from the member by reason of a relationship breakdown at the time of death; however, may be entitled to a division of benefits during the period of the relationship.

Waiver of Survivor or Death Benefit

A member's spouse/partner may waive survivor benefits on pre-retirement death, in which case the lump sum value of the pension would be paid to the deceased member's estate or named beneficiary. A Waiver of Survivor or Death Benefit form for this purpose is available by contacting the Board office.

Who Can Notify the Board?

Anyone can contact us to let us know if a member has died prior to retirement. However, we will only discuss specific information about a member's death benefits with the member's eligible spouse or common-law partner or, if there is none, with the legal representative for the member's estate. We may request documentation to support relationship status or legal authority (such as a Will or Letters of Administration).

Questions?

The Board's staff is available to provide information and answer questions about the plan and your entitlements. The Board's staff can be contacted by:

Mail: The Civil Service Superannuation Board
1200-444 St. Mary Ave.
Winnipeg MB R3C 3T1

Phone: 204-946-3200 or Toll Free (Canada): 1-800-432-5134

Fax: 204-945-0237

E-mail: askus@cssb.mb.ca

Web Page: www.cssb.mb.ca

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