

## Naming A Beneficiary

### Death Benefits as a Retired Employee

#### What is a Beneficiary?

Under the Shared Risk Plan for Academic Employees of the University of New Brunswick (AESRP), a beneficiary or beneficiaries are the individuals designated by you to receive the benefit available under the Plan in the event of your death. It should be noted that your spouse (if applicable) would be entitled to any death benefit before your beneficiary (exception may apply, see details below).

#### What is the death benefit available under the plan if I die while in receipt of my pension?

If you have a Spouse (as defined in the section “Who is considered a Spouse?” – see below) who:

- a) was your Spouse at your pension commencement effective date, or
- b) if your Spouse had subsequently died, or you had no eligible Spouse at pension commencement effective date, was your Spouse at your time of death,

60% of your pension benefit will continue to your surviving Spouse after your death for his/her lifetime.

Please note, if your surviving Spouse became your Spouse within one year of your death, he/she would not be entitled to a pension unless the Board of Trustees is satisfied that, when your Spouse became your Spouse, your state of health was such that you could reasonably be expected to live for at least one year thereafter.

If you do not have a Spouse that survives you, or after the death of your surviving Spouse, monthly payments will be made to eligible dependents. Dependent children pensions will be paid to dependent children in equal share, such that the total for all dependent children is equal to the amount that was or could have been paid to a surviving Spouse. Dependent children must be either under 18 years of age or be dependent by reason of mental or physical infirmity to receive the payment.

If there are no surviving Spouse or dependent children after your death, or where the survivor Spouse pensions or dependent children pensions cease, the Board of Trustees may grant a dependent pension to a person of your family who was dependent on you at the time of your death and is eligible to receive such a pension under legislation, in an amount not to exceed the amount that was or could have been paid to a surviving Spouse.

If you do not have a surviving Spouse at the time of your death (or dependent children or other dependents), or when such surviving Spouse or other dependent pensions cease, your beneficiary or estate will receive a lump sum payment equal to your contributions made to the Plan with interest (to your date of termination of employment) that are *in excess* of all pension payments made to you, your surviving Spouse and all other dependents. For clarity, if the sum of those pension payments exceed your contributions with interest, no lump sum will be paid.

### Who is considered a Spouse?

A Spouse is a person of the opposite or the same sex, who:

- a) is married to you,
- b) is married to you by a marriage that is voidable and has not been voided by a declaration of nullity,
- c) has gone through a form of marriage with you in good faith that is void and has cohabited with you within the preceding year, or
- d) is not married to you but has cohabited with you in a conjugal relationship for a continuous period of not less than two years immediately before the relevant time.

### Can my Spouse be my beneficiary?

Your Spouse is automatically your pension beneficiary in the event of your death. ***You do not have to name your Spouse as your beneficiary.*** However, if you were to name someone other than your Spouse as your beneficiary, your Spouse would still be entitled to the death benefit available (unless appropriately waived) upon your death.

### What if I wanted someone other than my Spouse to receive the benefit?

If you complete a **Form 5 – Joint and Survivor Pension Waiver** before your first pension payment is made, your Spouse will not be entitled to survivor benefits. Upon your death, benefits will instead be paid in the following order:

- A pension to your dependent children, if applicable;
- If there are no dependent children, a pension to an eligible dependent person, if applicable;
- If there are no eligible dependents at the time of your death, or once such pensions have ended, a lump sum payment to your designated beneficiary or estate equal to your contributions to the Plan, with interest to your termination date, less all pension payments made to you and any dependents.

If the total pension payments paid exceed your contributions with interest, no lump sum will be payable.

If you have a Spouse at the time your pension begins, do **not** complete Form 5 before your first payment, and assuming they are still the Spouse at death, then your Spouse is entitled to survivor benefits and will receive a spousal pension upon your death.

### **What happens if I experience a marital breakdown following retirement?**

If you had a Spouse at your pension commencement effective date and have since experienced a marital breakdown, where the division of pension assets (if applicable) has been completed, then the Plan would no longer consider your ex-spouse as an eligible Spouse.

In the event of a subsequent marriage, your new spouse would be eligible for survivor benefits as a Spouse.

### **Are my children automatically my beneficiaries?**

No, any children you have are not automatically your beneficiaries. You must designate children as your beneficiaries.

Regarding dependent children, it is particularly important to consider designating them as beneficiaries so that at the time of your death they can immediately be considered for a dependent children's pension.

### **If my dependent children are designated as my beneficiaries and I have a Spouse, who is entitled to the benefit?**

As previously outlined, your Spouse is automatically your beneficiary and entitled to the death benefit (outlined above in question 2) unless a Form 5 – Joint and Survivor Pension Waiver was completed **prior** to pension commencement.

If your Spouse were to die either at the same time as you or following your death, any dependent children would be eligible to receive a monthly dependent children's pension (outlined above in question 2) for so long as they continue to meet the definition of a dependent child.

### **Who is considered a dependent child?**

A dependent child of a member is a child who is both dependent on the member for support, and is:

- under 18 years of age; or

- if 18 years of age or older, dependent on the member because of mental or physical infirmity.

### **What if I don't have a Spouse and/or dependent children?**

If you do not have a Spouse and/or dependent children, you can name the beneficiary(ies) of your choice. This named beneficiary(ies) would be entitled to the death benefit (if any) available upon your death (outlined above in question 2).

### **What happens if I don't name a beneficiary?**

If you do not name a beneficiary and you do not have a Spouse at the time of your death, the death benefit (if any) will be paid to your estate (outlined above in question 2).

### **Why is it important to name a beneficiary?**

If you do not have a Spouse or if you outlive your Spouse, naming a beneficiary(ies) allows for the direct payment of the death benefit (if any) without it having to go through your estate.

### **How do I know if I have named a beneficiary?**

For members in receipt of a pension, your Annual Statement indicates whether you have designated a beneficiary and/or a Spouse. If you do not have access to this document or if you are in receipt of a Spouse or dependent children's pension, please contact the email address provided below and we can confirm this information for you.

### **How do I designate or change my beneficiary?**

If you would like to designate or change a beneficiary, please complete the [Beneficiary Designation Form](#) and forward it to [pensions@unb.ca](mailto:pensions@unb.ca).

Lastly, the [UNB Faculty Pension Website](#) has additional information regarding your Faculty Pension Plan.