



Death Before Retirement

pspp.ca

The information in this booklet provides a summary of the terms of the Public Service Pension Plan (PSPP) text at the time of publication. From time to time, the PSPP Plan text may be amended by the PSPP Sponsor Board. If there is any discrepancy between the information in this booklet and the PSPP Plan text, the PSPP Plan text will govern.

Welcome to PSPP

We are thrilled to have you as a member and are committed to safeguarding your financial future.

Our pension Plan, which has been providing peace of mind since 1947, is designed to ensure that you have a secure and stable income throughout your retirement.

As a member of PSPP, you are enrolled in a “Defined Benefit” plan. This means that your pension is based on your years of service and salary, providing you with a reliable lifelong income.

Unlike other retirement plans, your defined benefit pension is not affected by market fluctuations or economic downturns. Additionally, you will receive annual cost of living increases to help protect you from inflationary pressures.



Rest assured that your pension is in capable hands. Our Plan is professionally managed by experienced individuals who have been overseeing pensions for decades.

To further empower you, we offer a convenient online portal called “Your Pension Profile” (YPP).

Your PSPP Pension is an excellent way to save for your future. Once you retire, you can rely on regular monthly pension payments for the rest of your life.

Now that's a future you can count on.

It's difficult to think about what will happen to your loved ones after you pass away. One thing you may want to know is what happens to your pension. We're here to make sure your wishes are carried out.

It's very important that we're contacted as soon as possible after your death. Once we have the documentation we need, we can tell the people who are entitled to receive a benefit about their options.

What those options might be depends on whether you were vested or not at the time of your death and who receives the benefit. If you have a spouse or partner, they will always be first in line to receive any payment from the Plan should you pass away. If you pass away without a spouse or partner, or if the pension partner survivor benefits have been waived, your chosen beneficiaries will receive your death benefit.

Fewer Than Two Years of Service (Not Vested)

If you have a spouse or partner, they will be entitled to a refund of your PSPP pension contributions, plus interest. They will have the option of receiving the one-time payment as a taxable cash payout or transferring the amount to a registered retirement savings vehicle.

If you do not have a spouse or partner then your chosen beneficiaries will be entitled to your contributions, plus interest. They will receive the one-time payment as a taxable cash payout.

If you do not have a beneficiary, your contributions plus interest will be paid to your estate.

Two or More Years of Service (Vested)

If you have a spouse or partner, they are entitled to a survivor benefit and can elect either a commuted value lump-sum payment or a monthly pension benefit. The commuted value lump sum payment option is available to your spouse or partner for 180 days after being advised of their entitlement.

Committed value lump-sums are normally transferred to a Locked-In Retirement Account (LIRA). Any non-locked funds, such as excess contributions, are paid as a taxable cash lump sum payment or transferred to a Registered Retirement Savings Plan (RRSP).

If you do not have a spouse or partner (or if they signed a waiver giving up the right to a benefit if you pass away before retirement), then your chosen beneficiaries will be entitled to a one-time payment based on the commuted value of the pension. This benefit, including any excess contributions, is paid out as taxable cash.

If you don't have a beneficiary in your pension profile, the benefit will be paid to your estate.

Waiving Survivor Benefits

Your pension partner has the right to waive their entitlement to pre-retirement survivor benefits. Waiving this entitlement means your pension partner will not receive a survivor benefit if you pass away before they do. Instead, PSPP will pay any survivor benefit to your beneficiaries when you pass away.

Since everyone's personal and financial circumstances are different, you may wish to seek out independent professional financial advice before making any final decisions on waiving survivor benefits.

Supporting Documents Required

Proof of Your Death

PSPP will accept a legible copy of any of the following as proof:

- ✓ Death certificate
- ✓ Funeral director's statement of death
- ✓ Certificate of appointment of estate administrator with grant of probate

Proof of Legal Marriage

PSPP will accept a legible copy of an original or notarized copy of a marriage certificate as valid evidence of a legal marriage.

Proof of Common-Law Relationship

PSPP requires that you submit supporting documents with the statutory declaration that help to prove the common-law relationship continued for at least three years (or for a shorter period if there are natural or adopted children of the relationship).

- ✓ Statutory declaration of common-law relationship or other acceptable document
- ✓ Residency documents
- ✓ General documents

Proof of Beneficiary

PSPP will accept a legible copy of any of the following as proof:

- Birth certificate
- Passport
- Driver's license

Proof of Age

PSPP needs your proof of age if you pass away before retirement. A document submitted as proof of age must include the date of birth.

We will accept a legible copy of one of the following:

- ✓ Birth certificate
- ✓ Canadian registration of birth
- ✓ Canadian passport
- ✓ Canadian citizenship papers
- ✓ Certificate of Indian Status (status card)
- ✓ Canadian driver's licence

If, under exceptional circumstances, none of the above documents are available, we may accept two of the following documents:

- ✓ Marriage records, subject to legal acceptance
- ✓ Foreign passport, if valid
- ✓ Age of Majority card
- ✓ Statutory declaration
- ✓ Canadian immigration papers



Death Before Retirement Process

Notify PSPP

PSPP can be notified of your passing by a spouse, beneficiary, executor of estate, or employer.

0 Days

Employer Reporting

Once notified of your passing, your employer should process termination details to PSPP immediately and not later than 10 days.

10 Days

Benefit Package

After PSPP receives the required information, a PSPP benefit package is calculated within 14 days of and sent to your spouse (if applicable), beneficiaries, or estate.

24 Days

Payment

After PSPP receives the completed benefit election form with required documents:

A survivor monthly pension is paid within 30 days.

Lump sum payments to your spouse*, if applicable, beneficiaries, or estate are also processed within 30 days.

54 Days

**Commuted Value lump sum payment option for your spouse is a one time offer valid for 180 days.*

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Visit pspp.ca to learn more about your Plan and its features or to access YPP, your secure online site.

Member webinars / videos

PSPP has regularly scheduled webinars to learn more about how your pension works. You can also access videos that you can watch at your leisure. Visit pspp.ca for more information and to register.

PSPP Talks

An electronic newsletter is emailed to members when there is important information about the plan to share. Be sure to have an e-mail address in YPP to receive PSPP Talks!

PRIVACY INFORMATION

Your Information is Secure

Providing PSPP with your personal information is considered consent for its use and disclosure for the purpose set out in our Privacy Notice, as amended from time to time. You can find out more about our collection, use, disclosure and retention of personal information by reviewing our Privacy Notice at pspp.ca



Scan QR Code

View our video & information sessions

Member Services Centre

 **1-877-453-1777**