

Select Info *to* Know

Survivor Benefits After Retirement

OPTrust Select provides benefits for your survivors should you die after starting your pension. As an OPTrust Select retiree, it is important that you keep your spousal information and beneficiary designations up to date with OPTrust so that we can pay any survivor benefits in accordance with your wishes.



Order in which survivor benefits are payable

For OPTrust Select members who die after retirement, survivor benefits are payable in the following order:

1. Your spouse (if eligible)
2. Your designated beneficiary(s), or
3. Your estate.



Benefits to your spouse

Under pension law, your spouse at retirement is automatically entitled to survivor benefits when you die, regardless of any beneficiary you may designate, unless your spouse has waived their right to survivor benefits.

For pension purposes, a “spouse” is someone you are married to or have been living with in a common-law relationship for at least three years, or a shorter period if you are in a relationship of some permanence and are the parents of a child. For your spouse to qualify for survivor benefits, you must not be living separate and apart when your pension starts.

Benefits to your designated beneficiary(s)

If you die without a spouse, any survivor benefits would be payable to the person(s) you designate as your beneficiary. If you name more than one beneficiary, survivor benefits will be divided equally among them.

A “beneficiary” can be any individual or any organization you wish to name to receive survivor benefits.

Benefits to your estate

If you die without a spouse and you do not have a beneficiary, any survivor benefits would be payable to your estate.



What will my survivors receive?

Survivor pension

If you had a spouse when your pension started, after your death they are automatically entitled to receive a pension equal to 60% of your pension, payable for their lifetime, unless your spouse waived the survivor pension.

At retirement, your pension was permanently reduced to provide your spouse with a 60% survivor pension. If you and your spouse waived the survivor pension, your pension was not reduced, and your spouse will not receive a pension after you die.

If you chose to increase the survivor pension for your spouse at retirement to an amount equal to 65%, 70% or 75% of your pension, your pension would have been permanently reduced to pay for the increased survivor pension. Once your pension has begun, your election to provide an increased survivor pension cannot be changed or cancelled, even if your spouse dies before you.

Your spouse remains entitled to a survivor pension even if your relationship ends after you retire, unless your spouse makes arrangements to waive the survivor pension.



Residual balance

Upon your death or the death of your spouse, whichever occurs later, a residual balance may be payable if the total of your contributions plus interest at your retirement date exceeds the total pension payments paid to you and your spouse, if applicable. This residual balance is payable as a lump sum cash payment, less withholding tax, to your designated beneficiary(s), or to your estate if you do not have a beneficiary.

The residual balance decreases with each pension payment received and is typically depleted within five to ten years of retirement.

| | | |
|--|--------------|------------------------------|
| <u>Residual Balance</u> | | |
| Your Contributions with Interest at Date of Retirement | <i>minus</i> | Pension Payments Received |



How do I update my information?

It is important to review and keep your spousal information and beneficiaries up to date with OPTrust to ensure that survivor benefits are paid according to your wishes.

If you want to change or update your beneficiaries, please complete a [Retiree Spousal Information and Beneficiary Designation form](#) (OPTrust S1015R) and submit it to OPTrust.

NOTE: Any beneficiary designations you make in a Will may revoke and replace any beneficiary designations you made on an OPTrust Select form that was signed and dated before you completed the Will, and vice versa. If you designate beneficiaries for your OPTrust Select pension in a Will, please provide a copy to OPTrust.



For more information please contact OPTrust

This information is a summary of certain benefits offered by OPTrust Select and is not applicable to the primary schedule of the OPSEU Pension Plan. All information is current as of the date of publication.

How to Reach Us

OPTrust
1 Adelaide Street East, Suite 1200
Toronto, ON M5C 3A7

Member Experience
Tel: 416-681-3609 in Toronto
1-833-678-7528 toll-free in Canada
www.optrustselect.com | email@optrustselect.com

