



Designating a Beneficiary

Your pension may be one of the largest personal assets that you will have. It is important to have a legal will in place so that your personal assets and belongings can be distributed according to your wishes when you pass away. But, what happens to your pension if you die before retirement? Are you sure that it will be paid out according to your wishes?

Designating (or also called “naming”) a beneficiary for your pension is an important way to ensure peace of mind that your pre-retirement pension benefit will be paid to the recipients that you want.

WHO CAN I DESIGNATE AS A BENEFICIARY?

IF YOU HAVE A SPOUSE

Under the **B.C. Pension Benefits Standards Act**, your **spouse**, if you have one, must be named as your beneficiary, unless he or she signs a waiver of their survivor benefits.

Spouse, for the purpose of the pension plan, means a person, regardless of gender, who at the relevant date is,

- (a.) married to the Member, and has not been living separate and apart from the Member for a continuous period longer than two years; or
- (b.) living with the Member in a marriage-like relationship for a period of at least two years immediately preceding the relevant date.

This means that your spouse will be automatically named as your beneficiary under law. If your spouse wishes to waive their entitlement to your benefit, please [contact](#) the Pension Administration Office for information about a spousal waiver.

You may wish to list a secondary beneficiary for your pre-retirement pension in the event of both your and your spouse’s deaths. If your spouse has signed a spousal waiver, your secondary beneficiary will receive your remaining pre-retirement pension benefit in the event of your death.

IF YOU DO NOT HAVE A SPOUSE

If you do not have a spouse, you may designate a living individual, a charitable entity, your estate, or any combination thereof. If you wish, you may designate more than one beneficiary.

If you do not have a spouse, and you do not designate a beneficiary, your pension benefit will automatically go to your estate. If you want your estate to receive your benefit, it’s a good idea to specifically designate your estate as your beneficiary to avoid any confusion.

If you had a spouse and have recently gone through a separation or divorce, please visit the SPP website at staff.pensions.ubc.ca and select **Life Events > Marriage, Common Law, Separation & Divorce** for further information about what is required in order to change your beneficiary.

PRE-RETIREMENT BENEFIT

If a living individual(s) other than your spouse is named as your beneficiary, they must take the benefit as a cash lump sum and pay income tax on the entire amount. If you are designating more than one beneficiary, it may be a good idea to consider how you allocate your benefit from a tax point of view.

For example, if you have several siblings, it may be better to name all of them as beneficiaries rather than naming one sibling and asking them to share the benefit. By naming all your siblings and specifying the percentage to be paid to each one, you will reduce the income tax implications for one individual.

Alternatively, you may decide to designate your estate as your beneficiary. By doing this, your estate deals with paying the taxes before money is distributed to those named as beneficiaries in your will. However, you should be aware that probate fees and estate taxes will apply to the death benefit if it becomes part of your estate. These particular fees and taxes are not applicable if you designate a living individual(s) or a charity beneficiary with the Plan.

POST-RETIREMENT BENEFIT

If you die after you have retired, whether you have a spouse or other designated beneficiaries, the benefit you leave them depends on which payment option you chose when you started retirement. Please visit the SPP website at staff.pensions.ubc.ca and select **Life Events > Retiring > Retirement Options** for further information about your post-retirement pension benefit.

HOW CAN I NAME MY BENEFICIARY?

If you would like to add one or more beneficiaries to your pension, or if you would like to update/change beneficiaries, please visit the SPP website at staff.pensions.ubc.ca and select **Life Events > Designating your Beneficiary** for further information.

NAMING A BENEFICIARY: STEPHEN'S STORY

Stephen has been an active, contributing member of the Staff Pension Plan for seven years and is working at UBC. He is married and currently has no one designated as his secondary beneficiary. Stephen and his wife have just recently had a baby. They decided to designate their child as Stephen's secondary beneficiary, in case anything ever happened to Stephen and his wife.

The process was simple:

- Stephen signed into [Workday](#), and under his Applications, he accessed the Benefits section.
- Stephen used the Workday support and resources within the [Integrated Service Centre](#) to help him update his information.

The following month, Stephen signed into [myPension](#) to see if his pension beneficiary information had been updated. Sure enough, his child was listed as his secondary beneficiary. Stephen knows that if he wants to change or add a beneficiary at any time, he can simply sign into Workday to make these changes and his pension beneficiary information will be updated with the UBC Pension Administration Office.

CHECKLIST

If you are an **Active** member and you would like to name a beneficiary or change your existing beneficiary information:

- Update your beneficiary information in Workday.
- Check [myPension](#) in 4-6 weeks to ensure that your correct beneficiary is listed in your file.

If you are a **Deferred** member and you would like to name a beneficiary or change your existing beneficiary information:

- Please download a [Beneficiary Designation Form](#).
- Complete and sign the form, and return it to the Pension Administration Office.
- Check [myPension](#) in 4-6 weeks to ensure that your correct beneficiary is listed in your file.

If you are a **Retired** member and you would like to name a beneficiary or change your existing beneficiary information:

- Please download a [Post-Retirement Beneficiary Designation Form](#).
- Complete and sign the form, and return it to the Pension Administration Office.
- Check [myPension](#) in 4-6 weeks to ensure that your correct beneficiary is listed in your file.

HELPFUL LINKS

BC PENSION BENEFITS STANDARDS ACT
www.bclaws.ca/civix/document/id/complete/statreg/00_12030

DEFINITION OF SPOUSE (IMPORTANT TERMS)
staff.pensions.ubc.ca/resources/important-terms

MARRIAGE, COMMON LAW, SEPARATION & DIVORCE
staff.pensions.ubc.ca/life-events/marriage-separation-divorce

POST-RETIREMENT PENSION BENEFIT
staff.pensions.ubc.ca/life-events/retiring/#options

SPP BENEFICIARY DESIGNATION FORM
staff.pensions.ubc.ca/resources/forms

This content has been compiled by the UBC Pension Administration Office. If there is any inconsistency between the contents of this communication and the pension plan documents or legislation, the plan documents and legislation will prevail. Updated: November 15, 2022