



INFORMATION SHEET

Designating Beneficiaries

(Post-Retirement)

Who is entitled to my SHEPP pension if I die after retiring?

If you die after retirement, the payment of death benefits depends on the form of pension you elected at retirement. Your designated beneficiaries will only receive a benefit if you are not survived by a spouse, and you have chosen a form of pension that includes a guarantee which has not expired.

Who is a spouse?

Based on the *Pension Benefits Act, 1992* (Saskatchewan), a spouse is defined as:

- a person to whom you are legally married at the relevant time; or
- if you are not married, a person with whom you are cohabiting as spouses at the relevant time and who has been cohabiting continuously with you as your spouse for at least one year prior to the relevant time;

“Relevant time” refers to the date of retirement with regard to the post-retirement survivor benefit.

What if my spouse signed a form waiving their right to a survivor pension?

If your spouse signed the Spouse’s Waiver of 60% Post-Retirement Survivor Benefit form when you retired, you

would have elected a Single Life form of pension. You may designate your spouse as a beneficiary. However, they would only receive a benefit if you pass away before the end of your guarantee term, and it would be shared equally among all primary beneficiaries.

If my spouse passes away and I remarry in retirement, is my new spouse entitled to the Joint Life survivor pension when I die?

No. Only your spouse on date of retirement is entitled to Joint Life survivor benefits. If you had chosen a Joint Life form of pension with a guarantee, and your spouse on your date of retirement has predeceased you, any benefit payable upon your death would be paid to your beneficiaries.

Can I designate my new spouse as a beneficiary?

Yes, you may designate your new spouse as a beneficiary. However, once you’ve retired, your beneficiaries are only entitled to a benefit upon your death if:

- you elected a Single Life form of pension and the guarantee has not yet expired; or
- you were predeceased by the spouse you had at retirement and you elected a form of pension that included a guarantee which has not yet expired.



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Who can I designate as my beneficiary?

You may designate any person you wish as your beneficiary. More than one beneficiary may be designated, and your beneficiary can include a legal entity such as your estate or a registered charity.

You may designate primary and contingent beneficiaries. A primary beneficiary is the person(s) you have named to be first in line for your SHEPP death benefit. A contingent beneficiary is the person(s) you have named to be second in line for your benefit if your primary beneficiary predeceases you.

What if my beneficiary is a minor?

If you designate a minor as a beneficiary, SHEPP cannot directly pay them a benefit. If your beneficiary is under the age of 18, SHEPP must pay the benefit to a trustee. You can appoint any individual or organization as a trustee for your minor beneficiary using the Designation of Beneficiary form on [SHEPPweb](https://www.shepp.ca). The trustee will hold any SHEPP benefit in trust until the minor reaches 18 years of age. If you do not designate a trustee, SHEPP will pay the benefit to the minor's legal property guardian. If there is no guardian, then SHEPP will pay the benefit to the Public Guardian and Trustee of Saskatchewan.

How do I update my beneficiaries?

Once your pension has been finalized, you will receive a letter stating your beneficiary information at your date of retirement. This should be carefully reviewed to ensure any benefit payable on your death is disbursed according to your wishes.

To change your beneficiaries, simply complete the Designation of Beneficiary form and submit it to SHEPP. This form can be found at www.shepp.ca. The new beneficiary designation will take effect once the

completed form has been received and processed by SHEPP, and will replace any previous beneficiary designations. Your list of beneficiaries can be updated as many times as you wish.

IMPORTANT

Each time you update your designated beneficiaries, the new designation replaces the previous one. Therefore, ensure your designation includes ALL primary and contingent beneficiaries you intend to potentially receive a benefit.

How is my SHEPP death benefit divided if I designate more than one beneficiary?

If a death benefit is payable to your beneficiaries and you designate more than one person as your primary beneficiary, the benefit will be paid in equal shares to all of your named primary beneficiaries. If any of your primary beneficiaries predecease you, any benefit payable will be shared equally among the surviving named primary beneficiaries. If all of your primary beneficiaries predecease you, the benefit will be paid in equal shares to all of your named contingent beneficiaries.

If you have not named any contingent beneficiaries, or all of your contingent beneficiaries have predeceased you, the benefit will be paid to your estate.

Isn't it easier to leave the benefit to my estate and have it dealt with in my will?

No, leaving your SHEPP benefit to a beneficiary is like taking a shortcut. It is a quick way of getting the benefit to someone you care about. Settling an estate can take weeks to years and can be very costly. In the meantime, your estate's money may be inaccessible. As well, if you



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leave your SHEPP benefit to a beneficiary, the money becomes the property of your beneficiary and is safe from your creditors if you die owing money.

When should I review my beneficiary designation?

You should review your beneficiary designation regularly to ensure any death benefit payable to your beneficiaries is disbursed according to your wishes.

For information regarding designating beneficiaries before retirement please refer to the Designating Beneficiaries - Pre-Retirement Information Sheet available at www.shepp.ca.