

NEW RULES REGARDING

“PRE-RETIREMENT DEATH BENEFITS”

SHARED RISK PLAN FOR CERTAIN BARGAINING EMPLOYEES OF NEW BRUNSWICK HOSPITALS



A new option is available regarding the benefits payable in the event of a member's death prior to retirement (“**pre-retirement death benefits**”). Included are the **most frequently asked questions** regarding how this new rule may apply to you.

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WHAT IS A “PRE-RETIREMENT DEATH BENEFIT”?

If a member were to de cease prior to retirement, a lump sum benefit would be paid to their spouse*, beneficiary or estate.

2

WHAT HAS CHANGED?

If a member has a spouse, the lump sum benefit is automatically paid to the spouse. However, this new rule allows a member's spouse to waive all or part of their entitlement to a pre-retirement death benefit.

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WHY IS THIS IMPORTANT?

If a member would like to have someone other than their spouse (e.g., their child) receive the benefit, and their spouse agrees, they can now designate that other person as the beneficiary.



A spouse is a person who is married to the member, or if not married to the member, has been cohabitating in a conjugal relationship with the member for a continuous period of at least two years (common-law partner).

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HOW CAN A SPOUSE PROCEED WITH THE WAIVER?

A member's spouse can waive all or a portion of their entitlement by completing a **Pre-retirement Death Benefit Waiver**. This form must be received by Vestcor Pension Services Corporation (VPSC) prior to the member's death and can be found at the following website:

www.vestcor.org/cbe

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CAN A MEMBER/SPOUSE CHANGE THEIR MIND AT A LATER DATE?

Yes, the waiver can be cancelled at any time prior to the member's death by completing a **Revocation of Pre-retirement Death Benefit Waiver**. It is important to note that this form must be completed by both the member and their spouse and received by VPSC prior to the member's death. The revocation of waiver form can be found at the following website: www.vestcor.org/cbe

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HOW CAN A MEMBER DESIGNATE OR CHANGE THEIR BENEFICIARY?

A **"Designation/Change of Beneficiary"** form is available online at www.vestcor.org/cbe, or through the member's Human Resources or Payroll office.

If you have any questions, please contact a Pensions and Benefits Specialist with Vestcor Pension Services Corporation by any of the following methods:



1-800-561-4012 (toll free)
or 506-453-2296 (Fredericton)



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