

# Statement of Family Law Value

## Active Member of a Plan with Defined Benefit and Defined Contribution Provisions

### Family Law Form FL-4C

(Under section 67.2(9) of the Pension Benefits Act)

This statement provides the imputed value under the Pension Benefits Act and Family Law Act, for a Plan Member who was an active member of the pension plan on the family law valuation date (e.g., separation date). It is completed by the plan administrator. This statement is provided to both the Plan Member and the Plan Member's spouse, regardless of who makes the application.

The imputed value (referred to as **family law value** on this statement) is the value of the pension benefit that was accrued during the spousal relationship. It is calculated as of the family law valuation date. The family law value is used in the calculation of the Plan Member's net family property. This statement does not entitle the Plan Member's spouse to a portion of the pension benefit.

This statement includes details of how the family law value was calculated. If you have questions about the calculations, contact the plan administrator.

Information about the pension valuation and division process can be found in the [Pensions and Marriage Breakdown – a Guide for Members and their Spouses](#).

#### Part A – Family Law Value

##### Name of Plan Member

Last Name	First Name	Initials	Applicant <input type="radio"/> Yes <input type="radio"/> No
-----------	------------	----------	--

##### Name of Plan Member's Spouse

Last Name	First Name	Initials	Applicant <input type="radio"/> Yes <input type="radio"/> No
-----------	------------	----------	--

You and your spouse have proposed two valuation dates. The plan administrator will therefore provide two statements. This statement sets out ONE of the two proposed family law values. ☐ Yes ☐ No

The starting date of your spousal relationship is (yyyy/mm/dd): \_\_\_\_\_

The starting date is based on:

- ☐ your marriage date
- ☐ the date when you and your spouse started living together in a common-law relationship
- ☐ the date that was jointly chosen by you and your spouse
- ☐ the date specified in your court order or family arbitration award

Your **family law valuation date** is (yyyy/mm/dd): \_\_\_\_\_

The **family law value** as of the family law valuation date is:

\$ \_\_\_\_\_ (defined benefit) ☐ not applicable  
\$ \_\_\_\_\_ (defined contribution benefit) ☐ not applicable  
\$ \_\_\_\_\_ GROSS

The **maximum amount** that may be transferred as equalization to the Plan Member's spouse is:

\$ \_\_\_\_\_ GROSS (50% of the total family law value)

**Note:** The Plan Member should include the gross family law value as an asset on the Plan Member's financial statement. The Plan Member should also list future tax liability for the pension as a debt on the financial statement. Consult a family law lawyer or financial advisor for advice on calculating the future tax rate. Neither the plan administrator nor FSRA can provide assistance on determining the future tax liability, completing the financial statement or calculating net family property.

**IMPORTANT:**

See [Pensions and Marriage Breakdown – a Guide for Members and their Spouses](#) for treatment of interest.

**Part B – Pension Plan Information**

Name of Pension Plan	Registration Number
----------------------	---------------------

Name of Employer/Union/Professional Association

Plan Administrator

**Plan Administrator's Contact Information**

Unit Number	Street Number	Street Name	
City	Province/State	Country	Postal Code/Zip Code
Telephone Number	Fax Number	E-mail Address	

**Part C – Information about the Plan Member**

Last Name	First Name	Initials
Date of Birth (yyyy/mm/dd)	Employee/Pension Plan Identification Number, if applicable	

**Part D – Information about the Plan Member's Spouse**

Last Name	First Name	Initials	Date of Birth (yyyy/mm/dd)
-----------	------------	----------	----------------------------

## Part E – Transfer Options for the Plan Member’s Spouse

If the Plan Member is required to make an equalization payment, up to 50% of the family law value can be assigned to the Plan Member’s spouse in a court order, family arbitration award or domestic contract. In that event, the following transfer options are available to the Plan Member’s spouse:

- ☐ Transfer lump sum to a locked-in retirement account (LIRA) or to a life income fund (LIF). (Note: The earliest date the Plan Member’s spouse may buy a LIF is anytime during the calendar year before the year they turn 55 years of age. Up to 50 per cent of the money that is transferred into the LIF may be withdrawn within 60 days of transferring the money to the LIF using FSRA’s **Form 5.2 – Application to withdraw or transfer up to 50% of the money transferred into a Schedule 1.1 LIF.**)
- ☐ Transfer lump sum to another pension plan in any Canadian jurisdiction. This option will only be available if the plan administrator of the receiving pension plan agrees to accept the transfer and administer the transferred amount in accordance with the Ontario Pension Benefits Act.
- ☐ No transfer options are available. This is because:

## Part F – Pension Fund Status (Defined Benefits)

The **transfer ratio** of the pension plan for the purposes of this statement is: \_\_\_\_\_

**Note:** The transfer ratio of a pension plan reflects the funded status of the pension plan as of a specific date and may change. If the transfer ratio is less than 1.0 at the time of payment, there may be limits on the plan administrator’s ability to transfer the entire family law value amount to the Plan Member’s spouse. Any balance owing could be paid within five years of the initial payment.

## Part G – Certification by the Plan Administrator

I certify that this statement is accurate based on the information provided by the applicant in their **Application for Family Law Value (Family Law Form FL-1)** and the data contained in the pension plan records.

Name of plan administrator or plan administrator’s authorized agent or representative (printed)

Signature of plan administrator or plan administrator’s authorized agent or representative

Date (yyyy/mm/dd)

### Information about the plan administrator’s authorized agent or representative (if applicable)

Firm/Company Name

Unit Number	Street Number	Street Name		
City	Province/State	Country	Postal Code/Zip Code	
Telephone Number	Fax Number	E-mail Address		

## Next Steps

### If Your Decision is Not to Divide the Family Law Value

- Consider informing the plan administrator that the family law value is not going to be divided.
- Consider updating your spouse and beneficiary designation information.

### If Your Decision is to Divide the Family Law Value

1. Finalize the court order, family arbitration award or domestic contract. This document must:
  - a. state the family law valuation date;
  - b. include the name of the pension plan (as stated in **Part B**);
  - c. authorize the lump sum transfer from the pension plan; and
  - d. state the amount to be transferred as either a specified amount (\$) or a percentage (%) that does not exceed 50% of the family law value.
2. The court order, family arbitration award or domestic contract must be a certified copy. A “certified copy” is a copy of the original document that has been certified as being a true copy of the original document.
3. The Plan Member’s spouse must complete the **Spouse’s Application for Transfer of a Lump Sum (Family Law Form FL–5)** and send this form together with the final court order, family arbitration award or domestic contract (as applicable) to the plan administrator. The plan administrator may also require the following additional information:

---

#### **IMPORTANT:**

If the Plan Member terminates or retires before the Plan Member’s spouse submits the **Spouse’s Application for Transfer of a Lump Sum (Family Law Form FL–5)**, the plan administrator may not be able to fully implement the transfer.

## Worksheet – Calculation of Preliminary Value, Family Law Value and Maximum Transfer

The Worksheet and Additional Disclosure sections provide details and data on the calculations for independent verification. Any calculations that are not applicable will be left blank by the plan administrator. The following information is provided on the Worksheet:

- Step 1 is the calculation of the preliminary value. Calculations 1, 2 and 4 apply to defined benefits and Calculation 3 to defined contribution benefits.
- Step 2 is the calculation of the family law value. Calculation 5 applies defined benefits and Calculation 6 to defined contribution benefits.
- Step 3 is the calculation of the maximum transfer.

### Step 1 – Calculation of Preliminary Value

#### Note:

- The **preliminary value** of the defined benefit is the total value of the pension accrued by the Plan Member as of the family law valuation date. It has not been adjusted to reflect the period of the spousal relationship.
- The **preliminary value** of the defined contribution benefit is the total value of the defined contribution benefit with interest/investment earnings credited to the Plan Member as of the family law valuation date. It has not been adjusted to reflect the period of the spousal relationship.

The following **Calculation** applies to the Plan Member:

- ☐ The Plan Member is entitled to a defined benefit on the family law valuation date. The family law valuation date is **on or before** the Plan Member's early unreduced retirement date. See **Calculation 1**.
- ☐ The Plan Member is entitled to a defined benefit on the family law valuation date. The family law valuation date is **after** the Plan Member's early unreduced retirement date. See **Calculation 2**.
- ☐ The Plan Member is entitled to a defined contribution benefit on the family law valuation date. See **Calculation 3**.
- ☐ The pension plan is wound up. See **Calculation 4** if the Plan Member has a defined benefit and the effective date of the wind up is **on or before** the family law valuation date. See **Calculation 1 or 2** (as applicable) if the wind up occurred **after** the family law valuation date. See also **Calculation 3** if the Plan Member has a defined contribution benefit.

#### Calculation 1 (Preliminary value of the defined benefit).

Family law valuation date is **on or before** the Plan Member's early unreduced retirement date.

Value "A" is:	\$	Assumed start age for pension Value "A" is:		Weighted Value of "A" is	\$
Value "B" is:	\$	Assumed start age for pension Value "B" is:		Weighted Value of "B" is	\$
Value "C" is:	\$	Assumed start age for pension Value "C" is:		Weighted Value of "C" is	\$
Total Weighted Value is					\$
Weighting factor "T" is:                      years (includes one-twelfth of a year for each full month during the period)					
Initial preliminary value (total weighted value)				\$	= G
Plus, surplus assets payable, if applicable (0 if not applicable or unknown)				\$	= surplus
<b>Preliminary value as of the family law valuation date</b>				\$	<b>= G + surplus</b>

**For information purposes only:**

- The preliminary value is the sum of the weighted Values of A, B and C.
- The calculations for Values A, B and C are made based on different assumptions about when the Plan Member will start their pension in the future.
- Value A assumes the Plan Member will start their pension on the date that results in a pension with the greatest value.
- Value B assumes the Plan Member will start their pension at their normal retirement date.
- Value C assumes the Plan Member's pension will start at the earliest date when they would be eligible to be paid an unreduced pension if their employment or plan membership continued to that date.
- Weightings are assigned to Values A, B and C based on the number of years from the family law valuation date to the date when the Plan Member would be first eligible to retire with an unreduced pension ("T" factor). Weightings for the T factor between those shown on the table are adjusted accordingly.

T factor	Value A weighting	Value B weighting	Value C weighting
30 years or more years	85.0%	6.0%	9.0%
20 years	40.0%	24.0%	36.0%
10 years	10.0%	36.0%	54.0%
0 year	0.0%	40.0%	60.0%

**Calculation 2 (Preliminary value of the defined benefit).**Family law valuation date is **after** the Plan Member's early unreduced retirement date

Value "B" is:	\$	Assumed start age for pension Value "B" is:		Weighted Value of "B" is	\$
Value "F" is:	\$	Assumed start age for pension Value "F" is:		Weighted Value of "F" is	\$
Total Weighted Value is					\$
Weighting factor "D" is:	years (includes one-twelfth of a year for each full month during the period)				
Weighting factor "E" is:	years (includes one-twelfth of a year for each full month during the period)				
Initial preliminary value (total weighted value)				\$	<b>= G</b>
Plus, surplus assets payable, if applicable (0 if not applicable or unknown)				\$	<b>= surplus</b>
<b>Preliminary value as of the family law valuation date</b>				\$	<b>= G + surplus</b>

**For information purposes only:**

- The preliminary value is the sum of the weighted Values of B and F.
- The calculations for Values B and F are made based on different assumptions about when the Plan Member will start their pension in the future.
- Value B assumes the Plan Member will start their pension at their normal retirement date.
- Value F assumes the Plan Member will start their pension on the family law valuation date.
- If the family law valuation date is on or after the normal retirement date, the preliminary value is equal to Value F.
- Weightings are assigned to Values B and F based on the % ratio (E/D ratio) of the number of years from the family law valuation date to the normal retirement date (factor E) over the number of years from the date when the Plan Member would be first eligible to retire with an unreduced pension to the normal retirement date (factor D). Weightings for E/D ratio between those shown on the table are adjusted accordingly.

<b>E/D ratio (%)</b>	<b>Value B weighting</b>	<b>Value F weighting</b>
99%	40.6%	59.4%
75%	55.0%	45.0%
50%	70.0%	30.0%
25%	85.0%	15.0%
1%	99.4%	0.6%

### Calculation 3 (Preliminary value of the defined contribution benefit)

If the plan administrator's records include the exact account balance as of the family law valuation date, the preliminary value is:

Total amount of contributions, including interest/investment earnings on the contributions, attributable to the Plan Member as of the family law valuation date:	\$	<b>= G</b>
--	----	------------

OR

If the plan administrator's records do not include the exact account balance as of the family law valuation date, the preliminary value is calculated as:

Total amount of contributions, including interest/investment earnings on the contributions, attributable to the Plan Member as of the last day of the month immediately preceding the family law valuation date:	\$	<b>= G</b>
--	----	------------

### Calculation 4 - (Preliminary value of the defined benefit on wind up of the pension plan) - Plan Member is entitled to a defined benefit and the effective date of the wind up is **on or before** the family law valuation date.

Commutated value of the pension benefit (including any ancillary benefits) as of the wind up date	\$	<b>= X</b>
Plus, accumulated interest from the wind up date to the family law valuation date	\$	<b>= Y</b>
Initial preliminary value ( <b>X + Y</b> )	\$	<b>= G</b>
Plus, surplus assets payable, if applicable (0 if not applicable or unknown)	\$	<b>= surplus</b>
<b>Preliminary value as of the family law valuation date</b>	\$	<b>= G + surplus</b>

## Step 2 – Calculation of Family Law Value

**Note:** The family law value is the portion of the preliminary value that accrued during the spousal relationship (married or common-law) as of the family law valuation date.

The following Calculation(s) applies (apply) to the Plan Member:

- ☐ **Calculation 5** – Plan Member is entitled to a defined benefit (**Calculation 1, 2 or 4** was completed under **Step 1**).
- ☐ **Calculation 6** – Plan Member is entitled to a defined contribution benefit (**Calculation 3** was completed under **Step 1**).

### Calculation 5 (Family law value of the defined benefit)

The preliminary value calculated under <b>Step 1</b> above	\$	= (G + surplus)
Total credited service accrued by the Plan Member during the spousal relationship period (i.e., beginning on the starting date and ending on the family law valuation date)		= H
Total credited service accrued by the Plan Member during the entire period of employment or plan membership as of the family law valuation date		= J
Family law value formula = (G + surplus) x H/J (Note: H/J cannot exceed 1.)	\$	= family law value (defined benefit)

### Calculation 6 (Family law value of the defined contribution benefit)

**Note:** The account balance in the calculations below includes interest/investment earnings on the contributions attributable to the Plan Member.

If the **starting date** of the spousal relationship is **before the date** when the Plan Member joined the pension plan:

The <b>family law value</b> = preliminary value (G) calculated in Step 1.	\$	= family law value (defined contribution benefit)
---	----	---

OR

If the **starting date** of the spousal relationship is **on or after the date** when the Plan Member joined the pension plan, the plan administrator is required to complete **Calculation 6a** if the information is available. **Calculation 6b** will only be completed if **Calculation 6a** cannot be completed. **Calculation 6c** will only be completed if **Calculations 6a or 6b** cannot be completed.

### Calculation 6a:

The **account balance** as of the starting date of the spousal relationship **can be determined**.

The <b>preliminary value (G)</b> calculated in <b>Step 1</b> is:	\$	= X
The <b>account balance</b> at the starting date is:	\$	= Y
<b>X minus Y</b> is:	\$	= family law value (defined contribution benefit)

OR

**Calculation 6b:**

The **account balance** as of the starting date of the spousal relationship **cannot be determined**. However, the account balance can be determined on a date that falls between 45 days before and 45 days after the starting date of the spousal relationship.

The <b>account balance</b> can be determined as of:		(yyyy/mm/dd)
The <b>preliminary value (G)</b> calculated in <b>Step 1</b> is:	\$	= X
The <b>account balance</b> as of the determined date is:	\$	= Y
<b>X minus Y</b> is:	\$	= family law value (defined contribution benefit)

OR

**Calculation 6c:**

The **account balance** as of the starting date of the spousal relationship is being determined in accordance with section 18 of Ontario Regulation 287/11 with necessary modifications.

The <b>preliminary value (G)</b> calculated in <b>Step 1</b> is:	\$	= G
The period of spousal relationship (i.e., beginning on the starting date and ending on the family law valuation date) is:		= H
The entire period of employment or plan membership as of the family law valuation date is:		= J
Family law value formula is <b>G x H/J</b> (Note: H/J cannot exceed 1.)	\$	= family law value (defined contribution benefit)

**Step 3 - Maximum Amount that May Be Transferred to the Plan Member's Spouse**

The portion of the family law value payable to the Plan Member's spouse **cannot exceed 50%** of the **total family law value** calculated under **Step 2** above.

The <b>total maximum amount</b> of the <b>family law value (defined benefit and defined contribution benefit)</b> that may be transferred as equalization to the Plan Member's spouse from the pension plan is:	\$
---	----

**Note:** If the Plan Member has an entitlement to both a defined benefit and a defined contribution benefit as of the family law valuation date, the lump sum may be transferred wholly from the defined benefit or wholly from the defined contribution benefit, or a portion may be transferred from each.

### Plan Membership and Employment Information as of the Family Law Valuation Date

The Plan Member joined the pension plan on (yyyy/mm/dd):

The Plan Member became a former member (deferred vested) after the family law valuation date on (yyyy/mm/dd) ☐ not applicable

The Plan Member became a retired member after the family law valuation date on (yyyy/mm/dd) ☐ not applicable

### Information about the Plan Member's Accrued Pension as of the Family Law Valuation Date for Calculations 1 and 2 (defined benefit)

Pensionable/average annual salary (if required for the pension formula) ☐ not applicable \$

Accrued lifetime pension as of the family law valuation date ☐ monthly ☐ annual \$

Accrued bridging/supplemental benefit as of the family law valuation date ☐ monthly ☐ annual ☐ not applicable \$

Canada Pension Plan reduction at age 65 ☐ monthly ☐ annual ☐ not applicable \$

Plan Member's age on the family law valuation date

Purchased pension credits (buybacks or transfers) are included in the preliminary value ☐ yes ☐ no ☐ not applicable

### Information about the Plan Member's Accrued Pension as of the Wind Up Date for Calculation 4 (defined benefit)

Pensionable/average annual salary (if required for the pension formula) ☐ not applicable \$

Accrued lifetime pension as of the wind up date ☐ monthly ☐ annual \$

Accrued bridging/supplemental benefits as of the wind up date ☐ monthly ☐ annual ☐ not applicable \$

Canada Pension Plan reduction at age 65 ☐ monthly ☐ annual ☐ not applicable \$

Plan Member's age on the wind up date

Purchased pension credits (buybacks or transfers) are included in the preliminary value ☐ yes ☐ no ☐ not applicable

## **Explanation of Pension Plan Provisions that Apply to the Plan Member to Calculate the Family Law Value**

☐ Plan provisions are explained in a separate document that is included with this statement.

---

The following are details of the plan provisions (for example: benefit type, pension benefit formula, normal retirement date, early retirement provision(s), normal form, ancillary benefit(s), indexation, contribution formula (employer, employee), interest/investment earnings (fund rate or other), etc.):

### Actuarial Assumptions Used in the Calculation of the Preliminary Value

☐ actuarial assumptions are provided in a separate document that is included with this statement

☐ not applicable

Assumptions based on section 3500 of the Canadian Institute of Actuaries Standards of Practice	Assumptions
Non-indexed interest rate(s)	
Indexed interest rate(s) <input type="checkbox"/> not applicable	
Rate(s) of pension escalation <input type="checkbox"/> not applicable	
Mortality table: <input type="checkbox"/> unisex (specify % male and % female) and/or <input type="checkbox"/> sex-distinct (pre-87 service only)	
Marital status at retirement: percent married <input type="checkbox"/> not applicable	
Marital status at retirement: age difference between plan members and their spouses <input type="checkbox"/> not applicable	
Other relevant assumptions <input type="checkbox"/> not applicable	

## Shortened Life Expectancy Information

☐ not applicable

The Plan Member has filed a shortened life expectancy application and the conditions that are specified under section 12 or 13 of Ontario Regulation 287/11 (Family Law Matters) apply. The following are the actuarial assumptions used in the calculation of the shortened life expectancy family law value:

**Information about the wind up of the pension plan**☐ not applicable

The following information has been completed because the Plan Member is included in the wind up group. The effective date of the wind up is **on or before** the date of this statement.

Effective date of the wind up of the pension plan is (yyyy/mm/dd):

The Plan Member's pension will be reduced as a result of the wind up ☐ yes ☐ no ☐ unknown

The pension plan is covered by the Pension Benefits Guarantee Fund ☐ yes ☐ no

**Information about surplus application made on or before the family law valuation date**☐ not applicable

The Plan Member is entitled to receive a share of surplus from the pension plan, which is not included in the family law value. The following is a summary of the relevant details of the surplus application (e.g., information about the surplus sharing agreement, etc.):

**Information about pension plan amendments before the family law valuation date**☐ not applicable

The Plan Member belongs to a class of employees that received (or will be receiving) payment(s) resulting from amendment(s) to the pension plan related to cost of living adjustments during the last three fiscal years of the pension plan before the family law valuation date. The following is an explanation of the amendment(s) [e.g., date when the amendment was made, how much the Plan Member received (or will receive), etc.].

**Year 1**

**Year 2**

**Year 3**

**Information about additional voluntary contributions (AVCs) as of the family law valuation date**☐ not applicable

AVCs are voluntary contributions that a Plan Member may make beyond those that are required to be made by the Plan Member under the pension plan. The terms of the pension plan specify whether AVCs are allowed and how they are to be paid out. AVCs are **not included** in the family law value set out in **Part A** of this statement.

The total AVCs as of the family law valuation date, including interest/investment earnings:

\$

The total AVCs from the starting date of the spousal relationship to the family law valuation date, including interest/investment earnings (provided if available):

\$