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Bill 236, Pension Benefits Amendment Act, 2010 - Frequently Asked Questions

On May 18, 2010, [Bill 236: Pension Benefits Amendment Act, 2010](#) received Royal Assent. This Bill makes a number of changes to the Pension Benefits Act (PBA) - some of which came into effect immediately, while others will come into effect at a later date (when proclamation occurs).

On June 21, 2012, the government proclaimed a significant [number of sections of Bill 236](#)  Size: 106 kb to be in force on July 1, 2012. Information about the changes are available on the [Legislative Changes July 1, 2012](#) page.

The following frequently asked questions address some of the questions that may arise as a result of part of this Bill becoming law (receiving Royal Assent) in May 2010.

Q1: What are the most significant changes that came into effect on May 18, 2010?

A1: The most significant changes to the PBA are listed below.

- **New requirement for members of certain pension plans who can end their membership when contributions have ceased**

Section 38 of the PBA allows a member of a multi-employer pension plan (MEPP), a member of a pension plan who is working part-time, or a member of a pension plan who has been laid off, to end his or her membership in the plan, if no contributions are paid or are required to be paid on his or her behalf, for 24 consecutive months (or less, if a shorter period of time is specified in the plan).

The new provision clarifies that even if the above conditions have been met, the member must deliver written notice of his or her decision to terminate membership in the pension plan to the administrator of the pension plan before this termination of membership is effective.

When the administrator determines the member's pension benefits, his or her employment will be deemed to have ended when the plan membership has ended.

- **The document waiving a joint and survivor pension must now be signed and dated when delivered to the pension plan administrator or insurance company**

Section 46 of the PBA allows individuals who are entitled to a joint and survivor pension benefit to waive this entitlement. If an individual is a member of a pension plan and decides to waive the joint and survivor pension benefit, he or she must deliver one of the following documents to the plan administrator:

- a written waiver that is in a Superintendent approved form; or
- a certified copy of a domestic contract under Part IV of the Family Law Act that contains the waiver.

If an individual owns a deferred life annuity and wishes to waive the joint and survivor benefit, he or she must deliver the written waiver to the insurance company. The waiver form or

domestic contract must be delivered to the administrator or insurance company within the twelve months before the pension benefit starts to be paid.

Effective immediately, the waiver is not effective unless it was dated, signed and delivered within the twelve months before the payment begins. Previously, it was not necessary for the waiver to be signed and dated.

- **The employer overpayment application period has been extended**

See employer overpayment application provision updated by [Bill 120](#). - 12/10

Q2: Where can I get access to the full contents of Bill 236?

A2: Bill 236 is available at the [ServiceOntario e-laws](#) website. - 06/10

Q3: When will the remaining provisions in Bill 236 come into effect?

A3: Certain provisions relating to asset transfers will go into effect on the date the legislation is proclaimed and will cease to be in effect on July 1, 2015. All other provisions become effective on the date they are proclaimed. - 06/12

Q4: If I have any questions, who should I contact?

A4: If you have any questions about Bill 236, you may contact the Ministry of Finance at 1-800-337-7222 (toll-free in Ontario only) or FSCO at 1-800-668-0128 (toll-free). - 06/10