No More Witnesses, Increased Fees And Other Changes To The BC Division Of Pension Regulations That Plan Administrators Should Know About



Last year, the British Columbia Government amended the *Family Law Act* provision for pension division on relationship breakdown.* Many of those amendments required changes to be made to the accompanying *Division of Pensions Regulation.* These amendments to the *Regulation* were recently published by the government and will come into force on January 1, 2025. The amendments to the Family Law Act that are not yet in force will also come into force on that date.

The following notable amendments are being made to the *Division of Pensions Regulation*:

- **Assignment of Survivor Benefits:** Prescribes a new form – Form P10 (Notice of Assignment of Survivor Benefits by Agreement or Order) – that must be given to the plan administrator if a spouse enters into an agreement, or there is a court order, to pay to another person all or part of the survivor benefits received by the spouse.
- **Information to Limited Member:** Amends the information that must be provided to a limited member to include the earliest date that the limited member will be entitled to begin receiving (i) an unreduced pension and (ii) a reduced pension.
- **Calculation of Proportionate Share:** Adds a new section respecting the calculation of a proportionate share of payments under an annuity not purchased by a plan administrator.
- **Locked-in Retirement Accounts (LIRA) / Life Income Funds (LIF):** Adds a new section respecting the transfer from a LIRA or LIF being made in accordance with the *Pension Benefits Standards Act* (British Columbia) and applicable regulations and provides details on the calculation of a proportionate share of a LIRA or LIF benefit.
- **Administrative Costs:** Increases the maximum amount that an administrator can charge members and spouses for registering a spouse as a limited member (from $750 to $1000) and for transferring from defined contribution accounts (from $175 to $200).
- **Forms:** Adds new forms to replace the old forms referenced in the *Regulation*. Notably, the new forms P2, P3, P4, P6, P7 and P8 are no longer required to be witnessed. (You can see the new forms here).

*You can read more about those amendments in this blog post: Bill 17 Updates & Clarifies the Family Law Act's Pension Division Rules.

The content of this article is intended to provide a general guide to the subject matter. Specialist advice should be sought about your specific circumstances.

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