



NOTICE TO CANADIAN FORCES PENSIONERS

MARRIAGE AFTER 60 YEARS OF AGE

The following information will be of interest to pensioners who have married in the last year or who may be considering marriage after age sixty.

Under Section 31 of the Canadian Forces Superannuation Act there is no provision for payment of a spouse's allowance upon a pensioner's death where the marriage occurred after age sixty, unless a common-law relationship existed prior to age sixty. However, a pensioner who was not in a common-law relationship prior to age sixty and who marries after sixty may choose to provide a form of survivor benefit coverage for his/her spouse, if the election is made within one year of the date of marriage.

You are eligible to choose this coverage for your spouse if you married after age sixty. Please note that coverage is **NOT** available for common-law spouses or persons cohabitating in relationships of a conjugal nature, nor is it available for survivors in receipt of a spouse's allowance.

Pensioners who choose to provide this coverage will have a choice of three different spousal benefit levels. The pensioner's monthly pension would then be reduced according to the level of spousal benefit chosen: the greater the spousal benefit - the greater the reduction to the pensioner's monthly pension.

In the event that you choose this coverage for your spouse, the reduction to your pension will continue for your lifetime unless your spouse predeceases you, or your marriage is dissolved by divorce or annulment. If one of these events occurs, your full pension entitlement will be reinstated from that point forward. In other words, since the spousal benefit coverage has ended, your monthly pension would no longer include the reduction for that coverage.

If you have married within the past year, and are sixty or over and are interested in this benefit, please write to National Defence Headquarters, Ottawa, ON K1A 0K2, Attention: Director Canadian Forces Pensions Services 8, or call toll-free 1-800-267-0325.

A letter will be forwarded to you including an estimate of the spousal benefit, and the corresponding reduction to your monthly pension, for each level of coverage. Instructions on electing for this coverage will be enclosed with the estimate.

The deadline for electing for coverage is one year from the date of your marriage.

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CANADA/QUEBEC PENSION PLAN

When the Canadian Forces Superannuation Act and Canada /Quebec Pension Plan were integrated in 1966, the Canadian Forces Superannuation Act contributions and resulting benefits were adjusted accordingly. Consequently, the benefits of the Canada /Quebec Pension Plan became available to the participants under the Canada Forces Superannuation Act without any increase in their monthly pension contributions. In effect, the contribution amount remained the same, but a portion was used to pay for modified coverage under the Canadian Forces Superannuation Act. A modified coverage scheme still exists today. As a result, all the annuities payable under the Act are reduced once the contributor becomes eligible to receive Canada / Quebec Pension Plan benefits at age 65, or earlier upon receipt of Canada Pension Plan disability benefits. In essence, the resulting reduction in contributions to the Canadian Forces Superannuation Account while a member was serving necessitated a corresponding adjustment to the benefits, such as annuities, that this fund could support.

The authority for this reduction, and the formula to determine the amount of reduction, are contained in sub-section 15(2) of the Canadian Forces Superannuation Act. In accordance with the formula, the basic Canadian Forces Superannuation Act pension will be reduced the month following the member's 65th birthday. While the reduction varies in each individual case, the amount can be substantial and may be equivalent to the CPP/QPP benefit. The reduction applicable to the basic annuity entitlement of each individual is shown on his or her Calculation of Benefit form that is provided at the time of retirement. When a pensioner opts for an early retirement pension from the Canada/Quebec Pension Plan, he/she draws a reduced Canada/Quebec Pension Plan pension, with no impact on other federal pensions. However, when the pensioner reaches the age of 65, the Canadian Forces pension must be reduced as explained above. This reduction does not apply to survivor allowances.

This reduction also causes a diminution of the benefit received for indexation. The Canadian Forces Superannuation Act annuities are indexed to reflect the increase in the cost-of-living as provided for under Part III of the Canadian Forces Superannuation Act, Supplementary Benefits. As the Supplementary Benefit is calculated as a percentage of the basic annuity entitlement, it is also necessary to recalculate the supplementary benefit payable based on the reduced basic annuity.

General Pension Inquiries

National Defence Headquarters
Director Canadian Forces
Pensions Services
Toll Free 1-800-267-0325
Local Calls (613) 971-6012
Internet: <http://www.admfincs.forces.gc.ca/dcf-dsp/index-eng.asp>

Cheque/Deduction Inquiries/
Change of Address

Public Works and Government
Services Canada
Toll Free-1-800-267-0350
Local Calls (613) 952-9933

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The Canadian Forces Personnel Assistance Fund (CFPAF) provides financial assistance to serving and former members of the Canadian Armed Forces who enlisted after 31 January, 1968 and those of the Canadian Army, Regular, who continued to serve or enrolled after 30 September, 1946. This assistance is available in the form of grants and low-interest loans in financial distress situations and is also available to dependants. The CFPAF administers minor disbursements, through Veterans Affairs Canada, available to all eligible members mentioned above as well as to WW II Army Veterans. Effective 12 June, 1996, CFPAF extended the benefits of its Financial Distress Programs to eligible members of the Reserves.

CPFAF also operates an educational assistance loan program, which provides low interest loans to serving members, former members or their dependants. Grandchildren may be eligible for this assistance only if they are financially dependent upon the applying CF member in all aspects. Appropriate documentation is required (adoption, legal guardianship, and/or custody papers). Eligible applicants must have a minimum of one year of military service (Regular Force) and the student for whom the loan is requested must be accepted in a full-time education program.

The Royal Canadian Legion (RCL) Poppy Trust Fund provides financial assistance to all Veterans, including currently serving Canadian Forces (CF) members and their families. In accordance with the General By-laws of the RCL, the need may be for shelter, food, fuel, clothing, or other emergencies. All levels of the RCL (Branch, Provincial Command or Dominion Command) will consider applications for a grant. Every application is considered on the merits of the applicant's circumstances and demonstrated need. Benevolent assistance remittances are generally made payable to both the applicant and the service provider. Applications can be submitted to Veterans Affairs Canada (VAC) or directly to the Royal Canadian Legion, Dominion Command Poppy Fund. Membership in The Legion not required.

The Canadian Naval Benevolent Fund (RCNBF) renders assistance to eligible applicants, who served in the Naval Forces of Canada. This assistance is provided in the form of grants and interest-free loans, to relieve distress and promote well-being for applicants and their spouses. Bursaries for educational purposes for dependants, including grandchildren, are also available. The Naval Benevolent Fund has extended the definition of eligible applicants to include Canadian Merchant Navy War Veterans and former members of the Canadian Forces, who served in units of Maritime Command or who had a Navy or Sea Element rank designation or wore the Naval DEU. RCNBF also provides minor disbursements through Veterans Affairs Canada and Royal Canadian Legions.

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In view of the large number of persons eligible to apply for assistance from these Funds, it is necessary to restrict the forms of distress for which assistance can be provided. Each application is judged on its own individual merits by a committee formed within each Fund's organization.

For complete information, you should contact your nearest district office of Veterans Affairs Canada or your local service organization, i.e. RCL, etc., in which membership is not required.

Addresses of the Funds are:

Canadian Forces Personnel Assistance Fund
SISIP Financial Services,
234 Laurier Ave West,
Ottawa, ON K1P 6K6 613-760-3447
Toll Free: 1-888-753-9828
Fax: (613)233-5907
Email: cfpaf@cfpsa.com

Veterans Affairs Canada,
Toll Free: 1-866-522-2122 (English)
1-866-522-2022 (Francais)

RCN Benevolent Fund
PO Box 505, STN B,
Ottawa, ON K1P 5P6 613-996-5087
Toll Free: 1-888-557-8777
Email: rcnbf@sympatico.ca
Website: www.rcnbf.ca

RCL Poppy Trust Fund
86 Aird Place
Ottawa, ON K2L 0A1
Toll Free: 1-877-534-4666
email: servicebureau@legion.ca
Website: www.legion.ca

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