
Overview

Your pension could be your most valuable asset, exceeding even the value of your home. Under Ontario's *Family Law Act*, pension benefits accumulated during your marriage must be included in the calculation of family property to be shared when you separate.

Under pension law, you can assign up to 50% of the pension accrued during your marriage to your former spouse – it doesn't mean you must split your pension. Your pension may not be affected at all if your former spouse has a pension of similar value, or other assets that balance out your pension.

Key facts

Here are the key facts to consider if you signed your separation agreement on or before Dec. 31, 2011, and the agreement assigned pension benefits to your former spouse to settle an equalization obligation. If you haven't already done so, send us a copy of your signed separation agreement to ensure we can comply with its terms.

1. To divide your pension, we require a separation agreement or court order issued in Ontario. We cannot act on court orders from other jurisdictions.
2. Pension benefits can be divided only when your pension begins or when we pay a termination of membership or death benefit.
3. You and your former spouse are treated separately for income tax purposes. We deduct income tax from both your pension payment and your former spouse's payment based on your individual tax rates.
4. We need your written consent to supply personal information to your lawyer, actuary, former spouse or other third party.
5. Commuted value estimates available in your Ontario Teachers' online account, or in any printed pension statement, aren't suitable for use in calculating assets in a spousal breakdown.

Where to find help

The Law Society of Upper Canada offers a lawyer referral service. A directory with lawyer's contact information is available online at www.lsuc.on.ca.

More information

Refer your lawyer to our publication, *Your Guide to the Assignment of Pension Benefits on Spousal Breakdown (for pre-2012 signed separation agreements)*. This guide is available on our website at www.otpp.com.

If your signed separation agreement *did not* provide for the division of pension, you may wish to consult your family lawyer to determine if you can amend your agreement to fall under new legislation that became effective Jan. 1, 2012. Visit *Ending a Spousal Relationship* in the Members section of our website for more information.