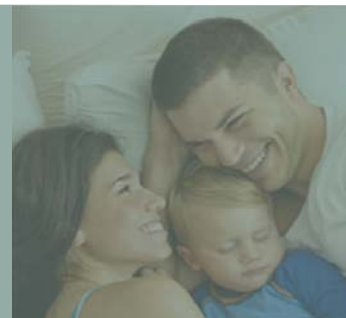


# Capital Pension Plan Beneficiary Designations and Survivor Benefits before Retirement



Members of the Capital Pension Plan can designate one or more beneficiary(ies) with the Plan. In the event of a member's death before retirement, the Capital Pension Plan provides survivor benefits to the member's beneficiary(ies) equal to the total value of the Capital Pension Plan account (including all employee and employer contributions and all investment earnings on those contributions).

## A Surviving Spouse

For the purposes of the Capital Pension Plan, a spouse is defined as:

- a person who is married to a Plan member; or
- if a Plan member is not married, a person with whom the Plan member has cohabited with in a spousal relationship for at least one year.

If a member has a spouse, legislation dictates that the spouse is automatically the beneficiary. In the event of the member's death, survivor benefits must be paid to the spouse, regardless of whom the member has designated as his/her beneficiary(ies).

Although the spouse is automatically the beneficiary, some members designate their children, other individuals or their estate as beneficiaries in the event their spouse predeceases them.

## Survivor Benefit Options Available to the Spouse

Federal legislation permits survivor benefits to pass to a surviving spouse on a tax-deferred basis. In the event of the member's death, the spouse may choose to:

- leave the account with the Capital Pension Plan in his/her name; or
- receive immediate income from the account through a retirement income option permitted by legislation (e.g. a Variable Benefit, Life Annuity, P-RRIF, etc., depending on the jurisdiction), regardless of his/her age;
- transfer the account to a LIRA or RRSP (legislation permitting) with a financial institution.

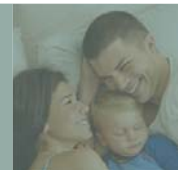
There is no time restrictions imposed on the spouse's decision.

## Spouse's Waiver of Pre-Retirement Survivor Benefits

A spouse may waive his/her rights to survivor benefits by submitting a completed "Spouse's Waiver of Pre-Retirement Survivor Benefits" form with the Capital Pension Plan. It is important to note that the spouse can revoke this waiver at any time prior to the member's death by providing a letter revoking the waiver to the Capital Pension Plan.



www.capitalpension.com  
Phone: 787-5918  
Toll-free: 1-866-961-4377  
Email: info@capitalpension.com



## Other Beneficiaries

If a member does not have a spouse, or if the spouse has signed a waiver, the member may designate anyone, including their estate, as beneficiary. A member may designate several beneficiaries, each to receive a portion of survivor benefits.

## Designating a Minor as Beneficiary

In general, provincial legislation does not allow payment of survivor benefits directly to a minor (i.e. someone under 18 years of age). If a member wishes to designate minor children as beneficiaries, it is in the member's best interest to seek the advice of a lawyer to ensure proper arrangements are made (e.g. the appointment of a trustee) to ensure that survivor benefits are distributed according to his/her wishes.

## Survivor Benefit Options Available to Other Beneficiaries

According to federal legislation, survivor benefits payable to any beneficiary other than a spouse must be paid as a taxable lump sum. Beneficiaries other than the spouse cannot receive survivor benefits on a tax-deferred basis.

The Capital Pension Plan is required to withhold all applicable taxes as follows:

- 10% on lump sum payments of to \$5,000;
- 20% on lump sum payments over \$5,000, up to and including \$15,000;
- 30% on lump sum payments over \$15,000.

## Reviewing and/or Changing Your Beneficiary Designations

You may review your beneficiary designations at any time through the Capital Pension Plan MemberWEB, or by contacting the Plan directly. Your beneficiary designations are also included on your "Annual Member's Statement", which is mailed to your latest mailing address on file with the Plan, usually in late January or early February.

If you wish to change your beneficiary designations, complete a "Change in Member Data" form, available on our website, from your employer or by contacting the Plan.

## Contacting the Capital Pension Plan

You can contact the Capital Pension Plan at:

Capital Pension and Benefits Administration  
1170-1801 Hamilton Street  
Regina, Saskatchewan  
S4P 4B4

Phone: (306) 787-5918 or toll-free 1-866-961-4377

Fax: (306) 787-5798

Email: [info@capitalpension.com](mailto:info@capitalpension.com)

Website: [www.capitalpension.com](http://www.capitalpension.com)