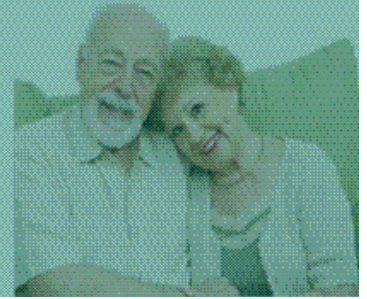


# Capital Pension Plan Retirement Options for Jurisdictions other than Saskatchewan



*The Capital Pension Plan wishes to emphasize that the decisions you make regarding your retirement options are of great importance to your own financial future and that of your spouse/beneficiaries. Such decisions are your responsibility and neither you nor your spouse will have any recourse against the Capital Pension Plan or your former employer for any consequence of the decisions you make. We urge you to review the information in this document carefully and to make every effort to understand fully every aspect and potential implication of your decisions.*

## **When can I begin receiving retirement income from my Capital Pension Plan account?**

Members of the Capital Pension Plan are eligible to begin receiving retirement income from their Capital Pension Plan account:

- at age 50; or
- before age 50 when the member's age plus pensionable service totals 75 or more.

Members may retire but choose to defer the receipt of retirement income until the end of the calendar year they turn age 71, as outlined in the *Income Tax Act* (Canada).

## **How are my retirement income options determined?**

Retirement income options vary for each jurisdiction and are outlined in applicable pension legislation for each jurisdiction. The retirement income options available to you depend on your jurisdiction, which is typically determined by the **province you were employed when you last contributed to the Capital Pension Plan**, even if you subsequently move to another province.

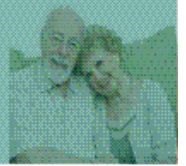
## **What retirement options are available in jurisdictions other than Saskatchewan?**

### **Life Annuity -- all jurisdictions**

Life Annuities are a retirement income option available for all jurisdictions. Plan members may purchase a life annuity from the Retirement Annuity Fund (RAF) operated by the Capital Pension Plan or from a life insurance company. The Life Annuity you purchase must comply with the guidelines established in your jurisdiction.



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Email: info@capitalpension.com



When you purchase a Life Annuity, your equity is transferred to the annuity issuer (e.g. RAF or the life insurance company) and an annuity contract is established. The annuity issuer provides you with regular retirement income payments, guaranteed to be paid for your lifetime. Once you have established the annuity contract, the terms are fixed and cannot be altered.

The value of the fixed regular payments is determined by:

- the lump sum amount used to purchase the life annuity;
- your age and the age of your spouse (if applicable) at the time the life annuity contract is established;
- the annuity rate in effect at the time the life annuity contract is established; and
- the minimum payment period and survivor benefit option you choose.

Life annuities provide the level of income security as the annuity issuer bears any investment risk. Your annuity payments will never increase or decrease (changes to taxation rates notwithstanding).

To purchase a Life Annuity from the Retirement Annuity Fund operated by the Capital Pension Plan, contact the Plan's administration for further information and to request an estimate.

To purchase a Life Annuity from an insurance company, the plan requires the following completed forms (additional forms may be required depending on the type of life annuity purchased):

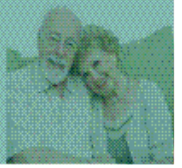
- a Declaration of Marital Status;
- a Canada Customs Agency T2037; and
- a certified copy of the Life Annuity application made with the insurance company.

### **Life Income Fund (LIF) -- all jurisdictions except Saskatchewan**

A Life Income Fund (LIF) is a financial arrangement issued by financial institutions such as banks, trust companies, credit unions and insurance companies. In many respects, a LIF can be viewed as a combination between an LRIF and a Life Annuity. Before age 80, your equity continues to be invested and investment earnings accrue on a tax-deferred basis. At the same time, you can receive income from your LIF. The LIF is subject to a minimum withdrawal amount that is a prescribed percentage of your account balance as at January 1st of each year. LIFs are also subject to a maximum withdrawal limit set in each applicable jurisdiction.

A LIF may be converted to a life annuity at any time. Certain jurisdictions require that a LIF be converted to a life annuity by the end of the calendar year in which you turn age 80.

Transfers to a LIF must comply with the provisions set out in the legislation for the relevant jurisdiction, so the documentation required to transfer to an LIF may differ depending on the jurisdiction. If you are eligible to transfer to an LIF, contact the Capital Pension Plan directly for more information.



## **Deferring Retirement Income**

It is possible to 'retire' and not draw income from your Capital Pension Plan equity. You may defer drawing retirement income from your account until the end of the calendar year in which you turn age 71. You may leave your funds with the Capital Pension Plan, or transfer to a Locked-in Retirement Account (LIRA) or a Locked-in RRSP, whichever is applicable in your jurisdiction.

## **How can I contact the Plan for more information.**

Capital Pension Plan  
1170-1801 Hamilton Street  
Regina, Saskatchewan  
S4P 4B4

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Email: [info@capitalpension.com](mailto:info@capitalpension.com)    Website: [www.capitalpension.com](http://www.capitalpension.com)