



For **Members**

By **Members**



## What happens to my benefits when I 'retire'?

Retirement means different things to different people, especially in the film and television industry. The following information outlines the changes to your benefit coverage between the ages of 50 and 71.

### Life and Health Benefits

#### At Age 65

- A lifetime maximum of \$12,500 (excluding vision, travel and prescription drugs) is implemented for extended health care coverage
- Annual prescription drug maximum is \$2,500
- Group life coverage decreases by 50% and further reduces by 10% each subsequent year
- Critical illness, short and long term disability benefits, optional life and optional AD&D coverage terminates

#### At Age 70

- Travel coverage terminates for members in Classes 2 and 3
- Group life insurance is limited to a maximum of \$10,000

### Retirement Savings

#### At Age 50

- The withdrawal restrictions on the Producer Contributions are removed

#### At Age 71

- RRSP funds must be converted to a Life Income Fund (LIF); Registered Retirement Income Fund (RRIF) or Annuity by December 31<sup>st</sup> in the year you turn 71
- Member RRSP contributions and Producer contributions will be paid to you by UBCP



## GREAT-WEST LIFE REGISTERED RETIREMENTSAVINGS PLAN # 37957

### WHAT DOES YOUR RETIREMENT LOOK LIKE?

Are you planning to travel the world? Or stay home to spend time with family and friends? Or will you continue to work part-time?

You may decide to focus on any one of a number of activities including hobbies, a second career, volunteer work, travel, education and time with your family.



Since not all activities are created equal from a financial standpoint, you need to consider what you want your retirement to be.

Envisioning your retirement lifestyle will make it easier to develop an income plan to ensure you can afford your dream. Once you have a picture of the retirement you want, you can begin to determine how much your desired lifestyle will cost. You're the expert in determining how much money you'll need to lead the lifestyle you want.

## SOURCES OF INCOME AT RETIREMENT

### Government Programs

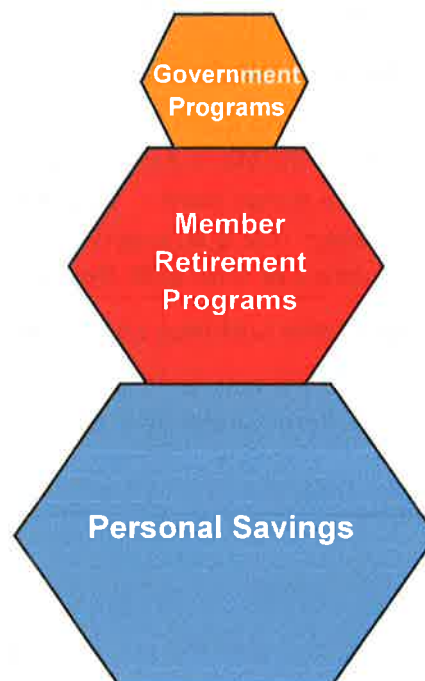
- Canada Pension Plan
- Old Age Security

### Member Retirement Plan

- Your group retirement plan
- Plans with previous employers

### Personal Savings

- GICs
- RPP/RRSP
- Bank Accounts
- Property Equity
- Canada Savings Bonds
- Tax Free Savings Account



## GOVERNMENT RETIREMENT BENEFITS

Almost all of today's seniors receive income from Canada's public pensions: the Canada Pension Plan (CPP) and the Old Age Security (OAS) program. Together, the CPP and OAS provide a modest base upon which Canadians can build their retirement income.

The OAS pension is a monthly payment available to seniors aged 65 and older who meet the Canadian legal status and residence requirements.

The Canada Pension Plan (CPP) provides contributors and their families with partial replacement of earnings in the case of retirement, disability or death. Almost all individuals who work in Canada outside Quebec contribute to the CPP.

Monthly Benefit	Maximum	Average Paid
Old Age Security	\$601 monthly	\$554 monthly
Canada Pension	\$1,134 monthly	\$576 monthly
<b>Total Annual Benefit</b>	<b>\$20,820 annually</b>	<b>\$13,560 annually</b>

Source: [www.hrsdc.gc.ca](http://www.hrsdc.gc.ca) CPP at December 2018 OAS at June 2019

## TARGET DATE FUNDS

### Ever wish your investments did the work for you?

Your investment lineup features Great-West Life Cadence Target Date Funds for plan members who want a hands-off, pre-built approach to investing.

Simple investing... by choosing a target date fund, the active decision-making is taken care of for you because you simply choose the fund that is closest to the target date when you need your money, for example your retirement date. That's it.

### How does a target date fund work?

One decision, one time and that's it. Each Great-West Life Cadence Fund has an asset mix that changes throughout the life of the fund and adjusts automatically as the fund approaches its targeted date. As the fund date draws closer, your exposure to higher risk investments in the fund automatically decreases as the asset mix is adjusted, and the proportion of lower risk investments increases – **all you need to do is choose the fund with the date closest to when you need your money!**

### One decision, one fund and less confusion

It's time to get back to the basics. You can learn more about this new fund option and the other investment options offered under your plan – at [www.grsaccess.com](http://www.grsaccess.com).

## CONVERTING YOUR RETIREMENT SAVINGS INTO RETIREMENT INCOME

There are different types of retirement income products to consider when it comes time to convert your retirement savings into a retirement income plan. The product you choose will depend on the source of your retirement savings (i.e. retirement savings plan or pension plan).

### Registered Retirement Income Fund (RRIF)

A registered retirement income fund (RRIF) is like a registered retirement savings plan (RRSP) in reverse. Contributions made to your RRSP throughout your working years grow on a tax-deferred basis.

When you need to begin receiving income you must convert your RRSP to a RRIF (by the end of the year you turn 71). A RRIF is designed to provide you with income while keeping the assets retained in your RRIF tax-deferred.

You can transfer your RRSP into a RRIF and enjoy the same flexibility and investment choice you had in your RRSP, with the added benefit of being able to withdraw a retirement income that's tailored to meet your needs.

### Life Income Fund (LIF)

If you had a pension plan, you usually have a choice between leaving the pension money in the pension plan or transferring it to a locked-in retirement account (LIRA) or locked-in RRSP. Typically, the money is locked-in and cannot be withdrawn until you start retirement.

The LIF pays you an income. There's a maximum you can withdraw each year, which is intended to ensure that your money will last long enough to help support you in your retirement.

- You can hold many types of investments in LIFs, such as GICs, mutual funds, or segregated funds. **You decide where to invest** and can perform transactions within the plan.
- You have some control over how much tax is withheld from the payments.
- **You can name a beneficiary** to receive your money after you die.
- There's a **minimum income you're required to take** out of the plan every year and a **maximum you're allowed to take** from your plan. The maximums for LIFs are a bit different than for LRIFs.
- **You can use money remaining in a LIF to purchase a secure guaranteed income in a life annuity.**

Today is a good day to think about your financial tomorrow



## Annuity

An annuity lets you convert your savings or pension into a guaranteed monthly income. No matter what the markets do, your income will never change. *You can choose from different types of annuities:*

1. **Single Life Annuity** - provides the same monthly payment for as long as you live. Any money left over when you die will not go to your estate.
2. **Joint Life Annuity** - Guaranteed income for the lives of two people (usually a married couple) regardless of market conditions or interest rate fluctuations. When the first person passes away, payments continue for the life of the surviving person.
3. **Term Certain Annuity** - Guaranteed income for a set period of time, or until you reach a certain age. This can be purchased with your savings, but not your pension.

If you're....	Consider a....	The benefit...
Worried that the market may leave you with less to live on.	Single Life Annuity	A guaranteed amount of income for life, regardless of market changes or interest rates.
Concerned about passing away after receiving only a few payments.	Single Life Annuity with a Minimum Payment Guarantee Period	Your beneficiaries will receive the balance of your payments through the guarantee period.
Planning to retire early and need income until a pension starts.	Term Certain Annuity	You're guaranteed to have income until your other benefits start.
Thinking you'll outlive your income.	Single Life Annuity	You're guaranteed to receive payments for the rest of your life.
Wondering how to provide for yourself and your spouse.	Joint Life Annuity	You and your spouse are guaranteed to receive income for life.

## CONTACT THE GREAT-WEST LIFE CLIENT SERVICE CENTRE

- Make transactions
- Update information
- Print statements / tax receipts
- Use online retirement planning tools
- Talk to investment and retirement specialists

Logon to your personal retirement account at [www.grsaccess.com](http://www.grsaccess.com) and create your own retirement plan. Call 1-800-724-3402 if you need a logon id or password

