



The Alberta School Boards Association: Supplemental Integrated Pension Plan (SiPP)

Do you know the benefits?

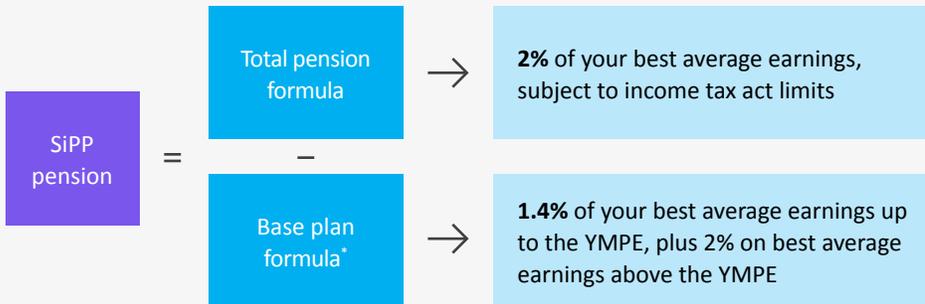
Your school division is committed to providing you with a valuable and competitive pension benefit. Part of this commitment is the SiPP – a professionally managed plan that provides you with additional income when you retire.

How does it work?

The SiPP tops up the pension you receive from your base plan, either the Alberta Teachers' Retirement Fund (ATRF) or the Local Authorities Pension Plan (LAPP). Like your base plan, the SiPP gives you a guaranteed pension based on your eligible service and earnings.

Your school division contributes all the money to the SiPP on your behalf – it is a benefit for your future! When you retire, you will get two pension payments each month: one from your base plan (ATRF or LAPP), and one from the SiPP.

Here is how the SiPP is calculated for each year of SiPP service:



*The base plan formula caps earnings each year based on income tax act limits. The Year's Maximum Pensionable Earnings (YMPE) is the earnings limit on which you can make Canada Pension Plan contributions. To find the latest YMPE limit, please visit Canada.ca/cpp.

How much could you receive?

Check your annual statement you receive to see your latest SiPP benefit estimate. You can also request a retirement projection once a year to help you plan for retirement.

When can you retire?

After age 55: You will receive a pension as follows:

- **85 points:** You can retire with an unreduced pension when your age plus service in the base plan equals 85.
- **Age 65:** Your normal retirement age to receive an unreduced pension benefit.
- **Between ages 55 and 65:** Your pension will be reduced if you have less than 85 points.
- **Age 71:** You must start receiving your pension by December 31 of the year in which you turn 71.

What is in it for you?

- ✓ **Service cap: There is none!**
You will earn a SiPP benefit for each year that you participate in the plan; there is no limit!
- ✓ **RRSP room: No impact**
If your earnings are above the earnings cap applied in your base plan, participating in the SiPP doesn't impact your RRSP room.
- ✓ **Indexing: Your SiPP pension increases each year after you retire**
A minimum of 70% of the increase in the Alberta Consumer Price Index.
- ✓ **Death benefits: Security for your spouse or beneficiary**
Your spouse will receive 66.67% of your SiPP pension after a 60-month guarantee.

If you do not have a spouse, your beneficiary will receive the remaining payments in a 120-month guarantee period.



Have questions about the SiPP?

Visit <http://www.asba.ab.ca/services/programs/pension> or contact your school division's human resources department.