SASKATCHEWAN PENSION PLAN

SPP
Membership Guide

Thank you for taking the time to review this information about Saskatchewan Pension Plan (SPP). We hope you will decide to participate with the 33,000 people who are already part of this plan.

If you have any questions that this Guide does not answer, we would be pleased to help you.

CALL	1-800-667-7153 anywhere in Canada Collect 1-306-463-5410 anywhere outside Canada
FAX	1-306-463-3500
WRITE	Box 5555, Kindersley, SK S0L 1S0
EMAIL	info@saskpension.com
TELETYPE	1-888-213-1311 anywhere in Canada
WEB	SaskPension.com

Visit our website at SaskPension.com to access important information, the wealth calculator, your online account (MySPP), and the following SPP forms:

- Membership application
- Transfer-in form
- Fund facts
- Newsletters
- Annual Report

Reasons You Should Join the Saskatchewan Pension Plan

- **It's affordable**. Indexed annually, the 2018 maximum is $6,000. Check SaskPension.com for current maximum contribution. The plan has several payment options designed to suit your budget. You can also transfer up to $10,000 per calendar year into your SPP account from your existing Registered Retirement Savings Plan (RRSP) or Registered Retirement Income Fund (RRIF).

- **It's flexible**. Contributions to the plan are voluntary, so you are able to start and stop contributing at any time without penalty.

- **It's designed to benefit you**. SPP's expense ratio is typically less than one per cent, compared to RRSP products which are often at two per cent or more. This professionally managed fund has averaged over eight per cent since inception.

- **It's easy to implement and maintain**. If you are between 18 and 71, all you need to do to set up your account is complete a simple application and begin contributing.

- **It can save you money**. Not only will you save for retirement,* your contribution can be used as a deduction on your income tax.**

* SPP is a pension plan; therefore your account is locked in until you reach age 55.

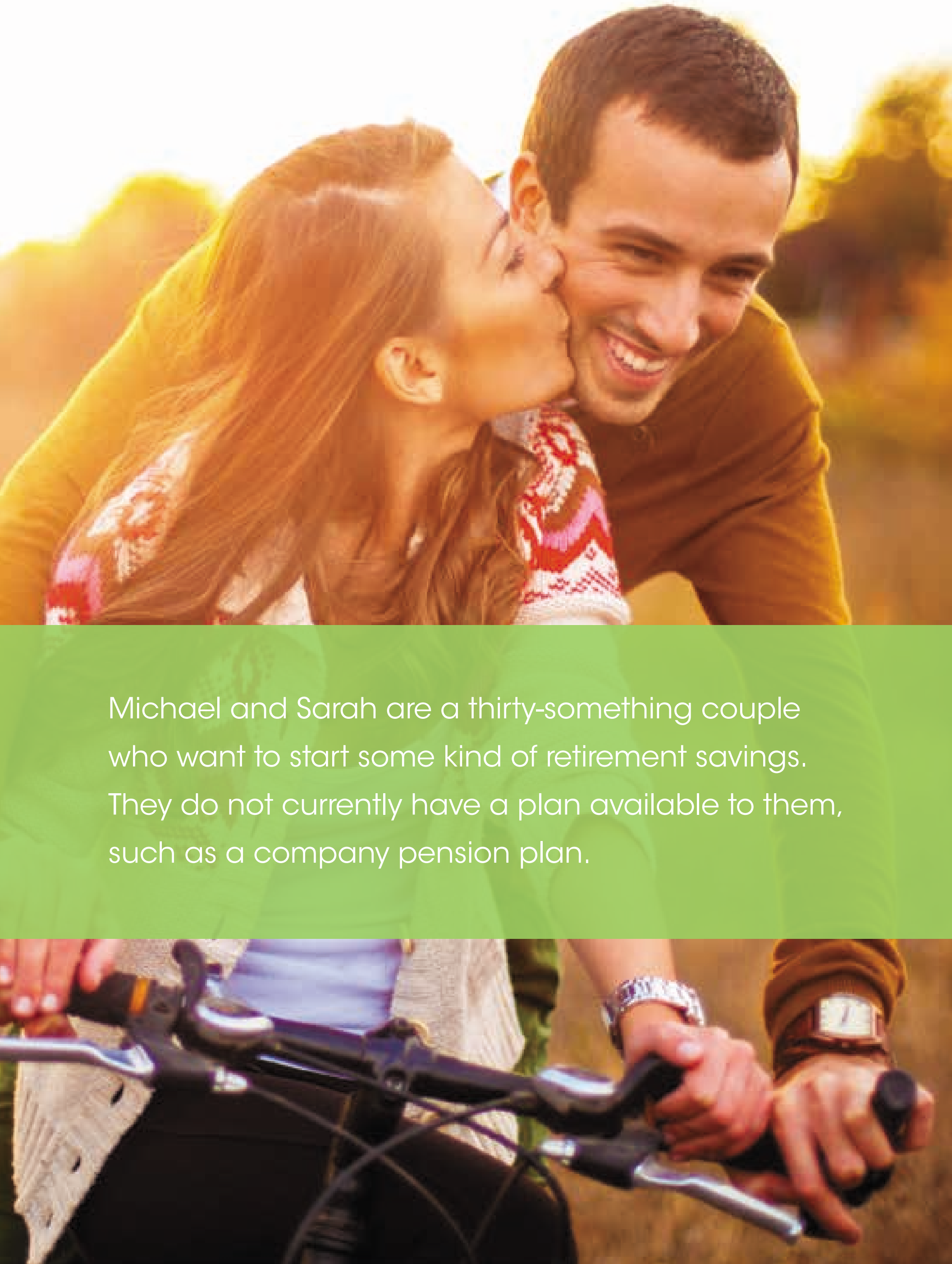
** SPP follows the same rules as an RRSP; to contribute, you must have unused RRSP contribution room.

Start Saving Today

It's never too early to start planning for your future. Have you ever considered what you will be doing when you retire? Will you be able to realize your retirement goals with the financial resources you are setting aside? SPP is designed to assist people, just like you, who want a comfortable income during their retirement. Whether you are a business owner, farmer, professional, homemaker, student, or part-time or full-time employee, as long as you have RRSP contribution room, SPP can help you save for your future.

SPP is a powerful savings vehicle because your contributions are tax deductible and the taxes on any investment growth are deferred until you take your money out. Tax-deductible contributions mean you will have more of your income available for your current needs, while you are saving for the future. And tax-deferred investment growth keeps more of your money working for you.

Becoming a member of SPP is the first step to using the plan as part of your retirement savings strategy. SPP is flexible and affordable. The plan is funded by member contributions and investment earnings; at December 31, 2017 there was $525.8 million in assets under management. SPP is administered by a Board of Trustees, some of whom are also plan members. Funds in the plan are professionally managed and earn a competitive return each year.



Michael and Sarah are a thirty-something couple who want to start some kind of retirement savings. They do not currently have a plan available to them, such as a company pension plan.

Investment Options

All contributions to SPP are invested for you by independent, professional investment managers, who must follow the investment policy developed by the Board of Trustees for each fund. This policy establishes the asset mix strategy, or the fund's allocation to different asset classes, based on the fund's risk level. It is through the asset allocation decision, SPP diversifies its investments across asset classes and attempts to balance risk and reward in each fund. The complete statement of investment policies and goals is available on our website or by calling the toll-free line and requesting a copy.

Balanced Fund

The Balanced Fund (BF) is a low to moderate risk/return investment option. The objective of this fund is to provide long-term capital growth in a risk-controlled manner. The BF invests in a broadly diversified portfolio of equities, bonds, infrastructure and real estate. Approximately 55 per cent of the fund is invested in equities, 33 per cent in fixed income investments and 12 per cent in alternative investments. It is also diversified by individual investments within each asset class, by investment manager style and by geographical location. The BF is the plan's default fund for those who do not explicitly state their investment preference(s).

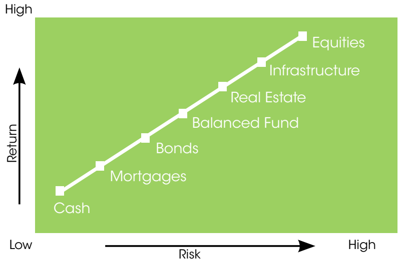
Short-term Fund

The Short-term Fund (STF) is a low risk/low return investment option. Its primary purpose is to preserve capital. It is suitable for members who are near retirement and have reached their retirement savings goal, or members who wish to have a cash equivalent component in their investment portfolio. The STF only invests in high-quality Canadian money-market instruments such as commercial paper, bankers' acceptances and treasury bills. This money market fund is expected to produce a return similar to prevailing T-bill rates in Canada.

Choosing Investment Funds

As a member, you choose where to invest your money. The default fund is the BF. If you do not provide direction, your money is deposited to the BF. You may choose to have your investment in one fund or the other, or a portion in each. Your directive can be changed as your goals and investment objectives change.

Before you invest or make any change to the way your pension funds are invested, it is wise to review the investment choice pamphlet and **fund facts sheets**. To change your directive, go to SPP's website or call our toll-free line to obtain a transfer and investment instruction form. Your first two interfund transfers in the calendar year are free. A $50 fee applies to subsequent transfers in the year.



Maximizing Your Benefits

Contributing regularly gives you the benefit of time. Your savings grow tax sheltered and the longer your money stays in the plan, potentially the greater your retirement account will be. That is why it is important to start contributing early, as even a small, consistent contribution will be able to grow and grow.

Earnings Allocation

Each month, SPP allocates 100 per cent of the earnings, less operating expenses, to members. Each fund is subject to market forces and as market returns rise and fall, so will SPP earnings. Earnings on your account begin immediately and compound monthly. The table below projects the growth of contributions and earnings.

Account Balances
8% & $3,000/year

YEARS	BALANCE
10 years	$45,198
20 years	$142,777
30 years	$353,443

Joining SPP

Joining SPP is simple. All you need to do is complete the membership application included in this booklet or use the online application process, attach proof of age, and mail both to SPP.

Proof of age could be a photocopy of your birth certificate, your driver's licence, or a Canadian passport. If none of these documents are available or if your document is written in a language other than English or French, please contact SPP for further information.

Your social insurance number (SIN) is required on the application form as we will need to issue tax receipts or T4As for you to file with your income tax return. The information collected on your member application is used for administering your account and for collecting general statistics about the plan.

When you join SPP, you are required to name a beneficiary for your account. In the event that you die before you begin receiving retirement payments from SPP, the funds in your account will be paid to the beneficiary you have named.

You can change your beneficiary at any time. Detailed information about choosing your beneficiary starts on page 7.

It is important to sign your application form. Application forms are valid only with your original signature. For that reason, you need to mail your signed application to SPP. You may submit your contribution with your application. SPP will assign you an account number when your application is processed.

Privacy

SPP collects only the personal information necessary to administer our program. Our privacy policy stipulates that personal information can be disclosed only to the member. Exceptions may be made if there is written consent from the member. If you have questions about SPP's privacy policy, please call the toll-free line.

Contributing to SPP

You may contribute any amount to a maximum of $6,000 per tax year with annual indexing starting January 1, 2019. Contributions can be made using the schedule and payment method of your choice and within your unused RRSP contribution room. You have the calendar year plus the first sixty days of the next year to contribute for each tax year.

Your SPP account is tax sheltered. You or your contributing spouse may be able to use your contribution as a tax deduction. Tax deduction guidelines are explained in more detail on page 7. You or your spouse can contribute to your account until the end of the year you turn 71 or until you begin receiving income from your SPP account, whichever is earlier, provided the contributor has RRSP deduction room. You can continue contributing to the plan if you are receiving other retirement income or SPP survivor benefits. Contributions to your account are locked in until age 55 and earn interest until you retire. If you die before you retire, the funds in your account will be paid to your beneficiary or estate. Your money is protected from claim or seizure except in the event of an order under a marital division or an enforcement of maintenance order.

Since their income varies from month to month, the couple decided to join Saskatchewan Pension Plan. The plan's flexibility allows them to contribute as much as they want when they can, up to the annual maximum.

Michael and Sarah like the fact that SPP is well managed, strictly regulated and follows a careful, "steady-as-you-go" investment philosophy focused on the long term.

Payment Methods

1. When you join the pre-authorized contribution (PAC) program, your contributions are made directly from your bank account on a prearranged schedule. This schedule can be either the 1st or 15th of the month on a semi-monthly, monthly, semi-annual or annual basis. Your PAC is applied to the calendar year in which it is received. The PAC application is located on the back of the member application.

2. You can make your contribution with VISA® or MasterCard® online at SaskPension.com, by calling or visiting SPP, or by a pre-arranged schedule. The pre-authorized credit card application is available on the website and can be done on a semi-monthly, monthly or annual basis.

3. Many financial institutions offer services for making payments. In most cases, your SPP contribution can be made using in branch, online or telephone services. Please contact your financial institution for information on these methods and charges that may be incurred.

4. Your contributions can be made by mail to SPP. Simply include your account number on your cheque when mailing the contribution to SPP.

Additional Information

MySPP

When your account is created, you will be able to set up secure, online access to your member account information in order to track deposits and obtain information slips for tax filing purposes.

Spousal Contributions

In order for your spouse to use the contributions as an income tax deduction, complete the spousal information on your contribution form, PAC application or online contribution. The telebanking and electronic systems do not forward spousal information to SPP. Contributions made using these methods may still be deducted by your spouse if you call or write SPP with your request at the time the contribution is made. Please include your spouse's full name and SIN with your request. Spousal attribution rules may apply to contributions made to SPP.

Tax Considerations

Contributions and all earnings remain tax sheltered until drawn as a pension or paid as a death benefit.

SPP contributions are subject to the same rules as RRSP contributions. Your SPP contribution is tax deductible by you or your spouse, if he or she contributed for you. This deduction will be allowed if the person claiming it has RRSP contribution room. The spousal designation must be made when the contribution is deposited.

SPP contributions should be claimed on line 208 of your tax return. Contributions to SPP will be taken into account in determining RRSP over-contributions.

Both your application and your contribution must be received by SPP before a tax receipt will be issued.

Choosing a Beneficiary

If you name your spouse as beneficiary of your account, Canada Revenue Agency (CRA) allows death benefits to be transferred, tax-deferred, directly to his or her SPP account or to an RRSP, RRIF, or guaranteed Life Annuity Contract (LAC).

In addition to spousal rollover of SPP death benefits, rollovers to an RRSP or Registered Disability Savings Plan for a financially dependent infirm child or grandchild are permitted.

For all beneficiaries, including your spouse, death benefits received as cash become taxable income in the year received. The beneficiary or estate will receive a T4A to file with his or her income tax return. The T4A provides the beneficiary or estate with the total amount of the death benefit and the amount of tax paid to CRA on their behalf. The amount of withholding tax is determined by CRA using the schedule below. For example, if your account balance is $9,000 when you die and your beneficiary chooses to take the payment in cash, your beneficiary will receive a cheque for $7,200 and $1,800 of withholding tax will be sent to CRA on your beneficiary's behalf.

Account Balance Tax Rate

	PROVINCES	QUEBEC
$5,000 or less	10%	5%
$5,001 to $15,000	20%	10%
More than $15,000	30%	15%

It is your responsibility to ensure that your beneficiary information is up-to-date and reflects your intentions.

Changes in your marital or family status or changes to the status of a minor may necessitate an update of your beneficiary information. Should you wish to change your beneficiary, you will require a designation of beneficiary form, available at SaskPension.com or by calling the SPP office. Your beneficiary will receive the balance of your account if your death occurs before you receive a pension from SPP.

You may wish to seek legal advice regarding your designation of beneficiary, especially if naming a minor child.

Some factors to consider when naming a beneficiary include:

- If you are naming more than one person as beneficiary, it is important that you indicate what share of your account each beneficiary is to receive. The share of a deceased beneficiary will be paid to the surviving beneficiary(ies) unless otherwise indicated.
- When your estate is named, the funds are paid to the estate, less withholding tax. It is then part of the money used to settle debts of the estate, and the balance is distributed according to the terms in your will.
- If you name minor children as beneficiaries, SPP will consult the Public Guardian and Trustee of Saskatchewan if a death benefit becomes payable. It is recommended you seek legal advice when naming a minor as beneficiary.

Retiring from SPP

Please call SPP prior to retirement to receive detailed information on pension options. This will ensure you select the option that best matches your situation and needs.

When you retire from SPP, you have several options:

- Purchase an SPP annuity, which provides a monthly pension payment for your lifetime;
- Transfer your account balance to a Locked-in Retirement Account (LIRA), Prescribed Registered Retirement Income Fund (PRRIF) or LAC at another financial institution; or
- A combination of the annuity and transfer options.
- A variable benefit option is anticipated to be available in 2019.

You may retire from SPP between the ages of 55 and 71 regardless of your employment status. You must apply for SPP retirement benefits; the package to make this application is available by calling SPP. The package contains the required application forms and an estimate of your pension for the annuities SPP offers.

If you choose to receive an annuity from SPP, the amount of your pension will depend on the type of annuity you select, your account balance, the current interest and annuity rates, your age and your spouse's age, if applicable.

Some annuity options available from SPP may provide payments to a beneficiary or surviving spouse after your death. We will be pleased to provide a personal pension estimate for you upon request.

SPP annuity income qualifies for pension income splitting and the pension income credit. More information regarding retirement options is available at SaskPension.com or in our retirement guide.

Some annuity examples based on typical account balances*

ACCOUNT BALANCE	MONTHLY PAYMENT	ANNUAL PAYMENT	TOTAL RECEIVED IN 20 YEARS
$50,000	$279	$3,348	$66,960
$100,000	$558	$6,696	$133,920
$150,000	$838	$10,056	$201,120

*Assumes the pension starts at age 65 and the Life only annuity is chosen.

Starting out with SPP, they chose to put their contributions into the BF (Balanced Fund) because they're young and a long way from retirement. As they get closer to retirement, they know they can transfer some or all of their savings into a lower-risk STF (Short-term Fund).

Michael and Sarah can review their plan and comfort level from time to time to see which fund, or combination of funds, is best for their current situation.

When they joined SPP, both Michael and Sarah needed to name a beneficiary. They named each other, knowing they could name anyone, and that there is the option to change their beneficiary at any time.

Once their income becomes more predictable, the couple plans to use the pre-authorized contribution (PAC) program, where a set amount is transferred to SPP from their bank account each month. It's a great way to ensure contribution of the maximum allowable amount of $6,000 per year, indexed each year.

For now, Michael uses his credit card to contribute online when he has extra funds, while Sarah usually contributes when she visits her bank, or through her bank's online payment services.

Implementing an Employer Plan

By joining SPP, employers and employees have all the benefits of an employer-sponsored pension plan without the costs. The set-up paperwork is easy and SPP will help the company complete it. After that, the employer simply issues a cheque. Contributions can be made by the employer as an employee benefit, by the employee as a payroll deduction, or a combination of both. Regardless of who makes the contribution, the total must not exceed the $6,000 annual indexed limit.

The employer contributions are deductible as a salary expense, and employees may deduct the total contribution within RRSP limits. Funds are locked in until age 55 to provide income at retirement.

Please contact the SPP office if you or your employer would like further information about the employer plan or to arrange a presentation at your workplace.

Transfers to SPP

You can make a direct transfer up to $10,000 per calendar year into your SPP account from an RRSP or RRIF. Transfers in are subject to all plan rules including the lock-in provision. Since these are direct transfers, there are no tax implications. Your financial institution may charge a fee for transferring funds to SPP.

The form to initiate a transfer to SPP is available by calling SPP or by downloading it from our website.

Initial Refund Period

For first-time contributors who decide the plan does not meet their retirement planning needs, there is a 60 day initial refund period. Members may receive a refund of their account if they change their mind within 60 days of their date of application or their first contribution, whichever is later.

Marital Division

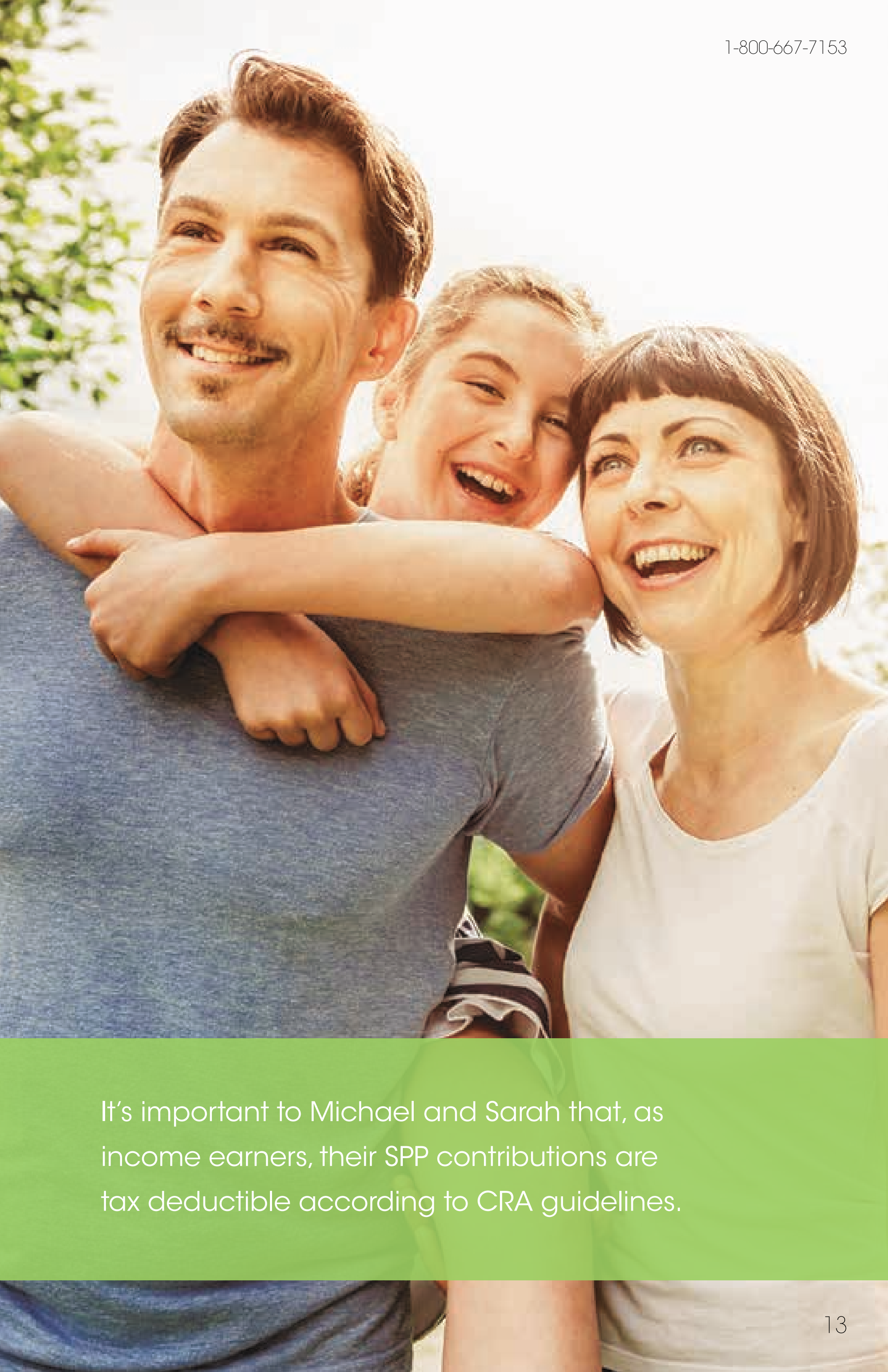
If your account becomes part of a settlement in a division of property due to the breakdown of a spousal relationship, it will be divided as specified in the family property division agreement or separation agreement and interspousal contract. The receiving spouse must become a member of the plan for the division to be completed. The funds in both accounts remain locked in until retirement. Both parties have the opportunity to add to their account if they wish.

Maintenance Orders

SPP account balances and pension payments are subject to attachment under *The Enforcement of Maintenance Orders Act, 1997.* SPP will act as specified in the notice of attachment.

Plan Governance

SPP is governed by *The Saskatchewan Pension Plan Act*; if any discrepancy arises between the information contained in this guide and the Act, the Act will prevail.



It's important to Michael and Sarah that, as income earners, their SPP contributions are tax deductible according to CRA guidelines.

Sarah knows first-hand the benefits of SPP. Her father retired from the plan this year, at age 62. Rather than choosing between the two options of (a) purchasing an SPP annuity, which provides a monthly payment over your lifetime, or (b) transferring his SPP account balance to another fund at another institution, Sarah's father opted for a combination of these options.

Common Questions

Q: What is the plan's rate of return?

A: As of December 31, 2017, the plan returned 8.1 per cent since it started in 1986. The ten-year return is 5.7 per cent and the five-year return is 9.4 per cent. Please check SaskPension.com for current rates.

Q: Who can use my SPP contribution for a tax deduction?

A: SPP contributions may be claimed by you or your spouse within CRA guidelines. The person using the contribution as a tax deduction must have unused RRSP contribution room. Spousal contributions must be deemed as such when made. If the contributor has unused RRSP contribution room, he or she may contribute and receive a tax deduction for contributions to both their personal and their spousal account.

Contribution forms and PAC applications have a spousal information section.

Q: How do I make my contribution?

A: Several methods of payment are available:

- Directly from your bank account or credit card using the PAC system on the 1st or 15th of the month using a semi-monthly, monthly, semi-annual, or annual schedule
- VISA® or MasterCard® online at **SaskPension.com** or by calling toll free, 1-800-667-7153
- At financial institutions, in branch or online
- Mailing directly to the SPP office in Kindersley

You can contribute monthly, annually or on whatever schedule you choose, up to the annual indexed limit ($6,000 in 2018). The earlier you contribute in the year, the greater the earnings you could potentially receive on your investment.

Q: Can I contribute if I don't have unused RRSP contribution room?

A: No. As of 2010, SPP contributions are subject to the RRSP rules set out in the *Income Tax Act*. In order to contribute to SPP for yourself or your spouse, you must have unused RRSP contribution room. CRA calculates your available RRSP room for you and reports it on the notice of assessment you receive after filing your tax return. The available room is calculated based on earned income as defined by the CRA (e.g., wages, self-employment income, net rental income, and taxable support payments). Even for SPP accounts that existed prior to 2010, future contributions must now adhere to the RRSP rules.

Q: Do I have to contribute the same amount each year?

A: SPP is designed to be very flexible and to accommodate your individual financial circumstances. There is no minimum contribution. Even contributing $10 per month will build your SPP account and provide you with additional pension at retirement. The maximum contribution in 2018 is $6,000. This maximum is indexed and changes each year on January 1.

Down the line, Sarah and Michael will request a personal pension estimate from SPP, to help with their retirement planning. They are aware they can retire from the plan anytime between the ages of 55 and 71, even if they're still employed.

Q: Who will invest my money?

A: SPP has independent, professional money managers. You may choose between the Balanced Fund and/or Short-term Fund for investment. In the absence of instructions from you, your contributions will be deposited to the default fund—the Balanced Fund.

Q: How do I advise SPP regarding my investment choice decision?

A: The transfer and investment instructions form allows you to transfer funds in your account between the BF and STF. Additionally, you may direct future contributions to the funds using the same form.

Q: When can I expect to receive my tax receipt?

A: Contributions made during the first 60 days of the year are receipted separately from those made during the remainder of the year. All receipts are mailed to members beginning in early January. Mailings continue on a monthly basis until all contributions have been receipted.

Q: How much will my pension payment be when I retire?

A: At retirement, the amount of your pension will be determined by your age, and your spouse's age, if applicable; your account balance; the type of annuity you choose; and interest and annuity rates. SPP expects to have a variable benefit option available in 2019. Please call the SPP office for a personal pension estimate.

Q: Can I transfer funds from other RRSPs to SPP?

A: Members may transfer up to $10,000 per calendar year from existing RRSPs, RRIFs and unlocked pension plans.

Q: When is the contribution deadline?

A: Members have the calendar year plus 60 days to contribute for each tax year. Typically the contribution deadline is March 1. However if that date falls on a weekend it is the first business day after March 1. During a leap year, February 29 is the deadline.

Glossary of Terms

Annual Rate of Return – measures the change in market value of an investment fund over the fiscal period. For SPP, the annual rate of return measures the change in market value from January 1 to December 31.

Annuitant – the person receiving the benefits of an annuity.

Annuity – a series of payments of a fixed amount. SPP annuities are paid monthly to retired members for the duration of the member's life.

Annuity Rate – quoted as a percentage, this rate reflects the return that funds earn when an annuity is purchased.

Asset Mix – percentage of an investment portfolio that is contained in each permissible asset class for the fund.

Balanced Fund (BF) – SPP's capital accumulation fund that diversifies investments between several asset classes. Please see page 3 for further details.

Benchmark – a standard against which a security or investment manager can be measured. Some examples include: Dow Jones, S&P500, S&P/TSX and MSCI EAFE.

Beneficiary – person or persons named to receive proceeds of a member's account at the time of the member's death.

Board of Trustees – people responsible for operations of SPP. One third of the trustees must be SPP members.

Bond – a debt instrument with the promise to pay a specified amount of interest and to return the principal amount on a specified maturity date.

Capital Gains – the increase in value of an asset between the time it is bought and sold.

Compound Interest – interest that is calculated on the principal and previously paid interest.

Contribution – payment to your SPP account. Maximum contribution is indexed and changes on January 1 each year (2018 maximum is $6,000). Maximum transfer in from RRSPs is $10,000 per calendar year.

CRA – Canada Revenue Agency, formerly Revenue Canada.

Death Benefit – funds paid to a member's beneficiary after the member's death. Death benefits are available if a member dies prior to retirement and has funds in his or her account. When a member dies after retirement, the death benefit depends on the pension option chosen.

Default Fund – unless new members inform us otherwise, their contributions are invested in the Balanced Fund. Members may transfer from the Balanced Fund to the Short-term Fund at any time.

Directive – instructions provided by the member with respect to investment choice.

Earned Income – a value calculated by CRA that includes employment earnings, self-employment earnings, and certain other types of income. Consult CRA for the entire calculation.

Earnings – return on investment.

Equities – an investment class consisting of shares in public companies.

Fund Facts – an easy-to-read document designed to help investors better understand the basic features of a fund and compare different funds they may be considering.

Garnishee – to be taken by legal authority. Although, in the case of a bankruptcy, money in some funds can be garnisheed to pay creditors, the only way SPP funds can be claimed or seized is following an

order under *The Enforcement of Maintenance Orders Act, 1997.*

Indexing of Contributions – maximum contribution now indexed to YMPE and will change each year on January 1. Please check SaskPension.com for the current annual maximum contribution.

Infrastructure – an alternative investment class which includes things like wind farms, solar farms, power plants, roads and bridges.

Investment – asset purchased with the hope it will generate income or appreciate in value.

Investment Manager – firm(s) hired by SPP to make and carry out day-to-day investment decisions for SPP's Board of Trustees. The investment managers report quarterly to the Board.

LIRA – Locked-in Retirement Account (formerly Locked-in RRSP). The LIRA is a holding account sheltering investment income until age 71. At age 71, the LIRA must be converted to a life annuity or a prescribed RRIF. You cannot make further contributions to a LIRA or withdraw funds until you choose a retirement option, and ongoing investment decisions are required.

Locked In – unable to shift or withdraw invested funds. Money invested in SPP is locked in until age 55.

Market Value – current value of an investment.

Minor Child – child under the age of 18.

Money Market – a type of fund that invests primarily in treasury bills and other low-risk short-term investments.

Pleased with his experience with SPP, Michael mentioned SPP's employer plan to his employer. His boss liked the idea because it is simple to set up (SPP does most of the legwork) and the cost is minimal.

It's win-win from a tax point of view. His boss can claim the company contributions to Michael's plan as a salary expense, and Michael can deduct the whole amount within his RRSP limit.

PAC – (pre-authorized contribution) direct withdrawals from a bank account or credit card.

Plan Year – calendar year plus 60 days. Contributions made in the first 60 days of the year may be deducted in the prior tax year.

Prescribed RRIF – a retirement arrangement that can be established with funds locked in by pension legislation to provide annual income. Spousal consent must be obtained before assets are transferred to a prescribed RRIF. The owner maintains control of the investments and investment earnings continue on a tax-free basis. Ongoing investment decisions are required and funds are subject to market changes.

Proof of Age – needed to confirm your birth date for retirement purposes. Proof of age could be a photocopy of your driver's licence, birth certificate, or a Canadian passport.

Real Estate – property in buildings and land.

Risk – the potential that the actual return will differ from the expected return.

RRSP Contribution Room – is reported on the notice of assessment you receive from CRA each year after filing your tax return.

Short-term Fund (STF) – SPP's conservative fund invested strictly in money market instruments. Please see page 3 for further details.

Spouse –
(i) a person who is legally married to a member; or
(ii) if a member is not legally married, a person with whom the member is cohabiting as spouse at the relevant time and who has been cohabiting continuously with the member as his or her spouse for at least one year prior to the relevant time.

Tax Shelter – an investment upon which taxes are deferred.

Telebanking – a 24-hour, automated banking service that allows you to make your SPP contribution from your home over the phone. This service may be offered by your financial institution.

Treasury Bills – T-bills; short-term bonds issued by the government to mature in one year or less.

Variable Benefit – a retirement option paid directly from a defined contribution pension plan. This benefit provides flexibility and control over when and how much retirement income to withdraw.

Withholding Tax – required by CRA when money is taken out of a tax shelter. Tax is deducted from the payment and the member receives a T4A to include with their next tax return. See the table on page 7 for the rate.

Year-to-date Rate of Return – a return (expressed as a %) that measures the gain or loss of an investment fund from the beginning of the fiscal year to the current date. Gains on investments are considered to be any income received plus realized and unrealized gains.

YMPE – Year's Maximum Pensionable Earnings is a figure set each year by the Canadian government which determines the maximum amount on which to base contributions to CPP/QPP.

1-800-667-7153

SPP is the right plan at the right time in Michael and Sarah's lives. Although their contributions are small, the couple now sees investing and planning as an important part of their life.

You don't have to be rich to be a smart investor, and investing what you can now is much smarter than not investing at all.

SASKATCHEWAN PENSION PLAN

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