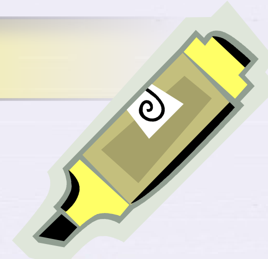
SASKATCHEWAN PENSION PLAN

Congratulations you're a Business Plan Member

Wonder what to do next?

Look inside!

How to Remit Contributions



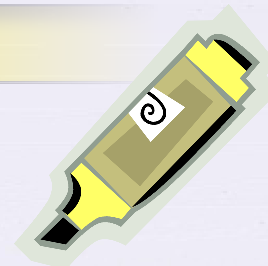
Employers can decide, with their employees, when contributions will be submitted to SPP. Regular contributions can be taken from payroll and submitted to SPP monthly, quarterly, semi-annually, annually or when it best suits the company. During the sign-up stage, employers are asked to select when they would like to receive their statements.

The employer receives a statement prior to each contribution date. It names employees enrolled in the Plan, how much has been contributed to date for each employee during the current year and the amount of the last contribution. Simply complete the "Cont. This Period"*column with the amount being contributed for each employee.

Name	Customer ID	Last Cont Amt	Plan Year Total	Plan Year	Cont This Period
First Employee	1234567	$50	$100	2012	$50
Second Employee	2345678	$50	$100	2012	$50
Third Employee	3456789	$50	$100	2012	$50
Totals					$150

Next, issue a payment (by cheque, through pre-authorized contributions, or by credit card) for the total amount of the contribution and submit it, along with the statement, to SPP. We must receive your statement with the payment to ensure that money is credited to the correct accounts. Companies using the pre-authorized system receive a statement for their records.

Changing Account Information



The details on your company's contribution statement will reflect the information you provided. You may change the following information at any time by marking directly on the statement and sending it to SPP:

- Contact person, address or phone number.
- New employee (include a signed application form and proof of age document).
- Departing employee (indicate which employee is to be removed).

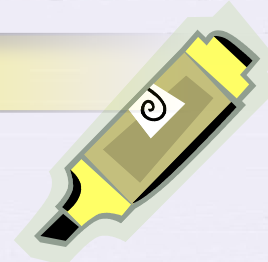
Transfers to SPP

Members may transfer up to $10,000 per calendar year into their SPP account from an RRSP, RRIF or unlocked RPP. Transfers in are subject to all Plan rules including the lock-in provision. Since these are direct transfers there are no tax implications. 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.

Employee issues



Marital Division

If an employee's account becomes part of a settlement in a division of property on the breakdown of a spousal relationship, it will be divided as specified in the Family Property Division Agreement of Separation Agreement and Inter-spousal Contract. The funds remain invested with SPP and 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.

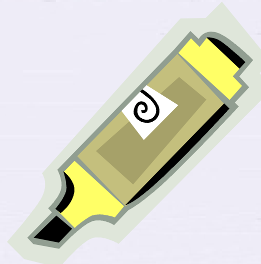
Maintenance Orders

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. Call the SPP office for more information.

Choosing a Beneficiary

Each employee who joins SPP is required to name a beneficiary for their account. In the event that an employee dies before beginning to receive retirement payments, the funds in the employee's account will be paid to the beneficiary. If the beneficiary's social insurance number is not available, please send in the forms without it. Beneficiaries can be changed at any time and SINs can be added.

For all beneficiaries, including 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 their account balance is $9,000 at death and the beneficiary chooses to take the payment in cash, the beneficiary will receive a cheque for $7,200 and $1,800 of withholding tax will be sent to CRA on the beneficiary's behalf.



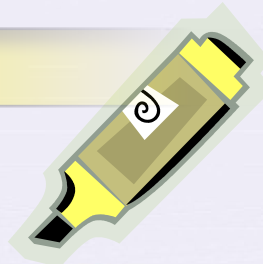
Account Balance	Tax Rate
$5,000 or less	10%
$5,001 to $15,000	20%
More than $15,000	30%

It is the employee's responsibility to ensure that beneficiary information is up-to-date and reflects their intentions. Changes in marital or family status or changes to the status of a minor may necessitate an update of beneficiary information. Should employees wish to change their beneficiary, a Designation of Beneficiary form is available from our website, saskpension.com, or by calling the SPP office.

Some factors to consider when naming a beneficiary are:

- If naming more than one person as beneficiary, it is important to indicate what share of the account each beneficiary is to receive.
- When naming more than one person as beneficiary, the share of a deceased beneficiary will be paid to the survivor(s) unless otherwise indicated.
- When 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 of the will.
- When naming minor children as beneficiaries, contact a lawyer to set up the trust and appoint a guardian for the children. If no trust is set up and no guardian appointed, any funds left to them will be payable to the provincial Public Trustee to be invested and administered on the minors' behalf until they become adults.

Death Benefits



When an employee dies, it's important for their survivor(s) to contact SPP so that payment can be made to the beneficiary.

If an employee names a spouse as the beneficiary, Canada Revenue Agency allows death benefits to be transferred directly to the spouse's SPP account or to an RRSP, RRIF or guaranteed life annuity. Similarly, the death benefit can be rolled over to an RRSP or Registered Disability Savings Plan for a financially dependent infirm child or grandchild.

Retiring from SPP

Retirement from SPP can occur between the ages of 55 and 71. SPP sends retirement information to the employee on request. When an employee retires from SPP, all an employer needs to do is note "retirement" next to the employee's name on the next scheduled contribution statement.

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 our privacy policy, please call the toll-free line: 1-800-667-7153.

Glossary

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 of the member guide for further details.

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

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

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

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

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

CRA – Canada Revenue Agency, formerly Revenue Canada.

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

Contribution – payment to your SPP account. Maximum contribution is $6,200 per year.

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.

Garnishee – to be taken by legal authority. 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.

Investment – to commit money in order to receive a profit.

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.

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.

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 either the prior or current tax year.

Prescribed RRIF – a retirement arrangement that can be established with funds locked in by pension legislation. Spousal consent must be obtained before assets are transferred to a prescribed RRIF. The owner may decide what to invest in and income must be paid to the owner each year.

Proof of Age – needed to confirm your birth date for retirement purposes. Proof of age could be a photocopy of your birth certificate, your baptismal certificate (if the issue date is within four years of your date of birth), a Canadian passport or a driver's license.

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 of the member guide for further details.

Spouse -

(i) a person who is married to a member; or

(ii) if a member is not 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 using a touch-tone 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.

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 10 for the rate.

Year-to-date rate of return – a return 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.