



# CONNECTIONS

the SASKATCHEWAN PENSION PLAN EMPLOYER NEWSLETTER

August 2012



## Idiot Millionaire coming to Saskatchewan!

Derek Foster, The Idiot Millionaire, left the rat race at the age of 34 to become Canada's youngest retiree despite

spending his 20's backpacking around Europe, Australia and New Zealand and living a number of years in Asia. He later became an "idiot" millionaire as he never did anything spectacular besides investing in simple stocks, but this one activity proved to be life-altering. He has written six national bestselling books about his strategy including The Idiot Millionaire and his latest The Worried Boomer. In "The Worried Boomer" Derek dedicated an entire chapter to Saskatchewan Pension Plan (SPP).

Derek's approach was to buy stocks that pay dividends (send you money regularly). He did not treat the stock market like a "get-rich-quick" lottery, but instead stuck to boring stocks which offered products and services people use every day, for example Colgate. The reality is that people brush their teeth every day and there have been two dominant brands for almost a century (Colgate and Crest). Many investors get excited with glamour stocks such as Apple, Rim and Nortel. Derek sticks to stocks simple enough for any 6-year-old to illustrate with a crayon - and this approach has worked very well!

Now Derek, his wife and their five kids are embarking on a pan-continental adventure. They have purchased a camping trailer which will be their "home" for the next year as they travel around and truly experience the various communities in North America.

Join Derek and learn about his simple investment approach and how it can be a part of your journey into retirement at the following events. Enclosed you will find a poster for your staff room.



## Regina - August 13 - 11:30 am

**Hosted by:** Regina Chamber of Commerce  
Lunch at Conexus Arts Centre  
Theatre lobby  
200A Lakeshore Drive

**Register:** online at [reginachamber.com](http://reginachamber.com)  
or 1-306-757-4658

**Costs:** **Members:**  
\$35 preregistered/Door \$40

**Nonmembers:**  
\$50 preregistered/Door \$55

## Saskatoon - August 17 - 7:30 am

**Hosted by:** North Sask Business Assoc &  
Saskatoon Chamber of Commerce  
Breakfast at Saskatoon Club  
417 21st St E

**Register:** email [info@nsbasask.com](mailto:info@nsbasask.com)  
or 1-306-242-3060  
register by 10 am August 16

**Costs:** All attendees \$18

Each attendee will receive a \$10 coupon towards the purchase of one of Derek's books available at the event. Book signing will follow the event.

## Contribute by credit card

An easy and secure way for you to make your employer contribution is by credit card on our website. You maintain control of your card information and the transaction will appear as one purchase on your statement. First click on 'Contribute Online', next 'CLICK HERE TO CONTRIBUTE BY CREDIT CARD'. Enter seven 0's in the Account Number, your company name, total \$ amount of employee contributions and submit. Then fax or email the Employer Contribution Summary to SPP. We will handle the rest. ❖

## SPP fills gap left by OAS changes

The Old Age Security (OAS) changes announced by the federal government this spring could affect you and your employees. The eligibility age was moved from 65 to 67. People born after February 2, 1962 who still wish to retire at 65 will now be responsible for accumulating the portion of income which OAS would formerly have provided. At current benefit rates, those two years of benefits total about \$13,000 – that means individuals born in 1962 would need to save about \$50 per month now to make up the difference (assumes 5% annual return for 14 years).

Ian Markham, Canadian retirement innovation leader with Towers Watson, stated in a March 29, 2012 Benefits Canada article that he thinks employers will ramp up efforts to encourage employees to save as a response to the changes announce by the federal government. As a member of SPP, your company is already encouraging employees to save. The yearly contribution maximum is still \$2,500 so encourage employees to contribute up to that amount to help them fill the gap created by the OAS changes. ❖

## Email addresses

Be the first to have easier and more immediate access to news about SPP. Please provide us with your most up-to-date email address. Visit our website [saskpension.com](http://saskpension.com) and “Sign up for SPP eUpdates”. Click on Subscribe and enter your email address in the fields provided.



Your email address is personal information collected in order to communicate with you about SPP. We will never share, sell or rent your personal information to third parties for their use. We may provide your email address to our service providers, who may store information outside of Canada, but only to communicate with you on behalf of SPP.

Visit our Privacy Policy at [saskpension.com](http://saskpension.com). ❖

## Referrals

Thank you for being part of SPP. Your referral is our best testimonial!

Pay it Forward



[savewithSPP.com](http://savewithSPP.com)

## Business member showcase



### Duck Lake Hotel

Ever since owners of the Duck Lake Hotel, Joy and Lance Grosco, took over the business more than 20 years ago, they have been members of SPP and have made it available to their employees.

Lance Grosco has also recommended the SPP to other small hoteliers in the province as an employee benefit plan. “I tell them that no matter how tight things are, you should put something away for yourself and your employees.” ❖

## Did you know...

SPP members can transfer up to \$10,000 per calendar year into their SPP account from existing RRSPs and unlocked RPPs? Transfers are subject to all the Plan rules including the lock-in provision. Since these are direct transfers there are no tax implications.

Since the transfer option was introduced in 2011, members have transferred more than \$2.3 million to their SPP accounts – what a testament to the confidence people have in SPP! To initiate a transfer, simply download the form (SPPT2033 – Transfer funds into SPP) from our website, complete Area 1 and mail it to us. We do the rest. If you have questions, we’d be happy to help. Call us at 1-800-667-7153. ❖

## SPP contacts

New Business Plan referrals:

**Gail Genest** - 306-955-9915 or email [ggenest@saskpension.com](mailto:ggenest@saskpension.com).

Adding new members, statement concerns, changing contact or pre-authorized contribution information:

**Colleen** - 1-800-667-7153 or email [cdand@saskpension.com](mailto:cdand@saskpension.com)

**Mary Ann** - 1-800-667-7153 or email [mhogarth@saskpension.com](mailto:mhogarth@saskpension.com) ❖

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If any discrepancy arises between the information contained in this newsletter and the Act, the Act will prevail.