

# Contributions

*The Saskatchewan Pension Plan Newsletter*

October 2009

## Members spoke, SPP listened

A new phase in the history of Saskatchewan Pension Plan (SPP) has arrived. Investment choice will be available to Plan members as of March 1, 2010. Board Chairperson Robert Devrome said, "Members told us (the Board of Trustees) they like our Plan but want to have more options to invest in using the Plan's framework. The introduction of the short term fund (STF) is in direct response to member requests."

As of March 1, 2010, members will have two options for investment of contributions to their account:

- Balanced fund (BF) and
- Short term fund (STF).

Members are permitted, but not required, to choose how to invest their contributions in the Plan's funds.

Since its inception in 1986, SPP has offered a single balanced fund for member investments. The addition of the second fund allows members, especially those close to retirement, to reduce their equity exposure. The STF will contain only money market instruments and will be managed by Greystone Managed Investments Inc. (Greystone). The objective of the STF is to minimize market risk and preserve capital. This lower risk investment is likely to result in lower returns over the long term.

Beginning on March 1, 2010, members will be allowed to transfer their existing account balance and direct future contributions to either or both of the funds offered by SPP. Some transfer restrictions will apply to members who are under 55 years of age. Interfund transfers will be done once a month.

More information will be provided in future mailings so that you have tools to assist with making the best decision for your situation. Information and forms will be available on the Plan's website as the implementation date approaches. As always, you may call the Plan's toll-free line if you have questions regarding this option and its impact on you. ❖

"Members told us they like our Plan but want to have more options to invest in using the Plan's framework"

## More changes

In preparation for implementation of the STF, we are changing the frequency of earnings allocation to members' accounts. As of January 1, 2010, interest will be applied to accounts monthly. You will receive a statement of your account two times per year. ❖

## Deadlines

The end of the 2009 tax year is approaching quickly. The deadline for contributions to the 2009 tax year is

**March 1, 2010.**

Your contribution must be **received** by SPP or your financial institution on or before that date in order to use it for a deduction

Your contribution must be **received** by SPP or your financial institution on or before **March 1, 2010.**

on your 2009 taxes. If you are mailing your contribution to SPP, please ensure you allow enough time for the mail service to deliver it to us by March 1.

For your reference, here are the tax deduction guidelines for your contributions.

- Contributions made between March 2 and December 31, 2009 are only deductible for the 2009 tax year. Receipts will be in the mail by January 15, 2010.
- Contributions made between January 1 and March 1, 2010 are tax deductible for either the 2009 or 2010 tax year. These receipts are mailed weekly. ❖

## Easy address changes

ExpressAddress.com offers a convenient way to notify SPP of your move. It's simple, all you need is your SPP account number. ❖



## Fund quick facts

	Balanced fund	Short term fund
<b>Objective</b>	Long term growth	Preservation of capital
<b>Risk</b>	Higher return, more volatile	Low return, less volatile
<b>Fund Structure</b>	Equities: Canadian 19%, U.S. 18%, NNA 18% Bonds 37% Real Estate 5% Short Term 3%	Short Term debt issued by Canadian issuers 100%
<b>Investment managers</b>	Greystone Managed Investments/Leith Wheeler Investment Counsel	Greystone Managed Investments
<b>Who should invest</b>	Members who seek long term growth with moderate volatility through diversification across different asset classes	Members who want to minimize market risk and preserve capital, but not recommended as a long term investment

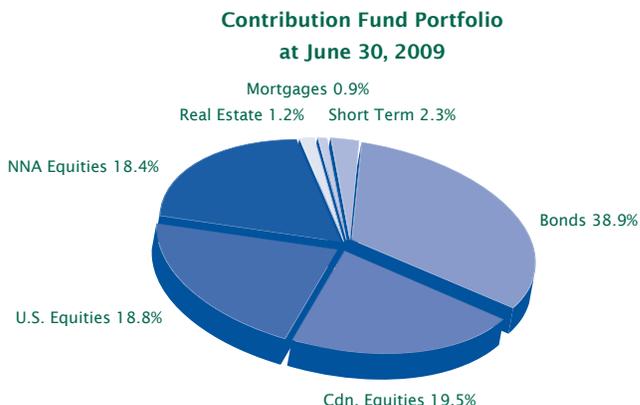
Both the BF and the STF are diversified within allowable investments and well-managed by our two investment firms: Greystone and Leith Wheeler Investment Counsel Ltd. Our goal, now more than ever, is to continue to strive for maximizing investor returns while avoiding unnecessary risks. We hope these investment choices echo our commitment. ❖

## Investment update

The investment update for the quarter ending June 30, 2009 is posted on our website ([saskpension.com](http://saskpension.com)). These updates are typically posted six weeks after the end of the quarter and are a great way for you to stay current on how your investment is performing. Look for the third quarter update posting in late November.

The Contribution Fund return at the end of the 2nd quarter was 3.6% after administration expenses.

Our current asset mix is:



## It's win-win!

Having your employer make contributions on your behalf not only saves you money, it helps both of you on your taxes. The business receives a deduction for any contributions it funds for your account, and we'll issue you a receipt for your personal taxes. It's win-win!

SPP is affordable and flexible, with no minimum payment and the option to contribute for any number of employees. Whether you're the only one, or you've got everyone interested, we can help you get things rolling.

Talk to your employer about the benefits of starting up. You never know, your company might start working for you.

Ready to kick it up a notch? Call and ask about our Employer Plan, or visit us at [saskpension.com](http://saskpension.com) to find out more. We're ready when you are. ❖

The SPP Contributions Newsletter is issued two times per year to provide members with general information about current issues affecting SPP.

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

### To contact SPP:

Toll-free 1-800-667-7153

Fax 1-306-463-3500

TTY 1-888-213-1311

Mail Box 5555  
Kindersley SK S0L 1S0

E-mail [info@saskpension.com](mailto:info@saskpension.com)

Web site [www.saskpension.com](http://www.saskpension.com)

