



CONTRIBUTIONS

July 31, 2012

Pooled Registered Pension Plans (PRPPs) and the Saskatchewan Pension Plan (SPP)

The introduction of PRPPs means millions of working Canadians who have no workplace pension plan will now finally have access to one. In his June 19th speech to the Standing Senate Committee on Banking, Trade and Commerce, Ted Menzies, Minister of State (Finance) stated that SPP was the 'model' the federal government embraced in creating a national PRPP.

'I am excited to let you know that my legislation, Bill C-25, the Pooled Registered Pension Plans Act, received Royal Assent on June 28, 2012. As a result, options will soon be made available to the self-employed and to the 60% of Canadians in the workforce who do not otherwise have access to a pension plan through their workplace. I look forward to seeing the effects of this legislation as it benefits hardworking Canadians.'

Ted Menzies, Minister of State (Finance) June 29th, 2012

SPP has a 26 year track record of providing members with a simple, affordable and consistent means to save for retirement. Many have spoken about how the SPP was the inspiration for the PRPP.

The details aren't known yet. However, what we do know is that millions of working Canadians who have no workplace pension will now finally have access to one. Even today, the SPP accepts members from anywhere in Canada. Likewise, anyone can transfer up to \$10,000 per year from their RRSP.

The Board supports the introduction of the PRPP and believes the SPP could offer this welcomed and sorely needed retirement solution once it is available here in Saskatchewan and countrywide. ❖

Legislation update

Several housekeeping amendments to *The Saskatchewan Pension Plan Act* (the Act) are being proposed by the SPP Board. Amendments to the survivor benefits provision will require an individual to designate their spouse as beneficiary prior to retirement and to select a minimum joint and last survivor 60% at retirement. These entitlements can be waived by the receiving spouse. This change would bring SPP's rules in line with *The Pension Benefits Act, 1993* and would open the door for SPP to receive transfers from locked-in pension funds.

A change to the Act is also being proposed to establish a provision to deal with funds payable to persons who cannot be located. ❖

Important spousal tax info

Getting everything together at tax time is rushed and stressful let alone noticing that your receipt is incorrect. Tax time is typically when we receive calls from members requesting a change to their receipt. In the past we have been able to accommodate your request but the future is changing. SPP contributions follow RRSP rules and must be reported to Canada Revenue Agency (CRA). Beginning with the 2011 tax year all tax receipt data is filed with CRA.

How does this change impact you? Contributions will be deemed to have been made by the member unless you tell us, at the time the contribution is made, that it should be designated a spousal contribution (and the tax receipt will be issued in your spouse's name). SPP will no longer be able to change a contribution after it is made.

Reminders:

Financial Institution (FI) or Telebanking contribution:

FI's do not have the ability to transmit the spousal information to SPP. It is the member's responsibility to contact SPP and provide the spousal information. You can do this by calling SPP on the toll-free or by email.

Credit Card contributions on SPP website:

Complete the "Name of spouse" only if the contribution is to be claimed by your spouse on their taxes.

Mailing to SPP:

Complete the box on the right hand side of the contribution only if the contribution is to be claimed by your spouse on their taxes.

Pre-authorized contributions:

Complete the box on the right hand side of the form only if the contribution is to be claimed by your spouse on their tax return. Changes to a pre-authorized contribution must be done in writing prior to the contribution being made.

When you are making your contribution or completing a form and it seems confusing simply call SPP. ❖

Social media

Thank you for your involvement in the success of SPP's social media initiative. We are pleased by the number of people who access Plan information through our social media since its launch in December 2011.

Please check out savewithSPP.com for our celebrity interview series. The series features Ellen Roseman, Gordon Pape, David Chilton, Derek Foster, Allison Griffiths and Jonathan Chevereau. If you haven't already subscribed to our blog do so now by going to saskpension.com.

SPP is pleased to announce that Derek Foster, author of [The Idiot Millionaire](#), is coming to both Saskatoon and Regina this summer. Check out our blog for times and dates. ❖

Time to update your trustee?

SPP encourages members to name a trustee if the beneficiary is a minor. When a death benefit becomes payable to a beneficiary who is under the age of 18, SPP must follow *The Trustee Act, 2009*. If a Trustee is not named, SPP must forward the death benefit to the Public Guardian and Trustee of Saskatchewan. The monies are then administered by that agency.

If you have a trustee named for your beneficiary the trustee stays in place until you change or remove it. For example, the trustee is not automatically removed when the beneficiary turns 18. Visit justice.gov.sk.ca/pgt for more information regarding trusts.

Please call SPP if you wish to review your Trustee information. ❖

Pay it forward

This year we are asking members to "Pay it Forward" and recommend SPP to a friend, family member or colleague.

We are working hard to grow business and we know a referral from you would be the best way to achieve success. Thanks for your assistance in making 2012 a year of growth and success. ❖



Investment performance

Investment updates are posted on our website. In the 'News and Announcements' section, fund returns are posted monthly and a newsletter is published quarterly with investment updates. Visit saskpension.com for the current rates and news on the performance of the funds.

Investment returns to June 30, 2012 after administration expenses were 3.65% in the BF and 0.22% in the STF. ❖

The SPP Contributions Newsletter is issued three times a 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.

How do I know my money is in good hands?

When you save for retirement, the last thing you should have to worry about is whether your money is in good hands. With the SPP you can be confident that your money is managed by professional investment managers based on a written statement of specific quality, quantity and benchmark standards.

A Board of Trustees is appointed and has the fiduciary responsibility to ensure the investments are managed prudently. Responsibility for safekeeping of the assets, income collection, settlement of investment transactions, and accounting for the investment transactions has been delegated to a trust company.

Non-retired members can invest their assets in either the balanced fund or the short-term fund. The purpose of the balanced fund is to accumulate member assets and invest them in a prudent, risk-controlled manner for long-term growth. The short-term fund is designed to preserve capital and provide a stable cash flow.

SPP allocates 100% of the market rate of return, less operating expenses of about 1% to members. With all of the checks and balances in place, you can be confident that your money is in good hands, and will be there to help fund your retirement when you need it.

We encourage you to visit our blog SavewithSPP.com and read this article and many others. ❖

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 by doing one of the following:

Send	To:	info@saskpension.com
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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. ❖

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