

INFORMATION SHEET

Retired Member Guide

This Information Sheet is designed to provide general information to members who are receiving a monthly pension from Universities Academic Pension Plan (UAPP). The following is a brief summary of some of the important things to keep in mind during your retirement.

PENSION

UAPP pensions are paid on the second last business day of each month with payment coming directly from UAPP's fund holder, CIBC Mellon. UAPP funds are always paid in Canadian dollars. UAPP is strictly a pension plan. Any questions you have about non-pension benefits should be directed to your employer's Human Resources department.

■ *COST-OF-LIVING ADJUSTMENT*

- Under the terms of UAPP, monthly pension payments increase on January 1st of each year by a cost-of-living adjustment equal to 60 per cent of the average increase in Alberta's Consumer Price Index for the 12-month period ending October 31st of the previous year. The first such increase after pension commencement is pro-rated based on the number of complete months the pension was in payment.
- If you have terminated your employment and are entitled to a deferred pension, then the annual cost-of-living adjustment is also applied to your pension during the deferral period. If your salary before termination is close to or above the pensionable salary cap, your cost-of-living adjustments during the deferral period may be limited so that your pension at commencement does not exceed the maximum amounts allowed by the Income Tax Act.
- Notice of your cost-of-living adjustment will be provided each January by CIBC Mellon. A summary of the historical cost-of-living adjustments granted under the UAPP is available on our website at uapp.ca/news/cost-of-living-adjustment.

■ *DIRECT DEPOSIT*

- Most UAPP pensioners receive their monthly pensions via direct deposit. If a member would like to receive payment by direct deposit, information is available through CIBC Mellon at cibcmellon.com/en/retiree-assistance/index.jsp. Direct deposit may not be available in certain countries. Please contact CIBC Mellon at 1.800.565.0479 toll-free if you live within North America and 1.519.873.2218 collect if you live outside North America and would like to switch to direct deposit.

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■ GOVERNMENT PENSIONS

- Members must apply for Canada Pension Plan (CPP) and Old Age Security (OAS) benefits separately from UAPP benefits. The amount of your UAPP pension is never impacted by when you commence receipt of CPP and OAS or by how much you receive from those plans. CPP and OAS are both administered by the Government of Canada. For more information on government pensions, please contact Service Canada at 1.800.277.9914 or online at canada.ca/en/services/benefits/publicpensions/cpp.html for CPP and canada.ca/en/services/benefits/publicpensions/cpp/old-age-security.html for OAS.

■ MEMBER STATEMENT

- Under Alberta pension legislation, members in receipt of a monthly pension must receive an annual statement regarding their pension. The statement is usually mailed in June each year and only members who have retired prior to the end of the previous calendar year are required to receive a statement. The UAPP statement includes details on the pension amount and form of payment as well as information on any applicable spouse or beneficiary.

■ PENSIONER AUDIT

- As part of the plan's governance requirements, audit letters are prepared each year for a select group of pensioners. Typically, pensioners will receive an audit letter at least once every four years. Depending on your age and option elected, you may receive an audit letter more frequently. The purpose of the letter is to ensure that pensions are being paid to the right persons and comply with the pension option elected by the member at retirement. The audit protects both the pensioner and the pension plan from the problems arising from an overpayment.

■ TAX AND TAX FORMS

- There are tax advantages to members who contribute to a Registered Pension Plan like UAPP. As a result, once a pension commences, members must pay tax on amounts received. CIBC Mellon will withhold tax based on federal and provincial tax regulations, a member's residency status, and the TD1 forms completed by a member upon retirement. Each February, tax forms are mailed to pensioners by CIBC Mellon and posted in the CIBC Mellon Retired Member Portal, the link for which is found on the uapp.ca website.

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LIFE EVENTS

Certain actions may be required on the part of UAPP members (or their representatives) following a number of life events:

■ ADDRESS CHANGE

- Retired members will receive correspondence by mail from UAPP that include tax slips, annual member statements, and audit letters. As such, it is important that any change in address be reported as soon as applicable. This is particularly true for members who move outside Canada and become non-residents as there could be a significant change in tax withheld by CIBC Mellon. Changes should be reported directly to CIBC Mellon. Contact information is shown on our website at uapp.ca/contact-us. Changes to addresses can also be made online by using the [Pensioner Change of Address Form](#), available under CIBC Mellon forms at uapp.ca/forms.

■ BANKING INFORMATION CHANGE

- Changes to banking information should be provided directly to CIBC Mellon. This can be done by completing the [Direct Deposit Request Form](#), available under CIBC Mellon forms at uapp.ca/forms.

■ DEATH NOTIFICATIONS

- UAPP must be notified following a member's death. Pensions are always payable for the lifetime of a plan member, so it is very important that the death is reported. Many members elect a joint life pension that is payable for the lifetime of both the member and spouse. Therefore, it is also very important that the death of a spouse is reported.
- Death notification should be provided to UAPP by fax at 780.415.8871, by mail to #1850, 10303 Jasper Avenue, Edmonton, Alberta T5J 3N6, by secure e-mail through the Plan Member Portal, or by regular email via uapp@uapp.ca. The notification should include the name and Social Insurance Number of the deceased, the date of death, and contact information of the person sending the notice and/or spouse, beneficiary, or executor. Failure to notify UAPP of the death of a member and, in some cases, the spouse, can result in a large pension overpayment which must be repaid to UAPP.
- Payments after death will depend on the form of pension elected at retirement.

■ MARITAL STATUS CHANGE

- Under pension legislation in Alberta, a member's spouse has certain entitlements to pension benefits. At the time of retirement, those entitlements may be waived by the spouse. In any event, a change in marital status of a retired member may still have implications on the UAPP pension.

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- In the case of a relationship breakdown, the spouse's share of the pension may be satisfied by a splitting of the pension or by mutual agreement by trading other assets of equal value. A Family Property Order (FPO), Agreement, or a similar order enforceable in Alberta that complies with the requirements of the Employment Pension Plans Act (Alberta) must be filed with UAPP before division and distribution of pension benefits can occur. If a member is already receiving a UAPP pension as of the date of division, the member's adjusted pension will be paid for the member's lifetime and will be calculated based on the member's age. Likewise, the pension to be paid to the spouse will be for the lifetime of the spouse and will be calculated based on the spouse's age. The FPO or Agreement should clearly indicate the percentage share due to the spouse and who is to be paid the remaining pension benefit, if any, on the death of each party.
- Unless an FPO has been filed, pensions in pay cannot be adjusted to reflect a change in marital status. If you were married at retirement and elected to receive a Joint & Survivor Pension, the person you were married to at that time is the person entitled to the survivor pension. If you re-marry due to divorce or the death of your spouse at retirement, the survivor pension cannot be paid to your new spouse.
- If you did not have a spouse at retirement, you will be receiving a pension payable for your lifetime, which may include a guarantee period. If you marry after retirement and have a remaining guarantee period, you may want to ensure your new spouse is listed as your beneficiary. This can be done through the Plan Member Portal on the uapp.ca website. Your pension option, however, cannot be changed and your new spouse will not be entitled to receive a survivor pension. Keep in mind that once a guarantee period expires, the beneficiary will have no entitlement to your UAPP pension. Instead, the pension will simply continue for the rest of your life.

■ NAME CHANGE

- To change your name with UAPP, please send a signed letter along with proof of change, such as a marriage certificate, by fax at 780.415.8871, by mail to #1850, 10303 Jasper Avenue, Edmonton, Alberta T5J 3N6, or by secure messaging through the Plan Member Portal on the uapp.ca website.

■ WORKING AS A PENSIONER

- Retired members can work for any employer not participating in UAPP with no impact on the UAPP pension. If you return to work for a UAPP employer in an eligible position while you are receiving a UAPP retirement pension, you can choose to rejoin the UAPP or not. If you choose not to rejoin UAPP, your pension will continue without change. You cannot rejoin UAPP after the end of the calendar year in which you attain age 69.

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- If you choose to rejoin UAPP and start making contributions again, your pension will cease while you are a contributor and you must continue to make pension contributions while you remain in an eligible position. When you again terminate employment, you can apply to recommence your UAPP pension. The amount of pension payable on your second retirement date will be the sum of your earlier pension and the portion you earned during your most recent period of plan membership. When the earlier pension resumes, it will be adjusted for any cost-of-living increases awarded during the period of suspension and will also be recalculated to reflect your new early retirement factor, if applicable. The new combined pension will be paid in the same pension form that you elected upon your initial retirement. It is very important to note that any pension otherwise payable during a period where the payments are suspended is forfeited and not paid out at a later date.
- More information on working as a pensioner can be found in the *Rehired Pensioner* Information Sheet posted on our website under uapp.ca/publications/information-sheets/.

IMPORTANT NOTE TO THE READER:

This Information Sheet is designed as a quick summary of the subject. Should anything in this Information Sheet conflict with the UAPP Sponsorship and Trust Agreement, or any applicable provincial or federal legislation, the Agreement and/or the legislation shall apply.

NEED MORE INFORMATION?

Call UAPP at 1.888.339.1546 (toll-free within North America) or 1.780.612.4259 (collect, outside North America) if you have further questions. Information Sheets on other pension topics are available on the UAPP's website at www.uapp.ca (under Publications).