



PENSION PLAN

Your Plan

An overview of the CSS Pension Plan to guide you on the road to retirement



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Disclaimer

The information contained in this booklet is designed to give members a better understanding of the CSS Pension Plan as well as their benefits and entitlements under the Plan. It is not intended to replace provincial or federal legislation nor the "Bylaws, Rules and Regulations" which govern your relationship with the Plan.

Welcome to the CSS Pension Plan

Our purpose is to empower our members to achieve financial security in retirement.

The Co-operative Superannuation Society (CSS) Pension Plan (throughout this publication referred to as “the CSS Pension Plan”, “the Plan”, or “CSS”) is one of the oldest and largest defined contribution plans in Canada, with a long successful track record (established in 1939). The CSS Pension Plan is designed to help members prepare for and fund their retirement. A pension plan is a valuable part of your overall

compensation. Only one in three Canadians belong to a pension plan.

There are approximately **300 employer members**, all either co-operative associations or credit unions. The Plan holds and invests the pension funds of more than **57,000 employee members from co-operative and credit union organizations**, including more than **9,000 retirees** receiving a retirement income from the Plan. The CSS Pension Plan currently administers approximately **\$5.4 billion** in assets.

Retirement income

The retirement income system in Canada can be broken down into three streams, with each stream representing a different source of retirement income:

Pension arrangements administered by governments

These include the Canada Pension Plan (CPP) and Old Age Security (OAS). As well there is the federal Guaranteed Income Supplement (GIS) for low-income seniors. There could also be some provincial government programs for low-income seniors – these vary by province.

Employment pension plans

The CSS Pension Plan is an employment pension plan. In other words, it is a pension plan related to your employment with one or more of the many co-operative and credit union employers that participate in the Plan for their employees.

Personal savings

This includes Registered Retirement Savings Plans (RRSP), Tax-Free Savings Accounts (TFSA) as well as non-registered savings such as regular Guaranteed Investment Certificates, term deposits and other savings accounts.

The CSS Pension Plan is a Registered Pension Plan (RPP) registered with Canada Revenue Agency (CRA). The Plan's registration number is 0345868.

What sets us apart

The CSS Pension Plan has great benefits for both employees and employers.

Lifetime and flexible retirement income options

Support for our members doesn't stop after they retire. We offer retirement income options directly through the Plan, including lifetime monthly pensions and flexible Variable Benefit payments.

Affordability

The CSS Pension Plan's investment fund management expense ratios (MERs) are a fraction of those charged for retail mutual funds. This means members pay less in investment and administration fees so they have more pension funds at retirement.

Member ownership

We are governed by the Co-operative Superannuation Society, a non-profit that represents employer and employee members of the CSS Pension Plan. Through delegates, members can shape our future and influence the Plan's direction.

Advisory services

The CSS Advisory Team can help answer any questions that members or employers may have. They can also help members prepare customized retirement income plans that include all sources of retirement income.

Recruitment and retention

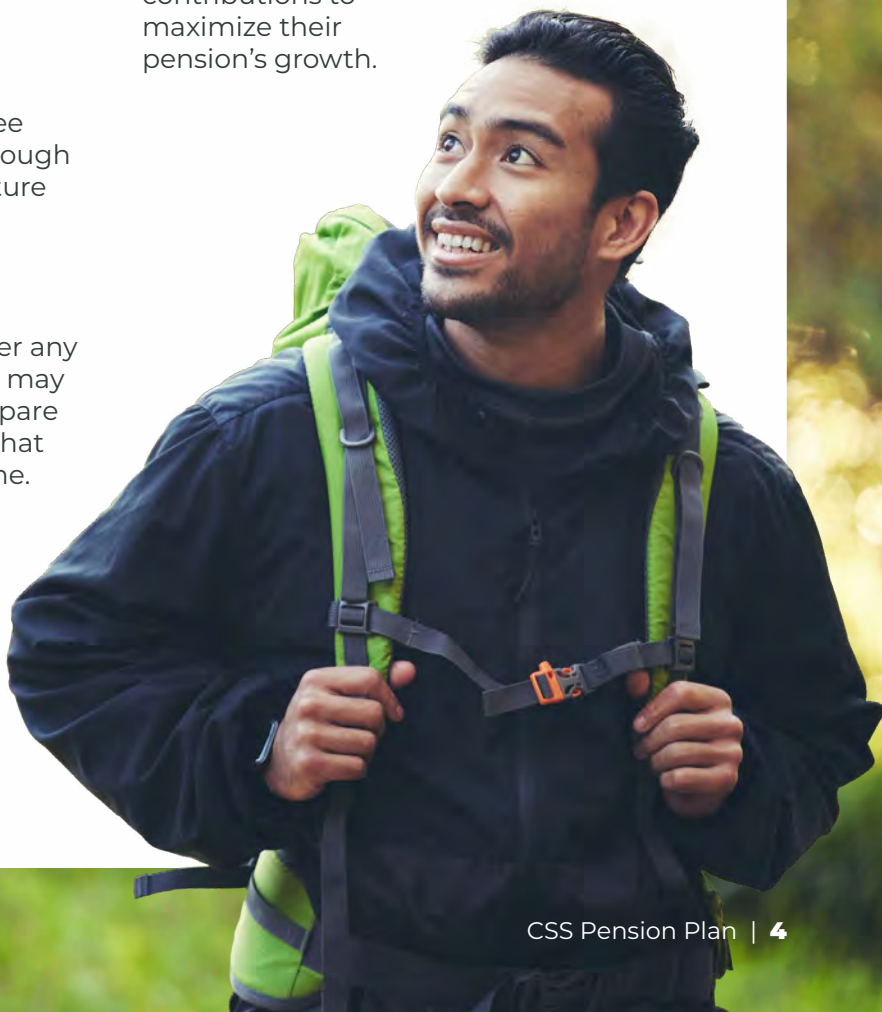
Offering the CSS Pension Plan can help employers recruit and retain quality talent. This core value proposition has been part of CSS since 1939. With employer matching contributions, CSS members enjoy double the earning power.

Online self-service

Members have the option to check their account balance, access planning tools like **myCSSPEN Compass®**, change their investments and more with **myCSSPEN for members**. Employers can securely upload files and remit contributions through **myCSSPEN for employers**.

Flexibility

We offer four professionally managed investment funds that give members the flexibility to set an investment mix according to their own goals and investment comfort. Members also have the option to make additional voluntary contributions to maximize their pension's growth.



The Co-operative Superannuation Society (the Society)

The Co-operative Superannuation Society administers the CSS Pension Plan as a non-profit organization incorporated on a membership basis. Its Act states: “The principal purpose is to provide retirement benefits for its members.” For over 80 years, the Society has managed the Plan in partnership with co-operative and credit union employers. Both employers and employees are Plan members, represented by delegates and board members.



Pension laws

Most members' accumulated pension funds are subject to provincial legislation based on the province where they work. If you no longer work for a Plan employer, the applicable legislation is from the province where you last worked while contributing, regardless of your current residence.



If you work (or last worked) in the Northwest Territories, Nunavut or Yukon, your funds fall under federal legislation. If you worked (or last worked) for “included employment” (e.g., a federal credit union), your funds also fall under federal legislation.

Legislation varies by jurisdiction, affecting CSS Pension Plan provisions like membership, locking-in, termination options, retirement income and survivor benefits. The federal *Income Tax Act* also regulates all registered pension plans.

The legislation regulating pension plans across Canada are:

Alberta	<i>Employment Pension Plans Act</i>
British Columbia	<i>Pension Benefits Standards Act</i>
Manitoba	<i>The Pension Benefits Act</i>
New Brunswick	<i>Pension Benefits Act</i>
Nova Scotia	<i>Pension Benefits Act</i>
Ontario	<i>Pension Benefits Act</i>
Saskatchewan	<i>The Pension Benefits Act, 1992</i>
Federal	<i>Pension Benefits Standards Act, 1985.</i>

Control of the CSS Pension Plan

The CSS Pension Plan is governed by its Rules and Regulations and the Society's Bylaws.

The Society administers the Plan and serves as trustee of the pension funds.

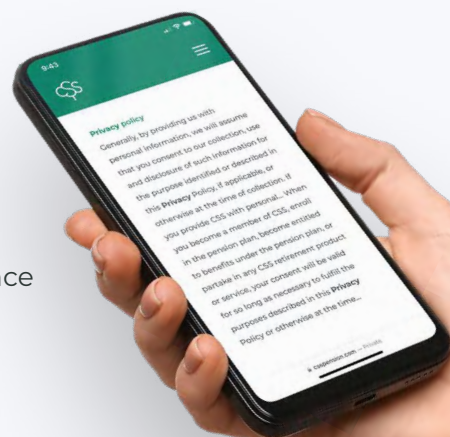
Control of the Plan is shared equally between employee and employer members.

The Society has a democratic control structure made up of 36 delegates: 13 elected to represent active employees, 1 appointed for inactive members, 4 elected for retirees, and 18 appointed by employers. These delegates meet at least once a year.

They are responsible for the Society's Bylaws and the Plan's Rules and Regulations. The delegates also elect the Society's Board of Directors, which consists of 3 employee

delegates and 3 employer delegates, meeting at least four times a year.

The Board is responsible for employing an Executive Director for the Plan and for its administration between annual and special delegate meetings. The Board also sets investment policy for the Plan's funds and reviews the performance of investment managers.



Protection of personal information and privacy

The CSS Pension Plan obtains your consent (explicit and implicit) to collect and use personal information as part of the membership application process. This is necessary in order to administer the Plan, collect your contributions and eventually pay out your retirement benefits.

Use of this information is strictly limited to the administration of your pension funds under the terms of the Plan's Privacy Policy. No other use of your personal information is permitted.

Member responsibilities

It is your right and responsibility to be informed about the CSS Pension Plan, all the features and services of CSS, and the investment choices you have. You have the right to access information. CSS has information available in this booklet and on our website.



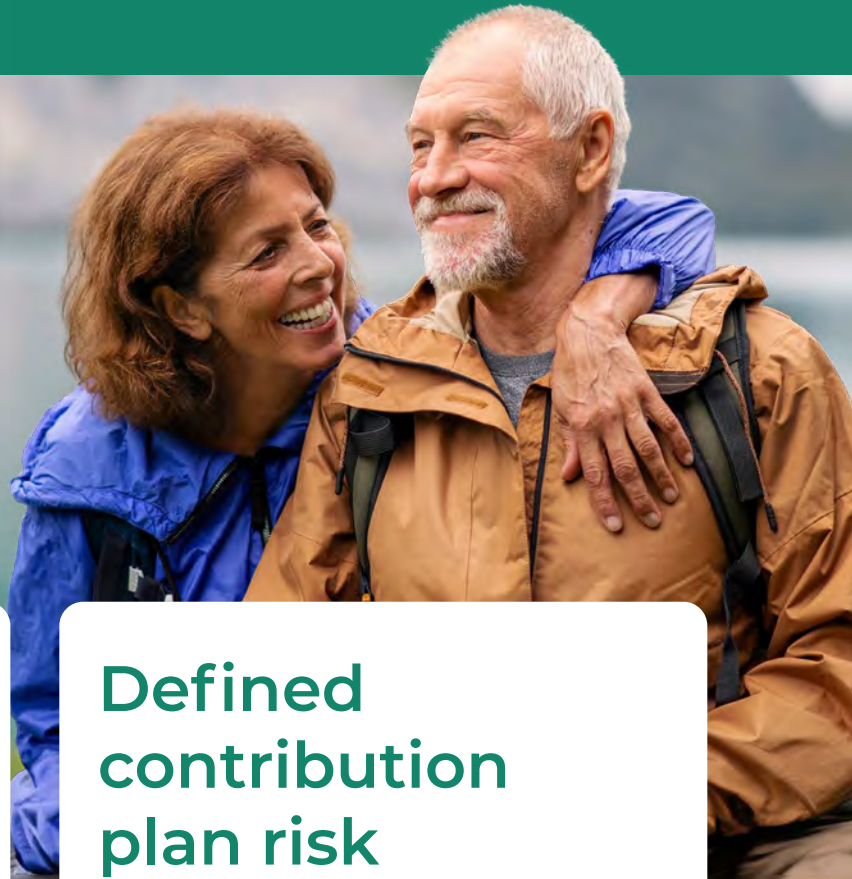
As a member, you are responsible to:

- Understand your CSS Pension Plan account and the critical role you play in your financial future
- Join the CSS Pension Plan when eligible (a requirement for full-time employees and typically a voluntary decision for less-than-full-time employees)
- Make decisions about contributions, including additional voluntary contributions
- Make investment decisions and understand that they will affect your account balance (while you cannot control the performance of a particular investment option, you do make decisions about the investment fund options in which you invest)
- Be informed about the Plan using the documents, information and tools available
- Determine the amount of personal savings you need for retirement outside of your CSS savings
- Read and retain your statement, and other records and communications provided to you
- Consult with a qualified and trusted financial advisor with knowledge of the pension industry to discuss your specific financial situation
- Ensure the ongoing accuracy of your personal and contact information, marital status and beneficiary information on file with CSS
- Select an appropriate option on termination of employment and retirement
- Determine, while receiving a retirement income from CSS, how much to withdraw for retirement income and decide on which income options best suit your goals

Remember - CSS employs Retirement and Pension Advisors who hold their Certified Financial Planner® professional or Personal Financial Planner® designations.

Planning for your retirement

Your contributions to the CSS Pension Plan are automatically deducted from your pay, and added to the contributions made by your employer to grow your retirement savings.



Defined contribution plans

The CSS Pension Plan is a defined contribution plan, often called a “money purchase” pension plan. When you start drawing retirement income, you’ll use the funds in your account—comprised of your and your employer’s contributions and investment earnings—to purchase a retirement income vehicle.

In this plan, the contributions are defined as a percentage of the employee’s salary, helping you save for retirement. Your contributions are automatically deducted from your paycheque, making it a way to “pay yourself first,” a proven strategy for long-term savings..

Defined contribution plan risk

Investing involves risk, and understanding “pension risk” is crucial for defined contribution plans like the CSS Pension Plan. “Pension risk” refers to whether there will be enough funds for adequate retirement income.

In these plans, both employer and employee contribute a set percentage of the employee’s salary. These contributions are invested to accumulate retirement funds, which are converted to income at retirement. However, funds may fall short of the required income level. Employees won’t know their exact retirement income until they retire, so they bear the pension risk. It’s their responsibility to make informed investment decisions to meet their retirement income needs.

Membership

Membership in the CSS Pension Plan is required for full-time employees. If you are a full-time employee of a participating employer, you must join the Plan after completing the waiting period.

The employer sets the waiting period, which cannot exceed two years. Less-than-full-time employees are eligible to join the Plan after reaching a minimum level of earnings or hours worked, depending on the province.

Once less-than-full-time employees meet the minimum requirements, the employer must

offer them membership. In most provinces, joining is voluntary, except in Manitoba, where it is mandatory.

Employers may allow less-than-full-time employees to join earlier than required by law and can also make membership mandatory, regardless of provincial rules.

For details on the minimum membership requirements in your jurisdiction, contact the Plan office.



Ways to invest and contribute

Contributing to your plan

Only employees who meet their employer's requirements can contribute to the Plan. Once you stop working for a participating employer, you cannot contribute further; however, you can continue to add money to your CSS Pension Plan accounts by doing transfers-in (see page 11 for more information).

Here are key points about contributing to the CSS Pension Plan:

Required contributions: Both you and your employer contribute. From the date you join, your employer deducts contributions from your salary each pay period, matching them dollar for dollar. The contribution amounts are reflected on your pay stub.

Each employer sets the matched contribution rate as a percentage between 1% and 9% of salary.

Additional voluntary contributions: You can make additional voluntary contributions, which must be deducted from your pay and remitted through your employer's payroll system. Your employer does not match these contributions. Voluntary contributions are not accessible until full and final termination of employment with a CSS Pension Plan employer.

Tax-deductibility of contributions: Like RRSP contributions, all contributions to the CSS Pension Plan are deductible when calculating taxable income, reducing your income tax payable. Your pension contributions are reported on your employment T4; CSS does not issue separate pension contribution receipts.

Maximum contribution limit: The combined contributions from you and your employer cannot exceed the lesser of:

- 18% of your employment compensation for the current year, or
- The maximum dollar limit for the current year (check the Canada Revenue Agency's website for details).

Your total contributions plus your employer's contributions must not exceed this Canada Revenue Agency (CRA) limit. It is your responsibility to keep within the maximum contribution limits set by the CRA.

Parental leave: You can contribute to the Plan while on maternity, paternity or adoption leave, but you may be responsible for both employee and employer contributions, depending on legislation and your employer's policy.

Eligible employees are allowed to make additional voluntary contributions to the Plan, but these contributions are not matched by the employer.

Transferring money into the CSS Pension Plan

All CSS Pension Plan members, including those receiving Variable Benefit (VB) payments or monthly pension payments, may transfer monies from other registered retirement plans into their CSS account. If you are actively contributing to the CSS Pension Plan, you may transfer monies after full and final termination of employment with a CSS Pension Plan employer.

You may transfer monies from your personal RRSP and/or RRIF accounts, including those accounts that are locked-in under pension law (e.g., LIRA, LIF, pRRIF). All transfers from accounts that hold locked-in pension monies are subject to locking-in agreements. Check

with your credit union or financial institution to see if you will incur any penalties/fees prior to transferring your monies to CSS.

You may transfer monies from another registered pension plan. All transfers from pension plans are subject to locking-in agreements.

Transferred-in monies are not accessible while you are actively contributing to the CSS Pension Plan [unless they are held in a Variable Benefit (VB) payment account].

In all cases, please contact us to help you with your transfer-in requests.

Vesting

When you join the Plan, both you and your employer will make contributions. Your contributions will be deducted from your salary, and your employer will match them. Contributions made by your employer will immediately become vested and owned by you, meaning the total value of your accumulated pension funds will always belong to you.

Locking-in

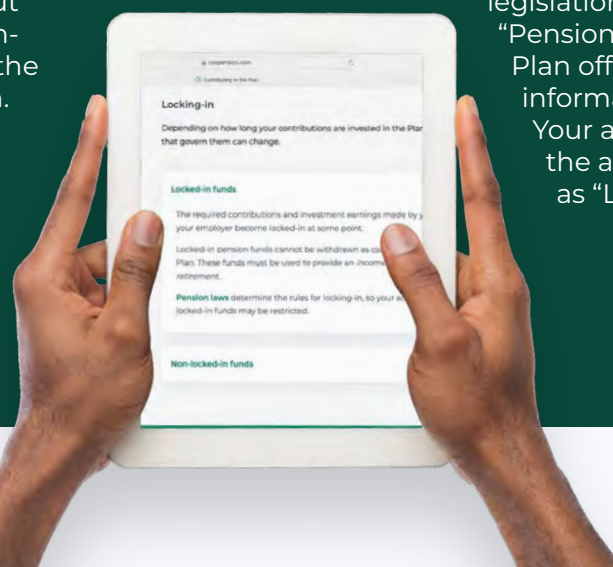
There are several things you should know about “locked-in” funds, “non-locked-in” funds, and the rules that govern both.

Locked-in funds

Your required contributions, along with your employer’s contributions and accumulated investment earnings, will eventually become locked-in. This means these funds must provide retirement income, typically as regular payments for life.

Locked-in funds cannot be withdrawn as cash when you terminate employment and apply to contributions made after a certain date, along with their earnings. Funds usually lock-in after two years of service or Plan membership.

Locking-in rules are set by the pension legislation in your jurisdiction (see the “Pension laws” section for details). The Plan office can help you find relevant information about locked-in funds. Your annual statement will indicate the amount of your locked-in funds as “Locked-in.”



Non-Locked-in funds

If you have funds that are not locked-in, then once you are no longer working for an employer member of the Plan, you can use those funds to provide retirement income (when you are of retirement age), withdraw those funds all at once in cash (subject to income tax) or transfer them to an RRSP or registered retirement income fund (RRIF).

In other words, you are not obliged to use non-locked-in funds for a retirement income – you can use these funds for whatever you wish. Any additional voluntary contributions that you make to the Plan, and their earnings, are not locked-in.

On your annual statement, the amount of any funds that are not locked-in is indicated as “Non-locked-in”.

Exceptions to the locking-in rules

There are some circumstances where pension legislation may allow your locked-in funds to be treated as though they were not locked-in. If the amount of locked-in funds is relatively small when you terminate employment, it may be

possible to take these funds as a lump sum (i.e. cash or transfer to an RRSP or RRIF). Other possible opportunities to take your locked-in funds as a lump sum: if you become a non-resident of Canada or become terminally ill.



Investment funds to suit you

The CSS Pension Plan manages four investment funds for members saving for retirement: Money Market Fund, Bond Fund, Balanced Fund, and Equity Fund. Each fund has varying risk levels and expected returns.

Balanced Fund



This fund is a moderate risk/moderate return option with a diversified portfolio of equities (stocks) and bonds, targeting long-term growth with occasional short-term losses.

The Balanced Fund is shifting from 60% equities and 40% domestic fixed income to 55% equities, 35% fixed income and 10% real estate. It is diversified by asset class, country and investment manager, with multiple external managers overseeing various mandates. This is the Plan's original investment fund and serves as the default for members without specific preferences.

Money Market Fund



This fund is a low risk/low return option for preserving capital. It is ideal for members nearing retirement who have met their savings goals and plan to exit the markets or need a reserve for retirement income.

The Money Market Fund invests in Canadian short-term assets, including high-quality instruments like commercial paper, bankers' acceptances and treasury bills. One manager oversees the fund, which aims to yield returns similar to prevailing short-term interest rates in Canada.

Bond Fund



This fund offers a modest risk/modest return investment option, though it may experience occasional losses from interest rate fluctuations.

It is less risky than the other funds but not as secure as the Money Market Fund. The Bond Fund is managed by the same team overseeing the Balanced Fund's bond component and primarily invests in domestic bonds. A bond is a debt security where the issuer must pay interest and/or repay the principal, making it a relatively safe investment.

Equity Fund



This fund is a high-risk portfolio aimed at generating higher average long-term returns. It will experience frequent short-term losses due to equity volatility.

Investing in equities (stocks) makes the investor a part owner of a company. Returns come from dividends and capital gains (or losses) as stock prices fluctuate. The Equity Fund is fully invested in equities and is managed by the same team overseeing the equity component of the Balanced Fund.



Fund	Date	YTD Return (%)	2024 Return (%)
Balanced	Jun-03-2025	2.21	8.85
Money Market	Jun-03-2025	1.39	5.10
Equity	Jun-03-2025	3.16	13.32
Bond	Jun-03-2025	1.29	5.15

* Past performance is not necessarily representative of future performance

Units and unit prices

The four funds are *unitized* – meaning that they have *units* and *unit prices*. The pension funds that you have invested in each of the funds are represented by the number of units you have in each fund.

Unit prices allow you to calculate the current value of your funds by multiplying the number of units you have in each investment fund by its daily unit price.

The investment performance of each fund (positive or negative) directly affects its unit

price, which in turn directly affects the dollar value of the pension funds in your account.

Contributions that you and your employer make to the Plan will purchase units at the unit price for that day the contributions are received. If you withdraw or transfer any funds from your account, you will redeem units at the unit price for the day the withdrawal or transfer-out is processed. Also, if you transfer any funds from one fund to another, you will redeem units in the one fund, and purchase units in the other, at the applicable unit price for each fund.

**You are permitted, but not required, to choose how to invest your funds in the Plan.
You may transfer your pension funds between the Plan's four funds at any time,
subject to applicable fees.**

Investor profiles

Conservative investor

Balanced Fund - 45% Bond Fund - 55%

This allocation might be suitable for members who have already reached their savings goal or are already retired. For members who are nearing retirement, we recommend placing 1 to 3 years' worth of spending reserve in the Money Market Fund before allocating funds to the Balanced Fund and Bond Fund.



Moderate investor

Balanced Fund - 75% Bond Fund - 25%

This allocation might be suitable for a member who is about 5 years away from retirement or is more comfortable with a lower level of risk than is inherent in the Balanced Fund.



Balanced investor

Balanced Fund - 100%

This allocation might be suitable for a long-term investor who is looking for moderate growth with a moderate risk of short-term losses.



Aggressive investor

Balanced Fund - 50% Equity Fund - 50%

This allocation might be suitable for a younger member whose primary focus is on growth. Significant short-term losses are not a concern for this member, since retirement is still many years in the future.



Growth investor

Balanced Fund - 80% Equity Fund - 20%

This allocation might be suitable for a member who is willing to take more risk than is expected in the Balanced Fund to have the opportunity of earning higher average returns in the long term. Longer-term time horizons, combined with a willingness and ability to take more risk, are key characteristics of growth investors.



Your retirement

When can I retire?

The timing of your retirement will depend on you, your savings, your plans, and your personal circumstances.

60 Normal retirement

The normal retirement age for the CSS Pension Plan is 60.

50 Early retirement

Most members qualify for early retirement at age 50.

If you started working for an employer member at a younger age, you may qualify even earlier.

$$\text{Age} + \text{Years of continuous service} = 75 \text{ or more}$$

If your age (at your termination of employment) plus years of continuous service with one or more employer members equals 75 or more, you can retire before age 50.

Working past 60

If you continue working past age 60, both you and your employer must keep contributing until your employment ends.

Mandatory changes at age 71

All of your pension funds must be converted to retirement income before the end of the year you reach age 71.



According to the *Income Tax Act* Canada, the Plan cannot accept contributions from you or your employer after the year you turn 71; as such, contributions must cease as at November 30 of that year.

Phased retirement

In most cases, you must leave your employer member before accessing your pension funds for retirement income.

However, in some cases, you are allowed to draw on your pension funds while continuing to work for an employer member of the Plan – without having to terminate your employment. This provision, called **“phased retirement,”** requires that you and your employer continue contributing to the Plan while you are drawing on your pension funds.

To apply for phased retirement you must be at least 55 years old and have the formal agreement of your employer; your employer may require that you reduce your hours of work before it agrees to your phased retirement.

Under phased retirement you can use some or all of your pension funds to start a monthly pension from the Plan, or Variable Benefit (VB) payments. If you start VB payments from the Plan, you are subject to any maximum annual withdrawal limit imposed by pension legislation.

Not all pension jurisdictions accommodate phased retirement to the same extent. Contact the Plan office for the most relevant, up-to-date information.

See the **“Retirement income options”** section on the next page for a brief explanation of monthly pensions and VB payments.



Retirement income options

As you approach retirement, consider options for your pension funds. The best choice depends on your circumstances and the relevant legislation.

Options providing lifetime retirement income

a) Monthly pension from the Plan

You can start a monthly pension from the Plan using both locked-in and non-locked-in funds, providing you with a fixed income for life.

b) Life annuity from a life insurance company

You can purchase a life annuity from a life insurance company. A life annuity is similar to a monthly pension from the Plan.


Options providing a market-based flexible retirement income


a) Variable Benefit (VB) payments from the Plan

Depending on the pension laws that apply to you, you may be able to start Variable Benefit (VB) payments directly from the Plan. VB payments are regular withdrawals from your accumulated pension funds, and the amount can change over time.

Here's what you need to know:

 **No lifetime guarantee:** These payments aren't guaranteed to last your entire life.

 **Self-managed investments:** You'll need to decide how to invest your pension funds among the Plan's four options and monitor your investment returns.

 **Variable income:** If your investments perform well, your VB payments could be higher than regular pension payments. If they don't, you might need to reduce your payments the following year.

Starting the year you turn 72, you're required to withdraw a minimum amount each year. In most pension jurisdictions, there's also a maximum limit on how much you can withdraw annually.

b) Life Income Fund (LIF) or Prescribed Registered Retirement Income Fund (pRRIF)

Depending on your pension jurisdiction, you may be able to transfer your locked-in pension funds to a LIF or pRRIF with your credit union or bank. These products are similar to VB payments from the Plan.

Additional option: “Unlocking” locked-in funds

“Unlocking” locked-in funds

An option involves “unlocking” some or all of your locked-in funds—depending on the pension legislation applicable to your situation. These unlocked funds could be accessed as a cash lump sum (subject to income tax) or transferred to an RRSP, RRIF or pRRIF. When approaching retirement, check with the Plan office to see if “unlocking” applies to your situation.



The forms to start a monthly pension, VB payments or to transfer funds from the Plan are available by contacting the Plan office.

Retirement tools online



myCSSPEN Compass® Retirement Income Planner →

This planner helps you to understand if you are on track toward achieving your retirement savings goals. It also provides actions that you may wish to consider if you are estimated to not be on track to reach your retirement income goals.



Variable Benefit Illustrator →

Estimate the amount of your Variable Benefit payments, if you opt for monthly or annual withdrawals from your investment at retirement. This illustrator assumes that your pension contributions will continue until retirement.



Pension Projection →

Estimate your monthly pension, if you choose a guaranteed lifetime income at retirement. This calculator assumes that you will continue to make the same contribution amount to your pension account until you retire.



Spousal rights

If you have a “spouse” (married or common-law), you must select a specific monthly pension that will provide a lifetime monthly payment to your spouse should you die first (unless your spouse waives this entitlement).

Your spouse’s written consent is required before you can:



Start Variable Benefit (VB) payments



Transfer any funds from the Plan into a Life Income Fund (LIF) or Prescribed Registered Retirement Income Fund (pRRIF)



Formalize any of the retirement options discussed in previous sections

Disability pension

If your employment has terminated because of ill health, injury or disability, you may be able to use your pension funds to provide a retirement income before you reach your early retirement age.

The Plan will require medical doctors to certify in writing that your medical condition prevents you from working. If this is your situation, please contact the Plan office for more information.

If you qualify to start a retirement income prior to reaching your early retirement age due to disability, the amount of your retirement income will be based on the amount of your accumulated pension funds at that time.

The CSS Pension Plan will not provide you with any extra amount over and above the retirement income produced by your accumulated pension funds.



Facing life's changes

Things happen, be prepared



Relationship breakdown

If you're ending a relationship, your spouse may have some rights to your pension funds.



Survivor benefits

It is important to review your designation regularly to ensure it fits your current situation.



Termination

When you no longer work for a participating CSS employer, you will have a decision to make with respect to your pension funds.

Relationship breakdown

Pension legislation in each jurisdiction outlines how pension funds can be divided upon relationship breakdown, as defined by the relevant laws.

← Pre-retirement

In general terms, the increase in the value of your account during the marriage/ relationship is divisible. The Plan will provide calculations for division purposes upon request.

→ Post-retirement

If you are receiving a monthly pension or Variable Benefit payments from the Plan, you must contact the Plan's office for information on how your retirement income could be affected by your relationship breakdown. You should contact the insurance company or financial institution that administers your life annuity, LIF or pRRIF.

Death benefits

Death benefits are payable in the event of a member's death. The nature and availability of these benefits depend on whether the death occurs before or after retirement, and on the chosen retirement income option.

← Pre-retirement death (If you die before you start drawing retirement income)

If you DO have a spouse

The nature of the survivor benefits depends on whether or not you have a spouse, as defined by pension legislation.

Depending on the legislation, your surviving spouse may be obliged to use the funds only for a lifetime retirement income, which can start at any age.

Pension legislation states that your surviving spouse, which can include a common-law partner, has first claim to your required contributions and employer contributions and the earnings made on these contributions. This means that your spouse has first claim to these funds even if you've designated a different person as beneficiary.

If you are separated, your spouse may still have a first claim in the event of your pre-retirement death. Contact the Plan office to determine if this applies in your particular case.

Although your spouse has first claim to your (and your employer's) required contributions, they do not have first claim to any additional voluntary contributions (and related earnings) you may have made. In this case, these funds would be paid to your designated beneficiary(ies) or estate. If the beneficiary is your spouse, they are not obligated to use these funds for a lifetime retirement income. If the beneficiary is someone other than your spouse, or if these funds are directed to your estate, they will be paid as a cash lump sum (subject to

income tax; taxable in the hands of the receiving beneficiary/estate).

If you DO NOT have a spouse

And have not designated a beneficiary, then all your pension funds would be paid as a cash lump sum to your estate (subject to income tax; taxable in the hands of the receiving estate).

If you do not have a spouse, and you have submitted a completed Designation of Beneficiary form, then all your pension funds would be paid as a cash lump sum to your designated beneficiary(ies) (subject to income tax; taxable in the hands of the receiving beneficiary).

Designating a beneficiary – Pre-retirement

You are responsible for carefully considering your estate planning needs and how those interact with your CSS Pension Plan account. If you wish to name a beneficiary for your CSS Pension Plan account, please complete a "Designation of Beneficiary" form and submit it to our office.

If you are single, you may name any person or organization as a beneficiary. If you have a spouse (married or common-law), your spouse is automatically your spousal beneficiary and will remain so unless they sign a spousal waiver of that entitlement.



Some pension legislation allows the spouse to waive this first claim. Contact the Plan office to explore if this option is available to you.

➔ **Post-retirement death:** if you die after you start drawing retirement income

Death benefits depend on the chosen retirement income option:

Monthly pension:

Under a Single Life Pension, if you die before the guarantee period has ended, the monthly pension payments will continue to your beneficiary(ies) or estate for the balance of the period, and then stop.

Under a Joint and Last Survivor Pension, if you die before the guarantee period has ended, the full monthly pension payment will continue to your spouse for the balance of the guarantee period. Thereafter, your surviving spouse will receive a pre-selected percentage of the pension for the rest of their life. If both you and your spouse die before the guarantee period is over, then the monthly pension payments will continue to your beneficiary(ies) or estate for the balance of the period, and then stop.

If you have a monthly pension with no guarantee period (0-year), then:

- For a Single Life Pension - when you die, the monthly pension payments will also stop (in other words, no death benefit is payable to anyone); and
- For a Joint and Last Survivor Pension – when you and your spouse have died, the monthly pension payments will also stop (in other words, no death benefit is payable to an estate or other beneficiaries).

Variable Benefit (VB) payments:

Under pension legislation, your spouse at the date of death is automatically entitled to receive any remaining Variable Benefit (VB) payments, unless your spouse waives this right.

If you name your spouse as the “specified beneficiary” then they can continue with the remaining VB payments or transfer the balance (if any) out of the Plan. If you do not have a spouse or if your spouse has signed a waiver, the

balance of the VB payments are paid as a lump sum to your estate or named beneficiary(ies).

Funds transferred out of CSS Pension Plan:

The survivor’s benefits payable to your surviving spouse will depend on where you transferred your funds out to from your CSS Pension Plan. In general, your surviving spouse is automatically the beneficiary of any funds that you used to set up a life annuity, LIF, pRRIF or other locked-in retirement income product.

Designating a beneficiary – Post-retirement

You are responsible for carefully considering your estate planning needs and how those interact with your CSS Pension Plan monthly pension and/or Variable Benefit (VB) payment account.

VB payments: To name a beneficiary, please complete a “Designation of Beneficiary – Variable Benefit (VB) Payments” form and submit it to our office. Your spouse at your date of death will inherit the death benefit, unless they have signed a waiver.

Monthly pension: If you had a spouse when you set up the monthly pension and your spouse did not waive their rights, you will have set up a Joint Life Pension. Your spouse will receive a death benefit as described above. If you have set up a Joint or Single Life pension with a guarantee period, then you will have also named beneficiaries (those persons who will get any remaining pension payments if death occurs before the end of the guarantee period). To name a beneficiary for your monthly pension guarantee period payments, please complete a “Designation of Beneficiary – Monthly Pension” form and submit it to our office.

Termination

Understanding your options when your employment terminates is crucial for managing your pension. Employment is considered terminated when you no longer work for any employer member of the Plan. If you leave one employer member for another, your employment has not terminated (according to the CSS Pension Plan); this is considered a transfer between employer members.

1

Leave your funds in the Plan

- You will benefit from the Plan's low management fees and receive the same return on your pension funds as other members.
- You will receive a personal annual statement each year, so it's important to inform the Plan of any changes to your mailing address or contact information.
- You can still apply for a transfer of your funds or withdrawal later, provided you have not taken a new job with another employer member in the meantime.

2

Apply for a transfer or withdrawal of your funds

- All of your locked-in funds can be transferred from the Plan into a Locked-In Retirement Account (LIRA) or Locked-In RRSP.
- If you have any non-locked-in funds, they can be withdrawn in cash (subject to income tax) or transferred to an RRSP.

3

Transfer your funds to your new employer's Registered Pension Plan

- You should check to see if your new pension plan will accept the transfer and then contact the CSS Pension Plan office for instructions and next steps.
- If you have reached your early retirement age, then the retirement income options described on page 18 would be available to you.

Attachment and assignment of pension funds

Required employee contributions and employer contributions, and their earnings, are protected from creditors, as are additional voluntary contributions in some jurisdictions. However, the pension legislation in most jurisdictions allows funds to be garnished in order to satisfy delinquent maintenance payments. Monthly pension and Variable Benefit payments payable to a retiree are generally attachable by your creditors.

Legislation does not permit the assignment of pension funds as security or collateral for a loan.

Termination of an employer's membership in the Plan

An employer member may terminate its membership in the Plan at any time, subject to the Plan's Rules and applicable laws. Termination will occur as agreed by the employer member and the Plan's Board of Directors.

If your employer cancels its membership in the Plan:

- You will no longer be considered employed by an employer member and the various termination options described in previous sections will be open to you.

Termination of the CSS Pension Plan

The CSS Pension Plan has existed for over 80 years and there is no foreseeable reason that will be discontinued. However, if at some date in the future it is necessary to discontinue the Plan, the Board will determine the interest of the remaining Plan participants and their beneficiaries. The assets of the Plan will be distributed in accordance with such interests as determined and subject to the approval of the applicable Superintendents of Pensions and Canada Revenue Agency (CRA).



Frequently asked questions

Can I transfer RRSPs into the CSS Pension Plan?

Inactive members of the CSS Pension Plan (those no longer contributing) can transfer RRSP funds, which are treated as non-locked-in funds in their account. Our policy also allows the transfer of retiring allowance RRSP funds.

If you are currently contributing to the Plan, you cannot transfer RRSP funds, but you can make additional voluntary contributions (AVCs) to add extra funds to your pension account.

How is my RRSP contribution limit affected by Plan contributions?

RRSP contribution room for the current year is based on:

- Your previous year's earned income, minus contributions to the CSS Pension Plan
- Any unused RRSP contribution room from previous years

In other words, contributions to the CSS Pension Plan last year reduce this year's RRSP contribution limit. Similarly, contributions this year will reduce your RRSP limit for next year.

Can I transfer funds from another Registered Pension Plan (RPP) into the CSS Pension Plan?

Yes. If you are a member of the CSS Pension Plan, you can transfer funds from another Registered Pension Plan (RPP), Locked-in Retirement Account (LIRA) or Locked-in RRSP.

To start the transfer, complete the Application to Transfer-in Locked-in Funds form and submit it to the CSS Pension Plan with a copy of your most recent statement from the other RPP, LIRA or Locked-in RRSP. Once we receive these documents, we will send you the appropriate forms to sign and forward to the other RPP or financial institution.

If the CSS Pension Plan has a reciprocal agreement with the other pension plan, we will also recognize your service under that plan, which may affect your early retirement date. Contact us to check for a reciprocal agreement.

For more FAQs, please visit our website at www.csspension.com



Other publications & resources

Annual statement: You will receive a personal annual statement each year. This statement will indicate the amount of contributions received during the year, the rate of return (positive or negative) on your pension funds for the year and your year-end balance.

TimeWise magazine: The Plan's online member magazine *TimeWise* contains information about the Plan, pensions, investing and retirement income options. It is available on our website.

Annual report: The Plan's annual report contains various reports and all of its financial statements. The annual report is distributed to members primarily as a digital document through our website in the spring.

The Plan: This booklet provides a general overview of the Plan in a simplified, easy-to-read format. It is provided to all new members when they join the Plan in the online membership kit. The booklet may be viewed on the Plan's website.

Quarterly Investment Report: The Quarterly Investment Report provides in-depth market insights, performance analysis and risk metrics on the Plan's investment funds. It is available on our website.

Workshops and webinars: Our *It's Your Plan* series can help you enhance your financial wellness and security through various online educational sessions. Visit our website to view the latest schedule and register.

Planning tools: Access planning tools and calculators on our website to help you understand your comfort with risk, create a personalized retirement plan and understand the various options available to you as you travel the road to your retirement.

Email updates: Stay up-to-date with the latest information on CSS Pension Plan programs and services by signing up for our email list. Log in to myCSSPEN and select the "Email list" icon in the footer to subscribe.

Bylaws, Rules and Regulations: These documents set out the rules and regulations that govern the administration of the Plan. They are provided to all new members upon joining the Plan in the online membership kit. They may be viewed on the Plan's website.

Website: The Plan's website is a great place to learn more about how the Plan works and the various options available to you that can help your savings grow according to your own life circumstances.

As a member of the Plan, you can also register for myCSSPEN online account access to check your account balance, project your pension and more.

I'm Ready to Retire: This booklet is provided to those members who are approaching retirement. It helps retiring members understand the retirement income options available to them and what options may be best for them. The booklet is also available on the Plan's website.

www.csspension.com 



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