

Judges of the Provincial Court Superannuation Plan Member Booklet

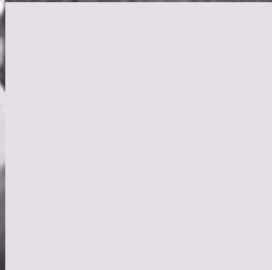
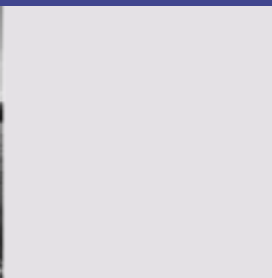


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Welcome to all members of the Judges of the Provincial Court Superannuation Plan ("the Plan"). This booklet provides an overview of the provisions offered to you as a Plan member.

This booklet is only intended to provide you with an overview of the Plan. If any discrepancies exist between this booklet and the legislation governing the Plan, the legislation will apply.

Introduction

Type of Plan

The Plan is a defined benefit pension plan. Your pension benefit is calculated based on a formula using your highest average salary, your pensionable service and the accrual rate.

The Plan also provides benefits in the event of death, disability and termination of employment.

Governing Legislation

The Plan is a registered pension plan (0581058) under the *Income Tax Act* (Canada). It is governed by:

- *The Provincial Court Act, 1998*
- *The Provincial Court Pension Plan Regulations;*
- *The Provincial Court Compensation Regulations; and*
- *The Provincial Court General Regulations.*

Judges of the Provincial Court Superannuation Plan Purpose

Purpose: to provide lifetime retirement benefits and related benefits to judges

Plan Administrator

The day-to-day responsibilities and administration of the Plan are carried out by the Plannera Pensions & Benefits (Plannera) as the Plan administrator.

Joining the Plan

Members

Members are Judges of the Provincial Court, including the Chief Judge and the Associate Chief Judge, but does not include a temporary judge.

Member Rights and Responsibilities

It is your right to be informed about the Plan and all of the features and services of the Plan. You have the right to access information. The Plan has several sources of information including this booklet. See the Accessing Member Services section on page 21 for a listing of information sources available to you.

As a member, you are responsible to:

- be informed about the Plan using the documents, information and tools available;
- determine the amount of personal savings you need for retirement outside of the Plan; and
- seek consultation with Plannera's Retirement Information Consultants to discuss your specific financial situation and pension options.

Ineligible Judges

You cannot participate in the Plan if you are receiving a pension from the Plan.

Joining the Plan



Designating a Beneficiary

When you enrol in the Plan, you are required to name a beneficiary who will receive the death benefit if you die before you begin receiving retirement income.

If you are single, you may name any person or an organization as a beneficiary. If you have a spouse, **he or she** is your beneficiary. See the Leaving Benefits Behind section on page 20 for more information.

If you wish to change your beneficiary(ies), you must complete a *Designation of Beneficiary form*.

Definition of Spouse

Your spouse is:

- the person to whom you are legally married; or
- if you are not married, the person with whom you are living with as a spouse at the relevant time and who has been cohabiting continuously with you as his or her spouse for at least one year prior to the relevant time.

A spousal relationship with someone to whom you are legally married ceases upon divorce.

A spousal relationship with someone to whom you are not married ceases upon a separation of at least 90 days due to a breakdown in your relationship. The individual resumes being your spouse if you resume living together in a conjugal relationship for a NEW period of at least 12 continuous months.

A married spouse takes priority over another person even if that person meets the definition of a spouse. You cannot have more than one spouse at any given time.

Joining the Plan

Keeping Your Contact and Personal Information Current

You should keep your personal and contact information up to date. This will ensure you receive information on Plan provisions, your annual member statement and other Plan-related information.

If you wish to change your personal information on file with the Plan, contact Plannera.



Contributing to the Plan

Salary

Your annual salary is used to determine your Highest Average Salary (HAS) at retirement. You contribute to the Plan based on your annual salary.

Service

Service is the total number of years and portions of years that you work and contribute up to a maximum of 23.3333 years.

You receive service for each pay period you make contributions to the Plan.

Defined Benefit Plan

The Plan is a defined benefit pension plan. Defined benefit plans provide a pension benefit based on a formula.

The basic formula is:

$$P = 3\% \times (S \times Y)$$

P = pension

3% = accrual rate

S = average of highest three year's annual salary

Y = years of contributory service (to a maximum of 23.3333 years)

Please contact Plannera for a pension estimate.

Contributing to the Plan

Required Contributions

Your employer deducts your contributions from your pay and forwards them to the Plan.

Members contribute 5% of base salary for a maximum of 23.3333 years.

The Chief Judge, Associate Chief Judge, Administrative Judges and Northern Judges also contribute 5% of their additional allowances.

Contributions must not exceed the *Income Tax Act* (Canada) maximums.

Contributing to the Plan



Contributing for a Leave of Absence

You may contribute for a maximum of five years of accumulated leaves of absence (LOA). This maximum may be increased by an additional three years for parental leaves.

If you are granted a LOA *with pay*, you must continue to contribute to the Plan through payroll deductions.

If you are granted a leave of absence *without pay* or with partial pay and wish to be granted pensionable service for the period of leave, you must apply to the Chief Judge in writing stating your wish. You must make this application within 30 days after returning to judicial duties.

You may contribute the amount equal to the sum that would have been deducted from your salary if salary had been paid in full during the LOA by:

- having LOA contributions deducted from your salary;
- pay the contributions personally; or
- transfer in from a Registered Retirement Savings Plan (RRSP).

If you choose not to contribute, you will not receive pensionable service for the period of leave of absence.

Contributing While on Disability

While on disability, you will continue to make contributions to the Plan by deduction from your disability payments. Contributions are based on the salary you would have been receiving if you were not incapacitated.

Leaving the Plan

Vested and Locked-in

Your termination options depend on whether you are vested and locked-in. You become vested and your funds become locked-in after two years service as a judge.

Being *vested* means you are entitled to receive a pension from the Plan.

Vested Termination Options

If you are vested when you cease to be a judge, the value of your pension is locked-in and must be used to provide a pension.

You may set up a deferred pension payable when you reach your earliest retirement date.

If you are eligible for an immediate pension, you may apply for your pension.

Leaving the Plan

Refund of Contributions

Less than two years of service:

When a judge retires, resigns or is removed from office who is not entitled to a pension, the judge will receive a refund of his or her contributions with any accrued interest.

Not entitled to immediate pension:

When a judge retires, resigns or is removed from office, who cannot take an immediate pension, he/she may elect to receive a refund of his or her contributions and any accrued interest.



Preparing for Retirement

The Meaning of Retirement

Retirement means that you have elected to cease being a judge (stop working) and receive a pension from the Plan.

Normal Retirement

Normal retirement is the end of the month that a judge reaches age 65.

If you were an appointed Magistrate judge, then the required retirement age is 70.



Preparing for Retirement



Early Retirement

Unreduced

Early retirement may be unreduced if a **judge**:

- has at least 18 years of service, and
- has reached age 58; and
- the sum of age and service is at least 80.

A **judge** who meets the early retirement qualifications is entitled to a pension of 70% of the highest three years average salary.

Reduced

A **judge** may retire as early as age 55.

Upon early retirement, **the** pension is reduced by five per cent per year. The reduction is applied to the lesser number of years based on:

- **the judge's** age subtracted from 60; and
- the number of years of service added to the **judge's age** and then subtracted from 80.

Postponing Your Retirement

With annual approval of the Chief Judge, a **judge** may continue to work until the end of the month s/he reaches age 70.

If you continue working after age 65, you must contribute to the Plan to a maximum of 23.3333 years.

You must start receiving your pension no later than December of the year in which you reach age 71.

Preparing for Retirement

Forms of Pension

When you retire, you will receive your lifetime pension.

Joint Pension

Members with a spouse at retirement will receive a joint pension and must choose a guarantee period and a survivor benefit.

The guarantee period is the minimum length of time your full lifetime pension will be paid. In the event of your death during the guarantee period, your spouse continues to receive your full lifetime pension for the remainder of the guarantee period.

You may choose from a zero, five, 10 or 15-year guarantee period.

The survivor benefit is the percentage of your lifetime pension that will be paid to your spouse once the guarantee period lapses. You may choose a survivor benefit equal to:

- 60% of your lifetime pension;
- 75% of your lifetime pension; or
- 100% of your lifetime pension

The normal form of joint pension payable from the Plan provides for a zero-year guarantee period and 60% survivor benefit.

Cost of Living Increases

Judges receive indexing of 75% of the increase in the annual Consumer Price Index (CPI Saskatchewan) below or equal to 5% plus 50% of the CPI that is in excess of 5%.

The cost-of-living increases are implemented effective April 1st of each year and payable to pensioners and spouses.

Preparing for Retirement

Applying for your Pension

The Plan must receive your *Application for Pension Benefits* before the first day of the month in which you wish to retire. For example, if you wish to retire in the month of December, the Plan must receive your application no later than the 30th day of November.

The earlier you start the process, the more time you will have to consider your retirement options. You might also avoid delays if the Plan requires further information after receiving your application.

There are three steps to starting your pension.

- 1 Approximately six months before the date you want to retire contact the Plan to request a pension estimate. Contact information is listed at the back of this booklet.
- 2 The Plan will provide you with a written estimate that explains all of your pension options. The Plan will also provide you with an *Application for Pension Benefits*.
- 3 You must decide which options you want, then return the completed *Application for Pension Benefits* and any required documentation.

If you have decided when you will be retiring, you may submit your pension application several months before your retirement date. The Plan will start your pension on your retirement date.

Understanding Your Rights

Disability

Disability payments are approved by the Judicial Council.

While on disability, a judge will continue to accrue service toward pension benefits and continue to make required contributions.



Understanding Your Rights



Spousal Breakdown and Division of Your Pension

The Family Property Act provides for the division of family property in the event of breakdown of spousal relationship.

Pension is family property under *The Family Property Act*. If you have not yet retired when you end a spousal relationship, the Plan can divide the value of your pension according to the terms and conditions set out in a court order or interspousal contract issued under *The Family Property Act*.

If you have retired, there can be no payout of funds. Your pension payments, however, can be divided.

In any case, your spouse cannot receive more than 50 per cent of the pension to which you are entitled.

Beneficiary

Your spouse remains your beneficiary until the spousal relationship is legally dissolved. In the case of a marriage, the spousal relationship is legally dissolved when the divorce is final. Plannera requires proof of divorce, such as a certified copy of a divorce certificate or Decree Absolute.

Under the Plan rules, you are still legally married if you are separated but not divorced.

Review your beneficiary designation when a significant life event occurs. Once a spousal relationship is legally dissolved, you can name anyone as your beneficiary by completing the *Designation of Beneficiary* form.

Understanding Your Rights

Protection

Your pension cannot be used as collateral and cannot be garnisheed, attached, or seized except in the case of court orders issued under *The Enforcement of Maintenance Orders Act* or *The Family Property Act*.

After you begin receiving your pension from the Plan, your pension can be garnisheed under the provisions of the *Income Tax Act* (Canada).

Maintenance Order Enforcement

For the purposes of enforcing an order as defined in *The Enforcement of Maintenance Orders Act, 1997*, payments:

- being paid to you may be garnisheed; and
- to which you are entitled under provision of *The Judges of the Provincial Court Act* may be attached.

If you have a deferred pension and a payment is made as a result of a maintenance order, your future pension benefits will be permanently reduced.

Leaving Benefits Behind

Death Benefit Before Retirement

In the event you die while holding office, your spouse is entitled a pension equal to the greater of:

- 60% of the pension you would have been entitled to had you retired on the date of death; and
- 35% of your best three-year average salary.

Your spouse is also entitled to a lump-sum payout of 1/6th of your annual salary.

If you have no surviving spouse, or if your surviving spouse dies, 30% of the pension that would have been payable to your spouse will be paid to each child. The total amount paid will not exceed 120%. Children's allowances stop at age 18 unless the child is in secondary or post-secondary education. In this case, payments may continue for up to five years.

If you die while holding office with no surviving spouse or dependents, a refund of contributions and interest is paid to your estate.

Leaving Benefits Behind



Death Benefit After Retirement

Death benefits after retirement depend on the guarantee period and survivor benefit (page 14) you chose when you retired.

If you die *during* the guarantee period, your spouse will receive the full monthly pension for the rest of the guarantee period. After the guarantee period, your spouse receives monthly survivor benefit payments. These payments are paid at the survivor benefit rate you chose when you retired. **They are paid as long as your spouse is alive.**

If you die *after* the guaranteed period, the survivor benefit begins immediately. Your spouse receives monthly survivor benefit payments at the rate that you chose when you retired. **They are paid as long as your spouse is alive.**

Spouse as Beneficiary

If you have a spouse, your spouse will be your beneficiary in the event of your death.

Beneficiary Other Than Spouse

If you do not have a spouse, your named beneficiary(ies) or estate would receive a single taxable payment (less required tax deductions). The payment would be equal to the contributions of the judge with any accrued interest.

Accessing Member Services

Resources

We provide you with access to resources to keep you informed about your pension and to make informed decisions about your retirement.

Please contact Plannera if you have any questions relating to your pension or if you would like a pension estimate.

Member's Statement

Once a year, you will receive a Member's Statement showing:

- your monthly pension
- additional retirement benefits earned to date, and
- monthly pension projections at your earliest unreduced retirement date.

Contact Us

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