



Alberta Teachers'
Retirement Fund Board

your

Pension Connection

Benefits at Termination

Working in partnership to secure your pension income

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This information kit is a summary of some of the provisions of the Plan. If there is any discrepancy between this information kit and the Plan, the provisions of the *Teachers' Pension Plans Act* and applicable legislation will determine the entitlements and options available.

August, 2015

INTRODUCTION

This publication provides information that you need when you resign from your contract including:

- Leaving your funds on deposit
- Withdrawing your funds
- Transferring your pension
- Deferring your pension

RESIGNATION OR TERMINATION

Participation Ceases

If you resign from your contract or your contract is terminated, your active participation in the Plan ceases and you must decide what to do with your ATRF benefit.

Your benefit choices depend on your age and whether you have enough pensionable service to be eligible for pension.

PENSION ELIGIBILITY

Pensionable Service to be Eligible for Pension

You are eligible for a pension when you have:

- five years of Pensionable Service after August 31, 1992,
- five years of Pensionable Service that include any amount of Pensionable Service in each of the 1991–92 and 1992–93 school years, or
- 10 years of Pensionable Service.

Start of Pension

Pensions are payable from the later of the first of the month following:

- your 55th birthday,
- the termination of your last teaching contract,
- the last accrual of pensionable service with ATRF, or
- the last substitute service purchased.

Determine Your Eligibility

To determine if you have enough pensionable service to be eligible for pension, review your Plan Member Statement in *MyPension* or contact ATRF to receive a copy by mail.



SUMMARY OF CHOICES

Choice	Not Enough Service to be Eligible for Pension	Enough Service to be Eligible for Pension
Before Age 55	<ul style="list-style-type: none"> • Leave funds on deposit • Withdraw funds • Transfer service 	<ul style="list-style-type: none"> • Leave funds on deposit • Withdraw funds • Transfer service • Defer pension
Age 55 and After	<ul style="list-style-type: none"> • Leave funds on deposit • Withdraw funds • Transfer service 	<ul style="list-style-type: none"> • Leave funds on deposit • Transfer service • Apply for pension

LEAVE FUNDS ON DEPOSIT

When you leave your funds on deposit, you may make a different choice at a later date.

Not Enough Service to be Eligible for Pension

Funds left “on deposit” accumulate interest annually based on the average five-year fixed-term deposit rates paid by the chartered banks in the preceding year.

You are responsible for advising your designated beneficiary to contact ATRF in the event of your death while your funds are “on deposit”.

Enough Service to be Eligible for Pension

Pensions left “on deposit” receive the cost-of-living adjustments from the later of the first of the month following:

- the termination of your last teaching contract,
- the last accrual of pensionable service with ATRF, or
- the last substitute service purchased.

WITHDRAW YOUR FUNDS

Not Enough Service to be Eligible for Pension

The benefit is equal to your contributions with interest and may be:

- Transferred directly to a Registered Retirement Savings Plan (RRSP), with no income tax deducted. This direct transfer will not affect your RRSP deduction room. You must complete a Canada Revenue Agency Direct Transfer form T2151. This form is available from ATRF, your financial institution, or Canada Revenue Agency.
- Paid to you in cash, with income tax deducted. See 'Cash Withdrawal'.

Enough Service to be Eligible for Pension

If you are entitled to a deferred pension, the benefit is different for Pensionable Service before and after September 1, 1992.

The benefit payable for Pensionable Service **before September 1, 1992** is equal to your contributions with interest and may be:

- Transferred directly to a Registered Retirement Savings Plan (RRSP), with no income tax deducted. This direct transfer will not affect your RRSP deduction room. You must complete a Canada Revenue Agency Direct Transfer form T2151. This form is available from ATRF, your financial institution, or Canada Revenue Agency.
- Paid to you in cash, with income tax deducted. See 'Cash Withdrawal'.

The benefit payable for Pensionable Service **after August 31, 1992** is the greater of:

- your contributions with interest, or
- the commuted value of your pension. (The commuted value is a lump-sum amount in today's dollars which equals the value of your future pension payments.)

This benefit must be transferred directly to a Locked-In Retirement Account (LIRA) up to the maximum permitted in accordance with the *Income Tax Act*. LIRAs are restricted RRSPs that require that funds be used to provide income on or after age 50 but, at the latest, by the end of the calendar year in which you turn age 71. Most financial institutions offer LIRAs. A list of these financial institutions is available on the Employment Pensions website www.finance.alberta.ca.

Income tax will not be deducted from the direct transfer and it will not affect your RRSP deduction room. You must complete a Canada Revenue Agency Direct Transfer form T2151. This form is available from ATRF, your financial institution, or Canada Revenue Agency.

The benefit above the maximum permitted to be transferred to a LIRA in accordance with the *Income Tax Act* will be paid to you in cash, with income tax deducted. See 'Cash Withdrawal'.

Cash Withdrawal

If you are eligible to withdraw your funds and a portion of the payment is payable in cash, ATRF must withhold income tax at source based on the rates listed below. However, the actual tax payable will be calculated when you complete your income tax return, and could be higher than the amount withheld at the time of withdrawal. ATRF will issue a T4A Supplementary Form with your cheque, detailing the payment and the tax withheld.

The amount of tax withheld at the time of payment is based on the following table.

Amount of Payment	Tax Rate
Up to \$5,000	10%
\$5,001 to \$14,999	20%
\$15,000 and over	30%

Different tax rates apply to non-residents.

Timing of the Payment

Payment will be made as soon as possible after you terminate employment and after the required documentation has been received from you and your last ATRF employer. Under legislation, ATRF cannot issue more than one termination benefit within a 12-month period.

Enough service to be eligible for pension

If you have enough service to be eligible for pension and you indicate that you want to withdraw your funds, a pension estimate will be provided before your termination benefit is processed to confirm your selection.

In addition, ATRF will provide:

- a termination benefit estimate that will indicate the portion of your termination benefit, if any, that must be transferred to a LIRA or be paid in cash less income tax,
- information describing the differences between a deferred pension and a termination benefit, and
- a form for you to complete and return to ATRF, indicating whether you still want to receive a termination benefit after reviewing your options.

Note: To be eligible to withdraw your funds, you must be under age 55, your contract must have terminated before you are age 55, and your application must be received by ATRF before your 55th birthday.

TRANSFER SERVICE

If you become a member of another pension plan with which ATRF has a reciprocal agreement, you may be eligible to transfer Pensionable Service to that plan. ATRF has reciprocal agreements with:

- Teachers' pension plans in all provinces
- Alberta Public Sector pension plans – Management Employees Pension Plan, Public Service Pension Plan, and Local Authorities Pension Plan
- Government of Canada Public Service Pension Plan

For more information go to www.atrf.com > Teachers > Increasing Your Pension > Transferring Service.

DEFERRED PENSION

Enough Service to be Eligible for Pension and Under Age 55

To begin receiving your pension, you should contact ATRF not more than four months before your 55th birthday.

For more information go to www.atrf.com > Teachers > Life Events > Retirement.

Enough Service to be Eligible for Pension and Over Age 55

When you are entitled to an immediate pension, you may not withdraw your funds. You must elect to receive an immediate pension.

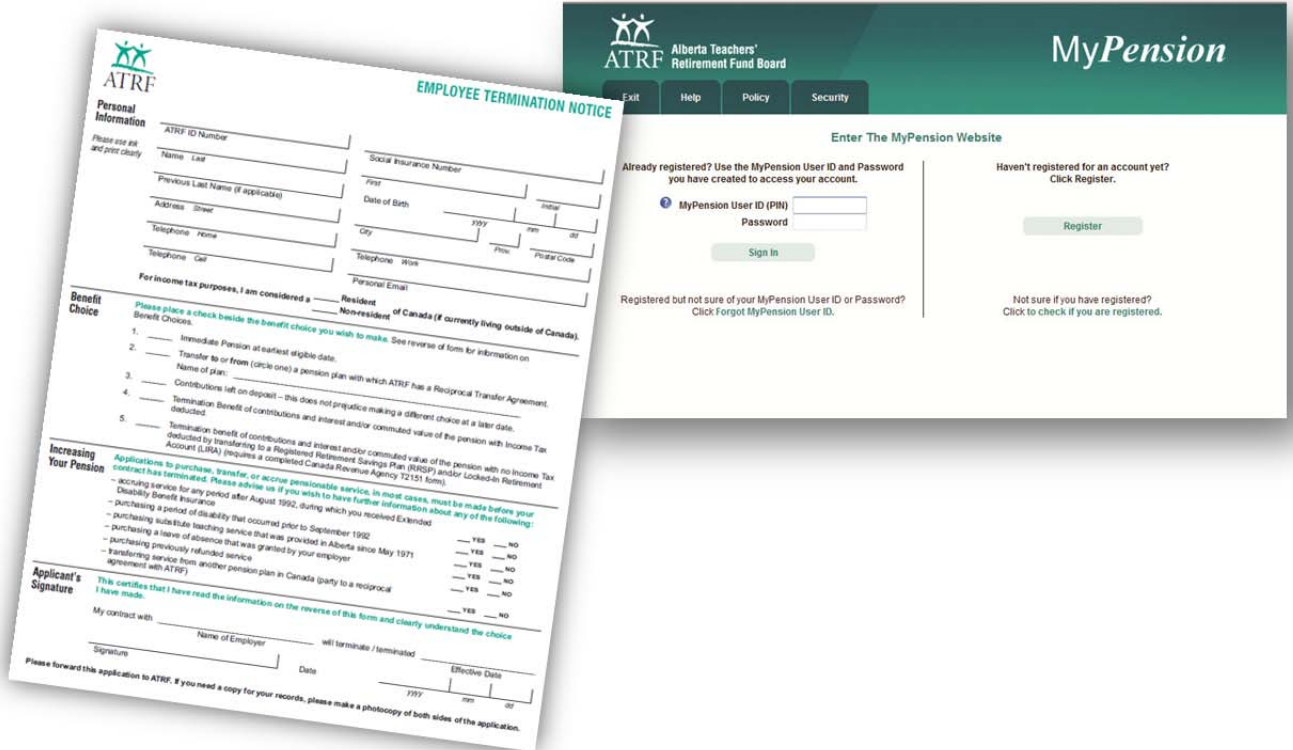
Deferred pensions are payable retroactive from the later of the first of the month following:

- your 55th birthday,
- the termination of your last teaching contract,
- the last accrual of pensionable service with ATRF, or
- the last substitute service purchased.

For more information go to www.atrf.com > Teachers > Life Events > Retirement.

APPLICATION

Once you have made your decision, complete and return the Employee Termination Notice (in the back of this kit) to ATRF or submit an online application in MyPension.



If you have enough service to be eligible for pension, the original or certified copies of the following documents are required before your application can be processed:

- Your birth certificate, valid Canadian passport, or Certificate of Canadian Citizenship
- Your marriage certificate or other change-of-name document if your current name is different from the name that appears on your birth certificate, valid Canadian passport, or Certificate of Canadian Citizenship

Refer to “Certified Copies of Documents” in this information kit for instructions on certifying documents.

If you are applying for pension, refer to the ‘Steps to Retirement’ information kit for additional information and forms.

CERTIFIED COPIES OF DOCUMENTS

Photocopies of your original birth certificate, valid Canadian Passport, Certificate of Canadian Citizenship, or marriage certificate must be certified to be a true copy of the original. ATRF has authorized the following to certify photocopies:

- ATRF Employees
- Your ATRF Employer – Human Resources or Payroll Personnel
- Bank Managers
- Notaries
- Lawyers
- Police Officers
- Doctors
- Members of Parliament
- Members of the Legislative Assembly
- Justices of the Peace
- Judges
- Officers of the Canadian Embassy



The person certifying the copy should write the following on the photocopy:

“Certified Copy of the Original”.

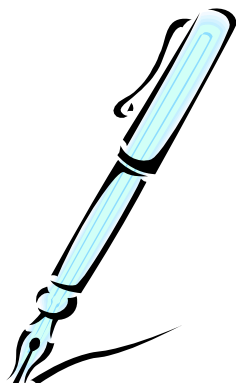
Signature

Date

Printed Name and Title

Note: A Commissioner for Oaths may not certify documents.

A Commissioner for Oaths must ensure that they restrict their use of the appointment to those powers set out in the Act, i.e. administering oaths, taking and receiving affidavits, declarations and affirmations. They may not, as a Commissioner for Oaths, perform other actions, such as certifying true copies, completion of documents, etc.



FOR MORE INFORMATION

Website

Visit our website at www.atrf.com to download information kits, forms or the Plan Member Guide; and, to register for *MyPension*.

Information Kits Available

Your Pension Matters
Steps to Retirement
Purchasing Service
Accruing Pensionable Service While Disabled
Benefits at Termination

ATRF

Alberta Teachers' Retirement Fund Board
600 Barnett House
11010 142 Street NW
Edmonton AB T5N 2R1

Telephone 780-451-4166
Toll free 1-800-661-9582
Fax 780-452-3547
Website www.atrf.com
Email member@atrf.com





EMPLOYEE TERMINATION NOTICE

Personal Information

Please use ink and print clearly

ATRF ID Number	Social Insurance Number
Name Last	First Initial
Previous Last Name (if applicable)	Date of Birth yyyy mm dd
Address Street	City Prov. Postal Code
Telephone Home	Telephone Work
Telephone Cell	Personal Email

For income tax purposes, I am considered a Resident Non-Resident of Canada. (If currently living outside Canada)

Benefit Choice

Please place a check beside the benefit choice you wish to make. See reverse of form for information on Benefit Choices.

1. Immediate Pension at earliest eligible date.
2. Transfer **to** or **from** (circle one) a pension plan with which ATRF has a Reciprocal Transfer Agreement.
Name of plan _____
3. Contributions left on deposit – this does not prejudice making a different choice at a later date.
4. Termination Benefit of contributions and interest and/or commuted value of the pension with Income Tax deducted.
5. Termination benefit of contributions and interest and/or commuted value of the pension with no Income Tax deducted by transferring to a Registered Retirement Savings Plan (RRSP) and/or Locked-In Retirement Account (LIRA) (requires a completed Revenue Agency T2151 form).

Increasing Your Pension

Applications to purchase, transfer, or accrue pensionable service, in most cases, must be made before your contract has terminated. Please advise us if you wish to have further information about any of the following:

- accruing service for any period after August 1992, during which you received Extended Disability Benefit Insurance YES NO
- purchasing a period of disability that occurred prior to September 1992 YES NO
- purchasing substitute teaching service that was provided in Alberta Since May 1971 YES NO
- purchasing a leave of absence that was granted by your employer YES NO
- purchasing previously refunded service YES NO
- transferring service from another pension plan in Canada (party to a reciprocal agreement with ATRF) YES NO

Applicant's Signature

This certifies that I have read the information on the reverse of this form and clearly understand the choice I have made.

My contract with _____ will terminate/terminated _____
Name of Employer Effective Date

Signature Date yyyy mm dd

Please forward this application to ATRF. If you need a copy for your records, please make a photocopy of both sides of the application.

Alberta Teachers' Retirement Fund Board



EMPLOYEE TERMINATION NOTICE

PLEASE READ THE FOLLOWING INFORMATION BEFORE COMPLETING THE FORM

The following will assist you in making your **Benefit Choice** upon termination. (Note: Members who are on a leave of absence and who have not terminated their contracts of employment retain their employee status, and should not complete an Employee Termination Notice.)

1. IMMEDIATE ATRF PENSION

A member who is 55 years of age and vested is eligible for an immediate pension. If an immediate pension is chosen, this form serves as an application for pension. Please send either originals or certified copies of your birth certificate, your marriage certificate, and your spouse / pension partner's birth certificate **directly to ATRF**, and include your social insurance number with these documents.

2. TRANSFER TO OR FROM A PENSION PLAN WITH WHICH ATRF HAS A RECIPROCAL TRANSFER AGREEMENT

A member who was, or will be, a contributor to another pension plan may be eligible to transfer Pensionable Service and contributions either to or from an authority with which ATRF has a Reciprocal Transfer Agreement.

3. CONTRIBUTIONS LEFT ON DEPOSIT UNTIL ANOTHER CHOICE IS MADE

- Leaving contributions on deposit with ATRF does not prejudice making a different choice at a later date.
- Contributions left on deposit accumulate interest annually on the previous August 31 balance.
- A member eligible for a deferred pension will receive cost-of-living adjustments on the deferred pension from the later of:
 - termination of the last teaching contract,
 - last accrual of Pensionable Service, or
 - last substitute Pensionable Service purchased.

4. & 5. TERMINATION BENEFIT WITH OR WITHOUT INCOME TAX DEDUCTED

A termination benefit comprises contributions and interest to the member's credit and/or the commuted value of the pension benefits. The amount depends upon whether the member is vested. A member is vested with five to ten years of credited pensionable service, depending upon the date of service accrued. If the member is vested and chooses not to take a deferred pension at age 55, a portion or all of the benefits available may have to be transferred to a Locked-In Retirement Account (LIRA). A calculation will be completed to determine what portion, if any, must be locked-in. You will be notified before your application is processed. If you are vested, ATRF will require an original or certified copy of your birth certificate and your marriage certificate (if your name is currently different from your birth certificate) before payment of a benefit can be made.

A termination benefit will be issued as soon as possible after the applicant's date of termination. The timing is subject to receipt of any required documentation from the employer and the applicant. Under the legislation, ATRF cannot issue more than one termination benefit to a member within a 12-month period.

A previous member of ATRF who returns to contractual teaching in Alberta may apply to purchase previously refunded service. The cost is based on the full actuarial value of the service being purchased, an amount which may be considerably larger than the termination benefit.

Unless a termination benefit is transferred from ATRF to an RRSP, a reciprocal authority, or a LIRA, it is taxable income in the year in which it is issued. Withholding rates are listed below. To effect a tax-free transfer to an RRSP or a LIRA, a Canada Revenue Agency T2151 Record of Direct Transfer of a Single Amount Form (available from either ATRF, financial institutions, or your District Taxation Office) must be completed and attached to this Application.

<u>Amount of Termination Benefit</u>	<u>Tax Withholding Rates</u>	
Up to \$5,000	10%	(Special rates apply to non-residents according to county of residence)
Over \$5,000	20%	
Over \$15,000	30%	

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ATRF delivers high quality customer service in the most efficient and effective manner