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This information sheet is provided to assist members and their representatives with information when teachers resign from their contracts. **If there is any discrepancy between this information and the Teachers' and Private School Teachers' Pension Plans ("the plans"), the provisions of the Teachers' Pension Plans Act and applicable legislation will determine entitlements and options available.**



## Resignation or Termination

If you resign from your contract or your contract is terminated, your active participation in the plans 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 a Pension

The minimum pensionable service to be eligible for a pension is:

- five years after August 31, 1992,
- five years that includes a period of pensionable service in each of the 1991-92 and 1992-93 school years, or
- 10 years at any time.

### Start of Pension

The earliest date you are eligible for a pension is the first of the month following the later of:

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

### Determine Your Eligibility

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





## Summary of Choices

Details of each option are provided below the table.

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

## Leave Funds on Deposit with ATRF

When you leave your funds on deposit with ATRF and return to actively participating under the plans with an ATRF employer, you will accrue additional benefits in the plans. If eligible, you may make a different choice at a later date.

### Not Enough Service to be Eligible for a 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 a Pension

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

- the termination date of your last teaching contract,
- the date of your last pensionable service accrual if you are receiving Extended Disability Benefit Insurance, or
- the date when your last substitute service was purchased.

## Transfer Service

You may be eligible to transfer pensionable service if your application is received by ATRF while you are a contributing active member of ATRF or as a disabled member or if you become a member of another pension plan with which ATRF has a reciprocal agreement. ATRF has reciprocal agreements with the:

- Teachers' Pension Plan Authorities in all Canadian provinces
- Alberta public sector pension plans
  - Management Employees Pension Plan
  - Public Service Pension Plan
  - Local Authorities Pension Plan
- Government of Canada Public Service Pension Plan

Refer to the [Transferring Pension Service](#) webpage for more information.

## Deferred Pension

### Enough Service to be Eligible for a Pension and Under Age 55

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

### Enough Service to be Eligible for a Pension and Over Age 55

Once you reach age 55, you are entitled to an immediate pension and are no longer eligible to apply to withdraw your funds from the plans. You must elect to receive an immediate pension. Refer to the [Pension Eligibility](#) section for more information.

### Cost-of-Living Adjustments

If you withdraw from employment and are entitled to receive a pension at some future date and you decide to leave your pension benefit in the plans, your deferred pension will accumulate any cost-of-living increases that are granted during the deferral period.

### Returning to Teaching Under Contract During the Deferral Period

If you return to teaching service under contract with an ATRF employer during the deferral period, you will:

- forfeit all of the cost-of-living adjustments and any retroactive payments you may have been eligible for that were granted since your last teaching contract terminated, and
- accrue additional pensionable service in the plans.

Your pension will be effective at a later date as described in the [Start of Pension](#) section above.

## Withdraw Your Funds as a Lump-Sum

### Not Enough Service to be Eligible for a Pension

The lump-sum 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; or,
- paid to you in cash, with income tax deducted. Refer to the [Cash Withdrawal](#) section for more information.

### Enough Service to be Eligible for a Pension

If you are entitled to a deferred pension, the lump-sum benefit is different for pensionable service before and after September 1, 1992.

#### Pre-August 31, 1992 Benefits

The benefit payable for pensionable service **to August 31, 1992** is equal to your contributions with interest. This benefit 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; or,
- paid to you in cash, with income tax deducted. Refer to the [Cash Withdrawal](#) section for more information.

#### Post-September 1, 1992 Benefits

The benefit payable for pensionable service **from September 1, 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.

For service from September 1, 1992, 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. The LIRA must be on the [Alberta Superintendent's List of Financial Institutions offering locked-in pension products](#) in order to accept transfers of locked-in funds.

Income tax will not be deducted from the direct transfer to your LIRA 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.

Any 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. Refer to the [Cash Withdrawal](#) section for more information.

## 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.

Amount of Payment	(Outside Quebec) Withholding Tax Rate	(Quebec Only) Withholding Tax Rate
Up to and including \$5,000	10%	19%
Over \$5,000 up to and including \$15,000	20%	29%
Over \$15,000	30%	34%

Special rates apply to non-residents according to country of residence.

## Termination Benefit Application Process

### Step 1: Determine if you are eligible to withdraw your funds.

To be eligible you must:

- have already terminated your teaching contract, or notified your employer you will be terminating your teaching contract, and
- your application must be received by ATRF before any new teaching contract with an ATRF employer begins.

If you have enough service to be eligible for a pension, the following eligibility rules also apply:

- your contract termination date must be effective before you turn age 55, and
- your application must be received by ATRF before you turn age 55.

### Step 2: Apply to withdraw your funds.

1. Submit a completed [Employee Termination Notice](#) or an online Termination Benefit Application in MyPension to ATRF in accordance with the eligibility criteria above.
2. Provide your acceptable proof of age document to ATRF. Refer to the [Acceptable Proof of Age Documents section](#) for more information.

You can upload documents to ATRF via the Secure Message Centre in your MyPension account.

### **Step 3: ATRF will calculate your termination benefit.**

ATRF will determine your eligibility and prepare your termination benefit package after:

- Your properly completed application and proof of age document are received, and
- ATRF has confirmed your termination date and final service, salary, and contribution information with your former employer.

This process can take two to four months. The termination benefit will be based on your records with ATRF at the time you apply and applicable legislation in effect at that time.

### **Step 4: Receive Your Termination Benefit Package.**

You will receive your Termination Benefit Package, which includes your final termination benefit calculation and the following forms that must be signed and returned to ATRF to receive your payment:

- ATRF Termination Benefit Acceptance Form
- Canada Revenue Agency form T2151: Direct Transfer of a Single Amount (if applicable)

### **Step 5: Withdraw Your Funds.**

When you withdraw your funds, you will no longer be entitled to any further benefit from the plans, and your service used to calculate the termination benefit is removed from your record (for pension purposes).

You may be eligible to purchase that service back if you return to working in a position where you become a contributing, active member of ATRF or are accruing pensionable service as a disabled member. The cost of purchasing this pensionable service equals the value of the increase in pension benefit as calculated on the date of application, which may be greater than the amount of your termination benefit.

## **Acceptable Proof of Age Documents**

If your name on the documents used to verify your date of birth is different than the name ATRF has on file, documents substantiating the name change, such as a marriage certificate, will be required.

ATRF will accept photocopies of the following documents:

- Birth certificate
- Adoption papers
- Canadian registration of birth
- Canadian passport (valid or expired)
- Canadian citizenship papers
- Certificate of Indian Status (status card)
- Driver's license issued by a Canadian province or territory
- Alberta identification card

If you do not have one of the documents listed above, ATRF will accept a copy of any two of the following documents:

- Marriage records
- School records
- Military records
- Foreign passport (valid or expired)
- Age of Majority card
- Statutory Declaration
- Baptismal papers
- Canadian immigration papers
- Foreign driver's license
- Health care card issued by a Canadian province or territory

## For More Information

Visit our website at [www.atrf.com](http://www.atrf.com) to download publications, forms, and to register for My*Pension*.

## Contact Us

### Alberta Teachers' Retirement Fund

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11010 142 Street NW  
Edmonton AB T5N 2R1  
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