



SHEPP

SASKATCHEWAN HEALTHCARE
EMPLOYEES' PENSION PLAN

Active Member Newsletter



November 2015

Taking an Unpaid Leave of Absence?

Consider Purchasing Service

If you've ever taken an unpaid leave of absence or are planning to in the future, you may want to consider purchasing the service either on a current service basis (by making your and your employer's required contributions during your leave) or on a prior service basis when you return to work.

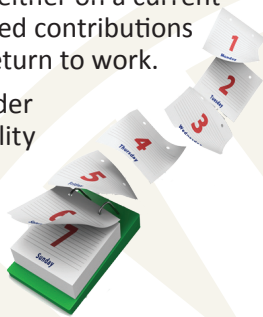
Why purchase service? Service that is credited to you under SHEPP is used for the purpose of determining your eligibility for—and the amount of—your SHEPP benefit.

Your membership in the Plan continues during an approved unpaid leave of absence. But since you will not receive pensionable earnings, and member and employer required contributions will not be remitted to SHEPP, no benefit will accrue.

Your projected Rule of 80 date assumes you are earning credited service every month between now and that date. Therefore, if your leave results in fewer months of credited service, your Rule of 80 date will change.

If you are on an unpaid leave of absence for more than one calendar month, you may wish to purchase the service. Purchased service is added to your regular credited service for the purpose of calculating your pension and determining your eligibility for early retirement with an unreduced pension (Rule of 80).

For more information, refer to the *Purchasing a Leave of Absence on a Current Service Basis* and *Purchase of Prior Service* information sheets at www.shepp.ca or contact SHEPP at 1.866.394.4440 to speak with a SHEPP Member Services Representative.



Pension Information Sessions Highly Recommended by Members Who Attended

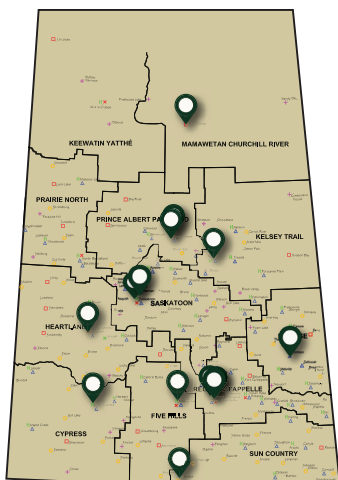


Image used with the permission of Saskatchewan Ministry of Health.

As part of our commitment to informing our members about their pensions, SHEPP travels throughout the province every spring and fall making presentations to Plan members at employer-sponsored seminars and union conferences. These presentations provide a general overview of the Plan and give members a detailed look at the Plan benefits.

This year a total of 25 presentations were scheduled in 11 different locations throughout 10 health regions. Over 99% of members who attended these sessions said they would recommend it to a co-worker.

Ask your employer today about scheduling a Pension Information Session in your workplace.

How-To Videos

Coming Soon

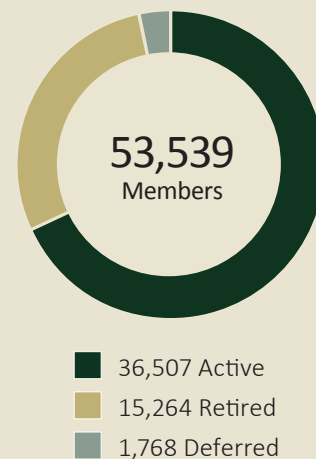
In an effort to improve your SHEPP experience, we are developing a series of short videos to guide you through the online tools available on SHEPPWeb.

These videos will provide you with a virtual tour of SHEPPWeb and will not only take you through the login process, but will show you how to update personal information, perform a pension estimate, and use the service purchase calculator.

Watch for the new videos coming soon to www.shepp.ca.

SHEPP Membership Growing

SHEPP membership continues to grow this year. As of September 30, 2015 the Plan had a total of 53,539 members. For more Plan highlights visit www.shepp.ca.



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What Happens To My Pension If I Die Prior To Retirement?

The difference between a spouse and a designated beneficiary

Who is entitled to the death benefit?

Prior to retirement, your spouse is automatically entitled to the death benefit, regardless of your beneficiary designation. Your spouse may choose to have the death benefit paid in one of the following forms:

- a taxable lump sum payment of the commuted value;
- a tax exempt transfer of the commuted value to a Locked-In Retirement Account (LIRA), Registered Retirement Savings Plan (RRSP), or Registered Retirement Plan (RPP); or
- a monthly lifetime pension guaranteed for five years and their life thereafter, the actuarial value of which is equivalent to the commuted value.

If you do not have a surviving spouse, the benefit is payable as a taxable lump sum payment to your designated beneficiary or estate. In general, your designated beneficiary is entitled to the pre-retirement death benefit if you do not have a spouse on the date of your death, or if prior to your death:

- your spouse waives entitlement to the benefit by completing and

submitting the prescribed pre-retirement waiver form and does not rescind the waiver prior to your death; or

- a division of your pension occurs, pursuant to the *Family Property Act*, in which your spouse waives entitlement to any further benefit under the Plan.

Who is a spouse?

SHEPP defines a spouse as:

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

The 'relevant time' means 'date of death.'

Who can I designate as my beneficiary?

You may designate any person you wish as your beneficiary. More than one beneficiary may be designated, and your beneficiary can include a legal entity such as your estate or a registered charity.



If you designate a minor beneficiary, you may appoint an individual or organisation as trustee to receive any benefit payable in trust for your minor beneficiary.

To designate beneficiaries, simply complete and submit the required form, or log in to SHEPPWeb and update your beneficiary information online. Once you have completed a new designation it will replace any previous beneficiary designations.

For more information refer to the *Designating a Beneficiary* information sheet at www.shepp.ca.

NOTE:

This article pertains to pre-retirement death only. If you die post-retirement, the payment of death benefits depends on the form of pension you chose at retirement.

A photograph of a woman with short brown hair, smiling and looking towards the camera. She is wearing a dark jacket and a grey scarf. The background is a blurred outdoor scene with trees and a path.

Update your beneficiaries and estimate your pension online with

SHEPPWeb

at www.shepp.ca

