**Account Balance** – the amount you would receive if you were to withdraw all the money in a particular income source as of a particular date.

**Annuity** — see Guaranteed Income description.

**Asset Mix** – you must choose an asset mix to invest your income sources in. Asset mixes range from conservative to aggressive. The more aggressive you get, the greater risk there is to lose money, but also a greater opportunity for higher returns. The Rate of Return associated with the asset mix you select is also displayed.

**Beneficiary** - The person or persons named to receive a benefit (such as PEPP account, or a life insurance policy) in the event of the owner's death.

**Canada Pension Plan (CPP)** - A CPP retirement pension is a monthly benefit paid to people who have contributed to the Canada Pension Plan. The pension is designed to replace about 25 per cent of the earnings on which a person's contributions were based. You must apply in writing to Service Canada for CPP.

Your benefit amount is based on how long and how much you have contributed to the CPP, the maximums that apply under the Plan, and when you choose to begin receiving benefits. You may begin receiving CPP benefits anytime between ages 60 – 70. If you begin prior to age 65, the benefit is reduced by 0.5% - 0.6% per month. (The government is gradually increasing the early pension reduction, and it will reach 0.6% per month by 2016.) If you begin after age 65, the benefit is increased by 0.7% per month.

**Death Benefit** – A benefit payable to the spouse or named beneficiary of a plan member who dies before commencing retirement.

**Defined Benefit Pension Plan** – A pension plan that uses a formula to determine your pension benefit.

**Defined Contribution Pension Plan** - A pension plan, like PEPP, that provides retirement income based on the amount of accumulated contributions and return on investment.

**Estate** - Your estate value is the value of your total assets-including items such as monies, personal property, and business interest-at the time of your death.

**Flexible Income** – is any type of retirement income that provides flexible choices in how much is paid and when. All operate on the same principle, but for the purpose of Retire@Ease all are shown in one category. Some types of flexible income as retirement income options are: Variable Pension Benefit (VPB), Registered Retirement Income Funds (RRIF) which have as offshoots prescribed Registered Retirement Income Funds (pRRIF), Life Income Fund (LIF) and Locked In Retirement Income Fund (LRIF).

**Guaranteed Income** – Guaranteed Income is any type of retirement income that guaranteed fixed income for your lifetime in retirement. This is commonly referred to as an annuity and comes in many different types, which you need to select based on your personal situation.
**Investment Returns** - The interest, dividends and income earned by the fund, plus both realized and unrealized capital gains and losses. These are the same as the Rate of Return shown with the Asset Mix you select.

**Life Income Fund (LIF) and Locked-in Retirement Income Fund (LRIF)** – LIFs and LRIFs are retirement income funds created for Locked-in RRSPs and other registered pension plan savings. They are designed to provide a regular flow of income over your lifetime without the money running out. Similar to regular RRIFs, LIFs and LRIFs are regulated by the *Income Tax Act* (Canada). There are maximum (and minimum) limits on the annual amounts that can be paid. These are applicable to pension funds outside of Saskatchewan.

**Locked-In** - Funds cannot be withdrawn in cash and must be used to provide retirement income.

**Locked-In Retirement Account (LIRA)** – A LIRA holds money that has been transferred out of a registered pension plan. At retirement a locked-in account can be converted to an approved income option, such as those displayed within Flexible and Guaranteed Income options within Retire@Ease.

**Old Age Security (OAS)** – provides you with a modest pension during retirement if you have lived in Canada for at least 10 years. The Old Age Security (OAS) pension is a monthly payment available to most Canadians aged 65 or older. Your benefit amount is based on how long you have lived in Canada and whether you are currently living in Canada. OAS is reduced if your taxable income exceeds a certain level.

**Prescribed Registered Retirement Income Fund (pRRIF)** – a pRRIF can be set up by transferring money from a registered pension plan or LIRA governed under The Pension Benefits Act, 1992 (Saskatchewan). The pRRIF is one of the Flexible Income options available under the retirement income options within Retire@Ease. It would be similar to the amounts shown under the Variable Pension Benefit option, except a minimum withdrawal is required every year.

**Registered Retirement Income Fund (RRIF)** – a RRIF can be set up by transferring money from registered retirement savings plans (RRSPs). The RRIF is one of the Flexible Income options available under the retirement income options within Retire@Ease. It would be similar to the amounts shown under the Variable Pension Benefit option, except a minimum withdrawal is required every year.

**Registered Retirement Savings Plan (RRSP)** – a RRSP is a tax deferred savings plan. It permits you to save money for retirement while you are working and postpone paying taxes on that income and any investment earnings until you withdraw money from the RRSP.

**Salary** – the salary on which you make pension contributions, and the amount used in the pension calculation for a defined benefit pension plan.

**Spousal Waiver** – a legal document completed by a plan member’s spouse which gives up certain benefits to which the spouse is entitled under the pension plan. This is required to transfer monies from a pension plan to any retirement income option other than a Joint & Survivor annuity.
**Spouse** – the person married to a plan member.

If the member is not married, the person with whom you are living in a conjugal relationship, and to whom at least one of the following situations applies: He or she:

- has been living with you in a conjugal relationship for at least 12 consecutive months;
- is the parent of your child by birth or adoption; or
- has custody and control of your child (or had custody and control immediately before the child turned 19 years of age) and your child is wholly dependent on that person for support.

**Survivor Benefit** – is a benefit payable to the spouse of a retired plan member who dies. It is this benefit that a spouse is waiving when they sign a spousal waiver.

**Tax Free Savings Account (TFSA)** – a TFSA permits you to save money in after tax dollars. Your investments grow tax-free and can be withdrawn tax-free at any time.

**Variable Pension Benefit (VPB)** - a retirement income option available to current and former members of PEPP. The VPB allows you to control your retirement income and choose investment funds within the Plan. The maximum you can withdraw is your total account balance. No minimum withdrawal is required until the end of the calendar year you turn age 72. A spousal waiver is required for a VPB.

**Vested** - Entitled to receive the contributions your employer made on your behalf when you retire or terminate employment with your employer.

**Voluntary Contributions** - Money that you choose to contribute to PEPP to help build your retirement income. Employers are not required to contribute with respect to your voluntary contributions.

**Yearly Maximum Pensionable Earnings (YMPE)** - YMPE is a value set by the federal government that establishes the maximum earnings on which you can make CPP contributions. YMPE is used in the calculation of the CPP Benefit.