



Deferred Legacy

Member Handbook

Lapp

Deferred Legacy Member information

Keep track of your LAPP member information by recording it in your Member Handbook.

Member Identifier

You can find this number on your Welcome Letter, your Pension Highlights statement, or by calling LAPP at **1-877-649-LAPP (5277)**.

Member Identifier:

Your lapp.ca Secure Pension Profile Login Information

Login Name:

Password:

Front page photo:
Alexandra,
Alberta Health Services

Table of Contents

Welcome!.....5

The Value of LAPP5

Summary of Member Benefits.....6

Governance of LAPP.....16

Glossary.....17

Contact us22

Using this handbook

This handbook provides information about the Plan for **Deferred Legacy Members** who transferred from The Alberta Teachers' Association Office Staff Pension Plan (**ATA Plan**) to LAPP. Please read it carefully so you can take full advantage of your membership in the Plan.

Words appearing in **purple** are defined in the Glossary on page 17.



When there is important information to note or a reminder, we use this symbol.



When there is time-sensitive Plan information, this symbol will appear.



To direct you to more information on the website, this symbol will appear.

Note: This handbook provides general information only. Should anything here conflict with either LAPP's Plan Text, pension legislation, and/or regulations, the Plan Text, legislation and/or regulations will apply.

Welcome to LAPP: Securing Your Tomorrow, Today.

Being a LAPP member means you can enjoy the peace of mind that comes from knowing your retirement income is well taken care of.

Your pension remains safe and secure, providing peace of mind. LAPP also provides valuable resources, including online services, and access to a dedicated member services center, along with one-on-one sessions and educational materials like newsletters and webinars.

Learn more about your secure retirement income for life in this handbook.

LAPP is a registered pension plan, Canada Revenue Agency registration number 0216556.

The Value of LAPP



After starting your pension it will be adjusted for inflation for life



No difficult investments decisions, we manage it for you



Your pension questions answered by a team of specialists



Your pension is safe and secure, whenever you decide to retire

Summary of your Deferred Legacy Member Benefits from LAPP

Who are Deferred Legacy Members?

You are a **Deferred Legacy Member** if you are a former participant of the **ATA Plan** who is entitled to a deferred pension or a lump sum amount from the **ATA Plan** as at January 1, 2025.

As a **Deferred Legacy Member**, certain rules from the **ATA Plan** will be maintained for your deferred benefits following the transfer of pension administration to LAPP. The benefits associated with these special provisions will be referred to throughout this handbook as **Legacy ATA Plan Benefits**.

Future employment with LAPP employers

Deferred Legacy Members who are hired by any employer that participates in LAPP may be eligible to join LAPP as an active member and accrue new **LAPP Benefits**. To be eligible, an individual must:

- Not have commenced receiving any pension from LAPP,
- Have completed any probationary service period required by the employer,
- Hold a position that is eligible for LAPP participation.

Additional **LAPP Benefits** earned by **Deferred Legacy Members** will not be connected to **Legacy ATA Plan Benefits**. This means that the **Legacy ATA Plan Benefit** and regular **LAPP Benefit** will be calculated independently from one another based on the salaries and years of service associated with the periods during which these independent benefits were earned.

This guide should only be referenced for information about your **Legacy ATA Plan Benefits**. For information about regular **LAPP Benefits**, if applicable, please refer to lapp.ca or the LAPP Member Handbook.

What is the benefit I receive from LAPP?

Your pension entitlement under the **ATA Plan** as of December 31, 2024 will not change when it is transferred from the **ATA Plan** to LAPP. The benefit options available to you will depend on whether you were **vested** and what age you were when you left the **ATA Plan**.

Am I eligible to receive a Legacy ATA Plan Benefit pension from LAPP?

You are eligible to receive a monthly lifetime pension from LAPP if you were **vested** in the **ATA Plan** as of December 31, 2024.

Vesting is a term used by pension plans that means you're entitled to receive a monthly pension. The rules for **vesting** relating to your **Legacy ATA Plan Benefits** depends on when your **ATA Plan** membership ended:

- If your membership ended before the year 2000, you were **vested** after 5 years of **continuous service**.
- If your membership ended after 1999 and before September 1, 2014, you were **vested** after two years of plan membership.
- If you were an active member on or after September 1, 2014, you were immediately **vested**.

If you were not vested for a pension under the ATA Plan:

If you were not **vested** for a pension under the **ATA Plan**, you will remain non-**vested** under LAPP. Non-**vested** members are not eligible for a pension from the Plan. Non-**vested** members are entitled to have their contributions with interest refunded or transferred to an **RRSP** from LAPP.

If a non-**vested** member passes away before accessing their funds, the pre-retirement death benefit is their balance of contributions with interest. If the member has a surviving **pension partner**, that individual will receive the member's contributions with interest as a refund or transfer to their **RRSP**. If the member does not have a **pension partner**, or their **pension partner** has signed a waiver, their contributions with interest will be refunded to their **beneficiary(ies)**.

As non-**vested** members are not eligible to receive a pension, increases to pension amounts such as Cost-of-Living Adjustments or postponed retirement adjustments do not apply.

If you were vested for an ATA Plan pension and left the ATA Plan before reaching age 55, you have the following options:

- **Deferred Pension:**
 - You can apply to start your lifetime pension at age 55 or older. You must commence your pension no later than December 31st of the year in which you reach age 71.
- **Transfer your pension as a lump sum to:**
 - a **Locked-In Retirement Account (LIRA)**, or
 - a different pension plan*, if the other plan's rules allow for the transfer and require that funds be paid out of that plan in the form of a pension, and
 - have any non-locked funds:
 - Transferred to your **RRSP**; or
 - Paid as a taxable cash lump-sum payment.

** **Deferred Legacy Members** may only transfer to another pension plan in accordance with these provisions. **Legacy ATA Plan Benefits** are not eligible to be transferred out of LAPP under a **Transfer Agreement**.*

If you were vested for an ATA Plan pension and left the ATA Plan after reaching age 55, you have the following option:

- **Deferred Pension:**
 - You can apply to start your lifetime pension at age 55 or older. You must commence your pension no later than December 31st of the year in which you reach age 71.

When can I begin receiving my LAPP pension?

You can begin receiving your LAPP pension as early as your 55th birthday or as late as the mandatory retirement date on December 31st of the year you reach age 71.

If you choose to start your pension before reaching age 60, your pension may be reduced for early retirement.

When can I receive an unreduced pension for Legacy ATA Plan Benefits?

Vested Deferred Legacy Members may start their pension **Legacy ATA Plan Benefits** pension without a reduction at the earlier of:

- Age 60,
- Age 55 or older where their combined years of age and **continuous service** equal 85 (we refer to this as having 85 points).

Example: if you start your pension at age 55 with 30 years of **continuous service**, your pension will be unreduced ($55 + 30 = 85$ points); the same if you're age 56 with 29 years of service; and so on. All pensions starting at age 60 or older will be unreduced regardless of service.

If you start your pension before reaching one of these dates, your pension will have a permanent reduction for early retirement. This is an actuarial reduction from age 60 to your early retirement date which, using the Plan's assumptions such as interest rates and life expectancy, calculates an early retirement pension with an expected value of your lifetime that is equivalent to the value of the unreduced pension beginning at age 60.

Increases to Pension for Postponed Retirement

A postponed retirement is where a **vested** member delays starting their pension from LAPP beyond when they were eligible to start receiving an unreduced pension. If you postpone your pension, you may be eligible for an increase to your monthly amount for postponed retirement.

Eligibility for the postponed retirement increase depends on when the **ATA Plan** service was earned and the age when the pension payments start:

- For **ATA Plan** service earned before 1992, a postponed retirement increase is applied for any period of deferral between the date a member was eligible to start an unreduced pension and their pension commencement date.
- For **ATA Plan** service earned after 1991, a postponed retirement increase is applied for any period of deferral a member has between age 65 and their pension commencement date.

How do I apply to start my pension?

Retirement applications can be initiated online through your secure account on lapp.ca. As an alternative, you can download the *Retirement Application Form* from lapp.ca and submit it to the LAPP Member Services Centre.

We recommend applying for your pension three months in advance. The effective date that your pension payments will begin at age 55 or older cannot be earlier than the date your application is received.

What are my pension options when I retire?

When you retire, you can choose from a selection of pension options. Any pension option you choose will pay you an income for your lifetime. There is no best pension option. These choices are given so you can pick the one that works best for you. From the perspective of the Plan, they are all expected to pay out the same amount of money.

The options you can choose from depend on whether you have a **pension partner** when you retire.

Pension options if you have a pension partner (Joint Lifetime options)

If you have a **pension partner** when you retire, you need to choose a pension that continues to pay for as long as either of you is alive. If you pass away first, your **pension partner** will continue to receive a lifetime pension.

If you would like to choose a pension option that pays for your lifetime only, your **pension partner** can choose to sign a **Pension Partner Waiver**, giving up the right to a survivor pension.

Pension options if you do not have a pension partner (Single Lifetime options)

The Single Lifetime pension options are paid to you for as long as you live. These options can only be chosen if you don't have a **pension partner** at retirement, or if your **pension partner** completes a **Pension Partner Waiver**.



For more information on the pension options available, please refer to lapp.ca/pension-options.

What are the differences between a pension partner and a beneficiary?

Your **pension partner** is automatically the recipient of your LAPP survivor benefit. Your **pension partner** can be your legally married spouse or common-law partner once you have been living together for three consecutive years. This period can be shortened if you have a child, either by birth or adoption, of that relationship.

If you pass away without a **pension partner**, or if your **pension partner** has waived their rights to the survivor benefit, your **beneficiaries** are the persons you name who may receive pension payments (depending on the pension option you have chosen) for the remainder of a guaranteed term if you pass away after retirement.

You can name people or charitable organizations as your **beneficiaries**. If you haven't named a **beneficiary**, your estate is your **beneficiary**.

Cost-of-Living Adjustments (COLA)

A significant benefit of your Plan is after you start to receive your pension, you will start to receive COLA increases to help protect your pension against inflation. After your pension starts, COLA increases will be applied each January at a rate which is the greater of:

- The regular LAPP COLA rate of 60% of the increase in the Alberta Consumer Price Index (ACPI), and
- The **ATA Plan** COLA rate applicable to the portion of your pension associated with the following service periods:
 - pre-1997 service: 70% of the increase in the ACPI;
 - service 1997 to 2009: no COLA will be applied; and
 - post-2009 service: 60% of the increase in the ACPI.

COLA increases are calculated by taking the average of the ACPI during a 12-month period (November to October), and comparing it to the immediately previous year's 12-month average.

An important change now that your pension will be paid from LAPP is the Consumer Price Index that your COLA is based upon. The **ATA Plan** calculated post-retirement COLA based on increases to the Canada Consumer Price Index. Going forward, the calculation of your COLA will follow LAPP's rules, which uses the ACPI. The Consumer Price Index for Canada and for Alberta are determined by the national statistics agency of Canada, Statistics Canada. The ACPI measures the change to prices within the Province of Alberta, the Canada Consumer Price Index evaluates the same basket of goods across all of Canada.



Note: The ACPI is a weighted average of the cost of a basket of goods and services that are normally purchased by Alberta households. This includes things such as clothing, food, housing, fuel, health care, personal care, recreation, and education.

Can I begin to receive my pension and continue to work?

Some people find themselves returning to the workforce after they begin receiving their LAPP pension. There is nothing to prevent you from getting paid for a job while you also receive pension payments. The amount of pension you receive will not change.

If you go back to work for any LAPP employer after starting your LAPP pension, you will not be an active member in the Plan. You cannot be receiving a LAPP pension and contributing to the Plan at the same time. Your prospective employer's human resources staff can help you if you have questions about how this might affect your take-home pay.

Additionally, there may be tax implications to working while receiving a pension.

What happens if I pass away before retirement?

If you pass away before retirement, your **pension partner** can choose either a monthly pension for life or a one-time payment based on the **commuted value** of the pension. A one-time payment has to be transferred to your **pension partner's LIRA** or a pension plan that will accept the transfer and will use the funds to pay a pension in the future.

If you don't have a **pension partner**, or if that person has waived their right to a benefit if you pass away before retirement, then your **beneficiaries** will receive a one-time payment. This one-time payment cannot be transferred to a **LIRA** and has to be taken as a cash payment (with income tax withheld).

Can my pension be divided due to a relationship breakdown?



If you experience a relationship breakdown, your pension benefit may be subject to division and distribution between you and your ex-spouse or ex-common-law partner.

Legislation permits pension division if you go through a divorce or separation from your married spouse, or separate from your common-law **pension partner**. Note: common-law spouses have to meet the definition of a **pension partner** to be eligible for a pension division.

For a pension benefit to be divided and distributed, a **Spousal Pension Division Instruction** document has to be filed with LAPP. You should review this handbook's glossary definitions for this document (as well as **Pension Partner**), and consult your legal counsel about obtaining and filing such a document to divide and distribute your pension benefits.

If, at relationship breakdown, you haven't started your pension, the distribution can be a one-time payment to your former **pension partner** without having to wait for you to become eligible for a pension benefit. If, at relationship breakdown, you're at least age 55 and haven't started your pension, your former **pension partner** also has the option of a delayed lump-sum payment, an immediate LAPP pension, or a deferred pension. If your pension started before your relationship breakdown and your benefit is later divided, your former **pension partner** would receive their share as a pension.

If you're a LAPP member going through a relationship breakdown, your legal counsel should take these provisions of the Employment Pension Plans Act and its regulations into account when working on your settlement.



Find out more at lapp.ca/relationshipbreakdown

Will I receive annual statements or updates from LAPP?

As a member, you will receive an annual statement, called Pension Highlights, summarizing your pension contributions, pensionable service, and pensionable salary.

Additionally, publications available to members can be found under the Your LAPP Library section of the LAPP website (lapp.ca). The publications include annual reports and member newsletters.

Where can I learn more about LAPP?

The lapp.ca website has helpful information about the Plan. However, some of it doesn't apply to you as a **Deferred Legacy Member**. This handbook highlights the key differences that apply to your membership. This handbook will also be available for download after you log in to your secure account on lapp.ca.

Who do I contact for questions about my benefits?

If you have any questions, contact the Member Services Centre by phone or through Secure Message when you log into your account on lapp.ca. If you call, please have your member identifier on hand. This can be found on your Welcome Letter or your annual Pension Highlights statement.

Member Services Centre

LAPP

5103 Windermere Blvd. SW Edmonton, AB T6W 0S9

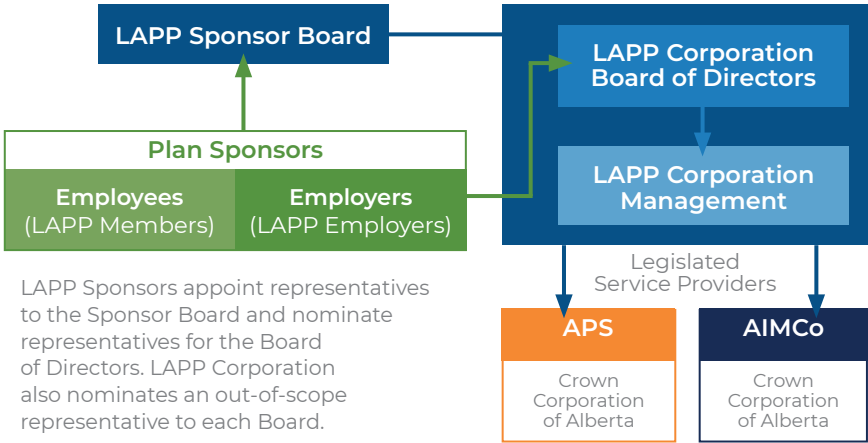
Phone: 1-877-649-LAPP (5277)



Governance of LAPP

LAPP is a jointly sponsored pension plan. The Plan sponsors are both the employees (LAPP members) and the employers (LAPP employers) who pay into the Plan. The sponsor groups appoint representatives to the Sponsor Board, which is responsible for making important decisions about your pension, like benefits, eligibility rules, and contributions.

LAPP Corporation is the Plan administrator and trustee, and is run by a small management group overseen by a Board of Directors. LAPP Corporation ensures that pensions are paid to members by providing strategic guidance for the Plan, managing risk, ensuring the long-term sustainability of LAPP, and overseeing the work of the key service providers who administer the pension benefit and invest the fund.



Our key service providers

Services related to pension benefits administration and investment management are provided by two Alberta Crown Corporations:

Alberta Pensions Services Corporation (APS) provides pension benefits administration services on behalf of the Boards.

Alberta Investment Management Corporation (AIMCo) invests the fund according to LAPP Corporation’s *Statement of Investment Policies and Procedures (SIPP)*.

Glossary

ATA Plan

ATA Plan means The Alberta Teachers' Association Office Staff Pension Plan.

Beneficiary

The person(s) you designate to receive a benefit if:

- You pass away before retirement and the benefit is not going to a pension partner; or
- You pass away before the end of the guaranteed period. This is only applicable if:
 - You chose one of the Single Lifetime Guaranteed Term options; or
 - You chose one of the Joint Lifetime options and both you and your pension partner pass away within the guaranteed period.

If your pension partner completed a Pension Partner Waiver to allow you to choose a Single Lifetime Guaranteed Term option, your pension partner has to be your beneficiary unless they have also completed a Death Benefit Waiver. If you don't have a pension partner, or your pension partner has completed the Death Benefit Waiver, your beneficiary can be an individual or a charitable organization. If you do not name a beneficiary, the beneficiary of your pension will be your estate.

Commuted Value

Also known as CV, Commuted Value is the present value of a future pension that would be paid for a person's lifetime after retirement. It's a lump-sum payment equal to the amount of funding that would be set aside, based on LAPP's current economic and demographic assumptions, to pay for that person's future pension.

Continuous Service	Your years of continuous service accrued under the ATA Plan before January 1, 2025, calculated in accordance with ATA administrative practice.
Death Benefit Waiver	<p>After completing a Pension Partner Waiver, a pension partner may choose to waive the right to be the sole beneficiary of a member's Single Lifetime pension with a guaranteed period by completing the <i>Pension Partner Waiver of Entitlement to a Death Benefit After Pension Commencement from a Pension Plan</i> (Death Benefit Waiver). The Death Benefit Waiver can be completed at retirement or at any time prior to the earlier of the end of the guaranteed period or the passing away of the member. Upon completion of a Death Benefit Waiver, the member can name any beneficiary.</p> <p><i>Note: a pension partner may revoke the Death Benefit Waiver in writing at any time prior to the earlier of the end of the guaranteed period or the passing away of the member.</i></p>
Deferred Legacy Member	A former participant of the ATA Plan who is entitled to a deferred pension or a lump sum amount from the ATA Plan as at January 1, 2025.
LAPP Benefit	The benefit entitlements earned through regular participation in LAPP, accrued in accordance with LAPP administrative practice and administered solely under the provisions of LAPP.
Legacy ATA Plan Benefit	The benefit entitlements earned through service under the ATA Plan accrued prior to January 1, 2025. These benefits are calculated in accordance with ATA administrative practice.

Locked-In Retirement Account (LIRA)

A special type of RRSP designed specifically to hold locked-in pension funds. When locked money is transferred out of LAPP it will be locked in under the rules of the EPPA. Most financial Institutions offer LIRAs, however, APS will only send the locked-in funds to a financial institution that appears as a LIRA provider on Alberta's *Superintendent's List of Financial Institutions Offering Locked-In Pension Products*.

Nominee (usually your Pension Partner)

The person you name to receive your Joint Lifetime pension if you pass away first. If you have a pension partner on the commencement date of your pension, the nominee has to be your pension partner unless they sign a Pension Partner Waiver sent with the *Retirement Benefit Statement*. The nominee has to be a valid nominee under the *Income Tax Act* (e.g., a spouse, ex-spouse, or ex-common-law partner).

Pension Partner

A pension partner means:

1. A person who, at the relevant time, was married to a participant or former participant and had not been living separate and apart from them for three or more consecutive years; or
2. If there is no person to whom Part 1 above applies, then a person who, as at and up to the relevant time, had lived with the participant or former participant in a conjugal relationship:
 - a. For a continuous period of at least three years; or
 - b. Of some permanence, if there's a child of the relationship by birth or adoption.

Pension Partner Waiver

A pension partner may waive the right to a lifetime pension by completing the *Pension Partner Waiver of Entitlement to a 60% Joint and Survivor Pension from a Pension Plan* (Pension Partner Waiver). This waiver has to be completed not more than 90 days before the member's pension commencement date. Upon completion of a Pension Partner Waiver, the member may choose a Single Lifetime pension option with or without a guaranteed.

If a pension partner completes a Pension Partner Waiver on or after March 1, 2021, giving up rights to a lifetime pension and the member chooses a Single Lifetime pension option with a guaranteed period, the pension partner is automatically the sole designated beneficiary of the guaranteed period. A pension partner can also complete a Death Benefit Waiver, giving up that right to be the sole beneficiary of the guaranteed period, and the member can name any beneficiary.

Note: if a pension partner completed a Pension Partner Waiver prior to March 1, 2021, they're not required to be the sole designated beneficiary of a member's guaranteed period.

Pre-retirement Waiver

Pre-retirement Waiver A pension partner may waive the right to a benefit payable due to a member's preretirement death by completing a Pension

Partner Waiver of Entitlement to a Death Benefit Before Pension Commencement in a Pension Plan (Pre-retirement Waiver).

Note: a pension partner may complete or revoke their Pre-retirement Waiver at any time up until payment of the death benefit entitlement

Registered Retirement Savings Plan (RRSP)

A type of tax-deferred investment that is set up to hold and invest your savings until you retire. Most can be withdrawn at any time, but you will be taxed on the amount withdrawn.

Spousal Pension Division Instruction

Under LAPP, this includes a Family or Matrimonial Property Order (MPO) or similar court order or separation agreement enforceable in Alberta, made at the time of or after divorce or common-law relationship breakdown, which divides assets (usually those acquired during the marriage or common-law relationship) between the spouses or ex-spouses.

Transfer Agreement

An agreement negotiated with another pension plan that allows members to transfer their service when they move between plans.

Vesting

A term used by pension plans that means you're entitled to receive a monthly pension. Deferred Legacy Members remain subject to the **ATA Plan** vesting rules:

- Terminated before January 1, 2000: 5-years of continuous service,
- Terminated after 1999 and prior to September 1, 2014: 2-years of **ATA Plan** membership,
- On or after September 1, 2014: immediate vesting for all active members of the **ATA Plan**.

We're here to help



Online services:

You can create an online account, called Your Pension Profile, at lapp.ca that allows you to see and manage all your personal pension information and plan for retirement.



One-on-one sessions available:

If you would like to discuss your LAPP pension with a representative, reach out and we can set up a one-on-one session.



Member education:

There are many great ways to learn about a LAPP pension! Visit lapp.ca and check out our newsletters, webinars, and informational videos!



Member Services Centre:

For all Inquiries related to a LAPP membership or pension contact our Member Services Centre at 1-877-649-5277 (LAPP) or via secure online messaging.



Find us on social:

Follow us for simple, easy-to-understand tips, tools and inspiring retirement journeys. We will share how your pension grows with you, protects your future and helps you live your best retirement. Follow and like us on Facebook, Instagram, and LinkedIn to learn more about your LAPP pension.



You have the right to obtain additional information regarding the Plan and your benefit entitlement. For example, asking for more information regarding your calculation data and other plan information items like actuarial valuations, the Plan Text, plan policies, etc.

Back page photo:
Bruna,
Alberta Health Services



Find out more at lapp.ca