



Active Legacy
**Member
Handbook**

Lapp

Active 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:
Carley,
City of Blackfalds

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Using this handbook

This handbook provides information about the Plan, for **Active Legacy Members** who transferred from the **ATA Plan** to LAPP, as well as a brief overview of your choices and benefits. 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 28.



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 contributions are matched by your employer, who pays even a little more, while your pension also adjusts for inflation to maintain your purchasing power.

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



Your pension is adjusted for inflation for life



Your employer not only matches your contributions but pays even more



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



Changing jobs? Your pension moves with you to over 450 jobs

Services provided to members

We want you to understand how your pension works, whether you're a new member, a mid-career member, or a soon-to-be-retired member.

If you have questions about the Plan, contact the Member Services Centre. If you have your member identifier on hand, please have it ready when you call. This can be found on your *Welcome Letter* or your annual *Pension Highlights* statement.

Member Services Centre

LAPP c/o Alberta Pensions Services Corporation
5103 Windermere Blvd. SW Edmonton, AB T6W 0S9

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

Email for general inquiries: memberservices@lapp.ca

Website and publications

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

Your Secure Pension Profile

The lapp.ca website is designed to provide information about the Plan; and is also where you can log in to the secure section of the site. In this area, you can view and update your personal information and access the Secure Messages feature to request answers, information, services, and submit documents. Registration is quick and easy, and all active, deferred, and retiree members are eligible to register.

To register, go to lapp.ca and log in through the top right.

As an **Active Legacy Member**, remember that special rules will apply to your benefit from LAPP. This handbook is designed to highlight where LAPP is different for you.

Active Legacy Member Highlights

As mentioned above, as an **Active Legacy Member**, special rules apply to the benefits that you are entitled to from LAPP. The benefits you earn with these special rules will be referred to throughout this handbook as **Legacy ATA Plan Benefits**.

The following is a summary of some of the key differences included in the information this handbook provides:

Unreduced Early Retirement

Historical early retirement rules of the **ATA Plan** will be maintained for your **Legacy ATA Plan Benefits** in LAPP. This provides for no reduction on early retirement for **Active Legacy Members** who retire at the earlier of age 60 or where their age and years of **continuous service** equal at least 85. For more information, refer to the section **When can you retire?**

Active Legacy Membership

You will be eligible to continue earning **Legacy ATA Plan Benefits** in LAPP so long as your active participation with LAPP as an employee of ATA is not interrupted. For more information, refer to the section **Leaving the Plan**.

Pensionable Service Limit

Your **Legacy ATA Plan Benefits** are not subject to a maximum pensionable service limit. However, a pensionable service limit will apply to any regular LAPP benefits that you may accrue in the future. For more information, refer to the section **What is your pension benefit?**

Cost-of-Living Adjustments

Active Legacy Members will now receive Cost-of-Living Adjustments in accordance with the rules of LAPP, including for a period of deferral between termination and retirement. For more information, refer to the section **Cost-of-Living Adjustments (COLA)**.

Linking of Memberships

Active Legacy Members can now connect their past **ATA Plan** service (now recognized under LAPP) with their current or future LAPP memberships. This may increase pension benefits. For more information, refer to the section **For more information**, see the section **Regular LAPP benefits Linked to Legacy ATA Plan Benefits**.

Regular LAPP and Legacy ATA Plan Benefits

This handbook describes some cases where an **Active Legacy Member** will be entitled to a combination of **Legacy ATA Plan Benefits** and regular LAPP benefits. For example, regular LAPP benefits are provided for service transferred from another pension plan to LAPP under a transfer agreement.

For information about the regular LAPP benefit this service provides, please ensure you are familiar with how these memberships are linked in the section **Regular LAPP benefits Linked to Legacy ATA Plan Benefits**, and refer to the lapp.ca website for information about your regular LAPP benefits.



Membership

The rules for whether or not you're able to participate in LAPP are based on regularly scheduled hours of work.

If you are a full-time continuous employee (regularly scheduled to work at least 30 hours per week with one employer), you automatically become a member of the Plan as soon as you start your employment, unless your employer delays your entry into the Plan for up to one year during a probationary period.

Hours Worked	Participation in LAPP
30 hours per week (1560 hours per year) or more under one employer in a continuous position.	You're automatically a LAPP member.
30 hours per week (1560 hours per year) or more under one employer in a non-continuous position.	Membership in LAPP is set by your employer's policy.
14 hours per week (728 hours per year) or more, but less than 30 hours under one employer.	Membership in LAPP is set by your employer's policy.
Less than 14 hours per week under one employer.	You're currently not able to be a member of LAPP.

All the contracts you have with one LAPP employer **are counted together** to determine if you're automatically enrolled, excluded, or have the option to participate in LAPP.



Find out more at lapp.ca/parttime

How much do you contribute?

Your contributions to LAPP are based on a percentage of your **pensionable salary** and are made through payroll deductions — and your employer's contribution rate is 1% more than yours. The fund is invested by LAPP's investment manager, AIMCo, with LAPP Corporation setting benchmarks and policies to guide these investments.



Find out more at lapp.ca/contributions

Income tax

For every year you're active in LAPP, your employer will report a Pension Adjustment (PA). The PA represents the value allocated by the Canada Revenue Agency (CRA) to the increase in your LAPP benefit entitlement and will reduce your **Registered Retirement Savings Plan (RRSP)** contribution room. When the CRA reviews your tax return, it will consider this PA in determining the amount of RRSP contribution room that will be available to you for the following year.

What is your pension benefit?

Your pension is based on a formula that looks at your **pensionable salary** and your years of **pensionable service**, not how much you've paid into the Plan. Generally, the longer you are contributing to the Plan and the higher your salary gets, the larger your pension will be. Pensionable service is the number of years you contribute to the Plan, plus:

- Any service you have transferred into the Plan; or
- Prior service or periods of leave you have purchased.

For members who work part-time, pensionable service is based on the hours worked in that year (ignoring anything that is considered overtime), divided by the regular full-time hours for that position.

Pensionable service limit

Your **pensionable service** that provides **Legacy ATA Plan Benefits** is not limited to a maximum. However, a limit of 35 years applies for pensionable service that provides regular LAPP benefits. For more information, see the section **Regular LAPP benefits Linked to Legacy ATA Plan Benefits**.

LAPP benefit

The LAPP pension formula looks like this:

Salary up to the YMPE \times 1.4% \times Service = \$ _____

PLUS

Salary over the YMPE \times 2% \times Service = \$ _____

The **Year's Maximum Pensionable Earnings (YMPE)** is a figure, set each year by the Canadian government, that specifies the earnings amount that can be used in calculating contributions to the Canada Pension Plan (CPP) and can be used in calculating contributions to registered pension plans, including LAPP, for each year.

The benefit formula of LAPP is very similar to the **ATA Plan** formula. However, starting in 2025 the salary used in the calculation of your LAPP pension will be subject to a limit called the salary cap (2025: \$209,223.50), which LAPP applies to ensure benefits do not exceed the Income Tax Act defined benefit limit. The salary cap can change annually, for more information, please visit the Contributions page on lapp.ca.



How can you increase your pension benefit?

You may be able to increase your future benefit by increasing your length of pensionable service through the following methods:



Note: Except where it is utilized in '**continuous service**', the word 'service' refers to **pensionable service** throughout this handbook.

1. Buying prior service

You may increase your future benefit by purchasing prior service. Your employer's human resources staff will be able to tell you which types of employment are eligible. Examples could include:

- Probationary service;
- Previous employment with your current employer; and
- Previous employment with another LAPP employer.

Visit the Buyback Estimator at lapp.ca/buybackestimator to calculate an estimate of the cost to purchase your prior service. You can apply to purchase a period of prior service through your employer's human resources office.

If you buy prior service related to a period that occurred on or after January 1, 2025, this will grant you additional **Legacy ATA Plan Benefits**. If you buy a prior service period that occurred before January 1, 2025, you will receive regular LAPP benefits in respect of that service. For information regarding regular LAPP benefits, please visit lapp.ca.



If you were a member of another pension plan before joining us, the service you earned in that plan may be transferable into LAPP, which has transfer agreements with a number of other plans throughout Canada. Visit lapp.ca/transfersintolapp for a list of the pension plans with transfer agreements.

Your contributions for prior service are tax deductible within the maximum limits set under tax rules.

2. Transferring in service from another pension plan



Find out more at lapp.ca/transfersintolapp

All pension plans are priced differently. The benefit you earned in your previous plan might not match the cost of buying the same amount of service in LAPP. If your previous plan benefit cost at least as much as the LAPP benefit, you will not have to pay anything else, and the full amount of service will be credited to LAPP.

The service credited as a result of an **Active Legacy Member**'s transfer will provide regular LAPP benefits. To learn more about the relationship between regular LAPP benefits and your **Legacy ATA Plan Benefits**, please see the section **How is your pension calculated?** Information about what you will receive from your regular LAPP benefits is available on lapp.ca.

If you have service with another pension plan that does not have a **transfer agreement** with LAPP, please see the Buying Prior Service Explained section of the lapp.ca/buyingpriorsservice website for more information on buying all or a part of that service as prior service under LAPP.



Find out more at lapp.ca/buyingpriorsservice

3. Leaves of absence

If you take a leave without salary, you may be eligible to add that period of leave to your **pensionable service**. You have the option of either making pension contributions while on leave without salary, or waiting until you return to work to purchase that leave.

Members can purchase up to five years of any kind of leave, and up to three years of parental leave. Additional years of parental leave can be taken against the five-year amount.

For the first year of leave that you purchase with a return from leave on or after January 1, 2025, your employer pays the employer share of the contributions. After the first year of purchased leave, you're responsible for paying both the member and employer share of contributions.

If your employer notifies LAPP that you have a leave of absence that can be purchased, you will be sent a *Buyback Proposal*. This Buyback Proposal will inform you of what you need to know to purchase the gap in your service.

You'll need to elect to purchase your leave of absence by the earlier of 90 days from the date you are sent your *Buyback Proposal* or December 31st of the year following your return to work. The election due date shown on your *Buyback Proposal* will be set based on these limits. Payment(s) have to be made based on the schedule shown on your *Buyback Proposal*.

If you elect to purchase your leave without salary on time and complete your purchase, the leave service will provide you **Legacy ATA Plan Benefits**.



If you don't return to work at the end of your leave, or if you change to a non-participating position, you need to apply to purchase the leave period within 30 days of the day you stop participating in LAPP.



Leaving the Plan

You have choices for your benefit from LAPP if you stop participating in LAPP with a break in service, whether due to a career change or moving to a job that does not include LAPP membership.

As a pension benefit may be a major source of your retirement income, you should carefully consider each of the following options before making your decision. Your LAPP pension could be your biggest financial asset and your largest source of retirement income. You may want to consult a financial advisor to help you make your decisions.

Options when leaving the Plan

When you become a LAPP member and start contributing, you're eligible to receive a lifetime LAPP pension at retirement.

If you're under 55 when you leave the Plan, your options are:

- **Leave your pension benefit with LAPP;**
 - If you rejoin LAPP, you will no longer be eligible to accrue any additional **Legacy ATA Plan Benefits**. Service you earn after rejoining LAPP will provide regular LAPP benefits linked to your **Legacy ATA Plan Benefits**. For more information on linking, please review the section **How is your pension calculated**; or
 - When you turn 55, you'll be eligible to receive a pension for the rest of your life.
- **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.

If you're over age 55 when you leave the Plan, your options are:

- **Start your pension at a later date;**
 - You have to start your pension by December 31st of the year in which you turn 71.
- **Start an immediate LAPP pension*;**

If the pension earned on your LAPP service is lower than a minimum amount established under LAPP rules, you'll be offered an opportunity to have the value of the pension paid directly to you as a taxable cash single payment, or it can be tax sheltered and transferred to an **RRSP**.

*If you choose to retire before age 60 and your age and years of **continuous service** add up to less than 85, your pension for **Legacy ATA Plan Benefits** will be reduced. If you also have regular LAPP service, your pension for that service will be reduced if your age and years of **pensionable service** add up to less than 85 and you retire before age 65 (see Reduced Pension on page 18).

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

When can you retire?

Unreduced pension

The earliest you can retire from LAPP is your 55th birthday and the latest is December 31st of the year you turn 71.



If you retire between ages 55 and 60, your LAPP pension for **Legacy ATA Plan Benefits** may be reduced.

If you also have regular LAPP benefits and retire between ages 55 and 65, your pension may be reduced.

To retire with an unreduced pension from your Legacy ATA Plan Benefits, you have to be at least 60 years of age, or your age plus your years of **continuous service** has to equal at least 85 (we refer to this as having 85 points).

Example: if you are age 55 with 30 years of **continuous service**, you're eligible to retire with an unreduced pension (age 55 + 30 years of **continuous service** = 85 points); the same if you're age 56 with 29 years of service; and so on.

If you have any service providing a regular LAPP benefit, you must be at least 65 years of age, or your age plus your years of **pensionable service** has to equal at least 85 points to retire with an unreduced pension.

Example: if you are age 55 with 30 years of **pensionable service**, you're eligible to retire with an unreduced pension (age 55 + 30 years of **pensionable service** = 85 points).

Reduced pension

If you retire early from your Legacy ATA Plan Benefits — at any age between 55 and 60 — with fewer than 85 points (based on age and continuous service), your pension will be reduced by 3% for each year you are short of age 60, or 85 points, whichever is less.

If you have any service providing a regular LAPP Benefit and you retire early — at any age between 55 and 65 — with fewer than 85 points (based on age and pensionable service), your pension will be reduced by 3% for each year you are short of age 65, or 85 points, whichever is less.

The maximum pension reduction is 15% for your Legacy ATA Plan Benefits and 30% for regular LAPP benefits, if applicable. The reduction will be prorated for partial years.



Find out more at lapp.ca/pensioncalculation

How is your pension calculated?

LAPP is a defined benefit pension plan. Your pension is calculated based on a formula that looks at your length of **pensionable service** and the average of your highest five consecutive years of **pensionable salary** up to the salary cap. Generally, the longer you're contributing to the Plan and the higher your salary gets, the larger your pension will be. You can find examples of this calculation on the website.

An estimate of your future pension benefit may be requested each year by contacting the LAPP Member Services Centre. Each annual request can include up to three retirement date scenarios. For contact information, please review the section **We're here to help** at the end of this handbook.

Regular LAPP benefits linked to Legacy ATA Plan Benefits

If you have regular LAPP benefits in addition to your **Legacy ATA Plan Benefits**, the pension you receive from each type will be calculated separately. However, these periods will be linked together to determine the following factors:

- Years of **continuous service** to determine 85 points for **Legacy ATA Plan Benefits**,
- Years of **pensionable service** to determine 85 points and the 35-year **pensionable service** limit for regular LAPP benefits, and
- The average of your highest five consecutive years **pensionable salary**.

When calculating if a retiring member has reached 85 points:

- **Pensionable service** associated with **Legacy ATA Plan Benefits** and regular LAPP benefits will be combined for the calculation of regular LAPP benefits,
- **Continuous service** associated with regular LAPP benefits and **Active Legacy Membership** will be combined for the calculation of **Legacy ATA Plan Benefits**.

Linkage of pensionable earnings means that increases to the average of your highest five consecutive years of **pensionable salary** will apply to both benefit types.

The 35-year **pensionable service** limit considers your total **pensionable service** including service providing regular LAPP benefits and **Legacy ATA Plan Benefits**. Upon reaching the maximum, you can continue to earn more **pensionable service** while you remain an **Active Legacy Member** but cannot earn more **pensionable service** that provides regular LAPP benefits.

As an **Active Legacy Member**, reaching the **pensionable service** maximum means that you cannot add any more **pensionable service** that provides regular LAPP benefits, such as service transferred into LAPP under a transfer agreement or buyback of prior service periods prior to January 1, 2025.

For more information about what you will receive for regular LAPP benefits, please visit lapp.ca.

Cost-of-Living Adjustments (COLA)

A significant benefit of your Plan is that your pension is protected against inflation. Every year, your pension will increase at a rate of 60% of the change in the Alberta Consumer Price Index (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 immediate previous year's 12-month average.

Previously, the **ATA Plan** only provided COLA after a member started receiving their pension. You will now receive COLA from LAPP after you start your pension and, if you choose to defer receiving your pension for a period of time, for the period between when you leave the Plan and start receiving your pension. For example:

Carson is an **Active Legacy Member** who terminates participation in LAPP on December 31, 2026, at the age of 53. He decides to start his pension when he turns 55 on

January 1, 2028. When his pension begins in 2028, Carson will receive a COLA increase for the year 2027 over which his pension was deferred. After his pension starts in 2028, Carson will receive annual COLA, with the first increase as a LAPP retiree for the 2028 year happening in January 2029.

Another important change is to the Consumer Price Index 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.

Difference between pension partner and 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.

Waivers of pension partner rights

A pension partner may waive their rights to the lifetime benefit. If you pass away before retirement, your partner may complete a **Pre-retirement Waiver**.

At retirement, your pension partner may complete a **Pension Partner Waiver** not more than 90 days before your pension commencement date. Once a pension is in pay, your pension partner cannot change their decision to waive their right to a lifetime survivor benefit.

If your pension partner has completed a **Pension Partner Waiver** at your retirement, they are considered your designated beneficiary for any guaranteed term associated with your Single Lifetime pension choice. However, your pension partner may choose to complete a **Death Benefit Waiver** which allows you to designate any beneficiary.

What are your pension options?

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 (see the following table for the current available options). 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.

Scenario Examples	Joint Lifetime Reduced by 1/3 on Member's Death Only and Guaranteed 5 Years.	Joint Lifetime Reduced by 1/3 on First Death of Member or Pension Partner and Guaranteed 5 Years.*	Joint Lifetime Guaranteed 5 Years.
Your pension partner passes away before you.	Monthly pension is not reduced and paid for your lifetime.	Monthly pension is reduced by 1/3 and paid for your lifetime.	Monthly pension is not reduced and paid for your lifetime.
You pass away before your pension partner after 5 years from the date your pension begins.	Monthly pension is reduced by 1/3 and paid for your pension partner's lifetime.	Monthly pension is reduced by 1/3 and paid for your pension partner's lifetime.	Monthly pension is not reduced and paid for your pension partner's lifetime.
Within 5 years from the date your pension begins, you pass away before your pension partner.	Monthly pension is not reduced for the remainder of the 5 years, then reduced by 1/3 afterwards and paid for your pension partner's lifetime.	Monthly pension is reduced by 1/3 and paid for your pension partner's lifetime.	Monthly pension is not reduced and paid for your partner's lifetime.
Within 5 years of the date your pension begins, both you and your pension partner pass away.	Monthly pension is not reduced and paid for the remainder of the 5 years to your beneficiaries.	Monthly pension is reduced by 1/3 and paid for the remainder of the 5 years to your beneficiaries.	Monthly pension is not reduced and paid for the remainder of the 5 years to your beneficiaries.

*Previously called 'Joint Lifetime Reduced by 1/3 Guaranteed at Least 5 Years.' The name has been changed to clarify the differences between the pension options, and no other changes were made.

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**.

Pension Option Name	Member Pension Payment Duration	Guaranteed Term Benefit Paid to Chosen Beneficiaries on Death of Member*
<i>Single Lifetime.</i>	Lifetime.	None.
<i>Single Lifetime Guaranteed 5 Years.</i>	Lifetime.	Guaranteed term is 5 years from pension start date.
<i>Single Lifetime Guaranteed 10 Years.</i>	Lifetime.	Guaranteed term is 10 years from pension start date.
<i>Single Lifetime Guaranteed 15 Years.</i>	Lifetime.	Guaranteed term is 15 years from pension start date.

*If your pension partner completed a **Pension Partner Waiver**, they will be your sole beneficiary unless they've also completed a **Death Benefit Waiver**.

Pension partner protection

If you have a pension partner when you begin your pension, you have to choose one of the Joint Lifetime options with your pension partner as your **nominee**. By doing this, your pension partner will be guaranteed a pension for life. It's important to understand who qualifies as a pension partner, and how they can waive their right to a survivor benefit.

Your pension partner can choose to sign a **Pension Partner Waiver**, giving up their right which requires you to select a

Joint Lifetime pension option — meaning your pension partner gives up their entitlement. If your pension partner signs the waiver, you can choose one of the Single Lifetime pension options.



Find out more at lapp.ca/yourspouseorpartner

Working while receiving your pension

Some people find themselves returning to the workforce after they begin receiving their LAPP pension. If you're one of them, it's important to know that, if you plan to work for a LAPP employer, you will have to experience a break in service between leaving your former job and starting your new one.

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.



Find out more at lapp.ca/workingafterretirement

Disability pensions

If you're not able to continue to work because of a disability, you may qualify for a disability pension.



Find out more at lapp.ca/disabilitypensions

Passing 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).



It's your pension partner's right to be paid a lifetime benefit if you pass away. However, your pension partner can sign a waiver of their right to the death benefit paid to them if you pass away before retiring.

If your pension partner completes the waiver and you pass away before retirement, your benefit will be paid to your designated beneficiaries.

Only the pension partner can revoke the waiver, in writing and fully describing the document that is to be revoked. The waiver has to be received before a death benefit entitlement has been paid.

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 the rules of the *Employment Pension Plans Act* and its regulations into account when working on your settlement.



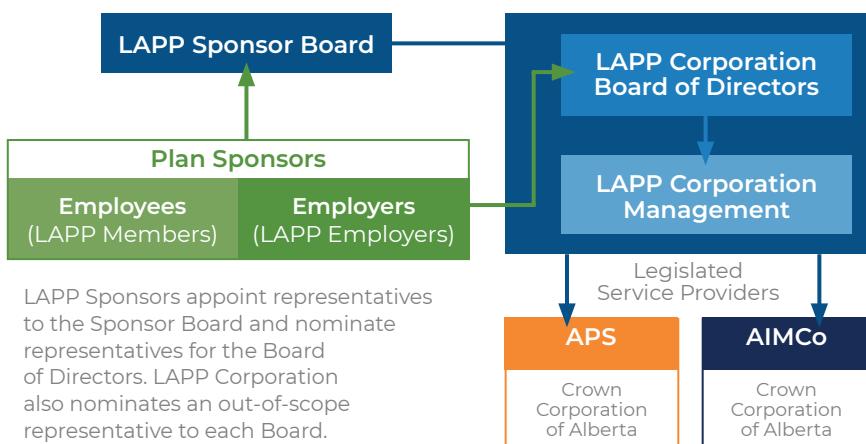
Find out more at lapp.ca/relationshipbreakdown



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

Active Legacy Members

Active Legacy Members includes any person who is an employee of the ATA, including a Disabled Legacy Member, accruing benefits under the ATA Plan immediately prior to January 1, 2025 and whose ATA Plan Benefit was subsequently transferred to LAPP, where the employee will continue to accrue Legacy ATA Plan Benefits. Active Legacy ATA Plan Members does not include:

- Employees who, before June 30, 2025, elected to receive a commuted value transfer from the ATA Plan in respect of service prior to January 1, 2025;
- Employees who were accruing benefits with another LAPP participating employer who elected not to participate in LAPP effective January 1, 2025;
or
- Employees receiving a pension from LAPP as of January 1, 2025.

ATA Plan

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

Average Year's Maximum Pensionable Earnings (Average YMPE)

The average YMPE is determined by averaging the YMPE of the coinciding years of your highest average salary. Your employer or LAPP can tell you the amount of the current or past YMPEs.

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.

Committed Value

Also known as CV, Committed 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, plus the period of uninterrupted service rendered as an employee of ATA on or after January 1, 2025, effective until the termination of service as an ATA employee, death, or retirement, whichever occurs first.

Death Benefit Waiver

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 *Pension Partner Waiver of Entitlement to a Death Benefit After Pension Commencement from a Pension Plan* (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.

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.

LAPP Benefits

The benefit entitlements earned through regular participation in LAPP, accrued in accordance with LAPP administrative practice and administered solely under the provisions of LAPP. LAPP benefits may also be accrued by Active Legacy Members when you transfer prior benefits from another pension plan into LAPP under a transfer agreement, or when you buyback a period of past service relating to a period of employment prior to January 1, 2025.

Legacy ATA Plan Benefits

Legacy ATA Plan Benefits include an Active Legacy ATA Plan Member's benefits that are subject to special rules, including benefits prior to January 1, 2025 that were transferred from the ATA Plan to LAPP, and new benefits accrued as an Active Legacy ATA Plan Member from January 1, 2025 until the earliest of the Member's termination of employment service with ATA, death, or retirement.

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.

Pensionable Salary

Basic pay for the performance of regular duties. Salary may also include pay for shift work, weekends, acting pay, and the provision of an automobile for personal use if:

- The employer treats it as pensionable salary under the employer's salary policy; and
- It's paid on a uniform and consistent basis.

Variable pay is also pensionable to certain limits. Salary doesn't include earnings such as expense allowances or overtime payments. The salary used in the calculation of your LAPP benefit entitlement will be subject to any limits set out under tax rules.

Pensionable Service

Your years of service during which you contribute to the pension plan, plus service recognized from a transfer or purchase of prior service or a leave of absence. The maximum pensionable service limit in LAPP is 35 years.

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

A pension partner may waive the right to a benefit payable due to a member's pre-retirement 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.

Year's Maximum Pensionable Earnings (YMPE)

A figure set each year by the Canadian government that specifies the earnings amount that can be used in calculating contributions to the Canada Pension Plan (CPP), and used in calculating contributions to registered pension plans, such as LAPP, for each year.

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.

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Bruna,

Alberta Health Services



Find out more at lapp.ca