

Retirement choices, not financial worries

We all want to retire with as much income as possible so as we get older, financial planning is more and more important. CPR provides a competitive and secure pension program. There are additional ways to plan for a retirement income and, in most cases, personal savings plans may add to what you will get from your company pension plan.

There may be a temptation to withdraw your pension funds from the CPR Pension Plan – which also means taking the extreme step of quitting your job with CPR – and investing

those funds in some other retirement savings plan. If you are vested (have been in the pension plan for at least two years), you can withdraw your pension funds all at once (as a lump sum) up until you are 55 years old. After that point, pension must be received in the form of a monthly payment.

These are significant decisions that require you to carefully consider the options in front of you. And remember, get advice from more than one financial planner when you're making your choices – many are selling other products, so choose carefully.

The choices

Withdraw pension funds

Receive your pension money all at once, which means you have to invest and manage it
 Funds transferred to a locked-in financial plan to be withdrawn as pension (there may be a maximum amount that can be transferred, and the remainder will be in cash)
 Any amount above the maximum transfer value (varies with each individual) will be taxed (government legislation)
 Must leave CPR

No post-retirement benefits
 Control your own investments

Retirement money will depend on your investment returns

Flexibility in what you invest in and how you take payment
 You or your spouse may outlive your money
 On your death, any remaining money goes to your spouse or your estate (check the rules of the locked-in investment vehicle you choose)

Wait for a pension

Regular monthly payment for the rest of your life, and that of your spouse
 Pension payments, the assets for which are managed by a broad range of firms retained by the CP Pension Plan

Pension payments subject to income tax, when received

Keep contributing to your pension funds until you retire (maximum of 35 years)

Health and life insurance coverage

CPR commits to pension payments – not dependent on investment returns

Pension payments guaranteed – not dependent on investment returns

Broad range of investment managers select investments

There's no risk of you or your spouse outliving your money
 If you and then your spouse pass away, anything remaining from your contributions (and interest) goes to your estate

Get professional advice

Your annual statement is an at-at-glance update on your pension savings. See your pension guide for more detail about maximum transfer value and lump-sum payments.

More information

Pension Services
 1-888-511-7557
 319-3035 in Calgary
 Pension_Services_Help@cpr.ca

Choosing to leave CPR and withdrawing your pension savings are personal decisions, and the information provided here is not intended as advice. **Talk to your financial planner and if you don't have one, consider the opinions of a few before making decisions that can't be reversed.**

