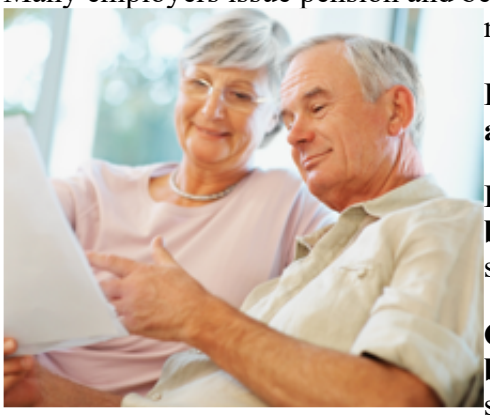
Understanding your pension

Many employers issue pension and benefits statements in the spring. Some are easy to read. Some are a nightmare. Here's what to look for:



Beneficiary designations and all personal information should be accurate, especially your length of service.

Even if your retirement is far off, your family may qualify for benefits if you die or become disabled tomorrow. Does the form show a pre-retirement death benefit?

Check whether it's the full amount or just the minimum required by law. It could affect how much life insurance you need. If you have a spouse, make sure your employer knows so that benefits can be paid to him or her. A common-law spouse may or may not be eligible.

- **Check your pension "vesting" date.** That's when you take title to the employer's contributions.
- **Is your pension plan defined-benefit, defined-contribution or a combination?** Defined benefit plans promise a set level of retirement income. In defined-contribution plans—which can include group RRSPs—the employer commits only to yearly contributions and your retirement income will depend largely on how that money is managed.
- **If shown, review your elections for life, disability, and health insurance.** Do they really meet your needs? Can you save money by prudently increasing your disability waiting period, boosting deductibles or coordinating group coverage with benefits your spouse has at work?

Even if retirement is not yet on your radar, it’s important to plan ahead. Be sure to read your pension and benefits statements when they’re issued, so that you’re clear on their offerings. For clarification and additional information, review the statements with your Human Resources department.