

Plan Highlights

University of Alberta

Academic Supplementary Retirement Plan (ASRP)

BENEFICIARY DESIGNATION

Your UAPP beneficiary designation is not deemed to be your ASRP beneficiary, so it is important to complete a separate ASRP beneficiary designation form.

Since this is a non-registered plan, you can name anyone as your beneficiary to receive the value of your notional account if you die. Your spouse is not automatically deemed to be your beneficiary. If you don't name a beneficiary, the benefit will be paid to your estate.

It is important to keep your beneficiary designation up-to-date. If you ever need to change your beneficiary designation, you must complete a new designation form. These forms are available on the HR website at www.hrs.ualberta.ca/Benefits/Pension/UAPP/ASRP.aspx.

You can confirm your plan enrollment and view your current beneficiary designation on BearTracks (under *Employee Profile*, click on the *Benefits Summary* tab).

SPONSORSHIP AND ADMINISTRATION

The Board of Governors of the University of Alberta is the sponsor of the ASRP. The ASRP Operations Committee is responsible for the day to day administration of the plan and reports to the ASRP Management Committee, which has a broader responsibility for plan design and reports to the Board of Governors. The Operations and Management committees are joint committees with representatives from both Administration and the AASUA.

January 2014

Introduction

The ASRP was established in 2009 to provide additional retirement income for University of Alberta members of the Universities Academic Pension Plan (UAPP) who have pensionable earnings that exceed the maximum salary covered by the UAPP. Pensionable earnings are earnings for performing regular job duties and include base pay and market supplement. The federal Income Tax Act limits the earnings that can be used to calculate registered pension plan benefits to a maximum amount (the UAPP pensionable salary cap) that increases each year. The ASRP is a non-registered supplementary plan that covers pensionable earnings that are above the UAPP salary cap, up to a negotiated ASRP salary cap.

Unlike the UAPP, which is a defined benefit plan, the ASRP is a defined contribution plan. An annual contribution equal to a percentage of eligible ASRP pensionable earnings (the earnings above the UAPP cap, up to the ASRP cap) is credited to a notional account at the end of each year.

Notional accounts exist only on paper and don't contain actual funds. Although the ASRP is an unfunded plan, the University has established a special purpose reserve for plan liabilities (earmarked assets for the liabilities growing in the notional accounts). When you leave the University, the balance in your ASRP account is paid out of the general assets of the University of Alberta.

Membership

To participate in the ASRP, you must be a member of the UAPP and a University of Alberta employee appointed to a continuing full or part time position under a Faculty, APO, Librarian or FSO agreement. You become a member following any calendar year in which your pensionable earnings exceed the UAPP cap. Membership status is determined in January following the calendar year end.

If, in any calendar year after you become a member, your pensionable earnings are not above the UAPP salary cap, you will become an inactive member until after a calendar in which your earnings once again exceed the UAPP cap.

If you become ineligible due to a change in appointment, you will be considered a suspended member. Agreements not covered by the ASRP include Trust/Research Academic Staff, Contract Academic Staff: Teaching, and Sessionals and Other Temporary Staff, and Support Staff agreements.

Notional accounts for inactive and suspended members will not be eligible to receive annual contributions, but will continue to be credited with annual investment returns. Notional account balances are not paid until after a member is no longer employed by the University.

This brochure provides ASRP members with general information about the Plan.

Should anything in this brochure conflict with the official plan documents or any applicable legislation, the information in the plan documents or the applicable legislation will prevail.

VESTING

You become vested (entitled to an ASRP benefit) after you have served at least two years in an eligible agreement. If you leave the University before you are vested, you will not receive benefits from the ASRP.

BENEFITS

Once you are vested, you will receive your notional account balance when you leave the University. If you die before you leave the University, your benefit is immediately vested and your account value is paid to your named ASRP beneficiary or to your estate. Your ASRP benefits are taxable in the year they are received, and income tax will be deducted at the time of the payment.

If you are not yet age 55 when you leave the University, you will receive the ASRP benefit as a single lump sum payment.

If you are 55 or older, **and** the total value of your notional account is more than 50% of the YMPE (Yearly Maximum Pensionable Earnings for the Canada Pension Plan) in the year you retire, you can elect to receive either a single lump sum payment or up to five annual instalment payments. The YMPE in 2014 is \$52,500. Notional balances that are paid in installments will continue to be credited with annual notional investment returns for the period of time that they remain in the account.

Contributions

Annual contributions are based on ASRP points. Your ASRP points are equal to your age plus years of continuous service (including any leaves of absence) in an eligible ASRP agreement as at December 31 of each year.

ASRP Points	Annual Contribution Rate <i>Percentage rate applied to pensionable earnings above the UAPP salary cap up to the ASRP salary cap</i>
less than 55 points	8%
55 to less than 80 points	12%
80 points or more	16%

Your eligible ASRP salary is your pensionable earnings in a calendar year. Eligible salary for ASRP members who are on a period of sabbatical leave is based on their unreduced salary (as opposed to reduced salary while on leave). Eligible salary for ASRP members who are receiving disability benefits is based on their pre-disability salary.

To be a member of the ASRP, eligible staff must have pensionable earnings that exceed the annual UAPP maximum salary in one or more of the following plan years up to the maximum negotiated ASRP limit.

Year	UAPP Annual Pensionable Salary Maximum	ASRP Maximum
2009	\$136,112	\$180,000
2010	\$138,882	\$191,998
2011	\$142,101	\$195,358
2012	\$147,364	\$199,265
2013	\$150,164	\$202,553
2014	\$154,250	\$205,895

Investment Returns

At the end of each calendar year, average annual notional contributions for the year are credited with interest based on the DEX Canadian 91 Day Treasury Bill return. Accrued notional account balances are credited each year with the annual return (positive and negative) of the TD Emerald Balanced Fund.

Plan members have an irrevocable one-time option to change the basis for the investment returns calculation on their accrued notional account balance from the TD Emerald Balanced Fund to the DEX 91 Day Treasury Bill return. This change can be made at any time by submitting a request form that is available on the HRS website.

For more information

See the ASRP section of the HR website:

www.hrs.ualberta.ca/Benefits/Pension/UAPP/ASRP.aspx

Contact Human Resource Services:

Email: benefits@ualberta.ca

Telephone: 780-492-4555