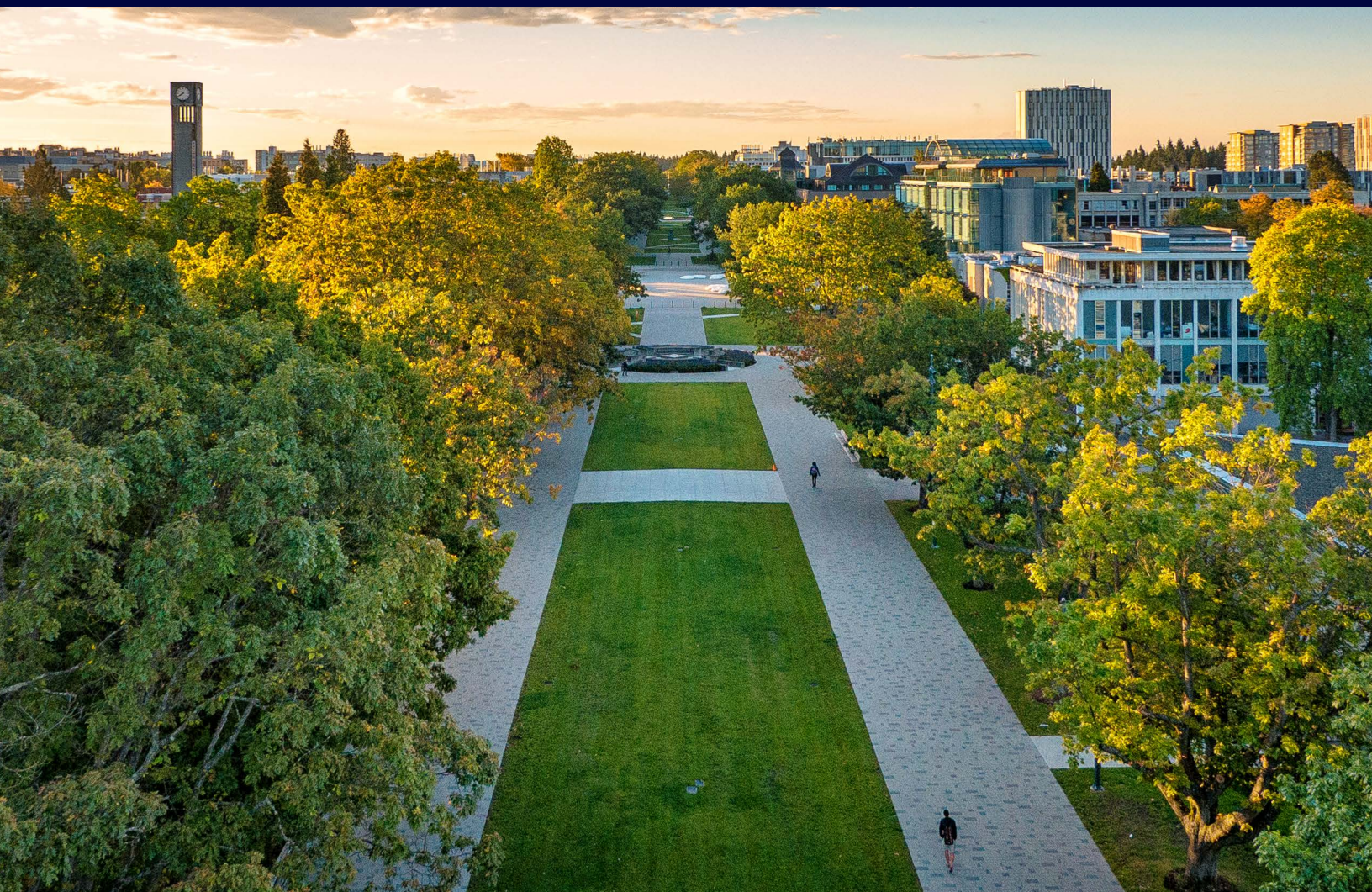




THE UNIVERSITY OF BRITISH COLUMBIA

# WELCOME TO THE UBC FACULTY PENSION PLAN

## **MY MONEY @ WORK** GUIDE



Life's brighter under the sun



# WELCOME TO THE UBC FACULTY PENSION PLAN

With your appointment at the University of British Columbia (UBC), you have become a member of the UBC Faculty Pension Plan (FPP). The Plan serves UBC faculty and administrative executive staff and is co-administered by the UBC Pension Administration Office and Sun Life.

UBC's retirement plans are among the most valued benefits offered by the University. They are designed to help you save and invest for your future. This **my money @ work** guide includes an overview of the features and benefits of the FPP, a summary of the investment options available under the Plan, and information on how to get started.

The Board of Trustees of the FPP is committed to supporting you with your retirement savings through your employment and beyond.

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*Group retirement services are provided by Sun Life Assurance Company of Canada, a member of the Sun Life group of companies.*

## SECTION 1:

# THE UBC FACULTY PENSION PLAN FEATURES AND BENEFITS

	<p>The FPP is a Defined Contribution Pension Plan (DCPP). Also known as a money purchase plan, the contributions and accrued investment earnings are tax-deferred.</p> <p>The income you receive at retirement under a DCPP is not pre-determined and is based on the assets within your account at the time you retire.</p>
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<b>PLAN FEATURES</b>	<p>The table below provides a brief overview of the Plan's features. For more details, see the FPP website at <a href="http://faculty.pensions.ubc.ca">faculty.pensions.ubc.ca</a>.</p>
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FEATURE	FPP	
Type of plan	Defined Contribution Pension Plan	
Eligibility	<ul style="list-style-type: none"> <li>All academic and administrative executive personnel and staff high earners who are appointed for one year or more, and whose appointment is 50% or more of the full time equivalent (FTE) may be eligible to join the pension plan effective the date of their appointment.</li> <li>Sessional lecturers appointed for four months or more who meet the 50% appointment requirements are also eligible for Plan membership.</li> <li>Post-Doctoral positions are not eligible.</li> </ul>	
UBC contributions <sup>1</sup>	Base contributions	<ul style="list-style-type: none"> <li>10% of your basic salary up to Canada Pension Plan's Year's Basic Exemption (YBE), plus</li> <li>8.2% of your basic salary between the YBE and Canada Pension Plan's Yearly Maximum Pensionable Earnings (YMPE), plus</li> <li>10% of your salary above the YMPE.</li> </ul>

<sup>1</sup> UBC's contributions to the Plan are reported as a non-taxable benefit to you.

FEATURE	FPP	
Type of plan	Defined Contribution Pension Plan	
Your contributions	Base contributions	Your contributions are deducted each pay period as follows: <ul style="list-style-type: none"> <li>• 5% of your basic salary up to Canada Pension Plan's Year's Basic Exemption (YBE), plus</li> <li>• 3.2% of your basic salary between the YBE and Canada Pension Plan's Yearly Maximum Pensionable Earnings (YMPE), plus</li> <li>• 5% of your salary above the YMPE.</li> </ul>
	Voluntary Contributions	You may also make contributions above the required contributions to the FPP. UBC does not match these contributions. For more information about Voluntary Contributions, please refer to the FPP website and select <b>For Plan Members &gt; Voluntary Contributions</b> (under <b>Quick Links</b> ), or contact the UBC Pension Administration Office.
Is there a limit to contributions?	Canada Revenue Agency (CRA) sets annual contribution limits for DCPs. These contribution limits include both employee and employer contributions, where applicable. Contribution limits change annually. The total pension contributions made by you and UBC in any one year cannot exceed the contribution limit. Once the annual contribution limit has been reached, UBC's contributions in excess of the limit will automatically be directed to a Non-Registered Supplemental Arrangement.	
Tax implications	Are contributions subject to tax at source?	No
	Are investment income and capital gains subject to tax while in the Plan?	No
	Is there withholding tax on withdrawals?	Yes
Transfers in	Transfers of Canadian registered plans to the FPP are permitted. For more information, please visit the FPP website and select <b>For Plan Members &gt; Transfers-In from other Registered Plans</b> (under <b>Quick Links</b> ) or contact the UBC Pension Administration Office.	
Locking in	Contributions (other than voluntary contributions) become locked-in immediately (in other words, they are not available as cash; they must be used to provide a retirement income stream for your lifetime).	
Vesting <sup>2</sup>	Fully vested upon enrolment.	

<sup>2</sup> Vesting means that a member is entitled to a benefit from the FPP. Members are fully vested upon enrolment. The full account balance is accessible on termination, retirement or death.

## PLAN BENEFITS

### Low management fees

The FPP Trustees have negotiated fees that are typically lower than what you would pay if you invested in these funds at a Canadian retail financial institution or investment dealer. For instance, a retail institution may charge fees in the range of 2 to 3%, whereas the funds available in the FPP have much lower fees — see page 9 of this brochure for details. Fees have a significant impact on the value of your investments over time. Lower fees mean that more of your money stays invested and continues to grow.

### Short-term trading policy

Please note that a 2% fee may be charged when you initiate an interfund transfer into a fund followed by an interfund transfer out of the same fund within 30 days. This is known as short-term trading. Other than the short-term trading fees, there are no fees for buying, selling or switching funds. *Note: this fee does not apply to guaranteed investments or the UBC FPP Short Term Investment Fund.*

The FPP is an integral part of saving for your retirement.

- **Employer contributions.** UBC contributes toward your future retirement income. The contribution formula is in the table on pages 3 and 4.
- **Investment flexibility.** You have the option of building your own portfolio from a selection of investment funds and guaranteed investments offered through the FPP.
- **Tax advantages.** Reduced tax deduction at source — you receive immediate tax savings when you contribute to the Plan. Your pension contributions are deducted from your gross income, which reduces your taxable income. Also, investment earnings earned in the Plan accumulate on a tax-deferred basis.
- **Consolidation options to simplify your investing.** Consolidating your registered plans can help you save time and money. You will reduce the number of accounts to monitor and manage, and can potentially reduce the amount of fees charged. Refer to the **Transfers-In from other Registered Plans** page on the FPP website for details on transfer eligibility and instructions. Select **For Plan Members > Transfers-In from other Registered Plans** (under **Quick Links**).
- **Voluntary Contributions.** You may make contributions above the required contributions. Although they do not attract employer contributions, there are many benefits to making them if you have the contribution room available. Refer to the **Voluntary Contributions** page on the FPP website for additional details. Select **For Plan Members > Voluntary Contributions** (under **Quick Links**). The online **Contribution Estimator** (see Section 5 for details) can help you determine if you have contribution room available.
- **Easy access to your pension account.** Your pension and group health and dental information are available to you on one convenient website at [mysunlife.ca/ubcfpp](https://mysunlife.ca/ubcfpp), using a **single access ID and password** and a **single phone number: 1-844-822-3131 (1-844-UBC-3131)**.
- **Daily fund valuation.** With daily fund valuation, you can view the current market value of your investments as at the previous business day, at any given time.
- **Financial tools and calculators.** A range of online financial and retirement planning tools are available at [mysunlife.ca/ubcfpp](https://mysunlife.ca/ubcfpp), to assist you with your personal finances.
- **Flexible retirement income options.** Retirement income options are offered within the Plan such as Variable Payment Life Annuities and Registered Retirement Income Fund (RRIF) and Life Income Fund (LIF)-Type Payments. You can use all or part of your account balance for any combination of the options. This way, the Plan provides you with a flexible way to structure your retirement income and tailor it to your needs. You also have the option to transfer your assets out of the Plan at retirement. Visit [faculty.pensions.ubc.ca](https://faculty.pensions.ubc.ca) and select **Life Events > Retiring** for more information on the Plan's retirement options.

## SECTION 2:

# YOUR RESPONSIBILITIES

Upon retirement, each member is responsible for making decisions about how to turn their retirement savings into a pension income. Before retirement, it is the responsibility of the member to make decisions on the investments that are most appropriate to meet their personal goals.

As a member, you are responsible for:

- Making investment decisions and understanding how they will affect your account balance (see Section 3).
- Being informed about the FPP, using the information, documents and tools available. It is your right and responsibility to be informed about the Plan, its features, services and benefits. It is important to review all communications you receive about the Plan, including:
  - UBC Faculty Pension Plan Guide, available on the FPP website. Select **Forms & Resources > Plan Guides & Information Sheets**.
  - Your quarterly account statements from Sun Life; these are available online. You may elect (through your online account) to receive paper statements.



## SECTION 3:

# TAKE ACTION

Once enrolled in the Plan, you are required to complete the following three steps to finalize the enrolment process:

1. Register for online access.
2. Select your investments.
3. Designate a beneficiary.

### STEP 1: REGISTER ON MYSUNLIFE.CA/UBCFPP

You may have already registered for access to [mySunLife.ca](https://mysunlife.ca) through the UBC group health and dental benefits plan. The pension and benefits plans are both with Sun Life, so if you have an access ID and password for the group health and dental benefits plan you do not need to register again. You can use the same access ID and password to manage both the FPP and the group health and dental benefits plan.

#### *How to...*

If you have not already registered on [mysunlife.ca/ubcfpp](https://mysunlife.ca/ubcfpp), use your UBC email to do so.

- Go to [mysunlife.ca/ubcfpp](https://mysunlife.ca/ubcfpp).
- Click on **Register** in the box at the right-hand side of the screen.
- Enter the required information and follow the prompts to complete your registration.

Sun Life's Client Care Centre is available any business day from 5 a.m. to 5 p.m. P.T. If you need help with registering for an access ID, give us a call at 1-844-822-3131 (1-844-UBC-3131). If you need help registering for an access ID and are outside of North America, get in touch with us by making a collect call at (country code) 514-866-2562.

## STEP 2: REVIEW YOUR INVESTMENT CHOICES

The Plan's seven investment options offer you a variety of asset classes (see chart below), enabling you to create your own portfolio from a list of specially constructed funds. You may actively choose and monitor your investments or select the **UBC FPP Balanced Fund**, which offers you a well-diversified portfolio of stocks, bonds and real estate.

You can choose from the investment options shown in the table below.

Asset class	Fund name*
Balanced	UBC FPP Balanced Fund**
Bond (Fixed income)	UBC FPP Bond Fund
Canadian equity	UBC FPP Canadian Equity Fund
Foreign equity	UBC FPP Foreign Equity Fund
Equity and Bond	UBC FPP Fossil Fuel Free Equity and Bond Fund
Money market	UBC FPP Short Term Investment Fund
Guaranteed funds***	SLA 1 Yr Guaranteed Fund SLA 2 Yr Guaranteed Fund SLA 3 Yr Guaranteed Fund SLA 4 Yr Guaranteed Fund SLA 5 Yr Guaranteed Fund

\* All market-based funds listed above are offered as segregated funds.

- Segregated funds are not part of insurance company's general funds. This provides protection from insurance company creditors.
- Segregated funds are subject to prudential investment regime applicable to insurance companies.

\*\* The UBC FPP Balanced Fund is the default option for those members who do not make an investment selection. Part of this investment option is not held in a segregated fund, but is held in trust.

\*\*\* Sun Life Trust (SLFT) Guaranteed Investment Certificates (1, 2, 3, 4 and 5-year) are also available for members who reach the Assuris limit for Guaranteed Fund investments.

### How to...

You can find information on each investment fund's objective, risk/return, suitability and assets on the FPP website at [faculty.pensions.ubc.ca](http://faculty.pensions.ubc.ca). Select **Investments > Investment Options**, then click on each fund for a one-page overview. Additional features on the FPP website include:

- The Investment Options Matrix-a one-page comparison tool of the investment options
- Investment education

You can learn more about the investment options available to you through **Morningstar®**, a leading provider of investment news and analysis. You can access **Morningstar®** on [mysunlife.ca/ubcfpp](http://mysunlife.ca/ubcfpp). Select **Investment performance** from the menu on the right-hand side of the **Home** page, then click on each fund.

You can find fund fees on [mysunlife.ca/ubcfpp](http://mysunlife.ca/ubcfpp). Select **my financial centre > Accounts > Account fees**.



### A note about fees

Fund management fees include, but are not limited to, fund operating expenses and investment management fees plus applicable sales tax, and the UBC FPP administration/operating fee. The UBC FPP administration/operating fee covers administrative and consulting costs, and is reviewed on a calendar basis. You can find your fees on [mysunlife.ca/ubcfpp](https://mysunlife.ca/ubcfpp). Select **my financial centre > Accounts > Account fees**.

The FPP Trustees introduced the **UBC FPP Balanced Fund** to provide an option for members who do not want to make their own asset allocation decisions and are seeking satisfactory long-term growth with moderate volatility through diversification across different asset classes. You should consider whether this fund is appropriate for you based on your risk profile.

**UBC FPP Balanced Fund** invests in a mix of stocks (Canadian and Foreign), bonds and real estate in order to balance risk with the potential for higher returns. Balanced funds tend to be more risky than bond funds but less risky than equity funds.

As you are able to choose more than one investment option, you can also build your own portfolio using the other investment options available in the Plan:

**UBC FPP Bond Fund** is designed to earn a long-term average rate of return that is higher than the FTSE TMX Canada Bond Universe Index, by holding a well-diversified portfolio of both Canadian and Foreign fixed income securities of various maturities, issued by governments and corporations.

**UBC FPP Canadian Equity Fund** is designed to earn an above-average, long-term rate of return by investing in a diversified portfolio of Canadian equities. When you buy a stock, you are buying an equity ownership share in a company. Equities tend to be more volatile than other types of investment funds, but have historically provided the best returns.

**UBC FPP Foreign Equity Fund** is designed to earn an above-average, long-term rate of return by investing primarily in a diversified portfolio of U.S. and global equities.

**UBC FPP Fossil Fuel Free Equity and Bond Fund** is designed to earn an acceptable long-term average rate of return commensurate with a moderate level of risk by investing in a portfolio of stocks (Canadian and Foreign) and bonds, which excludes investments in fossil fuel companies.

**UBC FPP Short Term Investment Fund** is designed to preserve capital while generating a modest rate of return.

**Guaranteed investments** offer a guaranteed rate of return for a fixed period of time. The FPP offers Guaranteed Funds and Guaranteed Investment Certificates with 1-, 2-, 3-, 4- and 5-year terms.

You can also use the **UBC FPP Balanced Fund** in combination with these options, to increase or decrease the level of risk associated with your portfolio or to incorporate real estate in your portfolio.



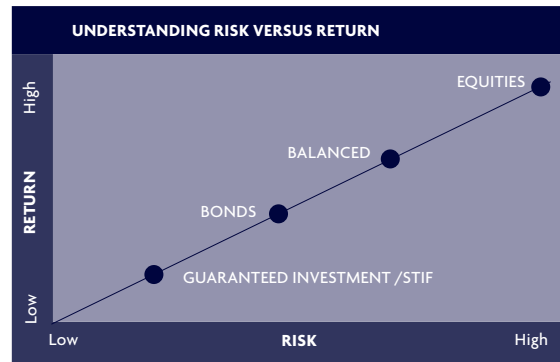
### STEP 3: SELECT YOUR INVESTMENTS

The online Asset Allocation tool at [mysunlife.ca/ubcfpp](https://mysunlife.ca/ubcfpp) can help you determine the right mix of investments. Sign in and select **my money tools** from the menu on the right-hand side of the **Home** page.

The **UBC FPP Balanced Fund** is the default investment option and may not be suitable for your personal financial situation. As you are responsible for making the investment decisions and understanding how these decisions will affect your account balance and ultimately impact your retirement, it is important to review the concept of **risk**.

Generally, the higher the potential return, the higher the risk. There is also no guarantee that you will get a higher return by accepting more risk. Higher risk only increases the potential for higher returns.

This chart illustrates the relationship between risk and return.



You should review your investments periodically to ensure your portfolio is aligned with your tolerance to risk, as both can change over time.

**Diversification** is one of the key strategies of successful investing. It is the financial equivalent of not putting all your eggs in one basket and is designed to reduce your exposure to investment risk by spreading your investments over a variety of asset classes.

Not all investments move up and down in value at the same time or at the same rate.

Therefore, diversification reduces the overall risk of your asset allocation because the positive performance of some investments offsets the negative performance of others.

#### *How to...*

To choose your investments, visit [mysunlife.ca/ubcfpp](https://mysunlife.ca/ubcfpp). Sign in and select **my financial centre > Requests > Change investments**. You may change your existing funds to new funds and/or change your future contribution direction.

Alternatively, you can make changes to your investments through Sun Life's Client Care Centre at 1-844-822-3131 (1-844-UBC-3131).

## STEP 4: DESIGNATE A BENEFICIARY

### Choosing a beneficiary

See the full rules for designating a beneficiary on the FPP website. Select **Life Events > Designating your beneficiary**.

Your beneficiary is the person(s) or organization(s) that you choose to receive your pension benefits after your death. If you have a spouse, you must name your spouse as your primary beneficiary under BC Pension Legislation. Should your spouse wish to waive their right to the death benefits they must complete a Spouse's Waiver of Beneficiary Right to Benefits in a Pension Plan, Locked-In Retirement Account, Life Income Fund or Annuity Before Payments Start form.

If you do not have a spouse, a beneficiary may be an individual or individuals, an institution, a trustee, or your estate.

If you do not designate a beneficiary, the default beneficiary will be your estate. The Beneficiary Designation form is available online.

### *How to...*

Go to [faculty.pensions.ubc.ca](http://faculty.pensions.ubc.ca) and select **Forms and Resources > Forms**. Under **General**, choose the **Beneficiary designation and authorization** form (for new Faculty Pension Plan enrolments only). If you want to change your beneficiary in future, you should use the **Change of Records Form**.

Follow the instructions on the form to submit. See beneficiary designation information on the FPP website. Select **Life Events > Designating your beneficiary**.

## SECTION 4:

# MANAGE YOUR ACCOUNT

Your risk tolerance, personal situation and plans for retirement will change over time. Therefore, it is important that you make time to regularly review your account and make adjustments as needed.

## MONITOR YOUR INVESTMENTS

You should monitor your investments on an annual basis. It is your responsibility to:

- Understand the Plan.
- Understand the investment options available in the Plan.
- Understand your individual risk profile.
- Choose your investments and rebalance, if needed. Rebalancing is the process of bringing your investment mix (that has changed over time) back to your original or desired personal mix.
- Keep your personal information up-to-date with UBC, and your beneficiary information up-to-date with Sun Life.
- Seek independent financial advice from a qualified professional.



### Access your statements

Sign in to [mysunlife.ca/ubcfpp](https://mysunlife.ca/ubcfpp), then select **Statements** from the menu on the right-hand side of the **Home** page.



### Use the tools and calculators

Tools and calculators are available at [mysunlife.ca/ubcfpp](https://mysunlife.ca/ubcfpp). Sign in and select **my money tools** from the menu on the right-hand side of the **Home** page. Select the specific calculator that you wish to use and follow the prompts.

To access the **Contribution Estimator** select **my financial centre > Requests > Contribute**.

## MAKING CHANGES TO YOUR INVESTMENTS

### INTERFUND TRANSFERS: SHORT-TERM TRADING FEE

You may wish to make changes to your investment selections over time. To do this, visit [mysunlife.ca/ubcfpp](https://mysunlife.ca/ubcfpp). Sign in and select **my financial centre > Requests > Change investments**. You may change your existing funds to new funds and/or change your future contribution direction.

Alternatively, you can make changes to your investments through Sun Life's Client Care Centre at 1-844-822-3131 (1-844-UBC-3131).

Please note that a 2% fee may be charged when you initiate an interfund transfer into a fund followed by an interfund transfer out of the same fund within 30 days. This is known as short-term trading. Other than the short-term trading fees, there are no fees for buying, selling or switching funds. Note: this fee does not apply to guaranteed investments or the UBC FPP Short Term Investment Fund.



## SECTION 5:

### NAVIGATING

# MYSUNLIFE.CA/UBCFPP



The following are some of the key things that you can do when you log into your account at [mysunlife.ca/ubcfpp](https://mysunlife.ca/ubcfpp):

#### **Learn more about your investments through Morningstar®**

Select **Investment performance** from the menu on the right-hand side of the **Home** page. Click on each fund name to see information about the fund from Morningstar®.



#### **Change your investment selections**

Select **Requests > Change investments** and follow the prompts.



#### **Use the tools and calculators, including the Retirement Income Estimator, Contribution Estimator and Asset Allocation tool**

Tools and estimators for different scenarios are available at [mysunlife.ca/ubcfpp](https://mysunlife.ca/ubcfpp). Sign in and select **my money tools** from the menu on the right-hand side of the **Home** page. Then select the specific tool or estimator that you wish to use and follow the prompts.

To access the **Contribution Estimator** select **my financial centre > Requests > Contribute**.



#### **Access your statements**

Select **Statements** from the menu on the right-hand side of the **Home** page.



#### **See your Personal Rates of Return**

Select **my financial centre > Accounts > Personal rates of return**.



#### **Access fee information**

Select **my financial centre > Accounts > Account fees**.

## SECTION 6:

# MEMBER SERVICES

## UBC PENSION ADMINISTRATION OFFICE

### Changing your address

Address changes for active plan members are made online through UBC, at [myworkday.ubc.ca](http://myworkday.ubc.ca).

## SUN LIFE

Contact Sun Life directly or go online to [mysunlife.ca/ubcfpp](http://mysunlife.ca/ubcfpp) for items such as:

- Assistance registering or navigating [mysunlife.ca/ubcfpp](http://mysunlife.ca/ubcfpp), as well as password resets
- Account balances, Personal Rates of Return, and statements
- Investment changes
- Guaranteed investment maturity instructions
- Tax slips
- Forms
- Beneficiary changes
- Lump sum withdrawals
- Transfers out to external registered plans
- Address changes for deferred plan members

The Member Services team at the UBC Pension Administration Office is available to assist you with any questions you may have regarding the UBC Faculty Pension Plan and your retirement benefits and options. We offer various seminars including seminars for new members and for members approaching retirement. We would also be pleased to meet with you one-on-one.



UBC PENSION ADMINISTRATION OFFICE:  
**604-822-8100**



**[fpp@hr.ubc.ca](mailto:fpp@hr.ubc.ca)**



UBC FACULTY PENSION PLAN WEBSITE:  
**[faculty.pensions.ubc.ca](http://faculty.pensions.ubc.ca)**

You have 24/7 access to the FPP plan design features, investment information and more through **[faculty.pensions.ubc.ca](http://faculty.pensions.ubc.ca)**.

Sun Life is available to help you with account balances and records management. Contact Sun Life directly or go online to [mysunlife.ca/ubcfpp](http://mysunlife.ca/ubcfpp) for items listed on the left hand side of the page.

The lines of communication are always open. You can choose the way you want to access information, make transactions and communicate with Sun Life – online or by telephone.



SUN LIFE'S Client Care Centre:  
**1-844-822-3131 (1-844-UBC-3131)**

Client Care Centre Representatives are available any business day from 5 a.m. to 5 p.m. PT.

You can also transfer to the UBC Pension Administration Office from Sun Life by selecting Option 5.



CUSTOM SIGN-IN TO FPP INFORMATION:  
**[mysunlife.ca/ubcfpp](http://mysunlife.ca/ubcfpp)**

You have 24/7 access to the tools, services and information you need through [mysunlife.ca/ubcfpp](http://mysunlife.ca/ubcfpp).

# PRIVACY

## PRIVACY AND THE FPP

Within the Sun Life group of companies, protecting your privacy is a priority.

Access to your personal information is restricted to those employees and representatives, including employees of UBC, who are responsible for the administration and servicing of your contract(s) with us, or any other person whom you authorize. You are entitled to review the information contained in our file and, if applicable, to have it corrected by sending a written request to us.

## DISCLAIMER

This material is intended as a general guideline for information purposes, and is current as of the date indicated on the back cover. Market conditions and other factors change over time, and this will affect either positively or negatively one or more asset classes.

All benefits will be paid in accordance with the provisions of the official Plan documents. The UBC Faculty Pension Plan Board of Trustees reserves the right to amend the Plan at any time.

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