

# CMHC Group Registered Retirement Savings Plan and Group Tax-Free Savings Account Overview



## CMHC Retirement Savings Program

CMHC is committed to helping you prepare financially for retirement. As part of this commitment, we provide you with a competitive retirement savings program to help you plan for your future and reach your financial goals, now and when you retire.

The CMHC Retirement Savings Program is made up of three components:

- The CMHC Pension Plan,
- Group Registered Retirement Savings Plan (Group RRSP), and
- Group Tax-Free Savings Account (Group TFSA).

This document provides an overview of the Group RRSP and Group TFSA. Both plans are designed to help you accumulate additional savings for achieving your short-term and long-term financial goals.

Participation in the Group RRSP and Group TFSA is voluntary. All regular CMHC employees, and all contract employees with at least 24 months of continuous employment, can enroll in one or both of the plans at any time and start contributing.

Only you make contributions to the Group RRSP or Group TFSA. CMHC does not contribute. You choose how the money is invested among a range of investment funds. You are also responsible for the ongoing monitoring of your investments and adjusting your investment selections as needed based on your risk profile and savings goals. The amount of money you obtain from the plan(s) will depend on your total contributions, investment returns and losses, as well as fees.

### Key features

Key features	Group RRSP	Group TFSA
<b>Contributions</b>	<ul style="list-style-type: none"><li>• You can contribute through bi-weekly payroll deductions or lump-sum payments.</li><li>• If you choose to contribute through payroll deductions, you can change your contributions level at any time.</li></ul>	
<b>Contribution room</b>	<ul style="list-style-type: none"><li>• You can find your personal RRSP contribution room on the most recent Notice of Assessment you received from Canada Revenue Agency (CRA) when you filed your income tax return and considering any contributions you may have made since then.</li></ul>	<ul style="list-style-type: none"><li>• Your contribution room has been accumulating since 2009 for every year that you were at least age 18.</li><li>• You can confirm your current TFSA contribution room by contacting CRA.</li></ul>

Key features	Group RRSP	Group TFSA
<b>Transferring incentive awards</b>	<ul style="list-style-type: none"> <li>You can transfer all or a portion of your annual incentive award(s) to your Group RRSP or Group TFSA account.</li> <li>You are responsible for confirming that you have sufficient contribution room before requesting a transfer of your incentive award(s).</li> </ul>	
<b>Tax impact</b>	<ul style="list-style-type: none"> <li>Your contributions are tax-deductible and tax-sheltered.</li> <li>Your investment earnings are tax-sheltered.</li> <li>You pay income tax only when you withdraw your money from the Group RRSP.</li> </ul>	<ul style="list-style-type: none"> <li>Your contributions are not tax deductible, but they are tax-sheltered.</li> <li>Any investment earned on your account is tax-sheltered.</li> <li>You do not pay income tax when you withdraw your money from the Group TFSA.</li> </ul>
<b>Investments</b>	<ul style="list-style-type: none"> <li>You decide how your contributions are invested among a range of funds.</li> <li>You are responsible for monitoring your investments and adjusting your fund selections as needed, based on your financial objectives.</li> </ul>	
<b>If you leave CMHC before retirement</b>	<ul style="list-style-type: none"> <li>You can receive your account balance as a lump-sum payment (less applicable taxes for the Group RRSP).</li> <li>You can also transfer your account balance tax-free to a personal RRSP or TFSA.</li> <li>If no decision is made within 45 days of leaving CMHC, your account balance will be transferred to an individual account with the Group RRSP/Group TFSA service provider, until you make other arrangements.</li> </ul>	
<b>When you retire from CMHC</b>	<ul style="list-style-type: none"> <li>You can receive your account balance as a lump-sum payment (less applicable taxes for the Group RRSP).</li> <li>You can use your account balance to purchase a lifetime annuity.</li> <li>You can also transfer your account balance tax-free to a personal RRSP, TFSA or a Registered Retirement Income Fund (RRIF).</li> </ul>	
<b>Withdrawals</b>	<ul style="list-style-type: none"> <li>You can make cash withdrawals from your Group RRSP account or transfer funds to another RRSP at any time.</li> <li>Cash withdrawals from your Group RRSP account are subject to immediate tax withholding that varies according to the amount withdrawn.</li> <li>Since withdrawal amounts must be included in your taxable income, you may be required to pay additional tax through your annual income tax return.</li> <li>You can also make tax-deferred withdrawals to participate in the Home Buyers' Plan or the Lifelong Learning Plan through the CRA.</li> </ul>	<ul style="list-style-type: none"> <li>You can withdraw funds from your Group TFSA account at any time, for any purpose.</li> <li>Any amount withdrawn can be re-contributed to the Group TFSA in a subsequent year without affecting your available contribution room.</li> </ul>

To take full advantage of CMHC's retirement savings program, it is important that you take the time to review all the material provided to you. We strongly encourage you to consider obtaining qualified financial advice to help you in both determining your financial goals for retirement and in making your investment decisions.

*This overview document is intended as a summary of the retirement benefits under the CMHC Group RRSP and Group TFSA as part of the CMHC Retirement Savings Program. CMHC reserves the right to amend the Group RRSP and Group TFSA at any time. If there are any discrepancies between the information in this document and the official plan texts, the official plan texts will govern, subject to applicable legislation.*

