

Are you close to retirement age?

If you're joining the CAAT Pension Plan under DBplus and are already close to retirement, there's still good news. No matter how long you contribute to DBplus before you retire, you'll see value for your contribution dollars. On average, contributions to DBplus go twice as far in retirement compared to group RRSP or Defined Contribution plans.¹

All retirement income is good income

Your contributions to DBplus while you work mean that you are building a secure pension that will be paid to you in retirement. This pension, combined with the [Canada Pension Plan \(CPP\)](#), [Old Age Security \(OAS\)](#), and any existing savings, will help provide you with income in retirement.

There are some rules in pension legislation which can impact the benefit you get from the CAAT Pension Plan – see the 'small pension lump sum payments' section below for more information.

You can increase your pension with a purchase

Even though your pension is calculated using a fixed formula, there is a way to increase the amount of pension you receive by making a purchase.

You may be eligible to make a purchase and grow your CAAT pension if you were contributing to a registered pension plan with a previous employer, or even for periods during which you worked for your current employer before you enrolled in the CAAT Pension Plan.

[Learn more about pension purchases on CAAT's website.](#)

Thinking of working past 65?

If you're not ready to retire yet, you can continue working and contributing to your DBplus pension past age 65 without any interruption to your membership.

You can keep contributing until November 30 of the year you turn 71. After that, you will have to stop contributing to DBplus and start collecting your pension by December 1 of that year, even if you continue working. This is an [Income Tax Act](#) rule.

¹ HOOPP, « The Value of a Good Pension »

“Small pension” lump sum payments

When you retire, CAAT will calculate your pension based on the DBplus pension formula, which uses the contributions you and your employer made during your membership, and any purchases made prior to retirement. If you have a small pension at the time of payout, you will receive a one-time lump sum payment of the commuted value, instead of a monthly stream of lifetime payments.

This commuted value payment will be more than you contributed, because it is the present value of your earned pension, expressed in today's dollars.

A small pension is one that falls below certain defined thresholds in pension legislation. In Nova Scotia, a pension is considered a ‘small pension’ if:

- 1) The annual pension at the member’s normal retirement date is not more than 4% of the [Year’s Maximum Pensionable Earnings](#) (YMPE) in the year the active membership ends.

OR

- 2) The commuted value of the pension is less than 20% of the [YMPE](#) in the year that the active membership ends.

Questions? Reach out to CAAT’s Contact Centre

Contact the CAAT Pension Plan by phone at **1-866-350-2228** (toll-free) or by email at info@dbplus.ca. CAAT’s representatives will help you with your pension-related questions.