

# Canadian Ford Dealers & Affiliates Pension & Financial Wellness Program

## Let's compare different ways to save

	DC <sup>1</sup> Pension Plan	Group RRSP	Group TFSA
<b>Objective</b>	Save for retirement	Save for retirement and goals such as purchasing a house or going back to school <sup>2</sup>	Save for short- and long-term goals, including retirement
<b>Eligibility</b>	Your eligibility date is based on your dealer. See your administrator for more details.	Upon hire	Upon hire
<b>Participation</b>	Mandatory	Voluntary <sup>8</sup>	Voluntary <sup>8</sup>
<b>Maximum age</b>	71 years <sup>3</sup> . After you turn 71, your DC Pension Plan must be converted to an income payout product (RRIF, LIF or annuity)	71 years <sup>3</sup> . After you turn 71, your RRSP must be converted to an income payout product (RRIF, LIF or annuity)	No maximum
<b>How you can contribute</b>	<ul style="list-style-type: none"> <li>Payroll deductions (contributions and lump-sum payments)</li> <li>Lump-sum payment or direct deposit (online with Desjardins Insurance)</li> </ul>		
<b>Employer contribution</b>	<ul style="list-style-type: none"> <li>Yes (see your administrator for details)</li> </ul>	No	No
<b>Maximum contribution</b>	The lesser of 18% of your current year's earned income and the annual maximum set by CRA <sup>4</sup> + your RRSP contribution	The lesser of 18% of your previous year's earned income and the annual maximum set by CRA <sup>4</sup> - Your Pension Adjustment <sup>5</sup> + Unused contribution room <sup>6</sup>	Up to the annual amount set by CRA <sup>4</sup> + unused TFSA contribution room <sup>6</sup> + withdrawals from previous year <sup>7</sup>
<b>Freedom to choose investment options</b>	Yes		
<b>Fees</b>	1%		
<b>Withdrawals</b>	<ul style="list-style-type: none"> <li>Your required and employer contributions: <ul style="list-style-type: none"> <li>- Not allowed</li> </ul> </li> <li>Your voluntary contributions: <ul style="list-style-type: none"> <li>- Allowed</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Allowed</li> </ul>	<ul style="list-style-type: none"> <li>Allowed</li> </ul>
<b>Tax treatment of your contributions</b>	Deductible from taxable income	Deductible from taxable income	Not deductible from taxable income
<b>Tax treatment of investment income, dividends + withdrawals</b>	Not taxable until retirement or cash withdrawal	Not taxable until retirement or cash withdrawal	Not taxable

Simply put, the DC Pension Plan and the Group RRSP are tax-deferral tools that help you save for retirement, and the Group TFSA is a savings tool for everything else in your life including retirement.

And when the time comes to retire, the Canadian Ford Dealers and Affiliates Pension and Financial Wellness Program is still there for you with the Group RRIF/LIF. For more information about your retirement options, speak to a Desjardins Retirement Specialist at 1-877-585-3033.

<sup>1</sup> The Pension Plan for Employees of Canadian Ford Dealers and Affiliates ("the Ford Dealers Pension Plan") is a registered defined contribution pension plan.

<sup>2</sup> Possibility to withdraw funds early with the Home Buyer's Plan (HBP) or Lifelong Learning Plan (LLP)

<sup>3</sup> December 31 of the year in which you turn age 71.

<sup>4</sup> For up-to-date TFSA and RRSP contribution amounts, visit the CRA website at [www.cra-arc.gc.ca](http://www.cra-arc.gc.ca).

<sup>5</sup> Your DC and RRSP contribution room are indicated on your Notice of Assessment from CRA, and your TFSA contribution room – on your TFSA contribution statement that you can obtain from CRA.

<sup>6</sup> If applicable.

<sup>7</sup> The details of your TFSA withdrawals are on the TFSA transaction summary that you can obtain from CRA (this summary also includes contribution details).

NOTE: You're responsible for monitoring your contribution limits.

<sup>8</sup> You may join the RSP/TFSA at any time upon hire. Your participation to the DC plan will be mandatory once you reach your eligibility date as determined by your dealer.