



UBC FACULTY PENSION PLAN VARIABLE PAYMENT LIFE ANNUITY

This fact sheet is an overview of the Variable Payment Life Annuity (VPLA) options. For further information, visit faculty.pensions.ubc.ca and select **Life Events > Retiring**.

An annuity provides you with a retirement income for your lifetime and, where applicable, the lifetime of your spouse.

If you have a spouse, pension legislation requires that you provide him/her with at least a 60% continuation of your annuity in the event of your death, unless he/she waives this right. The waiver must be in the form and manner required by pension legislation and must be filed with the plan administrator before any payments are scheduled to begin.

The Variable Payment Life Annuity offers two choices: a “4% annuity” and a “7% annuity”. Each is adjusted annually, based on the UBC FPP Balanced Fund’s earnings and the mortality experience of the VPLA retirees in the prior year.

For example, if you choose the 7% annuity, and in a particular year the fund earns more than 7%, your pension will be increased by the excess amount - or reduced by the deficiency if the Balanced Fund earns less than 7%. The 4% annuity works the same way, except the initial amount of pension is smaller and it will increase (decrease) by any investment earnings above (below) 4%.

Please consult the Variable Payment Life Annuity Explained article at faculty.pensions.ubc.ca for a detailed description of the VPLA. Additional information on the retirement and annuity options is also available on the website.

Annuity Option	No Guarantee	5 year, 10 year or 15 year Guarantee
Single Life	Payments cease upon your death.	Upon your death, if the guarantee period has not been exhausted, payments continue to your appointed beneficiary until the guarantee period expires.
J&S 60%	Upon your death, your spouse receives 60% of your benefit for his/her lifetime. Payments cease upon death of the last survivor.	Upon your death, your spouse receives 60% of your benefit for his/her lifetime. On the death of the last survivor, if the guarantee period has not been exhausted, payments continue at the 60% level to your appointed beneficiary until the guarantee period expires.
J&S 100%	Upon your death, your spouse receives 100% of your benefit for his/her lifetime. Payments cease upon death of the last survivor.	Upon your death, your spouse receives 100% of your benefit for his/her lifetime. On the death of the last survivor, if the guarantee period has not been exhausted, payments continue to your appointed beneficiary until the guarantee period expires.