

CONVERTING REGISTERED PENSION PLAN TO LIRA



SHAH FINANCIAL
PLANNING INC.

REGISTERED PENSION PLAN (RPP) ➡ LOCKED IN RETIREMENT ACCOUNT

Registered Pension Plans (RPP) are plans set up by employers and unions to provide pension benefits to their employees and union members for retirement.

Locked In Retirement Accounts are plans that are converted from Registered Pension Plans to allow for earlier withdrawals and greater investment options.

RPP TYPE 1: DEFINED BENEFIT PENSION PLAN (DBPP)

This particular type of plan is where the amount received in retirement is guaranteed. The value of money received is pre determined and provides security.

RPP TYPE 2: DEFINED CONTRIBUTION PENSION PLAN (DCPP)

This particular type of plan is where the amount contributed before retirement is guaranteed, with the values of the investment is determined. The benefits received in retirement are unknown. In this type of plan, most cases demonstrate that converting into your own locked-in plan is more beneficial.

LIRA PROVIDES FLEXIBILITY

When transferring your Registered Pension Plan to an individual locked-in plan you are no longer restricted in your investment options. You can select eligible investments based on your personal financial objectives and risk tolerance. The added flexibility is of value. You also benefit from the services of a personal financial advisor.

- **ADDITIONAL TAX DEFERRAL**
- **COMPOUNDED GROWTH**
- **INVESTMENT OPPORTUNITIES**

ACCESS AT AGE 55
Locked In Retirement Account

ACCESS AT AGE 65
Registered Pension Plan.

We encourage you to schedule an appointment with your Financial Advisor at least annually to review your portfolio. Your participation is required in order for your advisor to assist you with your financial goals and objectives. If you require further information/assistance, please do not hesitate to contact your financial advisor at Shah Financial Planning Inc. • ShahFinancial.ca

Head Office:

10 Great Gulf Drive, Suite 208 Vaughan, Ontario, L4K 0K7 • Keele St. & 407
Telephone: 1-905-669-5000 • Fax: 1-905-669-6900 • Email: Info@ShahFinancial.ca