

## Annuity Program

The Saskatchewan Workers' Compensation Board (WCB) established the annuity program to help supplement retirement income for customers receiving long-term wage-loss benefits.

### How does the annuity program work?

The WCB sets aside funds on your behalf until you turn 65. During this time, the funds earn interest, based on the return of the WCB's investments. At age 65, you must use these funds to purchase a life annuity.

### What is a life annuity?

A life annuity is a financial product that provides you with a monthly payment for the rest of your life. The amount of this monthly payment is based on the amount invested and the interest rates at the time the annuity is purchased.

### Who qualifies for the annuity program?

Customers who receive wage-loss benefits for more than 24 consecutive months qualify for the program.

### What does it cost?

There is no cost to you; your wage-loss benefits are not affected. The contributions the WCB makes to the annuity program are in addition to your wage-loss benefits. These contributions are equal to 10% of your wage-loss benefits.

### What happens if I die before age 65?

The amount set aside on your behalf is paid to your estate; therefore a beneficiary is not needed.

### Can I access these funds before age 65?

No, the legislation requires that the annuity funds cannot be accessed until age 65.

### What if the amount the WCB is holding for me is not large when I reach age 65?

At age 65, if all the funds held on your behalf are less than a specific amount annually set by policy, you will have the option of taking a lump sum payment instead of purchasing an annuity. This option is not available before age 65.

### Where do I buy an annuity at age 65?

You can buy an annuity from a life insurance company, trust company, or other eligible financial institution of your choice. We will send you more information about the annuity purchase requirements before your 65<sup>th</sup> birthday.

### Will my annuity payments be taxable?

The funds you accumulate to age 65 are tax-free. After age 65, only the interest earned on your purchased annuity will be taxable.



**What if I owe for an overpayment?**

If you owe the WCB for an overpayment when your annuity funds become payable, we will deduct any remaining overpayment that you still owe.

**Will I receive a statement?**

You will receive an annual statement showing both the principal and the interest that has accumulated. To make sure you continue to receive your statements and information about the annuity program, please notify the WCB if you change your address or go to [www.expressaddress.com](http://www.expressaddress.com).

For more information about the program or to change personal information, please contact our Financial Services Department:

- Phone: 306.787.4370 or toll free 1.800.667.7590
- Fax: 306.787.4234, or
- Email: [askwcb@wcbask.com](mailto:askwcb@wcbask.com)