

## Group RRSPs: Are you Providing your Employees with the Opportunity to Save for Retirement?

### What is a Group RRSP?

A Group RRSP is a voluntary savings plan that is set up through an employer to help employees with saving and investing for retirement. Just like a regular individual RRSP, the money in a Group RRSP is tax deferred and is intended for retirement.

With a Group RRSP, the company chooses a set of investment options, but the employee decides which investment funds they want based on their tolerance for risk, or their investment goals. For example, a younger employee may have very different investment choices than an employee who is closer to retirement. We ensure everyone understands all the different options.

The money that is deposited to a group RRSP is deducted directly from the employee's paycheck (pre-tax). The employee, the employer, or both can contribute to a Group RRSP. Any money that is deposited to a Group RRSP is immediately owned by the employee, not the employer. The money is considered "not-locked-in" meaning the employee can withdraw it at any time or transfer it to another investment. Employees do not have to participate in the plan; it is completely voluntary and they have a choice of investment funds from a pre-set range of options.

### How do we set up a Group RRSP?

If you decide to implement a Group RRSP, the process is very simple. Immix Group will help you and your plan administrators with the following:

- Determining the best investment carrier for your company, and the appropriate menu of investment funds
- Completion of the employer application with the investment company
- Completion of the employee applications, including risk tolerance questionnaires
- Assistance for employees in determining the appropriate investment choices for them
- Conducting an employee meeting, along with representatives from the investment company to explain the plan and answer questions

Going forward, your company will only be responsible for sending in enrollments for new employees, notifying the investment carrier of terminations, and submitting the contribution on behalf of the employees. Additionally, Immix Group will provide ongoing support to your employees in regard to their investment decisions and plan options.

Group RRSPs are a great way to attract and retain key employees. They are simple to set up and administer. Please call us at 604-688-5559 for more information on how we can help your company to implement a Group RRSP.

E. & O. E.