

Pros & Cons Summary
Pension versus Transfer Option

Item	Pension	Transfer Option
Control	No. Money is spent on an annuity. You have no access to the pooled pension.	Yes. You have control of your lifetime contributions. You have access.
Emergency Money	No	Yes. You may access 50% or more.
Inflation Protection	Varies	Flexible. Your choice.
Longevity & Sequential Risk	DB plan: if in shortfall situation, may face wind-up or reduction in pension or benefits. DC/Hybrid plan: may face problems if returns are poor.	Possible, if you invest poorly.
Income	Fixed	Flexible. Your choice (within min/max).
Taxation	No choice to defer. May lose all or part of OAS. May use pension income splitting.	May defer to age 72. May retain OAS, receive GIS, minimize tax. May use pension income splitting.
Survivor Protection	Standard option is 60% to survivor.	100% to survivor.
Estate Value	\$0 after 5-7 years.	Receives after-tax cash balance of LIRA/LIF/RRIF.

All information is believed to be accurate at April 2015

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