

Canadian Retirement Preparation Guide for Edward Jones Associates

This guide is designed to give associates preparing for retirement information regarding Edward Jones' benefit plans and other issues or policies that affect retirees. It includes information on firm sponsored benefit plans, limited partner capital, trust services and associate services. It also contains basic information on retirement income and benefit sources outside Edward Jones. This guide is for informational purposes only. It is not intended, and should not be construed, as a specific recommendation or legal, tax or investment advice. Individuals should contact their own tax advisor or attorney to answer questions about their specific situation or needs before acting upon this information.

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This document provides a summary of changes to the Edward Jones Canada benefits program for 2025 and is not intended to provide detailed program information. For complete information, including official Plan Booklets, please visit the Investing in You website at edwardjonesbenefitscanada.com. In the case of any discrepancies between the information in this summary document and the applicable Plan Booklet, the Plan Booklet will prevail. Edward Jones Canada reserves the right to modify, amend or terminate program benefits at any time at its sole discretion.

Common Questions About CPP – Canada Pension Plan

1. How do I qualify for CPP retirement benefits?

To qualify you must be at least 60 years old and must have made at least one valid contribution to the CPP. To begin receiving a CPP retirement pension, you must apply as CPP retirement benefits are not automatic.

2. How much CPP retirement benefit will I receive?

CPP retirement benefits vary from one person to the next. The amount of your CPP retirement pension depends on several factors, including your earnings during your working years, the amount you contributed to CPP, how many years you contributed, and the age at which you start receiving your CPP retirement pension. Furthermore, CPP benefits are indexed annually – this means that the amount you receive will change each year.

For 2026, the maximum monthly amount you could receive if you start your pension at age 65 is \$1,507.65. However, very few people receive the maximum, and the average monthly CPP retirement pension (at age 65) in October 2025 was \$803.76.

3. Are CPP benefits taxable?

Yes, CPP disability, retirement, post-retirement, children's, and survivor's benefits are fully taxable as income with no preferential tax treatment. The CPP death benefit is also taxable in most cases.

4. When can I start to receive CPP retirement benefits?

The normal start date for receiving CPP retirement benefits is age 65. However, you can begin receiving CPP as early as age 60, or as late as age 70, or anywhere in between. If you start receiving your CPP retirement pension before age 65, your payments will be reduced by 0.6% each month (7.2% per year), up to a maximum reduction of 36% at age 60. On the other hand, if you postpone receiving CPP until after age 65, your payments will increase by 0.7% each month (8.4% per year), up to a maximum increase of 42% at age 70. The maximum monthly amount you can receive is reached when you turn 70. There is no advantage to wait until after age 70 to start receiving your pension. Further, there is no

requirement to stop working to receive a CPP retirement pension. Individuals can begin receiving CPP at any point from age 60 onwards, regardless of employment status.

5. When *should* I start to receive retirement benefits?

There are many factors to consider when deciding when to start receiving CPP retirement benefits.

Although much academic literature supports deferring to a late start date, this is a highly personalized decision. Some items to consider include:

- Your tax rate – CPP is fully taxable, so if you're already in a high tax bracket (for example, if you are still working or if you have received a severance or other retirement type package), it may be beneficial to defer.
- Your need for income – If you need CPP at age 60 in order to achieve your desired level of retirement income, you can begin to receive it right away.
- Your health – If you're healthy and expect to live a long life, it may make sense to start receiving your CPP retirement pension later. On the other hand, if you believe you have a shortened life expectancy, it may be more beneficial to start earlier.
- Your lifestyle – Remember, it's not just about the numbers. While the math may dictate one course of action, your lifestyle may dictate another as there's real value in having the money while you're still able to make good use of it.
- Your family – The CPP has a survivor benefit, but if you have no spouse or partner it may be more advantageous to start sooner rather than later.

You can work with your Edward Jones advisor to determine the optimal date for you.

6. How much do I pay into CPP?

Both employers and employees contribute to the CPP at a rate of 5.95% of the employee's pensionable earnings. The maximum pensionable earnings is \$74,600 in 2026. Note that CPP contributions are not levied on the first \$3,500 of income, which is known as the basic exemption amount. This translates to a maximum basic CPP contribution of \$4,230.45 in 2026. Those who are self-employed must contribute both the employer and employee portion, or 11.9% of pensionable earnings. For self-employed individuals, this results in a maximum contribution of \$8,460.90 in 2026.

Additional CPP contributions, generally known as CPP2, are required on earnings above the maximum pensionable earnings, up to a second earnings ceiling of \$85,000 (2026). The second-tier contribution

rate is 4% for both employer and employee, up to a maximum contribution of \$16 per person. Again, the self-employed contribution rate will be double at 8%, to a maximum contribution of \$832 (2026). No CPP contributions are levied on the portion of an individual's income above \$85,000 (2026).

7. When can I stop paying into CPP?

CPP contributions are mandatory for all employed and self-employed individuals aged 18 to 64 inclusive. At age 65, those who are working may choose to continue contributing to the CPP to receive a higher pension when they begin receiving, but contributions are no longer required.

If you elect to receive CPP retirement benefits and continue working, contributions to CPP are still mandatory between ages 60 to 64 inclusive via the CPP Post Retirement Benefit (PRB). Between ages 65 to 69 inclusive, contributions become optional. At age 70, contributions are no longer permitted.

8. What happens to my CPP retirement benefits when I die?

There are three types of CPP benefits that are relevant at death:

- **CPP Death Benefit**– CPP death benefit is a one-time payment made to your estate (or other eligible individual) upon death. To qualify, you must have made CPP contributions for at least three years or one-third of the calendar years in your contributory period for the base CPP. The CPP death benefit is a single lump-sum payment of \$2,500.
- **CPP Survivor's Pension**– CPP survivor's pension is a monthly payment paid to the legal spouse or common-law partner of a deceased CPP contributor. To qualify, the survivor must have been a legally married spouse or common law partner of a deceased CPP contributor. The rate amount payable to a surviving spouse or common law partner depends on the age of the survivor and how much the deceased contributor has paid in CPP contributions.
- **CPP Children's Benefit**– CPP children's benefits provide a regular monthly payment to the dependent child or children of a deceased CPP contributor. The deceased contributor must have made sufficient contributions to the CPP, and the child must be under age 18, or under age 25 and attending (full-time) a recognized school or university. The children's benefit is a monthly flat rate amount of \$307.81 (2026), adjusted annually.

9. Can I split my CPP retirement pension with my spouse or partner?

The CPP retirement pension is not eligible for pension income splitting but is eligible for pension sharing with a common law partner or spouse. You must be receiving (or at least eligible to receive) your pension and be living with your spouse or partner to share CPP retirement benefits. This is done via an assignment, and the portion of your CPP retirement pension that can be assigned (shared) is based on the amount of time you and your spouse or partner lived together during your CPP contributory period. You can apply for an assignment (sharing) of your CPP benefits with an online application through your My Service Canada Account or a paper application.

10. How do I apply?

You can apply to begin receiving CPP retirement benefits with either a paper or online application. To apply online you'll need a My Service Canada Account (MSCA). To apply by paper, you'll need to download the application from the Service Canada website. Service Canada indicates you should receive a notice of their decision by mail within 120 days. A best practice is therefore to apply in advance to ensure that you start to receive your pension by your preferred and chosen date.

Common Questions About Your Retirement

1. Is there any change to my provincial insurance coverage when I retire from Edward Jones?

No, retirement does not affect your provincial healthcare coverage (i.e. MSP in British Columbia, OHIP in Ontario, and MCP in Newfoundland and Labrador). However, there are other factors which may affect your provincial healthcare coverage, such as spending significant amounts of time outside of your province of residence or outside of Canada. The Government of Canada website provides specific information about your provincial healthcare coverage and links to provincial and territorial health care web resources.

2. How much money should I have saved for retirement?

Although various financial media and news articles sometimes produce estimates of required retirement savings amounts, this figure varies drastically from one person to the next. For some people, \$50,000 per year may be sufficient for a comfortable retirement. For others, \$50,000 per month may not be enough. In the meantime, Edward Jones has prepared some information summarizing average retirement savings by age, which may provide context. So, how do you calculate how much I need to retire? Some key factors to consider include the age at which you expect to retire, your lifestyle expenses, your entitlement to CPP and OAS benefits, your family dynamics and others you intend to support, and whether you have a employer pension plan. Your financial advisor can help assess your retirement savings and develop a personalized plan for you. And in the meantime, you can try crunching your numbers with our Edward Jones Retirement Calculator.

3. How much can I safely spend in retirement?

This is a very common question, as most retirees want to spend enough to live their desired lifestyle, but also want to ensure they don't deplete their savings too soon and run out of money in retirement. The answer depends on many factors such as your desired lifestyle and retirement income requirements, your life expectancy, and the types of investments in your portfolio. Rather than trying to determine an exact amount or percentage that can be withdrawn each year, many successful withdrawal strategies require adjustments over time as your goals, income needs, and market and economic conditions change over time. This is where your financial advisor can help develop a strategy for you and your specific situation. For more information, visit our article entitled 'How much should I take from my

investments?' and speak to your financial advisor.

4. What happens if I spend time in the U.S. or buy a property in the U.S.?

Many Canadians buy property in the U.S. for their retirement years, especially the warmer southern states. However, if you spend significant amounts of time in the U.S. or purchase U.S. real estate, you should be aware of a few important tax considerations. Furthermore, if you decide to rent your U.S. property while you're not using it, you may create additional tax implications. Cross-border tax issues can be complex, and you should seek advice and guidance from qualified cross-border tax and legal specialists. In the meantime, Edward Jones has also published an article about the Tax implications for Canadians owning property in the U.S.

5. Should I buy an annuity for my retirement income?

An annuity can provide you with a guaranteed, predictable, ongoing stream of payments for the rest of your life. This is particularly valuable to retirees who need to convert their nest eggs into a lifestyle-sustaining retirement income stream. Certain types of annuities can help insulate you against some key retirement risks such as running out of money in retirement (longevity risk) and the risk of increases in your cost of living in retirement (inflation risk). Of course, like all financial products, annuities have some potential drawbacks as well. Your financial advisor can help you explore the many different types of annuities available, and help you determine if an annuity is a good choice for you and your retirement.

6. What happens to my unused vacation and sick days?

Full-time Branch Support Team and Home Office Associates will be compensated for all accrued and unused vacation upon termination of employment or change to part-time status. Unused sick days or personal days are forfeited upon employment termination or change to part time status. Vacation pay for Financial Advisors is included with salary and commission earnings and there will be no further entitlement at separation of employment.

7. For FAs: what happens to my securities license?

All securities registration with CIRO will be suspended immediately upon your termination date. If you require a copy of the NRD Notice of Termination (Form 33-109F1) please send an e-mail to CALICENSE@edwardjones.com or call the Compliance Registration Department at 905-306-8796. It will be forwarded within 7 days of receipt of your request.

8. For LPs: What happens to my Limited Partnership?

Associates of Edward Jones that hold LP capital and retire in good standing with the firm may generally be permitted to retain their LP capital into retirement if they meet the Firm's eligibility requirements. Under current eligibility requirements, associates must meet a minimum age at retirement of 50 years and a minimum age plus years of service at retirement equal to 70. However, no associate is guaranteed an opportunity to retain his or her LP capital. The determination is evaluated on an individual basis and is at the discretion of the Managing Partner.

Retired associates are permitted to work outside Edward Jones but may not engage in employment that competes with or is detrimental to the business of the firm. For additional information please contact Partnership Accounting at 800-441-0100 ext. 193-1073 or JONESLP@edwardjones.com

Common Questions About OAS – Old Age Security

1. How do I qualify for an OAS pension?

OAS eligibility is based on your age and number of years you were a resident of Canada. It's worth noting that OAS eligibility is not related to your employment history, and you may qualify for an OAS pension even if you are still working. There are some differences in eligibility depending on if you are currently living in Canada or abroad. According to the Government of Canada's website:

- If you are living in Canada, you must:
 - be 65 years old or older
 - be a Canadian citizen or a legal resident at the time your OAS pension application is approved
 - have resided in Canada for at least 10 years since the age of 18
- If you are living outside Canada, you must:
 - be 65 years old or older
 - have been a Canadian citizen or a legal resident of Canada on the day before you left Canada
 - have resided in Canada for at least 20 years since the age of 18

In most cases, Service Canada will be able to automatically enroll you for the OAS pension. Service Canada will inform you if you have been automatically enrolled.

2. How much OAS pension will I receive?

OAS pension amounts vary from one person to the next, and the amount you receive depends on several factors such as the number of years you've been a resident of Canada, the age at which you start receiving your OAS pension, and net income from the previous year. Furthermore, OAS benefits are indexed quarterly – this means that the amount you receive will change several times throughout each year.

You can use the Government of Canada's online OAS benefit estimator to help determine your OAS pension benefit amount.

For the period January – March 2026, the maximum monthly amount you could receive for those age 65 – 74 is \$742.31, whereas the maximum OAS pension for those age 75 and over is \$816.54. Note that OAS benefits are income tested, and your benefit will be reduced (eventually to zero) if your income exceeds the OAS recovery tax threshold (covered in the following question).

Seniors aged 75 and older receive a 10% increase in their OAS pensions. Individuals who have not yet turned age 75 will see an increase in the OAS pension in the month following their 75th birthday.

3. What is the OAS Clawback?

OAS pension benefits are income tested via an OAS recovery tax, or clawback as it's often called. When your income reaches a certain level, you will begin losing a portion of your OAS benefit via the recovery tax – i.e., your OAS pension is clawed back. The first thing to note is that it isn't an all-or-nothing scenario. Rather, as your income increases above the threshold, your OAS benefit is gradually reduced. The recovery tax is 15%. In other words, for every dollar of income above the threshold, you lose 15 cents of your OAS pension benefit.

The recovery tax period for OAS benefits received from July 2025 to June 2026 is based on your 2024 income. For this period, the threshold is \$90,997. That is, OAS pension benefits are subject to the OAS recovery tax when your income exceeds \$90,997 and are exhausted completely when your income reaches \$148,451 (for those age 65 to 74 inclusive) or \$154,196 (for those age 75 and over).

Similarly, the recovery tax period for OAS benefits received from July 2026 to June 2027 is based on your 2025 income. For this period, the threshold is \$93,454. That is, OAS pension benefits are subject to the OAS recovery tax when your income exceeds \$93,454 and are exhausted completely when your income reaches \$152,062 (for those age 65 to 74 inclusive) or \$157,923 (for those age 75 and over).

4. Are OAS benefits taxable?

Yes, your OAS pension benefits are fully taxable as income with no preferential tax treatment. However, the Guaranteed Income Supplement (GIS), Allowance, and Allowance for the Survivor benefits are tax-free.

5. When can I start to receive OAS pension benefits?

The normal start date for receiving an Old Age Security (OAS) pension is age 65. Although an early start is not permitted, you can begin as late as age 70, or anywhere in between age 65 and 70. If you postpone receiving OAS until after age 65, your payments will increase by 0.6% each month (7.2% per year), up to a maximum increase of 36% at age 70. The maximum monthly amount you can receive is reached when you turn 70. There is no advantage in waiting until after age 70 to start receiving your pension. Further, there is no requirement to stop working to receive your OAS pension.

6. When *should* I start to receive my OAS pension?

There are many factors to consider when deciding when to start receiving OAS. Although much academic literature supports deferring to a late start date, this is a highly personalized decision. Some items to consider include:

- Your tax rate – OAS is fully taxable, so if you're already in a high tax bracket (for example, if you are still working or if you have received a severance or other retirement type package), it may be beneficial to defer.
- Your total income – OAS pension is subject to a recovery tax or 'clawback', which means that your OAS benefits are reduced (and eventually eliminated) as your income increases beyond a certain threshold.
- Your need for income – If you need OAS at age 65 in order to achieve your desired level of retirement income, postponing to a later date may not be a suitable option.
- Your health – If you're healthy and expect to live a long life, it may make sense to start receiving your OAS pension later. On the other hand, if you believe you have a shortened life expectancy, it may be more beneficial to start as soon as possible.
- Your lifestyle – Remember, it's not just about the numbers. While the math may dictate one course of action, your lifestyle may dictate another as there's real value in having the money while you're still able to make good use of it.

You can work with your Edward Jones advisor to determine the optimal date for you.

7. Are there any additional benefits available to low-income individuals?

Yes, there are additional benefits available for low-income individuals, including the Guaranteed Income Supplement (GIS) for those 65 and older, and the Allowance, and Allowance for the Survivor for individuals age 60 to 64. These supplementary benefits for low-income individuals are received tax-free.

- **Guaranteed Income Supplement (GIS)** – a monthly payment to low-income seniors aged 65 and older. In order to qualify, you must receive an OAS pension, must live in Canada, and your income must be below \$22,488 (January – March 2026). These amounts change quarterly, and depending on your personal situation, you could receive an amount up to \$1,108.74 per month (January – March 2026), with reduced amounts available depending on your household income and personal circumstances.
- **Allowance** – a monthly payment to low-income individuals aged 60 to 64 inclusive. In order to qualify, your spouse or common-law partner must be eligible to receive the GIS, you must live in Canada, and your combined household income (you and your spouse or partner) must be below \$41,616 (January – March 2026). These amounts change quarterly, and depending on your personal situation, you could receive an amount up to \$1,409.72 per month (January – March 2026), with reduced amounts available depending on your household income and personal circumstances.
- **Allowance for the Survivor** – a monthly payment to low-income individuals aged 60 to 64 inclusive. In order to qualify, your spouse or common-law partner must be deceased and you must not have re-married or entered into a common-law relationship, you must live in Canada, and your income must be below \$30,312 (January – March 2026). These amounts change quarterly, and depending on your personal situation, you could receive an amount up to \$1,680.47 per month (January – March 2026), with reduced amounts available depending on your income and personal circumstances.

8. What happens to my OAS pension when I die?

There is no survivor benefit or death benefit. Benefits are payable for the month in which the death occurs, but any benefits received after that will have to be repaid. OAS pension benefits must be cancelled upon death by contacting Service Canada by phone or by sending the required documentation to the nearest Service Canada Office by postal mail.

9. Can I split my OAS pension with my spouse or partner?

No, the OAS pension is not eligible for pension income splitting with a common law partner or spouse.

10. How do I apply for OAS?

In some situations, Service Canada will automatically enroll you for the OAS pension at age 65. When this happens, Service Canada will inform you if you have been automatically enrolled. If Service Canada does not have enough information to enroll you automatically, you will need to apply for your OAS pension with either a paper or online application. To apply online you'll need a My Service Canada Account (MSCA). To apply by paper, you'll need to download the application from the Service Canada website.

Questions About Your Group RRSP and DPSP

1. What happens to my Group RRSP when I retire?

Upon retirement, you have several options available for your Group RRSP, including:

- Keep the money in a SunLife RRSP
- Transfer to an individual RRSP at Edward Jones or another investment firm
- Receive the amount as cash (less any applicable taxes)
- Use the money to purchase a retirement income product.

2. What happens to my DPSP when I retire?

Upon retirement, you have several options available for your DPSP, including:

- Transfer the money to a SunLife RRSP
- Transfer to an individual RRSP at Edward Jones or another investment firm
- Receive the amount as cash (less any applicable taxes)
- Use the money to purchase a retirement income product.

3. When can I withdraw from my Group RRSP?

You can withdraw money from your RRSP at any time. There is no penalty to withdraw, however it is important to remember that every dollar withdrawn from your RRSP is taxable as regular income.

Depending on the amount you withdraw, a portion of the tax owing will be withheld at source at the time of withdrawal.

If you're still working at Edward Jones at age 71, this will be the last year in which you can make contributions to your RRSP. At the end of the year in which you turn age 71, there are several options available, and you will be required to take additional action regarding the money in your RRSP. Visit the Edward Jones website for more information about RRSPs.

4. When can I withdraw from my DPSP?

Prior to age 71, you cannot withdraw from your DPSP while you are an employee at Edward Jones.

Although this is the general rule, there may be exceptions in the event of severe financial hardship due

to a sudden or unexpected illness or accident, loss of property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond your control.

If you're still working at Edward Jones at age 71, you will be required to take additional action regarding the money in your DPSP by the end of the year.

Questions About Your Sun Life Group Benefits

1. What happens to my benefits when I retire?

Your Sun Life group health and insurance benefits will end when you retire. Note that your benefits will also end if you transfer to an ineligible employment status, such as part-time or on-call. For Home Office Associates and CSTs, your health, dental, life and AD&D coverage will end on the last day of the pay period for which you paid a premium. Short-term and long-term disability coverage ends on the last day that you are an active, full-time associate or age 65 less the elimination period, if earlier.

For FAs and Principals, your health, dental, life and AD&D coverage will end on the last day of the month for which you paid a premium. Salary continuation and long-term disability coverage ends on the last day that you are an active, full-time associate or age 65 less the elimination period, if earlier.

2. Which benefits can I keep in retirement?

Although you cannot keep your group benefits after retirement, you may be able to replace some of your group coverage with individual coverage. For your Sun Life group benefits in particular, you may be able to replace your health and dental benefits with no medical exam or health questions when you apply within 60 days of the loss of your group coverage. If you're age 74 or less and covered by your provincial or territorial health and drug plan (for example, OHIP in Ontario), you can contact Sun Life at 1-877-893-9893 for more information about the various options available.

You can also apply for health and dental coverage from any other insurer – there is no requirement to remain with Sun Life. You are encouraged to work with your Edward Jones financial advisor to explore the different options available in order to make the best decision for your own unique needs and circumstances.

3. What's the last date on which I can file a claim under my group benefits?

To receive the full benefits under your Edward Jones group plan, any health, dental and vision claims must be received by Sun Life no later than 90 days after the earlier of:

- The end of the benefit plan year during which you incur the expense (March 31st), or
- The end of your Extended Health Care Coverage

4. What are my options for disability insurance coverage?

You cannot retain your Sun Life disability coverage after you retire. Disability insurance is designed to replace a portion of your income if you are no longer able to work due to illness or injury. As such, when your employment and income cease at Edward Jones, so does your disability insurance. If you start working elsewhere for another employer, or become self-employed, you may be able to again acquire disability insurance to replace that income, either through a group benefits plan or individual coverage.

5. What are my options for life insurance coverage?

For basic life, optional life, and spousal life coverage under your group benefits plan, you may be able to convert this coverage to individually owned whole life insurance. If you wish to convert, you must contact Sun Life at 1-877-893-9893 within 31 days of the date your group life insurance coverage ends. Your individual life insurance policy benefit cannot exceed the amount of life insurance coverage you had under your group plan. Note that this amount offered by Sun Life may or may not be adequate for you. You are encouraged to work with your Edward Jones financial advisor to determine your life insurance needs and to explore the different options available in order to make the best decision for your own unique needs and circumstances.

How much will it cost? The cost of your life insurance coverage is determined based on your age and risk classification at the time your group coverage is converted into individual coverage.

For associates with disabilities, if you become totally disabled before age 65 and qualified for the long-term disability benefit, your Optional Life Insurance may be continued free of charge until you cease to be totally disabled or until you are no longer eligible for long-term disability benefits, whichever occurs first. Sun Life will determine whether you qualify for this coverage.

6. What are my options for health and dental insurance coverage?

Sun Life offers several different options with varying degrees of coverage for health and dental insurance. You may request the Health Coverage Choice plan information, which outlines your health and dental coverage options, by contacting Sun Life at 1-877-893-9893. If you decide to convert your group health and dental coverage to an individual plan, your application must be submitted to Sun Life within 60 days of your group coverage ending.

You can also apply for health and dental coverage from any other insurer – there is no requirement to remain with Sun Life. Further, if other family members, such as a spouse and children, are covered under your plan, it's important to consider how the loss of health and dental insurance may impact those family members as well. Uninsured health and dental expenses can potentially impact cash flow and other financial goals, and you are encouraged to work with your Edward Jones financial advisor to discuss the management of those risks and explore the different options available in order to make the best decision for your own unique needs and circumstances.

7. How do I decide how much coverage I need?

Your insurance needs are unique to your personal circumstances, goals, family dynamics, and other important considerations. Your Edward Jones financial advisor can work with you to complete an insurance needs analysis, determine any gaps in your insurance coverage, help you explore different options available, and secure the appropriate amount and type of protection to meet your needs.