



You've got questions, We've got answers.

Web Info

How do I get access to view my pension information on the web?

- When you are enrolled in the pension plan, you are automatically assigned a user name and password. This information is provided to you in your Welcome Kit.
- When you log on for the first time, you will be requested to change your username and password.
- If at any time you have forgotten your password you can call your Pension Administrator and they can either provide you with your password hint or reset your password.
- Once online, you can access your account balance by fund, your contribution history, all activity by fund, rates of return and fund fact sheets. You can also change your address online, make requests to change your investment instructions and also make requests to transfer funds from your current holdings to a new mix of funds.
- There is a Web Guide posted on www.bfm.bm under the Products tab, under Pension Information, that will help you find your way through the pension website.

How long should it take before I can see my contributions on the web?

- The answer to this question depends on the type of plan you have, the funds that you are invested in, the timing of the contribution, and the completeness and accuracy of the information provided to BF&M.
- Because of all of the above variables, it is best to contact your Administrator if you would like an explanation on the timing of the processing of your contribution

Investments

How do I know when to change my profile and how often should I review it?

- Risk profiles are designed to provide the appropriate level of return for the level of risk determined to be acceptable by you through completion of the Risk Questionnaire.
- Pension investments are meant to be long-term investments. The younger you are, the more time you have to accumulate your pension funds and the more risk you are able to take. Your main objective should be growth of the funds. Over a longer period of time, markets do rise, regardless of the ups and downs in between.
- As you get closer to retirement, you need to assess whether you should be in a more conservative profile. Your main objective should be shifting to capital preservation and protecting the funds you have accumulated.
- Regardless of age, you should review your profile at least every couple of years to ensure you are still in a profile that makes sense for you. We do not encourage changing profiles more frequently than that.

Terminations

I am terminating employment with my current employer. What happens to my pension funds?

- When you know you will be leaving your employment, you should ask your HR representative for a Termination Form to complete. The form needs to be completed by both you and your employer. You will have to make an election on what to do with your pension funds. The options available to you depend on the following criteria:
 - type of plan you are in (e.g. registered versus non-registered)
 - whether or not you are vested, and
 - the amount you have in your account
- If you are in a registered pension plan and you are vested, your funds will be locked in. The options available to you are:
 - Transfer your funds to a Prescribed Retirement Product
 - Transfer your funds to your new employer's plan or another financial institution pension plan
 - Purchase a deferred annuity
- It is important to realize that there are very few circumstances under which you can receive your funds as a lump-sum payment. This option is only available if you are not vested, have nonlocked-in funds, or are a member of a non-registered plan that allows for lump sum refunds.

What does it mean for my funds to be locked-in versus non-locked-in?

- Locked-in means that your funds must be used to provide you with a life income at retirement. You cannot receive these funds at any time as a lump sum payment.
- Non-locked-in means that these funds may be paid to you as a lump-sum upon termination or retirement.

What causes my funds to be locked-in?

- The Pension Act in Bermuda requires that all vested pension funds be locked-in. So if you are a member of a registered pension plan and have vested in the plan, then your funds will be locked-in. Vesting is based on the specific rules of your plan, but will occur at the latest after 2 years of membership in your pension plan.

How long does it take for my termination to be completed?

- This varies depending on the type of plan you are in, the timing of when the final contributions are received by BF&M, and the completeness of the information provided on the Termination Form. It is best to contact your Administrator at BF&M to get an accurate estimate of when your termination will be completed.

Retirement

What happens to my pension funds when I retire?

You can choose what to do with your pension funds. The two main options available are:

- Transfer your funds to a Prescribed Retirement Product
- Use your funds to purchase a life annuity

What are my options upon reaching retirement age?

Can I continue to work and also receive my pension?

- In accordance with the Pension Act, you can choose to retire from your pension plan upon reaching age 65 and start receiving benefits even if you continue to work. However, if you choose this option, you will not continue to accrue any benefits in the plan and must stop making contributions to the plan.
- Alternatively, you may elect to defer receiving your pension and continue contributing to the plan and accruing benefits. If you choose this option, the employer must match your contributions.
- You cannot retire from the pension plan prior to age 65 if you are continuing to work.
- If you are in a Defined Benefit plan, the rules may differ, so you should refer to the specific rules of that plan with respect to retirement options!

How do I know if I am saving enough for my retirement?

- The unfortunate truth is that most of us are not saving enough for our retirement years. However, BF&M has some tools online that can help you in determining how much you should be saving or how much you will have at retirement based on what you are currently saving.
- Go to www.bfm.bm and click on Financial Calculators. There are three calculators that can help you determine whether you are saving enough or how much of a retirement benefit your savings may provide.

Retirement Savings and Planning	
Retirement Income	Use this calculator to determine how much monthly income your retirement savings may provide you in your retirement.
Retirement Planner	Quickly determine if your retirement plan is on track – and learn to keep it there.
Retirement Pension Planner	Plan your retirement with a company pension, find out if you are on track – and learn how to stay there.

- When entering information into the calculator, it would be more conservative to enter a lower rate of return than what is defaulted in the calculator. You should also make sure to change the number of years in retirement, depending on how long you expect to live beyond your retirement date.
- BF&M also has a Retirement Team available to meet with you individually to discuss your retirement needs. Just call 441.295.5566 or email retirement@bfm.bm.

Options & Plans

What is an annuity?

An annuity is a fixed annual allowance.

Is an annuity the right choice for me?

Yes, if you want to have a base income that is paid to yourself and/or your spouse during your retirement.

If I choose a life annuity, can I arrange to have a minimum guaranteed period?

Yes, typically these guarantees are 5, 10, 15 or 20 years. The longer the guarantee period, the lesser the amount paid out in installments. If you die before the guarantee period has expired, the income payments will go to your beneficiary for the remainder of the guarantee period. If you die after the guarantee period has expired, no further payments will be made.

What are the advantages of a life annuity plan?

There are a number of pluses to having a life annuity, including:

- You will have a fixed income guaranteed for life.
- You won't have to make investment decisions.
- You don't have to worry that you may out-live your savings.

What is a Prescribed Retirement Product and what are the benefits of choosing this option?

- A Prescribed Retirement Product is an individual plan that has been approved by the Pension Commission to hold your locked-in pension funds. BF&M's product is the Flex Account Retirement Plan.
- The benefits of the Flex Account are as follows:
 - You do not have to keep moving your pension funds from employer plan to employer plan, exposing them to market risk when the funds are out of the market.
 - After each change in employment, you can transfer your funds into this plan and accumulate them all in one place.

If I want to move my funds to a Flex Account Retirement Plan, how do I do this?

- In advance of terminating employment, you should complete a Termination Form. On this form, you can select the option to transfer your funds to a Prescribed Retirement Product. When you select this option, BF&M knows to contact you to complete the necessary application if one has not already been completed.
- It is very easy to set up a Flex Account and there are no set up fees.



Enjoy the peace of mind that comes with knowing you've got money stashed away.

Whether it's college costs, a dream vacation, supplementing your retirement savings, or just stashing some money away for a rainy day, BF&M will help you get on the right track to achieve your goals. With our Individual or Educational Savings Policies, saving is easier when we help you set up a stress-free plan.

How much is enough?

- Education costs continue to rise. While some schools are more expensive than others, consider, as a guideline, that \$100,000 is not an extravagant estimate for four years at a private university.
- The current mandated pension requirement of 10% of earnings may not be enough to provide you with sufficient income on retirement. How much is enough will depend on a number of factors. BF&M can help you determine what amount is right for you.

Starting an Educational Savings Plan or Individual Savings Plan today will help you reach your financial goals.

Saving made easy

Both the Educational Savings Plan or Individual Savings Plan give you the following benefits:

- Easy, no fee set-up
- Contributions can be made through online banking, all you need is your policy number
- A variety of investment options to choose from
- Funds are daily-traded providing for faster investment of contributions and turnaround of withdrawals
- Online access to your account 24 hours a day, 7 days a week

Need a reason to start today?

The earlier you start, the more time your money has to grow. For example, if you started investing \$100 a month and earned 4% interest when your child was 9, it would grow to \$12,974 by the time he or she turned 18. If you started when the child was born, the investment would be worth \$31,438, over two times the value in the first example. To get started, simply call 441.295.5566 to set up an appointment with one of our customer service representatives.

Crunch some numbers for yourself

Go to www.bfm.bm/info/calculators to our easy online calculator. Plug in some numbers and see how you can get to where you want to be with one of our savings plans.



Retirement is a time when you discover that you have many options and you get to decide what you're going to do.

Start imagining and planning for it now

A retirement product from BF&M can help make your retirement even more easy and enjoyable. Whether you're about to retire, already retired or thinking ahead to retiring years from now, we would like to help you get to the kind of retirement you daydream about.

Benefits of a life annuity

In Bermuda, the National Pension Scheme (Occupational Pensions) Act 1998 was put into place to help Bermudians save for retirement and provide an income throughout your retirement years.

A life annuity meets the requirements of the Act.

- You will have a fixed income guaranteed for life.
- You won't have to make investment decisions.
- You don't have to worry about out-living your savings.

A glimpse of what it could look like

As an example, David has \$200,000 in his pension fund, and has elected to purchase a Life Annuity with a 10-year guarantee. With an interest rate of 4%, David could receive a regular monthly income of \$1,225.

Will you have enough saved for retirement?

Visit our online calculator at www.bfm.bm/info/calculators to find out how your retirement looks.



The choice is yours

Browse through BF&M's menu below and choose the best option for you, or ask your BF&M Certified Financial Planner to help you find the one that will allow you to best live your retirement dreams.

Life Annuity

- Receive a regular income for the rest of your life.
- Can be paid at selected intervals.
- A "Single Life Annuity" pays an income on your life for as long as you live.
- A "Joint Life Annuity" pays an income as long as you and your spouse live and stops upon the second death.
- May provide for a minimum guarantee period (eg. 5, 10 or 15 years)

Cash Refund Annuity

- Pays a lump sum to a named beneficiary when the total amount paid out is less than the original purchase price.

Term Certain Annuity

- Pays out over a specified period. For example, if you purchased a five-year Term Certain, you would receive pay outs of capital and interest over a five-year period.
- Not generally allowed for purchase with locked-in pension funds.

Indexed Option

- Adjusts the base by a "cost of living" factor, ranging from 1 to 5%.
- Can be calculated on either a simple or compound basis.

Flex Account

- Bermuda's first Prescribed Retirement Product approved by the Pension Commission.
- Provides you with an accumulation during your lifetime and with an income when you retire.
- You control how the assets of the plan are invested.
- Income may begin at any age between 55 and 65 (if you are fully retired) or later if you wish.
- Income payments are made monthly, quarterly, semi-annually or annually.
- Offers a draw down option as an alternative to a life annuity (see below).

Draw Down Option

- You choose the amount of the withdrawal within a prescribed minimum and maximum while keeping the balance invested.
- Annual minimum and maximum withdrawal amounts are set every November.
- Can be converted to a life annuity at any time.



A perfect place to hold your locked-in pension funds until retirement.

The BF&M Flex Account Retirement Plan

The first product of its kind approved in Bermuda, it offers flexibility and versatility. The Flex Account, a Prescribed Retirement Product registered with the Pension Commission, helps you accumulate funds during your working life and then collect an income when you retire.

It's flexible to fit your needs

With no set-up fees, and no opening amount requirements, you may find the Flex Account Retirement Plan to be an attractive alternative to purchasing a deferred annuity or transferring your pension funds from plan to plan as you change employers throughout your working life. Start receiving your retirement benefits as early as age 55 (if you are fully retired), or as late as age 90, whenever the time is right for you.

- Contribute additional voluntary savings to your Flex Account Retirement Plan.
- Locked-in pension funds remain locked-in until retirement, but you may withdraw non-locked-in funds at any time.

Watch your money work

The Flex Account Retirement Plan puts you in control of your investments.

- Funds are daily-traded so you see faster investment of your contributions and turnaround of your withdrawals.
- There is a selection of funds to choose from with a range of available risk profiles designed to suit your specific investment goals.
- 24/7 on-line account access lets you check account balances and make changes to your address, investment allocations and fund holdings.

How can the Flex Account work for you?

Let's do the math. To see how a Flex Account will work for you, visit our online calculator at www.bfm.bm/info/calculators, and see the possibilities for your future.

BF&M Call 441.295.5566 or visit www.bfm.bm



You retire. We do the work.

Put your mind at ease

Planning for your retirement doesn't have to mean a lot of hard work. All you have to do is contact us. The people at BF&M make it easy for you. We have a dedicated Retirement Team ready to help ensure you have peace of mind as you approach retirement. Call us at 441.295.5566 or email us at retirement@bfm.bm to get started.

Let's start today, so you can get on with your life!



When you leave work you have options.

Whether you're moving from one employer to another or you're leaving the workforce, what happens to your pension funds is up to you. You can choose any of the following options:

1. Transfer the funds to a Prescribed Retirement Product, such as BF&M's Flex Account Retirement Plan
2. Use the funds to purchase a deferred annuity to provide you with income starting at age 65
3. Transfer the funds to your new employer's pension plan
4. Take the funds in cash, if allowed by the policy*

At BF&M, we are here to help guide you and to make the process as easy for you as possible.

Don't put all your eggs in one basket

Setting up an individual Prescribed Retirement Product, like BF&M's Flex Account Retirement Plan, provides for more diversification of your investments. If you transfer your pension funds into your new employer's plan, all of your retirement savings will be invested in one set of funds. By using the Flex Account to hold your accumulated pension funds separate from your current employer's plan, it gives you more choice for where your funds are invested.

We can help

We recognize that each person has different needs when it comes to planning for retirement. It is important to start early and make your pension funds work for you. For assistance with transferring your pension funds from your previous employer's plan, let BF&M help. Contact one of our customer service representatives at 441-295-5566.

*Funds held under a registered pension plan in Bermuda that are vested are not allowed to be taken in cash and must be transferred in accordance with options 1 – 3 above. Lump-sum payments are generally only allowed under non-registered pension plans (where the policy permits) or when the member has not met the vesting criteria of the plan.



Retire on your terms.

It is never too early to start planning for retirement. Whether it's just around the corner or years away, it's important to start planning now.

Explore your options

As a member of a pension plan, you are accumulating pension assets that will be used to provide you with income throughout your retirement years. You have options. You not only decide when to start receiving your income, but also the type of income you will receive.

- Retiring early? If you retire before age 65, you can start receiving your pension income as early as age 55.
- Not ready to retire? If you decide to continue working beyond age 65, you can either continue contributing to your pension plan, or you can cease to contribute and start receiving your pension income.
- Regardless of when you decide to start taking your pension income, it is important to know that you have a choice about the type of income you will receive.
- As a member of a registered pension plan, your pension assets must be used in one of two ways: you can purchase a life annuity or you can transfer your balance into a Prescribed Retirement Product. Since there are a variety of annuity options available, we encourage you to speak with one of our Retirement Specialists to determine which option is best for you.
- If you have contributed additional voluntary amounts to your pension plan or are a member of a non-registered pension plan, your options are endless.

Start today. Here's how:

- Speak with the experts. Meet with one of our Retirement Specialists as early as you can to discuss your options and to check if your savings are on track to reach your retirement goals.
- Enjoy peace of mind. It is better to be prepared than to be caught off guard. You need to plan ahead to have enough savings to support you during your retirement years.
- Make the right choices. It is important to monitor your investments as you get closer to retirement age. Although the more aggressive profile may have been suitable at the beginning of your career, you need to start protecting your balance as you approach retirement by considering more conservative options.

Our Retirement Specialists can provide you with the information necessary for you to make smart choices. Just call 441-295-5566.