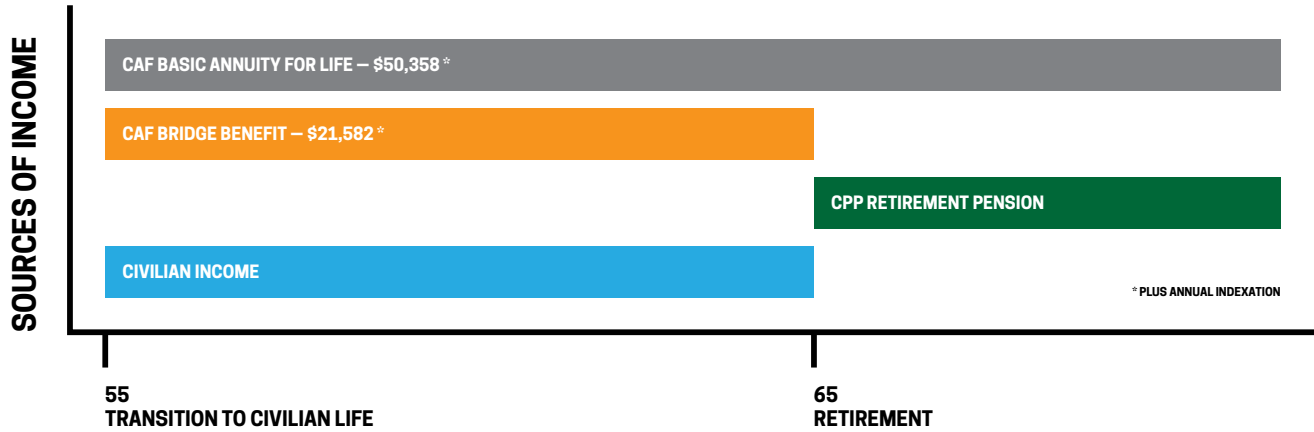


SCENARIO 1A



Sam retires from the Canadian Armed forces (CAF) in 2018 at age 55 earning a Sergeants salary of \$71,940¹.

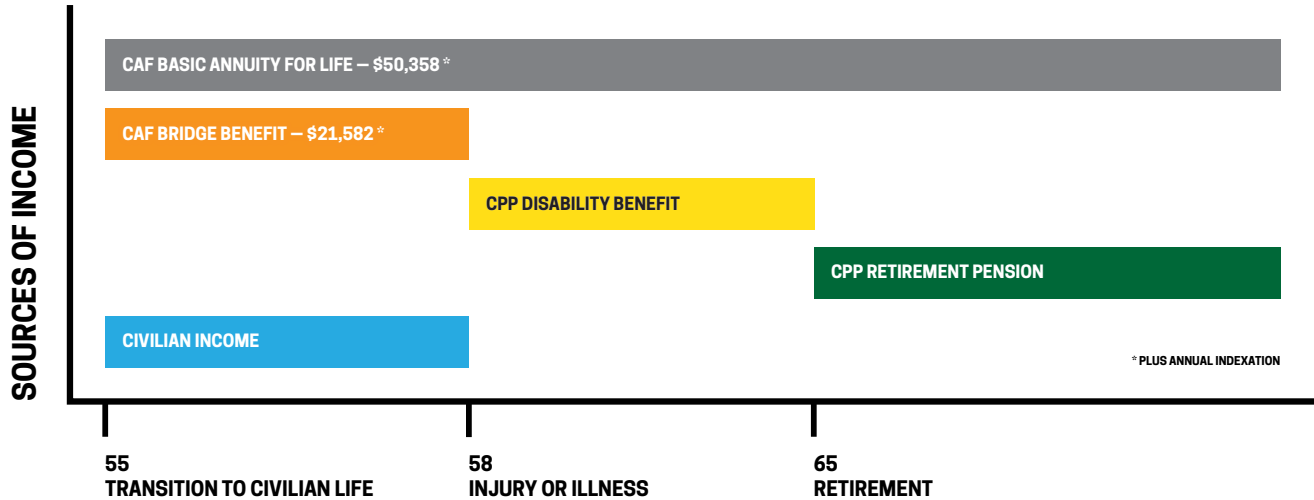
Sam continues to work outside of the CAF until age 65.

At age 60, Sam can apply for CPP Retirement Pension at a revised amount or wait until age 65 to receive the full amount of CPP Retirement Pension.

At age 65, Sam will cease to receive the CAF Bridge Benefit given Sam's eligibility for CPP Retirement Pension.

1 Salary based on Sergeant, Level 6 A, Standard, Pay increment 4. per National Defence Website

SCENARIO 1B



Sam retires from the Canadian Armed Forces (CAF) in 2018 at age 55 earning a Sergeant's salary of \$71,940¹.

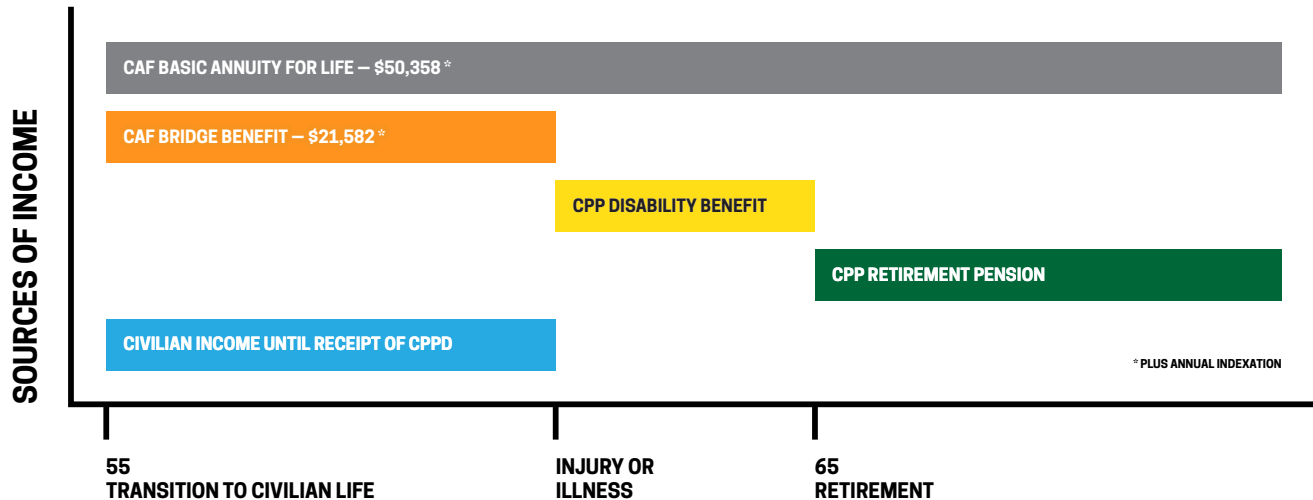
Sam works as a civilian until age 58, when Sam becomes unemployable due to an accident.

Sam now receives the CPP Disability Benefit. However, Sam is no longer eligible to receive the CAF Bridge Benefit.

At age 60, Sam can apply for CPP Retirement Pension at a revised amount or wait until age 65 to receive the full amount of CPP Retirement Pension.

1 Salary based on Sergeant, Level 6 A, Standard, Pay increment 4. per National Defence Website

SCENARIO 2



Sam retires from the Canadian Armed Forces (CAF) in 2018 at age 55 earning a Sergeants salary of \$71,940¹.

At retirement, Sam receives a monthly CAF annuity indexed for life. Sam will also get a monthly CAF Bridge Benefit from retirement until age 65. At this age Sam will start receiving the CPP Retirement Pension.

Sam continues to work after retiring from the CAF. If Sam subsequently becomes ill or injured and unable to work, they will qualify for the CPP Disability Benefit.

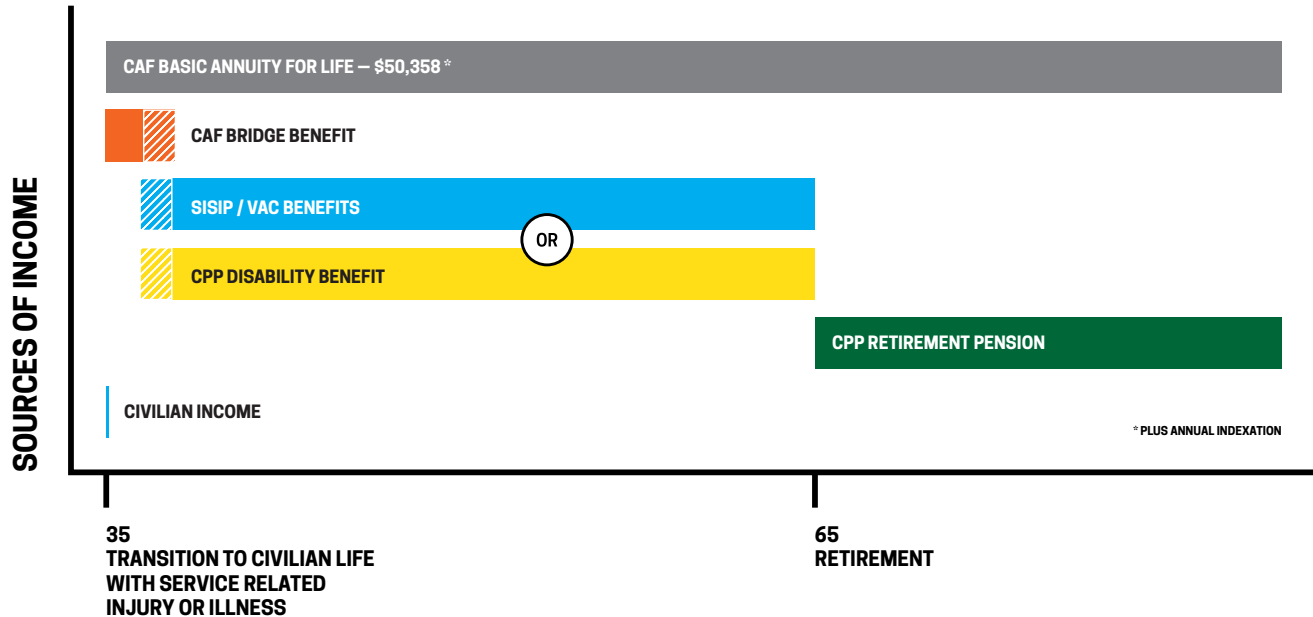
In addition to losing the capacity to work, Sam will also lose the CAF Bridge Benefit that Sam had expected to receive until age 65. This is not a dollar for dollar offset with the CPP Disability Benefit, but a total elimination of the of the CAF Bridge Benefit, irregardless of the amount of the CPP Disability Benefit.

Disability drop-in:

- When calculating the base component of CPP Retirement Pensions, periods during which individuals are disabled per the CPP legislation are not included in their contributory period. This ensures that individuals who are not able to pursue any substantially gainful work are not penalized.
- When calculating the components of a retirement pension, individuals who are in receipt of a CPP Disability Benefit will have a credit dropped-in to the calculation for the months they are disabled. The value of the credit is based on the individual's earnings during the six years before becoming disabled. If a disabled person does not apply for and receive CPP Disability, earnings for those years will be calculated at zero. his reduces the person's average annual earnings for the Retirement Pension calculation.

1 Salary based on Sergeant, Level 6 A, Standard, Pay increment 4. per National Defence Website

SCENARIO 3



Sam is medically released from the CAF at age 35 earning a Sergeant’s salary of \$71, 940¹.

Sam will receive an indexed CAF annuity for life. The CAF Bridge Benefit will be received until the earlier of receipt of a CPP Disability Benefit or the CPP Retirement Pension, usually at age 65.

As a result of a service-related illness or injury, subject to eligibility requirements, Sam initially receives benefits from the Service Income Security Insurance Plan (SISIP) and/or the VAC Income Replacement Benefit.

Sam is **required to apply** for the CPP Disability benefit in order to maximize the CPP Retirement Pension benefit calculation. Sam can choose to start receiving the pension between the ages of 60 and 70.

Any income received from the CPP Disability Benefit reduces the SISIP Income Replacement Benefits or the VAC Income Replacement Benefits.

Upon receipt of the CPP Disability Benefit, Sam is no longer eligible to receive the CAF Bridge Benefit.

While awaiting a decision on the CPP Disability Benefit application, Sam continues to receive SISIP or VAC benefits as applicable. Due to the delays in CPP decision making process, **applications are approved retroactively**, thus creating a repayable overpayment in the SISP and/or VAC benefits.

For further information regarding potential benefits, please refer to www.ombudsman.forces.gc.ca

1 Salary based on Sergeant, Level 6 A, Standard, Pay increment 4. per National Defence Website

OVERVIEW OF BENEFITS CHART

INCOME SUPPORT	TAXABLE YES / NO	REDUCED BY	WHEN
Old Age Security	YES	-	-
Canada Pension/Retirement Pension	YES	-	-
Canadian Forces Superannuation (Annuity)	YES	-	-
Canadian Forces Superannuation (Bridge Benefit)	YES	CPP-D	Age 65 or CPP-D APP
Reserve Force Superannuation (Annuity)	YES	-	-
Reserve Force Superannuation (Bridge Benefit)	YES	CPP-D	CPP-D APP
Canada Pension/Disability Benefits	YES	-	-
Service Income Service Insurance Plan (SISIP)	YES	CPP-D	CPP-D APP
Government Employees Compensation Act	NO	CPP-D	CPP-D APP
Canadian Forces Income Support	YES	CPP-D	CPP-D APP
Disability Benefits	NO	-	-
Exceptional Incapacity Allowance	NO	-	-
Health Care Benefits (Treatment Benefits)	NO	-	-
Veterans Independence Program	NO	-	-
Critical Injury Benefit	NO	-	-
War Veteran Allowance	NO	-	-
The Caregiver Recognition Benefit	NO	-	-
The Education And Training Benefit	NO	-	-
Pension For Life:			
▪ Pain And Suffering Compensation (PSC)	NO	-	-
▪ Additional Pain And Suffering Compensation (APSC)	NO	-	-
▪ Income Replacement Benefit (IRB)	YES	CPP-D	CPPD-APP