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# Strategies to grow your retirement nest egg

**By AdvocateDaily.com Staff**

INTEGRIS Pension Management Corp. founder and CEO Jean-Pierre Laporte thinks an extra $1 million in one's nest egg is a good reason for his legal colleagues to take another look at how they're saving for retirement.

For lawyers and other professionals, Personal Pension Plans (PPP) offer a number of advantages over more traditional RRSPs, he tells AdvocateDaily.com.

"There are so many benefits for lawyers to set up their own PPPs — the contribution levels and tax deductions are higher than RRSPs which helps to lower their corporate tax rate and offers them a larger retirement fund," Laporte explains.

Introduced by INTEGRIS nearly four years ago, he says a PPP is a special registered pension plan that's available for lawyers, doctors, accountants and other professionals. Similar to an individual pension plan (IPP), the PPP is owned by the incorporated business entity, with the individual employee named as a plan member.

The benefit for the incorporated company is a tax deduction for the amount deposited, and a reduction of the corporate taxes it pays. Management and administration fees and other costs associated with the plan are also tax-deductible, Laporte points out.

"Unlike an IPP, the PPP can switch between defined benefit and defined contribution, which is especially important for companies whose revenues fluctuate," he says. A defined benefit plan guarantees a monthly pension income upon retirement, regardless of market conditions whereas with defined contributions, the amount is based on how much money is invested in the plan, interest rates and investment returns.

Laporte, who worked as a pension lawyer before launching INTEGRIS, says the noticeable differences of his system become obvious when the subscriber reaches the age of 40 and the payment maximum increases.

"The limit on yearly contributions for PPPs is determined by actuarial valuations that are based on age and income, so before the person reaches the age of 40, the yearly cap is similar to that of RRSPs. After that is when the gap between PPPs and RRSPs really starts to widen," he says.

For example, Laporte says a 40-year old might be able to contribute a few hundred dollars more a year with a PPP than an RRSP, and that gap increases as the person ages to the point where they could be putting away an extra $15,000 each year.

"Add that up over 25 years, and someone with a PPP could have an extra $1 million at retirement than if he had invested in an RRSP," he says.