

# FactSheet

FactSheets contain in-depth information on select topics for members of the OPSEU Pension Trust



## Transferring Pension Credit *Out* of the OPSEU Pension Plan

The OPSEU Pension Plan participates in transfer agreements with a number of public and private sector pension plans. Under a transfer agreement, members terminating their plan membership from the OPSEU Pension Plan may be able to transfer their pension credit out of the OPSEU Pension Plan and into another employer's pension plan. If you start work for an employer who sponsors a defined benefit pension plan, it's important to determine whether you have this option. Consolidating your pension credit in the plan you retire from can increase the overall value of your pension. This is because:

- Pension benefits are usually calculated based on your *average annual salary* and *pension credit* when you terminate. The more credit you have, the larger your pension;
- The additional credit you receive from the transfer may allow you to retire earlier with an unreduced pension; and
- It is reasonable to expect your earnings will be higher later in your career. If you transfer your pension credit, your higher average salary would apply to this additional credit, making it more valuable.

### Qualifications for a transfer

If you become a member of a pension plan (the "new plan"), you may be able to transfer

your pension credit from the OPSEU Pension Plan into your new plan, if the following conditions are met:

- There is a transfer agreement in place between the new plan and the OPSEU Pension Plan;
- You qualify and apply for a transfer within the specified time limits; and
- You have pension credit in the OPSEU Pension Plan.

### Transfer agreements

There are two categories of transfer agreements: the Major Ontario Pension Plans (MOPPs) Multilateral Agreement, and Bilateral Reciprocal Transfer Agreements (RTA). These transfer agreements do not apply to divestment situations.

#### A) MOPPs

The MOPPs transfer agreement was established to permit transfers of pension credit for employees who move between the larger Ontario public sector employers. Under this agreement, transfers can be accepted between any of the pension plans participating in the agreement. For example, a former OPSEU Pension Plan member working at the Province of Ontario, may be able to transfer his/her pension credit into





OMERS (working at a municipality) and then into HOOPP (working at a hospital).

### Current plans participating in MOPPs

- College of Applied Arts & Technology (CAAT)
- Electrical Safety Authority
- Hospitals of Ontario Pension Plan (HOOPP)
- Hydro One
- Independent Electricity Market Operator
- Ontario Municipal Employers' Retirement System (OMERS)
- OPSEU Pension Trust
- Ontario Power Generation
- Ontario Teachers' Pension Plan (OTPP)
- Providence Centre Pension Plan
- Public Service Pension Plan (PSPP)
- Ryerson (Polytechnical University) Retirement Pension Plan
- St Joseph's Health Centre Pension Plan
- St. Michael's Hospital Employee Pension Plan
- Workplace Safety & Insurance Board Employees Pension Plan

*Note: There are special provisions between the OPSEU Pension Plan and the PSPP. If this is your situation and there was break in your employment, call OPTrust. If there is no break in employment see page 4.*

### Time limits

The same time limits and requirements apply to all MOPPs participating plans. You may be eligible to transfer your pension credit if you meet all the following conditions:

- you terminated membership in a participating plan and you left your pension credit in that plan;

- you started working for your new employer within **18 months** from the date you left your former employer;
- you joined the OPSEU Pension Plan within **6 months** of becoming eligible to do so; and
- OPTrust receives an 'Appendix A' form within **6 months** from the date you joined the OPSEU Pension Plan.

### Process

The new plan must receive a signed 'Appendix A – Request for Transfer Quotation' form within 6 months of your joining that plan. This form authorizes OPTrust to provide the new plan with the information needed to calculate the transfer value.

You should contact your new employer to obtain an *Appendix A*. Once completed, you must sign, date and return the form to your new plan administrator as soon as possible. A copy will then be forwarded to OPTrust. Once the new plan receives the required information they need from OPTrust, they will calculate the cost and forward you an 'Appendix B – Request for Transfer' form. You must complete and return the *Appendix B* indicating whether or not you want to proceed with the transfer.

**Important:** You are responsible for initiating the transfer out of the OPSEU Pension Plan. You must contact your new plan or new employer to obtain an *Appendix A* form. Make sure your new plan receives the signed *Appendix A* form by the deadline.

### B) Reciprocal Transfer Agreement (RTA)

An RTA is a bilateral agreement entered into between the OPSEU Pension Plan and another registered pension plan. For example, a former OPSEU Pension Plan member may be able to transfer his/her pension credit into the Federal Public Service Pension Plan.



RTA Participant	Employment Break Cannot Exceed # of Months	Application Must Be Filed With New Plan Within # of Months
Federal Public Service Pension Plan	No limit	12
OPSEU Employees' Union Staff Pension Plan	12	12
Pathways To Independence Pension Plan	12	12
Province of British Columbia	36	12
Province of Newfoundland	12	12

### Current bilateral agreements with the OPSEU Pension Plan

- Federal Public Service Pension Plan
- Ontario Public Service Employees' Union (OPSEU) Staff Pension Plan
- Pathways to Independence Pension Plan
- Province of British Columbia
- Province of Newfoundland

### Time limits

Unlike the MOPPs Agreement, the time limits for each RTA depend on the terms of that specific agreement as described on the top of this page.

### Process

The procedures for an RTA are similar to those for MOPPs. The new plan must receive an 'Appendix A – Request for Quotation' form within the specified time limits. Please note that the time limits and requirements for each RTA depend on the terms of that specific agreement, and may be changed or cancelled at any time. For up-to-date information, please contact your new plan or the OPTrust.

**Important:** You are responsible for initiating the transfer out of the OPSEU Pension Plan. You must contact your new plan or new employer for an Appendix A form. Make sure your new plan receives it by the deadline.

### Paying for a transfer

To qualify for a transfer under MOPPs or an RTA you must not only meet the time limits, but your pension credit must still be in the OPSEU Pension Plan.

If you apply immediately after terminating your membership in the OPSEU Pension Plan, you must elect to transfer the value of your pension to the new plan. However, if you apply at a later date (e.g., you worked for another employer in between leaving the OPSEU Pension Plan and joining a MOPPs or RTA employer), you must have elected a deferred pension from the OPSEU Pension Plan. In any event, you will not qualify for a transfer if you move your pension value to a locked-in retirement account, or if you receive a refund of your contributions.

Once you receive your cost quote and elect to proceed with the transfer, the value of your pension credit will be transferred out of the OPSEU Pension Plan and into your new plan. You then obtain credit in the new plan, to a maximum of the value of your pension credit in the OPSEU Pension Plan. In some cases, pension credit in the new plan may not be equal to the credit you accrued in the OPSEU Pension Plan. You may be eligible to make an additional payment in the new plan to 'top up' the transferred funds. 'Top up' payments typically occur where the benefits provided by the new plan are more costly than those provided under the OPSEU Pension Plan.



## If you do not qualify for a transfer under MOPPs or an RTA

If you do not meet all of the transfer requirements, you may be able to purchase some or all of the pension credit at your new pension plan. Contact the new plan administrator to find out if this option is available and the requirements.

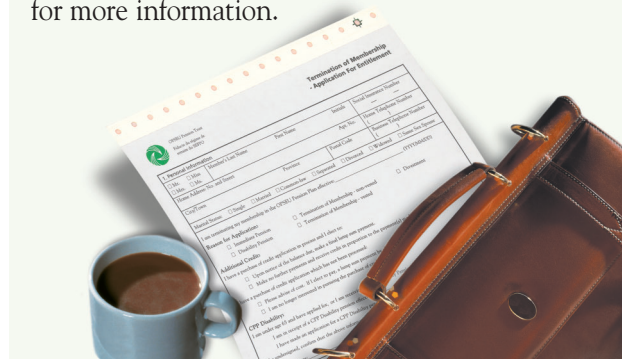
### Divestment

MOPPs and Reciprocal Transfer Agreements do not apply if you are affected by a divestment situation and you become an employee of the successor employer and a member of the successor employer's pension plan.

## The Public Service Pension Plan: (PSPP):

If you move out of the bargaining unit and consequently join the PSPP with no break in employment (e.g., due to a job change with the same employer), your pension credit must be transferred to the PSPP. The PSPP will contact OPTrust to arrange for the transfer.

If you join the PSPP after a break in employment, a transfer is not mandatory. However, in a non divestment situation, you may have the option of purchasing your credited service earned in the OPSEU Pension Plan. Please contact the PSPP for more information.



## For more information please contact the OPSEU Pension Trust

**Member & Pensioner Services:** (416) 681-6100 in Toronto  
(Direct Line) 1-800-637-0024, toll-free in Canada

**General Information:** .....(416) 681-6161 in Toronto  
1-800-906-7738, toll-free in Canada

**Fax:** .....(416) 681-6175

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OPSEU Pension Trust

Fiducie du régime de  
retraite du SEFPO

This **FactSheet** summarizes certain provisions of the OPSEU Pension Plan. It does not create any rights to benefits not provided for in the actual terms of the Plan. In the event of any conflict or omission, the legal documents of the OPSEU Pension Plan will govern in all cases.

Members who have questions about their pension entitlements or are considering a pension-related decision should contact OPTrust directly.