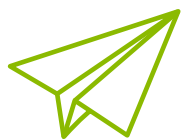
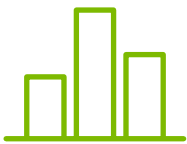


GOOD to KNOW

QUICK FACTS
ABOUT YOUR
PENSION

September 2023



Quick Facts About Your Pension

Welcome to the OPSEU Pension Plan (the Plan). You are now part of a defined benefit pension plan which means you will receive a lifetime pension when you retire based on a formula that takes into account your salary and years of pension service. Please keep reading for more information about your pension.

How does my pension fit with my retirement plan?

Most financial planners will tell you that you need approximately 60% to 80% of your pre-retirement income to maintain your lifestyle when you retire. Your retirement income will typically include your workplace pension, the Canada Pension Plan (CPP), Old Age Security (OAS) and your personal savings.

Pension contributions

- You contribute approximately 10% of your regular salary to the Plan. You do not make pension contributions on overtime pay and bonuses.
- Your pension contributions are tax deductible and reduce your taxable income.
- Your employer matches the pension contributions you make.
- The Canada Revenue Agency requires your employer to calculate and report a Pension Adjustment on your T4 each year, which reduces your RRSP contribution room in the following year.

Increasing your pension

Your pension is calculated based on your years of pension service and the average of your best five sequential years of salary. While you are working, your pension will increase if:

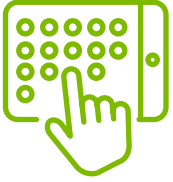
1. You transfer in pension service from another pension plan or you buy back service for a period when you worked for your employer but did not contribute to the Plan (e.g. when you took an unpaid leave of absence, were on a contract or worked on a casual basis). Please refer to the [Buying Back Pension Service](#) section of our website for more information.
2. You continue to earn more pension service as your salary increases.

When can I retire?

The normal retirement age in the Plan is 65, but there are early retirement options for long-serving members based on pension service and age.

Please refer to the [It's Your Pension](#) booklet on our website for details on how to qualify for early retirement.

Paying pensions today, preserving pensions for tomorrow.



What will I get when I retire?

Your pension is calculated based on a formula which takes into account your pension service and salary. Please refer to the [It's Your Pension](#) booklet for more details.

Your pension is paid for your lifetime and it is adjusted annually for inflation.

If you retire before age 65, you will receive a temporary bridge benefit that is payable until you turn 65. For more information about early retirement and the temporary bridge benefit, please refer to our [Your Pension and Turning Age 65](#) fact sheet.

The chart below shows some typical examples of the unreduced pension amounts that would be paid to members with different years of pension service and salary ranges who retire in 2023.

Highest Average Salary	Years of Pension Service	Pension Before Age 65 with bridge	Pension After Age 65 without bridge
\$45,000	20	\$18,000	\$12,100
	25	\$22,500	\$15,100
	30	\$27,000	\$18,200
\$60,000	20	\$24,000	\$16,100
	25	\$30,000	\$20,200
	30	\$36,000	\$24,200
\$75,000	20	\$30,000	\$21,900
	25	\$37,500	\$27,400
	30	\$45,000	\$32,800

All numbers have been rounded to the nearest \$100.



If you leave your employment before retirement

If you are under the age of 55, you can:

- Defer your pension until you are eligible to retire and start receiving your pension.
- Transfer the value of your pension to your new employer's pension plan (if the plan permits).
- Transfer the value of your pension to a locked-in retirement account (LIRA), a life income fund (LIF) or use it to purchase an annuity from an insurance company.

If you transfer the value of your pension out of the Plan, no further benefits will be payable to you or your survivors.

For more information about options when you terminate employment, please refer to the [Pension options when your employment ends](#) fact sheet available on our website.

Paying pensions today, preserving pensions for tomorrow.



Survivor benefits

When you die, benefits may be payable to your survivors.

Death before retirement: if eligible, your spouse is entitled to a lump sum amount equal to the value of your pension which may also be taken as an immediate or future lifetime pension.

If you do not have a spouse, your eligible children will receive an immediate pension equal to 60% of your lifetime pension divided equally among them for as long as they qualify, or a lump sum value of the survivor pension.

If you do not have a spouse or eligible children, a lump sum value of your pension is payable to your designated beneficiary(s), or to your estate if you do not have a designated beneficiary.

Death after retirement: your spouse receives a survivor pension equal to 60% of your pension, payable for their lifetime.

If you do not have a spouse, your eligible children will receive a survivor pension that is equal to 60% of your pension, divided equally among them for as long as they qualify.

If you do not have a spouse or eligible children, a residual balance may be payable to your designated beneficiary(s), or to your estate if you do not have a designated beneficiary.

Additional details regarding death benefits can be found in the [Survivor benefits before retirement](#) or [Survivor benefits after retirement](#) fact sheets.



Annual Pension Statement

All active and deferred members receive a personalized **Annual Pension Statement** by June 30 every year.

The statement provides you with important information about how your pension has grown in the previous year and provides future estimates so you can plan for your retirement.



For more information please contact OPTrust

This information is a summary of certain benefits offered under the primary schedule of the OPSEU Pension Plan and is not applicable to OPTrust Select. All information is current as of the date of publication.

How to Reach Us

OPTrust

1 Adelaide Street East, Suite 2900
Toronto, ON M5C 3A7

Member Experience and Pension Operations

Tel: 416-681-6100 in Toronto
1-800-637-0024 toll-free in Canada

[optrust.com](https://www.optrust.com) | email@optrust.com

