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Toronto ON M5C 3A7

APPLICATION FOR LUMP SUM PAYOUT DUE TO SHORTENED LIFE EXPECTANCY

Telephone: 416-681-6100 Toll-free: 1-800-637-0024

Email: email@optrust.com Website: optrust.com

Complete this form and return it to OPTrust if you are a member or a retired member of the OPSEU Pension Plan (the Plan) and you wish to apply to withdraw the lump sum value of your pension from the Plan because you have an illness or physical disability that is likely to shorten your life expectancy to less than two years. Please read the important information on the last page before completing this form.

Section A is to be completed by the member or retired member

Section B is to be completed by the member's married or common-law spouse (if applicable)

Section C is to be completed by a physician licensed to practice medicine in Canada

This form must be completed and delivered to OPTrust within 60 days of being signed.

A – Member Information and Attestation *(to be completed by member)*

Personal Information

Last Name

First Name

Date of Birth (Day-Month-Year)

Email or Telephone

Mailing Address

City/Town

Province

Postal Code

Member Attestation

As of the date of signing this application, I attest that **(please select only one)**:

I have a spouse, and they consent to the withdrawal of the lump sum value of my pension. Their written consent is provided under Section B of this form.

I have a spouse but they waived their entitlement to a survivor pension from the Plan when I retired.

I do not have a spouse, as defined by OPTrust.

I have a spouse, but we are living separate and apart.

I further attest that:

- I understand that if I am approved to withdraw the lump sum value of my pension from the Plan, there will be no further pension benefits payable from OPTrust to me or my spouse, children, beneficiary(s) or estate;
- I understand that if I withdraw the lump sum value of my pension from the Plan, the decision is irreversible, even if I recover from my medical condition;
- I have had the opportunity to consult with my legal and/or financial advisor(s) relating to any questions I have about withdrawing the lump sum value of my pension from the Plan; and
- I have reviewed and understand the important information on the last page of this form.

Sign and date this form in the presence of a witness:

Member Signature

Date (Day-Month-Year)

Witness Signature

Name of Witness (please print)

B – Spouse Information and Consent *(to be completed by member's spouse)*

If you do not have a spouse for pension purposes, leave this part blank.

Spouse's Personal Information

Last Name

First Name

Date of Birth (Day-Month-Year)

Spouse's Consent

As of the date of signing this application, I understand that:

- the member named in Section A of this form is applying to withdraw the lump sum value of their pension in the OPSEU Pension Plan due to a shortened life expectancy;
- the member cannot receive a payout if I choose not to provide my written consent;
- by signing this document, I am consenting that upon payment of the lump sum amount to the member, I waive any right to a survivor benefit payable from OPTrust, or any other benefits that I would otherwise be entitled to with respect to the member's pension; and
- I have had the opportunity to consult with my legal and/or financial advisor(s) relating to any questions I have about providing my consent to the member to withdraw the lump sum value of their pension from the OPSEU Pension Plan.

By signing this form I confirm that I am the spouse of the member named in Section A of this form, I have reviewed and understand the important information on the last page of this form and I consent to the member's application to withdraw the lump sum value of their pension from the OPSEU Pension Plan.

Sign and date this form in the presence of a witness:

Spouse Signature

Date (Day-Month-Year)

Witness Signature

Name of Witness (please print)

C – Medical Certification *(to be completed by a licensed physician)*

As of the date of signing this application:

- I certify that I am a physician licensed to practice medicine in Canada; and
- in my opinion, the member named in Section A of this form has an illness or physical disability that is likely to shorten their life expectancy to less than two years.

Name of Physician

Physician Signature

Telephone Number

Licence Number

Date (Day-Month-Year)

Address of Physician

City/Town

Province

Postal Code

Medical Stamp or Seal (if applicable)

Important Information

1. Who is a “spouse” for pension purposes?

For pension purposes a spouse is someone a member is married to or has been living with in a common-law relationship for at least three years, or a shorter period if they are in a relationship of some permanence and are the parents of a child. For the spouse to qualify for a benefit, the member and spouse must not be separated at the time a determination is being made.

If you are a retired member and you had a spouse when you retired, they are your spouse for pension purposes unless they waived their entitlement to a survivor pension or they have predeceased you.

2. Why does my spouse need to provide their consent in Section B?

If you have a spouse, their consent is required under Ontario pension law in order to withdraw the lump sum value of your pension due to shortened life expectancy. If your spouse provides their consent, they waive their right to any survivor benefits that would otherwise be paid to them by OPTrust after your death. Your spouse may wish to seek independent financial and/or legal advice prior to making a decision as the survivor benefits they are forfeiting could be considerable.

3. What happens if my application is approved?

If the application is approved, OPTrust will provide you with a written statement confirming the lump sum amount and the payment options available to you. If you withdraw the lump sum value of your pension, you will terminate your membership in the OPSEU Pension Plan.

If you are an active member, you will stop making contributions to the Plan. If you are a retired member, you will stop receiving your monthly pension from OPTrust.

4. How much will I receive and what options will I have?

Members who are participating in the Plan or are entitled to a deferred pension will receive the lump sum commuted value of their pension. Retired members will receive four months of pension payments plus the lump sum commuted value of the spousal survivor pension, if applicable.

If you choose to withdraw the lump sum value of your pension the amount will be paid to you in cash less withholding tax and this amount will be reported as taxable income to the Canada Revenue Agency on a T4A slip. Alternatively, you may elect to transfer the lump sum to your RRSP on a tax-sheltered basis. Income tax limits may apply.

5. I am a pensioner and am currently receiving post-retirement insured benefits (PRBs). Will my PRBs be impacted by withdrawing the lump sum value of my pension due to shortened life expectancy?

If your application is approved and you withdraw the lump sum value of your pension, your PRBs, including family coverage (if applicable), will continue until you die. PRB coverage will not be extended to your spouse or your family after your death.

6. I am a member and have not started receiving my pension. Will my eligibility for PRBs be impacted if I withdraw the lump sum value of my pension due to shortened life expectancy?

Yes. If your application is approved and you withdraw the lump sum value of your pension, you and your family will forfeit any entitlement to PRBs.

7. What happens if I recover from my illness after receiving a shortened life expectancy payout?

No further benefits will be payable to you, your spouse or your beneficiary(s) from OPTrust in respect of your prior period of membership in the OPSEU Pension Plan.