

# Your Defined Benefit Advantage

Paying pensions today, preserving pensions for tomorrow

Since 1995, delivering a secure retirement income to over 86,000 members and retirees has been the focus of OPTrust's pension promise.

As a member, you have the security of knowing the **value of your pension** is not affected by fluctuating market conditions. That's because your pension plan is a "defined benefit" plan.

Your pension is based on OPTrust's pension formula that uses your salary history and pension service in the Plan — not changing investment returns.

You can count on your OPTrust pension to provide you with a steady stream of income in retirement, payable for your lifetime.



## Employer = Employee

You and your employer pay matching pension contributions, sharing the responsibility.

Your pension is a secure way to save for retirement.



## Average member



AGE: <b>46</b>	SALARY: <b>\$62,417</b>	YEARS OF CREDIT: <b>12.5</b>	FEMALE/MALE RATIO: <b>60:40</b>	AVERAGE PENSION: <b>\$20,519</b>
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NET ASSETS:  
**\$17.5 billion**

You belong to one of Canada's largest pension plans, which is professionally managed to achieve greater investment returns through a diversified portfolio.



Retirement income:  
THREE PILLARS



- OPTrust pension
- Government benefits (CPP & OAS)
- RRSPs and personal savings

Financial advisors estimate you will need **60% to 80%** of your current salary for a comfortable retirement.

Your pension is backed by the Plan's assets and future contributions of **44,000** active members and the Government of Ontario.

## A fully funded plan

Your pension is securely funded. OPTrust is one of the few fully funded pension plans in Canada. The Plan has enough assets to meet the projected costs of members' and retirees' lifetime pensions.

## Protected pension

The pension you have already earned for your past service is protected under the current *Pension Benefits Act* and cannot be reduced.

## Defined benefit vs RRSPs

Unlike mutual funds and other RRSP vehicles, the value of an OPTrust pension is unaffected by market downturns.



## Inflation protection

When you retire, your pension is adjusted annually to keep pace with the cost of living.

## 26 years

On average how long can a member expect to collect a pension.<sup>1</sup>



## Survivor benefits

Paid to your survivors after your death.



## OPTrust advantage

EXAMPLE:

- Michael retires at age **60** with **25** years of pension service
- His best average annual salary is **\$50,000**
- Michael contributed **\$96,300 with interest** during his employment
- Michael collects a pension for **26 years**
- His surviving spouse collects a pension for **5 years**
- Inflation increase is **2% per year**
- Total benefits paid to Michael and his spouse are **\$697,430<sup>2</sup>**



If you have a question about your pension, please contact Member Services at **1 800 637-0024** or **(416) 681-6100** or visit [optrust.com](http://optrust.com).

<sup>1</sup> Based on December 31, 2014 actuarial assumptions, retiring at age 60 and excluding survivor benefits.  
<sup>2</sup> The total does not account for time value of money.