

OPTions

A newsletter
for the members
of the OPSEU
Pension Trust

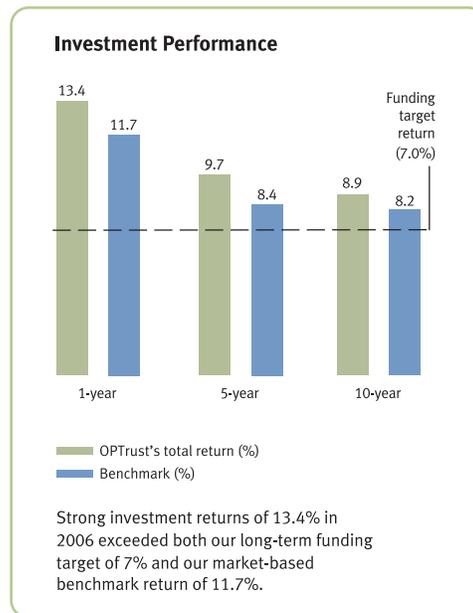
2006 Investments Exceed Long-Term Funding Targets and Market Benchmarks

In 2006, OPTrust's assets under management grew to \$13.1 billion. We saw strong investment gains of 13.4%, and we continued to exceed the long-term funding target of 7% and market based benchmarks of 11.7%. These benchmarks reflect the markets in which OPTrust invests and serves as a performance reference point.

"OPTrust's strong financial status is a testament to the prudent financial plan that has been followed by management," said Jordan Berger, 2006 Vice-Chair of OPTrust Board of Trustees and Chair of OPTrust's Investment Committee. "It is particularly gratifying to see these successes knowing that member contribution rates have not increased and no pension benefits or services have been reduced."

Diversified Investment Strategies

During the first 12 years of operation, the OPSEU Pension Plan has achieved an average rate of return of 10.6% on our investments. This exceeds the 12-year weighted return of 9.6% on its composite benchmark by a significant margin.



In 2006 we surpassed our benchmarks in the following:

- global equities returned 23.8% versus the benchmark performance of 21.1%
- Canadian equities returned 18.6% versus the 17.0% benchmark
- fixed income investments returned 2.2% versus benchmarks performances of 2.1%
- active management strategies added \$120 million in value.

IN THIS ISSUE

- 1 2006 Investments Exceed Long-Term Funding Targets and Market Benchmarks
- 1 2006 Annual Pension Statements
- 2 Annual Highlights Report: For you. About you.
- 2 New Trustee Mahmood Nanji
- 3 Service Spotlight
- 4 Did You Know?
- 5 Direct Contact
- 7 You Asked
- 7 A Special Welcome
- 7 Your Opinion Counts
- 8 Our Green Partners
- 8 OPTions in an Envelope?



2006 Annual Pension Statements (APS)

Your 2006 Annual Pension Statement will be mailed out in four batches beginning in April and running through to June. Remember that you can view and print your APS anywhere, anytime. Simply log onto our secure Online Services website to access your APS at your leisure.





Annual Highlights Report: For you. About you.

OPTrust is committed to serving you, our membership. So it only makes sense that the *Annual Highlights Report* is entitled *For you. About you.*

Take a few minutes to review the *2006 Annual Highlights Report*. It will guide you through the Plan's 2006 investment performance, financial overview, pension funding and membership services.

To order a printed copy of the full Annual Report, please e-mail us at email@optrust.com.

New Trustee Mahmood Nanji

Mahmood Nanji was appointed to the OPTrust's Board of Trustees by the Government of Ontario for a three-year term beginning January 1, 2007.

Mahmood Nanji is the Assistant Deputy Minister responsible for the Strategic Asset Management Unit at the Ministry of Public Infrastructure Renewal.

He brings to his role fifteen years of public policy and public management experience in both the federal and provincial governments, specifically in economic, financial and policy positions.



Mahmood Nanji

Deborah Stark was appointed to the Board by the Ontario Government in 2002, and stepped down as Chair and as Trustee at the end of 2006. Currently she works for the Ontario Ministry of Agriculture and Food (OMAF) and is Ontario's Chief Veterinary Officer. She joined the OMAF in 1987 as an extension veterinarian for dairy and beef, then became Ontario's Provincial Veterinarian and Director of the provincial Veterinary Laboratory Services in 1992.

As Board Chair Deborah chaired the Administration Committee, as well as sitting on the Investment and Governance & Compensation Committees.

Service Spotlight

To many, an OPTrust pension represents an opportunity to enjoy retirement without financial concerns. With the help of OPTrust's Member and Pensioner Services department, Maryke Foxworthy is now enjoying a retirement she never thought possible.

After 17 years with the Ministry of Education, she was laid off when her section was dissolved. Although disappointed, she transferred the value of her pension out of the plan to a financial institution and into a locked-in savings arrangement, to create an annuity for retirement. For 12 years, she worked on temporary contracts, not realizing she could actually retire.

In 2006, court reporters were converted to classified status at the Ministry of the Attorney General, at which time she rejoined the Plan and she learned pension buybacks were possible. She contacted a Member and Pensioner Services staff member, who helped her find the information for what she calls, "one of my best decisions." She decided to buy back her pension credit back to 1979.

It was a challenge trying to determine how best to maximize her pension, but ultimately she was guided to a solution that allowed her to achieve her ultimate goal – retirement.



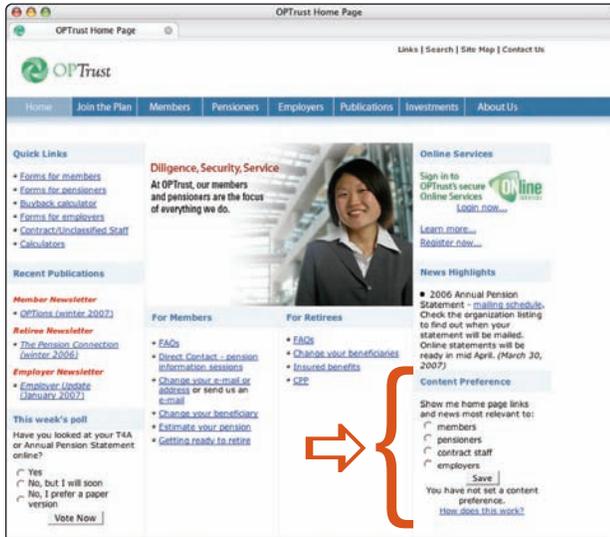
We appreciate your feedback and use it to improve upon our current member communications program. We encourage you to e-mail or call us.

Here are some tips members can follow to create the best retirement possible:

- ☑ Read the rules of buying back credit toward a pension in OPTrust's *Your Pension and Buying Back Credit*. It is available at www.optrust.com/publications. Each member's situation is different so make sure your questions are answered by the Member and Pensioner Services department at OPTrust.
- ☑ Be sure to submit your application within 24 months of the day you first begin and continuously remain a member of the OPSEU Pension Plan or within 24 months of the last day of the leave of absence that you are applying to buy back.
- ☑ Complete the *Application for Past Credit* (OPTrust 1036) and submit it to OPTrust.
- ☑ If you do not apply online, your *Agreement to Purchase Credit* form will outline the cost of buying back credit, as well as the available payment options. Return your form within 45 days along with your lump-sum payment or payment instructions. If you are transferring funds from an RRSP to fund your buyback, ensure your financial institution makes the transfer within 3 months from when you received the cost quote to avoid interest payments.
- ☑ Under the federal *Income Tax Act*, a pension adjustment or past service pension adjustment may be required to enable you to purchase. OPTrust will contact Canada Revenue Agency on your behalf and seek approval where required.
- ☑ Plan your payments schedule to fulfill your commitment. You may have up to 10 years to complete the buyback payments. If you retire before then, you have the option to simply pay the outstanding balance.
- ☑ Keep track of your buyback. Every year you will be sent an *Annual Buyback Statement*. It is mailed in February and reports the total credit you have agreed to purchase, and the balance of the outstanding buyback – similar to a mortgage statement. You can also check the outstanding balance any time by logging on to *Online Services*.
- ☑ Each January, you will also receive an income tax receipt showing your total buyback contribution for the previous year.

DID YOU KNOW?

You can make OPTrust's website homepage ready for you – every time



You can now personalize the homepage of www.optrust.com to have member information come up first every time. To set it up, follow these four easy steps.

- go to www.optrust.com
- see Content Preference box (see bottom right corner)
- click on Members
- click on Save

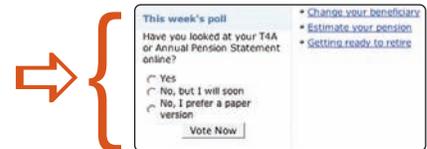
Now each time you go to www.optrust.com, member information on the homepage will be displayed automatically.

Today's Hot Topic keeps you in the know!

Keep up-to-date on what's new at OPTrust! When we get a lot of calls and questions on a certain subject, we post the answers on our website so everyone benefits from the information provided. Check regularly for the Hot Topic feature on our website. Your question may have already been answered!

New weekly poll!

Have your say with our new weekly poll, and check the results to see how others have answered. A new question will be posted every Tuesday. Check it out and tell us what is on your mind!



Oops! I forgot my password!

It's not uncommon to forget your password. Simply go to the log-in section in *Online Services* and click on "I forgot my OPTrust ID number or password." Follow the instructions shown on the screen. An e-mail containing your password will be sent to you. If you don't receive an e-mail, please call Member and Pensioner Services toll-free at 1-800-637-0024.



DIRECT contact

We bring your pension plan to you

Want to know more about the OPSEU Pension Plan?

OPTrust Direct Contact sessions are a great way to learn more about your pension – directly from an OPTrust representative. Each seminar provides detailed information on the OPSEU Pension Plan and an opportunity to ask questions in an informal setting. Non-members who are eligible to join the Plan (e.g., “unclassified” or contract employees) are also welcome to come and learn more about enrolling in the Plan.

Understanding Your Pension Benefits

This seminar covers the key features of your pension and answers important questions including:

- How your pension grows over your career
- What your options are if you leave your job
- When can you retire
- What “CPP integration” means and how it affects you
- How to buy back credit for past service
- What other benefits are available, and more...



Lunch & Learn Sessions

OPTrust representatives are also holding lunchtime seminars in individual workplaces across Ontario. Ask your Human Resources representatives if there is an upcoming meeting in your area. If there isn't a session planned, we can arrange one on request.

OPSEU Pension Trust Direct Contact Sessions Schedule 5:30 to 7:30 pm See over to register >>

DATE	CITY	LOCATION
June 12, 2007	Sault Ste. Marie	Holiday Inn – 208 St. Mary's River Drive
September 11, 2007	Pembroke	Best Western Pembroke Inn & Conference Centre – 1 International Drive
September 25, 2007	Brampton	Best Western Brampton – 30 Clark Blvd.
October 16, 2007	Chatham	Wheels Inn – 615 Richmond Street
November 6, 2007	Niagara Falls	Old Stone Inn – 5425 Robinson Street
November 20, 2007	North York	Holiday Inn Express – 30 Norfinch Drive

Future sessions will be scheduled for other communities across Ontario. To view a complete, up-to-date schedule and register online, visit the OPTrust website at www.optrust.com.



Important: Please register at least two weeks in advance – space is limited.



There are three ways to register for the Direct Contact session in your area:

- **Online at www.optrust.com.** You'll also find a complete, up-to-date schedule of upcoming presentations.
- **By fax or mail.** Just check the schedule on the reverse for the session nearest you, then fill out the registration form below and fax or mail it to OPTrust.
- **By phone.** Check the schedule, then call OPTrust at **416-681-6100** in Toronto or toll free at **1-800-637-0024**.

Please be sure to provide your mailing address and a phone number where we can reach you during the day. We will send you a confirmation card approximately one week before your session. OPTrust will contact you if there are any changes to the time or location of your presentation. Sessions may be rescheduled depending on demand.

Please note: OPTrust Direct Contact sessions are designed to give you a general overview of the OPSEU Pension Plan and the options that may be available to you. OPTrust representatives cannot provide personal financial advice.

Check Out OPTrust Online

Visit OPTrust's website at www.optrust.com for the latest information on your pension. Online resources include:

- An up-to-date schedule for OPTrust Direct Contact sessions and an online registration form
- OPTrust's Pension Estimate Calculator, which you can use to project your future pension and test different retirement scenarios
- OPTrust's booklets and the *OPTions* newsletter
- Access to change your mailing address and update your beneficiary information
- View your *Annual Pension Statement*.

Registration Form:

First Name: _____ Last Name: _____
Social Insurance Number (SIN):
Home Address: _____
Postal Code: _____
Ministry/Employer: _____
Telephone (work): () (home): ()
Fax: () E-mail: _____

Presentation you wish to attend:

Date: _____ Time: _____
City/Location: _____

Please list any specific questions or information about your pension you would like us to bring:

I would like to bring a guest

Please return your complete registration to:
OPSEU Pension Trust
1 Adelaide Street East
Suite 1200
Toronto, ON M5C 3A7
Fax: 416-681-6175

OPSEU Pension Trust Direct Contact Sessions

OPTrust staff will be available after your session if you wish to discuss a specific personal pension issue.





Question: I have taken a leave of absence without pay for a period of 10 days. Do I need to complete a form to continue with contributions?

Answer: No form is required. Both employee and employer contributions are mandatory for periods of unpaid leaves of less than one month. Additional contributions will be automatically deducted from your next pay. It is only when you are away for more than one month that you must notify us and apply for the buyback.

Question: How do I register my partner as my common-law spouse for my pension?

Answer: You can identify your partner as an eligible spouse under the Plan by logging in to our secure *Online Services* or by completing the Identifying Benefit Recipients (IBR) form which can be found on our website. You will be required to provide proof of your common-law relationship. OPTrust will determine if your partner is considered an eligible spouse under the Plan.

Question: I would like to list my child as a beneficiary; however, he is under 18. Would my child have to wait until age 18 to receive any benefits?

Answer: Under the OPSEU Pension Plan, if you were to die without a spouse during retirement, a child may be eligible to receive survivor benefits if the child is under the age of 18, or if over 18, the child is in continuous full-time attendance at a secondary school or, immediately following secondary school, is attending a post-secondary institution to a maximum of five years.

Please note that your child must be named as a designated beneficiary to receive certain benefits payable upon the death of a member. Please see our Fact Sheet *Survivor Benefits and Minor Children* for more information concerning payments to minors.

A Special Welcome

OPTrust welcomes the Flexible Part-time Court Workers who recently joined the OPSEU Pension Plan following the reclassification of their positions. Court workers manage the administration of Ontario's court system ensuring the justice system operates as effectively and efficiently as possible.

Your Opinion Counts

Thanks to the thousands of pensioners and members who participated in our communications research earlier this year. In our focus groups we met with pensioners and members in Oshawa, Peterborough, Orillia, London, and Toronto. Through our telephone and online surveys we heard from pensioners and members throughout the province.

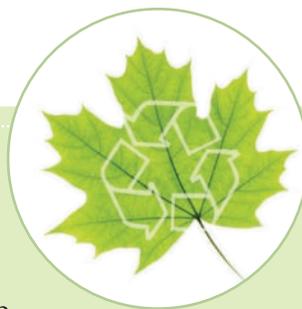
The results of this province-wide survey will be used to help OPTrust with planning future communication initiatives. We've heard what you had to say and we will carefully consider your suggestions for improvement and keep doing the things that you told us we do well.

As part of the telephone and online survey, we offered you a chance to win one of ten \$25 gift cards to Canadian Tire, as thanks for your participation. The winners are listed in the sidebar on the right.

Survey winners:

- **E. Larocque**, Lancaster
- **D. Vigna**, Carleton Place
- **G. Presley**, Ashton
- **R. Clarke**, Maple
- **D. Lindsey**, Richmond Hill
- **M. Scott**, Markham
- **C. Graham**, Sault Ste. Marie
- **M. Desjardins**, Orillia
- **C. Jarvis**, Wyevale
- **N. Gallagher**, Perkinsfield

Our Green Partners



Establishing a “green office environment” is an ongoing initiative here at OPTrust. It’s about making the right choices. OPTrust has adopted numerous “green” measures in an effort to work toward environmentally sound business practices, and we actively seek vendors and suppliers who do the same.

When printed materials are required, OPTrust has committed to creating partnerships with suppliers who have also chosen to reduce, reuse and recycle. We will continue to seek out suppliers who make positive environmental choices.

OPTions in an envelope?

OPTrust is committed to “going green” and we have taken steps to accommodate this environmental initiative, among them is the decision to no longer use envelopes in mailing our newsletters. However, in the interest of consolidating the mailing of our *Annual Highlights Report* along with *OPTions*, we decided it would be much more cost effective to mail these two publications together in an envelope. Although we are committed to incorporating green initiatives wherever possible, envelopes will be used on occasions when they are warranted. Your next issue of *OPTions* will arrive without an envelope.

OPTions

OPTions is a newsletter for members of the OPSEU Pension Trust. Its goal is to provide useful and timely information about the OPSEU Pension Plan.

If there is any conflict between statements in this newsletter and the legal documents of the OPSEU Pension Plan, the legal documents will prevail. Please direct any questions about your personal benefits under the Plan to OPTrust. You should contact OPTrust before making any pension-related decisions.

If you have any questions or comments, please contact us.



OPSEU Pension Trust

Fiducie du régime de
retraite du SEFPO

Return undeliverable Canadian addresses to:

OPSEU Pension Trust
1 Adelaide Street East
Suite 1200
Toronto, ON M5C 3A7



How to Reach Us

OPSEU Pension Trust
1 Adelaide Street East
Suite 1200
Toronto, ON M5C 3A7

Member and Pensioner Services

Tel: 416-681-6100
in Toronto
1-800-637-0024 toll-free
Fax: 416-681-6175

www.optrust.com
email@optrust.com