



OFFICE *of* THE
VICE-PRESIDENT

FINANCE, ADMINISTRATION & RISK

February 20, 2019

To: University of Guelph Pension Plan Retired and Former Members

Re: **University Pension Plan Conversion**

As we have previously communicated, in 2019 you will be part of an important decision on the future of university sector pensions in Ontario; creating a new University Pension Plan (UPP) (Ontario). This new pension plan will be a defined benefit (DB) multi-employer jointly sponsored pension plan (JSPP) and it will provide a unique opportunity to reshape and sustain the retirement income system in the Ontario university sector. It is based on the same model used by other notable pension plans such as the Ontario Teachers' Pension Plan, OMERS (municipal employees) and CAAT (colleges). Once it is up and running, it will be available to other Ontario universities as well.

Impact for retirees or other members in receipt of a pension

You are currently receiving a pension benefit from one of three University of Guelph pension plans. The proposal is to convert all three University of Guelph Pension Plans to the UPP. After the conversion to the UPP,

- your pension would be payable from the UPP.
- you will continue to be paid the **same amount** of pension after conversion and
- you will receive the same post-retirement indexation after conversion as you would have received under your current plan.

Impact for former members

You are currently entitled to a pension benefit from one of three University of Guelph pension plans that you have not yet started receiving. After conversion,

- since you became a former member before the conversion to the UPP, you will continue to be eligible for the same pension benefit provided to you under the current Plan.
- your benefit would be payable from the UPP.

Upcoming Information

As part of the regulatory approval process, The University of Guelph is required to issue detailed notices to all members, including retirees and former members, of the University of Guelph Pension Plans. The notice packages will be sent in late March 2019 to individuals who were retirees or former members of the University of Guelph Pension Plans on September 30, 2018, via regular mail to the address on file and will include the following:

- 1. Schedule 4:** This notice provides information about the benefits payable to you under the applicable University of Guelph Pension Plan and includes your personal data and your pension entitlements as of September 30, 2018. It also contains information about the funded status and current funding rules applicable to the University of Guelph Pension Plans and about the process for converting to a JSPP.
- 2. Schedule 5:** This notice provides information about the amount that would be payable to you under the UPP and confirms that these will be the same amount you are currently receiving or eligible to receive. It also contains information about the governance and funding of the UPP and other information as required by pension legislation.
- 3. Schedule 6:** This is an Objection Form for you to use if you wish to **object** to the conversion of the applicable University of Guelph Pension Plan to the UPP. If you **support** the conversion, you do not need to do anything. If you do nothing, you will be considered to **consent** to the conversion.

What do I need to do?

If your address has changed please contact the University Pension team.

Otherwise, there is nothing that you need to do right now. You will receive a notice package at the end of March 2019. When the notice package arrives:

- If you support the conversion to the UPP, you won't be required to do anything.
- If you object to the conversion to the UPP, you will need to complete and return the objection form, Schedule 6, that will be included with the notice package.

In the interim, we encourage you to visit www.universitypension.ca and participate in the ongoing discussions.

Your questions are important. Email your questions to info@universitypensions.ca or upp@uoguelph.ca. You can also contact the University Pension team at 519-824-4120 ext. 52142