

## MOVING FORWARD WITH THE UPP:

### Building a sustainable defined benefit pension plan for the university sector

As communicated in July 2019, the consent process for the University Pension Plan Ontario (UPP) has been successfully completed, with each of the five existing pension plans at the University of Toronto, University of Guelph and Queen’s University surpassing the required threshold.

**Achieving this important milestone was a critical step in enabling the UPP to move forward.** The UPP Joint Sponsors would like to extend a sincere thank you to all members who participated in the consent process.

### What Happens Next?

At this point, the focus shifts toward building the plan’s infrastructure, such as creating the necessary plan documentation (plan text, trust agreement, sponsor agreement, etc.), and establishing the UPP governance framework. No further action from members is required at this time. The UPP Joint Sponsors remain committed to keeping you informed and engaged as the transition progresses.

All UPP stakeholders continue to work toward a target implementation date of July 1, 2021. The table below summarizes some key actions and anticipated timelines so you know what to expect in the coming months.

Action	Description	Target Date
<b>Establishing the UPP governance structure</b>	The UPP Joint Sponsors have been working diligently to create the new governance structure for the UPP, including finalizing the Plan Text, Sponsor Agreement and Trust Agreement.  A Board of Trustees (including a jointly appointed chairperson) will be established to administer the UPP, with representation from the employers, employees and non-unionized members. The UPP Joint Sponsors are currently <a href="#">recruiting for the role of inaugural UPP Chair</a> and other Trustees.	<b>Ongoing</b>
<b>Approval of university governing bodies</b>	The governing bodies at each respective university must approve the conversion of the five existing pension plans into the new UPP.	<b>Fall 2019</b>
<b>Filing of transfer and UPP registration applications</b>	The universities must file detailed applications for each pension plan with the pension regulator [the Financial Services Regulatory Authority (FSRA)] for approval to transfer the assets and liabilities of the existing plans to the UPP. An application to register the new UPP must also be submitted to FSRA and the Canada Revenue Agency.	<b>Dec. 30, 2019</b>
<b>UPP implementation</b>	Once all legislative compliance activities and disclosures have been completed, and the necessary approvals have been obtained, members from the existing pension plans will join the UPP. Assets and liabilities will also be transferred to the UPP. Active members will begin accruing benefits based on UPP provisions, and retirees will start receiving their pensions from the UPP.  Once it is fully operational, other Ontario universities will be able to join the UPP, creating a larger pool for investing, and spreading pension costs and risks over a higher number of members.	<b>July 1, 2021</b>

**Questions?** For more information on the transition to the UPP and how it impacts you, please visit the UPP website at [www.universitypension.ca](http://www.universitypension.ca) or email [info@universitypension.ca](mailto:info@universitypension.ca).