



PENSION NEWS

DECEMBER 2012

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Don't forget to inform the fund office whenever you have a change of address!

Every attempt has been made to provide information that is accurate at the time of printing. If the information contained in this publication is different from the Rules and Regulations of the Pension Plan, the terms of the English version of the Plan will govern.

Required Documents When You Apply For Your Pension

When you have decided that you want to retire and begin collecting your pension the Fund Office requires that you complete an application and submit supporting documents with your completed application.

A) The following documents are requested if you did **not** have a "spouse"* during the period when you earned your pension:

- **Proof of age.** A copy of your driver's license, passport, or birth certificate. If you submit a document which is in a language other than English or French, we require an acceptable translation of the document. If you are unable to provide one of these documents, please call the Fund Office to discuss other possible submissions that are acceptable. Please send clear copies of the documents and not originals.
- **Banking information.** Your monthly pension will be directly deposited to your Canadian bank account, as a result we require information

about your account. This can be provided to us by sending in a void cheque, having your bank complete the banking information form included in your retirement package or by providing a copy of the account information on your bank passbook. If you decide to live outside of Canada in your retirement we will mail your monthly benefit to you. Please be sure to keep us informed if you move.

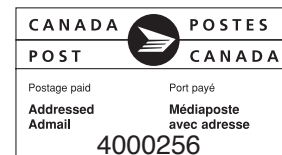
- **A TD1 Form.** This form is provided with your application. Completing this form determines what your personal exemptions are for tax purposes and may reduce the amount of income tax the Fund Office is required to withhold from your pension payment. If you do not submit this form the exemptions applied to your tax calculation will only be the basic ones.
- **Beneficiary designation.** Where you don't choose a life only pension option there is the possibility that

there may be a payment due to your named beneficiary or estate when you die. Naming one or more beneficiaries results in any remaining benefits being paid to whoever you designate as your beneficiary or beneficiaries. If you do not name a beneficiary or beneficiaries by completing the beneficiary designation form, any remaining benefits following your death will be paid to your estate.

B) The following documents are requested if you have a "spouse" on your proposed pension starting date, the above documents **plus** the following:

- Proof of age for your "spouse". The same kind of documents can be submitted for your spouse as are submitted for you, described above
- A copy of your marriage certificate (if applicable). Where the document submitted is in neither English nor French, an acceptable translation of the document is required.
- If applicable, waiver of entitlement form. If you have a "spouse" on your proposed pension starting date, your

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pension will be paid as joint and survivor benefit of 60% or more. If your "spouse" agrees to waive their entitlement to a joint and survivor benefit a completed and witnessed waiver form is required by the Fund Office before the starting date of your pension. This entitles the person applying for their pension to choose options that do not provide a joint and survivor benefit, or a joint and survivor form that is less than 60%.

Please note that, in certain jurisdictions, if you are separated from your "spouse" on your proposed pension starting date, your pension is not required to be paid as a 60% joint and survivor benefit.

C) The following documents in addition to the ones listed above are requested if you had a "spouse" during the period when you earned your pension and were separated or divorced from him or her prior to your proposed starting date:

- A copy of the divorce or separation agreement. We require only the sections of the divorce or separation agreement pertaining to the division of this pension. The pension earned during the period of the spousal relationship is considered under family law to be a family asset subject to division on breakdown of that relationship.
- Waiver of entitlement form. If your former spouse agrees to waive their entitlement to their portion of the pension we require a signed and witnessed copy of the waiver form. The form can be obtained by calling the Fund Office.

Should you have any questions regarding the forms, please call the Fund Office.

Keeping the Fund Office Updated

When you move please inform the Fund Office of your new address. We mail out annual statements to you with information regarding your pension, the amount earned to the end of the previous year as well as the pension related information which we have on record for you. Without a

correct address for you we are unable to provide you with this document. As well we send out three newsletters each year with articles relating to the pension plan with updated pension information. Sending a change of address to your employer does not ensure that we will receive it. Please send a change of address directly to the Fund Office.

When you marry, begin a common-law relationship, or separate, it is important that you inform us. This change may have implications for your pension entitlement. You should review your beneficiary designation periodically. Circumstances change and you may want to change who you have named as beneficiary or add to the ones already named.

Determining the Contribution Rate to the Pension Plan

Contributions to the pension plan are made by you and your employer. The rate at which they are made is determined by negotiations that take place in arriving at a collective agreement. The higher the contributions the bigger the target benefit of the individual will be. The Trustees require that the employer's contribution rate be equal to or greater than the rate determined for the Members. There is a restriction on the maximum combined employer and Member rate of 10.5% that is imposed by the *Income Tax* legislation. Contribution rates can be negotiated higher in contract negotiations that take place after entering the Plan and the ratio of contribution between the employer and/or Member can change as long as the employer contributes at the same rate or a higher rate than the Member and as long as the total rate does not exceed the legislated maximum.

Plan Amendments

The following amendments to the Plan have been made since the last newsletter:

- The break in service period has been changed from 8 months to 60 days.

- The break in service rules were changed to expressly exempt the following periods from being considered a break in service: approved leave of absence without pay and periods after an Employee's termination if there is an outstanding proceeding that may result in his or her reinstatement,
- Immediate vesting was implemented for Members in all jurisdictions.
- The rules for commutation of small benefits were changed. Where permitted, if the monthly benefit payable to a Member or Former Member at age 65 is less than \$25 the benefit will be paid as a lump sum payment. In addition, where permitted, if the monthly benefit payable to the Member or Former Member at age 65 is between \$25 and \$80, the Member or Former Member will be offered a choice of a monthly pension or a lump sum payment. Unless required by law, if a Member's or Former Member's monthly benefit exceeds \$80, he or she will not be able to elect to receive a lump sum payment.
- Housekeeping changes to the rules covering self-payments and the commencement date for benefit payments.

**"Spouse" is defined in the MSPP rules. The definition varies depending on which pension legislation applies to you. Please contact the Fund Office for information about the definition of "spouse" that applies to you.*

If you have any comments about Pension News, or have a question you would like answered in an upcoming issue, please address correspondence to:

MSPP Pension News

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