

KEEPING YOUR PLAN'S FINANCIAL HEALTH ON TRACK

Your Trustees are committed to protecting the financial health of the Plan and regularly assess the risks and opportunities for the Multi-Sector Pension Plan. Earlier this year, in consultation with their advisors, the Trustees decided to file a valuation as of January 1, 2019. The next valuation required to be filed with the pension regulator must have a valuation date that is no later than January 1, 2022. In an environment where people are living longer, Plan costs are increasing and investment returns are volatile, the Trustees carefully monitor the uncertainties and take the necessary steps to keep the Plan's financial health on track.

Valuations use two tests to measure a pension plan's financial health:

Going concern funding is the key test of your Plan's financial health. It assumes contributions will continue to come into the Plan, and members will continue to retire and receive their pensions, for years to come. Based on the January 1, 2019 valuation, the MSPP is 98% funded on a going concern basis. This measure is an important indicator of the Plan's future sustainability and its ability to meet its pension obligations.

Solvency funding assumes your Plan was terminated on the valuation date and had to pay out all pension benefits immediately to active, inactive and retired members. If your Plan had ended on January 1, 2019, it would have had enough money to pay out 49% of all benefits owed on that date which is the result of historically low interest rates, longer life expectancy and investment market volatility. It's important to keep in mind that the MSPP is a Specified Ontario Multi-Employer Pension Plan (a "SOMEPP"). Refer to the side bar for more details.

Happy New Year from your Trustees!

THE MSPP IS DESIGNATED AS A SOMEPP

A Specified Ontario Multi-Employer Pension Plan (a "SOMEPP") is a special class of pension plans that has many participating employers and therefore is much less likely to terminate. Currently, the MSPP has over 185 participating employers and 15,000 active members and continues to grow.

As a SOMEPP, the Plan is funded on a going concern basis and is temporarily exempt from the standard solvency funding requirements under Ontario's Pension Benefits Act. The Plan's solvency-funded level does have an impact if you choose to transfer your pension benefits out of the Plan.

For more information on the Plan's SOMEPP designation please refer to the SOMEPP Notice in the "About Us" section in the Plan's website www.MSPP.ca.

A LOOK INSIDE ...

On page 2, why it is important for members to name one or more beneficiaries in the event of death.

On page 3, how *InBenefits* is committed to improving the "member experience" and a review of the new and improved Annual Pension Statement.

On page 4, considerations for when members are deciding when to retire.

YOUR BENEFICIARY

A Beneficiary is the person you have designated to receive, in the event of your death, any pension benefits that may be owing from the Plan. You may designate more than one Beneficiary. It is important for you to inform *InBenefits* of your Beneficiary, and any change of your intended Beneficiary, using the form available from *InBenefits* or the Plan's website www.mspp.ca. **See sample on the right.**

Naming a Beneficiary

Pension Benefit Acts of the jurisdictions in which our plan has members generally stipulate that where you have an eligible spouse as defined under applicable pension legislation, that spouse is automatically entitled to any pre-retirement death benefits payable under the Plan – even if you do not designate them as your beneficiary unless they sign a waiver.

A death benefit may also be payable after retirement depending on the pension payment option you selected at your retirement.

Your original enrolment package from the Plan included a form for you to name your spouse and/or a beneficiary.

When you retire, or leave the pension plan before retiring, we again ask you to name a beneficiary. If you don't have an eligible spouse and you haven't named a beneficiary, we will pay any entitlement to a death/ survivor benefit, which you may have, to your estate. Under these circumstances, the process to distribute any death benefits is typically more complicated and time consuming.

Naming a beneficiary ensures that the payment is made to the individual or individuals, subject to the entitlement of an eligible spouse, that you want to receive the funds. Payment is made directly to the beneficiary as soon as we receive all the required documents.

Please keep in mind that as your circumstances change you may want to change the beneficiary or beneficiaries you have designated. Where you have a spouse, you may also consider naming another beneficiary in the event that you and your spouse are victims of catastrophic injury.

Should you have any questions or require a designation of beneficiary form, please call or email *InBenefits*.

ONLY ORIGINAL DOCUMENTS ACCEPTED

DESIGNATION OF BENEFICIARY FORM
Please note, that change of information will revoke the previous information on record

PLEASE PRINT

MEMBER INFORMATION

LAST NAME OF MEMBER _____ FIRST NAME, INITIAL _____ SOCIAL INSURANCE NUMBER/ID# _____
ADDRESS/STREET NUMBER & NAME _____ BOX NO./APT. NO. TELEPHONE NO. _____ CELL PHONE NO. _____
CITY/TOWN/VILLAGE _____ PROVINCE _____ POSTAL CODE _____ DATE OF BIRTH _____

MARITAL STATUS SINGLE MARRIED COMMON-LAW SEPARATED WIDOWED DIVORCED EMAIL _____
LANGUAGE PREFERENCE ENGLISH FRENCH GENDER MALE FEMALE

DESIGNATION OF BENEFICIARY

Your eligible spouse is automatically entitled to any death benefits that may be payable from the pension plan, if you do not have a spouse, or if you have not designated a beneficiary, any payment on your death from the pension plan will be made to your estate.

Eligible spouse: Your spouse is the person you are living with at the time of retirement or death, whichever comes first, to whom you are married or in a common-law relationship.

SPOUSE'S LAST NAME (if different) _____ SPOUSE'S FIRST NAME, INITIAL _____ SPOUSE'S SOCIAL INSURANCE NUMBER _____
GENDER MALE FEMALE SPOUSE'S DATE OF BIRTH _____

DATE OF MARRIAGE OR COMMENCEMENT OF CO-HABITATION IF CURRENTLY LIVING WITH SPOUSE

NON - SPOUSE BENEFICIARY DESIGNATION (If you are naming a minor as a beneficiary, consider obtaining legal advice before proceeding.)

BENEFICIARY'S LAST NAME _____ FIRST NAME _____ BENEFICIARY'S DATE OF BIRTH _____
RELATIONSHIP TO MEMBER _____ FULL ADDRESS OF BENEFICIARY (if different from yours) _____ TELEPHONE NO. _____

BENEFICIARY'S LAST NAME _____ FIRST NAME _____ BENEFICIARY'S DATE OF BIRTH _____
RELATIONSHIP TO MEMBER _____ FULL ADDRESS OF BENEFICIARY (if different from yours) _____ TELEPHONE NO. _____

BENEFICIARY'S LAST NAME _____ FIRST NAME _____ BENEFICIARY'S DATE OF BIRTH _____
RELATIONSHIP TO MEMBER _____ FULL ADDRESS OF BENEFICIARY (if different from yours) _____ TELEPHONE NO. _____

EMPLOYEE DECLARATION

Signature of Member _____ Date _____

Witness Name _____ Witness Signature _____ Date _____

Your signature must be witnessed by an adult other than your Spouse or Beneficiary.

It is the member's responsibility to ensure that all required contributions are made on their behalf. The Plan requires information about Participants' spouses, or beneficiaries, to benefits can be paid to the appropriate individual in the event of the Participant's death. None of the information is provided to the Plan by the Participant's employer. Other information is collected directly from Participants. On occasion, the Plan may need to share some of its Participants' personal information with insurance and other service providers. The Plan will take all necessary steps to protect the privacy of this information. By participating in the Plan, you are consenting to the Plan's collection, use and disclosure of this personal information.

105 Commerce Valley Drive West, Suite 310, Thornhill, ON L3T 7W3
Phone: 905-889-6200 Toll Free: 1-800-267-4816 Web: www.mspp.ca E-mail: info@mspp.ca

If you change your address please notify the Fund Office immediately

PRE-RETIREMENT DEATH BENEFIT

If you die before retirement, benefits payable from the MSPP will depend on whether, or not, you have an eligible spouse at the time of your death.

If you have an eligible spouse as defined under applicable pension legislation – Your spouse will receive the commuted value of the target pension benefit you've earned to the date of your death. Your spouse can choose to receive this benefit in one of the following ways:

- An immediate monthly target pension payable for your spouse's lifetime, or
- A deferred monthly target pension beginning when your spouse reaches age 65 (or on a reduced early retirement basis anytime after age 55), or
- A single lump sum cash payment (net of applicable taxes) or as a tax-free transfer to an RRSP

If you don't have an eligible spouse or your spouse has waived the right to pre-retirement death benefits (where permitted by pension law) – Your beneficiary, or your estate, if you have not named a beneficiary, will receive a lump sum taxable payment equal to the commuted value of the target pension benefit you have earned to the date of your death.

Post-retirement death

If you die after your pension begins, your spouse, beneficiary or estate may receive a death benefit from the Plan, depending on the pension payment option you chose at retirement.

IMPROVING THE “MEMBER EXPERIENCE”

InBenefits is committed to this goal!

Over the past two years, *InBenefits* has been working in conjunction with your Plan Trustees to improve the “Member Experience”. It started with our commitment to create a culture dedicated to our four pillars of service: *Integrity, Innovation, Commitment and Excellence*.

It continued with:

- establishing a dedicated Call Centre, open from 8 am to 5 pm ET Monday to Friday;
- increasing staff to enhance services;
- implementing a new pension administration system to improve service to members and respond to their requests more promptly;
- resuming regional information sessions for members and offering information sessions via webinar;
- enhancing the Annual Pension Statement for active members;

and more recently

- upgrading our internet service connection to fiber to improve reliability and speed.

We continue our work to rebrand and relaunch the Plan’s website which will provide “on-demand” 24/7 access to online tools, including an interactive pension calculator which will allow members to calculate their pensions using different retirement dates. Further details will be announced as we approach the launch.

For a second consecutive year, *InBenefits* has received a Great Place to Work® award.

We’re proud of these achievements and keep striving towards our goal of improving the “Member Experience”.

The Staff of *InBenefits* would like to wish you and your family a Great 2020!

NEW ADDRESS

Don’t forget to inform *InBenefits* whenever you have a change of address. Inaccurate or outdated contact information on file prohibits *InBenefits* from sending important correspondence. This can affect your benefit payments, cause delays in your retirement start date, and a variety of other issues that can easily be avoided by keeping us informed of any change in contact information.

YOUR ANNUAL PENSION STATEMENT

A new and improved statement

If you were an active Plan member at the end of last year, you should have received your Annual Pension Statement (“Statement”) by June 30th, 2019. Your Annual Pension Statement is an important document that helps you keep track of your pension benefits.

We have enhanced the look and content of the Statement to make it more user friendly and meaningful.

Your personal data, beneficiary information and contribution summary are each shown in separate and easy to read sections.

The section titled “Accrued Pension” provides the amount of annual pension you have accrued to the end of the year. It assumes your payments will begin at age 65. We have now included the formula as to how the amount was calculated.

A new feature of the Statement provides members with a “Projected Pension” which is intended to give members a better idea of their pension entitlement if they work to age 65. The annual projected pension is **estimated** based on projected contributions until age 65 assuming no changes to your wages, annual hours of work or contribution rate to age 65. It also assumes that you will elect to receive payment in the Normal Form of Pension. It is important to note that the annual projected pension does not result in any entitlement to a pension and is not binding on the Plan.

The actual amount of your pension will depend upon a number of factors including the form of pension you select, your future service and employment, and the amount of contributions received on your behalf. Actual pension amounts will be calculated at the time of application using current, verified data and will be paid in accordance with the rules and regulations of the Multi-Sector Pension Plan and applicable legislation.

Please contact *InBenefits* if you have any questions related to your Annual Pension Statement.

YOUR QUESTIONS, OUR ANSWERS

Retirement date considerations

Q What is the normal retirement date in the Plan?

A The normal retirement date is the first of the month coinciding with or immediately following your 65th birthday. You'll be entitled to your full accrued monthly target pension on the normal retirement date. See below as to when you should apply.

Q Can I retire early?

A You may retire as early as the first of the month coinciding with or immediately following the date you reach age 55. If you retire early, your monthly target pension will be permanently adjusted by approximately 0.5% for each month the early retirement date precedes the normal retirement date since you are likely to receive pension payments for a longer time.

Q Can I defer my retirement beyond age 65?

A You can defer receipt of your pension benefit beyond age 65. However, by law, your pension payments must begin no later than the end of the calendar year in which you reach age 71.

Q How do I apply for my pension?

A For members who are at least age 55 and are considering retirement, you can call *InBenefits* to request a pension estimate, showing your monthly pension amount at the date or age requested.

Please call *InBenefits* three months before your planned retirement date to request a pension application. Confirmation of your retirement date from your employer is also required before your pension application can be processed.



Final Word

This newsletter serves only as a summary of information about the Multi-Sector Pension Plan in simple terms. It is not intended to be comprehensive or to provide advice. If there are any differences between the information provided in this newsletter and the legal documents that govern the Plan, the legal documents will apply.

REMINDER

2019 T4 and T4A tax slips are required to be mailed to recipients by March 2, 2020.

MSPP BOARD OF TRUSTEES

Your Plan's Trustees and Alternate Trustees are all appointed by unions that represent MSPP members - Canadian Union of Public Employees (CUPE) and the Service Employees International Union (SEIU).

Trustees

Susan Arab, Co-Chair, <i>CUPE</i>	John Klein, Co-Chair, <i>SEIU</i>
Jackie Dwyer, <i>CUPE</i>	Kumar Ramchurran, <i>SEIU</i>
Heather Grassick, <i>CUPE</i>	Julie Roberts, <i>CUPE</i>
Frederick Ho, <i>CUPE</i>	Nathalie Stringer, <i>CUPE</i>

Alternate Trustees

Matt Cathmoir, <i>SEIU</i>	Gary Yee, <i>CUPE</i>
----------------------------	-----------------------

KEEP IN TOUCH

Have a question about your Plan?
We're here to help!

Email: info@mspp.ca

Phone: 905-889-6200 (Option 1)

Toll Free: 1-800-287-4816

Fax: 905-889-7313

Mailing address: 105 Commerce Valley Drive West
Suite 310, Markham, ON, L3T 7W3

Don't forget... you can also access Plan Information
anytime at www.mspp.ca

