



Your Guide to  
OPTrust Select  
*for Retirees*

## Disclaimer

This booklet is intended as a summary description of OPTrust Select, a schedule of benefits under the OPSEU Pension Plan. We have made every effort to ensure that the contents of this booklet are complete and accurate. However, if there is an omission in this summary or a conflict between the summary and the official OPSEU Pension Plan terms, the Plan terms will prevail. The information in this booklet is current as of the date of publication and does not reflect any amendments to the Plan after that date.

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Simple. Smart. Select.



# OPTrust Select: Retirement Income You Can Count On

As an OPTrust Select retiree, your defined benefit pension is a secure and stable source of retirement income. This booklet provides information for you to know as an OPTrust Select retiree.

You can also view the [Retirees page](#) on the OPTrust Select website for more information or contact our [Member Experience](#) team if you have questions.

If you have not yet retired and are thinking about next steps, please visit the Planning for Retirement Section on the [Members page](#) of our website.



# Your Responsibilities as an OPTrust Select Retiree

As an OPTrust Select retiree, it is your responsibility to:

1. Provide OPTrust with the necessary information required to administer your pension, such as your banking information and tax information.
2. Notify OPTrust if your address, email or phone number changes so we can continue to provide you with information about your pension.
3. Review the Retired Member Statement you receive from OPTrust every two years and notify us of any discrepancies or errors.
4. Read any other correspondence you receive from OPTrust.
5. Keep your spousal and beneficiary information up to date.



# Collecting Your Pension

## Receiving Your Monthly Pension Payments

As an OPTrust Select retiree, your monthly pension is paid on or before the 26th of each month. You can view the most current OPTrust Select pension pay calendar on the [Retirees page](#).

For your convenience, we offer direct deposit to the financial institution of your choice anywhere in Canada or the United States. If you need to change your banking information, please [contact us](#) using our secure online form.

## Cost of Living Adjustments

Cost of living adjustments (COLAs) are not guaranteed but may be applied to your pension on an annual basis to help protect your pension against the impact of inflation over time. COLAs are granted at the discretion of the Board of Trustees, based on the funded status of the Plan and other factors and may range from 0 to 100% of the increase in the Consumer Price Index (CPI).

The following table shows how COLAs could increase your pension.

Year	Pension Before COLA (A)	COLA* (B)	Pension with COLA (A+B)
1	\$500	2.60%	\$513
2	\$513	1.80%	\$522
3	\$522	2.40%	\$535

\*These percentages are for illustrative purposes only.

Please refer to the [Retirees page](#) for more information about COLAs.

# Deductions From Your Pension

## Taxes

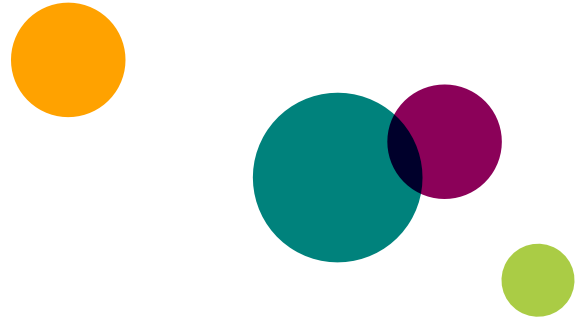
While you were working, the contributions you made to OPTrust Select were tax deductible. Now that you have retired, the pension payments you receive are considered taxable income and may be subject to withholding tax. OPTrust is required to report this income and any tax that has been withheld to the Canada Revenue Agency (CRA) on a T4A slip each calendar year.

When you retired, you would have completed two TD1 personal tax credit return forms, one federal and one provincial. When we pay you your monthly pension, we deduct income tax from the payment based on the information you provided on these tax forms.

If you have other sources of income in addition to your OPTrust Select pension, including payments you receive from the Canada Pension Plan (CPP) or Old Age Security (OAS), that may put you in a higher tax bracket, we do not deduct taxes reflecting that higher tax bracket unless you specified this on the TD1 tax forms. If you want us to deduct additional taxes from your pension payment each month, please **contact us**.







## **Exempt from Creditors**

While you are receiving your pension, it is exempt from seizure by most creditors. The exceptions are the CRA and orders for spousal or child support. Your former spouse may also be entitled to a portion of your pension if you end your spousal relationship after you retire – see our Select Info to Know about [Family Law and Your Pension](#) for more information.

## **Spousal or Child Support Payments**

If you are required to pay family support payments to your spouse or child from your pension you must provide OPTrust with the necessary paperwork, such as a court order or domestic contract. If you do not provide OPTrust with this information we will be required by law to deduct an amount from your pension to satisfy your family support payments if we receive instructions from the Family Responsibility Office to do so.

## **Garnishments**

We may also deduct an additional amount from your pension if we receive a Requirement to Pay from the Canada Revenue Agency (CRA). This is often referred to as a garnishment. We will inform you if we receive direction from the CRA to garnish your pension before a deduction is made.

# Planning Ahead

## Survivor Benefits

Your pension provides benefits for your survivors. It is important that you keep your spousal information and beneficiary designations up to date with OPTrust so that we can pay any survivor benefits in accordance with your wishes. We encourage you to keep your designated beneficiary information updated by using OPTrust's [Retiree Spousal Information and Beneficiary Designation form](#).

Under pension law, your spouse at retirement is automatically entitled to survivor benefits when you die, regardless of any beneficiary you may designate, unless your spouse has waived their right to survivor benefits. You can find more information in our Select Info to Know about [Survivor Benefits After Retirement](#).

## Appointing a Power of Attorney for your Pension

If you want to provide someone with the authority to manage your financial affairs, you'll need to sign a legal document appointing them as your power of attorney for property. For more information about Powers of Attorney view our Select Info to Know about [Appointing a Power of Attorney for Property](#).



# Life Changes in Retirement

## Returning to Work After You Retire

If you started receiving your OPTrust Select pension and return to work your pension will continue to be paid to you and you will not be able to resume making contributions to the Plan.

## Ending Your Spousal Relationship During Retirement

Depending on the arrangements you make with your former spouse, you may need OPTrust to provide you with the value of the pension assets accrued during the relationship. More information is available in our Select Info to Know about [Family Law and Your Pension](#).



### Did you know?

Your spouse is the person you were married to or living with in a common-law relationship at the time you started receiving your pension. Unless a valid waiver has been received, your spouse is entitled to receive a lifetime survivor pension after you die, even if you separate or divorce.

# Pension Terms

These definitions are for information purposes only. In the event of any conflict between the definitions and the OPSEU Pension Plan terms and any applicable legislation, the Plan terms and the legislation will prevail.

## **Consumer Price Index (CPI)**

A measure produced by Statistics Canada that reflects the cost of a weighted basket of about 600 goods and services that are typically purchased by Canadian consumers every month. The CPI is widely used as an indicator of the change in the general level of consumer prices and the rate of inflation.

## **Cost of living adjustment (COLA)**

An adjustment for inflation that increases OPTrust Select pensions paid to retirees and their survivors. COLAs are granted annually at the discretion of the Board depending on the Plan's funded status and other factors, and can range between 0% and 100% of the increase in the CPI.

## **Defined benefit (DB) plan**

A pension plan which provides members with a lifetime pension income in retirement based on a formula.

## **Financial Services Regulatory Authority of Ontario (FSRA)**

An agency of the Government of Ontario that regulates financial institutions in the province, including pension plans.





## **Funded Status**

The difference between the Plan's assets and the Plan's liabilities associated with its pension obligations.

## **Income Tax Act (ITA)**

Federal legislation regulating taxation in Canada, including the taxation of pension plans.

## **OPSEU Pension Plan**

A defined benefit pension plan jointly sponsored by the Government of Ontario and the Ontario Public Service Employees Union (OPSEU) and administered by OPTrust.

## **OPTrust Select**

A schedule of benefits within the OPSEU Pension Plan.

## **Pension**

Regular payments made during retirement from a pension plan.

## **Spouse**

For pension purposes a spouse is someone a member is married to or has been living with in a common-law relationship for at least three years, or a shorter period if they are in a relationship of some permanence and are the parents of a child. For the spouse to qualify for a benefit, the member and spouse must not be separated at the time a determination is being made (i.e., at date of retirement or date of death if the member dies before retirement).

# About the OPSEU Pension Plan

The OPSEU Pension Plan was established by the Government of Ontario and the Ontario Public Service Employees' Union (OPSEU) to give members and employers an equal say in the governance of the Plan. The Plan is established as a trust governed by a Board of Trustees consisting of five government-appointed Trustees and five OPSEU-appointed Trustees. As sponsors, the Government represents all employers and OPSEU represents all members for purposes of appointing the members of the Board and amending the Plan.

The OPSEU Pension Plan consists of two schedules of benefits: the original schedule of benefits, referred to as the primary schedule of benefits, and OPTrust Select. OPTrust Select members and employers make lower contributions and members receive a more modest benefit than under the primary schedule of benefits. To provide this benefit at a lower cost, OPTrust Select does not offer subsidized early retirement and survivor benefits, bridge benefits, disability pensions or guaranteed inflation protection.

The Plan is registered with the Financial Services Regulatory Authority of Ontario under Ontario's *Pension Benefits Act* as a jointly sponsored pension plan. The Plan is also registered with the Canada Revenue Agency under the Income Tax Act.

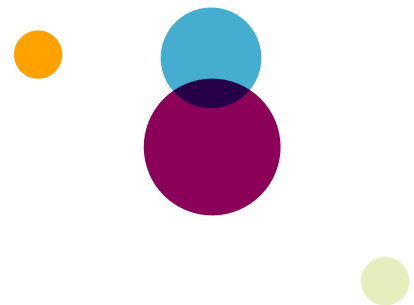


# About OPTrust

The Board of Trustees and its employees operate under the name “OPTrust.” OPTrust is the legal administrator of the Plan under the *Pension Benefits Act* and is responsible for administering the Plan and managing and investing the Plan’s assets. OPTrust has a fiduciary responsibility to administer the Plan and invest the assets in the best interests of all Plan members.

OPTrust is not a crown agency and operates independently from its sponsors. Only the sponsors can make changes to the Plan, including changes in contribution levels and benefits.

OPTrust is responsible for determining inflation adjustments provided to OPTrust Select members.





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