

Quick guide

For UPP Members at University of Guelph

UPP UNIVERSITY PENSION PLAN ONTARIO

Welcome to UPP!

This UPP Quick Guide will help you understand how the pension benefits earned under both the University of Guelph Pension Plans (“UofG plans”) and UPP work together to provide you with a secure benefit in retirement.

For more information on provisions and definitions of the UofG or UPP plans, please refer to each plan’s Member Handbook.

As an active UPP Member with prior service in the UofG plans (also known as your “prior plans”) you will receive a pension based on:

- service earned under your prior plans up to July 1, 2021 (your “pre-conversion benefits”), plus
- service earned on or after July 1, 2021 under UPP (your “UPP benefit”).

The pre-conversion benefits earned under the UofG plans before joining UPP will now be payable from UPP. For the most part, these pre-conversion benefits are based on the prior terms of the UofG plan. However, some provisions are modified based on how your UofG plan integrates with UPP. **In no case will the modifications to UofG provisions result in a reduction of benefits earned before July 1, 2021.**

About this guide

This Quick Guide provides a summary of how the transition to UPP will affect you on July 1, 2021, in simple terms. A complete description is contained in the Plan Text*, available through your university. Every effort has been made to provide an accurate summary. However, if there are any differences between the information given here and the Plan Text, the Plan Text will apply.

*The Plan Text is the legal foundational document which governs the benefit entitlements of members and sets out how the plan is administered.

Here's a look at your integrated benefits and how (a) UPP provisions affect the pre-conversion benefits earned under the UofG plans, and (b) pre-conversion service in the UofG plans might affect your benefit earned under UPP on and after July 1, 2021.

Plan provision	Impact on your benefit
<p>Normal Retirement Date</p>	<p>UPP's normal retirement date is the last day of the month in which you turn 65. As of July 1, 2021, this will apply to both your pre-conversion and UPP benefits. Since you participated in a UofG plan, your normal retirement date will be the earlier of the normal retirement date under the UofG plans or the UPP plan.</p>
<p>Earliest Retirement Date</p>	<p>As of July 1, 2021, UPP specifies that the earliest date you can retire and start a pension is the last day of the month in which you reach age 55. This will apply to pre-conversion and UPP benefits.</p> <p>Since you participated in a UofG plan, your earliest retirement date will be the earlier of the earliest retirement date under the UofG plans or the UPP plan.</p>
<p>Grandparenting of UofG Plan Early Unreduced Retirement Dates</p>	<p>If you were age 52 or older on July 1, 2021 and the early unreduced retirement provision that applied to your pre-conversion benefit immediately prior to July 1, 2021 under the UofG plans is earlier than the UPP early unreduced retirement provision, then that pre-conversion early unreduced retirement provision will apply to your UPP benefit.</p> <p>If you don't meet the above criteria, the early unreduced retirement provisions of the UofG plan(s) will continue to apply to your pre-conversion benefit and the UPP early unreduced retirement provision will apply to your UPP benefit.</p>
<p>Eligibility Service for UofG and UPP Early Unreduced Retirement</p>	<p>Your pensionable service on and after July 1, 2021 will be included in determining your eligibility for an early unreduced retirement benefit under the provisions of the UofG plans.</p> <p>Similarly, any recognized continuous service under UofG plans will be included in determining your eligibility for an unreduced retirement benefit under UPP.</p>

Plan provision	Impact on your benefit
<p>UofG and UPP Best Average Earnings</p>	<p>Determination of your best average earnings (used in the pension formula) for both your pre-conversion and UPP benefits will be based on:</p> <ul style="list-style-type: none"> • your pensionable earnings with UofG prior to July 1, 2021, and • your pensionable earnings with any UPP participating employer on and after July 1, 2021. <p>Note that for UPP Members at UofG, certain special payments that were not included in earnings under the UofG plans are now included in Pensionable Earnings for service on and after July 1, 2021. For information about what earnings are now included in your Pensionable Earnings, please refer to the UofG Plans booklet.</p>
<p>UofG Average and UPP Average YMPE/YAMPE</p>	<p>The average YMPE/YAMPE used to calculate your UPP benefit includes the last consecutive 48 months before to your retirement. If your last consecutive 48 months of plan participation include service in the UofG plans, those months will be included in the average YMPE/YAMPE calculation.</p> <p>Similarly, YMPes used in the Average YMPE calculation for determining your pre-conversion benefit will reflect YMPes before and after July 1, 2021, as appropriate.</p>
<p>Leaves of Absence in progress at July 1, 2021</p>	<p>If you were on an employer-approved leave of absence on July 1, 2021, the proportion of contributions payable by you and your employer during your leave (that is, what proportion will be paid by whom) will continue to apply for the remainder of that leave of absence. The amount of contributions for the portion of the leave on and after July 1, 2021 will be based on the UPP contribution rates.</p> <p>If you were on an employer-approved unpaid leave of absence on July 1, 2021 and not making contributions during the leave, you may choose to make additional contributions to receive pension credit for the leave period. This election must be made within one month of returning to active employment.</p> <p>The amount of contributions payable for the portion of the leave prior to July 1, 2021 will equal two times the amount of contributions that you would have paid during the leave of absence under the provisions of the UofG plans. The amount of contributions payable for the portion of the leave after July 1, 2021 will be equal to the amount payable for an unpaid leave of absence under UPP.</p>

Plan provision	Impact on your benefit
<p>Transferring lump-sum benefits out of UPP when you leave a UPP participating employer before retirement</p>	<p>Pre-July 1, 2021, under the UofG plans, a member could choose to transfer their lump sum pension entitlement out of the plan when they leave. Under UPP rules, this transfer can only be done if you leave the plan before your earliest retirement date. This change will be transitioned in three stages, as follows:</p> <p>Stage 1: Until June 30, 2024, the UofG transfer rules will apply to both your pre-conversion and UPP benefits. This means that if you leave the plan, you can choose to transfer both your pre-conversion and UPP benefits out of the plan;</p> <p>Stage 2: Between July 1, 2024 and June 30, 2031, the UofG transfer rules will apply to your pre-conversion benefit and UPP rules will apply to your UPP benefit. This means that if you leave the plan before your earliest retirement date, you can transfer both your pre-conversion and UPP benefits out of the plan. But if you leave the plan after your earliest retirement date, you will only have the option to transfer your pre-conversion benefit out of the plan; and</p> <p>Stage 3: On and after July 1, 2031, UPP transfer rules will apply to both your pre-conversion and your UPP benefits. This means that if you leave the plan before your earliest retirement date, you can choose to transfer both your pre-conversion and UPP benefits out of the plan. However, if you leave the plan after your earliest retirement date, you cannot transfer any entitlement out of the plan.</p>
<p>Timing of Pension Payments</p>	<p>Before July 1, 2021, UofG plans paid pensions on the last day of the month. As of July 1, 2021, UPP will pay pensions on the first day of the month. This will apply to both your pre-conversion benefits. If you started receiving your pension payments from a UofG plan prior to July 1, 2021, the payment date for your pension will move from the last day of the month to the first day of the month (starting with the July 1, 2021 pension payment).</p>

Where to learn more

More information about your pre-conversion benefit can be found in the University of Guelph pension plan booklets. You can access those and other useful member resources at: <https://www.uoguelph.ca/hr/staff-faculty/university-pension-plan-upp>.

The UPP Member Handbook provides detailed information relating to your UPP benefit and can be found on myupp.ca.

Who to contact

If you have questions about your pension benefits, please contact:

Human Resources Department (Total Compensation)
upp@uoguelph.ca
519-824-4120 x 52142

The University of Guelph will continue to be your key contact as agent of UPP.

