How to Read your Annual Pension Statement – Salaried Plan

Your statement includes important information concerning your McMaster Pension benefits. This guide is intended to help you understand your annual pension statement.

Your Entitlements

The first section of your pension statement lists your entitlements under the Contributory Pension Plan for Salaried Employees of McMaster University Including McMaster Divinity College 2000 ("Salaried Pension Plan"). You will note that the information is provided as at June 30th every year. That's because the Plan Year for the Salaried Pension Plan runs from July 1 to June 30. For 2018, the statement reflects your pensionable service and accrued annual pension from your date of Plan entry up to and including June 30, 2018. Any changes after June 30, 2018 will not appear on this statement, but will be reflected on the next year's annual statement.

Your Pensionable Service and Accrued Annual Pension as at June 30, 2018

This section includes:

- Your pensionable service accrued since June 30, 2017 (for the Plan Year);
- Any service related to a transfer-in or buyback, as at June 30, 2018;
- Your Total Pensionable Service since you joined the Plan and up to June 30, 2018;
- Your annual retirement pension payable at your Normal Retirement Date (to find your Normal Retirement Date, refer to the Personal Information section of your pension statement)

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pensionable Service since June 30, 2017</td>
<td>1.000 year(s)</td>
</tr>
<tr>
<td>Buyback Pensionable Service as at June 30, 2018</td>
<td>0.500 year(s)</td>
</tr>
<tr>
<td>Transferred-In Pensionable Service as at June 30, 2018</td>
<td>0.500 year(s)</td>
</tr>
<tr>
<td>Total Pensionable Service as at June 30, 2018</td>
<td>10.000 year(s)</td>
</tr>
<tr>
<td>Annual retirement pension payable at your Normal Retirement Date</td>
<td>$12,005.50</td>
</tr>
</tbody>
</table>

If you have a transfer and/or buyback it will appear here each year. This value will stay the same year over year unless you complete a new transfer or buyback.

This is your total service and it will increase year over year based on your service accrual for the period of July 1 to June 30. In this example, if the Member is full-time and has no breaks in service, the service for the Plan Year ending June 30, 2019 will be 11 years.
Your Contributions Accrued With Interest

<table>
<thead>
<tr>
<th>Contributions made since June 30, 2017</th>
<th>Member Required Contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$7,123.00</td>
</tr>
</tbody>
</table>

Contributions with interest as at June 30, 2018: $75,400.00

You may have also noticed that for those eligible employees, the bridge benefit is no longer listed. The pension statement is designed to show you your benefit entitlements at your Normal Retirement Date, at which point the bridge is not payable. To understand your bridge benefit entitlements, please see the Pension Highlights documents or Pension Plan Text available online: www.workingatmcmaster.ca/pensions.

Government Benefits

This section explains other potential sources of income upon retirement and provides contact information for Service Canada.

Personal Information

This section of your statement lists all the details regarding your key dates, spouse and beneficiary information, and pensionable salaries used in your pension calculation.

- Employee number: 00123456
- Date of Birth: January 1, 1980
- Date of Employment: July 1, 2009
- Date of Plan Entry: July 1, 2009
- Earliest Retirement Date*: January 1, 2035
- Earliest Unreduced Retirement Date*: October 1, 2036
- Normal Retirement Date: January 1, 2045
- Applicable Legislation: Ontario
- Spouse's name: JANE DOE
- Designated Beneficiary(ies): JANE DOE
- Regular Annual Salary at July 1, 2017: $80,000.00
- Best Average Salary: $76,250.00

*Assumes you will continue to have active service to the date shown.
Here are a couple of key definitions that will assist you in understanding the dates in the Personal Information section.

**Date of Plan Entry:** is the date you began contributing to the Plan. Any buyback or transfer-in service will be reflected separately in the Service Summary section of your statement.

**Earliest Retirement Date:** is the earlier of age 55 or your Special Retirement Date, as defined in your employee group’s Pension Highlights document or the Salaried Pension Plan Text. If you have already passed this date as at July 1, 2018, your statement will display July 1, 2018 in this field.

**Earliest Unreduced Retirement Date:** is the earlier of age 65 or your Special Retirement Date, as defined in your employee group’s Pension Highlights document or the Salaried Pension Plan Text. If you have already passed this date as at July 1, 2018, your statement will display July 1, 2018 in this field.

**Normal Retirement Date:** is the first day of the month in which you attain age sixty-five (65).

**Best Average Salary:** is the average of your $x$ highest months of regular annual salary while a Plan participant.

$x = 48$ months for all groups except for Unifor Local 5555 Hired on or After May 1, 2010 which is 60 months

**Additional Information and Plan Information**

There are additional sections in the statement which provide more information about the pension plan. You can also find information in the Pension Highlights documents or Salaried Pension Plan Text that are available on the following website: [www.workingatmcmaster.ca/pensions](http://www.workingatmcmaster.ca/pensions).
It is important to review all information and ensure it is correct. Please share any updates with your Human Resources area office. Whenever you have a significant life event, make sure you review and update your beneficiary designation(s) for all your benefits plans as follows:

- Download a **life event package** at the following website:

- Download **benefit forms** at the following website:
  http://www.workingatmcmaster.ca/benefits/forms/

- Download **pension forms** (including a pension beneficiary form) at the following website: http://www.workingatmcmaster.ca/pensions/forms/index.php

All of the amounts shown on the statement are ESTIMATES ONLY. Benefits payable from the Plan are governed by the terms of the Plan text in effect at time you retire or leave the University. The actual benefits payable from the Plan will be calculated based on information in University records (date of birth, Pensionable Service, marital status, Pensionable Earnings, etc.). If you believe that any of the personal information shown on this statement is incorrect, it is in your best interest to contact your Human Resources Office immediately to have this information corrected. Please note that, if there are any discrepancies between the benefits and entitlements described in this statement and those provided for under the official Plan text, the provisions of the official Plan text will prevail.

**Future Updates:**

The University is introducing a new system to manage our pension information. PenProPlus is an on-line pension administration solution that is used by many universities. This product, when fully implemented, will allow members of the Salaried Pension Plan to access their annual pension statement on-line through PenProPlus. In addition, to aid in your retirement planning, you will be able to model your pension entitlement based on potential retirement dates that you may be considering. These functionalities are expected to be introduced in 2019. More information about PenProPlus will be shared once the system implementation is complete.