



# Member Handbook

For members of the CAAT Pension Plan  
earning a pension in DBprime



**DBprime**



# Congratulations

on joining the CAAT Pension Plan!

This Member Handbook explains the provisions of the CAAT Pension Plan's DBprime design for full-time members. For the most up-to-date version of this booklet, visit our website.

If you are earning a pension under the CAAT Pension Plan's DBplus design, contact your Human Resources department for a copy of the DBplus Member Handbook.

This Member Handbook describes the benefits earned up to the *Income Tax Act* (ITA) Maximum pension under the CAAT Pension Plan (a registered pension plan, or RPP). As the CAAT Pension Plan is an RPP, it can only pay pensions up to the ITA maximum pension cap.

For members who earn a benefit in excess of the ITA Maximum pension, the excess may be paid from the CAAT RCA, provided your employer participates.

## CAAT Pension Plan

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*A detailed legal description of the provisions of the CAAT Pension Plan can be found in the Plan Text, which can be accessed at your employer's Human Resources department or downloaded from [www.caatpension.ca](http://www.caatpension.ca). If the information in this Handbook, on our website, or from any other source differs from the Plan Text, the Plan Text will govern.*



**DBprime**



# What is the CAAT Pension Plan?

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Established in 1967, the CAAT Pension Plan is a jointly sponsored defined benefit pension plan that offers benefit security to members across Canada.

Providing predictable, secure pensions to members is our business. To that end, the Plan manages a pool of assets that is funded by contributions from active members, matching contributions from employers, and the investment earnings on those contributions.

## The members of the CAAT Plan

For more than 50 years, the CAAT Pension Plan has been delivering secure lifetime pensions to members who work for employers operating within the Ontario college system. Originally established for the 24 Ontario colleges, the CAAT Plan now proudly serves more than 125 participating employers from the for-profit, non-profit and broader public sectors from across Canada, and is open for continued growth in membership where it is mutually beneficial. For a complete list of employers that participate in the CAAT Pension Plan, visit our website and click on “About Us”.



 <p>Employees who work full time automatically join the CAAT Plan's DBprime design upon hire.</p>	 <p>Employees who work part time or on contract can choose to join the Plan's DBplus design at any time.</p>
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## A lifetime of pension payments

The CAAT Pension Plan is a defined benefit pension plan. As a member, you earn a valuable lifetime pension while you work. A lifetime pension means that, once you retire, you will receive pension payments every month for the rest of your life.

With a defined benefit pension, you avoid the burden and risk of investing your retirement savings, both before and after retirement. You don't have to worry about investment decisions or fees, or base your retirement plan around market performance. You simply make contributions on every pay, based on your income, which your employer matches. When you retire, you'll collect pension payments every month for the rest of your life.

# Joint governance keeps your pension secure

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In the jointly-sponsored pension plan governance model, members and employers run the Plan together.

Members and employers together share the responsibility for the operation of the Plan. All of the Plan's governors are aligned in considering benefit security, stability, and equity among members to be top strategic priorities. This shared governance model has proven to lead to stability and prudence, fostering cooperation and flexibility.

As Plan sponsors, the Ontario Public Service Employees Union and Ontario College Administrative Staff Association (both representing employees), and the College Employer Council (representing employers) appoint the members of the Sponsors' Committee and Board of Trustees.

The eight members of the Sponsors' Committee approve Plan amendments and file the Plan's actuarial valuations. The 12 members of the Board of Trustees set the investment strategy and funding risk that are appropriate for the Plan's long-term obligations. For a current list of governors, visit our website and click on "About Us".

## Funding for your future

The Plan undergoes regular actuarial valuations to measure its financial health, and the Plan's governors rely on a comprehensive Funding Policy to help guide the decisions that affect the pension fund. The Funding Policy highlights the long-term focus of protecting promised pension benefits. It defines six funding levels, and the funding controls available to the Plan's governors at each of those levels. The Funding Policy can be viewed on the CAAT Pension Plan website.

## Investments

The CAAT Pension Plan's investment program is designed to generate sufficient long-term returns with a level of risk that is appropriate for the Plan to meet its key objectives. The pension fund consists of well-diversified assets that are invested in a prudent and skillful manner to help ensure the payment of promised pensions for years to come.



# A lifetime pension, plus so much more...

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Studies and surveys show that Canadians want the secure lifetime retirement income and valuable retirement features offered by defined benefit pension plans like the CAAT Plan.

*As a member, you earn a secure lifetime defined benefit pension,  
plus additional valuable features:*



## **Build your retirement income while you're working**

The defined benefit formula means that when you retire, you'll receive a pension based on your best possible earnings, and you won't have to worry about complex investments, market volatility, or outliving your pension.



## **Retire when the time is right for you**

In DBprime, you can choose from a variety of retirement dates to meet your individual needs, including the possibility of retiring before age 65 with an unreduced pension if you meet certain age and service milestones.



## **Your pension receives conditional inflation protection when you retire**

When you retire, the impact of inflation on your pension will be partially offset by the Plan's conditional inflation protection, which will help your pension retain purchasing power over time.



## **Survivor benefits protect your loved ones**

The Plan offers valuable survivor benefits to your spouse at no extra cost to you.



## **Your employer matches your contributions**

Your contributions are deducted from your gross income, thereby reducing your taxable income each pay period, and your employer matches your contributions.

# What to expect from Plan membership

When you join the CAAT Pension Plan, you immediately start building a secure, lifetime retirement income. As a full-time employee of a participating employer, you are automatically enrolled in the CAAT Pension Plan's DBprime design upon hire.

## The contribution formula

Your contributions are based on a percentage of your pensionable earnings, and your employer matches your contributions, dollar for dollar. The contribution rates, including 3% stability contributions, are:

**11.2%** of your pensionable earnings up to the YMPE

+

**14.8%** of your pensionable earnings above the YMPE

One of the key areas of focus for the Plan's governors is ensuring that contribution rates remain steady and at levels appropriate for the benefits earned.

## Definitions

### Pensionable earnings

The earnings on which you pay contributions. This includes earnings that are "re-earnable" and does not include overtime pay and certain lump sum payments.

### Year's Maximum Pensionable Earnings (YMPE)

The maximum amount of earnings on which you are required to contribute to the Canada Pension Plan. Visit the Member section of our website and click on "Contributions" to see the current year's YMPE.

### Stability contributions

Contributions above the basic amount required to fund the expected cost of benefits. These contributions are used to build reserves to keep benefits secure and contribution rates stable during periods of market volatility, as described in the Funding Policy.

## Your Annual Pension Statement

Your Annual Statement is a comprehensive summary of your membership and is one of your most valuable retirement planning resources. Every year, your statement gives you a snapshot of your membership in the Plan from the date you joined until December 31 of the previous year. It shows the pension you have earned and up to three potential retirement dates.

## Your Member ID

Your unique member identification number (Member ID) is associated with the pension you are earning in the CAAT Plan. It stays the same for as long as you are a member of the Plan and will remain the same when you retire and start collecting a pension. When you contact us by phone or email, have your Member ID handy so that CAAT Plan representatives can make sure they're speaking to the right person. You'll find your Member ID on personal documents you receive from the Plan, such as your Annual Statement. Be sure to take note of your Member ID and retain it for future reference.



### Keeping you informed

To get pension updates and news delivered to you as it happens, subscribe to My Pension NewsLink. You'll get emails directly from the Plan to keep you informed about pension news that could affect you. Visit the "News" section of our website and click on "My Pension NewsLink".

# Build your pension while you work

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Flexible purchase and portability options enable you to maximize your pension, including the pension you earned with a previous employer.

## **Consolidate your pension from a previous employer into the CAAT Plan**

If you were a member of another Canadian registered pension plan through a previous employer before joining the CAAT Pension Plan, you may be able to bring the service you earned into the CAAT Plan, if the previous plan allows it. Not only can this increase your ultimate CAAT Plan pension, but it will also allow you to consolidate your future pension payments and receive them from one reliable source.

In the CAAT Pension Plan, all transfers are processed based on rules prescribed under applicable legislation. These transfers do not have time limits – you can initiate a transfer at any time before you retire but generally the cost increases over time. Not all pension plans are the same, so the service you had in the previous plan may not be equivalent to the service you will have in the CAAT Plan.

## **Restore time away from employment through a purchase**

During your membership, there may be times when you temporarily stop working and contributing to the Plan (e.g. an approved leave of absence without pay). If this applies to your situation, you can add these periods of time to your pensionable service by making a purchase, which will increase your pension.



The cost of a purchase depends on the type of purchase, and when you make it; you can make a purchase at any time while you are working and contributing to the Plan, however, as a general rule, as your age, earnings, and years of service increase, so will the cost.

Purchases are subject to the limits imposed by the *Income Tax Act*, and are tax deductible, which means if you pay with cash, you will need to have sufficient RRSP contribution room. For details, including time limits and tax implications, visit the “Members” section of our website and click on “Increasing your pension”.



#### **Get started with our online ACE tool**

Use the online Actuarial Cost Estimator (ACE) tool on our website to get an estimate of the cost of a purchase. Once you’ve completed your online quote, the ACE tool gives you access to the instructions and forms you’ll need to get the process started.

### **Moving to or from another CAAT Plan participating employer**

One of the advantages of belonging to a jointly sponsored pension plan with many different participating employers is the ability to move between the Plan’s numerous participating employers while continuing to build your retirement income. If you leave your current employer and begin working at another employer that participates in the CAAT Plan, your pension will seamlessly transfer with you, and you will continue to build a valuable lifetime income in retirement while you work.

### **Moving between full-time and part-time or contract employment**

In the event you move to part-time or contract employment during your membership, whether for your current employer or a different participating employer, you will transfer into the Plan’s DBplus design. In that case, you will begin making contributions at the DBplus rate. When you retire, you will receive a monthly pension for the rest of your life, which is made up of two parts – the portion earned in DBprime, calculated using the DBprime pension formula, and the portion earned in DBplus, calculated using the DBplus pension formula.

### **Returning to work for a participating employer after retiring**

If you are under age 65 and return to full-time employment, your pension payments stop and you will automatically resume participating in the Plan and begin to make contributions under the DBprime Plan design. If you are over 65, you will have the option to suspend your pension payments and rejoin the Plan. If you return to part-time or contract employment, you have the option to suspend your pension payments and resume contributions. If any of these situations applies to you, contact your employer’s HR department. When you return to work, if your new employer participates in DBplus only, you have the option to begin contributing to DBplus whether you return to full-time or part-time employment. You can continue to earn a pension until the end of the year that you turn age 71.

### **Transferring to another employer’s pension plan**

If you leave your CAAT Plan employer and begin working for an employer that does not participate in the CAAT Pension Plan, and offers a registered pension plan (and you are under age 65), you can transfer your CAAT Plan pension to your new employer’s pension plan, as long as that plan will accept the transfer.

# Life changes and your pension

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Like many pension plan members, you may experience events during your working years that could affect your pension. Visit the “Members” section of our website for details on the following events.

## **If you start disability leave**

If, during your membership in DBprime, you qualify as disabled under the CAAT Plan Text, you will remain a member of the CAAT Pension Plan. You and your employer will stop making contributions to the Plan, but you will continue to accumulate pensionable service.

During your period of disability, your earnings (for the purposes of calculating your pension) are “deemed”, meaning they are based on the salary you received from your employer right before you started disability benefits. Furthermore, for each year you receive disability benefits, your deemed earnings are adjusted from time to time.

You stop accruing disability benefits when your disability leave ends and you return to paid employment in the same role or a different role, turn 65, retire, or die.

## **If your marital status changes**

In the case of a separation or divorce, the pension you earned during the period of marriage may be considered as a family asset under applicable legislation.

If you separate from or divorce your spouse, it is important that you notify the Plan as soon as possible to avoid any delays when it’s time to start your pension.



### Definitions

Your **spouse** is the person to whom you are legally married or in a common-law relationship, as defined by your jurisdiction of employment.

The CAAT Pension Plan considers your spouse to be the eligible spouse for the pre-retirement death benefit if they meet the definition of spouse in your jurisdiction of employment, and your spouse has not waived the pre-retirement death benefit in accordance with the conditions set out by applicable legislation. Read more about the definitions of spouse as defined by your jurisdiction by visiting [www.caatpension.ca/en/members/jurisdictional-differences](http://www.caatpension.ca/en/members/jurisdictional-differences).

### If you die before retirement

All Plan members are entitled to survivor benefits. This includes members who die while working for a participating employer, and those who are on an approved leave of absence or disability leave.

**If you have an eligible spouse:** Your eligible spouse is the sole recipient of the pre-retirement death benefit. No other survivor benefits are paid. Your spouse can choose between a lump sum payment, an immediate monthly pension, or a deferred monthly pension payable at the age of 65. If your jurisdiction of employment is Quebec, other payment options may be available to your surviving eligible spouse. Details will be provided in the document you receive from the Plan.

If your jurisdiction of employment is Ontario or Nova Scotia, and you do not have a spouse upon your death, your eligible child(ren) will receive a children's pension, and the pre-retirement death benefit paid to your designated beneficiaries or estate will be correspondingly reduced. A child is eligible for survivor benefits if they are under age 18, under age 25 and a full-time student, or are unable to support themselves due to disability (and either became disabled before the age of 18 or before the age of 25 if they were a full-time student).

**If you have no eligible spouse (and no eligible children):** Your designated beneficiaries (or your estate if you did not name any designated beneficiaries) will receive a payment equal to the commuted value of your pension.



### Name your designated beneficiary

Even if you do have an eligible spouse, naming designated beneficiaries is still a good practice in the event that

- your eligible spouse dies before you,
- you and your eligible spouse die at the same time, or
- your children no longer meet the definition of child (applicable to those whose jurisdiction of employment is Ontario or Nova Scotia).

Having a designated beneficiary means a payment will be made to the person of your choice, rather than to your estate. You can name anyone as your designated beneficiaries, including your children.

# Planning for retirement

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It's never too early or too late to think about retirement. Having a solid plan will help you choose the right time to retire, understand the income available from various sources, and ease into retired life, built on the strong foundation of your CAAT Plan pension.

*Even if you're not ready to retire, you can take advantage of the Plan's helpful retirement planning resources at any time during your membership.*



### Attend a retirement planning session

The CAAT Plan offers retirement planning sessions to all employers throughout the year. These valuable sessions introduce you to the pension you will receive in retirement and help you understand the things to think about before retiring. You can attend as many times as you want and watch recorded presentations on our website, in case you want a refresher.



### Get an estimate

The DBprime Pension Estimator is a great retirement planning tool that's easy to use. Get an estimate of your future pension at any age in three easy steps. (If you're close to retirement, you can get a more detailed estimate by contacting the Plan directly.)



### Check your statement

Your Annual Statement, mailed to you every spring, is an important planning tool. It shows the pension you have earned to the end of the previous year as well as your key retirement dates. Use your statement in conjunction with the DBprime Pension Estimator to simplify your data input.



### Visit [www.caatpension.ca](http://www.caatpension.ca)

Our website is an excellent source of information about your pension. You'll find the most up-to-date Plan information and handy resources. Check out the latest newsletters, use the DBprime Pension Estimator, and more!



### Get Plan news in your inbox

While you're visiting the website, don't forget to subscribe to My Pension NewsLink and get the latest Plan news by email.



### Contact us

Our member services team is available to take your pension questions. You can reach us by phone (toll-free) at 1.866.350.2228 or by email at [member@caatpension.ca](mailto:member@caatpension.ca). Remember, do not send personal information (e.g. your Social Insurance Number) via email.

**Be sure to keep the Plan up to date on events that could impact your pension, such as a change in your marital status. Visit the "Members" section of our website and click on "Member FAQs" to download a Change of Information form.**



# Retire when the time is right for you

Because the CAAT Plan is a defined benefit plan, you can easily answer the two key questions about your pension at any time during your membership – “When can I retire?” and “How much will my pension be?”

That’s because your pension is based on a formula that can be calculated at any time during your membership. Depending on your age and how much pensionable service you have in the Plan, several retirement date options might be available to you.

## The value of your pensionable service

Because you’re earning a pension in DBprime, your pension will be calculated based on your pensionable service in the Plan and your best five consecutive years of pensionable earnings, regardless of when they occurred in your membership. Your pensionable service is the total time you are a member of and contribute to DBprime in the CAAT Pension Plan. It’s a key component in the pension calculation because the longer you remain a member of the Plan and the more service you earn, the larger your pension will be.



### To answer your pension questions, visit our website to try the DBprime Pension Estimator

With our online DBprime Pension Estimator, you can answer your key pension questions, with just a few pieces of information. First, visit our website and click on “Try the Estimator” to access the DBprime Estimator. Then, enter a few details, including:

- your date of birth
- your earnings
- your pensionable service in the Plan.

The Pension Estimator makes some assumptions to project your service and earnings into the future, and immediately provides you with an estimate of your pension at your normal retirement age (65) and your two milestone early retirement dates. It also gives you the option to pick different retirement dates and estimate future earnings increases so you can model different retirement scenarios.

Once you’ve completed an initial estimate, the **Total Retirement Income** module lets you go one step further – by allowing you to estimate the government pensions (Canada/Quebec Pension Plan and Old Age Security) that you may be entitled to receive. With this information, you can start planning your financial future, even if you’ve just joined the Plan.

The Pension Estimator is secure and available 24 hours a day. Your data is not stored, saved, or transmitted to the Plan or to your employer. Try it as many times as you want to try out different retirement scenarios.

# When can you retire?

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Your DBprime pension is calculated using a formula, so even if you're not close to retirement, you can estimate the retirement date that's right for you.

## Retire at age 65 (normal retirement)

Your normal retirement date is the last day of the month in which you turn 65. When you turn 65, you become eligible for an immediate unreduced pension, regardless of how much service you have earned in the Plan.

## Retire before age 65 (early retirement)

The CAAT Plan's flexible retirement date options let you retire when the time is right for you. In DBprime, you can retire as early as age 55 (or age 50 if you have 20 years of service). You may be able to retire on an unreduced pension before age 65 by meeting one of the age and service milestones:

- The 85 Factor: Your age + pensionable service = 85 or more,
- The 60/20 Rule: You are at least 60 years old with at least 20 years of pensionable service,
- Age 65.

If you retire before age 65 and you do not meet one of the unreduced pension milestones, an early start adjustment will apply to your pension. This permanent reduction reflects the fact that by starting your pension early, you will receive it for a longer period of time than if you start at age 65. In DBprime, the early start adjustment rate is equal to 3% per year for each year (or 0.25% per month) you are away from reaching one of the early retirement milestones.

## Bridge benefit

If you retire before age 65, you receive an additional payment called a bridge benefit, which is paid every month until you turn 65. The same early start adjustment that applies to your pension will also apply to your bridge benefit.

## Keep working after age 65 (postponed retirement)

Even though age 65 is considered your "normal retirement" age, you can continue working and contributing to the Plan past that age without any interruption to your membership. You simply continue to work, make contributions to the Plan, and watch your pension grow. When you retire, you can enjoy a pension that is based on a longer period of service. By November 30 of the year in which you turn 71, you will have to stop contributing to the Plan, and start collecting your pension by December 1 of that year, even if you continue working.



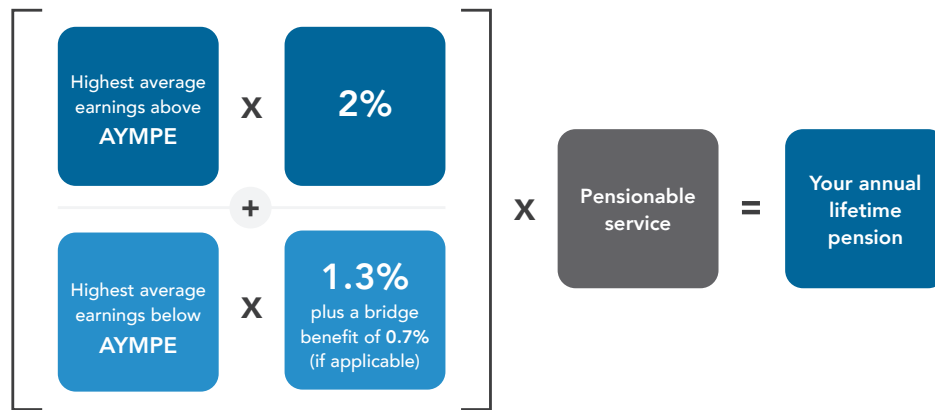
### Your Statement and the DBprime Estimator – a dynamic duo

Have your Annual Statement on hand when you use the Estimator, so you can eliminate any guesswork when entering your earnings and service information.

# How much will your pension be?

Your DBprime pension is calculated using your years of service and your highest consecutive five years of earnings in the Plan. The more time you spend as a contributing member of the Plan, the higher your ultimate pension will be.

## The DBprime pension formula



### Definitions

#### Pensionable service

The total time you were a member of and contributed to the CAAT Pension Plan. A full-time member with no breaks in service earns a maximum of one year of pensionable service per calendar year.

#### Highest Average Pensionable Earnings (HAPE)

The annual average of your pensionable earnings over the five consecutive years of pensionable service during which your earnings were highest.

#### Year's Maximum Pensionable Earnings (YMPE)

The maximum earnings level on which you are required to contribute to the CPP. Visit the "Members" section of our website and click on "Contributions" to see the current year's YMPE.

#### Average Year's Maximum

#### Pensionable Earnings (AYMPE)

The annual average of the YMPE for the year you retire and the four previous years.

#### Early Start Adjustment

If you start collecting your pension before age 65, the early start adjustment is a permanent reduction that reflects the longer period of time you are expected to receive your pension than if you start at age 65.

# Nicole answers her key pension questions

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Nicole is several years from retiring but wants to know what her options will be. Her goal is to retire early so she visits the DBprime Estimator to answer her pension questions.

Nicole's Annual Statement shows the pension she has earned up to the end of the previous year, but she wants to try out different retirement scenarios. Armed with her most recent Statement, Nicole visits the CAAT Plan website to use the DBprime Pension Estimator. The Estimator assumes that Nicole will continue to work and contribute to DBprime until she retires, and uses other assumptions to project her pension into the future. Nicole enters her date of birth, years of service and earnings into the Estimator, and gets three initial retirement dates based on her inputs:

## **Age 65—normal retirement pension**

If Nicole retires at 65, she would receive a pension with no early start adjustment.

## **Earliest retirement date with an unreduced pension**

The Estimator projects that Nicole could retire at age 60 under the 60/20 Rule.

## **Earliest retirement date**

Nicole could retire at age 55, her earliest possible retirement date, with a reduced pension. The early start adjustment (in this case, a 15% reduction in her monthly pension benefit/payment) would apply, because she would be five years away from qualifying for the 60/20 Rule.



## **When should Nicole retire?**

Nicole wants to take advantage of the Plan's flexible early retirement options and considers whether collecting a smaller pension for a longer period of time is right for her, or if she should work five years longer for a bigger pension. She understands that whether she retires at 55, or at any age up to age 65, she will receive a bridge benefit until she turns 65.

She knows there are additional factors to consider, like her career goals and family situation, as well as the additional government pensions she may be eligible to receive.

## **Doing more with the Total Retirement Income module**

Thanks to the Total Retirement Income module, Nicole can try any number of retirement age scenarios to see which is right for her. After entering different retirement ages, she decides that retiring at age 58 would make sense for her. She has the opportunity to retire early, but with a lower reduction to her pension than if she retires at 55.

Nicole also estimates the government benefits she would be entitled to apply for. She can collect a reduced pension from the Canada Pension Plan as early as age 60, and her Old Age Security benefit at age 65. Combined with the pension she can expect from the CAAT Plan, she can get a better picture of her retirement income.

The best part? Nicole knows she can use the DBprime Estimator at any time to model a number of different retirement scenarios. If, during the course of her career, her situation changes, she can change some of the inputs in the Estimator and plan her retirement with confidence.

Nicole also makes sure she attends retirement planning presentations during her membership to learn all she can about her pension in retirement. She can attend as many sessions as she likes, and she can visit our website to watch them on demand.

# Once you've retired

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Once you've started collecting your pension from the CAAT Plan, you will receive monthly payments for life. Here are some things to consider when you retire with a pension from the CAAT Plan.

## Predictable monthly pension payments

Pension payments are made on the first day of the month by direct deposit to a Canadian bank. If you receive a bridge benefit, it will be combined with your pension payment into one deposit until you turn 65, when your bridge benefit will end.

## Valuable inflation protection

The CAAT Pension Plan helps offset the negative impact of inflation by providing conditional inflation protection increases, which are periodic enhancements to a pension payment that help reduce the erosion of the purchasing power of pensions caused by inflation. The annual increase is based on changes in the Consumer Price Index (CPI), a widely-used measure of inflation in Canada, and is calculated as 75% of the change in the average CPI from one year to the next.

Inflation protection increases are applied as of January 1 of each year to pensions in payment, deferred pensions and survivor pensions. Bridge benefit payments also receive inflation protection increases, but when the bridge benefit ends at age 65, any inflation protection increases applied to it will end as well. Inflation protection increases are conditional on the Plan's funded status. For service earned between 1992 and 2007 inflation protection increases are guaranteed, and there are no inflation protection increases on service earned before 1992.

## Survivor benefits after retirement

If you have an eligible spouse at the time of your death, that person is entitled to a survivor pension for life. The post retirement survivor pension is equal to 60% (or 75% if you choose that option when you retire) of the lifetime pension you were receiving at the date of your death (not including the bridge benefit, if applicable). The survivor benefit includes conditional inflation protection.

If you do not have an eligible spouse when you retire or that spouse pre-deceases you, and you have a subsequent spouse at the time of your death, that person would be your eligible spouse, provided you were living together at the time of your death and your spouse did not waive the survivor benefit.

## Separation or divorce after retirement

If you and your eligible spouse separate after retirement, the spouse at retirement is your eligible spouse, and retains the right to a survivor pension, provided you were living together at the time the pension started and your spouse did not waive the survivor benefit in accordance with applicable forms.



## Government benefits

In addition to your pension from the CAAT Pension Plan, you may also be entitled to a pension from the Canada Pension Plan (CPP) or Quebec Pension Plan (QPP) that can start as early as age 60 (on a reduced basis), and Old Age Security (OAS) that starts at age 65. Collecting your CAAT Plan pension does not have an impact on your government pensions.



### Keeping in touch

When you retire, keep us up to date with any changes that may have an impact on your pension payments, such as your address, banking information and marital status, using the *Change of Information* form on our website. Each year in retirement, you will receive a Retired Member Annual Statement, which shows you how your pension grows in retirement with conditional inflation protection increases.

# What if you leave your job before retirement?

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Leaving your job doesn't mean you have to give up your valuable CAAT Plan pension. If you are not yet eligible or not yet ready for a pension, the Plan's termination options provide both flexibility and security so you can make the best choice for your retirement income.

## 24-month extension of membership

When you leave your job with a CAAT Plan employer, you stop accruing a pension, but your pension plan membership will be automatically extended for 24 months from the date of your last contribution to the Plan. During this "extension of membership" period, your pension will continue to grow with an annual increase based on the Average Industrial Wage index, and you will have portability options that allow you to move your pension to another pension plan if you start a new job. As outlined on the next page, other options are available to you, depending on your age.

## After the 24-month extension of membership

At the end of the 24-month extension of membership period, the following additional options become available to you:

### The option to choose a secure lifetime pension

By deferring your pension, you leave it in the CAAT Plan until you reach retirement age and are ready to start collecting it. The deferred pension includes all the benefits of a regular pension, such as survivor benefits, inflation protection, and early retirement options. In addition, during the deferral period your pension continues to grow with conditional inflation protection.

### The option to transfer the commuted value

The commuted value is the amount of money that would have to be invested today, based on current interest rates, to be equivalent in today's dollars to your future pension stream.

If you are under age 55 (or under age 50, if you have 20 years of service) at the end of your 24-month extension of membership, you have six months to choose to transfer the commuted value of your benefit out of the Plan into a locked-in retirement account. The funds must remain locked-in and can only be used to provide retirement income. For information about the types of locked-in retirement accounts available to you, we suggest you seek independent advice from a financial advisor. If your pension benefits are subject to federal jurisdiction, your spouse must provide consent prior to a commuted value transfer, in accordance with the applicable legislation.

If you take the commuted value out of the Plan, you have no further entitlement from the CAAT Plan and will be responsible for investing the funds yourself.



	During the 24-month extension of membership period	After the 24-month extension of membership period
<b>Under age 50</b> (with less than 20 years of service)	<p>Transfer to another registered pension plan.</p> <p>If you begin working for a CAAT Plan participating employer you will resume contributions.</p>	<p>Transfer to another registered pension plan.</p> <p>Defer your pension to a later date and collect secure pension payments for life when you retire.</p> <p>Transfer the commuted value of your pension (within a six-month window).</p>
<b>Age 50</b> (with 20 or more years of service)	<p>Transfer to another registered pension plan.</p> <p>Start your pension early. An early start adjustment will apply.</p>	<p>Transfer to another registered pension plan.</p> <p>Start your pension early. An early start adjustment will apply.</p> <p>Defer your pension to a later date and collect secure pension payments for life when you are ready.</p>
<b>Age 55 to 65</b>	<p>Transfer to another registered pension plan.</p> <p>Start your pension early. An early start adjustment may apply.</p>	<p>Transfer to another registered pension plan.</p> <p>Start your pension early. An early start adjustment will apply.</p> <p>Start your deferred pension and collect secure pension payments for life.</p>
<b>Age 65 and older</b>	Start your pension immediately.	

Payment options may differ depending on your jurisdiction of employment. Contact the CAAT Pension Plan for further details.



**Learn more**

The decision to defer your pension or take your commuted value is an important one, as it has an impact on your financial future. To help choose the option that's right for you, visit the "Members" section of our website and click on "Leaving your job".

# Pension plan details

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## CAAT Retirement Compensation Arrangement (RCA)

This Handbook describes the benefits earned up to the *Income Tax Act* (ITA) Maximum pension under the CAAT Pension Plan (an RPP). For members who earn a benefit in excess of the ITA Maximum pension, the excess may be paid from the CAAT RCA, provided your employer participates. Service purchases and transfers into the CAAT Pension Plan are capped at the maximum registered pension plan benefit allowable under the ITA. Purchases and transfers into the CAAT RCA would be transactions separate from those under the CAAT Pension Plan and are costed on a different basis than the CAAT Pension Plan. For more information on the CAAT RCA, including a list of employers that participate, refer to our website.

## Assignment

Contributions made to, and benefits paid by, the CAAT Pension Plan are generally not subject to garnishment, attachment, or seizure. However, your pension benefits may be assignable through an order or agreement under applicable family law legislation or the Canada Revenue Agency.

## Grow-in benefits

Your benefit under the CAAT Plan is determined exclusively under the terms of the CAAT Plan. Grow-in benefits for involuntarily terminated employees, as provided under the Ontario *Pension Benefits Act* (PBA), do not apply to members of the CAAT Plan. This is because the CAAT Plan, in accordance with the PBA, elected to opt out of their application, effective July 1, 2012, pursuant to a notice of election filed with the Superintendent of Financial Services.

## CAAT Plan registration number

The registration number for income tax purposes is **0589895**. This number can be found on your T4 and your Annual Statement. Your prior pension plan or advisor may need this number when transferring funds to the Plan to purchase eligible service.

The described benefits are based on the minimum standards in accordance with the applicable legislation, and provisions may differ if your jurisdiction of employment is not Ontario.

# Connect with us

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Visit our website at [www.caatpension.ca](http://www.caatpension.ca) and click on “Members” to learn about the provisions outlined in this Handbook and more.

If you have questions or concerns about your pension, contact Member Services toll-free at 1.866.350.2228 or email [member@caatpension.ca](mailto:member@caatpension.ca). Remember, do not send personal information (e.g. your Social Insurance Number) via email.

Subscribe to *My Pension NewsLink* so you’ll always get the latest Plan news first, delivered right to your inbox.

## Protecting your privacy

As outlined in our Privacy Statement, which you can find on our website, under no circumstance will we provide your personal information to outside parties for purposes other than administering your pension without receiving your prior consent.

If you email us with a personal question, you will be required to verify your identity first through our authentication protocols, like confirming your Member ID. If we need to send you any confidential documents, it will always be through our secure transfer site, “S-Doc”. These protocols ensure we keep your information confidential.

Occasionally, you will receive news emails from us with links to our website. However, these emails will never ask you to reply to the email or send any personal information.

If you are ever suspicious of an email coming from the CAAT Pension Plan, please contact Member Services to verify the authenticity of the email.



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