

How to Read your Annual Pension Statement

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

The cover page identifies the pension plan in which you participate, your name, and the date.

**CONTRIBUTORY PENSION PLAN FOR SALARIED
EMPLOYEES OF MCMASTER UNIVERSITY
INCLUDING MCMASTER DIVINITY COLLEGE 2000
(the "Plan")**

Here, Your Name

**Annual Statement
Plan Year Ending
June 30, 2016**

**CONTRIBUTORY PENSION PLAN FOR HOURLY-
RATED EMPLOYEES OF MCMASTER UNIVERSITY
INCLUDING MCMASTER DIVINITY COLLEGE (the
"Plan")**

Here, Your Name

**Annual Statement
Plan Year Ending
June 30, 2016**

The annual pension statement for 2016 reflects your earned entitlement as at June 30, 2016.

Your Entitlements

The first section of your new pension statement lists your entitlements under the McMaster Pension Plan. You will note that the information is provided as at June 30th every year. That's because the Plan Year for the McMaster Pension Plans runs from July 1 to June 30. For 2016, the statement reflects your pensionable service and accrued annual pension as at June 30, 2016. Any changes after June 30, 2016 will appear on future statements.

The first section of your Pension Statement describes:

Your Pensionable Service and Accrued Annual Pension as at June 30, 2016. It includes:

- Your pensionable service accrued since June 30, 2015 (for the Plan Year);
- Any service related to a transfer-in or buyback, as at June 30, 2016;
- Your Total Pensionable Service since you joined the Plan and up to June 30, 2016; and
- Your annual retirement pension payable at your Normal Retirement Date (to find your Normal Retirement Date, refer to the last page of your pension statement).

Your Pensionable Service and Accrued Annual Pension as at June 30, 2016

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.



Pensionable Service since June 30, 2015	1.000
Buyback Pensionable Service at June 30, 2016	0.500
Transferred-In Pensionable Service at June 30, 2015	0.250
Total Pensionable Service at June 30, 2016	9.750
Annual retirement pension payable at your Normal Retirement Date	\$10,000

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, 2017 will be 10.750.



Your contributions to the Plan.

Your Contributions Accumulated with Interest

Member Required Contributions made since June 30, 2015	\$4,500
Member Required Contributions with interest as at June 30, 2016	\$32,375

This is what you contributed during the July 1 to June 30 Plan Year with interest added to it.

This is the sum of all your contributions with interest since you joined the Plan.

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 bridge is not be payable. To understand your bridge benefit entitlements, please see the [Pension Highlights documents or Pension Plan Text available online: www.workingatmcmaster.ca/pensions](http://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

The last section of your new pension statement lists important dates.

This is age 55, unless your "Rule" is earlier than your 55 th birthday.		Employee number:	001234567	If you have reached your "Rule" but have not retired, the Earliest Unreduced Retirement Date will be the next available date following the date of the pension statement (June 30) which is July 1 of the year the statement is produced.
		Date of Birth:	January 15, 1978	
		Date of Employment:	May 20, 2006	
		Date of Plan Entry:	May 20, 2006	
		Earliest Retirement Date*:	January 1, 2033	
		Earliest Unreduced Retirement Date*:	November 1, 2031	
Normal Retirement Date:	January 1, 2043			

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 first day of any month during the ten (10) year period preceding the Normal Retirement Date. This is the earliest date you can begin to collect a pension and it will, in most cases, be a reduced pension.

Earliest Unreduced Retirement Date: is your "Rule" or your Special Retirement Date as defined in your employee group's Pension Highlights document or Pension Plan Text available at www.workingatmcmaster.ca/pensions.

Normal Retirement Date: is the first day of the month in which a Member of the Salaried Plan attains age sixty-five (65). For Members of the Hourly Plan, this is the first day of the month next following the date the Member attains age 65.

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 Pension Plan Text that are available on the following website: 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: <http://www.workingatmcmaster.ca/benefits/employee-life-changes/index.php>
- 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 pension plan to access their annual pension statement on-line through PenProPlus. Beginning next year, your pension statements will be available on-line and statements will no longer be printed and mailed to you. 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 2017. More information about PenProPlus will be shared once the system implementation is complete.