



**PENSION PLAN FOR THE EMPLOYEES
OF CONCORDIA UNIVERSITY**

**NOTICE TO MEMBERS OF THE
PENSION PLAN
FOR THE EMPLOYEES OF CONCORDIA UNIVERSITY**

Dear Pension Plan Member:

We are writing to advise you that the Pension Committee will be filing amendments to the Plan text and a restated Plan text with Retraite Québec and Canada Revenue Agency (CRA).

The Plan has been amended primarily to ensure compliance with the legislative provisions of Bill 75 – *An Act respecting the restructuring of university-sector defined benefit pension plans and amending various legislative provisions*, adopted by the National Assembly of Quebec on June 8, 2016. In addition, other amendments were made to:

- Integrate certain changes introduced to the *Supplemental Pension Plans Act* by Bill 57 – *Act to amend the Supplemental Pension Plans Act mainly with respect to the funding of defined benefit pension plans*, that took effect on January 1, 2016;
- Clarify certain provisions;
- Remove sections and provisions which are no longer or will no longer be in effect after January 1, 2018.

Note that the amendments have no impact on the benefits that you have accumulated to date under the Plan. **If you are a pensioner or a deferred vested Member whose termination of active membership occurred or will occur prior to January 1, 2018, the amendments do not have any impact on your situation and/or benefits under the Plan.**

The amendments, effective January 1, 2018, are summarized as follows:

- Revised cost sharing provisions, which provide for the total Plan costs to be shared in the proportion of 45% by the employees and 55% by the University. Total Plan costs consist of the following elements:
 - Current service cost;
 - Newly required stabilization contribution, equal to 10% of the current service cost;
 - The cost of any deficit related to the service after December 31, 2015 that may arise in the future.

- Removal of the non-contributory participation status and its pension formula (1% pension formula). A Member may no longer accrue non-contributory pension credits for service on and after January 1, 2018; from that point any active Member must contribute to the Plan in order to accrue credited service and pension benefits, unless the Member is exempted from making the required contributions pursuant to a specific provision of the Plan.
- One-time option for active Members to decide not to contribute to the Plan as of January 1, 2018, by completing and submitting the “Declaration Form” within the prescribed period, provided as follows:
 - No contributions are payable by the Member nor the University from that date and no further benefits will be accrued;
 - Option to begin paying contributions and to accrue service and benefits again effective each January 1 thereafter;
 - If no “Declaration Form” is submitted within the prescribed period, the Member is **irrevocably** considered and deemed to have elected to contribute to the Plan and to accrue pension benefits under the Plan for service after December 31, 2017.
- During a period of absence approved by the University or prescribed by law, only Members who were contributing before the beginning of the period of absence or leave will have the possibility to accrue Credited Service during such period, provided that they pay the required contributions.
- Any Member who becomes disabled after December 31, 2017 and who was not contributing to the Plan the day before becoming eligible for disability payments under the University’s long-term disability plan will not accumulate Credited Service during the period of disability.
- Employees hired after December 31, 2017, will have the option to opt-out of the Plan for a maximum of three (3) years following the point she or he is entitled to become a Member in accordance with the terms of the Plan. More specifically:
 - For regular full-time employees
 - membership begins on date of employment, unless the employee elects in writing not to become a Member until the first day of January following completion of the two (2) full calendar years from hiring date, at which point membership and participation in the Plan becomes mandatory;
 - option to join earlier, on either of the two (2) January 1 in between.
 - For employees who are not regular full-time
 - membership begins on the first day of January following the calendar year in which the qualification requirement is met, unless the employee elects in writing not to become a Member until the first day of January of the year following completion of two (2) full calendar

years after the year in which the qualification requirement is met, at which point membership and participation in the Plan becomes mandatory;

- option to join earlier, on the January 1 in between.
- Eligibility criteria for unreduced early retirement pension benefits is changed from ten (10) years of employment service to ten (10) years of “Unreduced Early Retirement Service” for service after December 31, 2017.
 - Unreduced Early Retirement Service is the period recognized as Credited Service except that for Members who are not regular full-time employees, it is determined in the same manner as for regular full-time employees.
- Removal of pre-retirement indexation for deferred pensions attributable to service after December 31, 2017.
- Payment of the value of pension benefits in a lump sum made in proportion with the degree of solvency of the Plan in all cases where the termination of active membership occurred on or after January 1, 2018 and where the funds are paid or transferred at the request of the Member.

A copy of the amendments and/or of the restated Plan text may be requested, by email at pensioncommittee@concordia.ca or by phone at 514 848-2424, ext. 4430.

For any questions related to **your personal file** or to communicate a **change of address**, please contact Pension Services by email at pensions@concordia.ca or by telephone at (514) 848-2424 ext. 3666.



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Date