



THE HOOPP HANDBOOK

A guide for HOOPP members and
those eligible to join HOOPP



HOOPP
Healthcare of Ontario
Pension Plan

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WELCOME TO YOUR PENSION PLAN

The Healthcare of Ontario Pension Plan (HOOPP or the Plan) is one of Canada's largest and most respected defined benefit pension plans. More importantly, it's your pension plan, one that we administer exclusively for members like you who work in Ontario's healthcare community. For more than 50 years, we've been proud to help secure the financial future of those who care for us.

ABOUT HOOPP

HOOPP is a private trust fund operating on a not-for-profit basis, set up for the sole purpose of administering and providing defined benefit (DB) pensions for more than 330,000 healthcare workers in Ontario.

This booklet provides you with an overview of the main features of your HOOPP pension and how it can help provide financial security when you retire, as well as information about your rights and responsibilities as a member of HOOPP.

What is a DB pension?

A DB pension provides a monthly income that begins in retirement and is paid for the rest of your life. The amount you receive is based on a formula that takes into account your earnings and the number of years you have been contributing to the Plan.

The value of HOOPP

HOOPP is one of Canada's largest and most respected DB pension plans. As a member of HOOPP, you will not outlive your pension. It can play an important role in contributing to your financial security as you get older.

Since your pension is based on a formula, before you retire you can estimate how much you will receive each and every month. You may also benefit from additional features such as early retirement options and inflation protection.

HOOPP Board of Trustees

HOOPP is governed by an independent Board of Trustees made up of 16 voting members. The Ontario Hospital Association (OHA) appoints eight of the trustees and the following four unions appoint two trustees each:

- Ontario Nurses' Association (ONA)
- Canadian Union of Public Employees (CUPE)
- Ontario Public Service Employees Union (OPSEU)
- Service Employees International Union (SEIU)

All 16 trustees represent you, whether or not you are a member of any of the four unions. The trustees have a fiduciary responsibility to administer the Plan in the best interests of all HOOPP members, regardless of their union or other affiliation. In addition to the 16 voting members, there can be two non-voting observers representing retired members on the Board of Trustees.

Meanings of specific terms

Some terms in this booklet have specific meanings in the context of the Plan. These terms appear in ***bold italics*** the first time they are mentioned in the booklet and a *Summary of terms* can be found at the back of the booklet to help explain them. You'll also find a more detailed glossary on hoopp.com.

Important information about the examples in this booklet

All examples and calculations in this booklet are for illustrative purposes. Depending on the example, HOOPP may have made certain assumptions about the fictitious member, including assumptions about their ***earnings, year's maximum pensionable earnings (YMPE)***, no hourly earnings increases, no change in employer and employee contribution rates, and no adjustments for inflation.

Your annual pension will differ from the examples provided in this booklet due to your personal circumstances. Your actual benefit entitlement, based on verified data, will be paid in accordance with the *HOOPP Plan Text* and applicable legislation in effect at the time you retire. For this reason, you should not rely on the examples for decision-making purposes.

ADVANTAGES OF BEING A HOOPP MEMBER

1. You will not outlive your pension. Once you start receiving your pension, it will be paid for the rest of your life.

2. Your pension is reliable. The monthly pension you receive in retirement will not fluctuate with the financial markets. In fact, you will be able to estimate how much you will receive before you retire. That's because your pension is based on a formula that takes into account your earnings and years of service.

3. The HOOPP Fund is managed by investment professionals. You and your employer make contributions to the Fund, which is managed by our in-house team of investment experts. Costs are kept low, which means more investment income goes toward paying pensions today and in the future.

4. Your pension is secure. HOOPP has been providing pensions since 1960. We are the largest private trust fund in Canada, operating on a not-for-profit basis and governed by a Board of Trustees. Our trustees represent members and employers and have a shared responsibility to administer the Plan in the best interests of all members. Benefits for every member are backed by assets in the HOOPP Fund.

5. You get more for your money. With HOOPP, you may have access to additional benefits and features, such as:

- Survivor benefits to help care for your loved ones when you pass away
- Inflation protection to help your pension keep up with rising prices*
- The ability to build your pension at more than 500 employers
- A **bridge benefit** that is payable in addition to your monthly HOOPP pension if you retire early, between the ages of 55 and 65

You can count on HOOPP to deliver on the pension promise.

*Inflation protection is provided at HOOPP's discretion. Learn more about inflation protection and other Plan features on hoopp.com.





SECTION ONE

GETTING TO KNOW THE HOOPP PLAN

Our promise to our members is a simple one: a secure retirement income. This section explains who can join HOOPP, how much you and your employer contribute, and how you can watch your pension grow.

WHO CAN JOIN HOOPP?

Full-time employees

Full-time employees working at HOOPP employers join the Plan immediately upon hiring.

Is your employer new to HOOPP? If you were a full-time employee before your employer joined HOOPP, you have the option to join the Plan at any time.

Part-time employees

If you are working at a HOOPP employer as a part-time or other non-full-time employee, you have the option to join HOOPP at any time during your employment. That means you can start building a secure retirement income as soon as you are hired.

Important information about your HOOPP membership

If you work for more than one HOOPP employer, you can decide if you want to join HOOPP for each part-time job you have.

Once you are enrolled, you will generally remain a member of HOOPP until you leave all your employers where you are enrolled and contributing.

In some instances, you can choose to stop contributing to the Plan where you work part-time, for example, if you've switched from full-time to part-time at your employer or if you are enrolled as a part-time employee and you get a second job that is full-time.

HOW MUCH YOU AND YOUR EMPLOYER CONTRIBUTE

Your employer will calculate your contributions each pay period and deduct them directly from your pay. The amount you contribute to HOOPP is based on your earnings, the year's maximum pensionable earnings (YMPE), and the Plan's contribution rates. Your HOOPP contributions are tax deductible.

Your earnings

In general, you contribute to HOOPP each pay period on the pensionable earnings (up to your full-time hours) you receive from your HOOPP employer. Some examples of pensionable earnings include:

- Regular pay or wages
- Straight-time pay for overtime
- Weekends and extra shifts
- Recurring bonuses

Your contributions are based on your annualized earnings, which is the amount you would earn by working regular full-time hours for a full calendar year.

The YMPE

The YMPE is an amount set each year by the federal government based on the average wage in Canada. You contribute at a lower rate on your earnings below the YMPE and at a higher rate on your earnings above the YMPE.

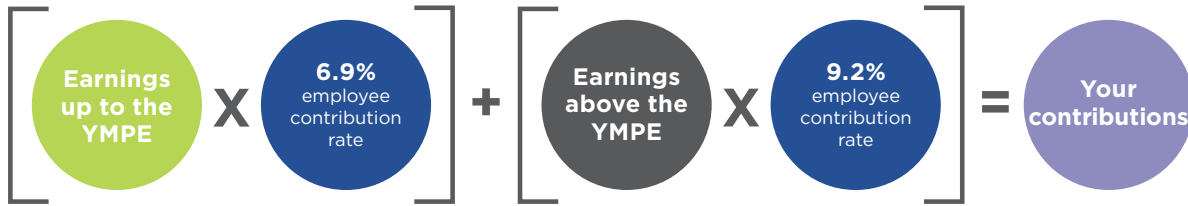
Contribution rates

As a member of the Plan, you currently contribute 6.9% of your earnings up to the YMPE and 9.2% of your earnings above the YMPE. The Plan's contribution rates are set by HOOPP's Board of Trustees and are subject to change based on the Plan's financial status.

Your employer currently contributes \$1.26 for every dollar you contribute.

The example below shows how much a member who earns \$60,000 a year and works full-time would contribute to the Plan in 2018. It also shows how much her employer would contribute for the year.

Contribution Formula



Example



Sally

Here's how much Sally, who works **full-time** all year and has earnings of **\$60,000**[†], will contribute to HOOPP in 2018:

[†]Sally's earnings of **\$60,000** were \$4,100 above the 2018 YMPE of \$55,900.

Earnings		Sally's 2018 Contribution	
\$55,900	X 6.9%	=	\$3,857.10
	+		+
\$4,100 [†]	X 9.2%	=	\$377.20
	=		=
\$60,000			\$4,234.30

Sally contributes **\$4,234.30** to HOOPP and her employer contributes **\$5,335.22** on Sally's behalf.

IF YOU WORK PART-TIME

If you work part-time, your contributions are based on what you would have earned working full-time in your position, and then adjusted according to the percentage of full-time hours you work.

The graphic below shows how contributions would be calculated for Sally if she works three days per week, or 60%

of full-time hours. Though her actual earnings would be \$40,000 per year, her contributions are based on annualized earnings of \$60,000 per year and then prorated by 60%. For 2018, Sally would contribute \$2,540.58 to the Plan and her employer would contribute \$3,201.13.

Example



Sally

Here's how much Sally, who works **part-time** and has actual earnings of **\$40,000**[†] a year would contribute to HOOPP in 2018:

[†]Sally's annualized earnings of **\$60,000** were \$4,100 above the 2018 YMPE of \$55,900.

Earnings		Prorated	Sally's 2018 Contribution	
\$55,900	X 6.9%	x 60%	=	\$2,314.26
	+			+
\$4,100 [†]	X 9.2%	x 60%	=	\$226.32
	=			=
\$60,000				\$2,540.58

Sally contributes **\$2,540.58** to HOOPP and her employer contributes **\$3,201.13** on Sally's behalf.

WATCH YOUR PENSION GROW

When you contribute to the Plan, you build **contributory service**.

As a HOOPP member, you can choose to begin your **lifetime pension** anytime between the ages of 55 and 71. You can retire with an unreduced pension at age 60, or as soon as you have completed 30 years of **eligibility service**.

In general, the pension you will receive when you retire will be based on your earnings and how much contributory service you have built in the Plan. HOOPP gives you personalized information that makes it easy to find out how much your monthly pension will be.

Your Annual Statement

Your Annual Statement provides a snapshot of your benefits as of Dec. 31 of the previous year, including how much you contributed during the year, how much service you have built, and an estimate of your future pension. It shows how much your pension would be at various retirement dates. You can choose whether you want your statement mailed directly to your home or sent electronically through HOOPP Connect.

Did you know? Your Annual Statement is always available on HOOPP Connect.

Your pension estimate

This personalized estimate will provide you with up-to-date information that can help you plan for retirement. There are two ways for HOOPP members to receive a pension estimate:

- **Go to HOOPP Connect** and use the Pension Estimator to estimate your future HOOPP benefit using your own pension data and retirement dates. Your projection includes estimated income from Canada Pension Plan and Old Age Security, if applicable. See how working part-time and retiring early or later changes your projected pension.
- **Call Member Services** for an estimate based on your expected retirement date.

Not a member, but want to know how much you could receive from a HOOPP pension if you enrol? You can try our Pension Calculator on hoopp.com.



SECTION TWO

HOW TO INCREASE YOUR HOOPP PENSION

Maximizing your contributory service and eligibility service can help you increase your pension at retirement. This section explains how you may be able to increase your service.

HOOPP offers options to increase your service so you can build a bigger pension. These include:

- Contributing during a leave
- Buying back periods of service
- Transferring benefits from another pension plan
- Contributing at more than one HOOPP employer

The following provides a quick overview of each.

CONTRIBUTING DURING A LEAVE

There may be times when you take a leave of absence from work, perhaps because you're having a baby, or you need to tend to a personal emergency. In many cases where your employer has approved your leave you can continue to make contributions to your pension.

You have the option to make contributions if the reason for your leave is defined under the *Employment Standards Act*. Examples include pregnancy/parental leave, family medical leave, and personal emergency leave. If you choose to make contributions, your employer will also contribute.

Your employer may grant other types of leaves, for example, for travel or education. If your employer approves a leave not defined under the *Employment Standards Act* that lasts less than 31 days, you and your employer must contribute. If your employer approves a leave that is 31 days or more, your employer decides whether you can make contributions. If you are permitted to contribute and do so, your employer must contribute as well.

How to make contributions for your leave

If you decide to make contributions or are permitted to do so, there are two ways you can contribute:

- Contribute while you're away, as though you were working, or
- Pay the lump sum of your contributions no later than six months from the end of your leave

Speak with your employer to make arrangements for your contributions.

For information about whether you can make contributions during strikes or lockouts, temporary layoffs, and other situations, go to **hoopp.com**.

There are different rules for health leaves. More information is provided in Section Six of this booklet.

BUYING BACK PERIODS OF SERVICE

HOOPP allows you to maximize your pension by completing a **buyback** of eligible past service. When you buy back service, you increase your contributory service and eligibility service in the Plan, increasing your pension at retirement. There are two types of service that you can buy back:

1. Periods of service with a HOOPP employer

This includes:

- A period of time when you were employed by a HOOPP employer but not enrolled in the Plan
- A period when you were on a leave and did not make contributions
- A period of former HOOPP service that you transferred out of the Plan
- A period of time you were off work due to a layoff or strike while employed by a HOOPP employer and did not make up contributions
- A period of employment with an employer prior to its participation in HOOPP

2. Prior service with another pension plan

If you were a member of a different registered Canadian pension plan, you may be able to buy back that service to build your HOOPP pension.

To find out whether a period of past service with another pension plan is eligible for a buyback, please contact Member Services.

When is the best time to buy back service?

You can buy back service at any time before you retire or end your membership in the Plan. The sooner you do so, the better: as your age, earnings and years in the Plan increase, so does the cost of the buyback. The HOOPP Buyback Estimator on **hoopp.com** is a quick and easy way to find out how much it costs to buy back service and how much it can increase your monthly pension. You can buy back all or part of your past service.

Please note that if you are not making contributions to the Plan and have chosen to defer your pension, you are not eligible to buy back service.

For detailed information on buying back service, please read our *Buying Back Service* booklet available by contacting Member Services or on **hoopp.com**.

TRANSFERRING BENEFITS FROM ANOTHER PENSION PLAN

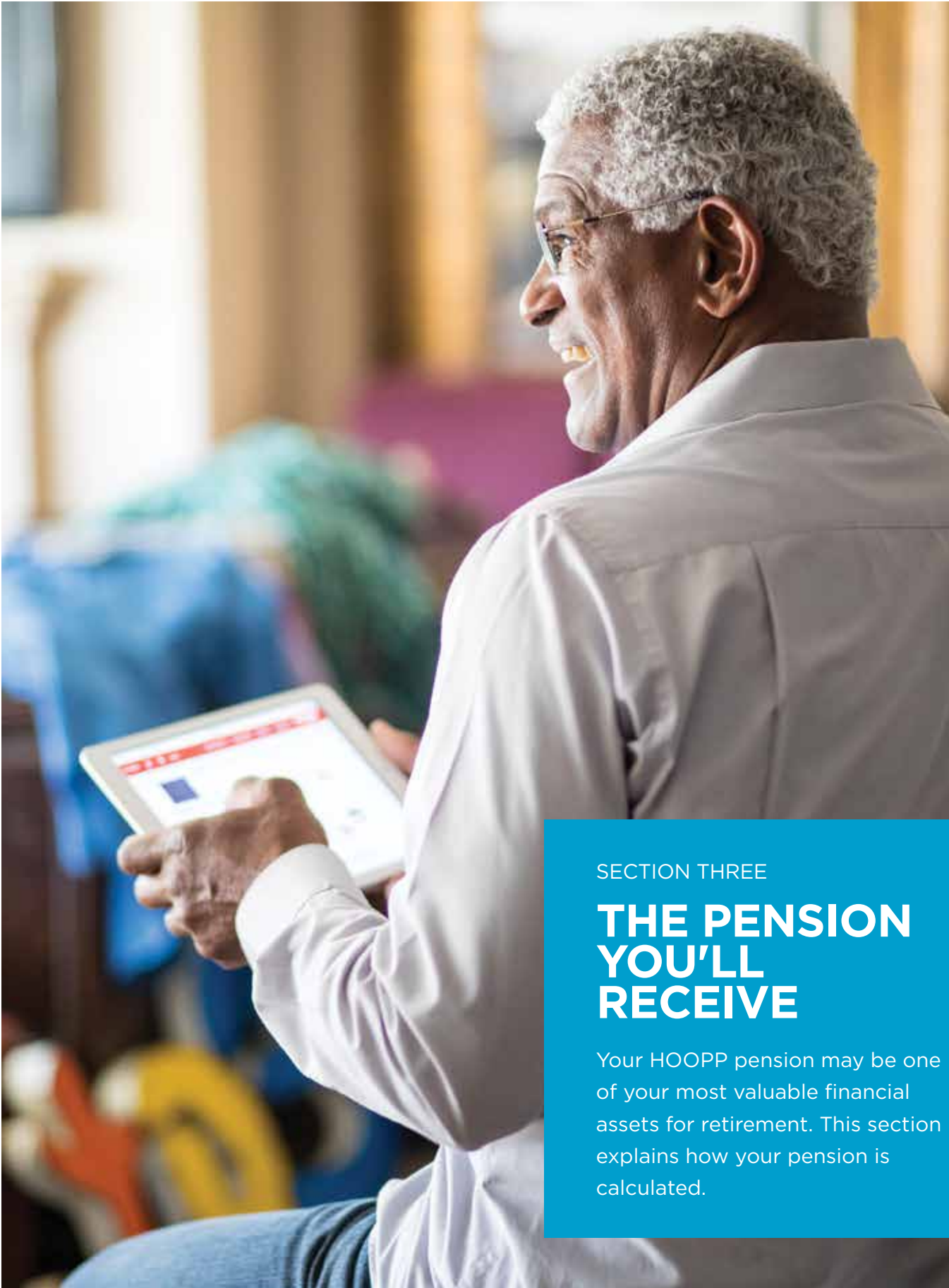
If you have a pension in another registered pension plan in Canada, you may be able to combine it with your benefits in HOOPP. HOOPP also has a transfer agreement with more than a dozen other pension plans. A full list of the plans in the *Major Ontario Pension Plans Portability Agreement* can be found on **hoopp.com**.

If you are interested in making a transfer, please contact Member Services immediately because there may be time limits involved.

CONTRIBUTING AT MORE THAN ONE HOOPP EMPLOYER

In general, HOOPP members who work for more than one HOOPP employer enrol and contribute to the Plan at each employer. When you contribute at more than one employer, you may be able to build more service or be credited with higher earnings.

As a result, you may be able to increase your earnings for pension purposes, which may help you build a bigger pension. For a full list of HOOPP employers, and to learn more about working for multiple HOOPP employers, go to **hoopp.com**.



SECTION THREE

THE PENSION YOU'LL RECEIVE

Your HOOPP pension may be one of your most valuable financial assets for retirement. This section explains how your pension is calculated.

HOW YOUR PENSION IS CALCULATED

This is what we use to calculate your pension:

Your best five years of earnings: We determine the five consecutive years where you had the highest earnings, and then we take the average of those years. This may not necessarily be your last five years of earnings. For example, if you decide to take a lower-paying job in the years just before retirement, your best five years would be from earlier in your career. In general, the higher your average earnings, the higher your pension will be.

Your years of contributory service: Your contributory service is the length of time you have contributed to HOOPP. It includes service built through regular contributions, service that you have bought back or transferred into the Plan, and contributory service earned while receiving **free accrual** from a HOOPP disability benefit. In general, the more contributory service you have, the higher your pension will be.

The average year's maximum pensionable earnings (average YMPE): The YMPE is an amount set each year by the federal government based on the average wage in Canada. We use the average YMPE from the five years before you terminate, retire, or pass away to calculate your pension.

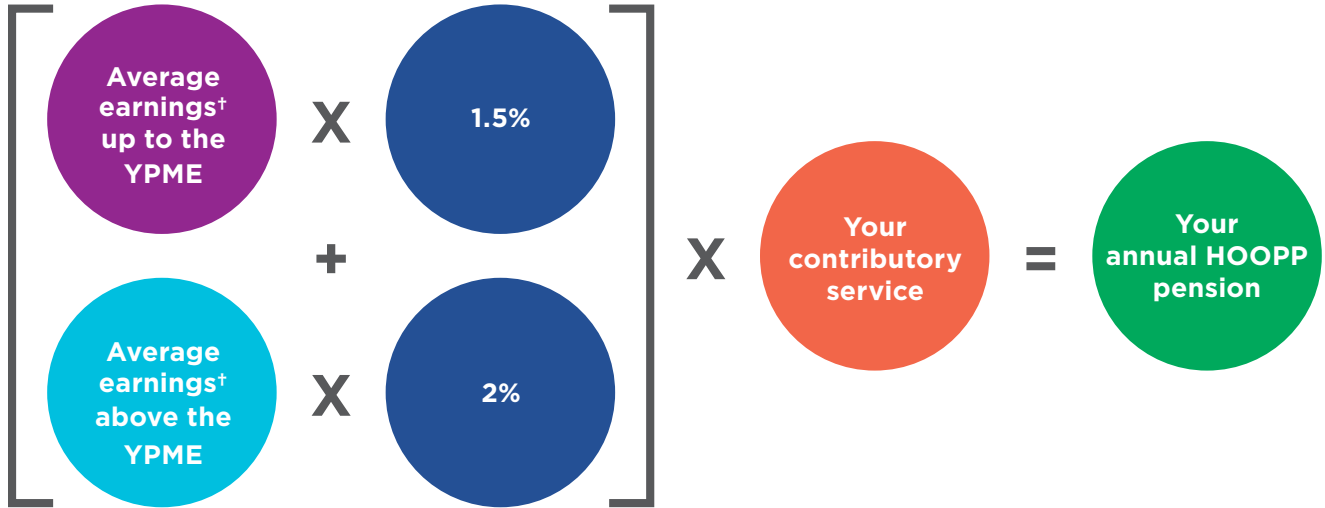
The HOOPP pension is based on a formula that provides you with an annual pension of 1.5% of your average earnings up to the average YMPE plus 2% of your average earnings above the average YMPE for each year of contributory service.*

Reminder: If you retire before age 60, your pension may be reduced based on your years of eligibility service. More information about eligibility service is provided in Section Four of this booklet.



Here is a simple representation of the formula that HOOPP uses to calculate your pension benefit:

The HOOPP Pension Formula*



*If you were an active member on or after Jan. 1, 2018, for each year of contributory service before 2018, you will receive 1.75% of your average earnings (instead of 1.5%) up to the average YPME. If you are eligible to receive a bridge benefit, it will also be calculated differently for service before 2018. If you have any questions, please call Member Services.

†Best five consecutive years.

Reminder: You can always check your Annual Statement for personalized information about how much your monthly pension will be. Your Annual Statement is always available on HOOPP Connect.



HOW YOUR PENSION IS CALCULATED IF YOU WORK PART-TIME

If you work part-time, we annualize your earnings to calculate your pension. That means we use the amount that you would have earned working full-time in your position when we determine your best five years of earnings.

For instance, if Claire works three days per week, her actual earnings are \$40,000 per year, while her average earnings for her pension calculation are \$60,000.

The graphic below shows how Claire’s pension would be calculated if she works full-time and if she works three days per week for her entire career. You’ll notice that while average earnings of \$60,000 are used for both calculations, Claire’s contributory service is lower in the part-time scenario because she is building contributory service more slowly than if she worked full-time.

Example – contributions and pension calculations



Claire

The graphic below shows what Claire’s lifetime pension and bridge benefit would be using a full-time and part-time scenario. You’ll see that her total pension payments will exceed the amount she contributed during her career.

The scenarios assume that Claire begins contributing to the Plan at age 30 and retires on Dec. 31, 2022, at age 60.

As a result of benefit improvements made to the Plan, Claire will receive 1.75% on her average earnings (instead of 1.5%) up to the YMPE on service before Jan. 1, 2018.

Claire’s retirement scenarios

	FULL-TIME	PART-TIME
Average YMPE	\$55,900	\$55,900
Hours	5 days/week	3 days/week
Full-time equivalent salary	Full-time	60%
Average actual earnings	\$60,000	\$40,000
Average earnings for pension calculations	\$60,000	\$60,000
Contributory service	30 years	18 years (60% full-time)
Total HOOPP contributions	\$96,156	\$57,694
PENSION CALCULATION		
For service before Jan. 1, 2018	$\$55,900 \times 1.75\% \times 25 = \$24,456$	$\$55,900 \times 1.75\% \times 15 = \$14,674$
For service after Dec. 31, 2017	$\$55,900 \times 1.5\% \times 5 = \$4,193$	$\$55,900 \times 1.5\% \times 3 = \$2,516$
For all service above YMPE	$\$4,100 \times 2\% \times 30 = \$2,460$	$\$4,100 \times 2\% \times 18 = \$1,476$
Total lifetime pension (per year)	\$31,109	\$18,665
Annual bridge benefit* (payable to age 65)	\$4,891	\$2,935
	\$36,000	\$21,600
Pension paid for 20 years (assuming no inflation protection)	\$646,635	\$387,975

Claire’s pension far exceeds her contributions. In both scenarios, the pension she collects over 20 years is more than six times her total contributions.

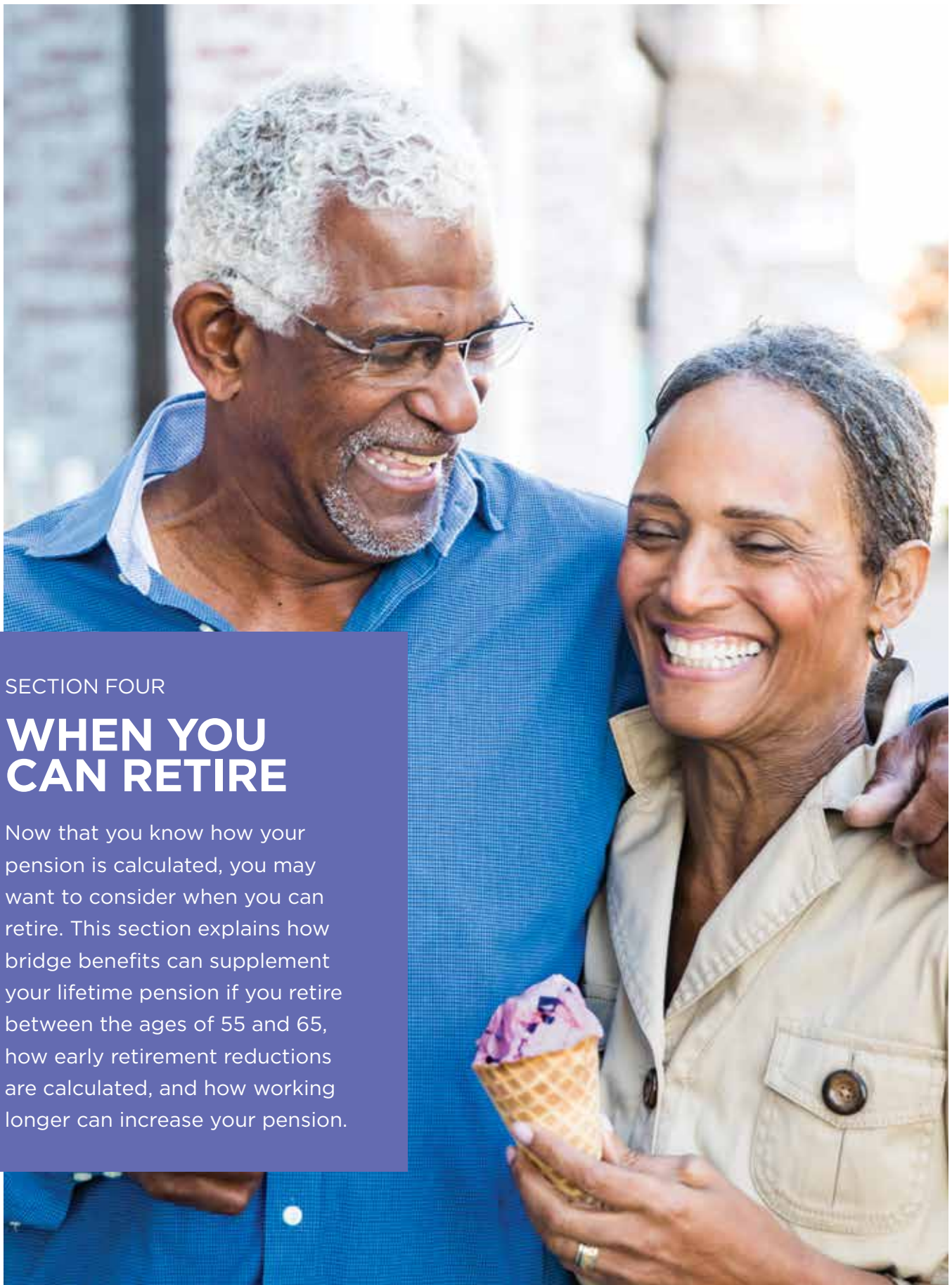
*The bridge benefit calculation for service before Jan. 1, 2018, is different from the bridge benefit calculation for service after Dec. 31, 2017. For simplicity, we have combined the total bridge amount. If you have any questions about how the bridge benefit is calculated, call Member Services.

INFLATION PROTECTION

HOOPP may provide inflation protection through a **cost of living adjustment** (COLA). This valuable benefit is

designed to increase the amount of your monthly pension payment in retirement. More information about HOOPP's inflation protection is available on **hoopp.com**.





SECTION FOUR

WHEN YOU CAN RETIRE

Now that you know how your pension is calculated, you may want to consider when you can retire. This section explains how bridge benefits can supplement your lifetime pension if you retire between the ages of 55 and 65, how early retirement reductions are calculated, and how working longer can increase your pension.

HOOPP members can choose to begin receiving their lifetime pension anytime between the ages of 55 and 71.

We know that working in the healthcare sector can be demanding; with HOOPP, you can retire with an unreduced pension at age 60, or as soon as you've completed 30 years of eligibility service.

EARLY RETIREMENT AND BRIDGE BENEFITS

If you choose to retire before age 60 and you do not have 30 years of eligibility service, your pension will be reduced. In general, the later you retire – or the more eligibility service you have – the larger your pension will be.

If you were to retire early, the reduction to your pension reflects the fact that by choosing to start your pension at a younger age, you will probably collect it for a longer period of time.

Reductions are permanent and apply to any benefits that may be payable to your **qualifying spouse** or **beneficiary(s)** after you pass away.

On the next page, you'll find the Early Retirement Table. To use the table, find your desired retirement age and your completed years of eligibility service. The "percentage of pension payable" figure shows the percentage of pension you would receive after early retirement reductions are taken into account.



The Early Retirement Table

YEARS OF ELIGIBILITY SERVICE*	PERCENTAGE OF PENSION PAYABLE†					
	AGE 55	AGE 56	AGE 57	AGE 58	AGE 59	AGE 60+
14 or less	70.0%	76.0%	82.0%	88.0%	94.0%	100%
15	77.5%	82.0%	86.5%	91.0%	95.5%	100%
16	79.0%	83.2%	87.4%	91.6%	95.8%	100%
17	80.5%	84.4%	88.3%	92.2%	96.1%	100%
18	82.0%	85.6%	89.2%	92.8%	96.4%	100%
19	83.5%	86.8%	90.1%	93.4%	96.7%	100%
20	85.0%	88.0%	91.0%	94.0%	97.0%	100%
21	86.5%	89.2%	91.9%	94.6%	97.3%	100%
22	88.0%	90.4%	92.8%	95.2%	97.6%	100%
23	89.5%	91.6%	93.7%	95.8%	97.9%	100%
24	91.0%	92.8%	94.6%	96.4%	98.2%	100%
25	92.5%	94.0%	95.5%	97.0%	98.5%	100%
26	94.0%	95.2%	96.4%	97.6%	98.8%	100%
27	95.5%	96.4%	97.3%	98.2%	99.1%	100%
28	97.0%	97.6%	98.2%	98.8%	99.4%	100%
29	98.5%	98.8%	99.1%	99.4%	99.7%	100%
30+	100%	100%	100%	100%	100%	100%

*Completed year

†Based on age at retirement

BRIDGE BENEFIT

If you retire between the ages of 55 and 65, you'll receive a bridge benefit that will be paid monthly along with your lifetime pension. The bridge benefit is temporary; you will receive it until you turn 65 or you pass away, whichever happens first.

Your bridge benefit bumps up your pension to 2% of your average earnings for each year of contributory service. In other words, the bridge benefit equals 0.5% of your average earnings up to the YMPE for each year of contributory service.

The bridge benefit is calculated differently for service before Jan. 1, 2018.

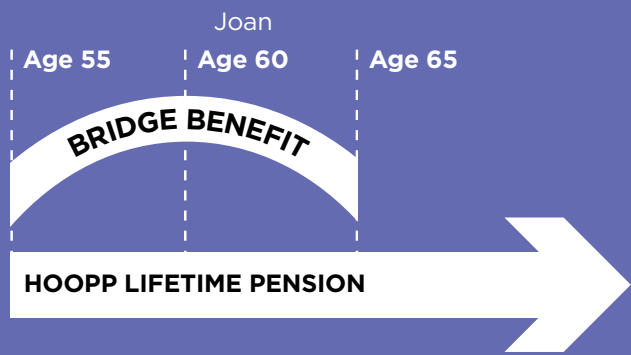
Like your lifetime pension, your bridge benefit will be reduced unless you have at least 30 years of eligibility service or you are age 60 or older when you retire.

In the example below, Joan will receive a bridge benefit from her retirement at age 60 until she turns 65.

Bridge Benefit (Example)

Joan retires at age 60 and has 30 years of contributory service with average earnings of \$60,000. Her lifetime pension is \$31,590 per year. She will receive an additional \$4,410 per year in bridge benefits from HOOPP until age 65.

NOTE: For simplicity, inflation has not been factored into this example.



CHOOSING A RETIREMENT DATE

When you retire early, your age and eligibility service can have a big impact on your pension. That's why you should choose your retirement date carefully.

For example, if you leave your employer and decide to begin your pension at age 55 with 14 years of eligibility service, you will receive 70% of the pension that you would receive if you waited until age 60 to start it. But, as you can see from the Early Retirement Table, if you decide to work for one more year and retire at age 56 with 15 years of eligibility service, the percentage of pension payable rises to 82%.

Only full years of eligibility service count towards early retirement reductions – to reach the next level, you must complete a full year of eligibility service or pass a birthday.

Your contributory service may be different from your eligibility service, which is used to determine the reduction, if any, that will apply to your pension if you decide to retire early.

STARTING YOUR PENSION AFTER AGE 65

You can continue to work and contribute to HOOPP and build your pension until Nov. 30 of the year in which you turn 71. To reflect the fact that you've started your pension later, the portion of your pension that you built before age 65 will be increased.

It will go up by 0.5% for every month that you work past age 65, subject to certain limits. For example, if you decide to keep working for 12 months after you turn 65, the portion of your pension that you built before age 65 will be increased by 6% (12 months x 0.5%).



SECTION FIVE

STARTING YOUR HOOPP PENSION

Once you begin receiving your pension, it will be paid monthly for the rest of your life. This section briefly explains the process to start your pension and some of the choices you will need to make at the time of your retirement.

APPLYING FOR YOUR PENSION

It's important to remember that your pension does not begin automatically. To start receiving your pension, you will first need to provide HOOPP with documents that show proof of your age and your spouse's age (if applicable).

No matter what age you are when you retire, you must end your employment at all of your HOOPP employers where you are enrolled before you can receive your pension. If you work

at more than one HOOPP employer, contact Member Services to discuss your retirement options. There are some instances where you may be able to continue working at a HOOPP employer and still start your pension.

NOTICE OF RETIREMENT

In general, you should give your employer at least 90 days' notice to ensure that you start receiving your HOOPP pension on time. Your employer will notify HOOPP that you plan to retire. If you are enrolled in HOOPP at more than one employer, you need to make sure that you tell all of them about your retirement.

If you provide less than 90 days' notice, your pension may start late. However, if your pension does start late, you will be paid all payments owed from your requested start date.

CHOOSING A SURVIVOR BENEFIT FOR YOUR SPOUSE

If you have a qualifying spouse, you will need to inform HOOPP at the time of your retirement whether you have chosen to provide him or her with a survivor benefit of 66 2/3%, 80% or 100% of your lifetime pension, excluding any bridge benefit, when you pass away.

More details about survivor benefits are provided in Section Nine of this booklet.

WHAT YOU NEED TO KNOW IF YOU CHOSE TO DEFER YOUR HOOPP PENSION

If you left your HOOPP employer before retirement and chose to leave your pension benefit in the Plan, you deferred your pension. As a deferred member, it is your responsibility to contact HOOPP to start the retirement process. Your pension can begin *only* after you provide HOOPP with all the information required. It cannot be paid retroactively.

Like all HOOPP members, you can begin receiving your pension any time after you turn 55.

THE SMALL PENSION RULE

If your pension is considered to be a small amount under rules set out by the *Pension Benefits Act*, and under the terms of the *HOOPP Plan Text*, you have the choice to receive either a monthly payment or the value of your pension benefit in a one-time lump-sum payment. If this option is available to you, more details will be provided in the retirement package you receive from HOOPP.

For more information about the retirement process, we recommend that you read our *Retirement Planning* booklet, which provides detailed information for HOOPP members who are within five years of retirement. It is available from your employer, by contacting Member Services, and on hoopp.com.



SECTION SIX

LIFE CHANGES

There may be many changes in your life during the course of your career. This section explains what happens to your pension if you leave your HOOPP employer before retirement or if you are placed on a health leave by your employer.

IF YOU LEAVE YOUR HOOPP EMPLOYER BEFORE RETIREMENT

Today, few people stay with one employer for their entire career. With more than 500 employers offering HOOPP, you can continue to build your pension if you move from one HOOPP employer to another when you change jobs.

However, if you leave all your employers where you are enrolled, your membership in the Plan ends and you will need to make a decision about what to do with your HOOPP pension. HOOPP will provide you with a detailed explanation of your options when you end your employment. Here's a summary of the choices that may be available:

- **Join another HOOPP employer:** If you go work for another HOOPP employer and enrol in the Plan, you can continue to build your pension. A full list of HOOPP employers is available on hoopp.com.
- **Deferred pension:** You can leave your pension in HOOPP and collect your monthly benefit when you retire. You have to be at least age 55 to start your pension, and you must begin receiving it by Dec. 1 in the year in which you turn age 71.
- **Transfer to another registered pension plan:** You may be able to transfer the value of your HOOPP benefits to your new employer's pension plan, depending on your age and the rules of the new plan. If you have any questions, please contact Member Services.
- **Transfer to a locked-in retirement account (LIRA):** You can transfer the *commuted value* of the pension you have earned to date – subject to *Income Tax Act* limits – to a LIRA if you have terminated your membership with HOOPP and you are under age 55.

You will be provided with these options and you will need to make a decision. If you don't make a decision, you will become a deferred member.

If you become a deferred member

As a deferred member, you can choose to transfer your benefit out of the Plan to a LIRA or another registered retirement plan before age 55. From ages 55 to 65, you can transfer your benefit only to a defined benefit registered pension plan.

If you have contributed more than 50% of the value of your pension, your excess contributions will be returned to you as a cash lump-sum payment at the time of termination or retirement.

If you get another job with a HOOPP employer when you are a deferred member, your deferred benefit will be automatically linked with your new active benefit. However, if you received a payout under the 50% rule, those funds need to be returned to HOOPP in order to link your periods of membership. The amount must be returned with interest within six months. If excess contributions are not returned within six months, your deferred membership will remain separate. You will receive more details in your re-enrolment package from HOOPP.

Members should seek independent professional financial advice based on their individual circumstances and options when making decisions about their HOOPP pension following a change in employment.

HEALTH LEAVES AND DISABILITY BENEFITS

If you are placed on a health leave by your employer because you are unable to work due to a physical illness or injury, or mental illness, you must make contributions on your earnings during the first 15 weeks. If your earnings are reduced during this time, you can choose to top up your contributions.

You will receive a disability package from HOOPP after 15 weeks. To apply for disability benefits, contact Member Services or sign in to HOOPP Connect to download the appropriate forms and follow the instructions provided.

HOOPP will review your completed forms, along with any other additional medical evidence you choose to include, to assess whether you meet one of the Plan's definitions of disability. HOOPP will then contact you to let you know if

you have been assessed as ***partially disabled, totally disabled, or totally and permanently disabled***, and you qualify for HOOPP disability benefits.

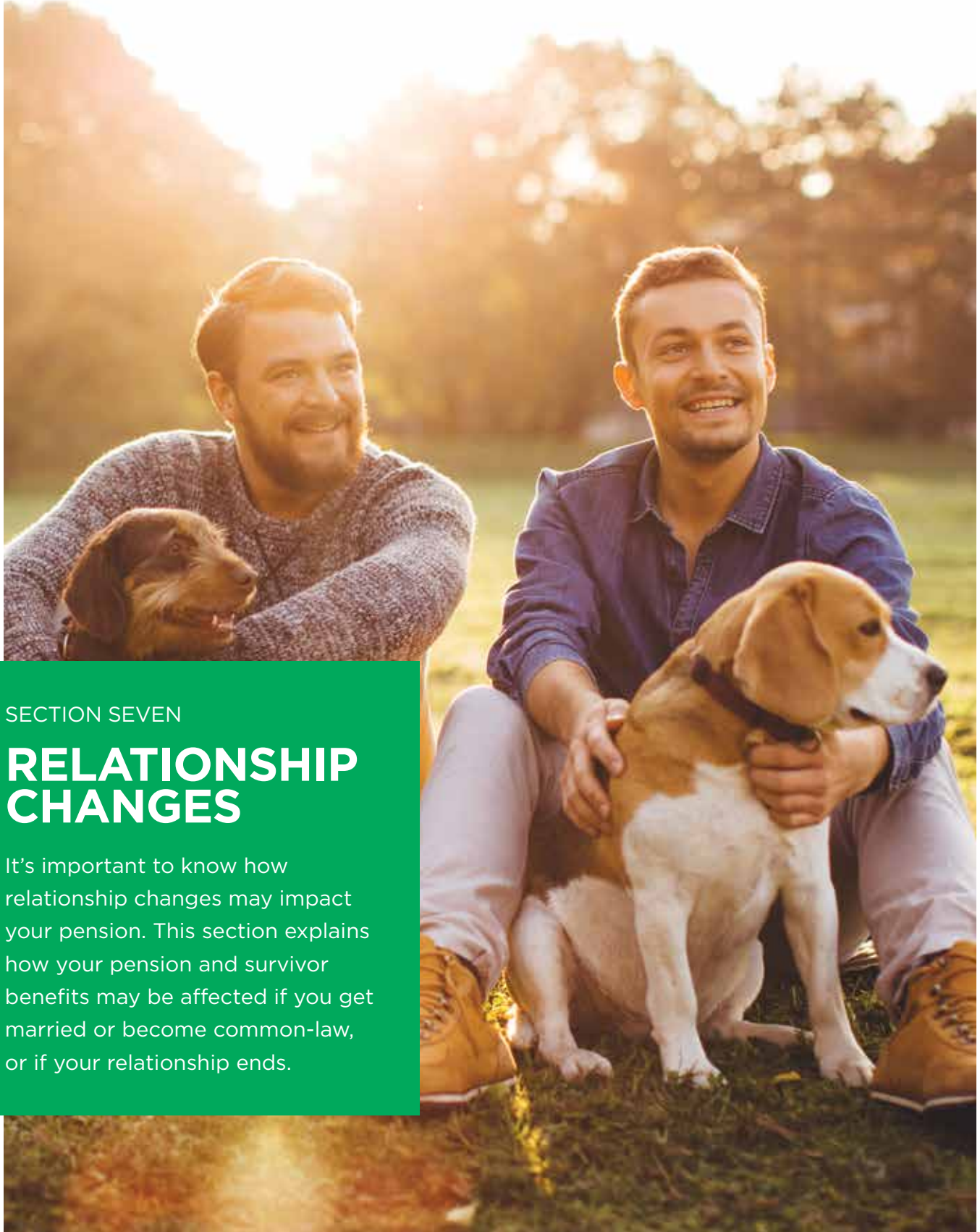
HOOPP has two disability benefits: free accrual and a ***disability pension***.

To learn more about HOOPP's disability benefits, please read our *Disability Benefits* booklet, available by contacting Member Services or on **hoopp.com**. If you have any questions about HOOPP's disability benefits, please call Member Services.

IN THE EVENT OF A SHORTENED LIFE EXPECTANCY

If a doctor licensed in Canada gives a medical opinion that you have a life expectancy of less than two years, you may be able to unlock and withdraw funds from your pension.

Your qualifying spouse, if you have one, must also give their consent to withdraw the funds. Please contact Member Services for more information.



SECTION SEVEN

RELATIONSHIP CHANGES

It's important to know how relationship changes may impact your pension. This section explains how your pension and survivor benefits may be affected if you get married or become common-law, or if your relationship ends.

GETTING MARRIED OR BECOMING COMMON-LAW

Your qualifying spouse is, by law, entitled to receive survivor benefits when you pass away.

HOOPP considers your qualifying spouse to be a person who, at the earlier of the date you retire or pass away, you are

- A. Married to, but not separated from; or
- B. Living with in a common-law relationship
 - i Continuously for a period of not less than one year, or
 - ii Of some permanence, if he or she is the parent of your child.

UPDATING YOUR SPOUSE AND BENEFICIARY INFORMATION

It is important to notify HOOPP of changes to your spousal status and keep your pension beneficiary information up to date. You can use HOOPP Connect to make changes online. You can also use HOOPP Connect or call Member Services to get the form that's needed. Please be aware that spouse and

beneficiary information cannot be updated over the phone.

More details about survivor benefits can be found in Section Nine of this booklet.

ENDING A RELATIONSHIP BEFORE RETIREMENT

If you end your marriage or common-law relationship before you retire, your beneficiary(s) will be entitled to receive survivor benefits when you pass away.

DIVIDING YOUR PENSION

In the event of a breakdown of a marriage or common-law relationship, even though you don't need to divide your pension, you may need to know the value of the pension that was accrued during the relationship.

You can find more information on hoopp.com about determining the value of your pension and what happens if you decide to divide it following the end of a relationship.

The Financial Services Commission of Ontario (FSCO) also provides more information, including the *Family Law Valuation* form, on its website.

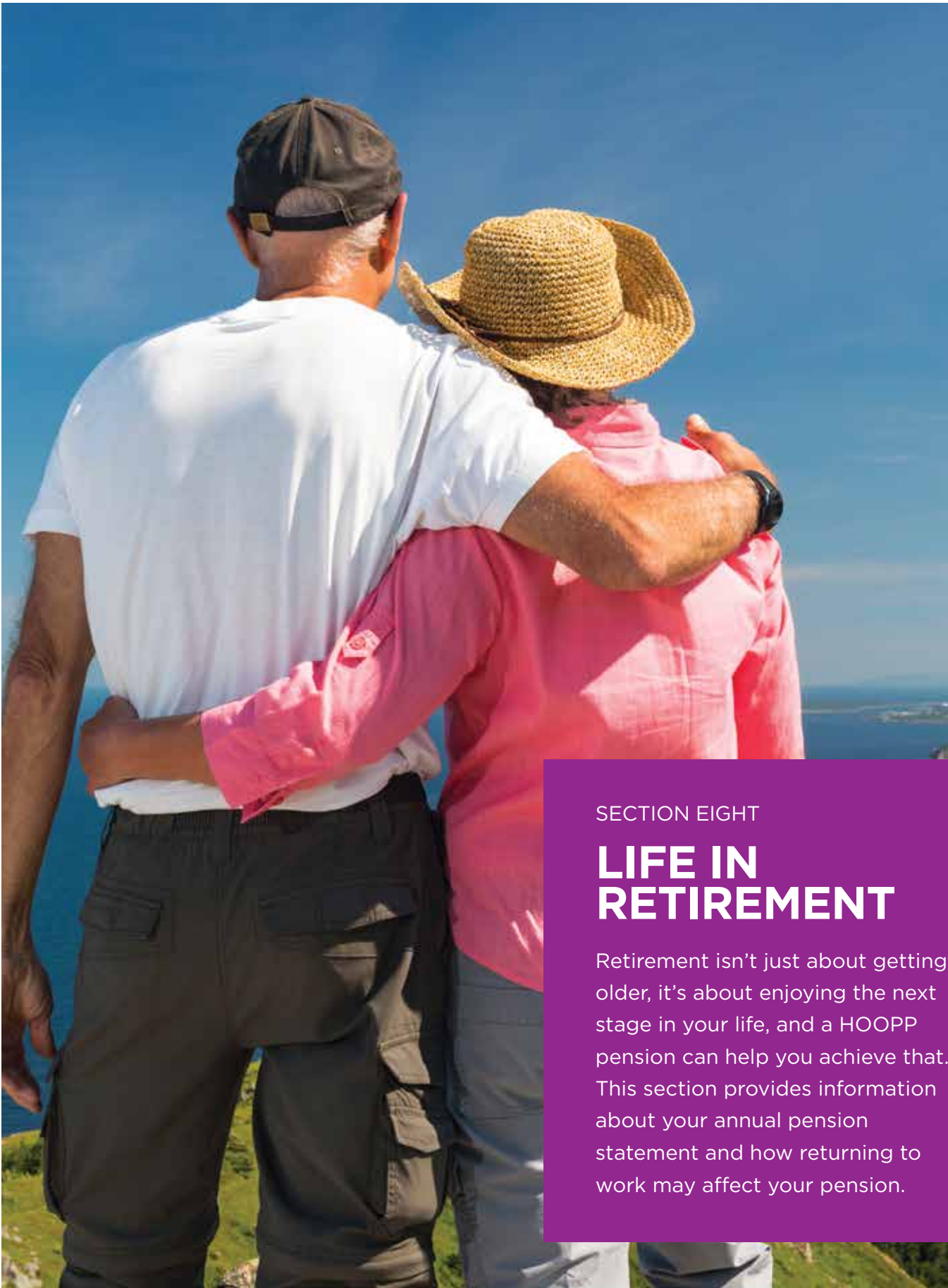
Please call Member Services if you have any questions or for help to access the *Family Law Valuation* form.

RELATIONSHIP CHANGES AFTER RETIREMENT

If you separate from your qualifying spouse after retirement, he or she will still be entitled to receive a monthly survivor benefit after you pass away.

In some cases, you may be able to provide survivor benefits to a new spouse after retirement. Contact Member Services as soon as possible to discuss this option.

If you are eligible to provide your new spouse with survivor benefits and you choose to do so, your pension will be reduced to reflect the cost of providing this benefit. The reduction will be based on your age and the age of your spouse at the time the choice is made.



SECTION EIGHT

LIFE IN RETIREMENT

Retirement isn't just about getting older, it's about enjoying the next stage in your life, and a HOOPP pension can help you achieve that. This section provides information about your annual pension statement and how returning to work may affect your pension.

YOUR PENSION STATEMENT

Once you've retired, you'll receive an annual pension statement. It provides details about tax withholdings and survivor benefits, and lists the amount of any inflation

protection that may be applied to your pension on April 1 each year.

RETURNING TO WORK AFTER RETIREMENT

Are you considering returning to work after retirement? If you go to work for a non-HOOPP employer, your pension will not be affected.

Keep in mind that you can't receive pension payments and contribute to HOOPP at the same time. If you return to work at a HOOPP employer, you will have two options:

- Continue receiving your HOOPP pension without re-enrolling in the Plan, or
- Temporarily stop receiving your pension payments, re-enrol in the Plan, and resume making contributions to build your HOOPP pension

You can continue to build more pension benefits until Nov. 30 in the year you turn 71. When you begin to collect your pension again, it will be increased to reflect the additional benefits you have built.

More information about returning to work after retirement is available on **hoopp.com**.



SECTION NINE

WHEN YOU PASS AWAY

Survivor benefits are a feature of the Plan. This section explains how survivor benefits can help provide for your loved ones whether you pass away before or after retirement.

Your qualifying spouse is, by law, entitled to receive survivor benefits when you pass away.

If you don't have a qualifying spouse, your beneficiary may be entitled to receive survivor benefits. A beneficiary can be any person, persons or organization you choose; if you don't choose a beneficiary(s), or your beneficiary(s) passes away before you, any benefits payable when you pass away will go to your estate as a lump-sum payment (less applicable withholding taxes).

IF YOU PASS AWAY BEFORE RETIREMENT

With a spouse

If you pass away before your pension begins, your qualifying spouse is entitled to receive a survivor benefit. Your spouse can choose to receive these benefits as either a lifetime monthly benefit or a lump-sum payment* that represents the value of your pension, which can be taken either as cash or transferred to a registered retirement savings plan (RRSP) or registered retirement income fund (RRIF).

Waiving survivor benefits

Your qualifying spouse has the right to waive his or her entitlement to pre-retirement survivor benefits. Waiving this entitlement means your spouse will not receive a survivor benefit if you pass away before him or her. Instead, HOOPP will pay any survivor benefits to your beneficiary(s) when you pass away.

Since everyone's personal and financial circumstances are unique, you may wish to seek out professional independent financial advice if you and your spouse are considering waiving survivor benefits.

Without a spouse

If you do not have a surviving qualifying spouse, your beneficiary(s) will receive a lump-sum cash amount representing the value of your pension.*

*This amount is taxable income in the year in which it is paid and is subject to mandatory withholding tax.

IF YOU PASS AWAY IN RETIREMENT

With a spouse

When you pass away in retirement, your spouse at the time of your retirement is entitled to receive $66\frac{2}{3}\%$ of your monthly pension, not including a bridge benefit, for the rest of his or her life. When you retire, you may choose to increase this benefit to 80% or 100% of your monthly pension. These options will result in a reduction in your pension to reflect the additional benefit for your spouse.

No matter which survivor benefit you choose, if you pass away within five years of your retirement date, your surviving spouse is entitled to receive the same monthly benefit as you (not including the bridge benefit) for the rest of the five-year period. If both you and your spouse pass away before the end of the five-year period, the remaining payment will go to your beneficiary(s) or, if there are none, to your estate.

When this five-year period ends, or if you pass away more than five years after your retirement date, your spouse will receive $66\frac{2}{3}\%$, 80%, or 100% of your monthly benefit, depending on the choice you made at retirement, for the rest of his or her life.

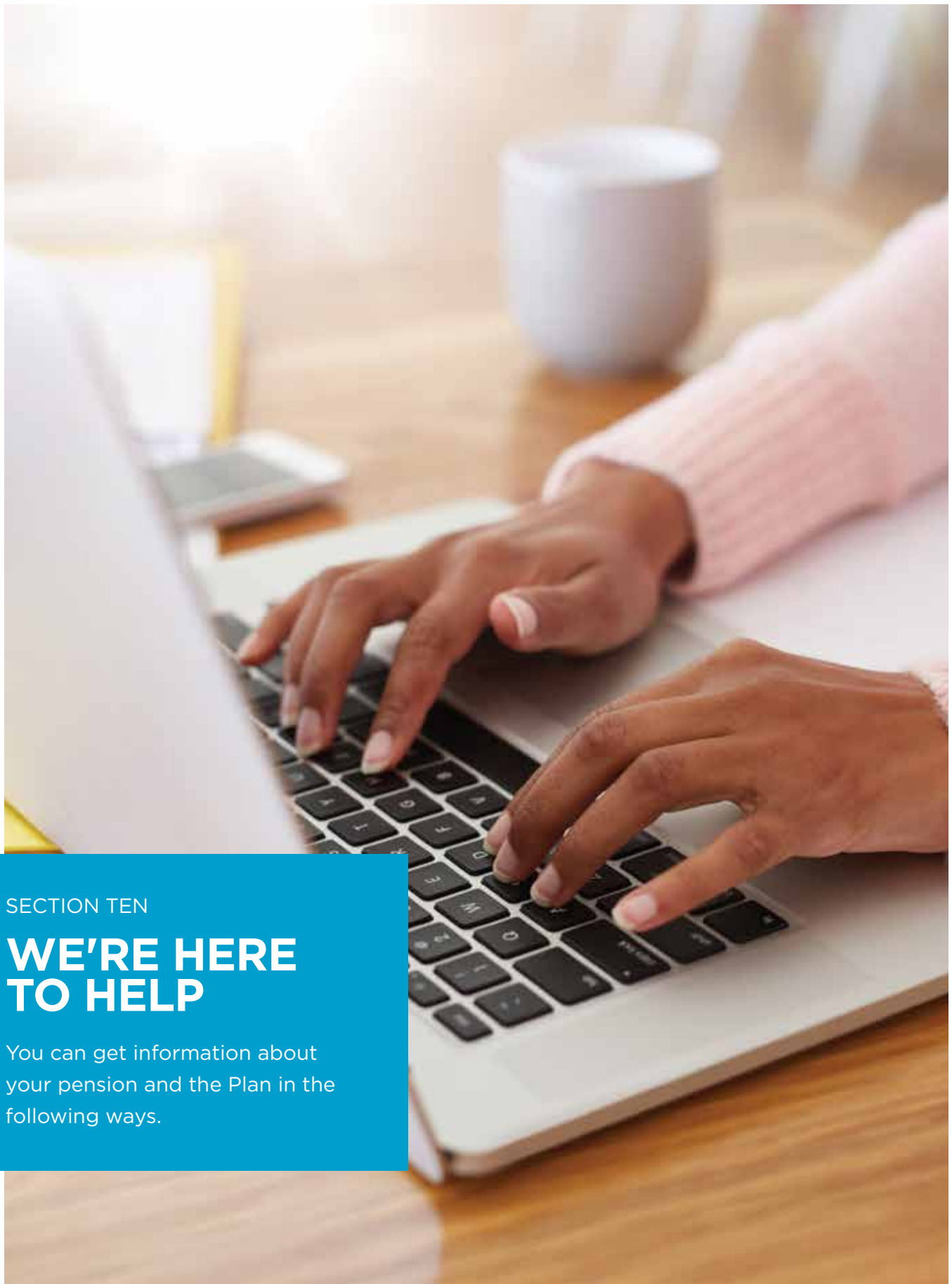
Waiving survivor benefits

Within the 12 months leading up to your first pension payment, you and your qualifying spouse can choose to waive the right to survivor benefits. This choice must be made before pension payments begin.

Waiving this entitlement means your spouse will not receive a monthly survivor benefit if you pass away before him or her. Instead, you will be considered to be without a spouse. HOOPP will pay any survivor benefits to your beneficiary(s) if they are eligible when you pass away. Since everyone's personal and financial circumstances are unique, you may wish to seek out professional independent financial advice if you are considering waiving survivor benefits. Once pension payments begin, a waiver cannot be reversed. Please contact Member Services for more information.

Without a spouse

If you do not have a qualifying spouse at retirement, or if your spouse waived their entitlement, and you pass away before receiving 15 years of payments, your beneficiary(s) will be eligible to receive a survivor benefit. Your beneficiary(s) can choose to receive this benefit as either a continuation of your monthly pension payments for the balance of the 15 years or as a lump-sum payment representing the value of the remaining payments.



SECTION TEN

WE'RE HERE TO HELP

You can get information about your pension and the Plan in the following ways.

hoopp.com

Visit **hoopp.com** for information about Plan features and performance and to access HOOPP Connect, your secure online member site.

HOOPP Connect

As a HOOPP member, you are on your way to building one of your most valuable retirement assets – your pension. HOOPP Connect is your secure online member site. It helps you connect with your pension and plan for your future.

With the HOOPP Connect Pension Estimator, you can see how much your pension could be at retirement. Start planning for your future today.

You can also use the tools on HOOPP Connect to

- Update your personal information
- View your Annual Statements and other HOOPP documents
- View your employment and membership information
- Send and receive secure messages

Regular communications

Your Annual Statement provides personalized details about your pension. It includes an estimate of the projected pension that you can expect to receive from HOOPP if you stay in the Plan until you retire. Your statement is mailed to you and it is available online via HOOPP Connect.

Our newsletter for members is mailed to you and it is available on **hoopp.com**. To receive your newsletter by email, please contact us.

Member presentations

Join us for an engaging seminar to learn more about how your pension works.

Visit **hoopp.com** for more information and to register.

Member Services

More information is available by calling Member Services at **416-646-6445** or toll-free in Canada or the U.S. at **1-877-43HOOPP (46677)**, Monday through Friday, 8 a.m. to 5 p.m., Eastern Time.

Privacy

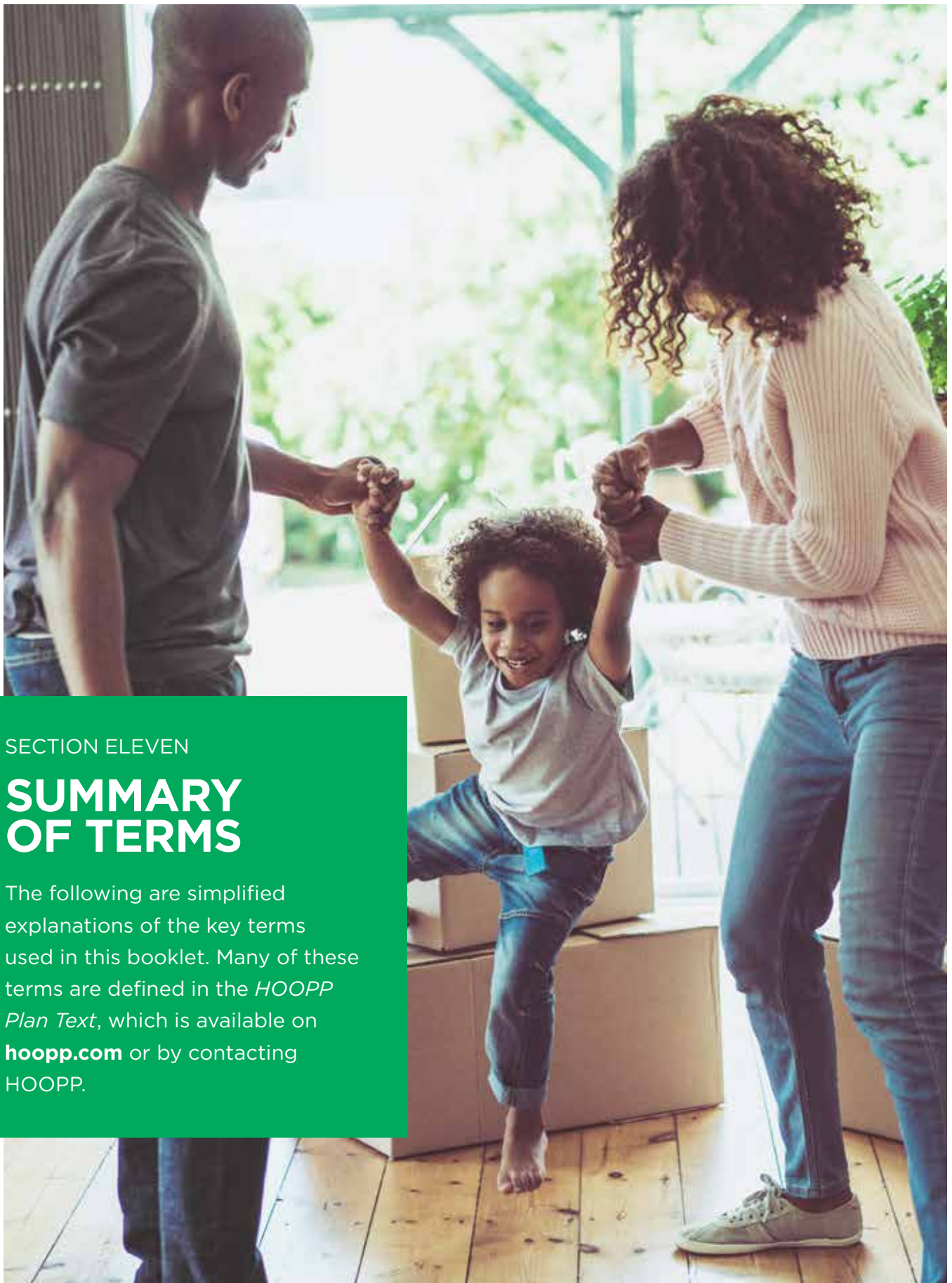
Your privacy is important to us. At HOOPP, safeguarding the privacy of our members is a priority. We collect, use and disclose our members' personal information only for the purpose of administering the Plan; this refers primarily to administering pension benefits and paying pensions after retirement. For more information on HOOPP's privacy policies and practices, please visit **hoopp.com**.

Your right to information about the Plan

As a member, you have the right to access the *HOOPP Plan Text*, HOOPP's *Statement of Investment Policies and Procedures*, and other information about the Plan. Please contact Member Services for more details or information about the Plan.

Grow-in rights

Effective July 1, 2012, HOOPP's Board of Trustees elected to exclude HOOPP and its members from the grow-in provisions under Section 74 of the *Pension Benefits Act*.



SECTION ELEVEN

SUMMARY OF TERMS

The following are simplified explanations of the key terms used in this booklet. Many of these terms are defined in the *HOOPP Plan Text*, which is available on [hoopp.com](https://www.hoopp.com) or by contacting HOOPP.

Beneficiary(s): The person(s) or organization(s) you designate to receive any benefits which may be payable when you pass away if you do not have a qualifying spouse, or if spousal benefits have been waived.

Under provincial pension legislation, your qualifying spouse will receive benefits instead of your beneficiary(s).

Bridge benefit: A temporary monthly benefit you will receive in addition to your lifetime pension if you retire early. Your bridge benefit will continue until the earlier of age 65 or when you pass away.

Buyback: A provision HOOPP offers to allow you to purchase eligible periods of service that occurred in the past in order to increase your pension benefit in retirement. This may help you retire earlier.

Commuted value: The lump-sum value of your earned pension is referred to as its commuted value. This is the estimated amount of money that HOOPP would have to set aside today to pay your pension in the future. The commuted value changes based on factors such as age, life expectancy, inflation and interest rates.

Contributory service: The length of time you have contributed to HOOPP. It includes any buybacks, transfers, or free accrual, and excludes non-contributory leaves. Contributory service is used to calculate your pension.

Cost of living adjustment (COLA): Previously known as “inflation protection”. HOOPP pensions may be protected against inflation by annual COLA increases. Pension benefits based on contributory service credited to years before 2006 receive a guaranteed annual COLA increase equal to 75% of the previous year’s increase in the consumer price index (CPI). For years after 2005, COLA is not guaranteed.

Every year, HOOPP’s Board of Trustees decides whether the Plan will provide additional inflation protection. COLA increases are applied on April 1.

Annual COLA increases range from

- 75%–100% of the increase to the previous year’s CPI on pre-2006 service
- 0%–100% of the increase to the previous year’s CPI on post-2005 service

COLA increases are applied on April 1.

More information about inflation protection is available on hoopp.com.

Disability pension: A disability benefit offered by HOOPP which allows you to take an immediate unreduced pension if HOOPP determines you are totally and permanently disabled. It is based on your contributory service (including any free accrual) accrued up to the date you start your disability pension. While your disability pension is not subject to early retirement reductions, you will not be entitled to bridge benefits.

Earnings: HOOPP uses a number of different measures of earnings for the purposes of calculating required contributions and benefit entitlements, each of which may differ from the actual employment earnings you receive from your employer.

The rate at which you contribute to HOOPP at an employer is based on your annualized earnings regardless of whether you are full-time, part-time, or only worked for part of the year. Annualized earnings is the amount you would earn by working regular full-time hours for a full calendar year at that employer. However, you only make contributions to the portion of the earnings you actually receive, which are considered to be pensionable earnings in accordance with the *HOOPP Plan Text*.

HOOPP calculates your earnings for benefit purposes each year using the total contributions received from you to express your pensionable earnings on an annualized basis. If you contribute at more than one employer in the year, your earnings for benefit purposes are calculated using your total contributions from all of your employers. Your pension benefit is calculated using the average of your best five consecutive years of earnings.

Eligibility service: The length of time you have been a member of HOOPP. It includes any buybacks, transfers, or free accrual, and excludes certain periods when you did not make contributions to the Plan. Eligibility service is used to determine the reduction (if any) to apply to your pension if you decide to retire early.

Free accrual: A disability benefit offered by HOOPP which allows you to continue to build your HOOPP pension while you are disabled, without the need to make contributions. Free accrual is subject to maximums related to your age, total contributory service, and level of disability.

Lifetime pension: This is the monthly lifetime payment you will receive from HOOPP at retirement, based on HOOPP's defined benefit pension formula. This does not include the bridge benefit for members that retire early.

Partially disabled: Having a physical or mental impairment which HOOPP has determined prevents you from performing the duties related to your current job.

Qualifying spouse: A person who, at the earlier of the date you retire or pass away, you are:

- A. Married to, but not separated from; or
- B. Living with in a common-law relationship
 - i Continuously for a period of not less than one year, or
 - ii Of some permanence, if he or she is the parent of your child.

Totally and permanently disabled: Having a physical or mental impairment which HOOPP has determined prevents you from engaging in any employment for which you are reasonably suited by virtue of your education, training or experience, and can reasonably be expected to continue for the remainder of your lifetime.

Totally disabled: Having a physical or mental impairment which HOOPP has determined prevents you from engaging in any employment for which you are reasonably suited by virtue of your education, training or experience.

Year's maximum pensionable earnings (YMPE): An amount set each year by the federal government based on the average wage in Canada. The YMPE is used in determining your required contributions to the Plan and your pension adjustment. To calculate your pension benefit, we use the average YMPE for the five years before you terminate, retire or pass away. This is known as the average year's maximum pensionable earnings.



This booklet contains summary information about the benefits in the *HOOPP Plan Text* in effect on Jan. 1, 2018. HOOPP reserves the right to interpret the *HOOPP Plan Text* and make amendments to it from time to time. You should not rely solely on the information in this booklet to make decisions about your pension. You can find more detailed information about your benefits in the *HOOPP Plan Text*, available on **hoopp.com**. In cases where the information provided in this booklet, by an employer or by any other source differs from that contained in the *HOOPP Plan Text*, the *HOOPP Plan Text* in effect at the relevant time will govern.

The HOOPP Plan is administered in accordance with the *Pension Benefits Act* and the *Income Tax Act*.

Copies of HOOPP member booklets are available on **hoopp.com**.

See your future. Now.



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