

Regulatory amendments to the pension plan

Following agreements with managers associations, two regulations amending application rules of the RPSO (order-in-council 376-2011 and order-in council 377-2011) came into force on April 6, 2011 and introduced significant changes in the pension plan.

Summary of the main amendments

Amendment	Pension plan	Nature and impact of amendment	Effective date
<p>Increase of maximum service from 35 to 38 years</p>	<p>RPSO</p>	<p>As of January 1, 2011, the maximum number of years of service that can be used for the calculation of your pension will gradually increase from 35 to 38 years.</p> <p>For each year of service performed after that date, you can accumulate service for calculation purpose up to 38 years. Consequently, if you had 35 years of service as at December 31, 2010, you automatically resumed contributing to the RPSO on January 1, 2011.</p> <p>Please note that your total service for pension calculation purpose for the years before January 1, 2011 can never exceed 35.</p> <p>Pension calculation formula for the years of service after 2010 in excess of 35 years of service</p> $2\% \times \begin{matrix} \text{Number of years of service for pension} \\ \text{calculation after December 31, 2010} \\ \text{in excess of 35} \end{matrix} \times \begin{matrix} \text{Average} \\ \text{pensionable salary} \\ \text{(3 best years)} \end{matrix}$	<p>January 1, 2011</p>
<p>Calculation of the pension paid under the excess benefit plan (EBP) of the RPSO</p>	<p>EBP of the RPSO</p>	<p>If you hold a job covered by the plan in the public service, the excess benefit plan (EBP) of the RPSO provides for a benefit for the years of service used for your basic pension calculation purpose performed after December 31, 2010 in excess of 35.</p> <p>Calculation formula</p> $2\% \times \begin{matrix} \text{Number of years of service} \\ \text{for basic pension calculation} \\ \text{purpose after December 31,} \\ \text{2010 in excess of 35} \end{matrix} \times \begin{matrix} \text{Unlimited average} \\ \text{pensionable salary in} \\ \text{excess of the limited} \\ \text{average pensionable} \\ \text{salary used for calculation} \\ \text{of the basic pension} \end{matrix}$ <p>Note: The average pensionable salary, unlimited and limited, is calculated with the 3 best years.</p>	<p>January 1, 2011</p>