



Forms of Pension - Payment Options

PENSION & BENEFITS

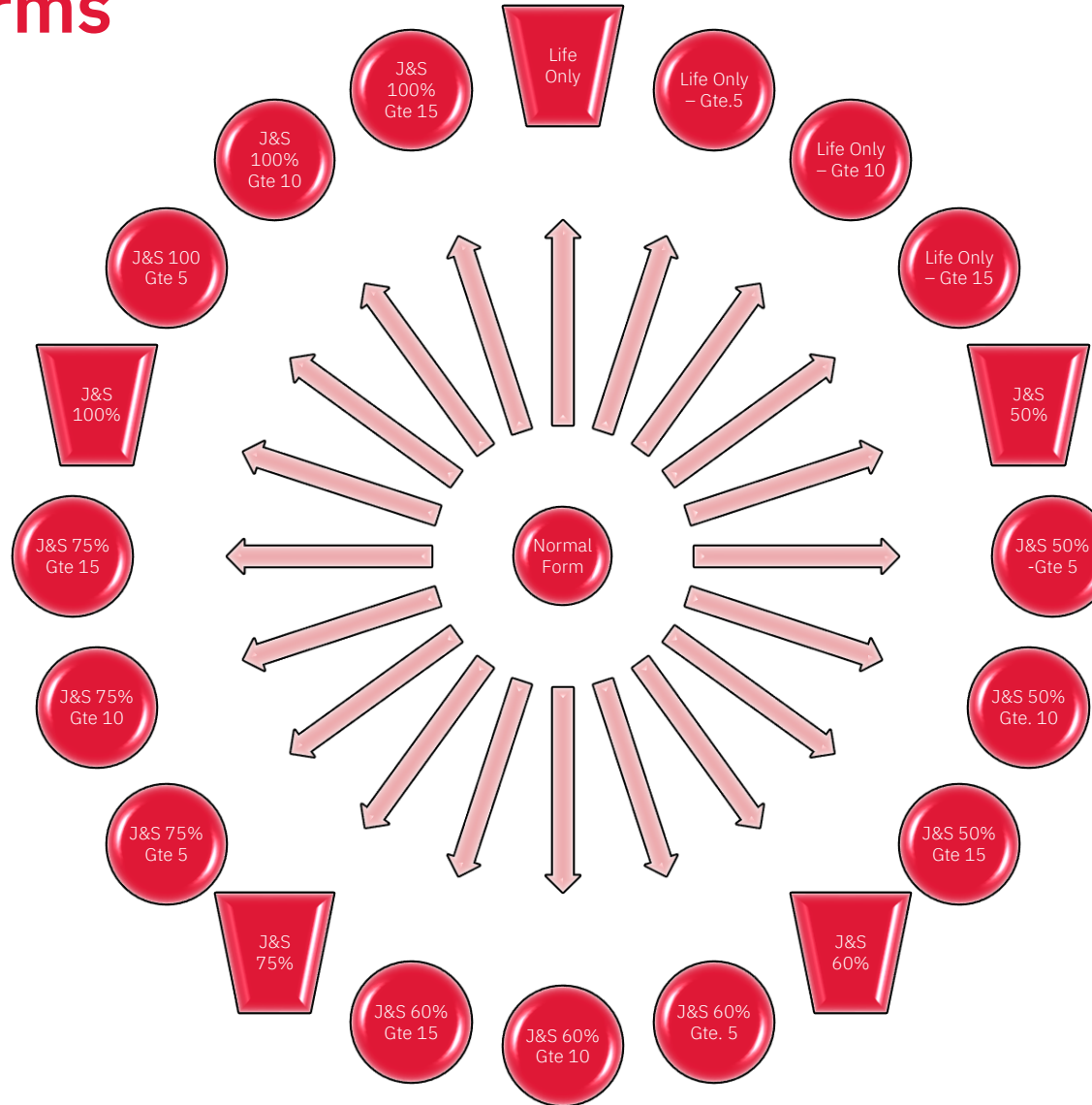
YORK 

Starting Point

- Two calculations are done
 - Defined Benefit (Minimum Guarantee Pension - MGP)**
 - Defined Contribution (Money Purchase Component - MPC)**
- If the Minimum Guarantee Pension is greater than the Money Purchase Component
 - The Money Purchase Component is paid plus a Supplementary Pension equaling the Minimum Guarantee Pension**
 - If the Money Purchase Component is greater than that value is paid.**

These calculations provide you with the **NORMAL FORM** of the pension

Optional Forms



All options are an actuarial equivalent of the NORMAL FORM.

Life Only – Single
J&S 50% - Married

If you are married you are legislatively required to provide a minimum of 60% to your spouse upon your death

Life Only Pension Options

Life Only - This option provides a pension for your lifetime only.

Life Only pension with a Guarantee – is payable for your lifetime, but in the event, you die prior to the guarantee period, your estate/beneficiary will receive the value of the balance of the payments in a lump sum, less tax.

Pension Options:

Life Only Pension

Life Pension Guaranteed 5 Years
Life Pension Guaranteed 10 Years
Life Pension Guaranteed 15 years

Joint & Survivor 50%

Joint & Survivor 50% Guaranteed 5 Years
Joint & Survivor 50% Guaranteed 10 Years
Joint & Survivor 50% Guaranteed 15 Years

Joint & Survivor 60%

Joint & Survivor 60% Guaranteed 5 Years
Joint & Survivor 60% Guaranteed 10 Years
Joint & Survivor 60% Guaranteed 15 Years

Joint & Survivor 75%

Joint & Survivor 75% Guaranteed 5 Years
Joint & Survivor 75% Guaranteed 10 Years
Joint & Survivor 75% Guaranteed 15 Years

Joint & Survivor 100%

Joint & Survivor 100% Guaranteed 5 Years
Joint & Survivor 100% Guaranteed 10 Years
Joint & Survivor 100% Guaranteed 15 Years

Joint and Survivor Pensions (J&S)

J&S - These option provides a pension for your and your spouse's lifetime. The percentage indicates the amount of your pension your spouse will receive upon your death.

J&S pension with a Guarantee – is payable for your and your spouse's lifetime. The guarantee represents how long the benefit is guaranteed to be paid at 100% irrespective who is alive.

Pension Options:

Life Only Pension

Life Pension Guaranteed 5 Years
Life Pension Guaranteed 10 Years
Life Pension Guaranteed 15 years

Joint & Survivor 50%

Joint & Survivor 50% Guaranteed 5 Years
Joint & Survivor 50% Guaranteed 10 Years
Joint & Survivor 50% Guaranteed 15 Years

Joint & Survivor 60%

Joint & Survivor 60% Guaranteed 5 Years
Joint & Survivor 60% Guaranteed 10 Years
Joint & Survivor 60% Guaranteed 15 Years

Joint & Survivor 75%

Joint & Survivor 75% Guaranteed 5 Years
Joint & Survivor 75% Guaranteed 10 Years
Joint & Survivor 75% Guaranteed 15 Years

Joint & Survivor 100%

Joint & Survivor 100% Guaranteed 5 Years
Joint & Survivor 100% Guaranteed 10 Years
Joint & Survivor 100% Guaranteed 15 Years

Examples

#1

If you choose a J&S 60% Guaranteed for 15 years, and you passed after 5 years. There is still 10 years payable on the guarantee. That means your spouse will continue to receive 100% of the benefit for 10 years (provided they are still alive) and then it would reduce to the 60%, for the remainder of their life.

#2

Using the same J&S 60% Guaranteed for 15 years option, but this time both you and your spouse are deceased after 5 years. In this case the balance of the payments (10 years' worth) would be calculated/commuted to a cash value, less tax and paid to an estate or named beneficiary.

#3

Further expanding our examples, using the same option of J&S 60% guaranteed for 15 years and you pass after year 18. **Please note you are still receiving your pension as it is for your lifetime, even though your guaranteed period has expired.** You spouse (if still alive) would immediately begin to receive 60% of your pension. If they are deceased, no further payment would be made.

Using the scenarios above, you can extrapolate and determine how the other options work in terms of the guaranteed period.

Retiring early? – Integrated Options



If you are retiring early you are presented with two other options that **Integrate with Government Benefits:**

If you retire before becoming eligible to receive Old Age Security and unreduced Canada Pension Plan benefits, you may elect to receive an increased amount of pension from the York University Pension Plan until you are eligible to receive government benefits at age 65. Once you turn age 65, your University pension will be reduced.

Portability

You don't have to receive a retirement pension from the York Plan. Instead, you may transfer the balance in your Money Purchase Component Account, plus the commuted value of any supplementary pension you may be entitled to receive, to a locked-in retirement account (LIRA) or a Life Income Fund (LIF).

When taking money out of the York Pension Plan, for all affiliations except YUFA /Osgoode you forfeit any post retirement benefit entitlements

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How much do I want to leave behind?

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The Pension & Benefits Office

- All documentation should be sent electronically to askpb@yorku.ca for the fastest processing
Documents can be mailed through Canada Post as we are in the office every two weeks for processing of mail and/or cheques therefore there will be delays in processing
- We can be reached by phone or email
416-736-2100 x27572 (askpb) or askpb@yorku.ca
Our phones are answered between 9 am and 4 pm. If you do not reach us and receive our voicemail, please note that we will return your call within 24 hours.
- We can also be reached through our portal at <https://askpb.yorku.ca/cherwellportal/pbmain#0>
- Our website also has a great deal of information at <https://retire.info.yorku.ca/>
- Great information as well as our service standards can be found in our monthly publication **The P&B Times**
<https://retire.info.yorku.ca/resources/p-b-times/>