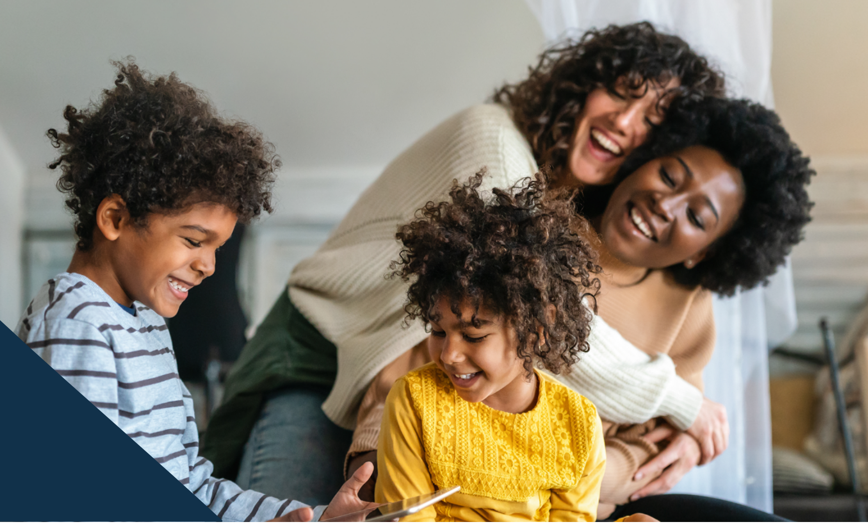
UPP UNIVERSITY PENSION PLAN ONTARIO



A guide to Laurier

Pre-conversion pension benefits

About this guide

This guide will help you understand how the provisions of the Laurier Plan and UPP work together to provide you with a secure, predictable, lifetime pension.

The UPP Plan Text* is available on myupp.ca. Every effort has been made to provide an accurate summary. However, if there are any differences between the information given here and the Plan Text, the Plan Text will apply.

*The Plan Text is the legal foundational document which governs the benefit entitlements of members and sets out how the Plan is administered. To access the full Plan Text, contact UPP Member Services.

Welcome to UPP!

Effective January 1, 2026, the Wilfrid Laurier University Pension Plan (Laurier Plan) will convert to University Pension Plan (UPP or "the Plan").

This guide applies to active members who are participating in the Laurier Plan before January 1, 2026. Any pre-conversion pension benefits will be payable from UPP as of the conversion date.

If you enrol in the Plan on or after January 1, 2026, only UPP provisions apply. For provisions and definitions specific to UPP, please refer to the UPP Member Handbook available at myupp.ca/memberhandbook.

On the conversion date, you become an active UPP member with prior service from the Laurier Plan (also referred to as your "prior plan") that will become part of your total pension under UPP. Your pension will be based on:

- **Your pre-conversion pension:** the pension benefit earned under your prior plan before January 1, 2026, **plus**
- **Your UPP pension:** the pension benefit earned under UPP on or after January 1, 2026.

Some provisions will be modified based on how the prior plan integrates with UPP. In no case will the modifications to your prior plan's provisions result in a reduction of benefits earned under the prior plan.

How your pre-conversion pension is determined
Under the Laurier Plan's hybrid benefit structure, your pre-conversion pension is determined by comparing the **minimum guarantee pension (MGP)** to the **money purchase pension (MPP)**, and you receive whichever is higher.

How your pre-conversion pension is determined (continued)

If your MPP is less than your MGP, a supplemental pension brings your total pension up to the MGP, so you always receive at least the guaranteed benefit amount.

After you retire, your MPP may increase or decrease from year to year based on investment performance. Your MGP is indexed by the Consumer Price Index. Your MGP and your MPP will be compared each year and you will receive the higher amount.

Your integrated pension benefits

Here's a look at how UPP provisions affect your pre-conversion benefits, and vice versa.

Reminder: For provisions specific to UPP, visit myupp.ca/memberhandbook.

Plan provision	Impact on your benefit
Eligibility for membership	Laurier Plan members on the conversion date become members of UPP on January 1, 2026. For Laurier employees in an eligible class of employment who are not Laurier Plan members on the conversion date: **Full-time employees:** You must become a member of UPP on the first day of the month on or following your hire date. **Part-time employees:** You are eligible to join the Plan after you meet at least one of the two following conditions in **each of the last two consecutive calendar years:** • you earn at least 35% of the Canada Pension Plan (CPP) earnings limit, also known as the Year's Maximum Pensionable Earnings (YMPE), or • you work 700 or more hours in a year.
Leaves of absence in progress at January 1, 2026	If you are on a leave of absence on January 1, 2026, the contributions payable by you and Laurier will be based on the: • Laurier Plan rules until December 31, 2025. • Transitional UPP plan terms on or after January 1, 2026.
Transferring lump-sum benefits out of UPP when you leave a UPP participating employer before retirement	Before January 1, 2026, Laurier Plan members who left their employment and terminated their plan membership could choose to transfer the value of their pension as a lump-sum payment even if they had passed their early retirement date at termination. Under UPP, you can only transfer your pension as a lump-sum payment if you terminate membership before reaching your earliest retirement date (refer to the **Earliest retirement date** section for details). This change in portability rules will happen in three stages:

Plan provision	Impact on your benefit
	Stage 1: Until December 31, 2028, if you leave the Plan before or after your earliest retirement date, you can choose to transfer both your pre-conversion and UPP pension benefits out of the Plan. **Stage 2:** Between January 1, 2029, and December 31, 2030, if you leave the Plan before your earliest retirement date, you can transfer both your pre-conversion and UPP benefits out of the Plan. If you leave the Plan after your earliest retirement date, you can only transfer your pre-conversion benefit out of the Plan. **Stage 3:** On and after January 1, 2031, if you leave the Plan before your earliest retirement date, you can transfer both your pre-conversion and UPP benefits out of the Plan. However, if you leave the Plan after your earliest retirement date, you cannot transfer any entitlement out of the Plan. For information about where you can transfer your pension, please refer to the UPP Member Handbook.
Normal retirement date (NRD)	The normal retirement date is the earliest you can receive an unreduced pension if you do not meet the "early unreduced retirement" criteria described in the **Early unreduced retirement date** section. **Active members** As of January 1, 2026, your normal retirement date under UPP will be the last day of the month in which you turn 65, unless the Laurier Plan would have allowed an earlier date. Based on this rule, if your birthday is the first of the month, your normal retirement date will be the day you turn 65. This applies to both your pre-conversion and UPP pension. **Deferred members** For deferred members who terminated employment before January 1, 2026, the normal retirement date will be the first day of the month on or immediately after the date you turn 65.
Earliest retirement date (ERD)	This is the earliest date you can begin your pension. **Active members** The earliest you can begin your pension is the last day of the month in which you turn 55, unless the Laurier Plan would have allowed an earlier date. Based on this rule, if your birthday is the first of the month, your earliest retirement date will be the day you turn 55. This applies to both your pre-conversion and UPP pension. **Deferred members** If you terminated employment before January 1, 2026, your earliest retirement date is the first day of the month on or immediately after the date you turn 55.* *Different rules may apply if you retire early while receiving income from a Laurier-sponsored insurance plan. Please contact UPP Member Services if you have questions about your pension, and Laurier Human Resources if you have questions about your insurance benefits.

Plan provision	Impact on your benefit
Early retirement reductions	If you retire on or after age 55 and prior to your normal retirement date, and you do not qualify for an early unreduced pension, your MGP will be permanently reduced based on the rules below. If you retire early, the reduction rates that apply to your pension differ depending on whether your prior service was earned before or after January 1, 2013. If you have service in both periods, separate rates will apply to each. **If you retire between the ages of 60 and 64** • For service before January 1, 2013, the MGP is reduced by 1.5% for each year you retire before age 65, prorated for partial years. • For service from January 1, 2013, to December 31, 2025, the MGP is reduced by 3% per year for each year you retire before age 65, prorated for partial years. **For example**, if you retire on your 61st birthday with service before and after January 1, 2013, your pension will be reduced by: • 6% for your service before January 1, 2013 (1.5% x 4 years), and • 12% for service from January 1, 2013 to December 31, 2025 (3% × 4 years) **If you retire between the ages of 55 and 59** • For service before January 1, 2013, the MGP is reduced by 2.5% for each year you retire before age 65, prorated for partial years. • For service from January 1, 2013, to December 31, 2025, the MGP is reduced by 15% (3% per year between the ages of 60 and 65), and an additional 5% for each year between the ages of 55 and 59, prorated for partial years. **For example**, if you retire on your 58th birthday, your pension will be reduced by: • 17.5% for service before January 1, 2013 (2.5% × 7 years), and • 25% for service from January 1, 2013, to December 31, 2025 [15% + (5% × 2 years)] UPP's early retirement reductions will apply to your UPP pension for service on and after January 1, 2026. Please refer to the UPP Member Handbook for details.
Early unreduced retirement date (EURD)	This is the earliest date you can receive an unreduced pension. You will be eligible for an unreduced UPP pension if at the date you terminate plan membership, you are at least age 60 and your age plus years of eligibility service equal at least 80. Any pre-conversion service with Laurier that is recognized as eligibility service counts toward this total. You will be eligible for an unreduced pre-conversion pension if you reach age 60 and your age plus years of continuous service equal at least 80. Your eligibility service earned after the conversion date (that includes January 1, 2026) also counts toward this total.

Plan provision	Impact on your benefit
Eligibility service	Eligibility service under UPP is used to determine when you can retire with an unreduced pension before your normal retirement date, and is the combined sum of: • your total years of post-conversion continuous service with a UPP participating employer, **plus** • any pre-conversion continuous service under the Laurier Plan that includes January 1, 2026, and is recognized as pensionable service, **plus** • any service transferred in from a previous employer's pension plan that is recognized as pensionable service, provided the service periods don't overlap, meaning you can't count the same period twice. Note: Terminating plan membership between periods of post-conversion service with UPP employers will break your eligibility service. As a result, any eligibility service built in your earlier period of membership will not count toward your new period of membership.
Postponed retirement (working past your NRD)	Under UPP, you must continue making contributions and earning pension benefits for as long as you remain employed, but no later than November 30th of the year you reach age 71. This is the maximum age permitted under the Canada *Income Tax Act* (ITA). If you reach your normal retirement date before January 1, 2026, you have the option to stop contributing and begin your pension, or remain an active, contributing member. This means that if you are at least 65 years of age on the conversion date, you can stop contributing to the Plan and start your pension, while continuing to work. If you choose to stop pension contributions, you will not be eligible to begin contributing to UPP and earn additional pension benefits.
Pension start date	**Active members** In general, your pension starts on the first day of the month following your retirement date. In order to start your pension, you must terminate your employment with all UPP employers. To avoid a gap in your income, it may be beneficial to end your employment at the end of the month. Note: A gap between the end of your employment and your pension start date can impact your eligibility for post-retirement health and dental benefits under your employer. Please contact Laurier's Human Resources team for details. However, if your birthday is on the first of the month, your earliest and normal retirement dates will be on the first of the month based on the transitional rules. Your pension will also start on that day, instead of the first of the following month. **Deferred members at the conversion date** If you terminated employment before January 1, 2026, your pension start date is the same day as your retirement date.

Plan provision	Impact on your benefit
Pre-retirement survivor benefits for your pre-conversion pension	**With a spouse** If you die before starting your pension, your eligible spouse is first in line to receive survivor benefits, except for any additional voluntary or special voluntary contributions.* The benefit can be paid as one of the following: • an immediate monthly pension paid for your spouse's life, • a deferred monthly pension to be collected no later than December 1st of the year in which they turn age 71, or • a single lump-sum payment, either as cash (with applicable tax withheld) or as a transfer to a registered retirement savings vehicle. If your spouse chooses the monthly pension option, they may select a guarantee period of 5, 10, or 15 years, or no guarantee. If they were to pass away during the guarantee period, any remaining payments will go to their estate. If you have both pre-conversion and UPP service, your eligible spouse will be required to select the same payment option for both their pre-conversion and UPP survivor benefits. **Without a spouse** If you pass away before retirement and you don't have a spouse, or your spouse has waived their rights to survivor benefits, the full value of your pension will be paid to your beneficiaries or estate, as applicable, as a taxable lump-sum payment. *Any survivor benefit from your additional voluntary or special voluntary contributions will be paid to your beneficiaries (or estate, if you have no beneficiary), regardless of whether you have a spouse. A survivor benefits package will be issued to your spouse, beneficiaries, or estate as applicable, which will outline the different payment options available to them.
Post-retirement survivor benefits for your pre-conversion pension	**With a spouse at retirement** If you have an eligible spouse at retirement, the baseline form of your pre-conversion pension is the **60% spousal option**, which is a pension payable for your lifetime, with 60% continuing to your spouse if they outlive you. You also have the option of selecting a greater lifetime survivor benefit of up to 100% of your monthly pension. You can select a 5-, 10-, or 15-year guarantee period, or no guarantee with either option, with a corresponding reduction or increase to your baseline pension to accommodate the different spousal amount and/or longer guarantee periods. Your spouse can waive their right to a survivor pension if you both sign a legal waiver. In that case, the options below are available to you. **Without a spouse at retirement** If you do not have an eligible spouse, or your spouse has waived their rights to survivor benefits, the baseline form of your pre-conversion pension is a **5-year guarantee**, which is a pension payable for your lifetime, with a guarantee that at least 60 monthly payments will be paid. If you pass away before receiving

Plan provision	Impact on your benefit
	60 payments, the remaining guaranteed payments will be paid to your beneficiaries or, if you do not have any beneficiaries, to your estate. You also have the option of selecting either no guarantee, a 10-year guarantee, or a 15-year guarantee, with a corresponding increase or reduction to your baseline pension to accommodate the shorter and longer guarantee periods. Your pension options package will outline the different payment options available to you.
Eligible spouse	Under UPP, an eligible spouse is someone who is: a. married to you, and is not living separate and apart from you, or b. not married to you, but is living together in a conjugal relationship with you continuously for a period of at least three* years, or c. not married to you, but is living with you in a conjugal relationship of some permanence, and together you are the parents of a child as set out under the Ontario *Children's Law Reform Act*. *Note: The Laurier Plan recognized the spousal relationship after one year of living together. If, on the conversion date, you have had a common law spouse for over one year but under three years, your common law spouse will be recognized as your spouse for survivor benefits.
Beneficiary designations	A beneficiary is the person(s) or organization (such as a charity) you designate to receive any death benefits payable from the Plan after your death. Your beneficiary is second in line to an eligible spouse (defined above), unless a legal waiver has been signed. For this reason, you do not need to name your spouse as a beneficiary in order for them to receive a survivor pension. If you do not name a beneficiary, any death benefits payable to your designated beneficiary will be paid to your estate. Your latest beneficiary designation under your prior plan will be used to determine the named beneficiaries for your pre-conversion pension and UPP pension until you update your beneficiaries directly with UPP. Any updates you provide to UPP will apply to both your pre-conversion pension and UPP pension. It's important to keep your beneficiaries up to date to ensure the right benefits are provided to the right people. After the transition to UPP, you will be able to view and update your beneficiaries through the **myUPP Member Portal** in a few simple steps, or complete the UPP Spousal and Beneficiary Form available at myupp.ca/members/forms-and-documents. In the meantime, please contact your employer. If you are a member of Laurier's Supplemental Pension Arrangement (SPA), you must elect your beneficiary separately with Laurier for the SPA. Please contact Laurier Human Resources for more information.

Plan provision	Impact on your benefit
Money purchase component account	This is the value of your required Laurier Plan contributions, along with contributions from Laurier, and credited interest.
Additional voluntary contributions (AVCs)	Your total contributions to the Laurier Plan that exceed your required contributions prior to January 1, 2026, plus credited interest. These contributions can be taken as a lump sum or as an additional pension amount at retirement. No further AVCs can be made on or after January 1, 2026, as UPP does not include an AVC provision.
Special lump-sum voluntary contributions (special voluntary contributions or SVCs)	Any deposit you have made as a special lump-sum voluntary contribution to your prior plan, plus credited interest. Special voluntary contributions are locked, or unlocked, depending on their source. These contributions can be taken as a lump sum* or as an additional pension amount at retirement. *Locked-in contributions can only be taken as a lump sum if they are transferred to a locked-in vehicle such as a LIRA, LIF, or RPP. No further SVCs can be made on or after January 1, 2026, as UPP does not include an SVC provision.
Credited interest	Before January 1, 2026, interest is credited on the money purchase component account, and AVCs and SVCs based on the investment returns of the Laurier Plan, net of expenses. On and after January 1, 2026, investment returns of the UPP pension fund, net of expenses, are used to determine the interest that is applied to your money purchase account, and AVCs or SVCs.
MPP conversion rate (annuity conversion factor rate)	Used to convert your MPP account balance into a monthly benefit. Your MPP during retirement will be calculated using the conversion rate that is in effect when you retire.
Pre-conversion indexation	As part of the conversion to UPP, UPP honours the indexation provisions of the prior plan, including how the increases, if applicable, are determined and when they are paid. Indexation for your pre-conversion pension in pay is determined annually. Indexation for your money purchase pension (MPP) is based on a moving average of the annual fund earnings, to a maximum of four years. Your MPP will be adjusted by the difference between the moving average and your MPP conversion rate (prorated if the moving average is less than four years). This may result in an increase or decrease to your MPP. Indexation on the minimum guarantee pension (MGP) will be determined based on 100% of the increase in the Consumer Price Index (CPI), to a maximum of 4%, for benefits earned for service accrued on or before December 31, 2012. For service accrued from January 1, 2013 to December 31, 2025, 50% of the

Plan provision	Impact on your benefit
	increase in the CPI, to a maximum of 4%, is used. Members who retire with prior plan service accrued before and after January 1, 2013 up to December 31, 2025, will receive a blended adjustment rate. Adjustments are effective January 1st but are typically applied retroactively at a later date. You will be notified of the adjustment, if any. Please note the first indexation increase applied to your pre-conversion pension will be prorated for the length of time you received a pension during the previous year. For example, if you begin your pension on July 1st, you will receive 50% of next year's increase to reflect that you were receiving a pension for half of the year. UPP's indexation provisions apply to the portion of your pension earned on and after January 1, 2026. See myupp.ca/memberhandbook for details.
Returning to work as a pensioner	If you start working for any UPP-participating employer in a class of full-time employment that requires pension participation, your pension payments will be suspended, and you will start contributing and earning additional pension benefits under UPP through your new period of employment. If you return to work on an other-than-continuous full-time basis – and are eligible but not required to rejoin UPP – you can choose to suspend your current pension, and resume contributions, or continue collecting your pension while not contributing. Reminder: You cannot contribute to the Plan beyond November 30th of the year in which you reach age 71, even if you continue working for a participating employer. Note: If you receive a pension payment effective for a date after you have resumed contributions, the pension payment must be returned to UPP. Please visit our website or contact us for more information.

How your pension is calculated

As a member of UPP, your pension begins on the first of the month following your retirement date and is paid for life. Your total pension is the sum of your pension earned after the conversion to UPP (UPP pension) **plus** your pension earned before the conversion (pre-conversion pension), subject to the Canada *Income Tax Act* (ITA) maximum limits. Your pre-conversion pension and UPP pension are based on set formulas that consider a few key components.

Laurier pension formula

Your pre-conversion pension is the greater of the:

A. Laurier money purchase pension (MPP)

A pension determined by the balance of your money purchase account, standardized mortality tables, and the MPP conversion rate **OR**

B. Laurier minimum guarantee pension (MGP)

The MGP provides you with an annual retirement benefit based on a formula. The MGP is paid to you to the extent it exceeds the value of your MPP.

Important: After you retire, your MGP and your MPP will be compared again each year, and you will recieve the greater of the two.

MGP formula

[Best years' earnings up to the avgYMPE × 1.37% + Best years' earnings above the avgYMPE × 2.0%] × [Pensionable service under the Laurier Plan prior to January 1, 2026] = **Your gross annual pre-conversion MGP***

*If you have any additional or special voluntary contributions, you will have the option to receive these amounts as a lump sum, or as an additional monthly pension amount.

PLUS ↓

UPP pension formula

[Best average earnings up to the avgYAMPE × 1.6% + Best average earnings above the avgYAMPE × 2.0%] × [Pensionable service on and after January 1, 2026] = **Your gross annual UPP pension**

Best average earnings (BAE)
Your UPP pension uses your best average earnings, which is an average of your highest 48 months of pensionable earnings (which do not have to be consecutive) with your employer during the period of plan membership. Your pensionable earnings under your prior plan and UPP are considered when determining your BAE. Your BAE is limited to the amount that would produce the maximum lifetime annual pension under the ITA.

Best years' earnings (BYE)
Your pre-conversion pension uses your best years' earnings, which is an average of your highest five years of pensionable earnings (which do not have to be consecutive). Your pensionable earnings under your prior plan and UPP are considered when determining your BYE.

Pensionable service
The determination of pensionable service for your pre-conversion pension and UPP pension will be based on your continuous service during your membership. Pensionable service is adjusted to reflect periods where you were employed on a less than full-time basis, if applicable.

- Pensionable service accrual will end under the Laurier Plan on December 31, 2025, and is the amount of continuous service during which you've contributed to the Laurier Plan (or accrued pension benefits while on a long-term disability or an approved leave of absence, if any), including any service you transferred in to purchase Laurier pensionable service in the Laurier Plan before January 1, 2026.
- UPP pensionable service accrual will begin on January 1, 2026, and will reflect the amount of continuous service during which you've contributed to UPP (or accrued pension benefits while on long-term disability or an approved leave of absence). This will include any amounts transferred in from another pension plan and used to purchase UPP pensionable service on and after January 1, 2026.

Continuous service
Continuous service refers to an uninterrupted period of employment with a participating employer. Continuous service is not interrupted during public holidays, periods of vacation, employer-approved leaves of absence, or notice periods required by employment standards legislation upon termination of employment.

Average year's additional maximum pensionable earnings (avgYAMPE)
The average YAMPE used to calculate your UPP pension includes the last 48 consecutive months of plan participation before your retirement. If your last 48 consecutive months of plan participation include service in your prior plan, those months will be included in the average YAMPE calculation for your UPP pension (with any periods prior to January 1, 2025, valued at 114% of the YMPE).

Average year's maximum pensionable earnings (avgYMPE)
The average YMPE used in your pre-conversion pension calculation is the YMPE from the five years used to determine your BYE.

Year's additional maximum pensionable earnings (YAMPE)
An additional higher annual earnings limit set by the federal government and introduced in 2024 to determine the maximum amount of earnings used to calculate contributions and pensions under the Canada Pension Plan (CPP). Like the YMPE, the YAMPE is set to increase each year to reflect wage growth in Canada.

Year's maximum pensionable earnings (YMPE)
An amount set each year by the federal government to determine the maximum amount of earnings used to calculate contributions and pensions under the Canada Pension Plan (CPP). Also called the CPP earnings limit.

For more information

Where to learn more

Visit our dedicated page for Laurier members at myupp.ca/Laurier to access the latest information and resources about UPP.

You can also explore myupp.ca to learn more about various life events along your pension journey, access frequently asked questions, and view the UPP Member Handbook which provides details about your UPP pension.

Who to contact

Until January 1, 2026, please contact Laurier's Human Resources team if you have questions about your pension.

On and after January 1, 2026, you can contact our Member Services team through the **myUPP Member Portal**, or by phone at 1-833-MBRS-UPP (1-833-627-7877) from Monday to Friday, 8:30 am – 5 pm ET.