



## ONLINE COMMUNIQUÉ

### To the University of Ottawa Pension Plan Members

#### PENSION INDEXATION

As the month of January approaches, and in keeping with the provisions of the University of Ottawa Retirement Pension Plan, this is to inform you of the January 1<sup>st</sup>, 2016 rate of indexation that will apply to your pension benefit, based on the year 2015.

According to the formula under the Plan, an increase is granted as follows:

- A) Increase equivalent to the Consumer Price Index (CPI) value if it is less than 2%, or
- B) Increase of 2% if the Consumer Price Index is between 2% and 3%, or
- C) Increase equivalent to the Consumer Price Index less 1% if the Consumer Price Index is greater than 3%

The amounts not granted under **B)** or **C)** above will be automatically provided if specific surplus and investment gains tests are met.

For the year 2015, the value of the Consumer Price Index, based on the prescribed period as provided by the Plan, is **1.27%**. Under the By-Laws of the Pension Plan, an indexation of **1.27%** can therefore be allocated.

Note that the CPI is an indicator of the changes in consumer prices paid by Canadians.

Therefore, effective January 1<sup>st</sup>, 2016, your annual pension benefit will be increased by **1.27%**. New pensioners in 2015 will receive a portion of the increase, based on the number of months during which they received pension benefits in 2015.

The Web site of the University contains the annual report and financial statements of the pension plan and we invite you to consult them for any additional information regarding this.

Please do not hesitate to contact us for any questions you may have regarding your pension benefit.

Associate Director, Pension

December 2015