OPTrust Select

Representation in Decision Making: *Membership on Board of Trustees*

- OPSEU and Ontario will commit to review the governance structure of the OPSEU Pension Plan (the Plan), and in particular the appointment of Trustees on the Board, to add additional representation rights for OPTrust Select members and employers upon the earlier of either
  (i) the liabilities for benefits of OPTrust Select members (as determined by OPTrust) exceed 5% of Plan liabilities as a whole, or
  (ii) the number of active OPTrust Select members is greater than 20% of the total number of active members in the Plan (as determined by OPTrust)**.**

- Pending a satisfactory resolution for both Sponsors regarding the governance issues, OPTrust will not permit the number of OPTrust Select members in the Plan to increase beyond 20% of total active members in the Plan.

- Changes to governance should consider best practices and any standards stipulated by the Pension Benefits Act.

Commented [DE(1]: The preceding reflects wording provided by OPTrust. It is consistent with MOF draft and understanding.

Commented [DE(2]: This has been added by MOF.

Representation in Decision Making: *Establishment of Advisory Committee*

- Advisory Committees (ACs) should be established to provide feedback to the Board of OPtrust – one AC would represent Select employers and the other Select members.
  - ACs would have disclosure rights similar to Sponsors, subject to possible redaction of information when warranted by privacy or financial concerns.
- OPTrust would provide to the Sponsors a Report summarizing issues raised by the AC's along with a Report from OPTrust detailing how issues would be addressed, if necessary.
- ACs would be established at a threshold as agreed to (e.g. 1,000 active).

Screening for New Employers

- Board of Trustees will decide whether to admit new employers, only after a successful net-benefit test.
  - The net-benefit test template/protocol for all prospective employers would be approved by OPSEU and the Government.
- OPTrust will fully disclose to potential employers and employees (through their representatives, where organized) that the Government and OPSEU retain their role in governance and advisory bodies.
- The Participation Agreement with a new employer will state, and require a new employer to acknowledge, that if the employer is a transfer-partner of the Government

of Ontario, there will be no increased public financial support for its participation in the Plan. (i.e. No fiscal impact to the Province)

Business and Marketing Plan

- OPTrust will provide a Marketing Report annually to the sponsors setting out current membership data for both employers and employees that have been admitted to Select.
    - In addition, either as part of its business/marketing plan or an in-cycle update, OPTrust will provide information on future marketing efforts, including employers that are in discussions with Select and sectors that are being targeted for membership.
    - OPtrust will inform the sponsors where there is a significant deviation in potential membership from its intended market.
    - OPTrust will provide regular updates regarding employers whose applications have been accepted or declined.