



Glossary

Current Employer – your present Municipal Employees' Pension Plan (MEPP) participating employer.

Defined Benefit Pension Plan - A pension plan that provides a benefit based on a formula.

Eligibility Service – the number of years and fractions of years that you were employed with your former employer including the time that you were employed but not contributing to the pension plan.

Importing Plan – MEPP, which is the pension plan of your present employer.

Locking-In – refers to the point at which you become vested in the Plan. Locked-in contributions and interest must be used to provide pension benefits at retirement and cannot be withdrawn as cash. In MEPP, if you terminate employment prior to retirement, locked-in money must be used to establish a deferred pension or transferred to a locked-in retirement account (LIRA).

Pension Adjustment (PA) – a lump-sum value of benefit entitlement earned during the year.

Pension Adjustment Reversal (PAR) – a reinstatement of personal Registered Retirement Savings Plan (RRSP) room when the benefit paid from the pension plan is less than the sum of the Pension Adjustments.

Pensionable Earnings – earnings on which pension contributions were made.

Pensionable Service - Service used in a pension calculation to determine a member's pension benefit.

Portability Agreement – an individual agreement between two registered pension plans that allows you to transfer pension benefits and service from one registered pension plan to another when you change employers.

Previous Employer – your employer before you became a municipal employee and joined MEPP.

Past Service Pension Adjustment (PSPA) – the reduction of RRSP room as a result of purchasing pensionable service under the importing plan.