



Success story

Large employee benefits provider makes smooth transition to a DB pension plan for its nearly 700 employees

The situation

As one of Canada's largest not-for-profit insurance providers, Ontario Teachers Insurance Plan (OTIP) and OTIP Group of Companies understand the value of secure member benefits. As a key player in the employee benefits field, the organization offers members of the education community insurance products and services. Understanding the value of employee benefits and good pensions, the not-for-profit sought to upgrade its defined contribution (DC) plan to a DB pension plan – a secure, lifetime income plan that their employees were looking for.

Key factors

- OTIP has 685 full-time employees across three provinces.
- As a provider of employee benefits, OTIP already had high benefit expectations and required a thorough due diligence process to ensure it would receive the best value.
- Before joining DBplus, OTIP employees participated in a DC plan, in which they had to make investment decisions and their retirement income depended on how those investments performed.
- OTIP was looking to join a defined benefit pension plan that would offer more value through secure lifetime pensions, inflation protection, early retirement features, survivor benefits, and less risk for employees.

About OTIP

OTIP is a not-for-profit insurance provider specializing in insurance solutions for the education community, including group benefits, home insurance, auto insurance, life insurance and travel insurance. Its deep understanding of the education community enables it to provide personalized, high-touch service that exceeds member expectations.

Why DBplus for members?



With DBplus there is no balance sheet risk for employers, as contributions are accounted for on the same basis as a DC plan, even as members accrue highly valuable DB pensions at a fixed contribution rate.



Through its pension solutions and employer onboarding services, CAAT provides employers, like OTIP, with a thorough due diligence package to help support the decision process. CAAT also hosts multiple employer and member-related webinars to facilitate the process.

How CAAT is a win-win for members AND employers

- CAAT offers – through its DBplus plan design – secure, predictable lifetime pension income with early retirement features and inflation protection enhancements, which are highly desirable to OTIP's employees.
- Members can opt to increase their pension by choosing to transfer existing funds from their DC plan into DBplus.
- By joining CAAT's DBplus, employees can have peace of mind while working, knowing CAAT is managing their investments. They'll also have peace of mind in retirement, knowing CAAT will provide them with lifetime retirement income.

The outcome

CAAT welcomed 685 full-time OTIP employees across three provinces.

All employees began contributing to and building secure lifetime pensions in DBplus from the date they enrolled.

Employees who wish to purchase additional pension, using their DC account, will benefit from having investments, administration, and governance managed by a team of dedicated pension experts at CAAT.

CAAT staff provided on-going support to the OTIP team to ensure employee communications were simple, transparent, and thoughtful.

In addition, all part-time and contract employees have the option to join DBplus at any time.

‘OTIP and the OTIP Group of Companies are delighted to join CAAT and offer our employees the security of a defined benefit pension plan. Being able to provide enhanced value for our hard-working and dedicated staff, while maintaining the same fixed costs for the organization, made DBplus the best choice for us.’

**Vic Medland, CEO,
OTIP**

To discover how DBplus can meet the needs of an organization, get in touch with us. Visit our website at dbplus.ca or contact us at Pension-Solutions@caatpension.ca.

DBplus is open to workplaces of different sizes, sectors, and industries across Canada. There are exceptions that apply which may require individual regulatory approval from appropriate provincial authorities.



250 Yonge Street
Suite 2500, P.O. Box 40
Toronto ON M5B 2L7

Toll Free: 1.866.350.2228
Phone: 416.673.9000
Fax: 416.673.9029