

# COMMUNIQUÉ



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# PENSION UPDATE

## Hearing Officer Report

OTPP members may have seen a recent posting on OTPP's website regarding the **Hearing Officer Report** that was just released. The Executive Summary of the report by Mr. Donald Smith, together with a response by the OTPP Board, appear on the Plan's website under the Plan Funding tab.

In May 2012, the Partners (OTF and the Government of Ontario) and the Ontario Teachers' Pension Plan engaged Donald Smith to review the valuation discount rate used in the preliminary 2012 funding valuation of the Plan.

OTF and the Province continue to discuss the merits of such a filing. Members should understand that the information in the report simply informs the discussions between the Partners and the Plan, but determines neither the intention to file a funding valuation with the Regulator nor the ultimate valuation discount rate. Members should try to avoid drawing premature conclusions about the nature or consequences of a potential filing until the Partners and the Plan reach a final agreement.

Because of an extension by the Regulator, the Partners have until December 31, 2012 to make a final decision regarding filing. Since a funding valuation was filed in 2011, pension law does not require another filing until 2014.

OTF will fully inform members concerning that decision and any consequences thereof at the appropriate time.

