

YOUR PENSION PLAN

Provided through the

**CANADIAN
MULTI EMPLOYER
RETIREMENT FUND
FOR THE GRAPHIC
ARTS MEDIA**



**2011 Correction to the
Member Information Booklet**

OCTOBER 2011

CORRECTION

TO THE CANADIAN MULTI EMPLOYER
RETIREMENT FUND FOR THE
GRAPHIC ARTS MEDIA
WHICH AMENDS PAGE 12 OF
MEMBER INFORMATION BOOKLET
DATED APRIL 2008

AMOUNT OF MONTHLY PENSION

How much Pension will I get at my Normal Retirement Date?

The amount of the Normal Monthly Retirement Pension you receive is determined by the total of your Past Service Pension, if any, plus Current Service Pension.

These are described below.

Past Service Pension

If you joined the Plan prior to January 1, 1976, you are entitled to a Past Service Monthly Pension of \$5 for each year of service up to December 31, 1975. Service prior to your attaining Age 40 does not count. The maximum Past Service Monthly Pension is \$100 - that is, up to 20 years' Past Service. The \$5 Benefit will be adjusted, fractionally, for each full calendar month.

Current Service Pension

The Current Service Monthly Pension is as follows for Members who were Active Members at December 31, 1999:

Contribution Period	Benefit Formula
Up to and including December 31, 1998	Monthly Pension of \$8.50 for each \$260 of Contributions
On or after January 1, 1999 and up to and including December 31, 2005	Monthly Pension of \$6.00 for each \$260 of Contributions
On or after January 1, 2006	Monthly Pension of \$6.00 for each \$534 of Contributions

The Current Service Monthly Pension is as follows for Members who were not Active Members at December 31, 1999:

Contribution Period	Benefit Formula
Up to and including December 31, 1995	Monthly Pension of \$8.50 for each \$260 of Contributions
On or after January 1, 1996 and up to and including December 31, 2005	Monthly Pension of \$6.00 for each \$260 of Contributions
On or after January 1, 2006	Monthly Pension of \$6.00 for each \$534 of Contributions

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Up to date at April 2008

YOUR PLAN AT A GLANCE

- The amount of Monthly Pension you earn is directly related to the amount of Contributions received by the Fund over all the years you have been a Member, and your age when you retire.
- Each year, the Plan provides you a Member Benefit Statement that shows all the Contributions received on your behalf and the amount of Monthly Pension you earned to the prior December 31st. The amount of Monthly Pension shown in the Statement is payable to you upon your retirement at Age 65 for the remainder of your lifetime.
- The Plan's Normal Retirement Date is 65. You can retire as early as Age 55; but the amount of Monthly Pension payable to you will be reduced to account for the fact that you will be receiving a Pension for a longer period of time than if you delayed your retirement. The amount of reduction is shown later in this booklet.

Effective January 1, 2006, an Early Retirement Window was introduced. Under the "Window" if you are at least Age 62 and you have at least 10 years' Plan Membership, you may be entitled to receive an unreduced Monthly Pension if you are retiring directly from a participating Bargaining Unit. See page 7 for further details. On an annual basis the Trustees must evaluate whether it is possible to keep the "Window" open. At the time of printing, the "Window" is open until December 31, 2008. The Trustees will communicate about the "Window" on an annual basis to give Members information helpful to their retirement planning.

- The Plan provides you several choices of Minimum Guarantee Pensions, and they are set out in this booklet. As required by all Provincial pension legislation, if you have a Spouse when you retire you must take your Pension in a manner that will guarantee continuing retirement income to your Spouse if your Spouse is living upon your death. Your Spouse can waive the right to a Survivor Pension by completing the Spousal Waiver Form and supplying that Form to the administrator before your Pension starts.
- If you terminate your Membership in the Plan before retirement, you have an irrevocable right to receive your Pension, or the value of your Pension, if you have met the vesting requirement set out by your Province's pension legislation set out in this booklet. Generally speaking, you have this irrevocable vested right if you have been a Member of the Plan for at least two years.
- If your Plan Membership is terminated before you are Vested, you are not entitled to receive a refund of Contributions or other benefit from the Plan.
- The amount of Pension payable by this Plan is in addition to a pension you may be entitled to receive from the Canada Pension Plan and/or Old Age Security.
- All Contributions received by the Fund are invested, and used for the sole purpose of paying Pensions and the costs of administering the Plan.
- Membership in this Plan may not prevent you from making contributions to your own Registered Retirement Savings Plan (RRSP). Some information about RRSPs is set out in this booklet.

INTRODUCTION

This booklet contains important information about the Pension Benefits provided by the Canadian Multi Employer Pension Plan for the Graphic Arts Media. It should be kept in a safe place. This booklet contains a summary of the major provisions of the Pension Plan and includes all Plan Amendments as at January 1, 2008.

The Fund is managed by seven Trustees, the Board of Trustees, equally representing the Contributing Employers and participating Local Unions. The Local Unions are the Communication, Energy and Paperworkers Union of Canada (CEP) and the International Brotherhood of Teamsters (IBT). The duties, responsibilities and authority of the Trustees are set out in the Pension Fund's Trust Agreement. The Trustees must conform to any legislation affecting this Plan and keep the Plan properly funded. The Trustees have the right to amend the Plan as and when necessary. The Board serves the interests of the Plan Members by providing the best possible Pension Benefit that Employer Contributions and investment income will safely allow.

The Assets of the Pension Fund are invested by a professional Investment Manager retained by the Trustees. The Fund will usually be invested in Bonds and Stocks with the objective of achieving the best possible rate-of-return under a prudent Investment Policy. All of the Fund's Assets are held by the Custodian (currently CIBC Mellon Global Securities Services Company).

Plan Members reside in almost every Canadian Province. If your Province has pension legislation, this Plan meets or

exceeds the minimum standards of that legislation. Where a pension plan has Members in more than one Province, the Province in which most of the plan members reside will act as agent so as to ensure that the plan conforms to each Provincial pension legislation. In this Plan, most of the Members reside in Ontario and therefore this Plan is registered with the Financial Services Commission of Ontario (FSCO). The Pension Plan is registered under the Income Tax Act, Canada and The Pension Benefits Act, Ontario. The Registration Number is 0555037.

Each year, the Fund is audited by a Chartered Accountant. A copy of the Audited Financial Statement is filed with The Ministry of Labour, Ontario as well as with The Financial Services Commission of Ontario. At least every three years, the Fund is valued by an Actuary, in order to compare Plan Assets with Liabilities. An Actuarial Cost Certificate is filed with The Financial Services Commission of Ontario.

Employee Benefit Plan Services Limited attends to the day to day administration of the Pension Fund and Pension Plan. Administration services are under the overall direction of the Trustees. The Administration Office can be contacted at 45 McIntosh Drive, Markham, Ontario, L3R 8C7. The Phone Numbers are 905-946-9700, or toll free 1-800-263-3564. The Fax Number is 905-946-2535.

Every effort has been made to ensure the completeness and accuracy of this booklet. However the booklet is just a guide and in the event of any inconsistency or misunderstanding, the Pension Benefits will be administered according to the official Plan documents and applicable legislation. Copies of the official documents are available for inspection at the Administration Office during normal business hours.

We urge you to read the booklet carefully in order to understand the Pension Plan's Benefits and your rights to them. Should you have any questions regarding your entitlement under the Plan, do not hesitate to contact the Administration Office - a member of the staff will be pleased to assist you.

The Trustees hope that their efforts in developing a sound Pension Plan will be of real value to the Plan's Members.

The Board of Trustees

- | | |
|-----------------|-----------------|
| Ms. D. Bennett | Mr. J. Savage |
| Ms. B. Clancy | Ms. S. Silveira |
| Mr. T. Donnelly | Mr. J. Webster |
| Mr. K. Logan | |

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GENERAL INFORMATION

Why do we have a Pension Plan?

The Board of Trustees of the Canadian Multi Employer Retirement Fund for the Graphic Arts Media has designed the Pension Plan to provide additional financial security to the Plan's Retired Members. The Pension Plan also provides Termination and Death Benefits.

Your Pension Plan adds to the retirement income you may receive from the government and your own personal savings.

When was our Pension Plan established?

The effective date of the Plan was February 1, 1969.

What type of Plan is this?

The Plan is a Specified Multi Employer Pension Plan. The Pension Plan is a Defined Benefit Pension Plan. Under a Defined Benefit Pension Plan, all the Contributions on account of all Members are put into one Account, which is the Pension Trust Fund, and the Member is promised a target Monthly Pension. Each year, the Plan Member receives a Member Benefit Statement from the administrator illustrating the amount of Monthly Pension earned to the previous December 31st and payable at the Member's Normal Retirement Date at Age 65. It is the goal of the Trustees to pay to the Member the amount of the promised target Monthly Pension when it is due.

How are Contributions made to the Plan?

On a monthly basis, Contributions made by Contributing Employers are forwarded to the administrator in trust for the Plan. The Collective Agreements specify the amount of Employer Contribution. The administrator will record all such Contributions made on your behalf.

The amount of Monthly Benefit these Contributions will provide is determined by the Plan's Actuary and approved by the Trustees.

When can I join the Pension Plan?

You are eligible to join the Pension Plan as soon as Employer Contributions are being made to the Pension Fund on your behalf. In accordance with the Collective Agreement, your Employer will remit to the Fund the amount of Contributions specified.

Who are the Contributing Employers?

The Contributing Employers are those Employers who are parties to a Collective Bargaining Agreement. The Collective Bargaining Agreements stipulate that Employers shall make Contributions to the Canadian Multi Employer Retirement Fund for the Graphic Arts Media for the persons covered under the Collective Agreement.

What Contributions are to be made to the Pension Fund?

The only Contributions to the Pension Fund are those made by your Employer, in accordance with your current Collective Bargaining Agreement. You are not required, nor permitted, to make contributions to the Plan.

How can I see what Contributions have been reported for me?

The Administration Office keeps a record of all Employer Contributions reported on your behalf. The Employer Contributions credited to you are used to determine your Monthly Pension at retirement. In the spring of each year, the administrator prepares a Member Benefit Statement disclosing your position in the Plan as at the prior December 31st. The Statement will show the sum of the Contributions to the Plan in the prior year and the Total Contributions up to the prior year-end. In addition, the Statement shows the amount of Monthly Retirement Benefit you earned up to the prior December 31st. This Retirement Benefit is the monthly amount payable to you when you reach Age 65 based on a Life Only form. Other information is included, such as the date on which you will reach Age 65, your Beneficiary and the name of your Spouse provided you completed a Member Information Card naming a Spouse and a Beneficiary.

If you see an error, or notice missing information in any Statement, it should be reported at once to the Administration Office.

Please ensure that the Administration Office has your current address at all times.

What is the Member Information Card?

The Member Information Card provides the administrator with important information about you. The information on that Card permits the Actuary to calculate the liabilities of the Pension Plan, which are closely connected to the age and gender of each Member. Moreover, the Card gives you the

opportunity to name a Beneficiary - that person, charitable institution, etc. who is to receive the value of your Pension in the event that you should die before you retire.

You may file a new Card at any time, – for example, you may want to make a change in the name of your Beneficiary that is on file. All information on that Card, including your Social Insurance Number, will be treated in the utmost confidence, and used solely for administering your Pension Benefit.

For your convenience, a blank Member Information Card is at the back of this booklet.

What does Commuted Value (Actuarial Value) mean?

You will see these terms used frequently in this booklet. The words sound complicated. Commuted Value is strictly related to the amount of Monthly Pension you earned and which would be payable to you at your Age 65 had you remained a Member of the Plan. In addition to taking into consideration the amount of Monthly Pension that would then be due to you, also taken into consideration at the time the calculation was done, and interest rates. The purpose of the calculation is to determine the amount of money that would normally be held by this Pension Plan and increased by interest annually, such that there would be sufficient money in the Pension Plan to pay you your Monthly Pension at your Age 65 for as long as you live.

When you see the term Commuted Value in this booklet you should think “this is the amount of money that the Plan would have to give me today, that I would have to invest at a certain current interest rate so that when I retire I get the Monthly Pension that is showing today on my Benefit Statement”.

For example

Pierre is Age 45 on the date of his termination of employment. He is a Vested Member with 10.5 years of Plan Membership. On his Normal Retirement Date of April 1, 2027 he is entitled to receive a Monthly Pension of \$282. The Commuted Value of Pierre's Monthly Pension is \$16,543.69. This lump sum represents the amount of money which is needed today, when invested at a current rate of interest, that will provide Pierre's Monthly Pension of \$282 starting on his Normal Retirement Date of April 1, 2027 for his life only.

When am I Vested?

Almost every Province has its own pension legislation which sets out the rights of every Plan Member to receive a Monthly Pension when certain conditions are met. If your Province does not have legislation governing pension plans, all of your rights will be in accordance with The Pension Benefits Act, Ontario.

Every Plan Member is Vested no later than the completion of two years' Membership in the Plan.

However, if you are employed in New Brunswick, you are Vested at the earlier of two years' Plan Membership or five years of Continuous Service with the same Contributing Employer.

If you are employed in Manitoba, you are Vested at the earlier of two years' Plan Membership or two years' service with the same Contributing Employer.

If you terminate your Plan Membership when you are Vested, as set out above, pension legislation will not permit a refund

to you. Legislation takes the position that the money held in the Pension Fund for you is exclusively for the purpose of providing retirement income. You have certain rights to transfer money out of the Pension Plan as set out later in this booklet. Regardless of where the money is transferred, it must eventually be used for income during your retirement, or as a benefit to your Spouse or Beneficiary in the event of your death before retirement.

How do the Trustees help me to plan for my retirement?

Planning for retirement is a life long process, not something to be done at the last minute. The Trustees sponsor periodic pension education seminars in your area. If you are interested in participating in these seminars, please let your Union Representative know, or inform the Administration Office. The Plan also provides you with a regular Member Benefit Statement so that you can keep track of your Pension. The Trustees believe that each Plan Member is responsible for his or her own financial security. The Trustees believe that Plan Members should take advantage of retirement and financial planning courses that are offered in their areas. These are often provided, at a very low cost, by licensed financial planners.

RETIREMENT BENEFITS

What is the Pension Plan's Normal Retirement Age?

The Normal Retirement Age of this Plan is 65. Your Pension will be paid to you at that time if you complete and submit a Retirement Application. Your Pension starts the first of the month coinciding with or next following your 65th birthday. The amount of Monthly Pension that you earn to each December 31st is shown on your Annual Member Benefit Statement and is the amount payable on or after Age 65.

May I retire prior to Age 65?

Yes. If you are at least Age 55, and Vested as set out earlier, you may retire immediately. However, since you will receive a Pension early, and for a longer period of time than if you waited until Age 65, the amount of Monthly Pension that you will receive will be less than the amount payable at Age 65. The amount of Pension would be the Actuarial Equivalent of the Pension that you have accrued and that would normally be paid at your Normal Retirement Age of 65. Actuarial Equivalent means a benefit amount of equal value determined according to actuarial assumptions recommended by the Actuary and approved by the Trustees.

If you have at least 10 years' Plan Membership upon your Early Retirement, please refer to the next Section regarding Enhanced Early Retirement.

What is Enhanced Early Retirement?

The Enhanced Early Retirement Window may be offered on a year to year basis depending on whether the Plan has

sufficient funding to continue this Benefit in accordance with Provincial pension regulations. Each year the Trustees will advise Members whether the Enhanced Early Retirement Benefit is available.

If you are actively employed in a Bargaining Unit participating in the Plan, and you are at least Age 62 when your Pension starts, and you have at least 10 years' Plan Membership, you may retire immediately and receive your full Monthly Pension - that is, the reduction for Early Retirement will not apply.

If you are not retiring directly from employment in a participating Bargaining Unit, you may still qualify for Enhanced Early Retirement if your employment ceased because of total disability which continued right up to the effective date of your Pension, or if you have been unemployed due to shortage of work and have remained on your Local Union's "Out of Work List" throughout the period of unemployment. In each of these cases the period of your disability or your unemployment due to shortage of work, will count toward the previously-mentioned 10 years' Plan Membership requirement. The requirement of being at least Age 62 will be met if you are at least that age when your Monthly Pension starts.

If you qualify as set out above, and you are at least Age 55 and not yet Age 62, a reduction of 1/2 of 1% per month will apply for each month your Pension is paid in advance of your Age 62.

Example:

Peter is retiring at age 61 and qualifies for Enhanced Early Retirement.

Peter's Monthly Pension payable
in the Plan's Normal Form at age 65. \$800

Reduction Formula. 6% (1/2 of 1% times 12 months) < Age 62
\$800 x 6% = \$48
\$800 - \$48 = \$752

Peter's Monthly Pension payable
in the Plan's Normal Form at age 61 \$752

This pension is payable for Peter's lifetime.

Are there any other Early Retirement options available?

On a year by year basis, depending on whether the Plan has sufficient funding, the following may also be available. The Trustees will advise Members whether the Early Retirement Benefit is available.

The amount of Pension payable would be your accrued Pension, normally payable at Age 65, reduced by 1/2 of 1% for each month (6% a year) your Pension is paid in advance of your Age 65.

Example:

Bob is retiring at age 61 but does not qualify for Enhanced Early Retirement.

Bob's Monthly Pension payable
in the Plan's Normal Form at age 65 \$500

Reduction Formula. 24% (1/2 of 1% times 48 months) < Age 65
\$500 x 24% = \$120
\$500 - \$120 = \$380

Bob's Monthly Pension payable
in the Plan's Normal Form at age 61\$380

This Pension is payable for Bob's lifetime.

If this option is available, the Pension you would receive would be the greater of the Actuarial Equivalent Pension or the Pension calculated using the above reduction. Please note that this option is not available if you return to active employment after commencement of your Pension.

What if I want to work for a Contributing Employer after I retire?

If you elect to start receiving your Monthly Retirement Benefit before Age 65, and subsequently return to work with a Contributing Employer, one of the following will occur:

1. If you are younger than Age 65 when you return to work, your Monthly Pension will be suspended during such re-employment, and start again when you subsequently retire. When your Pension starts again, it will be the amount you were previously receiving plus the amount earned during your re-employment.

If your re-employment is temporary, such as subbing for a few shifts, your Pension will continue uninterrupted; however, any Contributions earned during this temporary re-employment will not increase your Pension.

2. If you are Age 65 or older upon re-employment, the payment of your Monthly Pension will continue during your re-employment period. However, Contributions you earn during re-employment will not increase your Monthly Pension.

May I retire after Age 65 (Postponed Retirement)?

This Plan has no compulsory Retirement Age. However, the Income Tax Act, Canada, requires that you take your Monthly Pension - not necessarily cease working - no later than the end of the calendar year in which you attain Age 71. Furthermore, the Income Tax Act stipulates that you cannot increase your Pension Benefit after that date, so that, if you were still working, Contributions to the Plan would not be credited to you.

AMOUNT OF MONTHLY PENSION

How much Pension will I get at my Normal Retirement Date?

The amount of the Normal Monthly Retirement Pension you receive is determined by the total of your Past Service Pension, if any, plus Current Service Pension.

These are described below.

Past Service Pension

If you joined the Plan prior to January 1, 1976, you are entitled to a Past Service Monthly Pension of \$5 for each year of service up to December 31, 1975. Service prior to your attaining Age 40 does not count. The maximum Past Service Monthly Pension is \$100 - that is, up to 20 years' Past Service. The \$5 Benefit will be adjusted, fractionally, for each full calendar month.

Current Service Pension

The Current Service Monthly Pension is as follows:

Contribution Period	Benefit Formula
Up to and including December 31, 1998	Monthly Pension of \$8.50 for each \$260 of Contributions
On or after January 1, 1999 and up to and including December 31, 2005	Monthly Pension of \$6.00 for each \$260 of Contributions
On or after January 1, 2006	Monthly Pension of \$6.00 for each \$534 of Contributions

For example:

If Contributions to the Pension Plan earned up to December 31, 1998 totalled \$10,000, and totalled \$6,000 from January 1, 1999 up to and including December 31, 2005 and \$4,000 from January 1, 2006 to the date you retired, you would be entitled to receive a Monthly Pension of \$510.32 if you were retiring on or after your 65th birthday, or as early as Age 62 if you qualified for the Enhanced Early Retirement Pension set out earlier in this booklet.

This would be calculated as follows:

Contributions up to December 31, 1998: . . .	\$10,000.00
Pension earned during this period: (\$10,000/\$260 x \$8.50) =	\$326.92
Contributions from January 1, 1999 to December 31, 2005:	\$6,000.00
Pension earned during this period: (\$6,000/\$260 x \$6.00) =	\$138.46
Contributions from January 1, 2006:	\$4,000.00
Pension earned during this period (\$4,000/\$534 x \$6.00) =	\$44.94
Total (\$326.92 + \$138.46 + \$44.94)	\$510.32

THE RIGHTS OF YOUR SPOUSE

Does my Spouse have any Rights to my Pension?

As noted earlier, Provincial pension legislation grants certain rights to your Spouse insofar as your Pension Benefit is concerned. If you have a Spouse when a payment is due from the Plan - for example, when you retire, or die before retirement - your Spouse has a right to receive all or a part of that Benefit, unless she/he waives that right as set out later in this booklet.

The meaning of the word "Spouse" is defined in your Province's pension legislation. Usually your Spouse is that person to whom you are legally married or, if not legally married to each other, that person with whom you are living in a conjugal relationship continuously for a period of at least three years, or in a relationship of some permanence and are the natural or adoptive parents of a child. Except for Members employed in Saskatchewan, your Spouse must be living with you when the first payment of a Benefit is due in order to exercise her/his rights as a Spouse. Saskatchewan's pension law grants Survivor Rights to your Spouse, even if you are separated.

If you have a Spouse when you retire, all Provincial legislation requires that you take your Monthly Pension in a Form that guarantees that a Monthly Pension is payable until you and your Spouse are both deceased. When you apply for a Retirement Pension, you must provide the administrator with a written statement verifying whether you do, or do not, have a Spouse. If you do not have a Spouse, or if you and your Spouse provide the administrator a written Spousal

Waiver Form before the first payment of Monthly Pension, you can take your Monthly Pension in the above-stated Normal Form, or one of the Options set out later.

If you do have a Spouse, and a Spousal Waiver Form is not provided to the administrator, you must take your Monthly Pension in a manner that conforms with your Province's pension legislation, as follows:

Manitoba: If your Spouse survives you, $66\frac{2}{3}\%$ of the amount you were receiving is payable to your Spouse for her/his remaining lifetime.

All Other Provinces: If your Spouse survives you, 60% of the amount you were receiving is payable to your Spouse for her/his remaining lifetime.

If your Pension is payable to you, and then to your Spouse should she/he survive you, the amount of Monthly Pension payable to you will be less than the Normal Form Pension. This is because the Monthly Pension is payable until the last death of two persons. To give you some idea of the reduction in your Monthly Pension, we will use an example where you have earned a Monthly Pension of \$500 expressed in the Normal Form of Monthly Pension - that is, payable for as long as you live. In these examples, we are assuming that you retired at Age 65, and your Spouse is Age 63. Instead of receiving \$500 monthly, you would receive the following:

- a) If you live in Manitoba, you will receive \$432.71 as long as you live, and your Surviving Spouse will receive \$288.47 ($66\frac{2}{3}\%$ of the initial amount) for her/his remaining lifetime.

- b) If you live in any other Province, you will receive \$438.62 as long as you live, and your Surviving Spouse will receive \$263.17 (60% of the initial amount) for her/his remaining lifetime.

It is important to remember that the entitlement to a Survivor Pension belongs only to that person who was your Spouse when you retired. If your Spouse predeceases you after your retirement, the Monthly Pension ceases upon your death, even if you remarry. If you separate or divorce after retirement, your ex-Spouse retains her/his entitlement to a part of your Pension following your death.

Can my Spouse waive her/his Rights?

If you and your Spouse are agreeable to waiving your Spouse's right to a Survivor Pension, you must contact the administrator prior to your retirement, and obtain a Spousal Waiver Form. This Form is in accordance with the Provincial pension legislation. If your Province does not have a law, it will be in accordance with Ontario's pension legislation. The Spousal Waiver Form must be fully completed, and witnessed as to your signature and that of your Spouse. It must be filed with the administrator before your Pension starts. If the executed Spousal Waiver Form is not filed on time, the administrator is barred by legislation from accepting the Spousal Waiver Form, and your Spouse is deemed to have not waived her/his rights.

FORM OF PENSION

How long is my Pension paid to me?

The Normal Form of Pension is a Life Only Pension that is payable monthly to you for as long as you live. All of the amounts of Monthly Pension set out in your Annual Member Benefit Statement are expressed in the Plan's Normal Form of Pension.

The amount of Monthly Pension payable by the Plan, calculated as set out above, is payable to you, without reduction, when you reach Age 65 or as late as the end of the calendar year in which you reach Age 71. As set out earlier in this booklet, unreduced Monthly Pensions may be available to you as early as Age 62 with at least 10 years' Plan Membership; otherwise, your Monthly Pension will be reduced if you take Early Retirement.

If you have a Spouse upon your retirement, and your Spouse does not waive her/his right to a Survivor Pension (by completing a Spousal Waiver Form), you cannot retire on the Plan's Normal Form of Pension. Equally, the Normal Form of Pension may not be suitable to you, therefore the Plan provides certain Options that you may prefer. Information about options will be set out for you; but it is essential to emphasize that you must carefully select a Pension option before your Pension starts since there can be no change later.

What Optional Forms of Pension are available?

The following Options may be available to you:

Life Only – Normal Form of Pension

The Normal Form of Pension is Life Only. This means that the Monthly Pension will cease upon your death. This Option is available to you if you do not have a Spouse or if you and your Spouse complete a Spousal Waiver Form.

Life, Guaranteed Five (5) Years:

Taking this Option means that your Monthly Pension will be payable for as long as you live, or five years (60 payments), whichever is longer. In the event of your death before having received 60 payments of Monthly Pension, the unpaid balance will be paid to your named Beneficiary until 60 payments of Monthly Pension, in all, have been made. This Option is available to you if you do not have a Spouse or if you and your Spouse complete a Spousal Waiver Form.

Life, Guaranteed Ten (10) Years:

This Option extends the guarantee period to 10 years. In the event of your death before having received 120 payments of Monthly Pension, the unpaid balance will be paid to your named Beneficiary until 120 payments of Monthly Pension, in all, have been made. This Option is available to you if you do not have a Spouse or if you and your Spouse complete a Spousal Waiver Form.

Life, Guaranteed Fifteen (15) Years:

This Option extends the guarantee period to 15 years. In the event of your death before having received 180 payments of Monthly Pension, the unpaid balance will be paid to your named Beneficiary until 180 payments of Monthly Pension, in all, have been made. This Option is available to you if you do not have a Spouse or if you and your Spouse complete a Spousal Waiver Form.

Joint and Survivor 60% Benefit:

If you have a Spouse upon your retirement, and she/he has not waived her/his right to a Survivor Pension, Provincial pension legislation requires that you make an arrangement wherein a part of your Monthly Pension continues to your Spouse, should she/he survive you. In all Provinces, except Manitoba, the minimum continuation is 60%. If you select this Option, upon your death 60% of the amount of your Monthly Pension will continue to your surviving Spouse for the remainder of her/his lifetime. In Manitoba, the minimum continuation is 66 2/3 %.

Joint and Survivor 66 2/3 % Benefit:

This Option, which is required in Manitoba, provides that 66 2/3 % of your Monthly Pension will continue after your death to your Spouse, should she/he survive you.

Joint and Survivor 75% Benefit:

This Option provides that upon your death, 75% of your Monthly Pension will continue after your death to your Spouse, should she/he survive you.

Joint and Survivor 100% Benefit:

This will be of interest if you wish to ensure that your Spouse, should she/he survive you, receives precisely the same amount of Monthly Pension for her/his remaining lifetime should you be the first to die.

The amount of Monthly Pension paid prior to your death under the Normal Form of Pension will be reduced, either because of the selected Guarantee Period set out in the second, third and fourth Options, or because the Monthly Pension is payable until the last death of two persons, as set out in the last four Options. A special actuarial calculation will be done for any Member selecting any one of the Joint

and Survivor Benefit Options, to take into account the age of the Member and his/her Spouse.

Early, Integrated, Life Only

This type of Pension may interest you if you are retiring before Age 65. Under this Option, you will receive a higher Monthly Pension from the Plan until you reach Age 65. At your Age 65 a lower Monthly Pension is paid by the Plan for the remainder of your lifetime. Age 65 is selected, since that is the commencement date for Old Age Security. The reason you might select this Option is to have, more or less, a level retirement income during your retirement years.

If you choose this Option, the administrator will complete an actuarial calculation that assumes you are entitled to the Maximum Old Age Security Pension in effect at the time you retire.

To show you the effect on your Monthly Pension, we will assume that you are retiring at Age 62, and you have earned a Monthly Pension of \$500 expressed in the Normal Form. At April 1, 2008, the Maximum Old Age Security Monthly Pension is \$502.31, so that if you took this Option you would receive \$892.79 from the date of your retirement until the end of the month of your 65th birthday, and \$390.48 thereafter for as long as you live.

This Option is available only to persons who do not have a Spouse upon retirement, or whose Spouse has waived her/his right to a Survivor Pension by completing a Spousal Waiver Form.

Warning: *When considering this Option you should exercise great care, since the Federal Government may reduce, or eliminate, the payment of Old Age Security if your income*

during retirement exceeds certain amounts established by Government from time to time. Under this Option, if selected by you, the amount of Pension payable to you will most certainly reduce when you reach Age 65, regardless of the amount (if any) that you receive from Old Age Security. You should fully research your entitlement to Old Age Security if you are considering this Option.

The Death or Survivor Benefits which may be payable after your death depend on the Pension Option you choose at the time of your retirement. Once you start receiving your Pension payments, you cannot change your Pension payment Option.

Can I receive a lump sum payment at retirement instead of a Monthly Pension?

At the present time, pension legislation in most Provinces permits the Trustees to pay a lump sum benefit if the amount of your Pension in the Normal Form payable at Normal Retirement Age is less than 2% of the Yearly Maximum Pensionable Earnings (YMPE) of the Canada Pension Plan. In 2008 this number is \$74.83 per month. In other words, if the amount of your Pension, payable in the Normal Form payable at your Normal Retirement Age, is less than \$74.83 per month you may receive your Pension as a single lump sum payment rather than a monthly payment. Some Provinces have different limits below which a lump sum can be paid. The Pension Plan will follow the limit for lump sum payments applicable in your Province of employment.

If you do receive a lump sum settlement, you are not entitled to any other Benefits from the Pension Plan.

What Government pensions may be available to me?

Canada Pension Plan

The Canada Pension Plan (CPP) started in 1966. Contributions to CPP due from you and your Employer are established by Federal legislation. Unreduced monthly pensions are payable from Age 65. Reduced pensions are available from Age 60.

At the present time CPP is 25% of your earnings, up to the CPP average maximum earnings. These earnings are defined as the average of the Yearly Maximum Pensionable Earnings (YMPE) in the year you attain Age 65 and in the preceding four years. \$44,900 is the average maximum earnings for retirements in 2008. The maximum monthly CPP pension payable in 2008 at Age 65 is \$884.58. A 1/2 of 1% reduction, for each month prior to Age 65, applies to early pensions. CPP also provides disability and survivor benefits.

CPP's disability pension is payable from the fourth month of disability, if the extent of your disability is such that your residual capabilities will not permit you to engage in meaningful occupation. If you think you might qualify, it would be essential to apply to CPP without delay.

You should apply to your local CPP office about six months before you want to begin receiving your pension from CPP. You may apply up to one year in advance. Updates about CPP and applications can be obtained at the Post Office, at Health and Welfare Canada offices or on the internet at www.hrsdc.gc.ca. Information by phone is available at 1-800-277-9914.

Old Age Security (OAS)

Eligibility for OAS is based on your income and residency in Canada.

The OAS benefit is payable from Age 65. As at April 1, 2008 the maximum OAS benefit is \$502.31 a month. OAS benefits are now subject to a clawback based on your entire income.

Applications should be made at least six months in advance of your expected payment date. OAS rules are subject to change with every Federal Budget. Please check with your Federal Government Office to be sure of the current rules and application procedures.

Application forms and updates for the OAS benefit are available at any Post Office, at Health and Welfare Canada offices or on the internet at www.hrsdc.gc.ca. Information by phone is available at 1-800-277-9914.

Both CPP and OAS are adjusted to reflect some of the increases in the Consumer Price Index. OAS may be adjusted quarterly. CPP benefits may be adjusted once a year.

A denial of benefits under the Canada Pension Plan and/or Old Age Security will not change the amount of Benefit payable from the Pension Plan.

TERMINATION BENEFITS

When is my membership in the Pension Plan terminated?

Termination as a Plan Member may occur because your employment terminates or if your Collective Agreement no longer requires Contributions to this Pension Plan. Your membership in the Plan does not terminate if you remain with your Employer but work outside the Bargaining Unit. Your status with the Plan changes to an Inactive Member.

Your Employer is responsible for removing your name from the Monthly Contribution Report and advising the administrator why Contributions have ceased. Provincial pension legislation governs what happens to the Contributions paid into the Plan. Your Age at termination and the length of your employment with the same Contributing Employer used in determining your Continuous Service or Plan membership will impact your rights when your membership in the Plan is terminated.

What Benefits am I entitled to if my membership in the Pension Plan terminates?

Earlier in this booklet, the rules respecting Vesting were set out. Upon your termination, the administrator will determine whether you are Vested, and Contributions in the Plan will be handled as follows:

- If you are not Vested, you are not entitled to receive a Benefit.
- If you are Vested, you are entitled to:

1. Commence receipt of your Monthly Pension at any time between your 55th birthday and the end of the calendar year in which you reach Age 71, as set out earlier in this booklet; or
2. Provided you are not yet Age 55, you can ask the administrator to calculate the Commuted Value of the Pension you earned to the date you terminated. You may use that money in any one of the following ways:
 - transfer the money to an insurance company, to purchase an immediate or deferred life annuity, always provided that payments from that annuity cannot start before you attain Age 55; or
 - transfer the money to a locked-in Registered Retirement Savings Plan, administered by the provincially approved financial institution of your choice; or
 - transfer the money to another registered pension plan.

If you are transferring the money out of this Plan, you must first provide the administrator written documentation from the receiving financial institution, proving that the money so transferred will be administered in accordance with the pension legislation in your Province, or if there is no such legislation, in accordance with The Pension Benefits Act, Ontario. A transfer cannot be made until you supply the paperwork to the administrator.

What happens if I transfer out of the Bargaining Unit?

In the event that your employment with the same Contributing Employer should continue, but you transfer to

a non-participating Bargaining Unit or become a Salary Non-Bargaining Employee, your Plan Membership continues in accordance with Provincial pension legislation. When your employment with that Employer eventually ceases, you have all the rights set out under “What happens if I terminate my Plan Membership”.

Please note that your employment service outside the Bargaining Unit will be added to the time you were an Active Plan member for Vesting purposes, as required by Provincial pension legislation.

What happens if no Contributions are made on my behalf for a period of 24 consecutive months?

Provincial pension legislation gives you, as a Member of a Multi Employer Pension Plan, the right to voluntarily terminate your Plan Membership in the event that Contributions to the Plan have not been made for 24 consecutive months. This will occur if you permanently transfer out of a participating Bargaining Unit.

During the 24 month period, your Plan Membership automatically continues, and so every person in this circumstance would automatically be Vested, since the Plan’s Vesting Rule is 24 months Plan Membership.

If you find yourself in this position, you have these choices:

- Apply to the administrator to calculate the Actuarial Transfer Value (Commutated Value) of the Pension you earned, as set out previously under “What Benefits am I entitled if my membership in the Pension Plan terminates”. You may select this Option provided that you are not yet Age 55 when you voluntarily terminate your Plan Membership; or

- Elect to defer or collect your Monthly Pension upon your retirement which may be as early as your Age 55.

What happens if I terminate and I am subsequently re-employed?

The administrator keeps track of your Membership in the Plan by means of the Monthly Contribution Reports sent in by each Contributing Employer. Your Employer may remove your name from the Report for such reasons as employment termination, layoff or disability. In that event, and recognizing that you might be re-employed by that same Employer or another Contributing Employer, these are your rights:

- If you are not Vested, as set out earlier in this booklet, and you are re-employed with any Contributing Employer within the three calendar months following the last month in which you worked for a Contributing Employer, all of your previous Accrued Pension and Plan Membership will be reinstated.

For example, if you join the Plan in June, and your employment is terminated in the following December, you have seven months' Plan Membership, and you are not Vested. However, if you are re-employed by any Contributing Employer by the end of the immediately following March, your previous seven months' Accrued Pension plus your seven months' Plan Membership are reinstated, and you will be Vested upon completion of a further 17 months' Plan Membership.

- If you are Vested, and always provided that you do not transfer the Commuted Value of your Pension out of the Plan, the Pension you earn upon subsequent re-

employment with any Contributing Employer is immediately Vested.

Do I have any other options if I cease working for Contributing Employers?

If you are under Age 55, are Vested in the Plan, and your Membership in the Plan has terminated, you may elect to receive the Commuted Value of your deferred Pension.

You must use the Commuted Value of your deferred Pension to purchase a locked in benefit in certain types of pension investments:

- (a) another pension plan in which you are a member or former member. The other pension plan must permit the transfer; or,
- (b) a Locked in Registered Retirement Savings Arrangement such as an RRSP, RRIF, LIRA or LIF which is not capable of surrender, assignment or commutation; or,
- (c) a deferred life annuity from an insurance company licensed to transact business in Canada. The payment of the annuity may not commence until you have attained at least Age 55; or
- (d) another registered vehicle permitted under Provincial pension legislation and Federal legislation.

What is Locking-In?

Locking-In is a requirement under Federal or Provincial pension legislation that vested pension benefits cannot be withdrawn in cash by members on termination of employment or until the member has reached a particular

age (usually Age 55). Your vested pension benefit must be used to provide you with lifetime retirement benefits.

What is a Registered Retirement Savings Plan (RRSP)?

An RRSP is a retirement savings plan as defined in the Income Tax Act (Canada). Tax is deferred on contributions and investment income until such time as you begin to withdraw the funds. In the case of a locked-in RRSP, the funds must be used to purchase a life annuity or be transferred to a LIF by the end of the year you reach Age 71, at the latest.

What is a Registered Retirement Income Fund (RRIF)?

A RRIF is a form of investment arrangement which provides for a payout of funds accumulated in an RRSP over a period of time. It is really just a continuation of your RRSP. You must withdraw a minimum annual amount as set out in the Income Tax Act, Canada. There is no maximum withdrawal requirement.

What is a Locked-In Retirement Account (LIRA)?

A LIRA is a type of locked-in RRSP. The funds must be used to purchase a life annuity or be transferred to a LIF, a LRIF or a prescribed RRIF by the end of the year you reach Age 71, at the latest.

What is a Life Income Fund (LIF)?

A LIF is a retirement savings arrangement which can be purchased with locked-in funds (i.e., locked-in RRSP, pension benefits or an unexpired portion of a guaranteed annuity). There are minimum and maximum annual withdrawal requirements.

What is a Locked-In Retirement Income Fund (LRIF)?

An LRIF is a type of locked-in RRIF. There are minimum and maximum annual withdrawal requirements. LRIFs are not available in all Provinces.

Please keep in mind the legislation and requirements regarding locked-in Registered Retirement savings arrangements vary from Province to Province. The Pension Plan will follow the legislative requirements applicable to your Province of employment.

Do I get the full amount of Termination Benefit?

There may be a portion of the Termination Benefit not immediately paid. The amount not paid will be held back due to the Plan's solvency position. If any amount is to be held back, the Administration Office will advise you in advance. Any amount held back accrues interest and must be paid within five years of the first payment.

DEATH BENEFITS

What happens if I die before retirement?

The type of Death Benefit payable depends upon a few factors on the date of your death:

- Did you have a Spouse?
- Did your Spouse waive his/her right to a Benefit by completing and submitting a Spousal Waiver Form?
- Did you appoint your Spouse as your Beneficiary?

The Pre-Retirement Death Benefit of this Plan conforms with Provincial pension legislation. Therefore, the Benefit payable by the Plan will depend upon whether you were Vested upon your death, whether you had a Spouse on the date of your death and in what Province you were employed. Your Spouse may have a right to receive a Death Benefit, regardless of the person you named as Beneficiary on your Member Information Card. If your Spouse filed a Spousal Waiver Form with the administrator prior to your death this may affect the payment of the Death Benefit.

If you are not Vested:

- If your death occurs prior to your attainment of Age 60, the Pre-Retirement Death Benefit is equal to the sum of Contributions received on your behalf; or
- If your death occurs on, or after, your attainment of Age 60, the Death Benefit is equal to the sum of Contributions

received by the Plan on your behalf, plus interest earned on those Contributions to the date of your death.

If you are Vested, the Pre-Retirement Death Benefit paid by the Plan is the Commuted Value of the Pension you earned to the date of your death. In accordance with Provincial pension legislation, your Spouse has a right to receive some part of the Plan's Benefit, unless that right has been waived in a manner acceptable to the Provincial pension regulators. If you do not have a Spouse, or your Spouse has waived her/his entitlement, the Commuted Value will be paid in a lump sum to the Beneficiary named on the last Member Information Card you filed with the administrator.

If the Benefit is payable to your Spouse, she/he has certain choices in the manner in which the Pre-Retirement Death Benefit will be paid, in accordance with your Provincial pension legislation. At the relevant time, the administrator will advise your Spouse of those choices.

Who is my Beneficiary?

Your Beneficiary is the person or persons you named on the Member Information Card filed with the Administration Office or the person designated by such other means allowed by applicable legislation. Regardless of whom you name as Beneficiary, your Spouse may have an entitlement to Pension Benefits earned from certain dates.

If you have not named a Beneficiary, or if the Beneficiary named dies before you, any Death Benefits will be paid, in a lump sum, to your Estate. A representative entitled by law to act on behalf of your Estate must apply for Death Benefits.

What if my Beneficiary is not my Spouse?

If you die before retirement and are Vested, the lump sum Pre-Retirement Death Benefit will be the Actuarial Value (Commuted Value) of your accrued Monthly Pension earned at the date of your death. This Commuted Value is calculated considering your age and the prescribed interest rate in effect at that time. The amount of this Death Benefit is the same as the amount that would have been available for transfer out of the Plan if you had terminated your membership in the Plan at the time of your death.

The amount of this lump sum Death Benefit will be paid to your Beneficiary. If you have a Spouse at the time of your death a certain part of this Benefit must be paid to your Spouse even if you did not make your Spouse your Beneficiary. The amount that will be paid to your Spouse is the Commuted Value of the Pension you earned from January 1, 1987 if you had a Spouse on that date. If you reside in Manitoba, the calculation starts at January 1, 1985 if you had a Spouse on that date. If you do not have a qualifying Spouse at the time of your death, the total Death Benefit is paid to your Beneficiary.

What if my Beneficiary is my Spouse?

If you have appointed your spouse as your Beneficiary under this Plan, your Spouse will receive the total amount of the Death Benefit as a lump sum. The amount is equal to the actuarial value of your accrued Monthly Pension as at the date of your death.

Your Spouse may elect to receive this Death Benefit in the form of a life annuity or as a transfer to a Registered Retirement Savings Plan subject to Pension Legislation in your province of employment.

What happens if I die after retirement?

The Death Benefit payable will depend on the Form of Pension you chose at your Retirement. If you chose a Pension guaranteed for 10 years (120 monthly payments), and if you die within 120 months after your retirement date, the Pension will continue to be paid to your Beneficiary until the end of the 120 month period. The table below provides an illustration of how “Life Guaranteed” pensions work.

Guarantee Period	Number of Monthly Payments Received by Member by <u>Date of Death</u>	Number of Monthly Payments Payable to <u>Beneficiary</u>	Total Number of Monthly Payments from the <u>Pension Plan</u>
10 Years (120 payments)	75	45	120
10 Years (120 payments)	140	0	140
15 Years (180 payments)	80	100	180
15 Years (180 payments)	200	0	200
Life Only	75	0	75
Life Only	6	0	6

What if there is a dispute between my Beneficiaries?

The Pension Plan will make only basic inquiries to resolve the dispute. The Pension Fund may pay the Pension Benefit into Court. A judge will decide to whom the Pension is to be paid. The Pension Plan is not responsible for any legal costs.

Does my Beneficiary get the full amount of the Death Benefit?

There may be a portion of the Death Benefit not immediately paid. The amount not paid will be held back due to the Plan's solvency position. If any amount is to be held back, the Administration Office will advise the Beneficiary in advance. Any amount held back accrues interest and must be paid within five years of the first payment.

ANNUAL MEMBER BENEFIT STATEMENT

Do I receive information on a regular basis?

As mentioned earlier in the booklet, in the Spring of each year, the administrator prepares an Annual Member Benefit Statement disclosing your position in the Plan as at the prior December 31st. That Statement will show the sum of Contributions paid to the Plan in the prior year, as well as the total Contributions up to the prior year. The Statement shows you the amount of Monthly Pension you earned to the prior December 31st, which is the Life Only Pension payable to you when you reach Age 65 until your death. Other information is included, such as the date on which you become Vested, the date you will reach Age 65 and the name of your Spouse if you have filed a Member Information Card naming a Spouse and your Beneficiary.

If information about your Spouse or Beneficiary is missing you should complete a Member Information Card and forward it to the administrator as soon as possible.

Annual Member Benefit Statements are distributed according to the instructions given to the administrator by the Trustees. At present, they are forwarded to your Local Union, which has undertaken to see that yours is given to you. However you must inform the administrator of any change of address. You must inform the administrator immediately if there are any errors or omissions in your Annual Member Benefit Statement.

GENERAL PROVISIONS

How do I apply for my monthly Pension?

You must apply for your Pension Benefit. We recommend that you apply for your Pension at least 90 days in advance of your desired Retirement Date. At the back of this booklet is an Application for your use when applying to receive a Benefit. When retiring, please complete and forward to the Administration Office. The administrator will contact you, and will require a copy of your Birth or Baptismal certificate, since Applications cannot be processed without Proof of Age and confirmation of marital status. This same requirement applies to your Spouse if she/he is applying for a Survivor Pension or if you are applying for a Joint & Survivor Pension. If you do not have a Birth or Baptismal Certificate, the administrator will accept copies of other documents (see "What is considered Proof of Age") provided that it unquestionably establishes your birthdate(s). Please contact the administrator for guidance.

Application forms for Pension Benefits may be obtained from the Administration Office.

If you want your Pension Benefit to start on a specific date, you should file your Retirement Application and all supporting documentation with the Administration Office. You should allow several weeks for your Application to be processed. The final determination of your Pension will be made when all Contributions are received from your Contributing Employers. Please keep in mind that the administrator cannot calculate the Monthly Pension due to you until your Employer has submitted the Contribution Report covering the last month you worked.

These Reports are due to the administrator's office by the 15th day of the month following the month covered by the Report.

What is considered Proof of Age?

The best Proof of Age is a birth certificate. If this is not available, any two of the following sources of age verification can be used:

- (a) school records,
- (b) marriage license,
- (c) citizenship papers,
- (d) passport,
- (e) driver's license

If your Spouse is to receive a Pension Benefit, proof of her/his age must also be submitted.

If you provide an incorrect birth date to the Plan, any information provided by the Administration Office is subject to change upon receipt of the correct birth date.

What is considered proof of marital status?

If you are married, a copy of your marriage certificate is sufficient if your Spouse is residing with you at the time of your retirement or death. If you are living common law, the Administration Office may require proof of the existence and the length of the common law relationship. This proof is usually provided by affidavits of neighbours or clergy.

If you provide an incorrect marital status to the Plan, any information or Benefit provided by the Plan is subject to change upon receipt of correct marital status information.

When do my Pension payments commence and are there retroactive payments?

If you retire on or after attaining Age 65, your Monthly Pension will be paid commencing with the first day of the calendar month following attainment of Age 65, notwithstanding when you file your Retirement Pension Application.

If you are retiring out of a participating Bargaining Unit, and you have at least 10 years' Plan Membership, you are entitled to receive your Monthly Pension effective the first day of the calendar month following such retirement, notwithstanding when you file your Pension Application.

If you are taking Early Retirement, the effective date of your Monthly Pension will be the first day of the calendar month following the administrator's receipt of your Pension Application.

How are Monthly Pension payments made?

Pension payments may be made directly to your bank account at the financial institution of your choice using electronic funds transfer (direct deposit). The account must be in your name only. The direct deposit cannot be made into a joint account. If you do not want to receive your Pension payments using a direct deposit method, your Pension cheque will be mailed to you each month.

What is the latest date I can retire?

Current government regulations require that your Pension cannot start any later than the end of the year in which you turn Age 71. Any Contributions received on your behalf after you commence your Pension will not be used to increase your Pension.

May I assign my Benefits under the Plan?

Your Benefits under this Plan cannot be assigned. You cannot use your Pension as collateral against a loan. Most Provinces have the right to garnishee pension benefits if support or maintenance payments are in default. Federal legislation permits the garnishment of pension benefits for income tax arrears.

How does my membership in the Pension Plan affect my income tax?

All Contributions to the Plan are deemed to be made by your Employer. You cannot deduct the Contributions from your income for tax purposes. Employer Contributions are not added to your income.

You will be required to pay income tax on any Benefits which you receive from the Plan. Benefits received from the Plan are fully taxable to the person who receives them. The Pension Plan withholds tax pursuant to Canada Revenue Agency rules.

A Termination or Death Benefit from the Plan is tax exempt if the payment is made directly to an RRSP or a similar tax exempt investment vehicle.

What is income splitting?

Income splitting means that a pensioner would be allowed to allocate to their spouse up to 50 percent of their eligible pension income. This pension income splitting would provide tax reductions for some pensioners. Income that qualifies for the pension income tax credit may be split. In order for you to be eligible to split income, you as a pensioner and your spouse must agree to reallocate income by completing form T2037, the joint election to split pension income form. This form must be attached to your income tax returns.

What happens to my Benefits upon marriage breakdown?

In the event of marriage breakup, including termination of a common law relationship, legislation in most Provinces includes the value of Pension Benefits as a portion of the assets which are subject to division with the former Spouse.

Legislation varies from Province to Province but, in general, it requires the splitting of the value of pension benefits earned during the marriage and/or cohabitation. In most such cases, a valuation of your Pension Benefits earned during the marriage will be required.

If you are divorced or separated, or enter into an agreement that affects your Pension Benefit, you must provide the legal documentation immediately to the Administration Office.

How do the Trustees protect my Personal Information?

The Pension Plan will collect, maintain and communicate only the Personal Information considered necessary for the administration of the Plan. Personal Information will be protected pursuant to the relevant Provincial or Federal legislation. The Plan may use and exchange Personal

Information with relevant persons or organizations (unions, health professionals, financial institutions, investigative agencies, regulators) in order to manage the Plan and entitlement to the Benefits of the Plan. Questions related to the Privacy Policy of the Plan should be directed to the Recording Secretary in care of the Administration Office.

How is the Pension Plan regulated?

The Pension Plan is registered with the Canada Revenue Agency (CRA) and the Financial Services Commission of Ontario (FSCO). The Registration Number is 0555037. The Plan is subject to any amendments which may be required to maintain Federal and Provincial approval. Members will be notified of any changes required either due to legislation or otherwise.

Could the Trustees improve or reduce the Pension Benefits?

The Trustees have a Funding and Benefits Policy to guide them if Benefits must be reduced or if there is sufficient funding available to consider Benefit improvements.

The Trustees retain the right to amend the Plan at any time.

The Trustees' primary goal is to protect the assets of the Pension Plan so they can deliver the promised Pension Benefits. There are several factors, taken separately, or in combination, that could result in an improvement or reduction to the current promised Benefits and Pension Benefits being paid to Retired Members. These factors include the investment return earned by the Pension Fund, the age of the Plan's Members, interest rates, mortality assumptions prescribed for Pension Plan valuations and legislation.

The Trustees set reasonable assumptions for investment returns and retirement ages and continuously monitor the Pension Plan's performance against these assumptions.

The amounts of Monthly Pension you earn each year, and shown in your Annual Member Benefit Statement, assume that these Contributions will continue to be received by the Trust Fund in the future, and be sufficient to pay your Monthly Pension when due. In the event that your Employer ceases Contributions to the Fund for any reason whatsoever, and at that time the Trustees have not received sufficient Contributions to meet the present day actuarial liability of your future Monthly Pension, the Trustees may reduce your Accrued Monthly Pension to an amount that can be provided by the Fund in view of the received Contributions.

Provincial pension legislation could require a reduction in Benefits if the Plan has not demonstrated a target funding status.

Who administers the Pension Plan?

The Trustees are the Administrators of the Plan. Administration of the Plan is the sole responsibility of the Trustees. The Trustees have the authority to appoint an administration services provider, and they have appointed Employee Benefit Plan Services Limited to handle the day to day activities of the Plan. The Trustees are responsible for establishing the rules and policies affecting the Pension Plan.

Any person who wishes to appeal any decision by the Administration Office must notify the Trustees in writing in care of the Administration Office at the address shown at the back of your booklet.

Administration Office

Employee Benefit Plan Services Limited
45 McIntosh Drive
Markham, Ontario
L3R 8C7

Telephone: 905-946-9700

Toll Free: 1-800-263-3564

Fax: 905-946-2535

e mail: ebps@mcateer.ca

Consultant and Actuary

J.J. McAteer & Associates Incorporated

Auditor

BDO Dunwoody LLP

The information in this booklet is current at the date of printing, and reflects the Provisions of the Pension Plan Text, current Legislation under the Income Tax Act, Canada and existing Provincial Pension Legislation and Regulations. The Pension Plan Text and Legislation are subject to change, and will determine your eligibility for any Benefit in the future.

