

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

**RECORD RETENTION POLICY**

**APPROVED BY THE BOARD OF TRUSTEES APRIL 14, 2011**

The Board of Trustees has a responsibility to prudently manage the business of the Canadian Multi Employer Retirement Fund for the Graphic Arts Media (the "Fund") and the Canadian Multi Employer Retirement Plan for the Graphic Arts Media Pension Plan (the "Plan") provided for the Plan's Beneficiaries. Appropriate retention of Plan and Fund records is important to the carrying out of this fiduciary responsibility. This Record Retention Policy has as a primary goal the setting out of parameters so that stakeholders will be aware of their responsibilities for good record management. Good record management responsibilities extends to Plan Beneficiaries as the Plan is not solely responsible for retaining records related to individual Plan Beneficiaries, particularly if the Plan and Fund would not normally have access to certain information about the Plan Beneficiary.

Current and historic Plan records may be required for purposes of determining a Member's Plan entitlement and for regulatory filing and reporting.

As the primary source of information about the Plan, the Board of Trustees, or their delegate, may be responsible for answering, or obtaining answers to, Plan-related questions from Plan Beneficiaries and any other parties with respect to their interests in the Plan. Members and Plan Beneficiaries rely on the information that is provided by the Plan when making decisions about their entitlements.

Good record retention and management processes are essential for the Board of Trustees to be confident that the Plan's records are accurate and complete and to ensure that correct payments are made to those who are entitled to them.

Good record retention practices will assist the Trustees in dealing with situations where an individual's entitlement to a stated amount of Pension benefit is challenged, including if a former Member of the Plan claims that he or she did not receive his or her Plan benefit. In these cases a Plan may be required to provide proof of payment.

Accurate and complete records are a necessary source of information for regulatory filings (e.g., actuarial valuation reports, annual information returns, financial statements, etc.)

In some cases, the Board of Trustees may be responsible for reproducing excerpts from old Plan documents such as disclosure notices that are required to be distributed to Plan Beneficiaries (e.g., notice about a Plan amendment, etc.).

Appropriate records management and retention practices are essential for meeting the Trustees' standard of care and other obligations to Plan Beneficiaries, and for protecting the integrity and accuracy of the information that is used in the administration of the Plan and

Fund. These practices may also contribute towards operating efficiencies and reduce litigation risks.

In the development of this Record Retention Policy, the Trustees have developed the attached Retention Schedule for Plan Records (the "Schedule"). This Policy and the Schedule have taken into consideration:

- the types of documents that must be retained and their retention period;
- where the documents will be stored;
- the form in which the documents will be stored;
- how the documents can be accessed;
- how private and confidential documents will be treated;
- the details of any delegations related to management of the documents;
- the individuals (or positions) that are responsible for managing the documents;
- the individuals who may access the documents;
- training requirements for those who are responsible for the documents;
- contractual agreements with service provider(s);
- whether there will be an audit of record keeping processes;
- the process for maintaining a back-up of the records;
- the process for monitoring the documents;
- the process for notifying Members of the prudence of retaining their individual Plan records; and
- the process for disposing of the documents at the end of their retention period.

Changes to the retention period set out in the Schedule will be amended only upon consultation with the Trustees who may seek legal counsel in order to ensure that the Record Retention Policy continues to be prudent.

This Record Retention Policy is managed in compliance with the Plan's Privacy Policy at all times.

**Definition: Unless otherwise stated**

**Plan Beneficiaries** includes Members, retired Members, former members, surviving Spouses, Dependants, former spouses, Estates, and other person(s) who have an entitlement under the Plan.

**Responsibilities of the Trustees**

The Board of Trustees is the legal administrator of the Plan. The Trustees retain a variety of delegates to assist them in the management of the Plan and Fund.

Section 19 of the *Pension Benefits Act*, Ontario "PBA" requires the Trustees to administer the Plan and Fund in accordance with the PBA, Regulation and filed documents.

Section 22 of the PBA imposes a duty on the Trustees to exercise the care, diligence and skill in the administration and investment of the Fund that a person of ordinary prudence would exercise in dealing with the property of another person. Section 22 also requires the Trustees, in the administration of the Plan and in the administration and investment of the Fund, to use all relevant knowledge and skill that a Trustee possesses or, by reason of the Trustee's profession, business or calling, ought to possess.

### **Plan Records and Retention Periods**

Plan records include any documents related to the Plan and Fund. This includes documents in paper, electronic or any other format that have been created or received by, or for, the Trustees, or the Trustees' delegate, in connection with the operation of the Plan and Fund. These records generally include, but are not limited to, the following:

- documents that create and support the Plan and Fund;
- documents that pertain to the operation of the Plan and Fund;
- documents that pertain to the investments of the Plan and Fund; and
- documents that pertain to individual Plan Beneficiaries.

For the purpose of this Policy, record retention requirements have been divided as follows:

- a) Plan records that pertain to legislated requirements.
- b) Plan records that pertain to individual Plan Beneficiaries and payment of their Pension entitlements.
- c) All other Plan records that pertain to the day-to-day operation of the Plan and Fund.

### **Plan Records that Pertain to Legislated Requirements**

Plan records that fall under this category include all records that create and support the Plan and Fund.

Some of these documents are listed under section 45 of the PBA Regulation. For example:

- Plan documents/texts and all amendments related to the Plan;
- documents that must be filed in support of the application for Plan registration or amendments to the current Plan (e.g., Trust Agreements, collective bargaining agreements, Member booklets, etc.);
- documents that delegate the administration of the Plan or Fund;
- copies of filings, reports or statements that are required to be filed with the pension regulators (i.e. the Financial Services Commission of Ontario ("FSCO") or Canada Revenue Agency ("CRA") (e.g., annual information returns, Pension Fund financial statements, actuarial valuation reports, etc.);

- copies of correspondence between the Trustees, the Trustees' third-party service provider(s) and FSCO staff (excluding correspondence concerning individual Plan Beneficiaries);
- copies of any Statements of Investment Policies and Procedures.

### **Plan Records that Pertain to Individual Plan Beneficiaries and Payment of their Plan Entitlements**

Plan records that pertain to individual Plan Beneficiaries should be retained as long as they have an entitlement under the Plan. This may include information related to Plan enrolment, beneficiary designations, Plan statements, court documents related to breakdown of a spousal relationship, etc.

Once a Plan Member has terminated his Plan membership, and has elected to transfer his or her entitlement out of the Plan, all Plan records that pertain to the Plan Member do not necessarily have to be kept. However, the Trustees will ensure that the Plan retains at least a summary of the terminated Member's Plan records that will provide confirmation that his or her entitlements under the Plan has been settled. The summary information for a terminated Member should include, as a minimum, the following:

- the Plan Member's name or identification number such as a social insurance number or other identifier approved by the Board of Trustees;
- the Plan membership entry date;
- the Plan membership termination date;
- the vested status in the Plan as of the termination date;
- evidence of the disclosure made to the member at termination of membership in the Plan;
- any options that were elected by the Member as it respects his/her Plan membership; and
- the payment amount of Plan entitlement, if any, and date payment was made, including any evidence that substantiates the payment information. Substantial evidence that the termination transaction was completed will include bank statements, a cancelled cheque and receipt from the receiving financial institution that shows the transferred amount, the name of the receiving financial institution, the date when the cheque was cleared, or any other forms of evidence agreed to by the Trustees.

The summary information that is retained must be sufficient to clearly identify the recipient of the payment, the exact amount that was paid to him or her, and date when the payment was made.

Similarly, when final payment has been made from the Plan to a Plan Beneficiary, the Trustees should retain at least a summary of the Plan records relating to the beneficiary. The summary for the Plan Beneficiary should include, as a minimum, the following information:

- the Plan Beneficiary's name, identification number which may be the social insurance number or other identifier approved by the Trustees;
- the Plan membership entry date;
- the retirement date, as applicable;
- the retired Plan Member's date of death;
- the date of death of the retired Plan Member's spouse or his or her designated beneficiary (as applicable);
- the Pension amount that was paid to the retired Member, his or her spouse, designated beneficiary or estate (as applicable), including any evidence that substantiates the payment information (e.g., payment stubs, T4A statements, or any other forms of evidence);
- the date(s) when payment(s) commenced and terminated, if periodic payments were made; and
- the date payment was made and the amount of the payment, if a lump-sum payment was made.

The summary information that is retained must be sufficient to clearly identify the recipient of the payment(s), the exact amount(s) paid to him or her, and the dates when the payment(s) commenced and terminated.

The Plan's' practice is to establish a paper file for each terminated Plan Member and the file will contain the termination benefit statement issued to the Member and the communication following from the termination benefit statement including an option election document. If a termination benefit was paid from the Plan the paper file will include the information set out above. In addition, the Plan's electronic record will show that the Member terminated in the Plan.

For each benefit paid on account of the death of a Plan Beneficiary, the Plan will retain a paper file for the Plan Beneficiary which will include all of the information set out above and in addition, the Plan will enter an electronic record to show that a benefit on account of the death of the Plan Beneficiary has been paid.

It is important for the Plan to retain the records pertaining to individual Members (or at least the summary of their records), because former Members of the Plan may come forward at the time of their retirement to make claims for payment of their Plan entitlements. After the death of a former or retired Member, such a claim may be made by the former or retired Member's beneficiaries or estate. Therefore, it is important for the Trustees to have sufficient documentation to be able to verify the payment status of former and retired Members' entitlements, in order to avoid duplication of the payment.

In addition, in situations where a Member's entitlement to a stated amount of Pension benefit is challenged, the Trustees may be required to provide historical information in order to verify benefit calculations. This could include any information relevant to the benefit calculation (e.g., a Member's period(s) of employment service, Plan membership and/or union membership,

Pension Plan contributions, Plan provisions or any other documents that applied during the Member's period of Plan membership).

The Plan communicates with members on an ongoing basis, to remind them of their obligations to notify the Trustees whenever there is a change in their spousal relationship, beneficiary designation or mailing address. Such reminders can be built into the Members' annual statements of benefits and termination statements.

The Plan makes the required forms available to Plan Beneficiaries so that they have easy access to the Plan for making changes in their addresses, beneficiary designations and other documents which are essential for the good management of the Plan.

### **All Other Plan Records that Pertain to the Day-to-Day Operation of the Plan and Fund**

The Board of Trustees has identified these records, such as the Minutes of Board Meetings, investment management reports etc. and has made a decision about the retention period for these records. The decisions for retention of these records is shown on the attached Schedule.

When deciding on the retention period and format, the Trustees have taken into consideration the acceptable format in the event the Plan's documents are called into question in a legal or regulatory matter, available technology, record safety and the cost of converting records to a format other than paper.

### **Electronic Records**

The Trustees have reviewed with the administration services provider, which documents may easily be transferred into an electronic format and which documents, for preservation of Plan and Fund history, should be stored this way in addition to a paper format.

Electronic records include word processing applications, databases, spreadsheets, electronic mail, multimedia, web pages from the Intranet/Internet, etc.

The Trustees have authorized that Plan records which are legislated may be stored electronically, provided that imaged documents can be certified as true copies of the original paper documents.

Where electronic copies of legislated documents have been made, paper copies are retained and stored at a secure site.

The Trustees ensure that the administration services provider, or others which are charged with the maintenance of Plan records, have an adequate backup system to protect the electronic version of Plan records.

The Trustees have ensured that electronic records will always be accessible upon request by regulatory bodies or Plan Beneficiaries, despite future changes in technology.

## **Retention of Plan Records After the Wind Up of the Plan**

While a wind up of the Plan is not expected, the Trustees acknowledge that, in the event of a full wind up of the Plan, the Fund of the Plan will continue to be subject to the PBA and Regulation until such time as all assets of the Fund have been disbursed in accordance with section 76 of the PBA. The Plan may also remain subject to the PBA and Regulation in cases where the Trustees' obligations to those who are affected by the wind up have not been satisfied (e.g., missing Members, etc.).

In the event of a wind up of the Plan, the Trustees will make the appropriate arrangements for the retention of Plan and Fund records.

## **Other Legislation Applicable to Retention of Records Under the Plan**

Other legislation that may be applicable to retention of records by the Plan may also specify retention periods for records. They include, but are not limited to, the Income Tax Act (Canada), the Employment Standards Act, 2000, the Workplace Safety and Insurance Act, 1997, the Personal Health Information Protection Act, 2004, and the Freedom of Information and Protection of Privacy Act.

## **Responsibilities of Other Pension Stakeholders**

### **External Third-Party Service Provider(s)**

The Trustees have delegated responsibility for the management of Plan records to external third-party service provider(s) (e.g., the custodian of the Fund, and a company specializing in third-party administration). However, the Trustees must continue to supervise the Plan records management activities of its delegates and monitors that records are kept in compliance with the standards set out by the Trustees in this Policy.

A copy of the Trustees' Record Retention Policy will be provided to all service provider(s). If a service provider has its own policy on the management and retention of plan records, and the Trustees are satisfied that the policy meets legislated and plan-specific requirements, the Trustees may rely on the service provider's policy.

The Trustees will ensure that the agreement or contract between the Trustees and service providers address the items in the Record Retention Policy, as well as the treatment of all records (e.g., paper, electronic, etc.) during the period the services are provided and at the termination of the contract (e.g., returning records to the Trustees or transferring records directly to a successor service provider, etc.).

If records are maintained in electronic form by a service provider, the agreement or contract will specify that the service provider must return the Plan's records to the Trustees in a usable format.

The original signed copies of Plan documents that create and support the Plan and Fund (e.g., Plan texts, amendments, Trust Agreements, etc.) must be returned to the Trustees if in the possession of the service provider.

Agreements will disclose that at the termination of the contract, the service provider will not destroy the records that it managed and retained on behalf of the Trustees. The Trustees hold service providers responsible for the records that it controls and manages on behalf of the Trustees.

The standard of care that applies to the Trustees under section 22 of the PBA also applies to the service provider.

### **Plan Beneficiaries**

Plan Beneficiaries are responsible for keeping Plan records that they receive from the Trustees (e.g., pension statements, notices, Member booklets, etc.) They are also responsible for reviewing the pension statements that they receive from the Trustees (e.g., annual statement of benefits, termination statements, etc.) and notifying the Trustees if any information appears incorrect on their statements.

It is to the benefit of Plan Beneficiaries to keep records related to the Plan as proof of their entitlement to Plan benefits (especially in cases where Plan Beneficiaries terminate their Plan membership prior to their retirement date with a deferred pension that is payable to them at a later date). It is also important for Plan Beneficiaries to keep the Trustees up-to-date about any change(s) to their personal situation (e.g., change in mailing address, marital status, designated beneficiary, etc.).

Plan Beneficiaries and Members are responsible for verifying that contribution information given by the Plan is correct. The Trustees cannot be certain that all contributions which should be remitted to the Fund by the Member's employers have in fact, been remitted. The Trustees have delinquency control procedures in place which, along with the review and report of the Union, provides reasonable assurance that the Fund is receiving the correct amounts in respect of each Member. However, Members receive frequent payment/payroll information from the employee and should use this information to ensure that Fund has been paid all contributions due to it by the employer.

In cases where the Trustees are unable to verify an individual's membership in the Plan, the individual has to provide the Trustees with evidence of his or her employment and/or Plan membership. The type of evidence that is required may include proof that he or she was a former employee of an employer (e.g., Record of Employment statements, payroll stubs, T4 statements, annual pension statements, Plan enrolment or termination form, etc.). Once Plan membership has been established, the Trustees may be required to verify whether or not this individual has been paid his or her entitlement under the Plan.

An individual may be denied entitlement if he or she does not have any records, or is unable to obtain records from any other sources (e.g., Canada Revenue Agency) that may provide proof of his or her employment with an employer or membership in the Plan.

### **Employer Responsibility for Record Management and Retention**

Section 23 of the PBA requires the employer to provide the Trustees with any information that the Trustees need to comply with the PBA, Regulation and the terms of the Plan.

Compliance with the Trust Agreement requires that Employers provide the information deemed necessary by the Trustees for the management of the Plan and Fund and the Plan Beneficiaries' entitlement to the benefits of the Plan.

The employer is responsible for verifying the accuracy of the information that it provides the Trustees and notifying the Trustees of any updates to an individual's records that may affect his or her entitlement under the Plan (e.g., date of hire, date of birth, change in employment status (such as work place injury etc.).

The Trustees are responsible for the records received from the employer(s). The Trustees must be satisfied of the accuracy of the information provided by the employer(s) at the time when the information is received and at the time when payments are processed. The Trustees must resolve any inconsistencies in the information that it has received from the employer(s).

### **Policy Review and Amendment**

This Policy acknowledges that legislation may change over time as may the media available for effective retention and storage of Plan records. Plan management practices may change over time. This Policy will be updated as needed to reflect available technology, Plan practices and good governance.