

PENSION PLAN

TABLE OF CONTENTS

PENSION PLAN	PAGE
Table Of Contents	P-1
HIGHLIGHTS	P-3
Introduction.....	P-3
Type Of Pension Plan	P-3
How The Pension Fund Is Governed.....	P-4
Pension Plan Definitions.....	P-4
Contributions	P-5
Eligibility For Membership.....	P-5
Eligibility For Pension Benefit Improvements.....	P-5
GENERAL RETIREMENT PROVISIONS.....	P-6
Retirement Date	P-6
Normal Retirement	P-6
Postponed Retirement.....	P-6
Early Retirement.....	P-7
• Reduction, No Reduction, Hours Requirement, etc.	P-7
Forms Of Pension Payments.....	P-9
Pension Options	P-9
Non Re-Employment Of A Pensioner	P-10
Retirement Pension Benefits	P-10
Examples Of Pension From The Millwright Pension Plan.....	P-12
Small Pensions.....	P-15
Retirement Information Sessions.....	P-15
Death Benefit Information Sessions	P-17

DISABILITY	P-17
Disability Credits	P-17
Credits If You Are In Receipt Of WSIB	P-18
Commutation In The Event Of Disability	P-18
TERMINATION BENEFITS	P-19
Non-Locked In Members	P-19
Locked In Members	P-19
Options Available To Terminated Locked In Members	P-19
Portability.....	P-20
DEATH BENEFITS	P-20
Prior To Retirement	P-20
After Retirement	P-20
AMENDING THE PLAN	P-21
DESIGNATION OF PRIMARY BENEFICIARY	P-21
SECONDARY BENEFICIARY PRIOR TO RETIREMENT	P-22
APPLICATION FOR BENEFITS	P-22
Considered Proof Of Age.....	P-22
Considered Proof Of Marital Status	P-23
GOVERNMENT BENEFITS	P-23
Early Retirement Benefits – Canada Pension Plan (CPP).....	P-23
YOUR TAX POSITION AND RRSPS	P-23
Tax Receipts - Retirees	P-24
RRSP Limits	P-24
ON TRANSFER TO OR FROM ANOTHER LOCAL (RECIPROCAL AGREEMENTS)	P-25
ASSIGNMENT OF BENEFITS	P-25
PERSONAL BENEFIT STATEMENT	P-25

HIGHLIGHTS

Introduction

The Millwright Regional Council of Ontario Pension Trust Fund (the "Trust Fund") and the Millwright Pension Plan (the "Pension Plan") were established September 2, 1969. At that time, the normal retirement benefit was equal to a monthly pension of \$1.25 for each year of service prior to September 2, 1969 (past service) to a maximum of ten years, plus \$0.175 for each 100 hours of pension contributions (future service).

Since that time, improvements have been made to the Pension Plan. At the present time (January 2010) the normal retirement benefit, for a Member who was eligible for all the benefit improvements granted to date is equal to:

- a monthly pension of \$15.69 per year of service prior to September 2, 1969, to a maximum of fifteen years;

PLUS

- the benefit credited from Plan inception to December 31, 2007;

PLUS

- \$7.25 for each 100 hours pension contributions earned from January 1, 2008.

Pensions payable to retired Members have been increased periodically over the years. When the Pension Plan was first established, Members received an average pension of approximately \$20.00 per month. The average pension payable to Active Members who retired in 2009 was \$2,354.29 per month.

Type Of Pension Plan

This Pension Plan is a Defined Benefit plan. This means that pension benefits, payable at your Normal Retirement Age, are earned based on a known formula. In the case of this Plan, pension is earned at a flat rate based on hours of covered employment. Currently the formula is as follows:

- In 2010, you earn \$7.25 of monthly pension for each 100 pension hours reported to the plan.

"Hours" means the number of hours on which contributions are remitted by an Employer to the pension Trust Fund in accordance with the collective agreement(s). It also includes pension disability credits and workers compensation (WSIB) credits.

With a defined benefit plan, you know the pension benefit you have accumulated to date and you can estimate what your pension will be at retirement.

The contribution made to this Pension Plan and the investment income earned by the Fund provide all of the benefits available to eligible members which include:

- monthly pension on or after age 65

- unreduced pension including the bridge benefit (monthly supplement) at:
 - a) age 58 with 31 continuous years of Pension Plan membership
 - b) age 60 with 15 continuous years of Pension Plan membership
- unreduced pension without the bridge benefit at age 60 with 10 to 14 continuous years of Credited Service
- reduced early retirement pensions on or after age 55 with or without a pro-rated bridge benefit
- disability pension credits
- pre-retirement death benefits
- post-retirement death benefits
- termination benefits
- ad hoc increases for retirees/beneficiaries and eligible active members

Note that you must have the consent of the Trustees to retire before age 65 with an unreduced pension (see page P-7 for more information).

How The Pension Fund Is Governed

The Millwright Regional Council of Ontario Pension Trust Fund is a separate fund which receives contributions for the purpose of providing pension and other benefits for the Plan's Members in accordance with the rules and regulations of the Pension Plan.

This Pension Plan has been approved and is registered under No. 0572511 with the Financial Services Commission of Ontario. As such, this Pension Plan must satisfy the regulations of the Pension Benefits Act, R.S.O. 1990. It is also registered under No. 0572511 with the Canada Revenue Agency and must satisfy the rules and regulations of the Income Tax Act (Canada).

The Trustees serve without pay and are responsible for the management of all business affairs of the Pension Fund and Plan. The Trustees delegate the day-to-day record-keeping and benefit processing to the Plan Administrator, Manion, Wilkins & Associates Ltd. The Trustees delegate the investment management of the assets of the Fund to professional investment managers who invest the assets of the Fund according to the laws affecting pension plans.

PENSION PLAN DEFINITIONS

“Break in Service” - From January 1, 1988 to December 31, 1991, a Member will have incurred a break in service following 24 consecutive months of no pension hours reported to the Plan. Effective January 1, 1992, a Member will incur a break-in service at the end of the 5th calendar year of no pension hours being reported to the Plan (excluding periods where pension disability credits or WSIB credits are being accrued).

“Last Date Worked” means the last day of the last month during which pension contributions were received on your behalf.

“Spouse” in accordance with the Pension Benefits Act, R.S.O. 1990 means a Spouse of a legal marriage or a common law spouse providing you and your “Spouse” are not living separate and apart at the time.

At the time of your retirement or your death prior to retirement, to qualify as a common law spouse the individual must be a person with whom you have been living in a conjugal relationship for a period of not less than one year.

“**Union**” means the Millwright Regional Council of Ontario and its affiliated Locals in the Province of Ontario on behalf of Millwright Members and any other Locals in the Province of Ontario which may become affiliated in the future.

“**Vesting**” means owning or having a right to the pension benefit earned under the Plan. Under this Plan, you are vested (have a right to your pension earned) immediately after having satisfied the Membership requirements as explained below.

CONTRIBUTIONS

The contributions are made by your Contributing Employer in accordance with the Collective Agreement(s). Members are neither required nor allowed to make contributions to the Pension Plan.

ELIGIBILITY FOR MEMBERSHIP

You will become a Member of the Plan if:

- you are a member in good standing of a Participating Local Union or any other Local that may in the future become affiliated;
- you are employed by one or more Contributing Employers and your Contributing Employer(s) make the required contributions to the Pension Fund; and
- 1,400 hours are reported to the Pension Plan by your Contributing Employer(s) within a period of 24 consecutive months.

Based on the requirements outlined above, you will become a Member of the Pension Plan retroactive to the date of the first pension contribution received on your behalf, when your pension account has received 1,400 pension hours. The 1,400 hours must be accumulated in a period not greater than 24 continuous months from the date of the first contribution. If you do not earn the 1,400 hours in the 24 month period, you shall forfeit all accumulated credits.

If you are an employee of a Participating Local Union, you will become a Member of the Pension Plan if the Union makes the required contributions for you under the terms of the Collective Agreement.

ELIGIBILITY FOR PENSION BENEFIT IMPROVEMENTS

From time to time upon approval of the Board of Trustees, pension benefits already earned are increased for Active Members.

To be eligible for the increase, an Active Member must have earned a minimum number of pension hours in the specified calendar year(s), in accordance with the following table:

For Increases Effective	Minimum Hours Required	In The Calendar Year
January 1, 1980	600	1979
January 1, 1981	600	1980
January 1, 1982	600	1981
January 1, 1983	600	1982
January 1, 1984	600	1982
January 1, 1985	600	1983
January 1, 1986	600	1984
January 1, 1987	600	1985 or 1986
January 1, 1989	600	1987 or 1988
January 1, 1990	600	1988 or 1989
January 1, 1992	600	1990 or 1991
July 1, 1993	600	1991
	or	or
	400	1992
January 1, 1996	400	1994 or 1995
January 1, 1997	400	1995 or 1996
January 1, 1998	400	1996 or 1997
January 1, 1999	400	1997 or 1998
January 1, 2000	400	1998 or 1999
January 1, 2001	400	1999 or 2000

GENERAL RETIREMENT PROVISIONS

Retirement Date

You may choose your Retirement Date subject to the applicable Plan Rules and Regulations. You may not, however, ask that your Retirement Benefit be paid retroactively. The earliest date your pension benefits will commence will be the first day of the month in which your Application for Benefits form is received by the Plan Administrator.

Note:

A Request for Information Retirement form is not an official application for retirement.

Normal Retirement

Your normal retirement date is the first of the month coincident with or next following your 65th birthday. The amount of pension you will receive commencing on your normal retirement date will be equal to the amount you earned as of that date.

Postponed Retirement

You may continue working beyond age 65 but your pension will only commence when you actually retire. You will continue to accumulate pension credits on hours earned beyond age 65 but not beyond November of the year of your 71st birthday.

REMEMBER:

You must apply for your pension, it is not issued automatically.

Early Retirement

For you to retire before age 65 and receive an unreduced pension, the Trustees must first approve the payment of unreduced pensions before age 65 for members who retire when you retire. Trustee consent is not granted on an individual basis. The Trustees review the overall financial health of the Plan to see if it is in a position to allow unreduced early retirement. If it is not, all Members will be notified in advance. The Trustees expect to be able to approve all Unreduced Early Retirement pensions for the foreseeable future.

a) Reduction In Benefits - On Or After Age 55

You may elect to retire early any time after your 55th birthday provided your pension benefits are “locked-in” as described in Termination of Benefits section. If you do retire early, your pension will be smaller than the amount you have earned and that is payable without a reduction at age 65 (normal retirement age). The amount payable is reduced because your pension is payable to you from an earlier age. The amount of pension you will receive will be equal to the amount you earned as of your early retirement date reduced by 1/2 of 1% for each month that your early retirement date precedes your 65th birthday, or the date you are otherwise eligible for an Unreduced Early Retirement pension.

In addition, you may qualify for a pro-rated bridge benefit as outlined in item e) below.

b) No Reduction In Benefits – “Rule Of 89” With Minimum Age Of 58

If you are age 58 or between the ages of 58 and 60 when you retire, you will receive your retirement pension without a reduction in benefits provided you have:

- accumulated the required number of continuous years of membership in the Pension Plan (e.g. Age 58 and 31 years of Pension Plan membership = Rule of 89), and
- satisfied the hours requirement outlined in item d) below.

The pension you will receive will be equal to the full amount of pension you earned as of your early retirement date. You will also receive a bridge benefit of \$400 per month to the earlier of your death and age 65.

c) No Reduction In Benefits – Age 60 And 15 Years Of Credited Service

If you retire between the ages of 60 and 65 you will receive your retirement pension without a reduction in benefits provided you have:

- accumulated a minimum of 15 continuous years of membership in the Pension Plan, and
- satisfied the hours requirement outlined in item d) below.

The pension you will receive will be equal to the full amount of pension you earned as of your early retirement date. You will also receive a bridge benefit of \$400 per month to the earlier of your death and age 65.

- d) Hours Requirement For Unreduced Pension With Bridge Benefit**
 To satisfy the hours requirement for an unreduced Pension with a Bridge Benefit, you must satisfy the following:
- the pensionable hours reported and received by the Pension Plan during your year of retirement and the year prior to retirement total 600 or more OR the number of pensionable hours reported and received by the Pension Plan during the four calendar years immediately preceding the year in which you retire total 1,200 or more.

- e) Bridge Benefit**
- i. If you qualify for a reduced pension under a) above, and you have at least 15 continuous years of membership in the Pension Plan, you will also receive a monthly bridge benefit. The bridge benefit you will receive from your date of retirement is a pro-rated amount that will provide the same total income that an eligible Member retiring at age 60 receives. The following chart outlines the bridge benefit payable at various ages:

Age At Retirement	Monthly Bridge Benefit	Total Bridge Benefit To Age 65
55	\$200.00	\$24,000
56	\$222.22	\$24,000
57	\$250.00	\$24,000
58	\$285.71	\$24,000
59	\$333.33	\$24,000
60	\$400.00	\$24,000

Bridge Benefits are payable from your date of retirement to the earlier of your death or the month in which you attain age 65. After age 65, the bridge benefit is discontinued because you would then qualify for Old Age Security Benefits.

- ii. If you qualify for an unreduced pension under b) or c) above, you will receive a bridge benefit of \$400 per month.
- f) No Reduction In Benefits - Age 60 And 10 Years Of Credited Service**

You may elect to retire early on or after your 60th birthday without a reduction in benefits. To be eligible, you must have:

- accumulated a minimum of 10 continuous years of membership in the Pension Plan, and
- been employed in the year of your retirement **OR** during at least one of the two calendar years preceding your retirement date by an employer who was signatory to the Collective Agreement and remitted pension contributions to the Plan, on your behalf.

The pension you would receive would be equal to the amount of pension you earned as of your early retirement date.

Note: Pension Disability Credits provided under this Plan and WSIB credits are also considered when determining whether a Member qualifies for Unreduced Early Retirement benefits.

Forms Of Pension Payments

Note: Your pension will always be paid to you for the rest of your life no matter which option you choose.

The benefit you earn in your individual pension account is a pension payable for as long as you live and guaranteed for 10 years in any event. This means that in the event of your death before 120 monthly payments have been made to you from the Pension Plan, the balance of the 120 monthly payments shall be made payable to your beneficiary. This pension (Life guaranteed for 10 years) is called the Normal Form. When you retire, you will be given the option to choose another form of payment which may be more suitable to your personal needs.

The Pension Plan provisions, in accordance with legislative requirements, require a Member who has a "Spouse" at retirement, to choose a pension option that provides the member's "Spouse," if surviving, with a monthly pension of at least 60% upon the death of the Member. When a Member chooses a monthly pension option which provides the "Spouse" with a survivorship benefit of less than 60%, his/her "Spouse" must execute the prescribed Waiver Form. Before the "Spouse" executes the prescribed Waiver Form she/he is encouraged to seek independent legal advice. The Plan Administrator or the Union cannot give advice in this area.

The optional (alternate) forms of pension are calculated based on what can be provided with the "value" of the pension you have earned (in the Normal Form) up to your date of retirement. The amount of monthly pension payable will differ with each of the options; however, all of the pension options are of equal value.

Pension Options

Life Pension Guaranteed For Five Years (60 months) - monthly pension payable for the lifetime of the Member and is guaranteed for 60 months. If the Member dies before receiving 60 monthly pension payments, the beneficiary will be entitled to receive the remaining payments. If the Member dies after receiving 60 or more monthly payments, the pension ceases when the Member dies.

Joint and Survivor Pension Reducing To 60% - The monthly pension is payable for the lifetime of the Member. When the Member dies, if the Spouse (at retirement) is alive, 60% of the monthly pension payable to the Member at death continues to be paid to the Spouse for her/his remaining lifetime.

Joint and Survivor Pension Reducing To 50%, 66 2/3% or 75% - same as above with the surviving Spouse (only Spouse at retirement) receiving the selected percentage of the monthly pension payable to the Member at death for her/his remaining lifetime.

Joint and Survivor Pension Continuing At 100% - The monthly pension is payable for the lifetime of the Member. When the Member dies, if the Spouse (at retirement) is alive, 100% of the monthly pension continues to be paid to the Spouse for her/his remaining lifetime.

Joint and Survivor Pension Reducing To 50%, 60%, 66 2/3% or 75% Or Continuing At 100% and Guaranteed For 5, 10 Or 15 Years – The monthly pension is payable for the lifetime of the Member. When the Member dies, if the Spouse (at retirement) is alive, the Spouse will receive the selected percentage of the monthly pension payable to the Member at death for her/his remaining lifetime. If both the Member and the Spouse die before the guaranteed number of monthly pension payments have been paid, the beneficiary will be entitled to receive the remaining payments. If both the Member and the Spouse die after the guaranteed number of monthly pension payments have been paid, the pension ceases with the last death.

Life Only (not recommended) - monthly pension payable for lifetime of the Member only - pension ceases when Member dies. There is no benefit payable after the death of the Member. There is no guaranteed or survivorship benefit and the pension dies with the Member. If a Member retired in January and unfortunately died within a month, the pension would cease and no further benefits paid to anyone.

These options are provided to give the Member a choice of receiving his/her pension in a form that is suitable to his/her personal financial needs.

Non Re-Employment Of A Pensioner

Upon acceptance of retirement, a Member is required to sign a Release Form in which the Member agrees not to be selected, referred, assigned, designated, or scheduled to work by a Participating Local Union and that the Member's name will be removed from the "Work List" and that the Member will never have his/her name placed on the "Work List" by the Union.

When you make application for retirement benefits from this Plan, your Business Agent will have a Waiver Form for you to sign. Otherwise, the Plan Administrator will provide you with the required Waiver Form.

Retirement Pension Benefits

When you retire, you will receive a pension based on the number of years you were employed in the industry as a Member of a participating Ontario Local of the Millwright Union before September 2, 1969, to a maximum of 15 years (referred to as Past Service), plus a pension based on the number of hours earned on or after September 2, 1969 with an employer contributing to this Plan (referred to as Future Service).

Providing a Member has met the eligibility requirements for **ALL** of the increases made to past and future service benefits on and after January 1, 1980 (see section on Eligibility for Pension Benefit Improvements), a Member retiring on or after January 1, 2010 would receive a monthly pension equal to:

Past Service

\$15.69 for each year of Union Membership as a Millwright Member prior to September 2, 1969 to a maximum of 15 years

PLUS

Future Service

\$1.34 per 100 hours from September 2, 1969 to December 31, 1973

PLUS

\$1.65 per 100 hours from January 1, 1974 to December 31, 1975

PLUS

\$1.81 per 100 hours from January 1, 1976 to December 31, 1976

PLUS

\$3.70 per 100 hours from January 1, 1977 to December 31, 1978

PLUS

\$4.50 per 100 hours from January 1, 1979 to December 31, 1979

PLUS

\$4.10 per 100 hours from January 1, 1980 to December 31, 1980

PLUS

\$4.56 per 100 hours from January 1, 1981 to December 31, 1981

PLUS

\$4.99 per 100 hours from January 1, 1982 to December 31, 1982

PLUS

\$6.09 per 100 hours from January 1, 1983 to December 31, 1983

PLUS

\$6.41 per 100 hours from January 1, 1984 to December 31, 1984

PLUS

\$6.10 per 100 hours from January 1, 1985 to December 31, 1986

PLUS

\$6.01 per 100 hours from January 1, 1987 to December 31, 1987

PLUS

\$5.73 per 100 hours from January 1, 1988 to December 31, 1988

PLUS

\$5.65 per 100 hours from January 1, 1989 to December 31, 1991

PLUS

\$5.72 per 100 hours from January 1, 1992 to December 31, 1992

PLUS

\$5.57 per 100 hours from January 1, 1993 to June 30, 1993

PLUS

\$5.86 per 100 hours from July 1, 1993 to December 31, 1995

PLUS

\$5.73 per 100 hours from January 1, 1996 to December 31, 1996

PLUS

\$6.74 per 100 hours from January 1, 1997 to December 31, 1997

PLUS

\$6.83 per 100 hours from January 1, 1998 to December 31, 1998

PLUS

\$7.03 per 100 hours from January 1, 1999 to December 31, 1999

PLUS

\$6.97 per 100 hours from January 1, 2000 to December 31, 2000

PLUS

\$6.80 per 100 hours from January 1, 2001 to December 31, 2004

PLUS

\$7.00 per 100 hours from January 1, 2005 to December 31, 2007

PLUS

\$7.25 per 100 hours from January 1, 2008

Examples Of Pension From The Millwright Pension Plan

Example #1

The example assumes:

- the Member stops working December 2009 and retires on January 1, 2010 at age 62 with Trustee consent for early unreduced pension
- the Member has been a Union Member since September 1965
- has had contributions of 1,500 hours per year (or 1,500 hours divided by 100 = 15 pension units per year) and is eligible for all increases granted since 1980

The monthly pension from this Plan would be:

(1)	For service before September 2, 1969 4 years @ \$15.69 per year	= \$	62.76
(2)	From September 2, 1969 to December 31, 1973 15 units x 4.33 years @ \$1.34	= \$	87.03
(3)	From January 1, 1974 to December 31, 1975 15 units x 2 years @ \$1.65	= \$	49.50
(4)	From January 1, 1976 to December 31, 1976 15 units x 1 year @ \$1.81	= \$	27.15
(5)	From January 1, 1977 to December 31, 1978 15 units x 2 years @ \$3.70	= \$	111.00
(6)	From January 1, 1979 to December 31, 1979 15 units x 1 year @ \$4.50	= \$	67.50
(7)	From January 1, 1980 to December 31, 1980 15 units x 1 year @ \$4.10	= \$	61.50

(8)	From January 1, 1981 to December 31, 1981 15 units x 1 year @ \$4.56	= \$	68.40
(9)	From January 1, 1982 to December 31, 1982 15 units x 1 year @ \$4.99	= \$	74.85
(10)	From January 1, 1983 to December 31, 1983 15 units x 1 year @ \$6.09	= \$	91.35
(11)	From January 1, 1984 to December 31, 1984 15 units x 1 year @ \$6.41	= \$	96.15
(12)	From January 1, 1985 to December 31, 1986 15 units x 2 years @ \$6.10	= \$	183.00
(13)	From January 1, 1987 to December 31, 1987 15 units x 1 year @ \$6.01	= \$	90.15
(14)	From January 1, 1988 to December 31, 1988 15 units x 1 year @ \$5.73	= \$	85.95
(15)	From January 1, 1989 to December 31, 1991 15 units x 3 years @ \$5.65	= \$	254.25
(16)	From January 1, 1992 to December 31, 1992 15 units x 1 year @ \$5.72	= \$	85.80
(17)	From January 1, 1993 to June 30, 1993 15 units x 0.5 year @ \$5.57	= \$	41.78
(18)	From July 1, 1993 to December 31, 1995 15 units x 2.5 years @ \$5.86	= \$	219.75
(19)	From January 1, 1996 to December 31, 1996 15 units x 1 year @ \$5.73	= \$	85.95
(20)	From January 1, 1997 to December 31, 1997 15 units x 1 year @ \$6.74	= \$	101.10
(21)	From January 1, 1998 to December 31, 1998 15 units x 1 year @ \$6.83	= \$	102.45
(22)	From January 1, 1999 to December 31, 1999 15 units x 1 year @ \$7.03	= \$	105.45
(23)	From January 1, 2000 to December 31, 2000 15 units x 1 year @ \$6.97	= \$	104.55
(24)	From January 1, 2001 to December 31, 2004 15 units x 4 years @ \$6.80	= \$	408.00

(25)	From January 1, 2005 to December 31, 2007		
	15 units x 3 years @ \$7.00	= \$	315.00
(26)	From January 1, 2008 to December 31, 2009		
	15 units x 2 years @ \$7.25	= \$	217.50
	TOTAL PENSION PAYABLE AT RETIREMENT	= \$	<u>3,197.87</u>

- The contributions made to the Plan on this Member's behalf would be approximately \$143,108.
- Under the Normal Form of pension the minimum amount (120 payments) payable from the Pension Plan including the Bridge Benefit would be:

Bridge Benefit:	\$	14,400.00	(age 62 - 65)
Monthly Pension (120 payments):	\$	<u>383,744.40</u>	
TOTAL:	\$	<u>398,144.40</u>	

Examples Of Pension From The Millwright Pension Plan

Example #2

The second example assumes:

- the Member retires on January 1, 2032 at age 58 with Trustee consent for early unreduced pension
- the Member has been a Union member since 1993
- has had contributions of 1,200 hours per year (or 1,200 hours divided by 100 = 12 pension units per year) and has been eligible for all increases granted from 1993
- the benefit level and contribution rate remains at the current levels to end of 2031

(1)	From January 1, 1993 to June 30, 1993		
	12 units x 0.5 years @ \$5.57	= \$	33.42
(2)	From July 1, 1993 to December 31, 1995		
	12 units x 2.5 years @ \$5.86	= \$	175.80
(3)	From January 1, 1996 to December 31, 1996		
	12 units x 1 year @ \$5.73	= \$	68.76
(4)	From January 1, 1997 to December 31, 1997		
	12 units x 1 year @ \$6.74	= \$	80.88
(5)	From January 1, 1998 to December 31, 1998		
	12 units x 1 year @ \$6.83	= \$	81.96

(6)	From January 1, 1999 to December 31, 1999 12 units x 1 year @ \$7.03	= \$	84.36
(7)	From January 1, 2000 to December 31, 2000 12 units x 1 year @ \$6.97	= \$	83.64
(8)	From January 1, 2001 to December 31, 2004 12 units x 4 years @ \$6.80	= \$	326.40
(9)	From January 1, 2005 to December 31, 2007 12 units x 3 years @ \$7.00	= \$	252.00
(10)	From January 1, 2008 to December 31, 2031 12 units x 24 years @ \$7.25	= \$	2,088.00
TOTAL PENSION PAYABLE AT RETIREMENT		= \$	<u>3,275.22</u>

- The contributions made to the Plan on this Member's behalf would be approximately \$217,104.
- Under the Normal Form of pension the minimum amount payable from the Pension Plan including the Bridge Benefit would be:

Bridge Benefit:	\$	33,600.00	(age 58 - 65)
Monthly Pension (120 payments):	\$	<u>393,026.40</u>	
TOTAL:	\$	<u>426,626.40</u>	

Small Pensions

Government regulations allow the Trustees to pay out a lump sum benefit if a Member's normal annual pension payable at age 65 is less than 2% of the Year's Maximum Pensionable Earnings (YMPE) of the Canada Pension Plan. A Member will receive a lump sum payment equal to the cash value of the pension instead of the monthly pension.

(For 2010 the YMPE is \$47,200; 2% of which is \$944 per year or \$78.67 per month.)

RETIREMENT INFORMATION SESSIONS

After a Member applies for pension benefits, the Member is advised in writing of the options available through the Pension Plan. The Member and the Member's Spouse may then meet with the Plan Administrator to review the options before selecting a pension benefit. To arrange a meeting with the Plan Administrator, please contact your Local Union Office or call the Plan Administrator's office directly.

During the information session, the Plan Administrator will also provide assistance to the Member for reviewing and providing application forms for Canada Pension Plan Benefits and Old Age Security Benefits and will advise the Member of any other benefits available, such as subsidized Retiree Welfare Coverage.

Expenses for transportation, meals, etc., incurred by the Member and the Member's Spouse for attending the session, are paid for by the Trust Fund provided the Member resides in Ontario.

NOTE: REIMBURSEMENT IS SUBJECT TO PROOF OF EXPENSES SUBMITTED BY THE MEMBER.

A) When you are attending a Session and staying one-night or returning home the day of the Session:

i. Ground transportation – applicable mileage at the rate in the current collective agreement.

OR

ii. Return economy airfare for you and your spouse, as applicable. (Ground transportation i. to and from airport paid when applicable).

- AND -

iii. Meals (including beverages) up to a total of \$150.00

- AND -

iv. Accommodation in Toronto up to a total of \$200.00

B) When your flight(s) have been booked at reduced rate(s) (examples below), you and your spouse may extend your stay in Toronto and be reimbursed for up to 3 nights. Verify with the Plan Administrator how many nights will be eligible to be paid up to the maximums outlined above. This varies based on the location of your primary residence.

Example 1: Reduce Airfare – “Special Advanced Purchase Excursion Fare” which requires that you stay over on the Saturday.

Example 2: Reduced Airfare provided by a Charter Airline.

i. Ground transportation to and from the airport when applicable.

- AND -

ii. Return economy airfare for you and your spouse as applicable. (Proof of reduced airfare must be provided.)

iii. Meals and beverages up to \$150.00 per day to a maximum of \$300.00 for a two-day stay-over and \$450.00 for a three-day stay-over.

- AND -

iv. Accommodation in Toronto up to \$200.00 per night to a maximum of \$400.00 for two nights and \$600.00 for three nights (extra charges for phone calls, bar fridge, room service, etc. are not covered by the Plan).

Note:

Eligible expenses do NOT include car rentals, loss of wages, accommodation outside of Toronto, entertainment, such as movies or sport functions, etc.

To be reimbursed you must:

- a) Complete the required REIMBURSEMENT FORM.
- b) Provide meal and accommodation receipts for recognized period (this is dependent on airfare but not to exceed 3 days/nights).
- c) Provide airline receipts for regular economy airfare or airline receipts for reduced airfare together with proof of reduced fare.

DEATH BENEFIT INFORMATION SESSIONS

Arrangements may also be made by the Spouse, or beneficiary if there is no Spouse, of a deceased Member to meet with the Plan Administrator to review benefit entitlement. Reimbursement of expenses incurred will be provided as outlined above.

DISABILITY

Disability Credits

In addition to the pension you earned based on your years of Union Membership prior to September 2, 1969 (Past Service) and your hours earned from September 2, 1969 (Future Service), if you become totally disabled you may be eligible to receive credits during your period of disability.

If you qualify for these credits, you will be credited with hours for each month you are disabled with hours commencing on the first of the month following your date of disability up to the "**Retirement Date**" as defined on page P-6. The monthly credit is based on the average hours earned by you in the two calendar years immediately preceding the year in which you became disabled rounded to the next highest 25, not to exceed the established maximum. The established maximum is the average monthly hours earned by Plan members during the calendar year preceding your date of disability to a maximum of 125 hours per month.

To qualify for these credits at your date of disability, you must meet the following conditions:

1. You must be and remain a Member of a Participating Local Union in good standing.
2. You must meet the definition of Totally Disabled* (described below).
3. You must have 15 continuous years of Credited Service under the Pension Plan.
4. Your disability must continue for at least 4 consecutive months.
5. Your application must be approved by the Trustees.
6. You must make application for these credits at the time you become disabled but no later than nine (9) months from your date of disability. If you apply late, your application for disability credits will be denied for late submission.

*"Totally Disabled" means that the disability must be a physical or mental impairment which is both severe and prolonged and has been certified as such by a medical doctor. A disability is severe only if the Member is incapable of regularly pursuing substantial gainful occupation. A disability is prolonged only if it is determined that the disability is likely to be long and of indefinite duration or likely to result in death.

To continue to be eligible for the accrual of pension credits in the first and second years of disability you must be disabled and unable to work as a Millwright. In addition, you must be in receipt of disability income from Canada Pension Plan (full), WSIB (full) and/or the Millwright Long Term Disability Plan.

Disability Credits will not be granted for the months in which a disabled Member is entitled to WSIB Credits (see below).

To continue to be eligible for the accrual of pension credits in the third and continuing years of disability you must be in receipt of Millwright Long Term Disability or full CPP disability benefits (this includes members entitled to LTD but approved at a zero amount because WSIB is paying 100% of the disability benefit he/she is allowed to receive).

Note:
Proof that you are receiving CPP Disability Benefits must be filed with the Trustees annually.

For purposes of disability credits, your **Retirement Date** refers to the earliest of your actual retirement date or the earliest date you are eligible to receive an early retirement pension without an actuarial reduction (earliest possible date is age 58 effective January 1, 1998), or age 65.

Credits If You Are In Receipt Of WSIB

The Workplace Safety and Insurance legislation requires that benefit contributions continue up to a maximum of 12 months following a work (with a contributing employer) related compensable injury.

If you are disabled as a result of a work related injury with a contributing employer and you are in receipt of benefits under the WSIB, the Trust Fund will provide you with contributions for up to 12 months following your injury. Note that these credits cease on the earliest of:

- the date your WSIB cease;
- the date when you have received 12 months of WSIB contributions; and
- the date you retire.

You and/or your employer must advise the Plan Administrator when your WSIB claim commences and ceases.

If you are going to receive WSIB benefits for a period longer than 12 consecutive months you must apply to the Plan for the accrual of pension disability credits. An application for Pension Disability Credits must be submitted to the Plan Administrator within nine (9) months of your date of disability. To receive Pension Disability Credits the Member must satisfy the eligibility rules and regulations for Pension Disability Credits outlined above.

Commutation In The Event Of Disability

At the discretion of the Trustees, a vested Member may elect to receive a payment or series of payments by reason of a mental or physical disability which, as certified by a medical doctor, is likely to considerably shorten the

life expectancy of the Member. The Trustees reserve the right to require a Member to have an independent medical examination.

TERMINATION BENEFITS

Your participation in the Pension Plan shall terminate on the date you cease to be a member of the Union in good standing prior to your actual retirement date or your Normal Retirement Date, whichever occurs first, for any reason other than death, or the first of the month following a Break in Service (currently 5 continuous calendar years with no hours being reported to the Pension Plan).

Your termination benefit depends on whether or not your benefits are locked in as of your termination date. For all Active Members of the Pension Plan who terminate membership in the Pension Plan on or after January 1, 2003 **all** pension benefits earned (pre-1987 and post- 1986) are "locked in" after two years of Pension Plan Participation/Membership.

Non-Locked In Members

If your participation in the Plan terminates and your benefits are not locked in, you will have the option to receive:

- i. a lump sum cash payment equal to 50% of the contributions paid into the Plan for you. However, as restricted under the Income Tax Act, this payment may not exceed the commuted value of ii) below at your date of termination,

OR

- ii. a pension payable at age 65 equal to 100% of the amount of pension you earned as of your date of termination.

Locked In Members

If your benefits are locked in on the date your participation in the Plan terminates, you will have a right to receive, commencing at age 65, 100% of the amount of pension you had earned as of your date of termination.

Options Available To Terminated Locked In Members

Early Retirement Option

Terminated "locked in" members who have attained the age of 55 or over may elect that the vested pension benefit be paid on an early retirement date in the form of a reduced early retirement benefit (i.e. it will be payable in the same way as though you were applying for an early retirement benefit between ages 55 and 65).

Optional Form Of Payment

A terminated locked in Member may elect that the vested pension benefit be payable in an optional form as described on page P-10. If this option is not exercised, the vested pension benefit will be payable at age 65 in the form of a life pension guaranteed for 10 years. However, if the Member has a Spouse at the time the first pension payment is made, the pension will be paid in the form of a Joint and Survivor pension reducing to 60% on the Member's death.

Portability

Locked In Members Only

If your benefits are vested and locked in, you may elect that the commuted (cash) value of your pension be transferred to one of the following vehicles:

1. A new employer's pension plan provided that the employer is willing to accept these monies.
2. A locked in RRSP maturing no earlier than age 55 (at a financial institution of your choice).
3. A LIF (Life Income Fund) if you terminate membership between age 53 and 65.
4. An insurer to purchase an immediate or deferred annuity.
5. A locked-in retirement income fund, subject to Applicable Statutory Requirements.
6. Such other transfer as may be approved under Applicable Statutory Requirements from time to time.

Note:

The Trustees hope to keep the Plan running for many generations to come. However, if it becomes necessary to wind-up the Plan, after expenses related to the wind-up are paid, the remaining assets would be used to provide benefits to Plan members. Pension benefits may be reduced as a result of the Plan wind-up.

DEATH BENEFITS (PRIOR TO RETIREMENT)

If you die prior to retirement, the death benefits payable are as follows:

- The Spouse/Beneficiary of a Plan Member who dies prior to completing two (2) years of Plan membership will receive a lump sum payment equal to the commuted (cash) value of the pension earned to the date of death;
- The "Spouse" of a Plan Member who dies and has completed two (2) or more years of Plan membership at the date of death will receive a choice of:
 - i) a lump-sum payment equal to the commuted (cash) value of the pension earned to the date of death;
 - ii) a deferred pension provided with the commuted (cash) value of the pension earned to the date of death;
 - iii) an immediate pension provided with the commuted (cash) value of the pension earned to the date of death.

If a Plan Member does not have a "Spouse" at the time of death, the designated beneficiary will receive i) above.

DEATH BENEFITS (AFTER RETIREMENT)

In the event of your death after retirement and while you are receiving your pension in the form of a Joint and Survivorship benefit, your Spouse will continue to receive the same or a reduced pension (according to your choice at retirement) for the duration of your Spouse's lifetime. If your Spouse dies before you, no further benefits are payable upon your death unless the form of payment includes a guarantee period. If there is a guarantee period and both you and your Spouse die before the number of guaranteed payments

have been made, the remaining monthly pension payments shall be paid to the beneficiary. **Please note that the “Spouse” referred to in this paragraph is the Spouse on your date of retirement. Any subsequent Spouse will not be entitled to this pension.**

In the event of your death after retirement while you are receiving your pension in a form other than as a Joint and Survivorship pension, the remaining monthly pension payments, if any, shall be continued to your beneficiary in accordance with the option you chose at retirement. This may vary depending on whether or not an election has been made under the Ontario Family Law Act.

Contact the Plan Administrator regarding Retiree Life Insurance if applicable or the Paid-Up Life Policy purchased at the Member’s retirement.

AMENDING THE PLAN

Under the terms of the Plan, Trustees must reduce benefit levels if at any time:

- they determine that the pension fund has a funding shortfall (i.e. the Plan does not have enough assets to fund the pensions already earned by members), or
- employer contributions are reduced or discontinued.

Trustees also have the power to change the Plan to ensure it continues to comply with applicable legislation (i.e. the federal Income Tax Act and Ontario’s Pension Benefits Act).

Other Plan changes, including an increase or decrease in benefits, can be approved by the Trustees as long as those changes:

- are on the advice of the actuary
- have been approved by the Financial Services Commission of Ontario, and
- do no result in a funding shortfall.

If the Pension Plan is partially or fully terminated, after expenses related to the termination are paid the remaining assets would be used to provide benefits to Plan members. Pensions starting before age 65 would be based on a reduction from age 65. If the Plan had insufficient or excess assets, benefits would be reduced or increased accordingly.

DESIGNATION OF PRIMARY BENEFICIARY

If you should die prior to retirement, the death benefit shall be payable to your Spouse. However, if you do not have a Spouse the person you appoint as your beneficiary on your Member Information Card is the person who will receive any benefits payable as a result of your death. If a Member Information Card is not filed with the Plan Administrator, the benefits will be paid to your estate.

You may change your beneficiary at any time subject to legal restrictions by requesting the appropriate form from the Plan Administrator or your Local Union office. For your own protection, be sure to review your designated beneficiary outlined in your annual Personalized Benefit Statement.

SECONDARY BENEFICIARY PRIOR TO RETIREMENT

If you wish to designate a secondary beneficiary in case your beneficiary or Spouse pre-deceases you, please make your secondary designation in writing and attach it to a fully completed Member Information Card or Change Form. The designation must be dated, signed, witnessed and must clearly indicate the name of your secondary beneficiary and their relationship to you.

Note: Re: Changing Beneficiary After Retirement

If you are retired and you wish to change your beneficiary, please contact the Plan Administrator. You may only change your beneficiary if the form of pension selected allows this. If you have a Spouse at retirement and you select a Joint and Survivorship pension with guarantee period, you can change your beneficiary.

APPLICATION FOR BENEFITS

The Benefits Provided Under this Pension Plan Are Not Paid Automatically.

An **APPLICATION FOR BENEFITS** form, obtainable from the Union office or the Plan Administrator, must be completed and forwarded to the Plan Administrator. In all cases (retirement, termination or death), the application must be accompanied by photocopies of your proof of age and your Spouse's proof of age, if applicable. In addition, when applying for retirement benefits, a photocopy of the marriage certificate and the Member's Spouse's Social Insurance Number must accompany the Application.

When applying for the accrual of disability credits medical certification must be provided. Upon request or on notification of disability, the Plan Administrator will provide you with the appropriate forms. Proof of entitlement from the Canada Pension Plan may also be required.

When applying for death benefits, your Spouse or beneficiary will be asked to provide a copy of the Certificate of Proof of Death and his/her Social Insurance Number and Proof of Age.

The Plan Administrator is:

MANION, WILKINS & ASSOCIATES LTD.
Pension Department
222 Rowntree Dairy Road, 3rd Floor, Woodbridge, Ontario L4L 9T2
Telephone: 416-234-5044 - Toll Free 1-866-532-8999
Fax: 905-264-6344

Considered Proof Of Age

The "best" proof of age is a birth or baptismal certificate. If one is not available, then any two of the following pieces of identification can be used:

- i) immigration papers
- ii) marriage licence
- iii) citizenship papers
- iv) passport
- v) driver's licence

Considered Proof Of Marital Status

If you are married, a copy of the marriage certificate will suffice, provided your Spouse is residing with you at that time. If you are living common law, the Plan Administrator requires proof of the existence and the duration of the relationship. This is provided through submission of an affidavit of marital status sworn before a Commissioner of Oaths. If a Member is divorced or legally separated, we require a photocopy of proof of such status. If this proof is not available, we require that the Member complete a "Statutory Declaration Form," which can be obtained from the Plan Administrator's office.

GOVERNMENT BENEFITS

The benefits under this Plan are paid regardless of what you receive from any Government Plan including the Canada Pension Plan and the Old Age Security Act. Most Guaranteed Income Supplements provided by the Federal or Provincial Government would, however, take the amount of your Millwright's pension into consideration. The "Clawback" provision in the Old Age Security Act will also take the amount of your Millwright's Pension into account.

For your information the maximum 2010 Canada Pension Plan pension benefit is \$934.17 payable at age 65. The Old Age Security Act benefit maximums for 2010 are \$516.96 monthly pension, \$652.51 single Guaranteed Income Supplement and \$430.90 married Guaranteed Income Supplement.

Early Retirement Benefits - Canada Pension Plan (CPP)

Canada Pension Plan benefits are available upon application to the Government any time after age 60 to those individuals who have paid into the Plan while employed. The full CPP pension available at age 65 in 2010 will be \$934.17 per month.

If you are entitled to a full CPP benefit and you apply before age 65, the approximate maximum monthly amounts payable would be:

Retired at age 64:	(-6%)	\$878.12
Retired at age 63:	(-12%)	\$822.07
Retired at age 62:	(-18%)	\$766.02
Retired at age 61:	(-24%)	\$709.97
Retired at age 60:	(-30%)	\$653.92

If you are considering retiring you should contact Social Development Canada at a Service Canada Centre for more information.

YOUR TAX POSITION AND RRSPS

The contributions which your employer(s) makes to this Plan for you are not included as part of your earnings and you do not pay any tax on them at the time they are paid into the Plan. However, benefits you receive from this Plan must be included in your taxable income in the year the benefits are paid to you.

Any lump sum payment made to you, your Spouse or your beneficiary is subject to immediate income tax deductions based on the following schedule:

Minimum Tax Amount Of Payment	Deduction Required
to \$ 5,000	10%
\$5,000 to \$15,000	20%
over \$15,000	30%

No tax is withheld if you direct the transfer of the lump sum payment to your own individual RRSP.

Note:
These rates do not apply to Members, Spouses or beneficiaries residing in Quebec or outside Canada.

Tax Receipts - Retirees

Retirees, Spouses or beneficiaries in receipt of a monthly pension under this Plan will get a T4A in February showing the amount of pension paid to them in the previous year. This T4A must be sent with their income tax return and the amount of the benefit added to their "taxable income." The T4A is issued by the Trust Company that sends the monthly pension cheques and not by the Plan Administrator's office.

RRSP Limits

The RRSP (Registered Retirement Savings Plan) contribution limit for each year is the lesser of the dollar amount stated below and 18% of earned income in the previous year less *PAs in respect to all registered plans.

*PAs - the PA (Pension Adjustment) is the amount of accrued pension credits for the year in respect of all employer sponsored plans.

Tax Year	RRSP Limit	Tax Year	RRSP Limit
2004	\$15,500	2008	\$20,000
2005	\$16,500	2009	\$21,000
2006	\$18,000	2010	\$22,000
2007	\$19,000	2011	Indexed

NOTE:
This calculation will be done by the Canada Revenue Agency and individual taxpayers will be informed of their contribution room in the latter part of the year.

ON TRANSFER TO OR FROM ANOTHER LOCAL (RECIPROCAL AGREEMENTS)

When temporarily working as a Member in the jurisdiction of another Millwright Council or Local:

1. Contact the Council or Local Union in the geographical area where you are a Member ("Home Fund").
2. Ask that the "Home Fund" request the transfer of your pension contributions to your "Home Fund." Submit a fully completed Reciprocal Form or your Local Union Council can write a letter to the "Related Fund" for the area where you are temporarily working and formally request the transfer of your pension contributions.
3. Verify with the Council or Local Union in the geographical area where you are/were working ("Related Fund") that they received the formal request to transfer your pension contributions to the Millwright Regional Council of Ontario Pension Fund.

When temporarily working on permit in the jurisdiction of another United Brotherhood of Carpenters & Joiners of America Council or Local in Ontario or another trade:

1. Obtain a Reciprocal Transfer form at the Council or Local Union office in the geographical area in which you are/will be working ("Related Fund").
2. Complete the form indicating that you wish to have your pension contributions reciprocated from the "Related Fund" to your "Home Fund."
3. Obtain a copy of the Reciprocal Transfer form you completed and follow up with the Plan Administrator (allowing 30 to 60 days) to ensure that your "Home Fund" has received your pension contributions from the "Related Fund."

ASSIGNMENT OF BENEFITS

The Pension Plan is designed to help provide you and your family with financial security; therefore, you may not assign your rights to benefits under this Plan to anyone other than your Spouse. Benefits may be assigned to your Spouse only upon a marriage breakdown and upon written direction contained in a domestic contract. Such assignment is subject to Applicable Statutory Requirements.

PERSONAL BENEFIT STATEMENT

Each year you will receive a Personal Benefit Statement from the Plan Administrator showing the amount of your pension credits to date, and other important information about the Pension Plan and the Welfare Plan as they affect you personally. It is very important for you to carefully review your Personal Benefit Statement immediately upon receipt and report any changes, omissions, or errors to the Plan Administrator in writing without delay.