

TRUST FUND

Details

TABLE OF CONTENTS

TRUST FUND DETAILS

	PAGE
Table Of Contents	O-1
Overview Of Trust Funds.....	O-2
Disclaimer.....	O-4
Check List, Upon Post-Retirement Death	O-5

OVERVIEW OF TRUST FUNDS

How Did The Plans Start?

The Collective Agreement signed in 1969 between the Millwright District Council and The Association of Millwrighting Contractors of Ontario provided for the payment, by the employers, of money into the Trust Funds for the establishment of the Benefit Plans.

As a result of this Collective Agreement, a Declaration of Trust was established for the Millwrights Benefit Plan Trust Funds.

How Does A Trust Fund Work?

A trust is a relationship which arises with respect to property and involves the existence of certain duties imposed upon the holder of title to that property to deal with it for the benefit of another person.

The Declaration of Trust outlines the provisions of the Trust Funds and allows for the appointment of six Trustees to be responsible for the overall operation of the Plans.

What Is A Trustee & How Are They Appointed?

The person who holds the legal title to the property and who accepts the specific duties pursuant to the Trust Agreement is called a Trustee.

Under the rules of the Trust Agreement, Trustees are appointed by the Millwright Regional Council and The Association of Millwrighting Contractors of Ontario.

All decisions of the Trustees are made by a majority vote. Each of the Trustees is allowed one vote and no one other than an appointed Trustee can vote.

What Is The Trustees' Role?

The Trustees have full power and authority for the administration and operation of the Trust Funds. Their responsibilities include, but are not limited to:

- receiving contributions and other income;
- safeguarding funds received;
- investment of funds;
- determining member eligibility rules for benefit programs;
- establishing the rules and regulations of the Plans; and
- ensuring proper administration of the Plans and compliance with government regulations.

To assist them in the management of the Funds, the Trustees are authorized to appoint and remove lawyers, auditors, trust companies, administrators, actuaries, and other professionals as may be necessary.

How Are The Trustees Paid?

The Trustees are not paid for their services.

They may be reimbursed for reasonable expenses incurred provided the expenses are approved by a majority vote of the Board of Trustees. Such expenses would typically cover educational conferences and travel to trustee meetings.

How Is The Plan Administrator Appointed?

The Plan Administrator is appointed by the Board of Trustees. The Plan Administrator is subject to the control and direction of the Trustees.

What Control Is There Over The Plan Administrator?

The Trustees and appointed Subcommittee hold meetings on a regular basis, usually 4 to 6 full days per year. At each meeting, they discuss the activity of the Trust Funds and Benefit Plans since the last meeting. Any questions, suggestions, or complaints addressed to the Trustees are discussed at the meetings.

The Trustees alone may make decisions regarding the rules and regulations of the Plans and the benefits to be provided. These decisions are based on the advice of professional advisors, auditors, investment managers, legal counsel, etc. In addition, the Trustees hire an independent auditor to audit the books and records of the Trust Funds and report to the Trustees at least once each year.

What Is The Role Of The Group Benefit Programs?

The benefit programs for the Millwrights include the Welfare Plan, the Supplementary Unemployment Benefit Plan, the Legal Assistance Plan and the Pension Plan. The primary role of these group benefit programs is to supplement government programs by providing financial assistance in case of illness, accident, or death. In addition, the Millwright Pension Plan is a source of income at retirement.

The group life insurance, accidental death and dismemberment insurance, short-term disability insurance, and long-term disability insurance are designed to partially replace income that is lost because of disability or death.

The supplementary health care, dental care, vision care and prescription drug coverages are designed to be a source of reimbursement when you are faced with unexpected expenses.

Please remember that no benefits provided under the Millwright programs are guaranteed, except where required by legislation. As you read this booklet and the benefit descriptions you will note that the eligibility rules may vary by benefit.

How Is The Welfare Fund Reserve Used?

Any hours contributed over and above the maximum a Member is allowed to accumulate are transferred to the reserve of the Fund. In addition, investment income, not required to pay operating expenses, is considered as part of the reserve.

These reserves are used to subsidize the cost of benefits when Members are unemployed, sick, disabled or retired.

Will The Trustees Ever Report To Me?

Yes. The Trustees will report Plan changes to you as they occur in the form of Newsletters.

DISCLAIMER

The Trustees have the authority to determine the nature, amount and duration of benefits to be provided through any of the Millwright Benefit Programs. Decisions made by the Trustees regarding changes to the Benefits provided will be made with the intent of ensuring that the Trust Fund remains in a "healthy position" without accumulating "excessive assets."

Please note that any particular benefit that is provided at a particular time cannot be guaranteed for any specific period of time unless required by legislation. The trustees reserve the right to amend, suspend, delete or terminate any benefit at any time as in their discretion they deem appropriate.

The Board of Trustees have the power to disentitle any person to past, present or future benefits and to take any further action they deem appropriate, including denying membership in the Plan to any person where the Member or persons claiming through the Member are found by the Trustees to be abusing the Plan or making false or improper claims under the Plan.

CHECK LIST, UPON POST-RETIREMENT DEATH...

- Spouse or beneficiary should advise Local Union Office and the Plan Administrator.
- Contact Human Resources Development Canada to obtain information and forms to apply for survivor and death benefits under the Canada Pension Plan and Spouse's Allowance under the Old Age Security Plan, if applicable.
- Provide the Plan Administrator with proof of death. You will then be advised if there are any further benefits payable from the Pension Plan. Benefits payable after death are dependent on the type of pension selected at retirement and whether or not Life Insurance is in force.
- Forward the Paid-Up-Life Certificate, issued by Manulife Financial, to the Plan Administrator, if applicable.
- If the retired Member was in-benefit under the Welfare Plan at the date of death, the major medical, dental and Legal Assistance Plan coverage options will continue for the surviving Spouse and/or dependents.

Notes:

- i. If your designated beneficiary for Paid-Up Life pre-deceases you, advise the Plan Administrator and you will be provided with the required form to change your beneficiary designation.
- ii. If your designated beneficiary for pension benefits pre-deceases you, advise the Plan Administrator and if the pension option you selected at retirement allows, you will be provided with the required form to change your beneficiary designation.
- iii. If you are in receipt of a Joint and Survivorship pension and your spouse at retirement pre-deceases you, no change in beneficiary is allowed. Pension payments will continue to you, however, upon your death no further pension payments will be made.