

## PENSION – WHAT YOU SHOULD KNOW

### What exactly is a “Pension”?

It is a regular stream of monthly Payments [which is sometimes called an Annuity] that is generally payable in full on or after age 65 in most Plans.

### Who contributes to our Plan and how much per Hour Worked?

The current cost is \$4.73 per Hour Worked for Sheet Metal Workers / Associates (\$4.91 for Roofers) based on the applicable Collective Bargaining or other Agreements – and these Contributions are remitted monthly, on your behalf, by your Employer.

### Where does all this money go?

All Contributions are held in a **Trust Fund Account** at the Royal Bank of Canada.

### Where is this invested?

The Fund is conservatively invested by 3 highly reputable Institutional Investment Managers – Leith Wheeler in Vancouver for Equities (primarily), and Fixed Income; Phillips, Hager and North in Vancouver for Fixed Income, (primarily) and Equities and TDAM-Greystone in Calgary and the Prairies for Infrastructure and Real Estate.

### Can I retire in our Plan prior to the ‘normal retirement’ age of 65?

Any Member [Active, Terminated or Disabled] can retire from age 55 onwards; although the monthly pension will be reduced.

### What do you mean by a “Terminated Member”?

You would be deemed as such at the end of the 2<sup>nd</sup> calendar year if the **total** Hours Worked by you in that calendar year, and in the previous one, is **less than 350**. Your Accrued Monthly Pension is considered “**frozen**” at the benefit rate(s) in effect when you were deemed terminated and the rate(s) will not increase between your dates of termination and retirement.

### If I am considered Terminated, what will I receive from the Plan?

You may **EITHER** leave your Accrued monthly Pension in place until at least age 55, when you may begin to receive it **OR** you may withdraw its Lump Sum Commuted Value at the

point of termination (this option is not available once you reach age 55).

**May I retire AND return to work while still collecting my monthly Pension?**

**Yes** – under the current rules, **an Active Member may retire on full Pension at age 60** and continue to work for a Local 280 Employer without any cessation of their monthly Pension. However, the required ongoing monthly Pension Contributions will be re-directed to the Health Benefit Plan and will be used to benefit all Plan Members. Your pension will not increase due to these worked hours.

**Are there any Death Benefits if I die before Retirement?**

**Yes**, your Spouse [or Beneficiary – if no Spouse exists or if they have signed a specific Waiver] -- will be entitled to a Commuted Value withdrawal or a monthly pension calculated at the date of death.

**What amounts will be payable to my Spouse if I die in retirement?**

At retirement, you and your Spouse [if one exists AND if they have not waived their entitlement to some/all of your pension] will be presented with a range of Pension Options to choose from, to best suit your retirement needs.

**What are these Pension Options?**

They can vary from a monthly Pension payable to you for your lifetime only, with no minimum number of guaranteed Payments, **OR** to one with a minimum number of guaranteed Payments of 5, 10 or 15 years **OR** to one that will provide your Spouse – if they are still living -- with a lifetime benefit equal to 100%, 75% or 60% of the amount that you were receiving prior to your death.

**Will my Pension-in-Payment increase or decrease at any time after I retire?**

No guarantees can be given in these situations -- however, the Trustees have increased [but never decreased] the Accrued Pension rate AND the pensions-in-payment many times since 1964.