

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 \$4.83 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 2nd 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.