

SHEET METAL WORKERS LOCAL UNION 30



SUMMARY OF THE PENSION PLAN

UP TO DATE AS OF SEPTEMBER 1, 2016

WWW.LU30PLAN.COM

GENERAL INFORMATION

This Summary of the Pension Plan has been prepared as an informal document to summarize the main features of the pension provided to eligible Active Plan Members of The Sheet Metal Workers Local Union 30 Association.

History of the Pension Plan

The Pension Plan was established on January 1, 1959. The Benefits provided are financed by Contributions made by your Employers on your behalf in accordance with the Collective Bargaining Agreement between Sheet Metal Workers Local Union 30 and the Employers. The purpose of the Plan is to provide eligible Plan Members with a monthly income after retirement.

What is a Pension Plan?

A Pension Plan is a way of saving so that you have some income when you retire. Employers working with Local 30 contribute to a Pension Plan for Members of Local 30. You should also save on your own so that you have a comfortable life after you retire. Most people save on their own using RRSPs.

Eligibility & Plan Membership

If contributions were remitted to the Plan on your behalf prior to July 1, 2012, you are a Plan Member on the first day of the calendar month in which the first contribution was made to the Plan on your behalf.

If your first contribution was remitted to the Plan on your behalf on or after July 1, 2012, you are eligible to become a Plan Member on the January 1 next following the attainment of either:

1. Seven hundred (700) hours of employment with one or more Contributing Employers; or
2. Earnings with one or more Contributing Employers of not less than thirty-five percent (35%) of the Year's Maximum Pensionable Earnings prescribed under the Canada Pension Plan.

Either condition above must be met in each of two (2) consecutive calendar years while an Employee.

Vesting

If you were an active Plan Member prior to July 1, 2012, Vesting occurred after you had been a Member of the Plan for at least twenty-four (24) consecutive months or June 30, 2012 at the latest.

If you were not terminated at June 30, 2012 you became immediately Vested. If you become an active Plan Member on or after July 1, 2012, you are immediately Vested.

How is my Pension calculated?

For Contributions earned up to December 31, 1998, your Monthly Pension is determined by the number of hours you work for an Employer making Contributions to the Pension Fund. Each 1680 Contributory Hours is called a "Year of Credited Service". If the number of hours worked in any calendar year is more, or less, than 1680, the amount of Monthly Pension will be increased, or decreased, to exactly reflect the number of hours worked. Monthly Pensions are payable, in full, upon retirement at age 63. A Monthly Pension must start no later than December 1st of the calendar year in which you attain age 71.

Your Monthly Pension is the sum of all the following:

Pensions for Toronto-Area Journeymen

Service Period	Monthly Pension for each Year of Credited Service
Before January 1, 1959	\$5.00
January 1, 1959 – December 31, 1980	\$18.60 (See Special Note)
January 1, 1981 - December 31, 1984	\$30.60
January 1, 1985 - December 31, 1986	\$39.30
January 1, 1987 - December 31, 1988	\$68.00
January 1, 1989 - April 30, 1993	\$66.00
May 1, 1993 - May 31, 1995	\$75.00
June 1, 1995 - Apr 30, 1996	\$81.00
May 1, 1996 - Apr 30, 1997	\$88.00

Service Period	Monthly Pension for each Year of Credited Service
May 1, 1997 - Dec 31, 1998	\$96.00
<u>Note:</u> If Contributions were made between Jan 1, 1984 and May 31, 1985	\$18.60 is increased to \$21.10

Pensions for Apprentices, Material Handlers and Sheeter Assistants

Apprentice Level	Monthly Pension per Year of Credited Service
Third Year	\$45.00 June 1, 1995 - Dec 31, 1998
Fourth Year / Material Handlers	\$52.50 June 1, 1995 - Dec 31, 1998
Fifth Year / Sheeter Assistants	\$60.00 June 1, 1995 - Dec 31, 1998

Barrie Area Members

\$32.52 Monthly Pension per year of Credited Service, Jan 1, 1998 - Dec 31, 1998.

Contributions earned on / after January 1, 1999

Due to the complexity of record keeping when there are five different Hourly Contribution Rates, all of which will likely change in the future, the formula for calculating Pensions was changed effective January 1, 1999, so that Monthly Pensions earned on/after that date are a percentage of those Contributions, expressed in the Plan's Normal Form of Pension, and assuming no reduction on account of a Member choosing to retire before being entitled to an unreduced Pension.

The amounts of pension are:

Pension Contributions Earned	Annual Pension Earned
January 1, 1999 to April 30, 2001	25.51% of Contributions
May 1, 2001 to April 30, 2003	24.12% of Contributions

Pension Contributions Earned	Annual Pension Earned
May 1, 2003 to April 30, 2004	23.00% of Contributions
May 1, 2004 to April 30, 2006	21.00% of Contributions
May 1, 2006 to August 31, 2014	20.00% of Contributions
September 1, 2014 onwards	15.00% of Contributions

The Administrator sends you a Pension Statement by June 30th of every year. Your Monthly Pension is shown on that Statement. The Pension on that Statement assumes you take your Pension at Age 63. Earlier period factors can be found in your Member Information Booklet.

Notes:

1. The target Annual Pension Benefit described in the above Table shows how your pension is calculated provided that you retire at or after attainment of your Normal Retirement Age of Age 63, under one of the two Normal Forms of Pension offered by the Plan.
2. Ontario's Pension Legislation requires that your Spouse receive at least 60% of your Pension when you die.

What are the benefits in my Local 30 Pension Plan?

How and when your pension is paid:

- If you are a Member, you can retire any time at or after age 53 with a reduced Pension.
- If you retire prior to your 63rd birthday, your pension is reduced by ½ of 1% for every month of retirement before your 63rd birthday.
- You can retire with an unreduced Pension any time after you turn 63.

Normal Form of Pension

In the Normal Form your Pension is payable monthly in advance for the duration of your lifetime. If you have a Spouse at the date of your retirement, upon your death, if your Spouse survives you, your Spouse will receive 60% of the amount you were receiving as a monthly Pension for the remainder of your Spouse’s lifetime. If you do not have a Spouse, no less than 120 payments will be made. If you select one of the available Optional Forms of Pension that has a higher or lower actuarial cost than the Normal Forms – for example, a 100% Joint and Survivor Pension, or Life Only Pension, the

amount of Annual Pension payable to you will be reduced, or increased, to the actuarial equivalent of the Option you selected. Please note that the Plan guarantees the number of payments. The amount of the payment is not guaranteed and can increase, or decrease, in the future.

Reduced Early Retirement

If you are at least Age 53, and Vested, you may retire immediately provided you undertake to refrain from any employment in the claimed Jurisdiction in the Constitution of the Sheet Metal Workers International Association. Your Pension will be calculated by taking your earned Normal Form Pension and reducing it by $\frac{1}{2}\%$ per month for each month your Pension is paid in advance of your Age 63.

Termination Benefit

Upon termination after becoming Vested, you are entitled to your Accrued Pension commencing at your Normal Retirement Date. If termination occurs prior to Age 53, the lump sum Commuted Value of your adjusted Pension can be transferred to another pension plan, a locked-in RRSP, or towards the purchase of a locked-in financial instrument as permitted by Ontario and Federal legislation. The adjusted Pension is determined by multiplying your Accrued Pension commencing at your Normal Retirement Date by the Plan's Transfer Ratio at the time your termination benefit is determined. The Transfer Ratio is determined quarterly. The Transfer Ratio is the ratio of the Plan's Solvency Assets compared to the Plan's Solvency Liabilities. A terminated Member may elect not to transfer his pension entitlement from the Plan and his accrued pension will be payable at his Normal Retirement Age of 63 or on a reduced basis after age 53.

Pre-Retirement Death Benefit

Your Spouse, or your designated Beneficiary if you do not have a Spouse, or your Estate if you have not designated a beneficiary, is entitled to receive a lump sum payment equal to the Commuted Value of your deferred Pension. Your Spouse may waive the right to the pre-retirement death benefit by completing the waiver document prescribed in legislation. The Ontario Pension Benefits Act, which regulates the Plan, provides that the Commuted Value payable multiplied by the Transfer Ratio at the date of death may be paid out immediately. The balance will be paid at the earlier of five years from the initial transfer date or restoration of the Plan's Transfer Ratio to 1.00. The Transfer Ratio is the ratio of the Plan's Solvency Assets compared to the Plan's Solvency Liabilities. The balance is not guaranteed and could be reduced to secure the Plan's overall funding.

If you are not retired when you die:

- If you have a Spouse, he/she is entitled to receive the Commuted Value of your Pension earned to the date of your death. He / she may choose one of the following:
 - Receive a lump sum payment, less income tax;
 - Transfer the amount to his/her RRSP;
 - Purchase an immediate or deferred annuity with a qualified financial institution;
 - Receive an immediate or deferred Pension from the Pension Plan.
- If you do not have a Spouse, your named beneficiary is entitled to receive the Commuted Value of your pension, payable in a lump sum, less income tax.

Please check with the Administration Office to make sure that you have named a Beneficiary.

Post Retirement Death Benefit

Upon your retirement you are required to advise the Plan Administration Office of your selected Form of Monthly Pension. If you have a Spouse upon your retirement, you must provide a 60% Joint and Survivor Pension to continue to that person who was your Spouse upon your retirement, should you predecease that person. Your Spouse may waive his/her right to this Joint and Survivor Pension provided that you and your Spouse complete, and file with the Plan Administration Office, a Waiver of Joint and Survivor Pension Form prior to the commencement date of your Pension. If you do not have a Spouse upon your retirement, or you and your Spouse have waived your Spouse's entitlement to a Joint and Survivor Pension, Benefits may continue following your death in the event that you selected a Form of Pension that provides for the continuation of the payment of Benefits following your death.

If you are retired when you die:

- The Death Benefit is the one you selected when you retired. If you chose a Pension that continued Benefits to your Spouse, your Spouse will receive a Survivor Pension based on the form of Pension elected at retirement. Your Spouse is the Spouse you had at the time of your retirement
- If you chose a Pension that guaranteed the minimum number of payments, the person you made your Beneficiary will get the rest of the payments if you die before the guaranteed number of payments were made.
- If you chose a Pension that was payable for your lifetime only; no other payments are made after you die.

What if I am disabled?

You can apply for a Monthly Disability Pension if you are a Member in Good Standing of Sheet Metal Workers Local 30. Your doctor must state that you are disabled and can't work at any occupation for wage or profit for the foreseeable future.

If your Application is approved, your Pension will start six months after the onset of your disability. You must apply within one year of the onset of your disability. Otherwise, your Pension will start after the Plan Administration Office receives your Application.

What is a Spouse?

To qualify as a Spouse under the Pension Plan, the person must be:

- Living with you on the date your Pension is to start, or your death if you haven't retired;
- Person of the same or opposite sex;
- One of the following:
 - Is legally married to you, or
 - Has lived with you in a conjugal relationship for at least three years immediately before you retire, and whom you have held out publicly as your Spouse or partner, or
 - The natural or adoptive parent of the same child.

What if I have a Spouse?

If you have a Spouse, Ontario Pension Legislation requires that certain Spousal Benefits be provided.

For example, your Spouse is entitled to receive at least 60% of your Retirement Pension if you die after retirement or the Commuted Value of your earned Pension if you die before retirement.

Your Spouse is allowed to give up the right to Spousal Benefits. This has to be done in writing. Your Pension Plan has a special form for this available within the Application for Monthly Pension kit or upon request from the Plan Administration Office.

How do I get my Pension?

You must apply for your Pension using the [Application to receive a Monthly Pension](#). You can print this Application at home or ask the Plan Administration Office to send one to you.

You should start to plan for your retirement at least one year before you actually retire. The Plan Administration Office is available to help you with all of the Benefit calculations and paperwork that you need.

Please pay special attention to this checklist:

Check List

Before the Administration Office can process your Application, there are several things that are required of you, namely:

- 1. You must provide evidence of your Date of Birth. This is a photocopy of your Passport, Birth Certificate or Baptismal Certificate. If these are not obtainable, the Plan Administration Office may accept other evidence. See the Pension Booklet "Applying for Benefits".
- 2. You must declare whether you have a Spouse at the time your Pension starts. Your Spouse has a legal right to receive at least 60% of your Monthly Pension, should you retire and die before your Spouse. More information is in the Pension Booklet.
- 3. If you and your Spouse agree to waive your Spouse's right to receive a part of your Monthly Pension, the Application includes that Waiver, *which must be received by the Plan Administration Office before your Monthly Pension starts.*
- 4. If you have a Spouse who has not waived her/his right to a Survivor Pension, the only Optional Form of Monthly Pension available to you is a 100% Joint and Survivor Pension which is explained in the Application. If you are choosing this Option, you must also provide evidence of your Spouse's Date of Birth.
- 5. If you are applying for a Disability Pension, you must supply evidence, provided by your attending physician, regarding the nature and degree of your disability, as well as the information set out above respecting your Spouse and date(s) of birth. Disability Pensions are paid only to Members in Good Standing of Local Union 30.
- 6. The Pension Plan offers several Options to you, depending upon whether you have a Spouse. Before submitting this Application, you should consider very carefully the manner in which you wish to receive your Pension. *You are not permitted to change your Pension after the start of your Monthly Pension.*
- 7. Unless you provide another direction, your Pension will be paid to you, monthly in advance, by cheque mailed to the address you have provided on the Application. Pensions can be paid by Direct Deposit, such that they are transferred electronically on the first of every month to the Account you keep at a financial institution. To have funds transferred, you must complete the Form "Authorization for Direct Deposit" (available within the Application for Monthly Pension kit). The Bank Account must be only in the name of the Retired Member.
- 8. This Application must be presented to an Officer of Local Union 30, for completion of the Certification section at the end of the Application. The Administrator cannot process your Application until the Certification section is completed.

- 9. The Plan Administration Office cannot calculate the amount of Monthly Pension due to you until your last Contributing Employer submits the Contribution Report covering the last month you worked. These Reports are due in the Administration Office by the 20th day of the calendar month following the last month you worked. If your last Employer is late in submitting that Contribution Report, the administrator will be equally delayed in processing your Monthly Pension.

We recommend you start the paperwork for your retirement at least three months before your retirement date.

How is the Pension Fund's money invested?

The Assets of the Pension Fund are invested by professional Investment Managers hired by the Trustees. These Managers invest in Canadian and Foreign Equities, Bonds, and Short Term Cash Securities such as Government of Canada Treasury Bills. Four times each year, the Trustees conduct a Special Pension Fund Investment Meeting. The Trustees monitor the results obtained by each Manager, as well as the Total Fund.

Access to Plan Documents

Any person entitled to a benefit, or the pension partner, or the designated beneficiary or agent of that person is entitled to examine Plan documents as provided in legislation.

The Plan may charge for providing electronic or paper documents. Please contact the Plan Administration Office to view documents.

Privacy Statement

The Plans will collect, maintain and communicate only the personal information considered necessary for the administration of the Plans. Personal information will be protected pursuant to the relevant legislation. The Plans may use and exchange information with relevant persons or organizations (unions, health professionals, institutions, investigative agencies, insurers, re-insurers, regulators, legal counsel, actuaries etc.) in order to manage the Plans and your entitlement to the benefits of the Plans.

Questions related to the privacy policy of the Plans should be directed to the Plan Administration Office.

Website & Facebook

Internet access to Individual Member Benefit Information is now available by registering over the internet by selecting Benefits' On-Line Access on the Plans' Web Site at www.lu30plan.com. By registering a Member has access to Member and Dependant enrolment information, Welfare Plan eligibility history and current status, monthly Contribution history to the Pension and Welfare Funds, earned Monthly Pension accrued to date payable at the Member's Normal Retirement Date.

The Web Site also holds Plan documents such as Annual Reports, claim forms, benefit applications, letters, booklets and key governance documents. The Plan's Facebook (www.facebook.com/smwialocal30benefits) also provides accessible information.