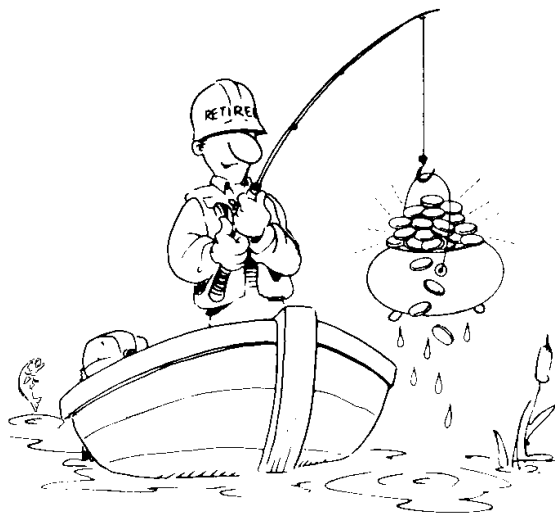


**Alberta Sheet Metal Workers' Retirement Plan  
and  
Alberta Sheet Metal Workers' Funeral Benefit Plan**



**January 1, 2021**

Alberta & Canada Revenue Agency: Registration #0388603

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## Section A: Alberta Sheet Metal Workers' Retirement Plan

### Introduction

To help you understand your Plan, terms that are included in the Definitions section (Section D) will be in **bold** form when they appear in this summary.

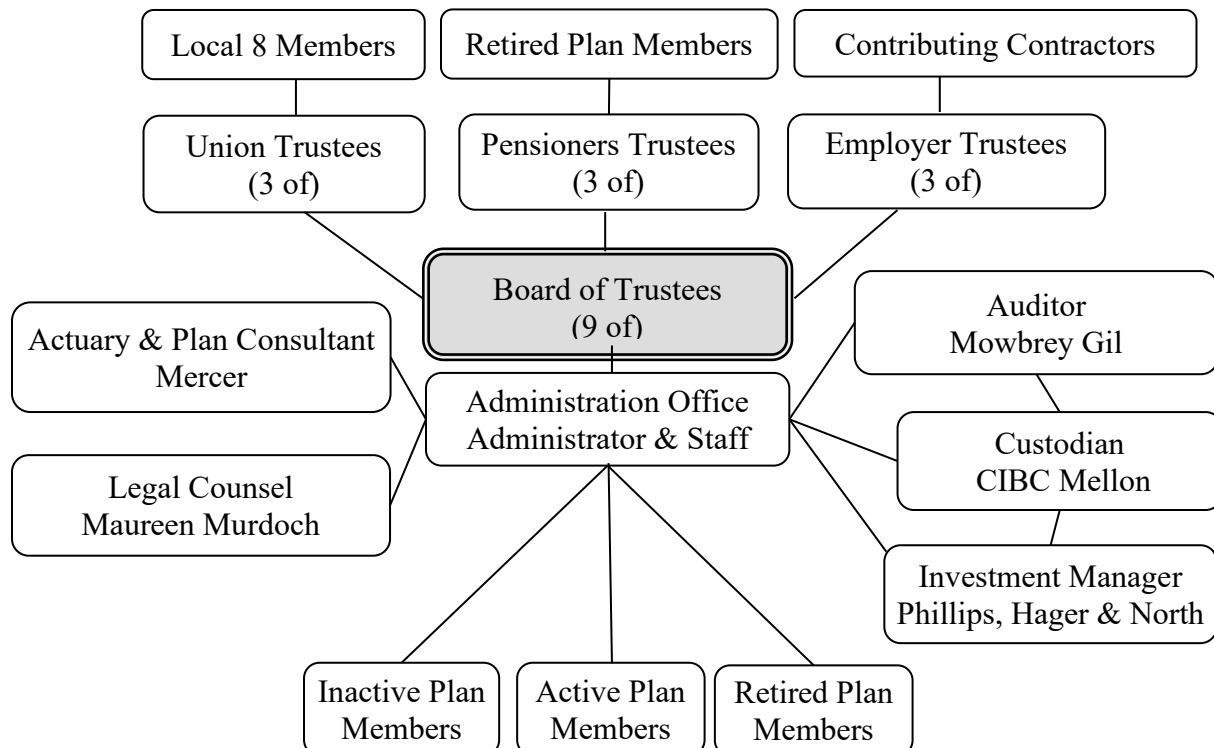
It is necessary that we make financial plans for our future. The government has promised some pension when we retire. However, a government pension alone will not be sufficient to maintain the standard of living that we have achieved through years of hard work. For this reason, the Alberta Sheet Metal Workers' Retirement Plan was established in 1972 and since improved, as financial circumstances permitted. These improvements include cost-of-living increases, greater Spousal protection, Self-Payment and Past Service Purchase provisions.

Your Plan is a Flat Defined Benefit Plan and is registered as a Collectively Bargained Multi-Employer Plan (CBMEP), administered by a Joint Board of Trustees.

The Board of Trustees of the Alberta Sheet Metal Workers' Retirement Trust Fund is comprised of;

- three Union Trustees elected by Local Union #8;
- three Employer Trustees - two appointed by the Employer Association & one representing Non-association Employers; and
- three Pensioner Trustees selected from the **Retired Plan Members** residing in Alberta.

The Trustees are appointed/elected for a three-year term. The document governing the operation of the Board of Trustees, the Trust, and the duties of Employers and the Union was approved by the Court of Queen's Bench of Alberta November 12, 2019.



**Introduction..... continued**

Your Trustees are:

Union Trustees: Garry Melcosky, Chairman  
John Archer  
Derek Connolly

Employer Trustees: David Alle, Vice-Chairman  
Sean Rayner  
Greg Hensch

Pensioner Trustees: Eric Arctander  
John Hoekstra  
Brad Watters

The Board of Trustees are your overall Plan Administrator and have clearly described and documented their fiduciary roles and responsibilities to Plan Members, beneficiaries and other stakeholders. Their Mission Statement is as follows;

**OUR MISSION:**

*To prudently manage the financial assets and protect the future benefits promised, so that members can retire with financial security and dignity, and to provide the best possible pension benefits to retiring or disabled members and their beneficiaries.*

**BUSINESS PURPOSE:**

*To administer the Trust in a manner that is equally fair and maximizes long term benefits to all Plan members.*

**OUR GOALS AND OBJECTIVES:**

*Administer the Trust in the most efficient and effective manner possible.*

*Maximize pension benefits as permitted by the financial assets of the Plan, including increases for cost of living.*

*Enhance the Plan's benefits as permitted by financial or contractual changes.*

*Wherever possible, to provide leadership and be a cohesive influence for the Sheet Metal Industry, inclusive of labour and management.*

*To provide additional services to the Plan members as deemed appropriate.*

Adopted & Reviewed By the Joint Board of Trustees

## ***Introduction..... continued***

While the overall responsibility for the operation of the Plan lies with the Board of Trustees, they have appointed a Plan Administrator to facilitate the operation of the Plan. The Plan Administrator and staff, in Edmonton, are in charge of the day-to-day operation and management of the Trust Fund and your Pension Plan. The Plan Administrator charged with carrying out the Board of Trustees' directions is Wanda Hoyle, CEB.

The Board of Trustees has retained:

- Mowbrey Gil, as Auditor of Record;
- Mercer, as Plan and Actuarial Consultant;
- Phillips, Hager & North Ltd. as Investment Manager;
- CIBC Mellon as Custodian; and
- M. Murdoch, as Legal Counsel.

The Board of Trustees have a written Governance Policy describing the structures and processes for overseeing, managing and administering the Plan. The Board of Trustees have established a Statement of Investment Policies and Procedures and a Funding and Benefits Policy which are reviewed annually.

Any involved party(s) to this Pension Plan is entitled to examine or obtain from the Administrator, additional information and records as referred to in sections 43 and 46 of the Alberta Employment Pension Plan Regulations.

This description is a summary of the major provisions of your Pension Plan as of January 1, 2020. These Plan provisions govern all situations from January 1, 2020 forward. Events occurring before this date will be governed by the Plan terms in effect at the time the event occurred.

Not every detail of the Plan can be included in a summary such as this. Every effort was made to ensure the accuracy of this summary. In the case of any inconsistency between this document and the official Plan document, the official Plan document shall be determinate of the issue. Copies of the official documents are available from the Administration office.

If you have any questions, please contact:

Wanda Hoyle, CEB, Plan Administrator  
Alberta Sheet Metal Workers' Retirement Plan  
100-8905 51 Avenue  
Edmonton, Alberta T6E 5J3  
Telephone: (780) 466-1999  
Alberta Toll-Free: 1-800-642-3881  
Fax: (780) 466-2095  
Website: [www.absheetmetalpension.com](http://www.absheetmetalpension.com)  
Email: [info@absheetmetalpension.com](mailto:info@absheetmetalpension.com)

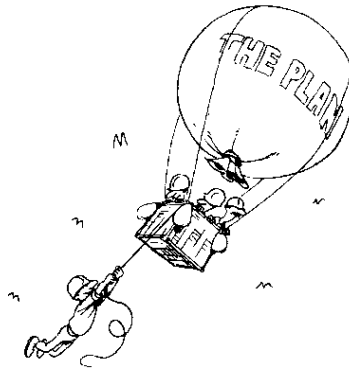
Your Administration staff is here to assist you. You and, if applicable, your **Spouse**, are encouraged to call if you have questions, concerns, or in general just need information concerning the Alberta Sheet Metal Workers' Retirement Plan.

## Plan Highlights



- Benefits based on hours of **Covered Employment**;
- Opportunity to increase earned pension benefits through Self-Payments;
- Opportunity to increase earned pension benefits through Purchase of Past Service;
- Retirement as early as age 55 at a reduced amount;
- Unreduced retirement pension at age 60;
- **Disability Pension Credit** for disabled **Active Plan Members**;
- Supplementary pension if you retire between the ages of 57 and 65;
- Survivor benefits in the event of your death before retirement.

## Joining The Plan

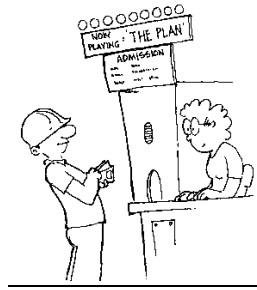


Each **Employee** of an **Employer** is eligible to join the Plan. An **Employer** can request the Trustees' approval to permit the Employer's **Other Employees** to participate in the Plan.

You become an **Active Plan Member** with a **vested** right to benefits when an **Employer** makes a contribution for you and you complete the required enrollment form. Your Plan Administrator will provide the enrollment form.

You will continue to be an **Active Plan Member** as long as an **Employer** contributes to the Plan on your behalf. Even after contributions stop coming into the Plan, you will continue to be an **Active Plan Member** for two full calendar years. If the Plan receives less than 350 hours of contribution on your behalf during those two calendar years, your Active status will be terminated (see Leaving the Plan).

# Paying For Benefits



## Employer Contributions

Your **Employer** must remit contributions on your behalf based on the agreement signed with Local Union 8. The hourly contribution rate varies dependent on the type of agreement and whether you are employed under the commercial or industrial sector. Your pension contributions are converted into **Standard Contribution Rate (SCR) Hours** to calculate your earned pension benefit for the year.

**Effective January 1, 2021**, your pension benefit will be calculated based on a **SCR of \$5.72** per hour.

Example of converting **Employer** contributions to **SCR Hours**:

- 1,800 worked hours @ \$4.50/hour = \$8,100 **Employer** contributions
- \$8,100 Employer contributions less 1% Funeral Benefit = \$8,019 in Employer pension contributions
- \$8,019 divided by \$5.72 **SCR** = 1,402 **SCR Hours**
- 1,402 **SCR Hours** multiplied by 4.14 cents = \$58.04 per month, payable at age 60 for your life

## Past Standard Contribution Rates

January 1, 2020 to December 31, 2020	\$6.14 per hour
January 1, 2019 to December 31, 2019	\$6.98 per hour
January 1, 2018 to December 31, 2018	\$7.54 per hour
January 1, 2017 to December 31, 2017	\$7.60 per hour
January 1, 2016 to December 31, 2016	\$7.44 per hour
January 1, 2015 to December 31, 2015	\$5.66 per hour
January 1, 2013 to December 31, 2014	\$7.40 per hour
January 1, 2012 to December 31, 2012	\$5.00 per hour
January 1, 2010 to December 31, 2011	\$4.50 per hour
January 1, 2007 to December 31, 2009	\$4.25 per hour

## ***Paying For Benefits..... continued***

### **Self-Payments**

You can make a self-payment if:

- you have hours of **Covered Employment** in the immediate previous year, and
- you have never received any retirement benefits from the Plan, and
- your **Standard Contribution Rate Hours** for the year are less than 2,100 hours.

If eligible, in February or March, you may elect to make a single lump sum payment to increase your **Standard Contribution Rate Hours** for the immediate past year. Any payment may only increase the covered hours for the immediate preceding Plan Year. Your self-payment amount would be the number of hours you wish to purchase multiplied by the **Standard Contribution Rate**.

Your self-payment is tax deductible for the year in which it is paid.

Please note that Canada Revenue Agency will reduce the maximum amount you can contribute to an RRSP for the year in which you make your Self-Payment, by the amount you self-paid. For example, if you self-paid \$1,000 in March 2020 to increase your 2019 earned pension benefit, the amount you can contribute to your RRSP for 2020 will be reduced by \$1,000. You may roll-in RRSP funds to your Pension Plan to purchase your Self-Payment. In this case no tax deduction is available, nor is your RRSP contribution room reduced.

### **Past Service Purchases**

You can make a Past Service Purchase if:

- you had hours of **Covered Employment** in the year you apply your past service purchase to, and
- you have never received any retirement benefits from the Plan, and
- you have not earned the maximum lifetime pension benefit for the applicable **Plan Year**.

Past Service Purchase is distinct from Self-Payments. The amount of your Past Service Purchase is equal to a cost per hour based on your age at December 31<sup>st</sup> of the immediate previous year. The younger you are the less the cost.

The maximum *cash* Past Service Purchase in any year cannot be more than \$3,500. Past Service Purchases can be accepted by the Plan Administrator, for deposit in the Plan, at any time during the calendar year. Cash purchases are tax deductible for the year in which they are paid.

Your Plan Administrator must report a Past Service Pension Adjustment to Canada Revenue Agency if your Past Service Purchase is for 1990 or later. For example, if in 2020 you make a \$1,500 purchase to increase your 1991 earned benefit, a Past Service Pension Adjustment of \$1,500 must be reported. The amount you would be permitted to contribute to your RRSP in 2020 would be reduced by \$1,500. For this reason, we suggest that, if applicable, you concentrate on purchasing Past Service for the years before 1990, if available, and not affect your RRSP room.

You may roll-in RRSP funds to Purchase Past Service, however, no tax deduction would occur. The annual maximum RRSP amount you may roll-in to purchase Past Service is subject to Canada Revenue Agency limits.

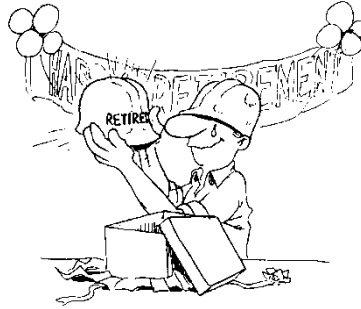
Contact the Administration Office if you are interested in purchasing Past Service. Calculations are forwarded indicating the **Years of Plan Membership** available and the amount you are eligible to purchase.

### **RRSPs at Retirement**

When you retire, any funds you have in an individual RRSP, can be transferred to your Pension Plan. The Plan Administrator will use preferred annuity rates prepared by the Plan Actuary to determine the additional pension your RRSP money will purchase. The advantage of transferring your RRSP money to your Sheet Metal Pension Plan is that it allows you to purchase additional pension without incurring any costs for commissions and/or service fees. You can transfer your individual RRSP funds within 30 days before retirement, or anytime thereafter.



## Retirement Dates



Age 55 - 56	Age 57 - 59	Age 60 - 71
↓	↓	↓
Actuarially Reduced Pension	3% Per Year Reduced Pension	Unreduced (Full Pension)

Normal Retirement Age: 65  
 Full Pension Entitlement Age: 60  
 Early Retirement Age: 55

The Normal Retirement Date is the first day of the month coinciding with or immediately following the month in which you attain age 65. Early Retirement is available from age 55 to age 65. You may retire and elect to receive your full pension as early as age 60.

### Early Retirement Reduction:

If you retire on or after age 57, but before age 60, your monthly pension, will be reduced by 0.25% per month for each month prior to age 60 (3% per year). For example, retirement at age 57 results in a 9% reduction.

If you retire at or after age 55, but before age 57, your pension will be further reduced on an actuarial basis.

The reduction in your monthly pension amount reflects the extra number of pension payments you are expected to receive over your lifetime.

Pensions must, however, begin before the end of the year in which you turn age 71.

If you return to **Covered Employment** after you retire, and *before* age 60, your pension payments will be suspended after 175 hours of contribution are remitted on your behalf and you will earn additional pension benefits as a result of **Employer** contributions received. Those additional benefits will be added to your monthly pension when you return to pension status.

If you return to **Covered Employment** after you retire, and *after* age 60, your pension payments will continue to be paid to you and you will not earn additional pension as a result of **Employer** contributions unless you elect to suspend your pension payments while working. If you choose the option to suspend pension payments after age 60, the contributions received are used to increase your monthly pension income when you return to pension status.

The Plan Administrator will correspond with you when contributions are received on your behalf and after retirement. A form will be sent to you to select your option.

# Lifetime Pension Benefit on Retirement



## Lifetime Pension Benefit

The lifetime pension benefit paid at your retirement date will be based on:

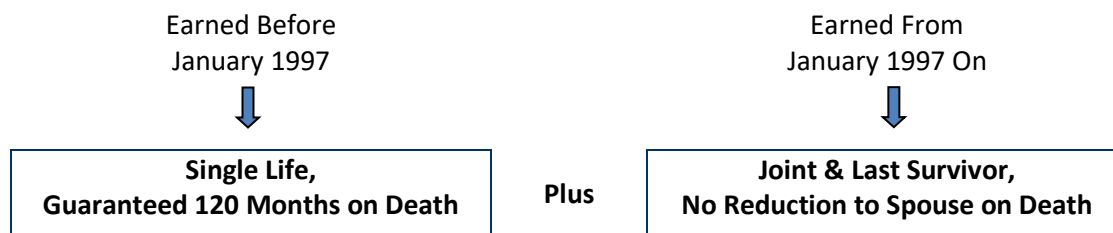
- your hours of **Covered Employment**;
- the rate of Employer contribution per hour;
- the applicable **Standard Contribution Rate (SCR)** and benefit accrual rate per each **SCR Hour**;
- your age at retirement;
- your **Spouse's** age at retirement, if applicable;
- your Self-Payments / Past Service Purchases, if any;
- your **Disability Pension Credits**, if any;
- your RRSP if transferred into the Plan.

Your monthly lifetime pension benefit is equal to:

- the pension you earned before 1992, increased by 17.65%;
- 2.64 cents for each **SCR Hour** (\$1.07 /hour) credited to you between January 1, 1992 and July 1, 1993;
- 2.75 cents for each **SCR Hour** (\$1.50 /hour) credited to you between July 1, 1993 and January 1, 1997;
- 3.00 cents for each **SCR Hour** (\$1.50 /hour) credited to you between January 1, 1997 and January 1, 2000;
- 3.81 cents for each **SCR Hour** (\$2.00 /hour) credited to you between January 1, 2000 and January 1, 2002;
- 3.91 cents for each \$2.25 **SCR Hour**, and/or  
4.00 cents for each \$2.50 **SCR Hour**, and/or  
4.30 cents for each \$3.00 **SCR Hour**  
credited to you between January 1, 2002 and January 1, 2005;
- 4.14 cents for each \$3.38 **SCR Hour** credited to you between January 1, 2005 and January 1, 2007;
- 4.14 cents for each \$4.25 **SCR Hour** credited to you between January 1, 2007 and January 1, 2010;
- 4.14 cents for each \$4.50 **SCR Hour** credited to you between January 1, 2010 and January 1, 2012;
- 4.14 cents for each \$5.00 **SCR Hour** credited to you between January 1, 2012 and January 1, 2013;
- 4.14 cents for each \$7.40 **SCR Hour** credited to you between January 1, 2013 and January 1, 2015;
- 4.14 cents for each \$5.66 **SCR Hour** credited to you between January 1, 2015 and January 1, 2016;
- 4.14 cents for each \$7.44 **SCR Hour** credited to you between January 1, 2016 and January 1, 2017;
- 4.14 cents for each \$7.60 **SCR Hour** credited to you between January 1, 2017 and January 1, 2018;
- 4.14 cents for each \$7.54 **SCR Hour** credited to you between January 1, 2018 and January 1, 2019;
- the pension you earned before 2019, increased by 4%;
- 4.14 cents for each \$6.98 **SCR Hour** credited to you after January 1, 2019; and January 1, 2020;
- 4.14 cents for each \$6.14 **SCR Hour** credited to you after January 1, 2020 and January 1, 2021
- 4.14 cents for each \$5.72 **SCR Hour** credited to you after January 1, 2020.

The lifetime pension benefit is payable in the **Standard Form of Pension** (see page 11).

## Standard Form of Pension



Effective January 1, 1997, the **Standard Form of Pension** changed from a Single Life option to a Joint & Last Survivor option;

- Single Life - pension payable monthly for your lifetime with the guarantee that if you die before receiving 120 monthly payments, the balance remaining will be paid to your named beneficiary. If you die after you have received 120 monthly payments, the pension ceases on your death.
- Joint and Last Survivor - pension payable monthly for your lifetime and in the event you predecease your spouse, pension will continue monthly for your spouse's lifetime.

When you apply for your pension, any benefits earned before 1997 are combined in an equal fashion with benefits earned from 1997 on. On retirement, there are ten options of lifetime pension available for you to choose from.

Any Annual Statement and/or Certificates of Paid-Up Pension will indicate your monthly earned lifetime pension benefit in accordance with the applicable **Standard Form of Pension**, payable "unreduced" at age 60.

## Supplementary Pension

In addition to a lifetime monthly pension, the Plan also provides a Supplementary pension if you retire between the age of 57 and 65. **Please note:** There is **no** Supplementary pension paid if you retire before age 57 on benefits you earned from January 1, 1997 onwards. The Supplementary pension, is equal to 50% of your earned lifetime pension benefit, based on the **Standard Form of Pension**, that is in pay on your retirement date. For example, if you take a reduced pension, your Supplementary pension is also reduced.

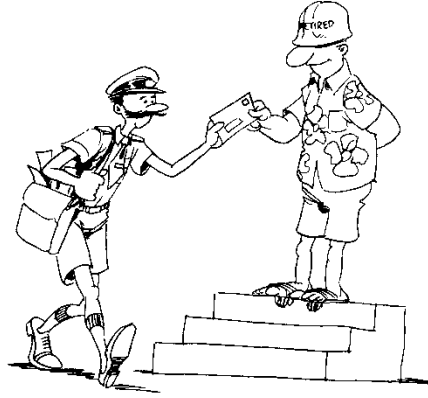
On Early Retirement, Supplementary pension is reduced as follows;

- At age 57 but before age 60, your Supplementary pension will be 50% of your earned lifetime pension reduced by 0.25% for each month under the age of 60 (3% per year), and is paid until age 65.
- At age 55 but before age 57,
  - There is no Supplementary pension on benefits earned from January 1, 1997 onwards
  - If you have earned pension benefits **prior to January 1, 1997**, you will be eligible for a reduced Supplementary pension based on the portion of the pension you earned prior to January 1, 1997 only. If you retire before age 57, you will forfeit Supplementary pension on benefits earned after December 31, 1996.

**Supplementary Pension is paid to you monthly until the earlier of death or age 65.**

The maximum amount of Supplementary pension payable is subject to maximum limits imposed by the Canada Revenue Agency; not to exceed CPP and OAS in effect on retirement

## Pension Payments



The first payment will be made at the end of the month in which you retire. You must apply for retirement at least **60** days before you wish to your pension to start.

### Forms of Pension

Currently we provide ten optional forms of pension, with the **Standard Form of Pension** being Joint and Last Survivor, with no reduction on death. Your Plan Administrator will provide calculations of the various optional forms of pension for you to consider when you are planning to start drawing your pension.

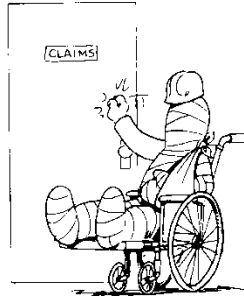
If you have a **Spouse**, Legislation requires you to choose a Joint and Last Survivor pension. Your **Spouse** at the time of retirement is the only person eligible to receive the survivor's pension. This means the end of a spousal relationship, after retirement, does not affect the ex-spouse's eligibility for a survivor pension under the Plan.

If you should choose a single life pension, your **Spouse** must sign a spousal waiver before you retire. The pension option chosen is final, so if you and your **Spouse** decide to waive a Joint and Last Survivor option, you cannot change your mind later.

Your pension benefits will be paid to you by the end of the month of your chosen retirement date providing all required documents are received by the Administration Office at least one month prior.

Pension income cannot commence retroactive.

## Disability Pension Credit



An **Active Plan Member** who provides proof of **Disability** can continue to accrue monthly pension during his **Disability** period.

To be eligible to receive a **Disability Pension Credit**, all of the following conditions must be satisfied:

- you must have had hours of **Covered Employment** reported in the two **Plan Years** immediately prior to the **Plan Year** in which your **Disability** occurred;
- you must provide proof of **Disability**, including evidence that the **Disability** has continued without interruption for at least six months.

If your disability claim is approved, **Disability Pension Credits** shall start from the date of **Disability** and will continue until the date your **Disability** ceases, your death, the date you elect to receive retirement income, or you reach age 60, whichever occurs first.

If your **Disability** is for only a fraction of the Plan Year, you shall be eligible to receive that fraction of a full year's **Disability Pension Credit**.

## In the Event of Your Death



In the event of your death after you retire, benefits will be paid according to the pension option you chose at retirement (see “Pension Payments” section).

In the event of your death before you retire, the death benefit depends on whether you are **Vested**, the amount of benefit earned to date of death, and whether you have a **Spouse, Financial Dependent(s)**, or if you are single.

If you **have a Spouse**;

- your **Spouse** will receive a pension equal to 75% of the lifetime pension benefit you had earned. This pension will be paid for your **Spouse’s** lifetime with a guarantee of at least 120 monthly payments.
- If you have no **Spouse**, but your beneficiary is **Financially Dependent** on you, that beneficiary will receive a pension equal to 75% of the lifetime pension benefit you had earned. This pension will be paid monthly for up to 120 payments, subject to the payment limits imposed by Income Tax Regulations.
- If you have no **Spouse** and your beneficiary is not a **Financial Dependent(s)**, your beneficiary or estate will receive the **Commuted Value** of your pension benefit earned up to date of death.

Application and proper documentation must be received by the Plan Administrator.

## Beneficiary

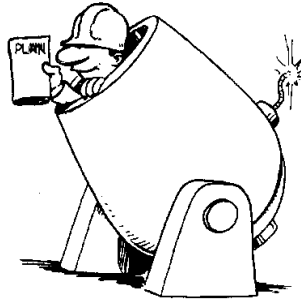


At the time you enroll, you will be asked to name a beneficiary to receive benefits in the event of your death. You may change this designation of beneficiary at any time, subject to applicable legislation, by submitting a Designation of Beneficiary form, which is available from the Plan Administrator.

If you have a surviving **Spouse**, benefits in the event of your death will be paid to your **Spouse** regardless of your beneficiary designation.

If you have no surviving **Spouse** or designated beneficiary, or if your designated beneficiary has predeceased you, benefits will be paid to your Estate.

## Leaving the Plan



If you had less than 350 hours of **Covered Employment** in the last two **Plan Years**, a statement will be sent to you advising of your entitlement on termination of **Active Plan Member** status and the options available to you.

You may elect:

- to receive a Certificate of Paid-Up Pension (deferred pension), payable in accordance with the “Retirement Dates” section, therefore, terminating your Active Status and becoming an **Inactive Plan Member**.

If you elect to become an **Inactive Plan Member** and you later return to work under **Covered Employment**, you resume participation in the Plan with a new service period as an **Active Plan Member**. Your **Inactive Plan Member** status remains as a separate service period and will be combined in an equivalent fashion with all other service periods when you retire.

*OR*

- to transfer the **Commuted Value** of your pension to a **Locked-In Retirement Account (LIRA)**, in lieu of your deferred pension. This transfer will absolve the Plan of all further responsibility for the payment of benefits to you or your beneficiaries. You are no longer a **Plan Member**.

If you wish to transfer your **Commuted Value**, you must advise the Trustees by completing and returning all required documents within 90 days from when the election statement was sent to you. If the required documents are not received within 90 days, you will receive a Certificate of Paid-Up Pension. Cash withdrawals are not permitted unless your **Commuted Value** is less than 20% of the year’s maximum pensionable earnings (YMPE).

2021 YMPE = \$61,600 (20% = \$12,320)

## Relationship Breakdown



### **Required Documentation**

Upon relationship breakdown, you should contact the Plan Administrator. You must provide a Separation Agreement or Order that affects the payment or distribution of your benefits, or pension entitlements. The Plan Administrator shall, subject to applicable legislation and enforceable Court Orders, pay to your **Spouse** the value of the portion of your lifetime pension granted to your **Spouse** in the Separation Agreement or Order.

### **Active and Inactive Plan Members**

The value of the portion of pension entitlement granted to your **Spouse** cannot be more than 50% of your total lifetime benefit earned during the period of joint accrual. The value shall be calculated as if you had terminated your membership on the date mentioned in the Order as being the end of the joint accrual of the benefit. Your **Spouse** must transfer the value of his/her portion to a **LIRA** which meets the specifications required by the Employment Pension Plans Act. However, If you are age 55 or over at the date of your relationship breakdown, your **Spouse** may elect to delay the division and transfer of her share until you retire, terminate, or upon your death.

### **Retired Plan Members**

If the Separation Agreement or Order is received by the Plan Administrator after you have received the first pension payment from the Plan, then your **Spouse's** portion of your benefits, or pension entitlements, shall be paid to her as a single life pension, or subject to the discretion of the Board of Trustees, the value can be transferred to a **LIRA**.

### **Deceased Plan Members**

In the event that the Separation Agreement or Order shall be received by the Plan Administrator, or become effective after your death, the value of the portion of your benefits, or pension entitlements granted to your **Spouse** shall be that portion of the death benefit payable to your Estate. Your **Spouse** must transfer the value of her portion of your benefits, or pension entitlements to a **LIRA**.



## Other Provisions



### **Allocation of Fund**

If the Plan at any time has actuarial excess (more assets than liabilities), the actuarial excess shall be retained in the Plan for the exclusive benefit of the **Plan Member, Spouse**, and/or their Beneficiary(s). The application of any excess to provide for benefit improvements shall be determined by the Trustees and must be effected by a valid passed resolution to amend the Plan.

If the Fund is insufficient to provide the pension or other benefits that have been promised, the Fund shall be allocated to each **Plan Member, Spouse**, and/or Beneficiary(s), in proportion to the Actuarial value of the pension benefits that have been accrued.

If the Plan discontinues, the Fund shall be used first to provide the benefits promised by the Plan and the expenses of discontinuing the Plan. Any remaining surplus shall be used to increase the amount of pension each **Plan Member, Spouse**, and/or Beneficiary(s) is entitled to in a proportionate manner.

### **Plan Amendments**

The Trustees expect to continue the Pension Plan indefinitely, but they reserve the right to amend or discontinue the Plan if future conditions warrant action of that kind. No amendment to the Plan shall result in reduction to any pension or other benefits which have accrued prior to such amendment.

### **Reciprocal Agreements**

The Trustees may enter into agreements, subject to Alberta's Pension Legislation, with the Trustees of other pension plans to provide for the transfer of contributions between plans. Reciprocal Agreements have varying contribution rates, therefore, any contributions transferred to the Plan are converted to **SCR Hours** in order to calculate benefits.

### **Maximum Pension**

All pension amounts, with the exception of the Funeral Benefit, are subject to the registered Pension Plan maximums imposed by Canada Revenue Agency and the Plan Text.

## More Information



### Annual Statement

After each **Plan Year** (in February) you will receive an Annual Pension Statement if you are an **Active Plan Member**. The Statement will show the number of hours contributed on your behalf and the pension earned for the current **Plan Year**, your year-to-date earned pension, and other important information about your Pension Plan.

The amounts on your Annual Statement are based on the “**Standard Form**” of pension and payable unreduced on retirement at age 60.

If you make a Self-Payment, you will receive a revised statement confirming the increase in your pension.

### Plan Member Information

It is your responsibility to keep your address and designated beneficiary current with the Administration Office.

### Certificates of Paid-Up Pension

If you are an **Inactive Plan Member** you will receive a Certificate of Paid-Up Pension detailing the benefits you have earned up to termination from **Active Plan Member** status. Your pension benefit is deferred until retirement age and you apply to receive monthly pension income. You will receive an updated Certificate if and when applicable.

### Certificate of Pension

Upon retirement, as a **Retired Plan Member**, you will receive a Certificate of Pension detailing the option you chose and the benefits payable for your lifetime and in the event of your death. This Certificate will supercede all Annual Statements and/or Certificates of Paid-Up Pension previously issued.

### Administration Office

Your Plan Administrator and staff are there to assist you and answer any questions you may have about your Pension Plan. Please contact:

Wanda Hoyle, CEB  
Plan Administrator  
100-8905 51 Avenue  
Edmonton, Alberta T6E 5J3  
Telephone: (780) 466-1999  
Alberta Toll Free: 1-800-642-3881  
Fax: (780) 466-2095  
Email: [info@absheetmetalpension.com](mailto:info@absheetmetalpension.com)  
Website: [www.absheetmetalpension.com](http://www.absheetmetalpension.com)

## Section B: Alberta Sheet Metal Workers' Funeral Benefit Plan

This Plan is ancillary to the Alberta Sheet Metal Workers' Retirement Plan and provides an enhanced death benefit to the family of **Active Plan Members** and **Retired Plan Members**.

The amount of the Funeral Benefit is a lump sum amount equal to;

- a) for **Retired Plan Members**, the monthly pension paid from the Retirement Plan as of the date of death multiplied by six, subject to a maximum of \$2,000.00 and a minimum of \$500.00  
and
- b) for **Active Plan Members** the monthly lifetime pension accrued under the Retirement Plan as of date of death, with no early retirement reduction, multiplied by six, subject to a maximum of \$2,000.00 and a minimum of \$500.00.

The claimant must apply within 3 months from the date of death. In the event of your death the Funeral Benefit shall be paid to your **Spouse**, or if you do not have a spouse, to your Estate. Payment is made after receipt of application and a copy of the Funeral Director's Statement. Income tax is withheld from the payment.

In the event assets of the Funeral Benefit Fund become insufficient to cover the amount of benefit, payment shall be denied or deferred until such time as the Fund has sufficient assets.

## Section C: Definitions

### Active Plan Member

an **Employee** who has **Employer** contributions being remitted to the Plan on their behalf, and who has not terminated their Active Status in the Plan (see “Leaving the Plan” section) or commenced receiving retirement income from the Plan.

### Commuted Value

of a benefit means the actuarial present value of the benefit computed on the basis of the member’s monthly lifetime pension benefit earned to date, current interest rates, and the member’s age at date of computation.

### Covered Employment

hours worked by a **Plan Member** for which an **Employer** has paid contributions to the Plan.

### Disability

means a disability in which an **Active Plan Member** is physically or mentally impaired for reasons satisfactory to the Trustees so that he is prevented from performing the duties of employment in which he was engaged prior to the impairment and which is certified, in writing, by a medical doctor licensed to practice in Canada. An **Active Plan Member** who has had a Disability for three years shall thereafter be considered to continue to have a Disability only as long as his disability prevents him from engaging in any substantially gainful occupation or employment, other than that which is found to be for the purpose of rehabilitation and which is not incompatible with the finding that he has a Disability. The Medical Doctor certifying the **Active Plan Member’s** Disability shall be selected by the Trustees.

### Disability Pension Credit

the amount of monthly pension credit equal to the average monthly pension earned under the Plan, excluding any pension provided by Self-Payment and Past Service Purchase, during the three **Plan Years** within the last five **Plan Years** immediately preceding the year of **Disability** in which the highest average is attained. If you have less than five **Years of Plan Membership** the calculation is based on the best 3 out of 4 years, 3 out of 3 years, or 2 out of 2 years, whichever applies.

### Employee

any person covered by an Agreement.

### Employer

any employer who is required to contribute to the Pension Plan.

### Financial Dependent

your child, grandchild, grandparent, parent, sister or brother who is dependent on you for financial support and is under 19, or in school full-time, or dependent on you because of a disability.

### Inactive Plan Member

a **Plan Member** who remains entitled to benefits under the Plan (**Vested**) and has terminated Active Status as a result of having less than 350 hours of **Covered Employment** in two consecutive **Plan Years** (see “Leaving the Plan” section).

### LIRA

Locked-in Retirement Account is a vehicle, plan or instrument which can receive monies from a registered pension plan without attracting income tax and which satisfies legislated requirements as to the eventual form of payment. A LIRA permits no cash withdrawals; the money transferred must be used to provide income at retirement. A LIRA must guarantee the rights of your **Spouse** to benefits in case of your death.

**Standard Form of Pension**

All amounts quoted on your Annual Statements and/or Certificates of Paid-Up Pension are based upon the Standard Form of Pension, payable “unreduced” at age 60.

- Benefits earned up to December 31, 1996:  
Single Life Option, with a guarantee of 120 months ~ Paid for the **Plan Member’s** lifetime but in any event for a 10 year period.
- Benefits earned from January 1, 1997:  
Joint & Last Survivor, with no reduction on death ~ Paid for two lifetimes ~ **Plan Member’s** and **Spouse’s**.

**Other Employees**

an employee of an **Employer**, for whom contributions are not provided by any other form of agreement which requires payment of stipulated contributions.

**Plan Member**

you are considered a Plan Member if you are;  
an **Active Plan Member**,  
an **Inactive Plan Member**, or  
a **Retired Plan Member**,  
and are entitled to pension benefits once you have satisfied the **vesting** requirement.

**Plan Year**

a Plan Year is from January 1<sup>st</sup> to December 31<sup>st</sup>. The Administration Office operates from February 1<sup>st</sup> to January 31<sup>st</sup> to incorporate hours worked in January and received in February / worked in December and received in January.

**Retired Plan Member**

a **Plan Member** who has commenced receiving retirement income from the Plan.

**Spouse**

in relation to a **Plan Member**,

- a. a person who at the relevant time, was married to the **Plan Member** and had not been living separate and apart from the **Plan Member** for three or more consecutive years, or
- b. if there is no person to whom subsection (a) applies, a person who immediately preceding the relevant time, had lived with the **Plan Member** in a conjugal relationship;
  - i. for a continuous period of at least 3 years, or
  - ii. of some permanence, if there is a child of the relationship by birth or adoption.

**Standard Contribution Rate (SCR)**

Effective January 1, 2007 to December 31, 2009:	\$4.25 per hour
Effective January 1, 2010 to December 31, 2011:	\$4.50 per hour
Effective January 1, 2012 to December 31, 2012:	\$5.00 per hour
Effective January 1, 2013 to December 31, 2014:	\$7.40 per hour
Effective January 1, 2015 to December 31, 2015:	\$5.66 per hour
Effective January 1, 2016 to December 31, 2016:	\$7.44 per hour
Effective January 1, 2017 to December 31, 2017:	\$7.60 per hour
Effective January 1, 2018 to December 31, 2018:	\$7.54 per hour
Effective January 1, 2019 to December 31, 2019:	\$6.98 per hour
Effective January 1, 2020 to December 31, 2020:	\$6.14 per hour
Effective January 1, 2021:	\$5.72 per hour

**Definitions.....continued**

**Standard Contribution Rate (SCR) Hours**

the number of hours used to calculate your annual earned monthly lifetime pension; currently you earn a lifetime pension benefit of 4.14 cents per SCR hour. **SCR Hours** are determined by dividing the total contributions received by **Employers** during the **Plan Year** by the applicable **SCR**.

Example of converting **Employer** contributions to **SCR Hours**

1,800 worked hours @ \$4.50/hour = \$8,100 **Employer** contributions less 1% Funeral Benefit = \$8,019  
\$8,019 / \$5.72 SCR = 1,402 **SCR hours** x 4.14 cents = \$58.04 per month lifetime pension, payable at age 60

**Vested**

your non-forfeitable right to a benefit under the Plan; you are vested in your pension when the Plan has received the first contribution on your behalf AND the Plan has received your completed enrollment form.

**Year of Plan Membership**

a **Plan Year** in which a **Plan Member** has 350 hours of **Covered Employment** reported on his behalf.