Benefit Types

Q: What benefit types are available?

A: Five types of pensions are provided under this Plan.

1. Normal Pension
2. Unreduced Early Retirement Pension
3. Early Retirement Pension
4. Disability Pension
5. Deferred Vested Pension

In addition, the Plan provides for a lump sum Portability Option and Survivor benefits.

Normal Pension

You are eligible to retire on a normal pension if you are at least age 65 and vested.

If you keep working for a contributing employer after age 65, you may continue in the Plan until you retire. However, you must commence your pension on or before your 71st birthday.

The Normal Pension is a monthly pension based on your local union's employer contribution rate.

The Rate/Benefit table illustrates the normal pension benefit amounts payable to you with 25 years of pension credits.

Early Pension

You are eligible to retire on an Early Retirement Pension if you are at least 55 while vested. Unreduced Early Retirement at age 63 or 64 is equal to a Normal Pension.

The Early Retirement Pension prior to age 63 is adjusted downward from the Normal Pension amount, based on your age. Then the normal amount calculated is reduced by:

- (i) 1/4 of 1% for each full month you are between the ages of 62 and 63 if you are younger than age 63 when your early retirement pension begins, plus
- (ii) 1/2 of 1% for each full month that you are between the ages of 55 and 62, if you are younger than age 62 when your early retirement begins. The reduction is due to the longer period of time that you will receive pension payments.

Example: *Anthony is 61 and retires with 23 years of pension credits. His benefit is based on a contribution rate of $.65 per hour. Anthony's early retirement pension is calculated as follows:*

1. Normal pension to which Anthony would be entitled if he were age 65 = $275.00 (see Rate/Benefit table).
2. Early retirement reduction:
   12 months between the ages of 62 and 63 x 1/4%

   = 12 X .0025 = 3%

   = $275.00 X 3%

   = $8.25, plus

12 months between the ages of 55 and 62 that Anthony is younger than 62 x 1/2%

=12 X .005 = 6%

=$275.00 X 6%

=$16.50

Total reduction =	$8.25 + $16.50 = $24.75

3.

Normal Pension	= $275.00
Early retirement reduction	= $24.75
Early retirement pension	= $250.25

Anthony's early retirement pension is equal to $251.00 a month, since the Plan rounds all pensions to the next higher dollar amount.

Disability Pension

You may be eligible for a disability pension if you satisfy all of the following conditions:

- you are totally permanently disabled,
- you are younger than age 63,
- you have at least 10 years of pension credit, you have accumulated at least 1,200 hours of future service credit.

A disability pension is calculated the same way as a normal pension. Regardless of your age at disability, your pension will be calculated as though you were normal retirement age. The disability pension will be less if you choose the joint and survivor form of payment. The amount is based on the years of pension credit you have earned to your disability date. Your disability pension will commence on the first day of the fourth month of disability and will continue for as long as you live, provided you remain totally and permanently disabled.

You are considered totally and permanently disabled if, on the basis of a written medical report satisfactory to the Trustees:

- You are found to be suffering from a physical or mental impairment that prevents you from working in any employment, and there is no reasonable expectation that you will recover from the disability, and
- You have been awarded a Canada/Quebec Pension Plan disability benefit, or other comparable governmental disability benefit acceptable to the Trustees.

If you apply for a disability pension, you are also required to provide a medical statement from a physician which indicates the nature of your disability and states that you are totally and permanently disabled from the trade. You may also be re-examined at periodic intervals as the Trustees deem appropriate.
If you lose your Canada Pension Disability Benefit before age 63 your Disability Pension will cease starting with the first month following loss of the paid benefit. If you lose your Disability Benefit after you reach 63 payments will continue even if you recover, but subject to the rules governing work after retirement.

The Plan rules also require that retroactive pension payments not be made for more than 12 months prior to the date the disability applications received by the Fund office. Participants experiencing delays in receiving benefits from the Canada Pension Plan should apply to the Fund office while waiting for the Canada Plan Award to comply with the 12-month rule. Disability applicants over age 55 may apply for early retirement benefits prior to disability approval.

Deferred Vested Pension

You are eligible to receive a deferred vested pension if you are vested and terminate your participation in the Plan before you retire. Normally, this benefit starts at age 65; however, you may choose to start receiving it any time after age 55 on a reduced amount.

Your monthly deferred vested pension is calculated one of two ways, depending on how old you are when you retire.

- Age 63 or Older - If your deferred vested pension begins after you have reached age 63, the monthly amount you are eligible to receive is calculated the same way as a normal pension.
- Before Age 63 - If your deferred vested pension begins before you reach age 63, the monthly amount is calculated the same way as an unreduced early retirement pension.

The reduction is due to the longer period of time you will receive pension payments.

Your deferred vested pension will be based on the rate that would have been applicable, if you could have commenced your pension when you left the Plan.

> Example: *Suppose you are age 40 with 8 years of vesting service and you have always been working under a contribution rate of $.45 per hour. When you apply, your pension will be based on the $.45 rate.*

Portability Option

The portability option permits you to transfer the lump-sum value of your deferred vested pension to:

- a "locked-in" Registered Retirement Savings Plan or Life Income Fund
- the pension plan of a different employer if that plan permits, or
- purchase an immediate or deferred annuity from an insurance company.

You may apply for the Portability Option prior to age 55 after a 24 consecutive month period without any employer contributions. Any funds transferred under the portability option will not be available to you until at least age 55 and must be used to purchase a monthly annuity. Provincial law does not permit you to take these funds as a lump-sum cash payment. You should be aware that if you choose the portability option, you will not be entitled to any further benefits from this plan. If you later return to employment, you will be treated as a new employee, and you must again satisfy the rules to become a vested participant in the Plan. When you terminate your participation in the Plan, the rules of the Plan as they exist on the date you terminate your employment with your last contributing employer will be used to determine your entitlement.