

**ELECTRICAL INDUSTRY PENSION
TRUST FUND OF ALBERTA**

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ELECTRICAL INDUSTRY PENSION TRUST FUND OF ALBERTA

PENSION PLAN HISTORY

Effective April 1, 1973

This Pension Plan resulted from Collective Bargaining Agreements between Local Unions 254 and 424 of the International Brotherhood of Electrical Workers and the Electrical Contractors Association of Alberta. The Pension Plan is supported solely by Employer Contributions as specified in the Collective Bargaining Agreements. Since its inception, significant improvements have been made to your Pension Plan as follows:

Effective January 1, 1975

A pre-retirement death benefit was added to the Pension Plan which provides benefits to a Beneficiary of an Employee who dies prior to retirement while vested in the Pension Plan. This is now subject to spousal rights specified in Alberta pension legislation.

Effective September 1, 1975

The amount of Normal Pension for each 100 hours of Future Hours Credit was increased from \$.73 to \$.87.

Effective August 1, 1976

The amount of Normal Pension for each 100 hours of Future Hours Credit was increased from \$.87 to \$1.26. At the same time, the age requirement for early retirement was reduced to age 50, and the early retirement reduction factor for age was changed from 1/2 of 1% per month to 1/3 of 1% per month.

Effective January 1, 1978

The amount of Normal Pension for each month of Past Months Credit was increased from \$.46 to \$.60. The amount of Normal Pension for each 100 hours of Future Hours Credit was increased from \$1.26 to \$1.70.

Effective January 1, 1979

The amount of Normal Pension for each month of Past Months Credit was increased from \$.60 to \$1.6666. The amount of Normal Pension for each 100 hours of Future Hours Credit was increased from \$1.70 to \$2.00. At the same time, the eligibility rules for Past Years Credit were revised and the age requirement for vesting was reduced to age 40.

Effective January 1, 1980

The amount of Normal Pension for each month of Past Months Credit was increased from \$1.6666 to \$2.0833. The amount of Normal Pension for each 100 hours of Future Hours Credit was increased from \$2.00 to \$2.15.

Effective July 1, 1981

The amount of Normal Pension for each month of Past Months Credit was increased from \$2.0833 to \$4.1666. The amount of Normal Pension for each 100 hours of Future Hours Credit was increased from \$2.15 to \$3.45. At the same time, the early retirement reduction factor was changed from 1/3 of 1% per month to 1/4 of 1% per month and the requirement for vesting was reduced to any age with 10 years of Total Years Credit.

Effective October 14, 1981

Prior to October 14, 1981, a 24-month waiting period was in place before any survivor benefits were payable under a joint & survivor pension option. On October 14, 1981, this waiting period was removed.

Effective January 1, 1982

The amount of Normal Pension for each 100 hours of Future Hours Credit was increased from \$3.45 to \$3.60.

Effective October 1, 1983

The amount of Normal Pension for each month of Past Months Credit was increased from \$4.1666 to \$5.00. The amount of Normal Pension for each 100 hours of Future Hours Credit was increased from \$3.60 to \$4.00. At the same time, the early retirement reduction factor was changed from 1/4 of 1% per month to 1/12 of 1% per month, and the requirement for vesting was reduced from 10 years of Total Years Credit to 5 years.

Effective January 1, 1987

A number of changes were made to the Pension Plan in compliance with the new legislation and to provide a supplementary benefit (now called the Early Retirement 10-Year Service Supplement) to those Employees who receive a pension from the Pension Plan as a result of early retirement after having received 10 years of Total Years Credit.

Effective September 1, 1990

The amount of Normal Pension for each month of Past Months Credit was increased from \$5.00 to \$5.10. The amount of Normal Pension for 100 hours of Future Hours Credit was increased from \$4.00 to \$4.10. Pensions in pay were increased by 2.5%.

Effective January 1, 1993

The amount of Normal Pension for each month of Past Months Credit was increased from \$5.10 to \$5.60. The amount of Normal Pension for 100 hours of Future Hours Credit was increased from \$4.10 to \$4.50. Pensions in pay were increased by 10%.

Effective January 1, 1997

The pension benefit payable on early retirement for hours worked after January 1, 1997 was changed to be based on your age and Total Years Credit at retirement.

Effective January 1, 2000 and March 1, 2000

The Pension Plan was amended to comply with Alberta legislation changes which include:

- (a) Vesting after two calendar years of continuous Pension Plan membership with at least 350 Future Hours Credit in each year.
- (b) Pre-retirement death benefit equal to 100% of the Commuted Value of the Plan Member's accrued entitlements.
- (c) Division of pension on marriage breakdown.

Effective January 1, 2001

The following changes were made to the Pension Plan:

- (a) The amount of Normal Pension for each 100 hours of Future Hours Credit received on and after January 1, 2001 was increased from \$4.50 to \$6.00.
- (b) Plan Members who continue to work after age 65 will earn more Future Hours Credit and Future Years Credit but not beyond December 1 of the year when age 69 is attained. Secondly, Plan Members who retire after age 65 will have their pensions increased by 6% per year of postponement.
- (c) New Pensioners who are re-employed will no longer have their pensions suspended. Instead, they will continue to receive pensions but will earn no further credits. Existing Pensioners will be given a one time election to choose the new rule or to stay with the prior rule.

Effective April 1, 2001

All Pensioners and Beneficiaries were paid a one-time lump sum payment equal to 5% of total pension payments received in 2000.

Effective January 1, 2003

The Joint and Survivor with a Dependent as the Contingent Annuity pension option has been removed due to the infrequent use of this option and has been replaced with a lifetime pension option that is guaranteed for 15 years.

Effective April 1, 2004

The age requirement for early retirement was changed back to age 55 and the method to determine the guaranteed number of installments under a Level Income Option was revised.

Effective August 10, 2006 and April 1, 2007

A number of changes were made to the Pension Plan to comply with changes in legislation and changes requested by Alberta Finance.

PENSION CONTRIBUTION RATES

| | |
|-------------------|---------|
| April 1, 1973 | \$0.15 |
| April 1, 1974 | \$0.20 |
| April 1, 1976 | \$0.35 |
| May 1, 1977 | \$0.50 |
| December 1, 1978 | \$0.57 |
| May 1, 1979 | \$0.65 |
| May 1, 1980 | \$0.75 |
| May 1, 1981 | \$0.85 |
| November 1, 1982 | \$0.915 |
| May 1, 1983 | \$1.175 |
| October 1, 1984 | \$1.15 |
| May 1, 1990 | \$1.30 |
| November 1, 1991 | \$1.40 |
| May 1, 1992 | \$1.60 |
| November 1, 1992 | \$1.80 |
| May 1, 1994 | \$2.28 |
| May 1, 2001 | \$2.53 |
| November 1, 2001 | \$2.78 |
| May 1, 2002 | \$3.03 |
| November 1, 2002 | \$3.28 |
| February 21, 2005 | \$3.78 |
| May 2, 2005 | \$3.93 |
| May 1, 2006 | \$4.08 |
| October 30, 2006 | \$4.28 |
| August 12, 2007 | \$4.61 |
| May 4, 2008 | \$4.89 |
| May 3, 2009 | \$5.22 |
| May 2, 2010 | \$5.50 |

We, as Trustees, are proud to have been able to provide these important improvements for you. We will continue to strive for future improvements within the framework of financial soundness.

INTRODUCTION

The Trustees are pleased to present you with this revised booklet which describes the Pension Plan benefits available to eligible electricians and other members of the electrical industry in Alberta.

The following changes have been made to the Rules and Regulations of the Pension Plan.

1. Early Retirement Eligibility Age

The minimum age requirement for early retirement has been changed from age 50 to age 55.

2. Level Income Pension Option

The Level Income pension option has been changed slightly to simplify the administration and understanding of this form of pension. Previously, the guarantee period referred to the total cumulative payments made to the date of death. Therefore, the actual guarantee period differed for each Pensioner. This has now been changed so that the guarantee will be a period of time (five, ten, or fifteen years, depending on the option elected). Should you pass away during the guarantee period, payments will be made to your Beneficiary in the same amount that would have been paid to you for the remainder of the guarantee period. This new level income pension applies to Pensioners that commence their pension on or after April 1, 2004.

This booklet presents an explanation of the benefits provided under the Pension Plan as of April 1, 2004 (with amendments made up to April 1, 2007) and contains a summary of the Pension Plan provisions which is designed to answer many questions you may have about the Pension Plan. However, the Rules and Regulations of the Pension Plan, as interpreted and applied by the Trustees in conjunction with Applicable Pension Laws, will solely govern the amount of benefits payable under the Pension Plan and your rights to receive them.

The complete text of the Rules and Regulations of the Pension Plan (with amendments made up to April 1, 2007) is included; you should consult this text, for more detailed information about the Pension Plan, with appropriate advice, including independent legal or financial advice, when necessary.

Sincerely,
BOARD OF TRUSTEES

A BRIEF SUMMARY OF THE PENSION PLAN

In general, there are the two types of benefits provided under the Pension Plan:

- Monthly pension benefits payable for life to a Pensioner and his Spouse or Beneficiary, if applicable. The monthly Normal Pension is equal to the sum of:
 - (a) \$5.60 for each Past Months Credit (up to a maximum of 120 months);
 - (b) \$4.50 for each 100 hours of work in Covered Employment from April 1, 1973 to December 31, 2000 for which Contributions were made to the Pension Fund on the Employee's behalf; and
 - (c) \$6.00 for each 100 hours of work in Covered Employment on and after January 1, 2001 for which Contributions were made to the Pension Fund on the Employee's behalf.
- A lump sum transfer to a locked-in retirement account or other similar plans, in lieu of monthly pension payments. The lump sum is equal to the Commuted Value of the monthly pension benefit.

The Normal Pension is payable at age 65.

An Early Retirement Pension is payable to a Plan Member who retires between the ages of 55 and 65 after satisfying eligibility requirements. The amount of the Early Retirement Pension is reduced from the Normal Pension which would be payable at age 65, taking into account the fact that the pension benefits will be paid for a longer period of time.

An Early Retirement 10-Year Service Supplement is also payable from the Pension Plan as a monthly benefit as early as age 55 if the Plan Member has ten or more Total Years Credit.

A Postponed Retirement Pension is payable to a Plan Member who retires after age 65 but no later than December 1st in the year in which age 69 is attained. The amount of the Postponed Retirement Pension is increased from the Normal Pension which would be payable at age 65, taking into account the fact that the pension benefits will be paid for a shorter period of time.

Unless specifically waived by the Spouse, all monthly pensions are payable for the lifetimes of the Pensioner and Spouse. The Pensioner receives a lower monthly pension in exchange for the guarantee that 60% of the lower pension will be continued to the Spouse, after the Pensioner's death, for the remainder of the Spouse's lifetime.

Further information on pension and other benefits is provided in this booklet and in the Rules and Regulations.

PENSION STATEMENT

Annually, the Pension Fund Office will send you (provided you are a Plan Member) a Pension Statement summarizing critical information about your pension status as contained in its records. At the time you apply for your pension, there will be a final verification of the information. To minimize the chance of changes being made to your pension at that time, it is important that you review the information on the Pension Statement every year and promptly advise the Pension Fund Office of any errors or omissions.

IMPORTANT NOTE

This very brief summary, the questions and answers, and illustrations that follow are intended to provide only an overview of the main features of the Pension Plan. All your rights under the Pension Plan are governed by the actual wording of the Rules and Regulations and by Applicable Pension Laws.

QUESTIONS AND ANSWERS

RETIREMENT (NORMAL, EARLY AND POSTPONED)

When can I retire on pension?

At age 65, you can retire on a Normal Pension.

If you are vested, you can retire on a reduced pension as early as age 55.

You can also retire after age 65 with an increased pension, but no later than December 1 of the calendar year in which you attain age 69.

AMOUNT OF PENSION

How much is the pension benefit?

The Normal Pension formula is:

- (a) \$5.60 multiplied by the number of months of Past Months Credit (not to exceed 120 months) received by the Plan Member; plus
- (b) \$4.50 for each 100 Future Hours Credit received by the Plan Member from April 1, 1973 to December 31, 2000; plus
- (c) \$6.00 for each 100 Future Hours Credit received by the Plan Member on and after January 1, 2001.

What is the reduction for the Early Retirement Pension?

The Normal Pension is calculated in the usual way, then reduced by 6% for each year (or 1/12 of 6% per month) before age 65.

What is the amount of the Early Retirement 10-Year Service Supplement?

The Early Retirement 10-Year Service Supplement is payable if you retire early with ten or more years of Total Years Credit and receive a monthly pension from the Pension Plan. It is calculated as a percentage of the Normal Pension as follows:

- (a) 5% for each year (or 1/12 of 5% per month) your Early Retirement Date is before age 65 for the portion of Normal Pension in respect of Past Months Credit and Future Hours Credit earned prior to January 1, 1997; and
- (b) For the portion of the Normal Pension earned after January 1, 1997, either:
 - (i) if your age plus Total Years Credit is less than 85, 6% for each year (or 1/12 of 6% per month) your Early Retirement Date is before age 65 to a maximum of 30%, or
 - (ii) if your age plus Total Years Credit is greater than or equal to 85, 6% for each year (or 1/12 of 6% per month) your Early Retirement Date is before age 65 to a maximum of 60%.

How much is my total pension if I retire early?

Your pension depends on your age at early retirement, and whether you qualify for an Early Retirement 10-Year Service Supplement. The table shown below demonstrates the total pension (i.e. the combination of the Early Retirement Pension and the Early Retirement 10-Year Service Supplement) payable at early retirement as a percentage of the Normal Pension:

| Total Pension Payable at Early Retirement Date | | | | |
|--|---------------------|---|---|--|
| Not Eligible for the Early Retirement 10-Year Service Supplement | | Eligible for the Early Retirement 10-Year Service Supplement | | |
| Age at Early Retirement Date | % of Normal Pension | % of Normal Pension in respect of Past Months Credit and Future Hours Credit earned prior to Jan. 1, 1997 | % of Normal Pension in respect of Future Hours Credit earned on and after January 1, 1997 | |
| | | | Age + Total Years Credit Less than 85 | Age + Total Years Credit Greater than or Equal to 85 |
| 65 | 100% | 100% | 100% | 100% |
| 64 | 94 | 99 | 100 | 100 |
| 63 | 88 | 98 | 100 | 100 |
| 62 | 82 | 97 | 100 | 100 |
| 61 | 76 | 96 | 100 | 100 |
| 60 | 70 | 95 | 100 | 100 |
| 59 | 64 | 94 | 94 | 100 |
| 58 | 58 | 93 | 88 | 100 |
| 57 | 52 | 92 | 82 | 100 |
| 56 | 46 | 91 | 76 | 100 |
| 55 | 40 | 90 | 70 | 100 |

What is the increase for postponed retirement?

The Normal Pension is calculated in the usual way, then increased by 6% for each year (or 1/12 of 6% per month) after age 65. You must retire by December 1 of the calendar year in which you attain age 69.

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| <p style="text-align: center;">FORMS OF PENSION (DEATH AFTER RETIREMENT)</p> |
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How long does my pension continue?

- (a) If you do not have a Spouse, or if your Spouse completes a spousal waiver, the “normal form” of pension is payable for your lifetime. If you die before receiving 60 monthly pension payments, the remaining payments will be paid to your Beneficiary; or
- (b) If you have a Spouse, the “normal form” of pension is payable for your lifetime, and following your death, your surviving Spouse of record at retirement will receive a continuing lifetime pension of 60% of the pension you received. This normal form of a 60% surviving Spouse pension is paid for by a reduction in the Normal Pension.

Can I receive my pension in a different form?

Yes. There are a number of optional forms of pension which you can elect (see next section).

OPTIONAL FORMS OF PENSION

Can my pension be guaranteed beyond my death?

Yes. Your pension can be guaranteed for 10 years or 15 years if you select one of these options prior to retirement. The longer guarantee period is paid for in the form of a reduced Normal Pension.

What is the level income option?

If you retire before age 65, this option allows you to receive a higher pension from retirement up to age 65 and a lesser amount thereafter. It can represent up to the amount of Canada Pension Plan and Old Age Security benefit, so is a way of leveling out your retirement income prior to and after age 65. This option can be combined with other optional forms. The level income option, too, is paid for by a reduction in your Normal Pension.

Can I change my options?

Once you have elected your pension option and your pension has commenced, you cannot change that form of pension.

VESTING

What does it mean when I am vested?

When you are vested, it means you have satisfied the requirements to receive benefits from the Pension Plan. You will not lose your earned entitlements even if you are no longer working in Covered Employment.

What are the vesting requirements?

You are vested when you have:

- (a) accumulated 5 years of Total Years Credit, or
- (b) accumulated 2 consecutive calendar years of Pension Plan membership with not less than 350 Future Hours Credit in each year; or
- (c) attained the normal retirement age of 65.

TERMINATION OF EMPLOYMENT BEFORE RETIREMENT

What happens to my pension if I incur a Break in Service before I retire?

If your pension is not vested, no benefits are payable from the Pension Plan.

If your pension is vested, you have a choice. You can take a portability transfer of the Commuted Value of your pension (excluding the Early Retirement 10-Year Service Supplement), or you can receive a pension later (a “deferred pension”). Before you elect to transfer, you should carefully consider the value of the Early Retirement 10-Year Service Supplement you would be giving up.

After termination, can I transfer my benefit out of the Pension Plan at any time?

No. If you do not elect to transfer your benefit out of the Pension Plan within 90 days of notification of your benefit entitlement, it will be deemed that you wish to receive a deferred pension and you will forfeit the right to transfer your benefit any time thereafter.

BREAK IN SERVICE

When does a Break in Service occur?

If you have been working and earning Total Years Credits for at least four consecutive years, a Break in Service occurs if you have worked less than 400 hours in the current year and three immediately preceding years combined. A Break in Service is determined at the end of every calendar year.

If you worked less than 350 hours in total in a calendar year and the immediate prior calendar year, you may elect to have the Break in Service rules apply. You will be notified on your annual Pension Statement if this option applies.

Basically, a Break in Service means that you have not been working a sufficient number of hours in Covered Employment and depending on when the break occurs, will determine whether or not you are vested in the Pension Plan.

DEATH BEFORE RETIREMENT

What benefits are payable if I die prior to actual retirement?

The Pension Plan pays a death benefit if you are vested when you die. The benefit is different depending on whether the Beneficiary is the Spouse or not because of the requirements of the Applicable Pension Laws. A Beneficiary who is your Spouse will receive a transfer of the Commuted Value of your pension entitlement out of the Pension Plan to a locked-in retirement account or other arrangements approved by Applicable Pension Laws.

Otherwise, the Pension Plan pays to your Beneficiary a cash payment of the Commuted Value of your pension entitlement, less any withholding taxes.

PORTABILITY TRANSFER

Is my pension portable?

If you incur a Break in Service before age 55, you may transfer the Commuted Value of your vested pension entitlements to a vehicle approved under Applicable Pension Laws. However, the Early Retirement 10-Year Service Supplement is not portable and therefore not included in the Commuted Value calculations.

If you incur a Break in Service after age 55, your pension is not portable. If you are vested, you are eligible to receive an Early Retirement Pension and, if you qualify, an Early Retirement 10-Year Service Supplement.

To what vehicle can I make a portability transfer?

You must make a transfer to the following arrangements which agree to accept funds and entitlements from this Pension Plan and to administer such transferred entitlements as they existed immediately prior to the funds' transfer date:

- (a) a registered pension plan;
- (b) a locked-in retirement account, or a locked-in retirement income fund, or a life income fund, as prescribed under Applicable Pension Laws; or
- (c) unless prohibited by Applicable Pension Laws, a registered retirement savings plan with respect to benefits which qualify for unlocking-in.

How is the Commuted Value of my pension calculated?

The lump sum amount called Commuted Value is calculated using actuarial formulae prescribed by Applicable Pension Laws. Please note this calculation does not include the Early Retirement 10-Year Service Supplement. Therefore, it may be better for you to take a deferred pension if you qualify for the Early Retirement 10-Year Service Supplement.

Can I be forced to take a Commuted Value?

Yes, if the Commuted Value of a your vested pension is less than 20% of the Canada Pension Plan year's maximum pensionable earnings (20% of \$40,500 = \$8,100 in 2004), you must take the Commuted Value.

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|-------------------------------------|
| <h2>FUTURE HOURS CREDIT</h2> |
|-------------------------------------|

How is Future Hours Credit earned?

Future Hours Credit is earned for each hour of work in Covered Employment (before December 1st of the year in which you attain the age of 69) for which Contributions are made to the Pension Fund unless you are already receiving a pension from the Pension Plan.

Future Hours Credit is also earned for each hour in respect of which Contributions are made to the Pension Fund by the Electrical Industry Insurance Benefit Trust Fund of Alberta. Please refer to the terms and provisions of the Electrical Industry Insurance Benefit Trust Fund of Alberta regarding the eligibility for Contributions.

OPERATION OF THE PENSION PLAN

How is the Pension Plan run?

A Board of Trustees, consisting of an equal number of Employee and Employer representatives administers the Pension Plan by keeping records of service and Contributions and by calculating pensions and benefits under the Pension Plan.

The Custodian holds the Pension Fund invested assets.

The Investment Managers make investment decisions within guidelines and objectives set by the Trustees.

The Actuary makes periodic estimates of Pension Plan funding requirements.

Who decides if there will be an increase to the pension benefits payable under the Pension Plan?

The Trustees. The Actuary is consulted to determine if benefits can be increased and to provide advice on the cost impact on the Pension Plan of any increases.

AMENDMENT OR TERMINATION OF THE PENSION PLAN

Can the Pension Plan be changed or terminated?

Yes, the Trustees may amend, modify, or terminate the Pension Plan. However, termination of the Pension Plan would occur only under extreme circumstances.

Do I have protection from future amendments?

Yes, the pension benefits accrued to the date of such future amendment cannot be reduced so long as there are sufficient funds to provide all benefits under the Pension Plan.

What happens if the Pension Plan is terminated?

Every Plan Member is immediately vested. Your accrued pension will be a first charge against the Pension Fund. If there is then a surplus in the Pension Fund, it will be used to increase benefits. If there is a deficit, the benefits of all Plan Members, Pensioners, and Beneficiaries will be proportionately reduced.

Can an Employer or the Union ever get a refund of pension fund surplus?

No. The assets of the Pension Fund are for the exclusive benefits of Plan Members, Pensioners, Beneficiaries, and for Pension Fund expenses.

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|---|
| <h2>MISCELLANEOUS QUESTIONS</h2> |
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Who is eligible for membership in the Pension Plan?

All Employees, excluding Travelers and Pensioners who are performing work for an Employer.

If I am eligible, do I have to join?

Yes, if you are a Local Union Member employed as a full-time or part-time Employee represented by the Local Union.

If you are a non-bargaining Employee of an Employer who is a party to the Collective Bargaining Agreement, you may elect to join the Pension Plan provided your Employer makes Contributions on your behalf.

How is the Pension Plan funded?

The Pension Plan is fully funded by Employer Contributions negotiated through collective bargaining plus investment earnings.

Can I make contributions to the Pension Plan?

No, you cannot make contributions to the Pension Plan. However, if you are a Local Union Member, check with the Local Union to see if you are allowed to make contributions to the Local Union administered Group RRSP.

What if I previously worked for an Employer and am now re-employed?

If you were not vested or you transferred your accrued benefit out of the Pension Plan after termination, you will, upon returning to Covered Employment at some future date, be treated as though you are a new Employee. You will receive no consideration for your previous Total Years Credit, Future Hours Credit or Past Months Credit related to the benefit you previously transferred out of the Pension Plan or were cancelled after a non-vested Break in Service.

If you were vested and you did not transfer your accrued benefit out of the Pension Plan and provided you are not receiving a pension, your hours worked in Covered Employment will increase your Future Hours Credit and your Total Years Credit.

Can I work while I am receiving a pension?

If you work after you commence receiving a pension, you can perform any kind of work while receiving a pension, but you will not be entitled to a higher pension amount as a result of a return to Covered Employment. Contributions will be made to the Pension Plan by the Employer for your hours worked but you will not earn additional pension in respect of those hours. These Contributions may be used for future benefit increases, but are not required to be used for such purpose.

Does employment after March 31, 1973 have to be continuous in order to be counted as Total Years Credit?

Yes, to a certain extent. You incur a Break in Service if you fail to work at least 400 hours in the current year and the three preceding calendar years. If you are not vested, a

Break in Service results in permanent cancellation of Total Years Credit and Future Hours Credit. However, once your Total Years Credit is vested, you will not have your Total Years Credit and Future Hours Credit cancelled if you later leave Covered Employment provided you do not transfer your entitlement out of the Pension Plan.

Are there any periods which will not be counted in determining if a Break in Service has occurred?

Yes. Grace periods for disability periods granted by the Trustees will not be counted in determining if you have had a Break in Service. Up to two years will be allowed for each separate and distinct disability. Contact the Pension Fund Office as soon as possible to make an application.

Will proof of age be required?

Yes. All applicants must furnish proof of age, in accordance with standards established by the Trustees.

Can I designate a separate Beneficiary for both the Electrical Industry Insurance Benefit Trust Fund of Alberta and this Pension Fund?

Yes. You may designate a separate Beneficiary for each fund. However, Spouses have certain rights that may take priority. Details as to how such designation can be made may be obtained by contacting the Pension Fund Office.

After I retire and commence my pension, can I change my Beneficiary (if, for example, my wife dies or we get divorced)?

If you elect the 60% continuation to Spouse pension option, then the only person who will receive the pension after you die is your Spouse at the time you retired. You cannot name another Beneficiary. The 60% continuation to Spouse pension is payable only to the individual who is your Spouse at the time of your retirement. If, after your retirement, that Spouse predeceases you, no "continuation to Spouse" pension will be payable after your death even if you become remarried.

However, if you elect a lifetime pension with a guarantee period you can, at any time, designate a new Beneficiary to receive a benefit in the event that you die prior to the expiration of the guarantee period.

How long must I live with a person to designate them as my Spouse?

If you are not married or have been separated for more than three years, you can designate your partner as your Spouse as long as you have been living together for at least three years or are both parents of the same child.

Will the pensions provided under this Pension Plan affect my Canada/Quebec Pension Plan benefits in any way?

No. The benefits provided under the Pension Plan are in addition to Canada/Quebec Pension Plan Benefits.

Can pension benefits be assigned or pledged?

No, this is prohibited by both the Pension Plan and the law. However, there may be a division of pension benefits, by court order, when legally married spouses separate or divorce. Benefits of this Pension Plan may be subject to such an order under the Alberta Matrimonial Property Act. In the event of a marital breakdown, you should consult your lawyer in regard to a possible division of your pension benefit. In some cases, pension benefits may be attached by the Federal and Provincial Governments.

I hear much about privacy issues. What personal information does the Pension Fund require of me and my Beneficiary, and why?

The Pension Fund requires your personal information to determine your benefits under the Pension Plan. The information will only be used for this purpose. Examples of such personal information (not an exhaustive list) are your name, your Social Insurance Number, your date of birth, your hours worked, your Beneficiary's name, and your Beneficiary's date of birth.

EXAMPLES

IMPORTANT NOTE

The examples shown below are for demonstration purposes only. The adjustments to calculate your pension entitlements will be determined by your situation which may differ from the facts used in the examples. Applicable Pension Laws prescribe how calculations are performed and these may differ at the time you apply for your pension entitlements.

NORMAL PENSION

John retires at age 65 with 120 months Past Months Credit (PMC), 21,050 Future Hours Credit (FHC) from April 1, 1973 to December 31, 2000, and 3,000 Future Hours Credit (FHC) on and after January 1, 2001. His monthly Normal Pension would be determined as follows:

| | | |
|----------------------------|----|---------------|
| 120 months of PMC × \$5.60 | \$ | 672.00 |
| 21,050 FHC ÷ 100 × \$4.50 | | 947.25 |
| 3,000 FHC ÷ 100 × \$6.00 | | <u>180.00</u> |
| Normal Pension | \$ | 1,799.25 |

NORMAL RETIREMENT PENSION MEMBER WITHOUT SPOUSE

If John in the above example does not have a Spouse, he will receive the \$1,799.25 Normal Pension for his lifetime with a guarantee of 60 monthly payments.

NORMAL RETIREMENT PENSION MEMBER WITH SPOUSE

Assume John in the above example has a Spouse, Jane, age 62 at his retirement. His monthly pension amount would be calculated as follows:

| | |
|---------------------------|-------------|
| Normal Pension | \$ 1,799.25 |
| Actuarial Adjustment | 88.91% |
| Normal Retirement Pension | \$ 1,599.71 |

John will receive a monthly pension of \$1,599.71 as long as he is alive. Following his death, Jane, if she is still alive, will receive \$959.83 (60% of \$1,599.71) per month for the remainder of her lifetime.

The 88.91% Actuarial Adjustment factor is found in the optional form tables provided by the Actuary and adopted by the Trustees.

If Jane signs the prescribed spousal waiver, John will receive \$1,799.25 per month for his lifetime with a guarantee of 60 payments. Jane will not receive the 60% Spouse's pension.

EARLY RETIREMENT PENSION

Assume Bill retires at age 64 with less than ten years of Total Years Credit and his Normal Pension at age 65 is \$800.00 per month. Since he is 64, he is 12 months short of 65. A reduction of 6% ($\frac{1}{2}\%$ times 12 months) is made in accordance with the provisions of the Pension Plan. The reduction is then 6% of \$800.00 which equals \$48.00 per month. Therefore, Bill's Early Retirement Pension would be \$752.00 per month.

If Bill has a Spouse, this pension is further reduced to provide a 60% Spouse's pension, unless waived by the Spouse.

**EARLY RETIREMENT PENSION &
AN EARLY RETIREMENT
10-YEAR SERVICE SUPPLEMENT
Example #1**

Assume George retires from the Pension Plan at age 61, and at that time he has earned a Normal Pension of \$985.00 per month in respect of the period before January 1, 1997, and \$510.00 per month in respect of the period after December 31, 1996 for a total of \$1,495.00 per month. He also has at least 10 years of Total Years Credit.

His monthly Early Retirement Pension is calculated in accordance with the 6% per year reduction formula:

| | |
|--------------------------|-------------|
| Normal Pension | \$ 1,495.00 |
| Reduction (6% x 4 years) | 24% |
| Early Retirement Pension | \$ 1,136.20 |

His monthly Early Retirement 10-Year Service Supplement would be calculated as follows:

(a) *For the period before January 1, 1997:*

There are 48 months before age 65.

Percentage = 20%

Amount = \$985.00 multiplied by 20%
= \$197.00

(b) *For the period after December 31, 1996:*

Percentage = 24%

Amount = \$510.00 multiplied by 24%
= \$122.40

Therefore his Early Retirement 10-Year Service Supplement is \$319.40 (\$197.00 + \$122.40) per month. The percentage factors used in the calculations are found in Article 3.5.

George's total monthly benefit from the Pension Plan is:

| | |
|--|---------------|
| Early Retirement Pension | \$ 1,136.20 |
| Early Retirement 10-Year Service Supplement | <u>319.40</u> |
| Total Pension | \$ 1,455.60 |

If George has a Spouse, this total pension is further reduced to provide a 60% Spouse's pension, unless waived by the Spouse.

| |
|--|
| <p style="text-align: center;">EARLY RETIREMENT PENSION & AN EARLY RETIREMENT 10-YEAR SERVICE SUPPLEMENT Example #2</p> |
|--|

Alternatively, suppose that George is age 57 when he retires and the sum of his Total Years Credit and age is less than 85.

His monthly Early Retirement Pension calculated in accordance with the provisions of the Pension Plan is:

| | |
|--------------------------|-------------|
| Normal Pension | \$ 1,495.00 |
| Reduction (6% × 8 years) | 48% |
| Early Retirement Pension | \$ 777.40 |

His monthly Early Retirement 10-Year Service Supplement would be calculated as follows:

(a) *For the period before January 1, 1997:*

| | |
|----------------------|------------------------------|
| Percentage Factor | = 40% at age 57 |
| Amount | = \$985.00 multiplied by 40% |
| | = \$394.00 |

(b) *For the period after December 31, 1996:*

Percentage

Factor = 30% at age 57

Amount = \$510.00 multiplied by 30%

= \$153.00

Therefore his Early Retirement 10-Year Service Supplement is \$547.00 (\$394.00 + \$153.00) per month. The percentage factors used in the calculations are found in Article 3.5.

George's total monthly benefit from the Pension Plan is:

| | |
|---|---------------|
| Early Retirement Pension | \$ 777.40 |
| Early Retirement 10-Year Service Supplement | <u>547.00</u> |
| Total Pension | \$ 1,324.40 |

If George has a Spouse, this pension is further reduced to provide a 60% Spouse's pension, unless waived by the Spouse.

**EARLY RETIREMENT PENSION &
AN EARLY RETIREMENT
10-YEAR SERVICE SUPPLEMENT
Example #3**

Alternatively, suppose that George is age 57 when he retires and the sum of his Total Years Credit and age is at least equal to 85. His Early Retirement Pension is \$777.40 per month, the same as in the prior Example #2.

His monthly Early Retirement 10-Year Service Supplement would be calculated as follows:

(a) *For the period before January 1, 1997:*

Percentage

Factor = 40% at age 57

Amount = \$985.00 multiplied by 40%

= \$394.00

(b) *For the period after December 31, 1996:*

Percentage

Factor = 48% at age 57

Amount = \$510.00 multiplied by 48%

= \$244.80

Therefore his Early Retirement 10-Year Service Supplement is \$638.80 (\$394.00 + \$244.80) per month. The percentage factors used in the calculations are found in Article 3.5 of the Pension Plan.

George's total monthly benefit from the Pension Plan is:

| | |
|--|---------------|
| Early Retirement Pension | \$ 777.40 |
| Early Retirement 10-Year Service Supplement | <u>638.80</u> |
| Total Pension | \$ 1,416.20 |

If George has a Spouse, this pension is further reduced to provide a 60% Spouse's pension, unless waived by the Spouse.

| |
|-------------------------------------|
| POSTPONED RETIREMENT PENSION |
|-------------------------------------|

Assume Jack retires at age 69 with a Normal Pension of \$1,799.25 per month. Since Jack retires 4 years after age 65, an increase factor of 6% applies for each year in accordance with the provisions of the Pension Plan. Therefore his increase percentage is 24%.

His monthly Postponed Retirement Pension is calculated as follows:

| | |
|------------------------------|-------------|
| Normal Pension | \$ 1,799.25 |
| Increase | 24% |
| Postponed Retirement Pension | \$ 2,231.07 |

If Jack has a Spouse, this pension is reduced to provide a 60% Spouse's pension, unless waived by the Spouse.

| |
|----------------------------------|
| TEN YEAR GUARANTEE OPTION |
|----------------------------------|

Assume Joe's Normal Pension at age 65 is \$1,799.25 per month. He has asked to convert to the Ten Year Guarantee Option. His monthly pension is determined as follows:

| | |
|--------------------|-------------|
| Normal Pension | \$ 1,799.25 |
| Adjustment | 95.74% |
| Retirement Pension | \$ 1,722.60 |

The Adjustment factor is taken from the optional form tables provided by the Actuary and adopted by the Trustees.

If Joe has a Spouse, this pension may be further reduced to provide a 60% Spouse's pension, unless waived by the Spouse.

**LEVEL INCOME OPTION
MEMBER WITHOUT SPOUSE**

Jim retires early at age 61 with a total pension (Early Retirement Pension plus an Early Retirement 10-Year Service Supplement) of \$1,455.60 per month. He has asked to convert to the Level Income Option.

After adjustments, his monthly pension will be payable as follows:

\$2,300.27 from age 61 to 65, and
\$1,020.27 after age 65.

If Jim dies within 60 months of his retirement date, his Beneficiary will receive \$2,300.27 per month to the date that Jim would have attained age 65 and \$1,020.27 per month thereafter until 60 payments have been made to Jim and his Beneficiary combined.

The adjustments to make the above calculation are found in the optional form tables provided by the Actuary and adopted by the Trustees.

**LEVEL INCOME OPTION
MEMBER WITH SPOUSE**

If Jim in the prior example has a Spouse Mary, who is 3 years younger, his total pension (Early Retirement Pension plus Early Retirement 10-Year Service Supplement) is revised to provide a 60% surviving Spouse's pension. His revised pension is \$1,316.59 per month.

If Jim elects to convert to a Level Income Option in combination with the 60% surviving Spouse's pension protection, his monthly retirement pension is:

\$2,205.68 from age 61 to 65, and
\$ 925.68 after age 65.

If Jim dies before age 65, Mary, if she is alive, will receive a monthly pension of:

\$1,323.41 (60% of \$2,205.68) until the month
Jim would have attained age 65, and
\$ 555.41 (60% of \$ 925.68) thereafter.

If Jim dies after age 65, Mary will receive a monthly pension of \$555.41 (60% of \$925.68) for her lifetime.

The adjustments to make the above calculation are found in the optional form tables provided by the Actuary and adopted by the Trustees.

TOTAL YEARS CREDIT WORKSHEET

The worksheet shown below is used to calculate the years of Total Years Credit for the purpose of determining your Early Retirement 10-Year Service Supplement.

- A. Years of Total Years Credit at
December 31, 1996 _____

- B. Future Hours Credit on and after
January 1, 1997 _____

- C. *B.* divided by 1,000 _____

- D. Period from later of date of Pension Plan
entry or January 1, 1997 to the date of
termination or retirement _____

- E. Calendar years after January 1, 1997
with less than 100 hours _____

- F. Total Years Credit after January 1, 1997
equals the lesser of *C.* or (*D.* minus *E.*) _____

- G. Total Years Credit at Retirement
equals *A.* + *F.* _____

| |
|--|
| <p>TOTAL YEARS CREDIT WORKSHEET</p> <p>Example</p> |
|--|

The data for the example below is for a fictional Plan Member who retires on April 1, 2011, who had 15,700 hours credited after January 1, 1997 and had 18 years of Total Years Credit at December 31, 1996.

| | |
|--|------------------------|
| A. Years of Total Years Credit at December 31, 1996 | <u>18.00 years</u> |
| B. Future Hours Credit on and after January 1, 1997 | <u>15,700.00 hours</u> |
| C. B. divided by 1,000 | <u>15.70 years</u> |
| D. Period from later of date of Pension Plan entry or January 1, 1997 to the date of termination or retirement | <u>14.25 years</u> |
| E. Calendar years after January 1, 1997 with less than 100 hours | <u>1.00</u> |
| F. Total Years Credit after January 1, 1997 equals the lesser of C. or (D. minus E.) | <u>13.25 years</u> |
| G. Total Years Credit at Retirement equals A. + F. | <u>31.25 years</u> |

TOTAL YEARS CREDIT
Example #1

Tom earned 100 hours per calendar year for the years January 1, 1975 through December 31, 1996 (= 22.0 years) and had no Past Years Credit, therefore his Total Years Credit is as follows:

| | |
|---------------------|--------------------|
| Past Years Credit | 0.00 years |
| Future Years Credit | <u>22.00 years</u> |
| Total Years Credit | 22.00 years |

TOTAL YEARS CREDIT
Example #2

Harry earned 36 months of Past Months Credit (= 3.0 years) and 100 hours per calendar year for the years January 1, 1974 through December 31, 1996 (= 23.0 years), therefore his Total Years Credit is as follows:

| | |
|---------------------|--------------------|
| Past Years Credit | 3.00 years |
| Future Years Credit | <u>23.00 years</u> |
| Total Years Credit | 26.00 years |

| |
|--|
| <p style="text-align: center;">TOTAL YEARS CREDIT Example #3</p> |
|--|

If Harry earned 36 months of Past Months Credit (= 3.0 years), 100 hours per calendar year for the years January 1, 1974 through December 31, 1996 (= 23.0 years), and 1,000 hours per calendar year from January 1, 1997 through December 31, 1999 (= 3.0 years), his Total Years Credit is as follows:

| | |
|---|-------------------|
| Past Years Credit | 3.00 years |
| Future Years Credit to December 31, 1996 | 23.00 years |
| Future Years Credit after January 1, 1997 | <u>3.00 years</u> |
| Total Years Credit | 29.00 years |

Since Harry earned exactly 1,000 hours per year after January 1, 1997 in this example, he will earn 1.0 year of Future Years Credit as of December 31st each year.

TOTAL YEARS CREDIT
Example #4

William earned 36 months of Past Months Credit (= 3.0 years), 100 hours per calendar year from January 1, 1974 through December 31, 1996 (= 23.0 years), 2000 hours for 1997, and 100 hours per calendar year from January 1, 1998 through December 31, 1999 (= 3.0 years), therefore his Total Years Credit is as follows:

| | |
|---|--------------------|
| Past Years Credit | 3.00 years |
| Future Years Credit to December 31, 1996 | 23.00 years |
| Future Years Credit after January 1, 1997 | <u>2.20 years</u> |
| Total Years Credit | 28.20 years |

William's Future Years Credit earned after January 1, 1997 is calculated as follows:

| Years | Hours Reported | Total Hours | Actual # of Years Worked with Minimum of 100 Hours per Year | Lesser of Hours ÷ 1,000 or Actual Years Worked |
|-------|----------------|----------------------------------|---|--|
| 1997 | 2,000 | | | |
| 1998 | 100 | | | |
| 1999 | 100 | | | |
| | | $= \frac{2,200}{1,000}$ $= 2.20$ | $= 3.00$ | $= 2.20$ years |

TOTAL YEARS CREDIT
Example #5

If William in Example #4 worked only 50 hours in 1998 with no change for the other years, his Total Years Credit would be calculated as follows:

| | |
|---|--------------------|
| Past Years Credit | 3.00 years |
| Future Years Credit to December 31, 1996 | 23.00 years |
| Future Years Credit after January 1, 1997 | <u>2.00 years</u> |
| Total Years Credit | 28.00 years |

| Years | Hours Reported | Total Hours | Actual # of Years Worked with Minimum of 100 Hours per Year | Lesser of Hours ÷ 1,000 or Actual Years Worked |
|-------|----------------|----------------------------------|---|--|
| 1997 | 2,000 | | | |
| 1998 | 50 | | | |
| 1999 | 100 | | | |
| | | $= \frac{2,150}{1,000}$ $= 2.15$ | $= 2.00$ | $= 2.00$ years |

Although William worked 3.00 years in this example, the year 1998 cannot be included in calculating Future Years Credit after January 1, 1997 because his Future Hours Credit for 1998 is less than 100.

BREAK IN SERVICE
Example #1

| Year | Future Hours Credit | Total Years Credit at End of Year |
|------|---------------------|---|
| 2000 | 100 | 0.10 year |
| 2001 | 100 | 0.20 year |
| 2002 | 100 | 0.30 year |
| 2003 | 100 | 0.40 year |
| 2004 | 0 | 0.40 year – Break in Service at December 31, 2004 |

Under the Rules and Regulations, Peter, age 40, incurred a Break in Service on December 31, 2004 because he worked less than 400 hours in 2004 and three prior calendar years. However, he can elect to have his service considered broken at the end of 2001 or 2002 or 2003 or 2004 as he satisfied the other rule which calls for less than 350 hours in the current and immediate prior year. He should not make this election unless he is vested and wishes to transfer the Commuted Value of his pension benefits.

At the end of 2004, has vesting been met? That is, has Peter attained age 65, accumulated 5 years of Total Years Credit, or accumulated 350 hours per year for 2 consecutive years prior to incurring the Break in Service? No. Therefore, Peter's accumulated Total Years Credit are cancelled, and Peter is not vested or entitled to a pension.

BREAK IN SERVICE
Example #2

| Year | Future Hours Credit | Total Years Credit at End of Year |
|------|---------------------|---|
| 2000 | 100 | 0.10 year |
| 2001 | 200 | 0.30 year |
| 2002 | 150 | 0.45 year |
| 2003 | 100 | 0.55 year |
| 2004 | 0 | 0.55 year |
| 2005 | 0 | 0.55 year – Break in Service at December 31, 2005 |

In this example, you must look at the years 2004 and 2005 to determine if Paul (assumed to be under age 65) broke the 400 hours Break in Service rules.

Did Paul work less than 400 hours in 2004 and the three immediate calendar years? No. Therefore he did not incur a Break in Service in 2004. Did Paul work less than 400 hours in 2005 and the three immediate calendar years combined? Yes. Therefore, he incurred a Break in Service on December 31, 2005 under the first rule.

Under the second rule, did Paul work less than 350 hours combined in 2000 and 2001? Yes. How about 2001 and 2002? No. How about 2002 and 2003? Yes. How about 2003 and 2004? Yes. For the year-ends where the answer is “Yes”, Paul may elect to have service considered “broken”. He should not make this election unless he is vested and wishes to transfer the Commuted Value of his pension benefits. Even if he is vested, it usually is more advantageous to delay breaking service as he can save his credits to qualify for the Early Retirement 10-Year Service Supplement provisions.

However, Paul did not satisfy any of the vesting rules as of December 31, 2005. Therefore, his accumulated Total Years Credit and benefits are cancelled.

BREAK IN SERVICE
Example #3

| Year | Future Hours Credit | Total Years Credit at End of Year |
|------|---------------------|---|
| 2000 | 1000 | 1.00 year |
| 2001 | 200 | 1.20 year |
| 2002 | 180 | 1.38 year |
| 2003 | 0 | 1.38 year |
| 2004 | 0 | 1.38 year – Break in Service at December 31, 2004 |

In this example, Susan (under age 65) must work less than 400 hours in the current year and immediate three preceding calendar years in order to incur a Break in Service. Therefore, she incurred a Break in Service on December 31, 2004 under the normal rule. However, she could elect to have her service considered “broken” on December 31, 2003 as she has less than 350 hours in total for 2002 and 2003. In either case, all benefits and Total Years Credit are cancelled as Susan did not satisfy any of the vesting rules.

BREAK IN SERVICE
Example #4

| Year | Future Hours Credit | Total Years Credit at End of Year |
|------|---------------------|---|
| 2000 | 1000 | 1.00 year |
| 2001 | 1000 | 2.00 year |
| 2002 | 200 | 2.20 year |
| 2003 | 100 | 2.30 year |
| 2004 | 0 | 2.30 year |
| 2005 | 0 | 2.30 year – Break in Service at December 31, 2005 |

In this example, Susan (under age 65) incurred a Break in Service on December 31, 2005 as she worked less than 400 hours in the current year and immediate three preceding calendar years combined. However, she could elect to have her service considered “broken” on December 31, 2003 as she has less than 350 hours in total for 2002 and 2003. In either case, Susan is vested as she had accumulated more than 350 hours for two consecutive calendar years.

**VESTING
Example #1**

As an illustration of the effective date of the new vesting rule which became effective January 1, 2000, consider the employment history of Carl and Dave as shown below. Both Plan Members are under age 65.

| | Carl | Dave |
|------|---------------------|---------------------|
| Year | Future Hours Credit | Future Hours Credit |
| 1993 | 1240 | 1920 |
| 1994 | 960 | 1880 |
| 1995 | 320 | 1860 |
| 1996 | 160 | 320 |
| 1997 | 96 | 80 |
| 1998 | 84 | 80 |
| 1999 | 40 | 0 |

| Total of Future Hours Credit as of January 1, 2000 | | |
|--|---|-------|
| 2000 | 0 | 6,140 |

On January 1, 2000, neither Carl nor Dave has five years of Total Years Credit to be vested under the old rules. Since Carl incurred a Break in Service on December 31, 1999, he cannot be vested under the new rule which became effective January 1, 2000, and he loses his accumulated Future Hours Credit.

Dave does **not** incur a Break in Service on December 31, 1999, and since he satisfies the new vesting rule which became effective on January 1, 2000, his Future Hours Credit is vested on that date.

FILING REQUIREMENTS

There are certain filing requirements which you must observe in order to protect your rights under the Pension Plan.

The requirements are as follows:

1. **Grace Period.** In order to apply for a grace period for disability, you must write to the Pension Fund Office within one year from the beginning of the period for which the grace period is desired. A renewal application for these grace periods must be filed annually thereafter.
2. **Application for a Pension.** An application for a pension should be filed at least one month in advance of the date on which retirement is expected to take place.
3. **Optional Forms of Pension.** In order to receive either the Ten-Year Guarantee Option, the Fifteen-Year Guarantee Option, or the Level Income Option, you must file an application with the Pension Fund Office prior to the date the first pension payment is made.
4. **Member Transfer of Commuted Value.** In the event of termination prior to age 55 after satisfying vesting, you can elect to transfer the Commuted Value of your retirement pension. However, if such a transfer is desired, the election must be made within 90 days of receipt of the election statement. A Commuted Value is a lump sum equivalent value of your future pension payments calculated at a certain date (usually termination or death), using prescribed assumptions for future interest and survival rates. The Commuted Value does not include the Early Retirement 10-Year Service Supplement.

5. **Spouse's Transfer of Commuted Value.** In the event of your death prior to your retirement, your Spouse will receive a transfer of the Commuted Value of your accrued pension to a locked-in retirement account or other approved plan. The transfer can only be made following receipt by the Pension Fund Office of the completed prescribed forms.
6. **Marriage Breakdown Transfer of Commuted Value.** In the event of a marriage breakdown prior to retirement, your ex-Spouse will receive a transfer of the Commuted Value of the assigned portion of your accrued pension to a locked-in retirement account or other approved plan. If you are age 55 or over, your ex-Spouse may elect to defer receiving a Commuted Value transfer until you start receiving your pension.
7. **Waiver of Spouse's Benefit.** The waiver of the spousal form of pension for a Plan Member with a Spouse must be filed with the Pension Fund Office within the ninety (90) days before the pension commences.

DISCLAIMER

The summary and questions and answers are only brief explanations of the most important provisions of the Pension Plan. Nothing in these explanations is intended to change in any way the Rules and Regulations of the Pension Plan. Your rights, if you are an Employee covered by this Pension Plan, are governed by the Rules and Regulations and Applicable Pension Laws. For your convenience, a complete copy of the Rules and Regulations, as of April 1, 2004 (with amendments made up to April 1, 2007), appears in the second half of this booklet.

Any inquiry regarding the terms, administration, or amendments to the Rules and Regulations may be directed to the Pension Fund Office. The authority to interpret the Rules and Regulations of the Pension Plan, furnishing information, accepting applications, and other similar matters rest solely with the Board of Trustees.

Further information, or application forms, can be obtained from the Pension Fund Office:

ELECTRICAL INDUSTRY PENSION TRUST FUND OF ALBERTA

Website: <http://www.ebfa.ca>

#200 - 4224 - 93 Street
Edmonton, Alberta T6E 5P5

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Toll Free: 1-(800)-268-3649
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**RULES AND REGULATIONS
OF THE PENSION PLAN FOR THE
ELECTRICAL INDUSTRY PENSION
TRUST FUND OF ALBERTA**

(as amended and restated effective April 1, 2004)

(incorporating Registered Amendment P2 and Registered
Amendment RP-Consolidated Plan Text, and Registered
Amendments A9 and A10)

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ARTICLE 1 – DEFINITIONS

- 1.1 “**Actuary**” means a person who is a Fellow of the Canadian Institute of Actuaries engaged by the Trustees on behalf of the Pension Fund.
- 1.2 “**Administrator**”, for purposes of Applicable Pension Laws, means the Trustees.
- 1.3 “**Applicable Pension Laws**” means:
- (a) the requirements for registered plans pursuant to the Income Tax Act (Canada);
 - (b) the Alberta Employment Pension Plans Act, R.S.A. 2000 c. E-8 and the regulations thereunder, as amended or replaced from time to time; and
 - (c) all statutes of Canada or Alberta together with regulations thereunder which apply to the Pension Plan.
- 1.4 “**Beneficiary**” means, in relation to a Plan Member or Pensioner, the Spouse, or if there is no Spouse, or in the event the Spouse predeceases the Plan Member or Pensioner, the person(s) last designated by the Plan Member or Pensioner to receive any benefit under the Pension Plan in the event of the death of the Plan Member or Pensioner. In the absence of an effective designation or in the event that such Beneficiary shall predecease the Plan Member or Pensioner, Beneficiary means the deceased Plan Member’s or Pensioner’s estate. Any Beneficiary designation shall comply with the requirements of the Applicable Pension Laws.
- 1.5 “**Break in Service**” with respect to a Plan Member means a break in Covered Employment in accordance with the provisions of Article 4.7.

- 1.6 “**Collective Bargaining Agreement**” means an applicable agreement as amended from time to time establishing conditions of employment entered into by or binding on the Local Union and one or more Employers, which requires Contributions by an Employer.
- 1.7 “**Commuted Value**” means the benefit that a person is entitled to receive under the Pension Plan, calculated in accordance with Article 3.8.
- 1.8 “**Contributions**” means the monies paid or payable to the Pension Fund:
- (a) by an Employer on behalf of an Employee; or
 - (b) by the Electrical Industry Insurance Benefit Trust Fund of Alberta on behalf of a disabled Former Employee.
- Such Contributions shall be made within the earlier of the prescribed period specified in Applicable Pension Laws, the timelines specified in the Collective Bargaining Agreement, the Trust Agreement, and the Trustees’ policy for Employees who are not covered by the Collective Bargaining Agreement.
- 1.9 “**Covered Employment**” means employment covered by a Collective Bargaining Agreement for which Contributions are received by the Pension Fund, or other employment for which Contributions are received by the Pension Fund pursuant to regulations adopted by the Trustees.
- 1.10 “**Early Retirement Date**” means the first day of the month on which the Plan Member retires prior to his Normal Retirement Date in accordance with Article 3.3.

- 1.11 “**Early Retirement Pension**” means the amount of lifetime pension determined in accordance with Article 3.4.
- 1.12 “**Early Retirement 10-Year Service Supplement**” means the amount of lifetime benefit determined in accordance with Article 3.5.
- 1.13 “**Employee**” means any person who performs work for an Employer and for whom his Employer is obligated or permitted to make Contributions.
- 1.14 “**Employer**” means any employer who is required by a Collective Bargaining Agreement to make Contributions or any employer who makes Contributions with the approval of the Trustees.
- 1.15 “**Former Employee**” means a person who was an Employee and has not yet incurred a Termination of Membership.
- 1.16 “**Former Plan Member**” means a person who incurred a Termination of Membership.
- 1.17 “**Future Hours Credit**” with respect to a Plan Member means the hours credited on and after April 1, 1973 in accordance with Article 4.4.
- 1.18 “**Future Years Credit**” with respect to a Plan Member means the years credited on and after April 1, 1973 in accordance with Article 4.5.
- 1.19 “**Local Union**” means the signatory local unions and any other local unions of the International Brotherhood of Electrical Workers who become bound to the terms of the Trust Agreement in a manner satisfactory to the Trustees.
- 1.20 “**Local Union Member**” means a person who is a member in good standing of a Local Union.

- 1.21 “**Local Union Membership**” means membership in good standing in a Local Union.
- 1.22 “**Maximum Postponed Retirement Date**” means, in relation to a Plan Member, the first day of December in the year in which the Plan Member attains age 69.
- 1.23 “**Minimum Pension**” shall mean a monthly pension payable at Normal Retirement Date equal to 1/12 of 4% of the YMPE for the calendar year at the date of determination.
- 1.24 “**Normal Pension**” means the amount of lifetime pension determined in accordance with Article 3.1.
- 1.25 “**Normal Retirement Date**” means the first day of the month on which the Plan Member attains age 65 if his birthdate is on the first of a month, otherwise, means the first day of the month next following the day on which the Plan Member attains age 65.
- 1.26 “**Past Months Credit**” means months of Local Union Membership or employment prior to April 1, 1973 to the extent credited in accordance with Article 4.2.
- 1.27 “**Past Years Credit**” means the Past Months Credit divided by twelve (12).
- 1.28 “**Pension Fund**” means the Electrical Industry Pension Trust Fund of Alberta established under the Trust Agreement.
- 1.29 “**Pension Fund Office**” means the office of the Pension Fund, presently located at #200, 4224 – 93 Street, Edmonton, Alberta, T6E 5P5.
- 1.30 “**Pension Plan**” means the pension plan for the Electrical Industry Pension Trust Fund of Alberta and any modification, extension or renewal thereof.

1.31 “**Pensioner**” means a person who is receiving monthly pension benefits under the Pension Plan or a person who is past his Maximum Postponed Retirement Date.

1.32 “**Plan Fiscal Year**” means for the first year, the period from April 1, 1973 to December 31, 1973, and for any subsequent year, the period from January 1st to December 31st of the same calendar year.

1.33 “**Plan Member**” means a Former Employee or an Employee except one who is a Pensioner or one who is a Traveler.

1.34 “**Postponed Retirement Date**” means the first of the month on which the Plan Member retires after his Normal Retirement Date but not past his Maximum Postponed Retirement Date.

1.35 “**Provincial Property Law**” means the law of the province of Alberta relating to the division, pursuant to an Alberta court order under the Alberta Matrimonial Property Act or a matrimonial property agreement under the Alberta Matrimonial Property Act, or a similar order of a court outside Alberta enforceable in Alberta, of the matrimonial property of a Plan Member or Pensioner and his Spouse on marriage breakdown.

1.36 “**Qualified Plan**” means any one or more of:

- (a) a registered pension plan which agrees to accept funds and entitlements from the Pension Plan and to administer such transferred entitlements as they existed immediately prior to the funds’ transfer date under the requirements of Applicable Pension Laws;
- (b) a locked-in retirement account, as prescribed under Applicable Pension Laws; and

- (c) unless prohibited by Applicable Pension Laws, a registered retirement savings plan with respect to benefits which qualify for unlocking-in pursuant to Article 3.6 or 5.5(c).

1.37 “**Reciprocal Pension Fund**” means another Canadian registered pension plan or fund with which the Pension Fund has a reciprocal agreement and/or a reciprocity arrangement.

1.38 “**Retirement Date**” means the Early Retirement Date or the Normal Retirement Date or the Postponed Retirement Date on which the Plan Member retires from the Pension Plan.

1.39 “**Spouse**” means, in relation to a Plan Member or Pensioner:

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

Please note in the event more than one (1) person claims to be a Spouse, such claimants shall, forthwith and at their own expense, refer the matter to a court of competent jurisdiction for a decision, which decision shall be final and binding on all parties purporting to have an interest herein, subject to Applicable Pension Laws.

1.40 “**Termination of Membership**” occurs when a Plan Member has:

- (a) incurred a Break in Service prior to attaining Vested Status; or
- (b) incurred a Break in Service after attaining Vested Status and has received a Commuted Value transfer or payment pursuant to Articles 3.6 or 3.7; or
- (c) died and his Beneficiary has received a Commuted Value transfer or payment pursuant to Article 6.2; or
- (d) become a Pensioner.

1.41 “**Total Years Credit**” means the sum of Past Years Credit and Future Years Credit received by a Plan Member in accordance with Article 4, excluding credit cancelled by a Break in Service or by Commuted Value transfers or payments.

1.42 “**Traveler**” means an Employee who has authorized the transfer of Contributions on his behalf to his home local union’s pension fund pursuant to Article 2.2.

1.43 “**Trust Agreement**” means the trust agreement establishing the Electrical Industry Pension Trust Fund of Alberta and any modification, amendment, extension or renewal thereof.

1.44 “**Trustees**” means the board of trustees established by and acting in accordance with the Trust Agreement.

1.45 “**Vested Status**” means satisfaction of one of the conditions of Article 4.8.

1.46 “**YMPE**” shall mean the Year’s Maximum Pensionable Earnings determined under the Canada Pension Plan (RSC 1985, c. C-8).

Wherever the singular and/or masculine and/or neuter is used throughout these Rules and Regulations, the same shall be construed as meaning the plural and/or feminine or a body corporate where the context so requires.

The definitions of certain capitalized terms used in these Rules and Regulations are contained in this Article 1. The definition of a term is applicable unless the context clearly indicates another meaning. References to an Article or Articles means an Article or Articles in these Rules and Regulations.

ARTICLE 2 – PARTICIPATION IN BENEFITS

2.1 Employee - Eligibility

Except as provided under Articles 2.2 and 2.4, all Employees shall become Plan Members unless such inclusion is in violation of Applicable Pension Laws.

2.2 Participation in Another Pension Plan

An Employee who is a member of a Reciprocal Pension Fund may elect to have Contributions made on his behalf transferred to such other pension plan by signing a Contribution Transfer Authorization form. An Employee who makes such an election shall become a Traveler for periods of Covered Employment during which such Contributions are transferred. If the Traveler subsequently wishes to become a Plan Member, he may do so with approval of the Trustees, and must sign a Contribution Transfer Cancellation form.

2.3 Re-employment of a Former Plan Member (Other Than a Pensioner) by an Employer

A Former Plan Member who is not a Pensioner and who is later re-employed by an Employer in Covered Employment shall, for all purposes of the Pension Plan, be deemed a new Employee.

2.4 Return to Covered Employment by a Pensioner

A Pensioner who returns to Covered Employment after his Retirement Date shall be deemed to be employed on a special basis and shall continue to receive the monthly pension in payment prior to returning to Covered Employment. Such Pensioner shall not accrue Future Hours Credit for such period of Covered Employment; however, the Employer shall remain obligated to remit Contributions on his behalf.

**ARTICLE 3 –
ELIGIBILITY FOR BENEFITS
AND BENEFIT AMOUNTS**

3.1 Amount of the Normal Pension

The Normal Pension shall be a monthly amount equal to the sum of:

- (a) \$5.60 multiplied by the number of months of Past Months Credit (not to exceed 120 months) received by the Plan Member; plus
- (b) \$4.50 for each 100 Future Hours Credit (or portion thereof) received by the Plan Member in the period from April 1, 1973, to December 31, 2000; plus
- (c) \$6.00 for each 100 Future Hours Credit (or portion thereof) received by the Plan Member after December 31, 2000.

3.2 Normal Retirement and Postponed Retirement Pension

- (a) A Plan Member who retires on his Normal Retirement Date shall be entitled to receive a Normal Pension.
- (b) A Plan Member who retires after his Normal Retirement Date but no later than his Maximum Postponed Retirement Date shall be entitled to receive a Normal Pension increased by one-half of one percent ($1/2$ of 1%) for each month by which the pension commencement date surpasses his Normal Retirement Date.

3.3 Early Retirement Pension - Eligibility

A Plan Member shall be entitled to retire on an Early Retirement Pension if he has attained age 55 and Vested Status as of his Early Retirement Date.

3.4 Amount of the Early Retirement Pension

For a Plan Member who is eligible for an Early Retirement Pension pursuant to Article 3.3, the monthly amount of the Early Retirement Pension is the monthly amount of the Normal Pension reduced by one-half of one percent ($1/2$ of 1%) for each month by which his Early Retirement Date is prior to his Normal Retirement Date.

3.5 Early Retirement 10-Year Service Supplement

A Plan Member who elects to receive a monthly Early Retirement Pension from the Pension Fund and has accumulated at least 10 years of Total Years Credit shall then also be entitled to an ancillary monthly benefit called an Early Retirement 10-Year Service Supplement. The Early Retirement 10-Year Service Supplement is equal to the sum of the amounts calculated in Article 3.5(a) and 3.5(b):

- (a) The portion of the Normal Pension attributable to Past Months Credit and for Future Hours Credit received prior to January 1, 1997, multiplied by an amount equal to five-twelfths of one percent ($5/12$ of 1%) for each month by which his Early Retirement Date is prior to his Normal Retirement Date; and
- (b) The portion of the Normal Pension attributable to Future Hours Credit received after December 31, 1996, multiplied by either:
 - (i) if the Plan Member's age-plus-Total Years Credit ($a+TYC$) at his Early Retirement Date is less than 85, one-half of one percent ($1/2$ of 1%) for each month by which his Early Retirement Date is prior to his Normal Retirement Date to a maximum of sixty (60) months; or

- (ii) if the Plan Member's age-plus-Total Years Credit (a+TYC) at his Early Retirement Date is equal to or greater than 85, one-half of one percent (1/2 of 1%) for each month by which his Early Retirement Date is prior to his Normal Retirement Date.

For added clarity, the following table shown for integral ages shall apply:

| Early Retirement 10-Year Service Supplement (% of Normal Pension) | | | |
|---|--|---|--|
| Age at Early Retirement Date | For Past Months Credit and Future Hours Credit prior to Jan. 1, 1997 | For Future Hours Credit after Dec. 31, 1996 if a+TYC < 85 | For Future Hours Credit after Dec. 31, 1996 if a+TYC => 85 |
| 65 | 0% | 0% | 0% |
| 64 | 5% | 6% | 6% |
| 63 | 10% | 12% | 12% |
| 62 | 15% | 18% | 18% |
| 61 | 20% | 24% | 24% |
| 60 | 25% | 30% | 30% |
| 59 | 30% | 30% | 36% |
| 58 | 35% | 30% | 42% |
| 57 | 40% | 30% | 48% |
| 56 | 45% | 30% | 54% |
| 55 | 50% | 30% | 60% |

The percentage applicable to fractional years shall be prorated on a monthly basis in accordance with the percentages shown in Article 3.5(a) & (b) above.

The Early Retirement 10-Year Service Supplement is payable monthly from the Pension Fund together with the Early Retirement Pension.

3.6 Small Pensions, Non-Resident and Mandatory Commuted Value Rules

- (a) A Plan Member or surviving Spouse, whichever is applicable, may elect to receive either a lump sum payment equal to the Commuted Value of his pension entitlement, less any withholding taxes, or a lump sum transfer of the Commuted Value of his pension entitlement to a registered retirement savings plan if:
- (i) the Normal Pension is less than one-twelfth of four percent ($1/12$ of 4%) of the YMPE for the calendar year of the date of determination (or such other amount as may be established by Applicable Pension Laws); *or*
 - (ii) the Commuted Value of the Normal Pension is less than twenty percent (20%) of the YMPE for the calendar year of the date of determination (or such other amount as may be established by Applicable Pension Laws); *or*
 - (iii) the Plan Member or surviving Spouse, whichever is applicable, has become a non-resident of Canada as determined under the Income Tax Act (Canada).
- (b) If the Commuted Value of a Plan Member's Normal Pension satisfies the condition outlined in Article 3.6(a)(ii), the Trustees shall totally discharge their liability by transferring to the Plan Member's Qualified Plan an amount equal to the Commuted Value of the Normal Pension at the date of determination. If the Plan Member does not file the required information with respect to his Qualified Plan with the Trustees within ninety (90) days after receipt by him of the statement advising him of his entitlement and options, the Trustees shall totally discharge their liability by paying a lump sum payment equal to the Commuted Value of the Normal Pension at the date of determination, less any withholding taxes.

3.7 Termination of Membership - Portability of Benefits

- (a) A Plan Member under the age of 55 who has attained Vested Status and incurs a Break in Service shall receive, at his election, either (i) or (ii) as follows:
- (i) A lump sum transfer of the Commuted Value of his Normal Pension to his Qualified Plan computed assuming pension commencement at his Normal Retirement Date or at an earlier pension commencement date in accordance with the Early Retirement Pension provisions of Articles 3.3 & 3.4, whichever produces a larger value. For greater clarity, the Early Retirement 10-Year Supplement of Article 3.5 is not applicable in the calculation of Commuted Values. The funds transferred under this Article 3.7(a)(i) shall not be used to provide a pension which commences prior to age 50 nor later than the Plan Member's Maximum Postponed Retirement Date.
 - (ii) A deferred pension commencing on his Normal Retirement Date equal to his Normal Pension. Such Plan Member may elect to have his deferred pension commence prior to his Normal Retirement Date and calculated in accordance with the Early Retirement Pension provisions pursuant to Articles 3.3, 3.4, and 3.5, if applicable, or may elect to have his deferred pension commence after his Normal Retirement Date and calculated in accordance with Article 3.2(b).

- (b) In order to make a transfer as provided in Article 3.7(a)(i), the Plan Member must submit an election to transfer on a form prescribed by the Trustees within ninety (90) days after receipt by him of the statement advising him of his benefit entitlement and options. If the Plan Member does not file his election to transfer with the Trustees within such ninety (90) days, it will be deemed that the Plan Member has elected to receive a pension from the Pension Fund in accordance with Article 3.7(a)(ii).
- (c) Amounts transferred in accordance with Article 3.7(a)(i) shall not exceed the maximum amount prescribed under Applicable Pension Laws, and the excess of the Commuted Value, if any, over the full amount transferred shall be paid directly to the recipient, less any withholding taxes.
- (d) A Plan Member who has elected or is deemed to have elected a deferred pension in accordance with Article 3.7(a)(ii) may request to receive either a lump sum payment equal to the Commuted Value of his pension entitlement, less any withholding taxes, or a lump sum transfer of the Commuted Value of his pension entitlement to a registered retirement savings plan if either:
 - (i) the Normal Pension is less than one-twelfth of four percent ($1/12$ of 4%) of the YMPE for the calendar year of the date of the request (or such other amount as may be established by Applicable Pension Laws); *or*
 - (ii) the Commuted Value of the Normal Pension is less than twenty percent (20%) of the YMPE for the calendar year of the date of the request (or such other amount as may be established by Applicable Pension Laws).

3.8 Commuted Value Calculations

- (a) Subject to Article 3.8(b), the Commuted Value of any benefit with respect to a Plan Member, Spouse, or Beneficiary means the actuarial present value of such benefit determined using actuarial assumptions adopted by the Trustees on the advice of the Actuary, in accordance with Applicable Pension Laws and in effect on the date of determination.
- (b) The Early Retirement 10-Year Service Supplement provided in Article 3.5 is only payable as a monthly benefit from the Pension Fund and is not applicable in the calculation of Commuted Values.

3.9 Reduction in Benefits

If the amounts determined by the Actuary in accordance with an actuarial valuation conducted on the Pension Plan to provide for the benefits accruing in that year and to fund any unfunded liability and any solvency deficiency in accordance with, and within the time limits specified in, the Applicable Pension Laws exceed the expected Contributions, the Trustees, upon approval of the Superintendent of Pensions for Alberta, shall reduce the benefits of Plan Members and/or Pensioners and/or Beneficiaries to the extent required to eliminate such excess.

**ARTICLE 4 –
SERVICE & VESTING CREDITS
AND BREAKS IN SERVICE**

4.1 Eligibility for Past Months Credit

- (a) A Plan Member who worked at least 100 hours in Covered Employment between April 1, 1973 and September 30, 1974, shall be entitled to Past Months Credit in accordance with Article 4.2 if, at some time during the period April 1, 1972 to March 31, 1973, he satisfied either (i) or (ii):
 - (i) he had been eligible for benefits under the Electrical Industry Insurance Benefit Trust Fund of Alberta , or
 - (ii) he had been a Local Union Member who had performed at least 100 hours of work for an employer which was signatory to a collective bargaining agreement with any local union of the International Brotherhood of Electrical Workers in a position covered by the Collective Bargaining Agreement.
- (b) A person who was employed by an Employer prior to becoming disabled and who was eligible for a Canada Pension Plan Disability Pension during the period April 1, 1972 to September 30, 1974, and who was unable to meet the requirements under Article 4.1(a) shall be entitled to Past Months Credit in accordance with Article 4.2.

4.2 Past Months Credit

- (a) A Plan Member who met the requirements of Article 4.1 and who was a Local Union Member on April 1, 1973 shall be entitled to one Past Months Credit for each full calendar month during the period April 1, 1963 to March 31, 1973, of continuous:

- (i) Local Union Membership, and
 - (ii) employment covered by a Collective Bargaining Agreement with a Local Union but only to the extent such service is prior to the person becoming a Local Union Member.
- (b) A Plan Member who was not a Local Union Member on April 1, 1973, who met the requirements of Article 4.1 and who made application for Past Months Credit prior to September 30, 1974 shall be entitled to the Past Months Credit approved by the Trustees.
- (c) In making the necessary determinations as to Past Months Credit, the Trustees, in their sole discretion, may consider and rely upon any relevant and material evidence, including without limitation, any or all of the following:
- (i) Records of the Local Unions.
 - (ii) Records and/or Statements of Employers.
 - (iii) Records of the Electrical Industry Insurance Benefit Trust Fund of Alberta.
 - (iv) Cheque stubs, vouchers or tax statements.

4.3 Past Years Credit

Past Years Credit are the Past Months Credit determined under Article 4.2(a) or 4.2(b), divided by twelve (12).

4.4 Future Hours Credit

- (a) A Plan Member shall receive one Future Hours Credit for each hour of work in Covered Employment for which Contributions are received by the Pension Fund.

- (b) A Plan Member whose employer is required to remit contributions to a Reciprocal Pension Fund and elects to have such contributions transferred to this Pension Fund will be deemed to have worked in Covered Employment with the number of Future Hours Credit determined by dividing the amount of such contributions by the Employer Contribution rate(s) in effect for the period in which contributions were received.
- (c) A Plan Member who is disabled shall receive Future Hours Credit determined by dividing the amount of Contributions received by the Pension Fund by the Employer Contribution rate(s) in effect for the period for which the Contributions were received. Please refer to the Electrical Industry Insurance Benefit Trust Fund of Alberta's rules regarding Contributions.

4.5 Future Years Credit

Future Years Credit is equal to the sum of (a) & (b) below.

(a) ***In respect of Future Hours Credit received on and after April 1, 1973 prior to January 1, 1997***

A Plan Member shall receive one year of Future Years Credit for each calendar year up to and including 1996 in which he receives at least 100 Future Hours Credit. If he received less than 100 Future Hours Credit in any calendar year prior to 1997, a Plan Member shall not receive Future Years Credit for that year. Future Hours Credit received in any one calendar year prior to 1997 may not be used for Future Years Credit in any other calendar year.

(b) ***In respect of Future Hours Credit received on and after January 1, 1997***

A Plan Member shall receive years of Future Years Credit equal to the lesser of (i) and (ii) where:

- (i) equals the sum of all Future Hours Credit received on and after January 1, 1997 divided by 1000, and
 - (ii) equals, at any date of determination, the period in years from the latest of January 1, 1997, the date the Plan Member first commenced receiving Future Hours Credit, and the date the Plan Member recommenced receiving Future Hours Credit after a Termination of Membership, to the date of determination. Provided, however, that such period shall exclude any calendar year in which the Plan Member receives less than 100 Future Hours Credit.
- (c) A Plan Member shall not receive more than one year of Future Years Credit for any one calendar year.
- (d) Notwithstanding Article 4.5(b), for the sole purpose of determining Vested Status under Article 4.8, Future Years Credit as determined under Article 4.5(b)(ii) shall be used.

4.6 Limitation on the Accumulation of Credit

An Employee shall not receive Future Years Credit or Future Hours Credit for any hour of work in Covered Employment while a Pensioner or a Traveler.

4.7 Breaks in Service and Cancellation of Credits

(a) *General Rule*

A Break in Service with respect to a Plan Member shall occur at the end of a calendar year if he:

- (i) has received less than 400 Future Hours Credit in total during such calendar year and the three immediately preceding calendar years; and

- (ii) was a Plan Member in at least four calendar years since the later of his entry into the Pension Plan and his most recent Break in Service, if any.

If a Break in Service occurs prior to the Plan Member attaining Vested Status in accordance with Article 4.8, his accumulated Past Months Credit, Past Years Credit, Future Hours Credit, Future Years Credit, and Total Years Credit at the time such Break in Service occurred shall be cancelled.

If a Break in Service occurs after the Plan Member has attained Vested Status in accordance with Article 4.8 and the Plan Member has received a Commuted Value transfer or payment pursuant to Article 3.6 or 3.7, his accumulated Past Months Credit, Past Years Credit, Future Hours Credit, Future Years Credit, and Total Years Credit at the time such Break in Service occurred shall be cancelled.

(b) ***Exception on Account of Disability***

- (i) The Break in Service provisions of Article 4.7(a) shall not apply to a Plan Member for a grace period of up to two years for each separate and distinct disability if his failure to earn Future Hours Credit is due to the disability.
- (ii) Disability for the purposes of this Article shall be determined by the Trustees. In order to secure the benefits of this grace period, a Plan Member must give written notice to the Trustees and must present such written evidence and submit to such examination as the Trustees in their sole discretion may require. After December 31, 1976, a Plan Member shall not be granted any such grace period for a disability period which commences more than one year prior to his

filing the written notice required by this Article, unless the Trustees find that there were extenuating circumstances which prevented a timely filing. However, any Plan Member who is receiving Long Term Disability benefits under the Electrical Industry Insurance Benefit Trust Fund of Alberta shall be deemed to have made a timely application to the Trustees.

(c) *Alberta Legislation Rule*

A Plan Member who has received less than 350 Future Hours Credit in total during a calendar year and the immediately preceding calendar year may elect to incur a Break in Service. The Trustees shall advise a Plan Member who meets the provisions of this Article 4.7(c) on his annual statement within 180 days of such calendar year end.

4.8 **Vesting**

A Plan Member shall have attained Vested Status:

- (a) by accumulating five (5) years of Total Years Credit, or
- (b) by accumulating two (2) consecutive calendar years of Pension Plan membership with not less than 350 Future Hours Credit in each year; or
- (c) by attaining the normal retirement age of 65; or
- (d) upon termination of the Pension Plan.

ARTICLE 5 – BENEFIT PAYMENTS

5.1 Benefit Payments Generally

An eligible Plan Member who makes application in accordance with the rules of the Pension Plan shall be entitled upon retirement to receive the monthly benefits provided for the remainder of his life, subject, however, to all of the provisions of the Pension Plan.

Benefit payments shall be payable commencing as of the first day of the first full month when the Plan Member has fulfilled all of the conditions for entitlement to benefits, including the requirement for application as set forth in Article 7.1. Benefit payments shall end with the payment for the calendar month in which the death of the Pensioner occurs except as noted in Article 6 and Article 8. Where possible, monthly benefit payments shall be made by direct deposit to the recipient's account at the financial institution designated by the recipient.

5.2 Lump Sum Payment/Transfer

Lump sum payments and transfers payable under the Pension Plan shall be made within sixty (60) days after the later of the event giving rise to the lump sum payment or transfer and the Trustees having received all of the necessary completed and executed documents required to effect the payment or transfer. Such documentation shall include evidence of entitlement to the benefit.

5.3 Incompetence or Incapacity of a Pensioner

In the event a Pensioner becomes incapacitated by mental or physical infirmity and thereby unable to care for his affairs, and notice of such incapacity is received by the Trustees, any payment due shall be paid to his legally appointed guardian, committee, or other legally appointed representative.

5.4 Duplication of Pensions

A Pensioner shall not be entitled to the payment of more than one type of pension provided under the Pension Plan at any one time except as a Beneficiary.

5.5 Non-assignment of Benefits

Except as permitted by Applicable Pension Laws, a Plan Member or Pensioner under the Pension Plan is hereby restrained from selling, transferring, anticipating, assigning, charging, hypothecating, giving as security, surrendering or otherwise disposing of his pension, prospective pension or any other right or interest under the Pension Plan, and the Trustees shall not recognize, or be required to recognize any such sale, transfer, anticipation, assignment, charge, hypothecation, surrender, transaction which gives the said benefits as security or other disposition.

Any such pension, prospective pension, right or interest shall not be subject in any manner to voluntary transfer or transfer by operation of law or otherwise, and shall be exempt from the claims of creditors or other claimants and from all orders, decrees, garnishments, executions or other legal or equitable proceedings to the fullest extent permissible by law.

5.6 Assignment of Benefits to Spouse on Marriage Breakdown

(a) Notwithstanding any provisions of the Pension Plan, a Plan Member or a Pensioner, as the case may be, may, in accordance with Provincial Property Law, assign up to fifty percent (50%) of his pension benefits to his Spouse pursuant to a court order or judgment of a court relating to a division of property, by filing a court certified copy of the order or judgment with the Trustees. A subsequent spouse of such Spouse will not, however, be entitled to any pension benefits under the Pension Plan with respect to the assigned

portion of pension benefits. Such assigned pension benefits shall be locked-in to the extent required by Applicable Pension Laws and provided to the Spouse as follows:

- (i) if the Plan Member has not attained age 55 and has not retired, a lump sum transfer to the Spouse's Qualified Plan equal to the Commuted Value of the assigned pension computed in accordance with the basis outlined in Article 3.8 and assuming the Plan Member had suffered a Break in Service;
 - (ii) if the Plan Member has attained age 55 and has not retired, the Spouse may elect to delay the division of pension until the earlier of the date the Plan Member commences receiving his pension, has a Break in Service, or dies and, at such time, the Spouse will receive a lump sum transfer pursuant to Article 5.6(a)(i);
 - (iii) if the Pensioner is in receipt of his pension, the monthly pension payments will be divided.
- (b) A Plan Member, Pensioner, or Spouse shall pay to the Pension Fund the fees associated with the services, information or documents provided with respect to a pension division on marriage breakdown. The fee charges shall be established by the Trustees subject to maximums prescribed by Applicable Pension Laws.
- (c) The Spouse may elect to receive a lump sum payment, less any withholding taxes, or a lump sum transfer to a registered retirement savings plan equal to the Commuted Value of the assigned pension pursuant to Article 5.6(a)(i) or Article 5.6(a)(ii), if either:
- (i) the assigned Normal Pension is less than one twelfth of four percent (1/12 of 4%) of the YMPE for the calendar year of the date of determination (or such other amount as may be established by Applicable Pension Laws); *or*

- (ii) the Commuted Value of the assigned Normal Pension is less than twenty percent (20%) of the YMPE for the calendar year of the date of determination (or such other amount as may be established by Applicable Pension Laws); *or*
- (iii) the Spouse has become a non-resident of Canada as determined under the Income Tax Act (Canada).

5.7 Trust Assets

Neither the Employers, any Plan Member, Pensioner or Beneficiary nor any other person shall have any right, title or interest in or to the Pension Fund other than as specifically provided in the Trust Agreement or in the Pension Plan. Neither the Pension Fund nor any Contributions shall be in any manner liable for or subject to the debts, contracts, or liabilities of any Employer, or any Plan Member, Pensioner, Beneficiary or any other person.

5.8 Investment of Trust Assets

The investment of the Pension Fund monies shall be restricted to the securities and loans of the type and amount prescribed by Applicable Pension Laws.

ARTICLE 6 – PRE-RETIREMENT DEATH BENEFITS

6.1 Designation of Beneficiary

A Plan Member may designate a Beneficiary or Beneficiaries to receive any payments due and payable as a result of his death prior to retirement by forwarding such designation on a form acceptable to the Trustees to the Pension Fund Office. A Plan Member shall have the right to change his designation of Beneficiary without the consent of the Beneficiary, but no such change shall be effective or binding on the Trustees unless it is received by the Trustees prior to the time any payments are made to the Beneficiary whose designation is on file with the Pension Fund Office.

6.2 Pre-Retirement Death Benefit

In the event of the death of a Plan Member prior to his Retirement Date who at the time of his death had achieved Vested Status, there shall be payable in the following manner to his Beneficiary an amount equal to the Commuted Value of the Plan Member's Normal Pension at his death:

- (a) if there is no Spouse at the time of his death or if the Spouse has waived the provisions of Article 6.2(b) by filing with the Trustees, prior to the time of death, the form prescribed by Applicable Pension Laws, a lump sum payment less any withholding taxes;
- (b) if there is a Spouse at the time of his death, a lump sum transfer to the Spouse's Qualified Plan.

ARTICLE 7 – APPLICATION FOR PENSIONS

7.1 Advance Written Application Required

An application for a pension shall be made in writing on a form and in the manner prescribed by the Trustees, and shall be filed with the Trustees at least one month in advance of the first month for which benefits shall become payable.

However, after a Plan Member's Maximum Postponed Retirement Date, no advance application is required and monthly pension payments will commence on, or be made retroactively to, that Plan Member's Maximum Postponed Retirement Date and payable under the normal form of Pension as outlined in Article 8.1.

7.2 Information Required

Each Plan Member, Traveler, Pensioner, or other claimant shall furnish to the Trustees any information or proof requested by them and reasonably required to administer the Pension Plan. Failure on the part of any Plan Member, Traveler, Pensioner, or other claimant to comply with such request promptly, completely and in good faith shall be sufficient grounds to delay the payments to such person.

If any Plan Member, Traveler, Pensioner, or other claimant to benefits hereunder makes a false statement material to his claim for benefits, the Trustees shall recoup, offset or recover the amount of any payments made in reliance on such a false statement in excess of the amount to which such Plan Member, Traveler, Pensioner or other claimant was rightfully entitled under the provisions of the Pension Plan.

7.3 Errors and Omissions

If the Trustees or any of their employees, delegates or consultants have inadvertently made any errors or omissions that resulted in payments higher than provided for by the Pension Plan, the Trustees shall have the right to recover from the recipients and shall endeavour to recoup, offset or recover any such overpayments.

ARTICLE 8 – NORMAL & OPTIONAL PENSION FORMS

8.1 Normal Form of Pension

Unless a Plan Member elects an optional form of pension as provided in Articles 8.2, 8.3, and 8.4, the normal form of pension shall be either:

- (a) if the Plan Member does not have a Spouse on his Retirement Date, or does have a Spouse who has waived the prescribed normal form in accordance with Article 8.1(b), monthly payments commencing on the Plan Member's Retirement Date and continuing thereafter during his lifetime or until 60 payments have been made if that period is longer. In the event the Pensioner dies prior to receiving 60 monthly pension payments, the Beneficiary shall receive the remainder of the monthly pension payments, or may elect the Commuted Value of such remaining pension payments payable as a lump sum, less withholding taxes or as a lump sum transfer to the Spouse's Qualified Plan, if the Beneficiary is the Spouse. Further, if there is a Spouse at the time of death, any death benefits pursuant to this Article 8.1(a) shall be payable to the Spouse unless the Spouse has waived this benefit by filing the form prescribed by Applicable Pension Laws with the Trustees prior to the time of death; or
- (b) if the Plan Member has a Spouse on his Retirement Date, reduced monthly payments which are actuarially equivalent of the pension payable under the normal form of pension as described in Article 8.1(a) commencing on the Plan Member's Retirement Date and continuing thereafter during his lifetime with the provision that following his death, a pension equal to 60% of his reduced pension shall be paid to the Spouse of record on his Retirement Date, if the Spouse is then living, and

continuing thereafter during the Spouse's lifetime. The actuarially equivalent adjustment in benefit amount shall be determined by the Trustees on the basis of the advice of the Actuary, and taking account of the sex and age of the Plan Member and his Spouse when payment of this benefit is to commence.

The provisions of this Article 8.1(b) may be waived by the Spouse if the Trustees receive in writing the waiver form prescribed by Applicable Pension Laws within 90 days prior to the first pension payment being made.

Once the pension benefit becomes payable, the monthly amount shall not be increased by reason of the Spouse becoming subsequently divorced or separated from the Pensioner or by reason of the Spouse acquiring a new spouse or the Spouse predeceasing the Pensioner.

8.2 Level Income Option

A Plan Member retiring on an Early Retirement Pension may elect to have his monthly pension amount increased until he attains age 65, which is the age at which he is expected to receive the Old Age Security and the Canada Pension Plan benefits, and if he makes such an election he will receive a reduced monthly pension thereafter. The adjustment will be determined on the basis of lifetime actuarial equivalence in such a way as to provide a monthly pension amount before age 65 as nearly equal as possible to his combined retirement income after that age (i.e., the Old Age Security plus the Canada Pension Plan benefits and the monthly pension from the Pension Plan).

Payment of the Level Income Option shall be subject to the following conditions:

- (a) The Plan Member must have elected the Level Income Option in writing on a form prescribed by and filed with the Trustees, before the first pension payment is made to him.

- (b) The Level Income Option may not be revoked once the benefit payment in the optional form has commenced.
- (c) The monthly amount payable before age 65 shall be adjusted on the basis of lifetime actuarial equivalence so that the monthly benefit payable to the Pensioner on and after attainment of age 65 shall not be less than the Minimum Pension.
- (d) The Level Income Option may be chosen in conjunction with the prescribed normal form for a Plan Member with a Spouse on his Retirement Date provided the written consent of the Spouse is obtained.
- (e) The Level Income Option shall be actuarially adjusted if a joint and survivor benefit is payable in accordance with Applicable Pension Laws, so that the surviving Spouse's 60% pension benefit, if any, is not less than the Minimum Pension.

In the event the Pensioner dies prior to receiving sixty (60) monthly pension installments and if no surviving Spouse's pensions are payable following the death of the Pensioner who has elected the Level Income Option, payments shall continue in monthly installments to his Beneficiary equal to the amount the Pensioner would have been entitled until the sum of the number of monthly installments paid to both the Pensioner and his Beneficiary are equal to sixty (60). In lieu of receiving the remaining monthly installments, the Beneficiary may elect to receive a Commuted Value lump sum payment, less withholding taxes, or if the Beneficiary is the Spouse, a Commuted Value transfer to the Spouse's Qualified Plan. Further, if there is a Spouse at the time of death, any death benefits pursuant to this Article 8.2 shall be payable to the Spouse unless the Spouse has waived this benefit by filing the form prescribed by Applicable Pension Laws with the Trustees prior to the time of death.

8.3 Ten-Year Guarantee Option

- (a) A Plan Member without a Spouse, or with a Spouse who has waived the prescribed normal form in accordance with Article 8.1(b), may elect to receive a reduced lifetime pension with a ten-year guarantee, whereby the amount of his monthly pension will be reduced on the basis of actuarial equivalence but will continue after his death to his Beneficiary if he dies before receiving one hundred twenty (120) pension payments. Payments to his Beneficiary will continue until an aggregate of one hundred twenty (120) payments have been made to the Pensioner and his Beneficiary. In lieu of receiving the remaining monthly installments, the Beneficiary may elect to receive a Commuted Value lump sum payment, less withholding taxes, or if the Beneficiary is the Spouse, a Commuted Value transfer to the Spouse's Qualified Plan. Further, if there is a Spouse at the time of death, any death benefits pursuant to this Article 8.3(a) shall be payable to the Spouse unless the Spouse has waived this benefit by filing the form prescribed by Applicable Pension Laws with the Trustees prior to the time of death.
- (b) Election of the Ten-Year Guarantee Option must be made in writing in a form prescribed by the Trustees and filed with the Trustees prior to the date the first pension payment is made.
- (c) The Ten-Year Guarantee Option is not available if it would result in a monthly benefit of less than the Minimum Pension.
- (d) The Ten-Year Guarantee Option, as outlined in this Article 8.3, may also be chosen in conjunction with the Level Income Option provided that the payment is actuarially adjusted. If such option is elected, in the event the Pensioner dies prior to receiving one hundred and twenty (120) monthly pension installments, payments shall continue in monthly

installments to his Beneficiary equal to the amount the Pensioner would have been entitled until the sum of the number of monthly installments paid to both the Pensioner and his Beneficiary are equal to one hundred and twenty (120). In lieu of receiving the remaining monthly installments, the Beneficiary may elect to receive a Commuted Value lump sum payment, less withholding taxes, or if the Beneficiary is the Spouse, a Commuted Value transfer to the Spouse's Qualified Plan. Further, if there is a Spouse at the time of death, any death benefits pursuant to this Article 8.3(d) shall be payable to the Spouse unless the Spouse has waived this benefit by filing the form prescribed by Applicable Pension Laws with the Trustees prior to the time of death.

8.4 Fifteen-Year Guarantee Option

- (a) A Plan Member without a Spouse, or with a Spouse who has waived the prescribed normal form in accordance with Article 8.1(b), may elect to receive a reduced lifetime pension with a fifteen-year guarantee, whereby the amount of his monthly pension will be reduced on the basis of actuarial equivalence but will continue after his death to his Beneficiary if he dies before receiving one hundred eighty (180) pension payments. Payments to his Beneficiary will continue until an aggregate of one hundred eighty (180) payments have been made to the Pensioner and his Beneficiary. In lieu of receiving the remaining monthly installments, the Beneficiary may elect to receive a Commuted Value lump sum payment, less withholding taxes, or if the Beneficiary is the Spouse, a Commuted Value transfer to the Spouse's Qualified Plan. Further, if there is a Spouse at the time of death, any death benefits pursuant to this Article 8.4(a) shall be payable to the Spouse unless the Spouse has waived this benefit by filing the form

prescribed by Applicable Pension Laws with the Trustees prior to the time of death.

- (b) Election of the Fifteen-Year Guarantee Option must be made in writing in a form prescribed by the Trustees and filed with the Trustees prior to the date the first pension payment is made.
- (c) The Fifteen-Year Guarantee Option is not available if it would result in a monthly benefit of less than the Minimum Pension.
- (d) The Fifteen-Year Guarantee Option, as outlined in this Article 8.4, may also be chosen in conjunction with the Level Income Option provided that the payment is actuarially adjusted. If such option is elected, in the event the Pensioner dies prior to receiving one hundred and eighty (180) monthly pension installments, payments shall continue in monthly installments to his Beneficiary equal to the amount the Pensioner would have been entitled until the sum of the number of monthly installments paid to both the Pensioner and his Beneficiary are equal to one hundred and eighty (180). In lieu of receiving the remaining monthly installments, the Beneficiary may elect to receive a Commuted Value lump sum payment, less withholding taxes, or if the Beneficiary is the Spouse, a Commuted Value transfer to the Spouse's Qualified Plan. Further, if there is a Spouse at the time of death, any death benefits pursuant to this Article 8.4(d) shall be payable to the Spouse unless the Spouse has waived this benefit by filing the form prescribed by Applicable Pension Laws with the Trustees prior to the time of death.

ARTICLE 9 – MISCELLANEOUS PROVISIONS

9.1 Limitation of Liability

The benefits provided by the Pension Plan can be paid only to the extent that the Pension Plan has available adequate resources for those payments. In the event that at any time the Pension Fund does not have sufficient assets to permit continued benefits under the Pension Plan, nothing contained in the Pension Plan and the Trust Agreement shall be construed as obligating any Employer to make benefit payments or contributions in addition to those required by the Collective Bargaining Agreement in order to provide for the benefits under the Pension Plan. Likewise, there shall be no liability upon the Trustees, individually or collectively, or upon a Local Union to provide the benefits established by the Pension Plan if the Pension Fund does not have assets to make such benefit payments.

9.2 Addition of New Groups of Plan Members

The Trustees shall review the relevant actuarial data with respect to any group of prospective Plan Members added to the coverage of the Pension Plan after April 1, 1973. If the Trustees conclude that modifications are required by the inclusion of such prospective group, the appropriate provisions of the Pension Plan shall be modified with respect to the group involved so that the Pension Fund will not be adversely affected by the inclusion of such group for coverage hereunder.

9.3 Termination of Obligation to Contribute

- (a) The financing of benefits provided by the Pension Plan is based on the continuance of Contributions as required by Collective Bargaining Agreements or as agreed to by an Employer who contributes for those of his Employees who are not covered by a Collective Bargaining Agreement and investment earnings.

(b) If a Collective Bargaining Agreement, or an agreement by an Employer to contribute for his Employees not covered by a Collective Bargaining Agreement, is not renewed or is terminated for any reason other than:

- (i) the closing of the Employer's business, or
- (ii) the fact that the Employer no longer has any Plan Members employed in job classifications set forth in the terminated Collective Bargaining Agreement or covered by the separate agreement,

the Trustees shall take such action as is necessary with respect to the affected Plan Members, Pensioners, or Beneficiaries, provided such action does not conflict with any provisions of the Pension Plan or of Applicable Pension Laws.

9.4 Restrictions on Employer Contribution Rates

Notwithstanding anything contained herein to the contrary, negotiated contribution rates shall be established to reasonably expect that the aggregate of all Contributions made by Employers on behalf of Employees will not exceed eighteen percent (18%) of all Employees' aggregate compensation from the Employers.

9.5 Expenses

The expenses incurred or compensation paid in the course of the administration of the Pension Plan shall be paid from the Pension Fund.

ARTICLE 10 – AMENDMENT AND TERMINATION

10.1 Amendment

The Trustees may amend or modify the Pension Plan at any time or from time to time in accordance with the Trust Agreement. In no event shall any amendment or modification of the Pension Plan cause or result in any portion of the Pension Fund to revert to, or be recovered by, any Employer, or a Local Union, or cause or result in the diversion of any portion of the Pension Fund to any purpose other than the exclusive benefit of Plan Members, Pensioners, Travelers, or Beneficiaries under the Pension Plan and the payment of the administrative expenses of the Pension Fund.

10.2 Actuarial Reviews

The benefits provided under the Pension Plan have been established on the basis of actuarial valuations which have established that the income and accruals of the Pension Fund will be fully sufficient. However, it is recognized as possible that in the future the income or the liabilities of the Pension Fund may be substantially different from those previously anticipated. It is understood that the Pension Plan can be fulfilled only to the extent that the Pension Fund has assets available from which to make payments. Consequently, the Trustees shall have prepared an actuarial valuation of the Pension Fund no less frequently than every three years and shall take the actuarial status of the Pension Fund into account in determining amendment or modification of the Pension Plan.

10.3 Termination of Pension Plan

If the Pension Plan is terminated, all Plan Members are immediately vested, and the assets of the Pension Fund, after providing for the expenses of the Pension Plan, shall be allocated to the extent that they shall be sufficient for purpose of paying benefits as provided for by the Pension Plan. If assets of the Pension Fund are insufficient to provide such benefits, the allocation shall be as provided under Applicable Pension Laws.

In no event shall any of the assets of the Pension Fund revert to or be recoverable by the Local Unions or any Employer.

10.4 Precedence

Notwithstanding any provisions of the Pension Plan, the provisions of Applicable Pension Laws shall take precedence if they provide better conditions and benefits for Plan Members, Pensioners, and Beneficiaries. The Trustees shall, in the first instance, be the interpreter of all provisions.

10.5 Administration Rules

The Trustees may from time to time establish rules for the administration of the Pension Plan. Except as otherwise herein expressly provided, the Trustees shall have the exclusive right to interpret the Pension Plan and to decide any matters arising thereunder in the administration and interpretation of the Pension Plan. Any interpretations or decisions so made shall be conclusive and binding on all persons having an interest in the Pension Plan. All interpretations and decisions shall be applied as nearly as may be possible in a uniform manner to all Plan Members, Pensioners, Travelers, and Beneficiaries similarly situated.

10.6 Latest Amendment Provisions

This Pension Plan text as amended and restated as of April 1, 2004 applies to all Plan Members who incur a Termination of Membership on or after April 1, 2004. The benefits of Plan Members who incurred a Termination of Membership or died prior to April 1, 2004 shall be determined in accordance with the terms of the Pension Plan in effect at the relevant date. The benefits of Plan Members who were receiving disability Future Hours Credit on December 31, 2002 shall be determined in accordance with the terms of the Pension Plan in effect on December 31, 2002. The division of benefits on marriage breakdown in accordance with a court order or judgment of a court filed with the Pension Fund Office prior to January 1, 2003 shall be in accordance with the terms of the Pension Plan in effect at the time of filing.

NOTES