TWPP

TELECOMMUNICATION WORKERS PENSION PLAN

Effective January 1, 2008

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INTRODUCTION

This booklet contains a summary of your Pension Plan as amended to January 1, 2008.

Your Pension Plan is a defined benefit plan where the retirement benefit is based on your age, service and annual earnings over your career. The Trustees periodically provide updates to determine the annual earnings to be used for calculating the retirement benefits. The retirement benefit basis and updating process are described in this booklet.

For a complete statement of your rights and benefits under the Plan, you should refer to the official Plan Document. If there is any discrepancy between this booklet and the Plan Document, the Plan Document governs and applies. If desired, you may examine a copy of the Plan Document at the office of the Plan Administrator.

The Pension Plan and Trust Fund were established effective January 1, 1975 and are designed for employees covered by the Telecommunications Workers Union Collective Bargaining Agreement and TELUS and Associated Subsidiaries as specified in the Collective Agreement and all regular employees of other employers approved for participation by the Trustees.

BOARD OF TRUSTEES

The Plan is governed by a Board of Trustees consisting of eight (8) persons, four (4) named by the Union, and four (4) named by the Company. The Trustees are parties to the Trust Agreement which empowers them to operate the Plan and Trust Fund.

PENSION LEGISLATION

The Plan is registered under the Income Tax Act and the Federal Pension Benefits Standards Act under Registration Number 0397935.

The Plan makes a valuable contribution to your financial well-being and security. Please read this Booklet and keep it with your personal records for future reference as a guide to your Telecommunication Workers Pension Plan benefits

SECTION 1 Eligibility and Plan Participation

Eligibility to Join the Plan

All Regular Bargaining Unit Employees are required to join the Plan.

All Temporary Bargaining Unit Employees are eligible to join the Plan when their Employer has reported that they have completed 2 consecutive years of earnings and earned at least 35% of the Canada Pension Plan Yearly Maximum Pensionable Earnings (YMPE) in each of those 2 years.

Enrollment

Regular Employees are automatically enrolled.

Temporary Employees will be provided with an enrollment form by the Plan Administrator when they become eligible.

Withdrawal from the Plan

You cannot discontinue your participation while employed.

Plan Participation – the Effect on Personal Registered Retirement Savings Plan (RRSP's)

Current income tax legislation restricts the amount an individual can contribute, on a tax deductible basis, towards all retirement savings .

As a result, your Employer is required to calculate the value of your earned Plan benefit each year and report it as a Pension Adjustment (PA) on your income tax information slip (T4). Your personal RRSP contribution limits are reduced by your PA under the Plan. Revenue Canada – Taxation provides each taxpayer with a notice of the amount available for personal RRSP contributions each year as well as any unused RRSP contribution room carried forward from prior years when the maximum RRSP contribution was not made.

If you terminate employment after January 1, 1997 but before retirement and the value of your annual pension credits reported as a PA on your T-4 slips exceeds the value of your actual retirement benefits earned from 1990 to the date of termination, a Pension Adjustment Reversal (PAR) will be reported to Revenue Canada – Taxation. The PAR has the effect of restoring any lost RRSP contribution room and is only generated if you transfer the commuted value of your pension.

SECTION 2 Contributions

Contributions to the Plan

Eligible Employees and their Employer are required to contribute to the Plan in accordance with the collective agreement. The contribution rates are as follows:

Employee Contributions – the percentage of annual gross pensionable earnings, deducted from your pay, depends on your age as follows:

Age Last Birthday	Percentage of Pay
less than 30	3%
age 30 or more but less than 40	4%
age 40 or more but less than 50	5%
age 50 or more	6%

Changes to employee deductions take effect on the first day of the following pay period in which your age changes from 30, 40 and 50 years.

Employer Contributions – effective January 1, 2006 is 10% of the bargaining unit employees' gross earnings who are members of the Plan.

Contributions are used to fund the Plan for all members for retirement benefits and provisions. Contributions are not used in the calculation of your accrued benefit except for confirmation you have not paid for more than 50% of your benefit.

Voluntary Contributions

These contributions can by made by payroll deduction only. Employees are cautioned about making Voluntary Contributions to the Plan in order to ensure that tax deductible limitations are not exceeded. The maximum Voluntary Contributions cannot exceed 2.25% of current earnings plus $600. The amount of Voluntary Contributions will reduce your RRSP room. Voluntary Contributions can be refunded including interest upon application to the Administration office. To receive a refund you must first contact payroll and request no further deductions be made. Once the Administration office receives confirmation from payroll that Voluntary deductions have ceased, your application will be processed. Please note refunds will not be processed more than once a year. Contact the Plan Administration Office if further information is required.

Contributions are Tax Deductible

The Plan is registered under the Income Tax Act and as such your contributions receive tax relief at the source. Your Plan contributions are deducted from your pay before your income tax is determined.

Interest calculated on Member's Contributions

Your required and voluntary contributions are credited with interest annually as follows:

Required Contributions
The current basis for determining the interest rate to be credited is the average of the annual yields of the five (5) year personal fixed term chartered bank deposit rate (as shown in the CANSIM Series B 14045 published by the Bank of Canada) over the 12 months of the Plan Year as prescribed by Federal Legislation (PBSA) 1985.

Voluntary Contributions
The rate of interest is determined by the Trustees but will not be less than the rate earned on the Trust Fund in the current Plan Year to the next lower one-half percent. Such rate is calculated on the basis that fixed income securities are valued at cost prices and equities are valued at market.

Request for a Refund of Voluntary Contributions

A member can apply for a refund of Voluntary Contributions at any one time but not more than once a year. Before you will receive a refund you must inform your employer to cease deducting and remitting Voluntary Contributions from your paycheque. A refund will be processed upon receipt of the final deduction from your employer and your application for a refund.

SECTION 3 Termination of Employment/ Participation

Termination of Employment before Retirement

If you terminate employment with the Company for any reason other than death or retirement, your Plan benefits are based on Federal Pension Legislation (PBSA) as follows:

With less than 2 years of Service – you will receive a refund of your contributions plus interest

With 2 or more years of Service and under age 55 – you may transfer the commuted value of your accrued benefit to either a "locked-in" RRSP, a LIF(Life Income Fund), another Pension Plan if transferred funds are accepted, purchase an immediate or deferred annuity or you may leave your accrued benefit in the Plan and apply for a pension under the rules in effect at the time of retirement.

With 2 or more years of Service and over age 55 – you must leave the accrued benefit in the Plan and apply for a retirement benefit under the plan rules in effect at the time of application. This becomes a Deferred Annuity until such time as you start collecting it as a pension.

Commuted Value

This is an actuarially calculated value (lump sum) of your accrued benefit on the date of termination. This calculation takes into consideration your accrued benefit, your age and prescribed interest rates at the date of termination. The calculation uses an assumption that you will retire at age 65.

"Locked-in" RRSP

Pension Plan benefits earned are subject to a "locked-in" provision as prescribed by the Federal Legislation (PBSA). "Locked-in" benefits mean that these funds must be used to provide you with a lifetime income at retirement. The receiving plan or financial institution is required to "lock-in" the pension funds as a condition of the transfer. "Locked-in " provision is required by PBSA. The earliest you would have access to the funds is age 55.

Transferring Funds to a Financial Institution

If you request the commuted value to be transferred you must first contact your financial institution for the appropriate forms. The forms will be a Revenue Canada Form T2151 and your financial institution's RRSP locking-in agreement. Upon receipt of acceptable documentation the monies will be transferred and a notification will be sent to you.

RRSP Contribution Room during Plan Membership Years

It may be restored depending on the value of pension credits reported as PAs on your T-4 slips. (see Section 1, Eligibility and Plan Participation).

Transfer to Employment not subject to the TWU Collective Agreement you will become a Former Participant under this Plan and be entitled to a Deferred Pension only. As long as you remain employed by a participating employer you will not have the option of a terminated employee to transfer the commuted value.

Bridging your Retirement Benefit

If you chose to defer your accrued benefit when your employment was terminated you are considered to be a Former Participant. A Former Participant who re-enters the Plan as a new Participant and remains a Participant for five (5) years after their date of re-entry will have their deferred retirement benefit recalculated removing the break in service and treated in every way under the Plan as though it were part of the current retirement benefit. If a member transfers their accrued benefit prior to re-entering the Plan their retirement benefit ***will not*** be bridged and will be treated as a new Participant with no previous service.

SECTION 4 Disability and Leaves of Absence

Disabled before Retirement

If you are disabled and in receipt of disability benefits from the Telecommunication Workers LTD Plan you will be deemed service and earnings under the Pension Plan as if you were working and you will not be required to make contributions to the Plan as required by the Collective Agreement.

If you are in receipt of disability benefits from either WCB, the Telecommunication Workers Benefit Plan, Company paid sick benfits, or granted an unpaid leave of absence with your Employer due to sickness or injury the Trustees may deem a Day of Pay for each Day of Pay you are reported to be unable to work due to sickness or injury. Deeming Days of Pay is reviewed for approval by the Board of Trustees annually.

- you will also not be permitted to make any voluntary contributions to the Plan;
- you will continue to earn pension credits based on your straight-time earnings from the date of disability, as though you had continued working,
- you cannot earn pension service and earnings beyond the date that you would qualify for an unreduced pension under the Plan.

Return to Work in Rehabilitative Employment

Required contributions to the Plan will be deducted from your pay and you will only be deemed service and earnings for days on which your Employer has reported unpaid sick leave.

Leave of Absence other than for Disability

The continuation of Credited Service and accumulation of Plan benefits depends on the reason for the Leave of Absence.

a) **Pregnancy and Child Care Leave of Absence**

During a leave of absence for Pregnancy or Child Care Leave Participants will continue to earn pension benefits, provided that they continue to make employee required contributions. **Members must arrange their payment of contributions (as speci-**

fied by the Collective Agreement) with the Company payroll/employee benefits department prior to taking their leave of absence.

b) **Leave of Absence for Political Office**

During a Leave of Absence for Political Office (available to Participants who have been elected to any municipal, provincial or federal office) the Participant may elect to contribute to the Plan and earn pension credits **provided that the member continues to make both the employee required contributions and their Employer required contributions and only if the Participant is not a member of another pension plan where pension benefits can be earned in respect of the period of leave of absence. All contributions are based on straight time earnings at the date the leave commenced, as though the Participant had continued working.**

c) **All Other Leaves of Absence Specified in the Collective Agreement**

During all other leaves of absence specified in the collective agreement, you will continue to earn pension benefits provided that you make the Employee and Employers required contributions under the **Purchase of Service provision (see Section 5 for more information).**

SECTION 5 Purchase of Service

Purchase of additional Pension Credits

You can purchase additional pension credits only under the following conditions:

a) you have a minimum of 36 months seniority
b) you worked less than 250 days in the current year
c) you cannot purchase more service than was earned in one of the past two years of service
d) you cannot purchase more than 5 years of service (plus three years for parenting)
e) payment must be received in the same calendar year the credits are being purchased for

Cost of Purchasing Pension Credits

You pay both the employee and employer contributions for each day you purchase. The employee rate will depend on your age (please refer to section 2) and the employer contribution rate is currently 10%.

For example: If your daily rate is $150.00 and your age is 45 you would pay $22.50 per day you purchase. A total of 15% of your daily rate.

Daily Rate	$150.00
Employee Contribution	5%
Employer Contribution	10%
Total Contribution	15%

Formula: 150.00 x 15% = $22.50 cost per day of service

To determine how much annual pension this will buy you, take your daily rate x 1.75%, and multiply this by the number of days you are purchasing.

For example: If you are buying 10 days at $22.50 each, it would cost you $225.00.

Daily Rate $150.00 x 1.75% = $2.63
$2.63 x 10 days = **$26.30 annual pension**

The Effect of Purchasing additional Pension Credits

Depending on how many years you are short days of pay at the end of your career will vary the impact on your pension. If you only have a few days short in a year the impact would be minimal. If you move from full-time to job sharing the greater the impact on your pension at retirement.

The impact varies because the days of pay affect how many years of service will be used for your pension calculation (see page 14 to 15 for pension calculation). If you have less than 250 days of pay in a year you will not receive a full years credit of 1; you will only receive a prorated credit for the year based on the days reported by the Company.

For example:

a) If you worked for 25 years but in 10 of the 25 years you only worked 230 days, you would have earned approx. .92 per year over 10 years and 1 year for each of the other 15. Your total service would then equal 24.20 years instead of 25.

b) If you worked for 25 years but in 10 of the 25 years you job shared 50% of the time, you then would have only earned .50 per year over 10 years and 1 year for each of the other 15. Your total service would then equal 20 years instead of 25.

SECTION 6 Retirement Age

Normal Retirement Age.

Age 65, as defined under Federal Legislation (PBSA).

Retirement before Age 65

Early Retirement is available under the Plan for all members 55 years and over as required by PBSA.

Current Early Retirement Provisions

Early Retirement may be taken on an unreduced basis with the consent of the Trustees or on a reduced basis, dependent on your age and service as follows:

Unreduced Early Retirement	**Reduced Early Retirement**
After age 60 regardless of service	From 50 to 55 with 30 yrs. service
After age 55 with 25 yrs. service	After 55 but less than 25 yrs. service

The current percentage reduction is determined by the Plan's actuary and reflects the period of time between your age at retirement and the age at which you would have been able to retire on an unreduced basis (either age 55 or 60). The actuarial reduction is prorated for partial years and continues throughout your retirement. The reduction is in the approximate range of 6% to 7% for every year prior to the first date you can receive an unreduced pension.

For example: If you are 50 years old and have 30 years of service, your earliest unreduced pension with the consent of the Trustees is age 55. Your pension at age 50 would be reduced by approximately 35% (7% x 5 years).

Note: *Consent will be granted on a non-discriminatory basis.*

Retirement Benefit after Age 65

Revenue Canada allows you to delay receipt of your retirement benefit but not beyond age 69.

SECTION 7 Amount of Retirement Benefit

Retirement Benefit Calculation

Promised Benefit – Your retirement benefit is based on your age, credited service and annual earnings. The current definition of the promised benefit is commonly referred to as a "Career Average Defined Benefit" plan. The formula is equal to ***1.75% of gross earnings.***

Target Benefit (known as the Update Formula) – In order to maintain current earnings status, the Trustees periodically provide updates to the determination of ***average annual earnings*** which provides a "Final Average Defined Benefit". The current formula is 3 years Average Annual Earnings* to 31/12/2007 multiplied by 1.75% multiplied by your credited years of service to 31/12/2007 plus 1.75% multiplied by your gross pensionable earnings for each credited year of service after 31/12/2007.

The Target Benefit calculation is used only if it improves your accrued benefit. If the Target Benefit does not improve your benefit than the Promised Benefit Formula will be used.

To be eligible for the Update Formula you must be an Active or Retired Participant on the date the Update Formula was approved. The current approved date is January 1, 2008.

Credited Years included in the Pension Calculation

Credited Years of Service include:

Membership Service	Is your years of employment after January 1, 1975 and includes any "Credited Supplemental Service" you may have purchased with Supplemental Contributions and "Purchased Service Credits" you may have purchased for years you had a shortfall of days of pay since January 1, 1995. Membership service starts from your date of participation in the Plan.
Past Service	If you were employed on January 1, 1975 (the date Telecommunication Workers Pension Plan was established) and had years of employment prior to this date you may be eligible for years of "Past Service".

Earnings used for Retirement Benefit Calculation

Annual Earnings are your gross pensionable earnings in a year.

Average Annual Earnings are used for the purpose of updating your benefit. The “Updating Formula” is the process of bringing forward the 3 years of Average Earnings to produce a benefit based on final earnings. This is determined by taking the 3 final years earnings and adding them together and dividing by 3. If your 3 year Average daily rate x 260.89 is less than the 3 year Average Annual earnings then the 3 year Average Daily Rate will be used. For members who work less than 250 days Average Annualized Earnings are substituted for Average Earnings.

*Note: *For the purpose of updating your Average Annual Earnings are subject to a maximum of your daily rate multiplied by 260.89*

Amount Payable from Plan at Retirement

The amount of your retirement benefit is calculated as:

a) **Supplemental Pension Plan Benefit (before January 1, 1975)**

25% of your total required contributions made to the Supplemental Pension Plan before January 1, 1975; plus

b) **Past Service or Former Plan Benefit**

the larger of (i) and (ii) below:

i) 1.75% of Average Annual Earnings at December 31, 2007 times the number of years of Past Service;

ii) the participant’s Former Plan benefit; plus

c) **Membership Service up to December 31, 2007**

1.75% of Average Annual Earnings at December 31, 2007 times your Membership Service; plus

d) **Membership Service after December 31, 2007**

1.75% of your Annual Earnings received during each year.

The following example illustrates how the Normal Form of Retirement Benefit is calculated and projected to Normal Retirement Age:

Supplemental Pension Plan Contributions (pre-1975)	$ 400.00
Past Service	3 years
Membership Service up to December 31, 2007:	25 years
Average Annual Earnings at December 31, 2007:	$ 50,000.00
Annual Earnings for 2008:	$ 52,000.00
Current age:	60 years
Normal Retirement age:	65 years
25% x $400 =	$ 100.00
1.75% x $50,000.00 x 3 years =	$ 2,625.00
1.75% x $50,000.00 x 25 years =	$ 21,875.00
1.75% x $52,000 x 5 years =	$ 4,550.00
Total Annual Retirement Benefit payable at age 65 under the Normal Form of Retirement Benefit	$ 29,150.00
or Monthly	$ 2,429.17

This example is based on:
- Continuous active participation in the Plan up to age 65
- Annual Earnings continuing at the 2008 rate
- No future updates for Average Annual Earnings

SECTION 8 Normal and Optional Forms of Retirement Benefits

"Normal Form" of Retirement Benefit

Your annual accrued retirement benefit reported on your annual statement is the Normal Form of Retirement Benefit. The Normal Form of Retirement Benefit is payable for your lifetime but guaranteed for 5 years. This option is called a Life Annuity Guaranteed 5 Years. This means that if you die before 60 monthly payments have been made to you, your beneficiary receives the balance of the monthly payments until a total of 60 monthly payments have been made.

If you have a Spouse at your retirement date, the Federal Legislation (PBSA) restricts your right to have your retirement benefit payable under the Normal Form. In this case you are required to elect to receive your retirement benefit in a form no less than the Joint & Survivor 60% that will continue to your spouse for their lifetime on your death.

Optional Forms of Retirement Benefit

The Optional Forms of benefit available depend on whether or not you have a Spouse at retirement.

Spouse means a person of the opposite sex or same-sex (effective April 1, 1998), to whom you are married to at the time of your retirement; or if there is no such person, a person with whom you have lived in a conjugal relationship for at least one year immediately before retirement ("common-law" spouse). If you have both a legal spouse and a common-law spouse then the "spouse" is the common-law spouse for the purpose of receiving a death benefit.

With a Spouse at Retirement – you must elect to receive a retirement benefit under a Joint and Survivor Annuity Option that, on your death, provides your Spouse with a lifetime benefit of at least 60% but no more than 100% of the amount you were receiving before your death. If your Spouse provides the Trustees with a signed Waiver form required by PBSA, within 90 days of the start date of your Retirement Benefits, you may choose an optional form that provides for lesser or no payments to your Spouse.

Without a Spouse at Retirement – you may elect any optional form offered by the Trustees ***except*** a Joint and Survivor optional form. You will be requested to sign a declaration form stating you do not have a spouse (as required by PBSA).

The Optional Forms include:

a) **Life Annuity-Guaranteed 10 Years** – if the retired Participant dies before 120 monthly payments are made, the balance of the 120 payments remaining are paid to the beneficiary.

b) **Life Annuity-Guaranteed 15 Years** – if the retired Participant dies before 180 monthly payments are made, the balance of the 180 payments remaining are paid to the beneficiary.

c) **Joint and Survivor Income Continuing at 50%** – provides a benefit which reduces on the death of the Retired Participant by 50% and is paid to the Spouse for life.

d) ***Joint and Survivor Income Continuing at 60%** – provides a benefit which reduces on the death of the Retired Participant to 60% and is paid to the Spouse for life.

e) **Joint and Survivor Income Continuing at 75%** – provides a benefit which reduces on the death of the Retired Participant to 75% and is paid to the Spouse for life.

f) **Joint and Survivor Income Continuing at 100%** – provides a smaller amount payable for the life of the Retired Participant and then the same amount to his surviving Spouse for life.

g) **Level Income Option (only available on Early Retirement between age 55 to 65)** – This option has been designed for Participants who wish to retire early and receive an income before age 65 that is approximately equal to the income they will receive after age 65 inclusive of benefits payable from the Canada Pension Plan(CPP) and Old Age Security(OAS). This option adjusts your pension so that you receive a higher pension amount from the Plan before age 65 and a lower amount from the Plan after age 65. If however CPP and/or OAS becomes unavailable, the pension from the Plan will still be reduced. This option can be attached to any of the above Normal or Optional Forms of Pension.

Note: *Before your retirement, the Plan Administration Office will provide you with a complete description of the various* *optional forms and an estimated amount of benefit. Please be sure to contact the Plan Administration Office 3 months prior to your Retirement date.*

**Requirement by Federal Legislation (PBSA) 1985*

SECTION 9 How to Apply for Retirement Benefits

Applying for a Retirement Benefit

Contact the Plan Administrator to request a retirement estimate and pension application. An application must be received no later than the end of the month prior to your date of Retirement.

Requests for Early Retirement

Currently the Trustees will consider all early retirements when a member makes an application no earlier than 3 months prior to their date of Retirement.

SECTION 10 Payment of Benefits

Payment of Retirement Benefit Cheques

Your first payment is issued no earlier than on the first day of the month following the month last worked and the first day of each month thereafter.

If your last day of employment is either early in the month or if it falls on a statutory holiday such as July 1st, your retirement benefit starts on the first of the following month – in this case August 1st. Therefore you should take this into consideration in determining your retirement date to avoid a break in income between employment and retirement.

The Plan Administration Office issues the Retirement Benefit Cheques and Income Tax Slips (T-4A's).

Retirement Benefit Cheques can be Deposited Directly to Your Bank Account

At the time of your retirement, the Plan Administrator will provide you with the necessary information to effect direct deposits.

Who to Contact after Retirement re: Change of Address, etc.

The Plan Administration Office. The address and telephone number are noted on the back of this booklet.

Medical, Dental and Extended Health coverage at Retirement

The Plan offers an optional retiree group plan and the premiums for these coverages can be deducted from your pension payment.

Income Tax deducted from Cheques

Income Tax is taken at source according to your personal exemption form (TD1). Additional tax deductions can be made at the request of the member and completion of this information on the TD1.

Pension increases after Retirement

The Plan currently does not fund for pension increases after retirement. However, the Trustees have granted adhoc increases in the past and continue to review the fund on an annual basis to determine if there are sufficient funds to provide retirees with a increase.

SECTION 11 Death Before Retirement

Required Contributions on Death Before Retirement

If you die before retirement, the benefits payable or the refund of your contributions depend on your age and beneficiary status at the date of death. See the following:

Member with less than 2 years service (Non-Vested)
Your spouse, beneficiary, or estate will be entitled to a refund of your required contributions.

Before Age 55

a) **Member with 2 or more years of service (Vested) with a *Spouse**

Your spouse will be entitled to an actuarial equvalent (commuted value, see page 7) as if you had terminated. The payment will be in the form of a lump sum with the option of converting it to a monthly payment.

b) **Member with 2 or more years of service (Vested) without a Spouse**

Your beneficiary will be entitled to a refund of your required contributions.

After Age 55

a) **Member with 2 or more years of service (Vested) with a *Spouse**

Assumes you retired with Trustee consent and the Normal Form Life with 5 years Certain will be converted to a Joint and Survivor 100% Option payable for the spouse's lifetime.

b) **Member with 2 or more years of service (Vested) without a Spouse, but designates a beneficiary**

Assumes you retired with Trustee consent and the Normal Form Life with 5 years Certain will be converted to the option Life with 15 years Certain

c) **Member with 2 or more years of service (Vested) without a Spouse and no designated beneficiary**

Estate is entitled to a refund of required contributions.

Beneficiary

The person or persons you designate to receive any Plan Benefits on your death, either before or after retirement, **except that** if you die before retirement and have a spouse at the time of death but someone other than your spouse has been designated as your beneficiary, your spouse will receive any Plan death benefits payable.

Changes in your beneficiary designation must be made in the form prescribed by the Trustees and filed with the Plan Administrator.

Voluntary Contributions upon Death before Retirement

a) **With a *Spouse**

Your Spouse would receive a refund of your contributions plus interest. The refund would be paid out in a lump sum. Your spouse would have the option to transfer the lump sum to an RRSP or take cash.

b) **Without a Spouse**

Your beneficiary would receive a refund of your contributions plus interest. The refund would be paid out in a lump sum.

Election of Estate if no Spouse or Beneficiary

If you do not have a spouse or beneficiary you can elect your estate. The benefit payable would be a refund of contributions plus interest.

Election of Children age 18 and under (Minors) as Beneficiaries

If your children are minors benefit payments cannot be paid directly to them. We suggest you name a person who could receive the benefits on behalf of the children to avoid any legal issues that may arise. If you do not name a person to receive the benefits on behalf of the children, a parent or guardian will be required to apply to the Courts to receive the benefits or the appointment of a Public Trustee may be required.

Terminated Employees with a Deferred Benefit upon Death

The same death benefit rules apply as above.

Disabled Members Benefit upon Death

The same death benefit rules apply as above.

**Note: The definition of spouse can be found in Section 8 of this booklet.*

SECTION 12 Death After Retirement

Death After Retirement

Any benefits payable after your retirement are made to your spouse or beneficiary in the form you elected at your retirement.

For details of any benefits continuing on your death, see:

- Section 7, Amount of Retirement Benefit
- Section 8, Optional Forms of Retirement Benefit

SECTION 13 Government Benefits (CPP/QPP and OAS)

Retirement Benefits under both the Plan and Government Plans

Your retirement benefit entitlements under the Plan are in addition to any entitlements under the Canada/Quebec Pension Plan (CPP/QPP) and Old Age Security Act (OAS).

Government Benefit Amounts at retirement

The (2007) maximum retirement benefits are:

*CPP/QPP	$863.75 per month
**OAS	$502.31 per month

Applying for Government Benefits

Information concerning CPP/QPP and OAS is available from your local federal government office of Human Resources Department Canada. The telephone numbers are noted in the Blue Pages of your telephone directory.

Notes:

*a) In order to apply for CPP/QPP retirement benefits before age 65, you must have effectively retired from the workforce, that is you cannot collect early retirement benefits under CPP/QPP and continue to work.

**b) OAS benefits may be reduced or eliminated for retirees with high incomes.

SECTION 14 Marriage Breakdown

Retirement Benefit upon Separation or Divorce

On marriage breakdown effective July 1, 1995 or later, which includes separation and divorce, the Trustees of the Plan are bound by the Family Relations Act. Effective July 1, 1995, the Family Relations Act was amended to:

- reduce the need for lengthy and possibly expensive court proceedings in deciding how a pension is to be divided;
- reduce the need for ex-spouses to maintain financial ties; and
- ensure that both partners in a marriage breakdown receive a fair division of retirement income.

Under the Family Relations Act, an ex-spouse may make an application to the Trustees of the Plan to become a “Limited Member” of the Plan if there is an agreement or court order pertaining to a division of pension. A copy of the agreement or court order must be filed with the Administration office. A “Limited Member” has the right to request specific information about Plan benefits, receive annual information and receive retirement benefits directly from the Plan.

Applications and forms required under the Family Relations Act to apply for Limited Membership are available at the Administration Office. An administration fee of $500.00 is required prior to any calculations being performed and/or pension benefit payments being paid pertaining to the division of pension.

Alternate Arrangements to Settle Family Assets with a Ex-Spouse

Pension benefits form part of family assets subject to a division on marriage breakdown. If you wish to make alternate arrangements for a division of your pension we advise you to consult with a lawyer. A lawyer may require an actuary to determine the value of your Plan benefits. The Plan does not provide this actuarial service.

Note: *Contact the Plan Administrator for additional information concerning division of benefits on marriage breakdown.*

SECTION 15 Plan Operations and Future of the Plan

Plan Operations

The Plan has been designed with the intention that over the future working lifetime of the Plan Participants, the estimated required contributions from Participants and their Employer together with investment earnings on these contributions will be adequate to finance the level of benefits provided. The Employer does not guarantee the benefits.

Actuarial reviews are carried out every 3 years and the benefits under the Plan may be adjusted on the basis of experience and the actuarial reports. The Plan's actuary determines the funding required to support the benefits and reports any unfunded liability to the Trustees for their action.

All contributions are paid to, and all plan operation expenses are paid from, the Plan Trust Fund. CIBC/Mellon is the current custodian of the assets in the Trust Fund.

The Trustees also retain the services of other advisers in the operation of the Plan:

The Plan upon Wind up (Termination)

The Plan assets are required to be used for the exclusive benefit of all Participants and beneficiaries. If on Plan Termination the assets are insufficient to meet the liabilities, the benefits may be reduced. The Trust Agreement, Plan text and the federal Pension Benefits Standards Act 1985 govern plan termination and partial plan termination.

SECTION 16 Other Information

Income Tax Status

Contributions to the Plan are tax deductible in the year in which they are made, therefore all benefits under the Plan are taxable income to the recipient in the year in which they are paid.

Annual Statements

As at the end of each year, each Participant receives an annual personalized statement of all contributions and credited interest as well as the retirement benefit earned, payable at age 65. Additional information concerning the Plan and your elected beneficiary are also provided in the annual statement.

Assignment of Benefits

Benefits under the Plan cannot be assigned or used as collateral for a loan.

This booklet is intended only as a guide and does not establish any legal rights. The accuracy of information contained herein may have changed since the date of publication. For verification, please contact the Plan Administration Office as noted below.

Any questions about the Plan should be addressed to:

Plan Administration Office
Telecommunication Workers Pension Plan
#303-4603 Kingsway,
Burnaby, B.C.
V5H 4M4
Telephone: 604-430-1317
Fax 604-430-5395
Email: general@twplans.com
Website: www.twplans.com

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