TWPP

TELECOMMUNICATION WORKERS PENSION PLAN

Effective January 1, 2026

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INTRODUCTION

This booklet contains a summary of your Pension Plan as amended to January 1, 2026.

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 provides benefits to Participants who are employed in British Columbia and covered by a Collective Agreement between the Telecommunications Workers Union (TWU), United Steelworkers

Local Union 1944 and TELUS and Associated Subsidiaries as specified in the Collective Agreement and all regular employees of other employers approved for participation by the Trustees. (Please note the Telecommunication Workers Union merged with the United Steelworkers Union effective January 1, 2015 to form the Telecommunications Workers Union (TWU), United Steelworkers Local Union 1944)

BOARD OF TRUSTEES

The TWPP is a jointly trusteed pension plan. The Plan is governed by four (4) Trustees appointed by the Union and four (4) appointed by the Company. The Trustees are parties to the Trust Agreement, which empowers them to operate the Plan and Trust Fund. The Trust Agreement sets out the Trustees' duties and responsibilities. They include ensuring that:

- proper records are maintained
- the terms of the Plan are administered consistently and in accordance with the law, and the Plan funds are invested for the benefit of all Participants and in accordance with the laws regulating pension plan investments.

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.

Mission Statement

The Mission of the Trustees is to efficiently deliver to Participants, Pensioners and others with rights to benefits under the Plan (collectively, the "beneficiaries") the pensions and other benefits the Plan provides with a high degree of security.

The pursuit of this Mission will be supported by:

- Complying with the Trust Agreement, the Plan (established pursuant to the Trust Agreement, sometimes referred to as the Plan document or Plan text), and statutory and fiduciary obligations;
- Establishing and adhering to a funding policy;
- Establishing and adhering to a statement of investment policies and procedures;
- Providing accurate and timely Plan administration services to beneficiaries;
- Communicating with the Union, Employer, and the beneficiaries of the Plan in an open and timely manner.

SECTION 1 Eligibility and Plan Participation

Eligibility to Join the Plan

All Regular Bargaining Unit Employees hired in B.C. are required to join the Plan.

All Temporary Bargaining Unit Employees hired in B.C. 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 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 and is only generated if you transfer the commuted value of 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 or Participation 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 pay period in which you turn 30, 40 and 50 years.

Employer Contributions – currently 10% of the bargaining unit employees' gross earnings who are members of the Plan.

Contributions are used to fund all Plan provisions and benefit payments for all Participants, Terminated Vested Members, Beneficiaries and Retired Members. Contributions are not used in the calculation of your accrued benefit except for confirmation you have not paid more than 50% of your benefit.

Voluntary Contributions (updated January 1, 2026)

These contributions can be 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. You can find the deductible limits on the Canada Revenue website. Yearly maximum Voluntary Contributions cannot exceed $600.00 annually or if you have RRSP contribution room available und CRA rules you may take this into consideration when determining your contribution amount. It is your responsibility to ensure you do not contribute more than the allowable amount assessed by CRA. Please refer to your latest Notice of Assessment.

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 Participant'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

Voluntary Contribution accounts are credited with the three-year arithmetic average rate of return on the Plan's assets at market value basis (gross of expenses), if positive. If the average return is negative the voluntary accounts would receive no interest for that particular year.

Request for a Refund of Voluntary Contributions

Voluntary Contributions can be refunded including interest by applying to the Plan office. Contact the Plan office and request no further deductions be made. Once the Plan office receives confirmation from payroll that Voluntary deductions have ceased, your application will be processed.

A Participant may apply for a refund of Voluntary Contributions at any one time but not more than once a year. Contact the Plan office if further information is required.

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 as follows:

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 the transfer is acceptable, purchase an immediate or deferred annuity or you may leave your accrued Pension Benefit in the Plan and apply for a pension under the rules in effect on your Normal Pension Commencement Date.

Over age 55 – you must leave the accrued benefit in the Plan and apply for a Pension Benefit under the plan rules in effect on your Normal Pension Commencement Date.

After the Plan office has received your termination information from the Employer, a notice and an election form from the Plan office will be sent to you. You will have 60 days from the date of the notice (or 90 days from date of termination, whichever is greater) to return your election form. If the election form is not received within the required 60-day period you will no longer be entitled to transfer the benefit out of the Plan and your election will automatically default to a Deferred Pension that you can apply for at your earliest Pension Commencement Date.

Commuted Value

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

50% Cost Rule

If a terminated member's required contributions exceed 50% of the value of their Pension Benefit, their benefit will be increased by the value of the contributions over the 50% threshold.

"Locked-in" RRSP

An Accrued Pension Benefit is subject to a "locked-in" provision as prescribed and is required by the Federal Legislation (PBSA). "Locked-in" benefits mean that these funds must be used to provide 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. The earliest you would have access to the funds is age 55.

Transferring Funds to a Financial Institution

If you request to transfer the commuted value you and your financial institution must complete an Application to Transfer Pension Benefit Credits. It must be returned to the TWPP with a Revenue Canada Form T2151 (available from your financial institution). If you have a spouse they must complete and sign a Spousal Consent Transfer form. If there is no spouse you must complete a Confirmation form attesting you have no legal spouse. Upon receipt of all completed documentation the monies will be transferred and a notification will be sent to you.

RRSP Contribution Room during Plan Years you are Accruing a Pension Benefit

When your employment is terminated your RRSP contribution room may be restored depending on the value of your Pension Benefit reported as a PA (Pension Adjustment) on your T-4 slips. (see Section 1, Eligibility and Plan Participation). If your contribution room is adjusted you will be issued a PAR (Pension Adjustment Reversal) and it will be sent from the Pension Administration Office.

Transfer to Employment (Management) not subject to the Collective Agreement you will become a Terminated Vested Member under this Plan and be entitled to a deferred Pension Benefit 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 Pension Benefit

If you chose to defer your Accrued Pension Benefit when your employment was terminated you are considered to be a Terminated Vested Member. A Terminated Vested Member 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 Pension Benefit recalculated removing the break in service and treated in every way under the Plan as though it were part of the current Pension Benefit. If a member transfers their accrued Pension Benefit prior to re-entering the Plan their Pension 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 in receipt of disability benefits from the Telecommunication Workers LTD Plan or Company LTD Plan you will be deemed Purchased Absent Workdays under the Pension Plan and treated as if you were working. 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 benefits, or granted an unpaid leave of absence with your Employer due to sickness or injury the Trustees may deem a Purchased Absent Workday for each scheduled workday you are reported to be unable to work due to sickness or injury. Deeming Purchased Absent Workdays is reviewed for approval by the Board of Trustees annually.

- you will not be permitted to make any voluntary contributions to the Plan;
- you will continue to earn scheduled workdays 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 (whichever is earlier)
- cease to be a Disabled Participant
- you become a Pensioner
- 1st day of the month that is on or immediately follows the Disabled Participants 65th birthday

Return to Work in Rehabilitative Employment

Required contributions to the Plan will be deducted from your pay. Subject to Trustee approval you may be deemed Purchased Absent Workdays for days on which your Employer has reported unpaid sick leave.

Leave of Absence other than for Disability

The continuation of accruing your Pension Benefit will depend 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 accrue Pension Benefits, provided that they continue to make employee Required Contributions.

Members must arrange their payment of contributions (as specified 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**

A Participant who worked in Covered Employment immediately prior to a Political Leave of Absence and provides confirmation satisfactory to the Trustees that they are not eligible to be a member of a pension plan provided to them in relation to the political office may be eligible to Purchase Absent Workdays. For additional information regarding eligibility and the purchase of absent workdays please contact the Plan office.

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 accrue Pension Benefits provided that you make the both the Employee and Employers Required Contributions under the Purchased Absent Workdays provision (see Section 5 for more information).

SECTION 5 Purchased Absent Workdays

Purchase of Additional Pension Credits

You can purchase absent workdays 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 absent workdays than was earned in one of the past two years of Credited 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 absent workdays are being purchased for

The Cost

You pay both the employee and employer Required Contributions for each day you purchase. The employee rate will depend upon your age (please see 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 Accrued Pension Benefit this will buy you, take your daily rate x 1.75%, and multiply this by the number of absent workdays 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 Accrued Pension Benefit.**

The Effect of Purchasing additional Pension Credits

Depending on how many years you are short absent workdays 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 part-time the greater the impact on your pension at retirement.

The impact varies because the absent workdays affect how many years of service will be used for your pension calculation (see page 18 to 19 for pension calculation). If you have less than 250 scheduled workdays in a year you will not receive a full years credited service 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 credited 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 worked part-time at 50% of a full-time worker , you then would have earned .50 per year over 10 years and 1 year for each of the other 15. Your total credited service would then equal 20 years instead of 25.

SECTION 6 Retirement Age

Normal Pension Commencement Age.

This is the first day of the month that is or immediately follows the Participants 65th birthday.

Early Pension Commencement Date prior to Age 65

This is the first day of the month selected by a Participant to commence their pension prior to their Normal Commencement Date. A Participant or Terminated Vested Member may not elect a commencement date prior to the Trustees receipt of their pension application form.

Current Early Retirement Provisions

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

Un-reduced Early Retirement	Reduced Early Retirement
Age 60 and over	Age 50 to 54 and 11 months with 30 yrs. Pension Eligibility Service
Age 55 and over with a minimum of 25 yrs. service	Age 55 and over with less than 25 yrs. Pension Eligibility 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 un-reduced 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 un-reduced pension.

For example: If you are 50 years old and have 30 years of Pension Eligibility Service, your earliest un-reduced pension with the consent of the Trustees is age 55. Your pension at age 50 would be reduced by approximately 30% (6% x 5 years).

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

Retirement Benefit after Age 65

Revenue Canada allows you to defer your Pension Benefit but not beyond the end of the calendar year you turn age 71.

SECTION 7 Amount of Pension Benefit

Pension Benefit Calculation

Your Pension Benefit is based on your age, Credited Service and your Earnings. As of January 1, 2026 the formula is equal to 2.0% of gross earnings on a go forward basis; prior to 2026 the formula was 1.75% of gross earnings.

Earnings Update – In order to provide a Pension Benefit based on current earnings, the Trustees periodically approve earnings updates by using an average annual earnings formula. The current formula is final 1 year Average Annual Earnings* to 31/12/2025 multiplied by 1.75% multiplied by your credited years of service to 31/12/2025 plus 2% multiplied by your gross pensionable earnings for service after 31/12/2025.

The earnings update calculation is used only if it improves your accrued benefit. If this calculation reduces your benefit than the earnings update will not be used in the calculation of your Pension Benefit.

To be eligible for the earnings update you must be an Active Participant or Retired Member on the date the earnings update was approved. The current approval date is January 1, 2026.

Credited Years included in the Pension Calculation

Credited Years of Service include:

Membership Service	Is your years of employment after and includes any "Purchased Absent Workdays" you may have purchased for years you had a shortfall of scheduled workdays since January 1, 1995. Membership service starts from the date you became a Participant in the Plan.

Earnings used for Retirement Benefit Calculation

Annual Earnings are your gross earnings in a year.

Average Annual Earnings are used for the purpose of updating your earnings. Updating your earnings is the process of bringing forward the last 1 year of Average Earnings to produce a benefit based on these average earnings. This is determined by comparing the last 1 year earnings and your last 1 year daily rate x 260.89; the lesser of this calculation is used for for updating your earnings. For members who work less than 250 days Average Annualized Earnings are substituted for Average Earnings.

**Please Note: The 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) **Credited Service up to December 31, 2025**

1.75% of Average Annual Earnings at December 31, 2025 times your Credited Service; plus

b) Credited Service after December 31, 2025
2% of your Annual Earnings received during each year.

The following example illustrates how the Normal Form of Pension Payment is calculated for an employee who started participation in the Plan after January 1, 1975 and projected to the age a member advises when he will retire. (All figures are estimated)

Credited Service up to December 31, 2025	35.33 years
Average Annual Earnings (Update Formula) at December 31, 2025	$ 60,419
Earnings in 2025	$ 62,000
Current Age:	58 years
Estimated Age Participant stated he will apply for Pension	60 years
1.75% x $60,419 x 35.33 Credited Service =	$ 37,355
1.75% x $62,000 x 2 Estimated years =	$ 2,170
Total Annual Accrued Pension Benefit payable at age 60 under the Normal Form of Pension Payment	$ 39,525
Monthly	$ 3,293

This example is based on:

- Continuous active participation in the Plan up to age 60
- Earnings continue at the 2025 daily rate
- No future Earnings Updates

50% Cost Rule

If a member's required contribution when retiring exceed 50% of the value of their pension benefit, their benefit will be increased by the value of the contributions over the 50% threshold.

SECTION 8 Normal and Optional Forms of Pension Benefit Payments

"Normal Form" of Pension Benefit Payment

Your annual Accrued Pension Benefit reported on your annual statement is the Normal Form of Retirement Benefit. The Normal Form of Pension Payment is payable for your lifetime but guaranteed for 15 years. This option is called a Life Annuity Guaranteed 15 Years. This means that if you die before receiving 180 monthly payments, your beneficiary will receive the balance of the monthly payments.

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 Pension Benefit in a form no less than the Joint & Survivor 60% payment option 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 Pension Benefit under a Joint and Survivor Payment 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 under the Pension Benefit Standards Act, within 90 days of the start date of your Pension Benefit Payment, 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 under the Pension Benefit Standards Act).

The Optional Forms include:

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

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

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

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

e) **Level Income Option (only available to Pensioners prior to age 65) -** This option has been designed for Participants who wish to retire early and receive a higher amount of their pension from the Plan prior to age 65, at which time the payment amount will reduce by 50% of the Maximum CPP benefit. The difference between the amount paid before and after age 65 is intended to equal the approximate amount of pension the Participant expects to receive if they apply for CPP at age 65.
This difference however will vary depending on when the Participant applies for their government pension and the actual amount they will receive from the government plan.

SECTION 9 How to Apply for your Pension Benefit

Applying for a Retirement Benefit

Contact the Plan office to request a retirement estimate and pension application. **An application must be received no later than the end of the month prior to the date you wish to retire.** Applications will not be backdated prior to the 1st of the month following receipt of the application.

The deadline is firm, there are no exceptions.

Requests for Early Retirement

The Trustees will consider an early retirement application no earlier than 3 months prior to the day the member wishes to retire.

Note: Before your retirement, the Plan 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 Office 3 months prior to your Retirement date.

**Requirement by Federal Legislation (PBSA) 1985*

SECTION 10 Payment of Benefits

Pension Benefit Payments

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 the 1st falls on a weekend or stat holiday your payment may not be issued until the next business day.

The Plan Office issues all Pension Benefit Payments and Income Tax Slips (T4As).

Pension Benefit Payments can be deposited directly to your bank account

Direct deposit is the most secure and convenient way to receive your pension payment. You can contact the Plan Office to request a form or download the Direct Deposit Authorization form from the Plans website. You will find the form on the website under TW Retired, booklets and forms. You are expected to maintain a Canadian bank account for ease of receipt of payment. Any additional cost to wire or convert funds to a different currency are the members responsibility.

Who to Contact after Retirement re: change of address, etc.

The Plan Office; see the back of this booklet for more information.

Medical, Dental and Extended Health coverage at Retirement

Pacific Blue Cross offers an optional retiree group plan. The premiums for these coverages are deducted from your pension payment. The group plan booklets are available on the Plan's website.

Income Tax deducted from Cheques

Income Tax is taken at source according to your personal exemption form (TD1). Additional tax deductions can be made by completing a TD3 form; this can be found on our website or by contacting the Plan office.

Pension increases after Retirement

The Plan does NOT provide any pension indexing. However, the Trustees have granted ad hoc increases in the past. They continue to review the fund annually to determine if there are sufficient funds to provide retirees with an increase. Please see the Funding Policy on the TWPP website.

SECTION 11 Death Before Retirement

Death Before Retirement

The amount payable upon the death of a Participant before age 55 is based on Federal Pension Legislation (PBSA) as follows:

Before Age 55 (This does not include Participants between 50 and 54 with 30 years credited service, see below)

a) without a spouse	a lump sum payment of the value (actuarial equivalent) of the Participants Accrued Pension Benefit had the Participants employment been terminated on the date of death. The benefit will be paid as a cash lump sum less tax, to the designated beneficiary. If a beneficiary is not designated the benefit will be paid to the estate.
b) with a spouse	a lump sum of the value (actuarial equivalent) of the Participants Accrued Pension Benefit had the members employment been terminated on the date of death. The spouse will have the option to either transfer the benefit to a "locked-in" RRSP or apply for an immediate monthly annuity.

Age 50 with 30 years Credited Service or age 55 and over

a) without a spouse	The Plan will assume the Participant retired on the date of death and elected the Life with 15 Years Certain Option (paid out as a cash lump sum less tax).
b) a spouse	The Plan assumes the Participant retired on the date of death and elected the Joint and Survivor 100% Option.

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.

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 Vested Member 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 Pension benefits payable after pension payments commence 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 Pension Benefit
- Section 8, Optional Forms of Pension 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

For current rates please check Service Canada's website www.servicecanada.gc.ca.

Applying for Government Benefits

Information concerning CPP/QPP, OAS and Guaranteed Income Supplements is available from your local Service Canada Centre. The telephone numbers and locations can be founds on www.servicecanada.gc.ca.

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 March 18, 2013, the Family Relations Act was replaced by the Family Law Act 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 Law 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 Plan 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 Law Act to apply for Limited Membership are available at the Plan Office. An administration fee of $750.00 is required to administer the division of Pension Benefit payments.

Alternate Arrangements to Settle Family Assets with an 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 Office 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.

Plan Expenses

Plan expenses are costs associated with the administration of the Plan. Some of those expenses are:

Actuary, Legal, Consultants, Auditors, Investment Manager Fees, Insurance, salaries and benefits, office supplies, computerized systems, government filing fees. A list of expenses can be found on the Condensed Financial Statement posted annually to the Plan's website at www.twplans.com.

SECTION 16 Financial Information

Your Contributions and Funding

Both you and the Company are required to make contributions to the Plan in accordance with the Collective Agreement. In the event of the termination of the Plan, any surplus of assets remaining after providing for the Plan liabilities shall be distributed among the Participants, former Participants, retirees, beneficiaries, joint annuitants, Limited Members, Disabled Participants in accordance with the Plan Document and a non-discriminatory formula adopted by the Trustees.

Historically the Company has made contributions to the Plan as prescribed by the Collective Agreement or Participation Agreement then in effect. If expected contributions and investment returns prove to be insufficient to meet prescribed solvency standards, the actuary must provide the Trustees with options to remedy the situation such as: the plan may be amended to reduce, subject to the Superintendent's authorization, pension benefits or pension benefit credits.

Statement of Investment Policy

The statement is not available on the Plan website due to confidentiality. However the statement is available to all members and can be viewed at the Plan office on request.

Funding Policy

The policy is available on the Plan's website at www.twplans.com or can be viewed at the Plan office.

SECTION 17 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 Accrued Pension Benefit earned, payable at age 65. Additional information concerning the Plan and your elected beneficiary are also provided in the annual statement.

Statements on Termination, Death and Retirement

Statements are provided upon Termination, Death and Retirement. The statements provide information on your benefit entitlement, beneficiary designation or entitlement, the form of pension you elected at retirement, etc. These statements are important documents and should be kept with your records.

Assignment of Benefits

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

Notes

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
Toll Free: 1-877-430-3302
Fax 604-430-5395
Email: general@twplans.com
Website: www.twplans.com

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