

**Member Booklet**  
**for the**  
**Carpenters' Residential Pension Plan**



**Pension Plan Registration Number 1252378**

**Current as at January 1, 2019**

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## Introduction

Carpenters' Residential Pension Plan (the "Plan"), is sponsored by The Trustees of the Carpenters Local 1030 Pension Fund (the "Trustees"). Representatives of Carpenters Local 27 Shingling and Siding Division are also appointed Trustees. The Trustees have selected Manulife Financial to invest the money deposited to your pension account. Manulife is also responsible for sending you communications about your pension. Communications will be as required under applicable legislation. In addition, you will be given access to Internet and telephone assistance so that you can always be current about your pension.

The Plan is a registered defined contribution plan. Members who are working for contributing employers are enrolled in the Plan.

The Plan is only intended to provide a portion of your overall retirement savings. The Trustees have arranged for Manulife Financial to provide you with advice about managing your retirement goals. We also encourage you to get independent financial advice to ensure overall savings strategies will meet your individual retirement income needs.

The Plan was established January 1, 2012. The Plan is registered with the Financial Services Regulatory Authority of Ontario and the Canada Revenue Agency. The Plan's registration number with these regulatory authorities is 1252378.

### How the Plan works:

- The Plan is a defined contribution registered pension plan (DC RPP).
- Your Employers are required to contribute to the Plan under a collective or other agreement approved by the Union and the Trustees.
- Employer contributions are paid to the Plan within the first 15 days following the work month (i.e. if you worked in January, Employer contributions must be remitted to the Pension Plan by February 15<sup>th</sup>).
- Manulife Financial sets up an account in your name.
- The Trustees have established delinquency control procedures to deal with late Employer remittances. These procedures may include having the Union file a grievance on your behalf or filing an application directly to the Ontario Labour Relations Board.
- Your Employers remit pension monies to the Plan Administration Office in your name.
- Periodically the Trustees arrange to transfer the Employer contributions to your account at Manulife Financial.
- You may choose to make voluntary Member contributions.

- You may also transfer money to your account from another pension plan.
- Your Member Account will include those contributions which have been remitted by your Employer(s), any assets transferred into your Member account by you, and any investment gains or losses (herein referred to as your “Member Account”).
- All voluntary contributions made by you are tax deductible and any investment earnings grow tax-free. Employer contributions are not tax deductible – you did not pay tax on the Employer contributions.
- The Trustees determine how contributions paid on your behalf are invested.
- The amount available for your retirement depends on the total contributions made and the investment returns they earn.
- You will receive regular statements and have access to information and tools to help you manage your Member Account.
- This booklet provides information about what happens when you terminate your employment, die or retire.

This booklet is just a summary of the Plan. If any inconsistencies exist between this booklet and the plan text, the information in the plan text will prevail.

The Trustees intend on keeping the Pension Plan running indefinitely. The Trustees may have to change the Plan from time to time to keep it compliant with applicable legislation. The Trustees reserve the right to amend or terminate the Plan.

If after reading this summary booklet you have questions, more information is available through the sources listed on the next page.

If you would like to see any of the Pension Plan’s official documents, please contact the Plan Administration Office, in writing. You may request to inspect certain records once per calendar year at the Union office or at the Plan Administration Office. You may take copies of documents. You may be charged for the cost of the copies.

You may request that the Trustees send you copies of certain records relating to the Plan electronically or by mail. The record(s) provided electronically will be provided in a manner according to the *Electronic Commerce Act*. You may request copies once per calendar year for a particular record. The Trustees may charge for the cost of providing you with copies electronically or by mail.

You may also make a written request to the Superintendent of the Financial Services Regulatory Authority of Ontario (FSRA) if you want to inspect limited records relating to the Plan at the FSRA premises, or request copies electronically or by mail. The record(s) provided electronically will be provided in a manner according to the *Electronic*

*Commerce Act.* The Superintendent of FSRA will provide the applicable record(s) for a fee.

### **Your personal information:**

The Trustees, the Plan Administration Office and Manulife Financial require personal information to administer your Member Account. By enrolling in the Plan at Manulife Financial, you will have authorized access to this information. Details are available on the back of your enrolment form and in the Manulife Financial privacy policy.

## **What tools and resources are available to help me manage my Member Account?**

You will have access to the following tools and resources to help you manage your Member Account:

- Manulife's secure Member Internet site @ [www.manulife.ca/GRO](http://www.manulife.ca/GRO).
- Manulife's Interactive Voice Response (IVR) @ 1-888-727-7766, operational 24 hours a day, seven days a week.
- Manulife's Client Service Representatives are also available at the same number to answer your questions from 8AM to 8PM ET, Monday to Friday or by email at [gromail@manulife.com](mailto:gromail@manulife.com).
- Manulife's Member investment and retirement newsletters.
- Member statements issued to you twice per year by Manulife.
- Internet access to your pension contribution record at the Plan Administration Office.
- The Plan Administration Office staff are available to provide assistance in person, by phone or electronically. The Plan Administration Office contact information is on the next page.

Twice a year you will receive a Member statement issued by Manulife Financial. This statement will include your investment information and report the contributions made to your Member Account. If you were eligible to retire, any withdrawals from your Member Account will be shown. If you terminate membership in the Plan any termination benefit will be shown on the statement. If you made your own contributions to your Member Account, any withdrawals you made from your own contributions will also be shown on the Member statement.

Your Member statement will reflect only those monies which have been remitted to Manulife Financial. Reviewing your Member statement will help you track your retirement savings.

Your Member Account information that has been provided to Manulife Financial by you or the Plan Administration Office is available on the secure Member Internet site at no additional cost to you.

## Contact Information

For assistance or additional information, please contact the Plan Administration Office:

The Trustees of the Carpenters' Residential Pension Fund  
45 McIntosh Drive  
Markham ON L3R 8C7

Phone number: (905) 945-9700  
Fax number: (905) 945-2535  
Email: [benefits@carpentersresidential.ca](mailto:benefits@carpentersresidential.ca)

## When can I join the Plan?

### Eligibility Requirements

You are eligible to join the Plan on the earliest of:

- (a) the January 1 next following the attainment of 700 hours of employment with one or more Employers in respect of which contributions are made to the Plan in each of two (2) consecutive calendar years;
- (b) the January 1 next following the attainment of wages or earnings from one or more Employers (in respect of which contributions are made to the Plan) at least equal to thirty-five percent (35%) of the YMPE, in each of two (2) consecutive calendar years; or
- (c) the first day of the month next following six (6) months of continuous employment with one or more Employers (in respect of which contributions are made to the Plan), provided that the amount of accumulated contributions made to the Plan by the Employers on your behalf and earnings thereon is no less than one thousand dollars (\$1,000).

However, if you had hours of employment with one or more Employers prior to January 1, 2019, and had not terminated Plan membership prior to January 1, 2019 or had ceased working for an Employer prior to January 1, 2019 you are eligible to join the Plan on the earlier of satisfying one of the above criteria or satisfying one of the eligibility criteria in effect as of December 31, 2018.

### Enrolment

You must complete and sign the Plan's enrolment forms for Manulife Financial to accept and deposit any contributions to your Member Account.

## **What are my responsibilities under the Plan?**

As a Member of the Plan you are responsible for:

- Understanding how the Plan works.
- Taking advantage of the information and tools available to you.
- Deciding whether or not to get investment advice from a professional.
- Keeping the Union, the Plan Administration Office and Manulife Financial up to date on your address and personal information changes.
- Keeping your beneficiary designation current and ensuring your beneficiary is aware of the Plan and knows where your estate related documents are kept.

## **What investment options are available for me to choose to apply to my Member Account?**

The Trustees have selected Group IncomePlus as the investment option for your Member Account. The Group IncomePlus option allows your Member Account to grow for your retirement. This option provides the additional security of a minimum monthly pension once you have been in the Plan for five years. This will help to protect Members from investment market downturns which might otherwise reduce the value of their Member Account.

You must review the Bold Print in addition to the information provided in this summary booklet. The Bold Print outlines the details of Group IncomePlus which you should review before making a decision about transferring assets out of your Member Account, and information about termination, death or retirement options. You may obtain a copy of the Bold Print on the secure Member Internet site, or you may contact a Manulife Financial client service representative.

The Trustees reserve the right to amend, add or remove options for Member Accounts.

## **How much will be contributed to my Member Account?**

### **Required Member Contributions**

You are not required to contribute to the Plan unless your collective agreement specifies otherwise. You may make Voluntary Member Contributions to the Plan, including transferring money into the Plan from another pension plan.

### **Employer Contributions**

Each month, your Employer is required to remit contributions to the Pension Plan in accordance with the collective agreement or other agreement with the Union.

## **Voluntary Member Contributions**

Voluntary Member Contributions can be made at any time. Please refer to Contribution Limits and Tax below to understand the rules about making additional contributions.

In addition to the Member and Employer Contributions above, you may transfer amounts to your Member Account from another registered plan at any time. If the transfer contains locked-in amounts, the amount must remain locked-in. Such amounts will be subject to applicable provincial legislative requirements. Please contact Manulife's customer service line for assistance on making such transfer.

Please contact Manulife Financial or the Plan Administration Office if you wish to make Voluntary Member Contributions or transfer monies into your Member Account from another pension plan.

## **Earnings**

Your earnings are determined in accordance with the collective agreement, a participating agreement or other agreement.

## **Contribution Limits and Tax**

Contributions made to the Plan, or any other registered plan, by you or on your behalf may not exceed the overall tax assisted retirement savings maximum allowed under the *Income Tax Act* (Canada). In general, this amount will be a maximum of 18% of your employment income for the year, subject to a maximum dollar limit.

Contributions made to the Plan in the current year will reduce your registered retirement savings plan (RRSP) contribution room in the next year. Canada Revenue Agency (CRA) will inform you of your available RRSP contribution room each year on your Notice of Assessment.

Your Employer should report a Pension Adjustment yearly on your T4 tax slip reflecting the contributions paid to the Pension Plan on your behalf. If your Employer does not report a Pension Adjustment please contact the Union or the Plan Administration Office.

## **What happens if I terminate employment prior to my Normal Retirement Date?**

Manulife Financial will send you a detailed option statement outlining the value of your Member Account and the options that may be available to you.

Once you are a Plan Member, you are immediately vested in the contributions deposited to your Member Account. Vested means that you are the owner of those assets and locked-in means those assets must be used for a pension benefit at retirement.

For the purpose of this section, reference to vested Member Account will include any Member



voluntary contributions you have made to your Member Account.

### **Vesting**

You are always entitled to the Voluntary Member Contributions that you have made to your Member Account.

Your Employer contributions, and any required Member Contributions, made to the Plan on your behalf are vested once you are a Plan Member.

### **Locking-In**

Locking-in simply means that any monies taken out of the Member Account must be used to provide retirement income starting at a date set out in applicable legislation. It means the money cannot be taken out randomly to pay bills, buy things, etc.

Your vested Member Account is locked-in.

Any Voluntary Member Contributions you make to the Plan are not subject to locking-in.

### **What can I do with the locked-in amounts in my Member Account?**

If you terminate your membership in the Plan you will have the following options for your vested and locked-in amounts in your Member Account:

1. Transfer to the Manulife Financial Personal Plan LIRA (locked-in retirement account) where you can maintain your current investments;
2. Transfer on a locked-in basis to another registered plan at a financial institution of your choice;
3. Purchase an annuity with a financial entity licensed under the applicable legislation to provide annuities; or
4. Leave your Member Account under the Plan.

If you are within 10 years of your Normal Retirement Date (defined below under “***When can I retire?***”), you will also be able to choose any of the options available at retirement.

### **What can I do with amounts in my Member Account that are not subject to locking-in?**

If you terminate membership in the Plan you will have the following options for your vested and not locked-in amounts:

1. Transfer to the Manulife Financial Personal Plan RSP (retirement savings plan) where you can maintain your current investments;

2. Transfer to another registered plan at a financial institution of your choice;
3. Leave your Member Account under the Plan (***not applicable to a death benefit payable to the spouse***); or
4. Receive a lump sum cash payment.

**Note:** Lump sum cash payments are subject to withholding tax.

## What happens when I retire?

Manulife Financial will send you a detailed option statement outlining the current value of your Member Account and the options that may be available to you.

### When can I retire?

You may choose to retire and start your retirement income up to ten (10) years preceding your Normal Retirement Date. Your Normal Retirement Date is age 60. On or after you have reached Normal Retirement Age, contributions made to your Member Account will be immediately vested and your vested Member Account will be locked-in with the exception of any voluntary Member contributions.

You can postpone your retirement until December 31<sup>st</sup> of the year in which you reach age 71 or such other age according to applicable legislation.

If you retire and continue working, your Employer is still required to remit pension contributions to the Pension Plan under the collective or other agreement with the Union. These monies will be paid to the Pension Plan by your Employer. Up to December 31<sup>st</sup> of the year you reach age 71, you will benefit from these Employer contributions.

### What are my retirement income choices?

If you have a spouse, provincial pension legislation requires that your retirement income be payable for your lifetime and that at least 60% of the amount you were receiving be payable to your spouse upon your death. The amount then payable to your spouse is payable for her/his remaining lifetime. A waiver, signed by your spouse, is required prior to pension commencement if you elect an alternative form of pension payment.

#### 1. Annuity Income Option

An annuity is a contract to receive a series of payments bought with all or part of the assets in your Member Account. Monthly payments are the most commonly selected option. However, payments may also be made quarterly, semi-annually or annually. The annuity income options are:

**a) Life Annuity**

A life annuity is an equal periodic amount paid to you for your entire lifetime. You may select a guaranteed period. If you die before the guaranteed period expires, the value of the remaining guaranteed payments would be paid in a lump sum to your beneficiary. If your spouse is the beneficiary, he or she may elect to continue receiving the annuity payments for the balance of the guaranteed period.

**b) Joint Life Annuity**

A joint and survivor life annuity is an equal periodic amount paid to you for your lifetime and to your spouse; the spouse's payments commencing only upon your death. There are a number of choices you can make to add a guaranteed period. You may have all or portion(s) of income continue if one of you dies. The payments continuing cannot be less than the amount defined by provincial legislation.

**2. Transfer Option**

You may choose to transfer the value of your funds in your Member Account to the Manulife Financial Personal Plan LIRA, or another registered pension plan or LIRA. Direct transfers allow the funds to continue to be tax sheltered. All amounts subject to locking-in will continue to be locked-in.

**3. Life Income Fund (LIF)**

You may choose to purchase a Manulife Financial Group LIF or transfer to another LIF with another financial carrier. This product offers you a series of payments for a specified period of time, subject to legislated minimum and maximum amounts. Within the minimum and maximum amounts payable, you can adjust how much income you will receive, how often you will receive it and how it will be invested. Your spouse may be required to sign a waiver form.

When you are nearing retirement, contact Manulife Financial to receive detailed descriptions of these options.

**What happens if I die before I terminate employment with my Employer(s) or retire?**

If you die before you terminate employment or retire, Manulife Financial will pay a death benefit equaling the value of your Member Account to your spouse if you have one, or otherwise, to your designated beneficiary. More information regarding the amounts and options available will be provided to your spouse or beneficiary upon request.

Employer and Member required contributions will be vested if you die before you retire.

If the death benefit is paid to your spouse, your spouse can choose from the options listed under the “***What happens if I terminate employment prior to my Normal Retirement Date***” and “***What can I do with amounts not subject to locking-in?***” sections of this booklet. Any death benefit paid to another beneficiary or estate must be paid as a lump sum payment, less income tax withholding.

### **Who is your beneficiary?**

You may name a beneficiary when you complete and sign the enrolment form to receive any death benefit payable from the Plan. Your beneficiary may be changed at any time, subject to any legal restrictions. If you do not name a beneficiary, any death benefit will be payable to your estate.

## **What fees may apply to me?**

The allocation of fees for the management of the Plan will be determined by the Board of Trustees. The Trustees may decide that some or all of the Fees charged by Manulife Financial may apply to you. Please inquire with the Plan Administration Office as to how fees are paid and which fees you are responsible for. The Fees payable to Manulife Financial are:

- **Replacement Tax Forms/Receipts** – A charge of \$10 per request will apply to paper receipts. This fee will be deducted from your Member Account. You may request a replacement tax form/receipt free of charge on the secure Member Internet site.
- **Interim Financial Statement Fee** – A charge of \$5 per requested interim financial statement will apply for each request and will be deducted from your Member Account.
- **In-Service Withdrawal/Transfer Fee (where the Plan allows – see the “Questions And Answers” section of this booklet)** – Each calendar year your first in-service withdrawal or transfer to another carrier is free. Any subsequent in-service withdrawals or transfers will incur a charge of \$25 per request. This fee will be deducted from your withdrawal or transfer amount. You can withdraw or transfer out only your voluntary contributions or transfer out monies from another pension plan.
- **Investment Management Fees (IMFs)** - You may pay the IMFs that apply to the Group IncomePlus Fund under your Member Account. You must contact the Plan Administration Office or access the secure Member Internet site to request this information.
- **Group IncomePlus Fee** – There is a fee calculated on the Guaranteed Benefit Base. This fee may be deducted from your Member Account on a monthly basis. Further information can be found on the secure Member Internet site or you may contact a Manulife Financial client service representative.

- **Breakdown of a Spousal Relationship** - Upon request, Manulife Financial will complete the division of pension assets with the value of your Member Account and the prescribed forms where there is a breakdown in a Member's spousal relationship. This charge applies to the individual requesting the division of pension assets and for the applicable prescribed forms to be completed. A cheque in the amount of \$200 must accompany the request.

## Questions and Answers

### **Under the Plan, who qualifies as a spouse?**

A spouse is defined as either of two persons who,

- a) are married to each other; or
- b) are not married but are living together in a conjugal relationship;
  - i) continuously for a period of not less than 3 years; or
  - ii) in a relationship of some permanence if they are the parents of a child, as defined in the *Children's Law Reform Act*.

For tax purposes, and if applicable, the *Income Tax Act* (Canada) definition of spouse and common-law partner will apply.

### **What happens to my benefits if my marriage ends?**

The value of your Member Account accumulated during the period of your marriage may be split between you and your former spouse as part of the division of assets. You should consult a lawyer about the laws governing this situation and the options available to you and your former spouse. Your former spouse cannot receive more than 50% of your Member Account.

### **Are my assets protected from creditors if I declare personal bankruptcy?**

Assets which are invested under a defined contribution registered pension plan (DC RPP) are protected upon declaration of personal bankruptcy.

### **Can I withdraw cash or transfer assets while employed?**

Yes, there may be certain situations where you may be able to access the assets in your Member Account. For example, if you face shortened life expectancy or if you have contributed voluntary Member contributions to the Plan or transferred monies into the Plan from another pension plan.