

**ALBERTA
REFRIGERATION
INDUSTRY
PENSION PLAN**

as of July 1, 2017

INTRODUCTION

This booklet provides you with a description of the benefits to which you, your spouse and your beneficiary or estate may be entitled from the Alberta Refrigeration Industry Pension Plan, as it existed on July 1st, 2017 and the rules that determine eligibility for benefits.

The benefits that are provided are in addition to the benefits provided by the Canada Pension Plan and Old Age Security.

The purpose of this booklet is to provide a summary of the Plan. Should there be any conflict between the wording used in this booklet and the wording used in the Text of the Plan, the latter shall apply.

BOARD OF TRUSTEES

A. Mireau	C. Deedo
M. Harper	A. Hettinger
T. Wilkinson	B. Hearn
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For information about your Pension, phone or write:

Administrator:
Alberta Refrigeration Industry
16214 - 118 Avenue
Edmonton, Alberta
T5V 1M6
Telephone: (780) 483-1591 or
1-800-227-6139
Fax No.: (780) 487-4063
www.albertarefrigeration.com

Mailing Instructions:

When writing to the Administrator, be sure to include the following information:

- (a) Your full name, printed clearly.
- (b) Your home address and postal code.
- (c) Your telephone number or email address.

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PART I

GENERAL INFORMATION

1. What is the effective date of the Plan?

The effective date of the Plan is May 1st, 1980.

Alberta Registration #42899

Canada Customs and Revenue Agency #0422972

2. Who is eligible to participate in the Plan?

Union Members:

Each person:

- (a) who is a member in good standing with Local Union 488.

Associate Members:

Each person:

- (a) who is employed by an employer that remits contributions to the Fund pursuant to a Collective Agreement and signatory to a Letter of Understanding with Local Union 488.

3. When does my membership in the Plan commence?

Union Members:

Membership in the Plan commences on the 1st day of the reporting period for which a participating employer remits a contribution to the Fund as a result of your hours of employment.

Associate Members:

Membership in the Plan commences on the 1st day of the reporting period for which a participating employer remits a contribution to the Fund as a result of your hours of employment.

4. How is the Plan financed?

Your employer contributes to the Fund at the rate in effect under the Collective Agreement or Letter of Understanding.

5. What is the definition of Spouse?

In relation to another person,

- (a) a person, who, at the relevant time, was married to that other person and had not been living separate and apart from that other person for three (3) or more consecutive years, or

- (b) if there is no person to whom subsection (a) applies, a person who immediately preceding the relevant time, had lived with that other person in a conjugal relationship
- (i) for a continuous period of at least three (3) years, or
 - (ii) of some permanence, if there is a child of the relationship by birth or adoption.

6. Beneficiary

If a spouse exists then the beneficiary will be that spouse unless they have signed a waiver form. If a spouse waives his/her rights then a beneficiary can be named to receive the value of the pension.

If there is no spouse then you can designate a person to receive the value of the Pension.

7. How do I designate or change my beneficiary?

You designate or change your beneficiary by completing an Application Card which is available from the Administration office.

8. What happens if I do not designate a beneficiary?

If you do not have a spouse and you do not designate a beneficiary any benefit that becomes payable on your death will be paid to your estate.

9. What happens if my spouse or beneficiary dies before I do?

Any benefit that becomes payable on your death will be paid to your estate.

10. Should I notify the Administration office if I move?

Yes. All communications from the Plan are sent to the address on record.

11. Should I keep my pay slips?

Yes. Errors may occur in the reporting of or the tabulation of your hours.

12. What information will I receive about the Plan?

- (a) A statement regarding your retirement benefits will be provided by July 31st each year.

- (b) If the Plan is changed, you will receive an explanation of the change.
- (c) On retirement or termination of Plan membership, you will receive a written statement showing the benefits to which you are entitled or to which you may become entitled.
- (d) On your death, your spouse, beneficiary or estate will receive a written statement showing the benefit payable as a result of your death.

13. How may I review the Plan Text?

The Plan Text is available upon written request to the Administrative Office.

PART II

HISTORICAL VESTING

1. What does vesting mean?

Vesting means locking in your pension. The vesting requirements have changed through the years and are listed below:

- (i) Service accrued from May 1, 1980 to April 30, 1985, 10 years vesting was required, and
- (ii) Service accrued from May 1, 1985 to February 28, 2000, 5 years vesting was required,
- (iii) Service accrued on/after March 1, 2000, 2 years vesting was required,
- (iv) Terminations on/after September 1, 2014, immediate vesting.

2. How are the years of service determined?

The years are measured with the hours the Plan receives from your employer:

Service accrued prior to May 1, 1986

<u>Hours</u>	<u>Vesting Years</u>
0 – 299	0.00
300 – 499	0.16
500 – 699	0.33
700 – 899	0.50
900 – 1099	0.67
1100 – 1299	0.83
1300 and up	1.00

Service accrued on/after May 1, 1986

<u>Hours</u>	<u>Vesting Years</u>
300 and up	1.00

PART III

RETIREMENT DATES

1. What is my Normal Retirement Date?

The first day of the month immediately following your 65th birthday.

2. What is the latest date I can retire and commence receiving my retirement benefit?

1st of December in the year you turn 71.

3. What is the earliest date I can retire and commence receiving a retirement benefit?

The first day of the month following your 55th birthday provided you have a vested pension.

PART IV

EARLY RETIREMENT BENEFIT

1. If I am a Union Member and I am in good standing with Local Union 488 on the date I retire, and have at least 5 years credited service, how will my retirement benefit be calculated?

If you are:

- (a) between age 60 and age 65 - you will receive the retirement benefit you have accrued.
- (b) between age 55 and age 60 - your retirement benefit will be reduced by $\frac{1}{2}\%$ for each complete month between your retirement date and age 60.

2. If I am an Associate Member and I am in good standing with Local Union 488 on the date I retire, and have at least 5 years credited service, how will my retirement benefit be calculated?

If you are:

- (a) between age 60 and age 65 - you will receive the retirement benefit you have accrued.
- (b) between age 55 and age 60 - your retirement benefit will be reduced by $\frac{1}{2}\%$ for each complete month between your retirement date and age 60.

3. If I am a Union Member or an Associate Member in good standing with Local Union 488 with less than 5 years credited service on the date I retire, how will my retirement benefit be calculated?

Your retirement benefit will be reduced for each complete month between the date your retirement benefit commences and age 65. The reduction is:

$\frac{1}{2}\%$ for each month prior to age 60.

PLUS

$\frac{1}{4}\%$ for each month between age 60 and 65.

4. If I am not a Union Member or an Associate Member in good standing with Local Union 488 on the date I retire, how will my retirement benefit be calculated?

Your retirement benefit will be reduced for each complete month between the date your retirement benefit commences and age 65. The reduction is:

$\frac{1}{2}\%$ for each month prior to age 60.

PLUS

$\frac{1}{4}\%$ for each month between age 60 and 65.

PART V

RETIREMENT BENEFIT

1. How is my retirement benefit determined?

Your retirement benefit is equal to the sum of your Past Service retirement benefit and your Membership Service retirement benefit.

2. How do I receive credit for Past Service?

Past Service credits were granted as a result of service before May 1st, 1980. If you fulfilled the necessary requirements, you were granted with Past Service credits.

3. How is my Past Service retirement benefit determined?

Your Past Service retirement benefit is equal to \$13.00 per month times your number of years credited Past Service to a maximum of 10 years.

Union Members:

If you were a member in good standing with Local Union 488 on May 1st, 1991 the amount of your Past Service retirement benefit was increased by 10%.

Associate Members:

If you were employed by a participating employer on May 1st, 1991 the amount of your Past Service retirement benefit was increased by 10%.

4. How do I receive credit for Membership Service?

Membership Service is credited as a result of service after May 1st, 1980. One year of Membership Service is credited if you have accumulated at least 1300 hours of employment during a Plan Year.

A Plan Year is the 12-month period from May 1st, to April 30th, in the next calendar year.

5. How is my Membership Service retirement benefit determined?

Union Members:

If you were a member in good standing with Local Union 488 on May 1st, 1991 the amount of your Membership Service retirement benefit for each Plan Year prior to that date was increased by 10%.

Associate Members:

If you were employed by a participating employer on May 1st, 1991 the amount of your Membership Service retirement benefit for each Plan Year prior to that date was increased by 10%.

All Members:

Current Benefit Schedule as at May 1, 2007

The amount of your Membership Service retirement benefit for each Plan Year on or after May 1st, 2007 - a monthly retirement benefit equal to \$0.075 for every Covered Hour of Employment (based on the Standard Contribution Rate) in any Plan Year that exceeds 100.

Previous Benefit Schedule May 1, 1992 - April 30, 2007

Covered Hours of Employment During the Plan Year	Amount of Monthly Retirement Benefit
3,500 but less than 3,700	167.28
3,300 but less than 3,500	157.44
3,100 but less than 3,300	147.60
2,900 but less than 3,100	137.76
2,700 but less than 2,900	127.92
2,500 but less than 2,700	118.08
2,300 but less than 2,500	108.24
2,100 but less than 2,300	98.40
1,900 but less than 2,100	88.56
1,700 but less than 1,900	78.72
1,500 but less than 1,700	68.88
1,300 but less than 1,500	59.04
1,100 but less than 1,300	49.20
900 but less than 1,100	39.36
700 but less than 900	29.52
500 but less than 700	19.68
300 but less than 500	9.84
less than 300	Nil

Effective April 30, 2001

For every additional completed block of

200 hours over 3,700 hours \$ 9.84 per block

If the rate of contribution made by your employer is at a rate which is other than the rate paid by the majority of the

employers, your hours will be adjusted.

6. In what form is a retirement benefit paid?

A retirement benefit is paid in either the Normal Form or an Optional Form.

The “Normal Form” of retirement benefit is paid for your lifetime or for 60 months, whichever period is longer.

An “Optional Form” is a reduced retirement benefit which you choose. This benefit has the dollar value as the Normal Form of benefits but provides different options.

7. What are the Optional Forms of retirement benefit?

Under these options the retirement benefit is payable for your lifetime, and

- (a) in any event for a minimum of 120 month, or
- (b) in any event for a minimum of 180 months, or
- (c) on your death the same amount of monthly retirement benefit is paid to your spouse for her/his remaining lifetime, or
- (d) on your death 60% of your monthly retirement benefit is paid to your spouse for her/his remaining lifetime, or
- (e) on your death 75% of your monthly retirement benefit is paid to your spouse for her/his remaining lifetime.

If you have a spouse on the date your retirement benefit commences, your right to choose an option is limited to Optional Forms (c), (d) and (e). You can choose the Normal Form of pension or options (a) or (b) only if your spouse completes a form to waive her/his right to an Optional Form.

8. Can I change the form of retirement benefit I have chosen? When?

You can change the form of retirement benefit you have chosen before receipt of your first retirement benefit payment.

9. When will my retirement benefit be paid?

The first payment will be due on the first day of the month following the month in which you retire. Subsequent payments are also due on the first day of each subsequent month.

10. What happens if I return to work after my retirement benefit commences?

Payment of your retirement benefit will continue, and you will not accrue any additional retirement benefits in respect of such employment.

PART VI

SPOUSAL BENEFITS ON DEATH OF MEMBER PRIOR TO RETIREMENT

1. Under what circumstances will a death benefit be paid?

A benefit will be paid if on your date of death you:

- (a) have a spouse, and
- (b) have a vested pension

2. What is the death benefit that will be paid to my spouse?

Your spouse may choose to:

- (a) receive a monthly benefit for her/his remaining lifetime, or
- (b) transfer the value of the monthly benefit to:
 - (i) another registered pension plan,
 - (ii) a locked-in retirement account, or
 - (iii) an insurance company, to purchase an immediate or deferred annuity.

3. What determines the amount of monthly benefit that will be paid to my spouse?

Union Members:

Your status in Local Union 488 on the date you die.

Associate Members:

Your status in Local Union 488 on the date you die

4. If I am a Union Member and I am in good standing with Local Union 488 on the date I die, how will the monthly benefit be calculated?

The monthly benefit will be equal to the greater of:

- (a) \$120.00 or
- (b) 60% of the monthly retirement benefit you have accrued.

5. If I am an Associate Member and I am in good standing with Local Union 488 on the date I die, how will the monthly benefit be calculated?

The monthly benefit will be equal to the greater of:

- (a) \$120.00 or
- (b) 60% of the monthly retirement benefit you have accrued.

6. If I am not a Union Member or Associate Member and I am not in good standing with Local Union 488 on the date I die, how will the monthly benefit be calculated?

The monthly benefit will be equal to the greater of:

- (a) \$120.00, or
- (b) the amount of monthly benefit that can be provided by the value of the retirement benefit which you accrued.

PART VII

TERMINATION BENEFITS PRIOR TO RETIREMENT

1. Can my status under the Plan change? When?

Yes. You will be deemed to have incurred a “change in status” if on April 30th in any year you have less than a total of 350 hours of employment credited to you in the immediate preceding 2 Plan years.

2. What happens if I am deemed to have incurred a change in status?

You will be deemed to have become entitled to a termination benefit if you have:

- (i) a vested pension; and
- (ii) the Plan has received less than 350 hours in 2 consecutive Plan years.

3. What is my termination benefit?

You will be entitled to a paid-up deferred retirement benefit equal to the retirement benefit that you have accrued. This retirement benefit may commence on the first day of any month following the month in which you reach age 55. The amount you will receive will be determined in accordance with Part IV.

4. Can the value of my paid-up deferred retirement benefit be transferred out of the Plan? Where?

Yes, if under age 55, to:

- (a) another registered pension plan,
- (b) a locked-in retirement account, or
- (c) an insurance company, to purchase an immediate or deferred annuity.

PART VIII

PORTABILITY

1. How do I arrange a transfer of my accrued benefits if I am eligible?

Information will be provided to you by the Administration office at the time a benefit becomes payable.

PART IX

RECIPROCITY

1. What happens if I work outside Alberta or transfer my membership to another Local Union in the United Association?

The Trustees of the Plan have entered into reciprocal agreements with most pension plans for U.A. Members in Canada.

These agreements make it possible for:

Union Members:

- (a) to have your employer contributions transferred to this Plan when you are temporarily working under the jurisdiction of a another U.A. Local, and
- (b) for the transfer of pension credits should you transfer your membership to another Local in the United Association.

PART X

TOTAL AND PERMANENT DISABILITY

1. How do I qualify for total and permanent disability credits?

You will qualify for if you are deemed to be totally and permanent disabled. You will be deemed to be totally and permanent disabled if:

- (a) you are in receipt of a disability pension under Canada Pension Plan, or
- (b) you are in receipt of Long term disability from The Edmonton Pipe Industry Health & Welfare Plan's insurer and been disabled for at least 4 months, or
- (c) you are in receipt of an eligible category under WCB and been disabled for at least 4 months.

2. What happens if I qualify for total and permanent disability credits?

You will be credited with 134 hours of employment for each complete calendar month that your are deemed to be totally and permanently disabled.

3. When will I be deemed to have recovered from total and permanent disability?

You will be deemed to have recovered from total and permanent disability on the date you cease to be entitled to any of the benefits listed in #1.

4. When will these credits cease?

On the 1st day you are eligible to receive an unreduced Pension benefit.



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