

AFTER WORK

THE PLAN OFFICE NEWSLETTER
FALL/WINTER 2018



PENSION AND LTD NEWS

POP-UP PLAN OFFICE

In September the Plan Office hit the road and held pop-up offices in Nanaimo and Port McNeill, where pension specialists met individually with over 60 members. At the pop-up Plan Office members were able to look up their pension records and ask specific questions about their plans. Feedback from members has been positive: members appreciated speaking to us in person and learning about their retirement options.

We'll be looking to do another road trip in the future, so look-out for a pop-up Plan Office coming soon to a venue near you!

FOR PENSION PLAN MEMBERS

<\$25 PENSION CASH-OUTS

According to the pension plan text, deferred members entitled to future monthly pensions of \$25 or less will receive a lump-sum payout equal to the lifetime value of their pension. This lump-sum can be paid in cash (less tax) or transferred to an existing RRSP.

If you are a deferred member and have accrued a monthly pension below the \$25 threshold, we will contact you in spring 2019 to arrange for the payment of your lump-sum benefit. Once you receive your payout, you will no longer be a member of the pension plan.

FOR PENSION PLAN MEMBERS

RETIRING FROM THE PLAN: A LIVE WEBINAR

Wondering what retirement will look like for you? Join us on **November 15, 2018** for a live webinar about receiving a pension from the IWA-Forest Industry Pension Plan. At this webinar, you'll learn:

- If you qualify for the supplemented or subsidized early retirement benefit,
- More about the various retirement options under the plan,
- Who you can select as a beneficiary, and
- How to start the application process and complete the necessary forms.

Sign up at iwafibp.ca/what-s-new to reserve your spot.

LEARN MORE

Interested in learning more about your pension and LTD plans? Past webinar recordings can be found at iwafibp.ca/videos. In April 2019, the Plan Office will host a live webinar on breaking service with the IWA-Forest Industry Pension Plan. Stay tuned for more details.



FOR PENSION AND LTD PLAN MEMBERS

REMAINING COVERED WHILE ON LEAVE

Whether it's a new child in the family, jury-duty obligations, or a family emergency, sometimes you need to take a break from work. When you do, it's up to you whether you remain covered by the LTD plan and/or earn credited service from the pension plan for the duration of your absence.

LTD PLAN COVERAGE

If you take a leave that is not due to an illness or injury (in which case you may be covered by the LTD plan), you and your employer must continue contributing to the LTD plan in order to remain eligible for LTD benefits and rehabilitation services. For most members, this means paying \$75 per month. Your employer must also contribute an additional \$75 per month.

PENSION PLAN COVERAGE

If you wish to continue earning credited service during a leave of absence, you and your employer must also continue contributing to the pension plan. For most pension plan members, this means contributing \$278.13 per month to the pension plan. Your employer must pay the remaining \$459.38 per month.

If you have enough excess hours, you can use them to bring your credited service for the year up to 1,500. In this instance, you would not need to contribute to the pension plan during your leave of absence.

PREPARED FOR LIFE'S EMERGENCIES

The decision to remain covered by the LTD or pension plan during a leave of absence is, of course, up to you. We encourage you to think about what coverage means for you—how would you and your family cope if an emergency were to strike? Do you have any dependents to protect? How much do you value your pension in retirement? These are important questions to ask before deciding if coverage is right for you.

FOR PENSION AND LTD PARTICIPATING EMPLOYERS

EMPLOYER CORNER

COLLECTING CONTRIBUTIONS

When members take a leave of absence that is not covered by the plans, but wish to remain covered by the LTD plan and/or continue to earn credited service from the pension plan, you must still collect and remit contributions to the Plan Office.

Examples of these types of leaves include: pregnancy and parental leave, compassionate care, family responsibility and bereavement leave, and jury duty and grievance leave.

NEW ADMINISTRATION MANUALS

To make your job easier, we've overhauled the employer administration manuals. The new version will be available on our website and mailed to employers by the end of the year.



FOR PENSION PLAN MEMBERS

YOUR PENSION OPTIONS

Whether you've worked for many years and are starting to plan your next steps, or are simply daydreaming about the future, retirement might be on your mind. But, before you decide to retire, you need to know your pension options.

There are many different kinds of pension plans. The IWA–Forest Industry Pension Plan is a target benefit plan. This means that your contributions do not reflect the exact value of your pension. Rather, your lifetime monthly pension is based on a formula which multiplies your years of credited service with the applicable benefit levels for those years. The more years you work, the greater your pension will be.

PENSION OPTIONS

The pension options differ by the amount of coverage that is provided to your beneficiary(ies) following your death. The more beneficiary coverage provided, the lower your monthly pension will be.

A. STRAIGHT LIFE

This pension option was designed for members with neither spouses nor dependents. If you select this option, you'll receive a pension for your lifetime. Following your death, no further payments will be made from the plan.

B. LIFE PENSION WITH A GUARANTEE PERIOD

This pension option provides conditional spousal/beneficiary

protection. At retirement, you'll choose between a 5, 10 or 15 year guarantee period. You'll receive a lifetime pension, and if you die before the end of your chosen guarantee period, your spouse or designated beneficiary will continue to receive monthly payments for the remainder of the guarantee period. If you die after the guarantee period, no further payments will be made from the plan.

C. JOINT AND SURVIVOR

This pension option was designed to financially protect your spouse following your death. With this option, following your death, monthly payments equal to 60%, 66.67%, 75% or 100% of your lifetime pension will continue to your spouse, if surviving, for the remainder of their life. If you choose the 60% threshold, you can also add a 10 year guarantee period to this pension option.

SPOUSAL WAIVER

In accordance with BC pension legislation, if you have a spouse at the time of retirement, and you don't want to select the joint and survivor option, your spouse must sign a waiver giving up their entitlement to a minimum benefit from the plan.

SUPPLEMENTED EARLY RETIREMENT

Because government benefits (Old Age Security) begin at age 65, you can choose to receive a greater pension amount from the plan prior to age 65 and a smaller amount after age 65.

PENSION EXAMPLES

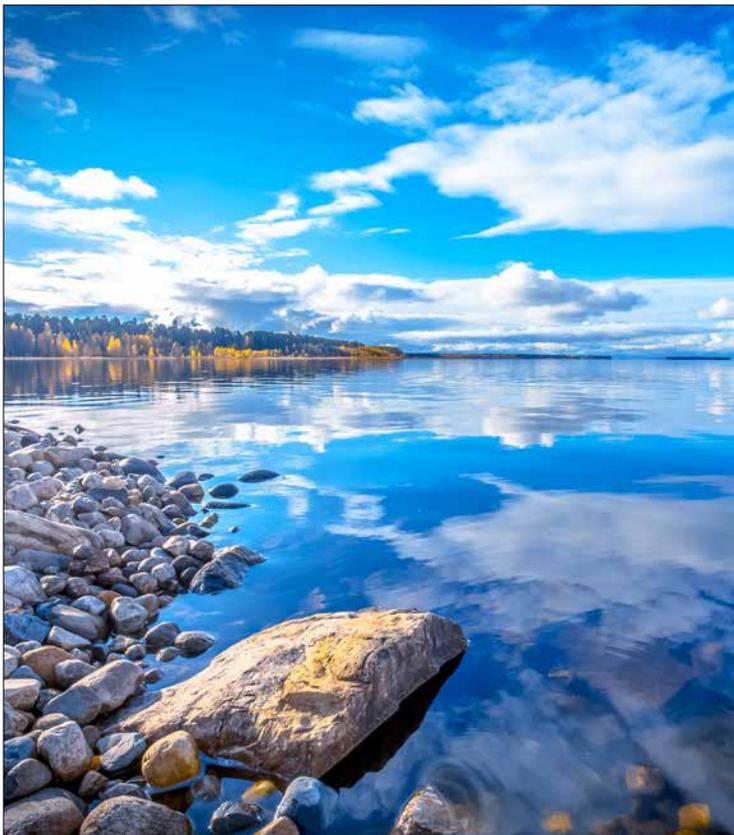
The table below shows how much money your beneficiary would receive under the various pension options, assuming you were to die eight years after beginning a \$1,500 monthly pension from the plan:

Life pension with a 5-year guarantee period	Life pension with a 15-year guarantee period	100% joint and survivor	60% joint and survivor with a 10 year guarantee
No further benefits will be payable to your beneficiary.	Your beneficiary will receive a \$1,500 monthly pension for seven more years. Following those seven years, no further benefits will be payable.	Your spouse will receive a \$1,500 monthly pension for the remainder of their life.	Your spouse will receive a \$1,500 monthly pension for two years following your death. After those two years, they will receive a \$900 monthly pension for the remainder of their life.

FOR PENSION PLAN MEMBERS

2017 PENSION VALUATION RESULTS

The latest pension plan results are in: as of December 31, 2017, the pension plan is fully funded. As a target benefit plan, funding is measured on a going concern basis. The going concern valuation calculates the ability of the plan to pay all of its obligations over the long term, assuming the plan continues indefinitely into the future. Because the going concern calculation is forward looking, it uses interest rates that are based on the plan's long-term expected return on investments. The plan's funding is dependent upon a combination of factors, including investment performance, member mortality rates, and contributory hours. In 2017, favourable investment returns helped improve the plan's funded ratio.



OUR MEMBERS SAY...

“I want to thank the IWA[-Forest Industry Pension Plan] for providing a great wage and pension for my father, who worked for nearly 30 years at a sawmill in Fort St. James upon immigrating from India to Canada in 1975. And upon my father’s passing in 2016, the benefits transferred to my mother.

All this enabled my parents to raise three children in a very decent middle class lifestyle and to have a reasonable retirement. I was also able to work in sawmills during summers in between university semesters, which allowed me to pay the cost of my own education.”

Guriqbal Randhawa

Share your story – we’d love to hear from you!
If you have a story or photo that you would like to share, please contact the Plan Office at communications@iwafibp.ca or 604-454-5459.

HOW TO CONTACT US

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Pension inquiries

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LTD and Rehabilitation inquiries

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Employer and Contributions inquiries

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Service feedback

Questions or comments about the service you received from the Plan Office? Send your feedback to service@iwafibp.ca or visit iwafibp.ca/service.