

**PENSION FUND BOOKLET**  
**FOR THE**  
**CARPENTERS' PENSION FUND OF SASKATCHEWAN**



**September 2023**



# **CARPENTERS' PENSION FUND OF SASKATCHEWAN**

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## CARPENTERS' PENSION FUND OF SASKATCHEWAN

Dear Participant:

We are pleased to present the Pension Fund booklet describing your pension benefits with the Carpenters' Pension Fund of Saskatchewan ("Pension Fund"), including amendments and improvements effective January 1, 2023. This booklet presents an explanation of your pension benefits with the Pension Fund and how your benefits are calculated.

It's important that you know how the Pension Fund works. Please read this booklet carefully and keep it in a safe place for future reference. You may wish to share this booklet with your family so that they are aware of your pension benefits and the possible entitlement to your applicable beneficiary(ies).

This booklet is only a summary of the Pension Fund's benefits and is based on the Pension Fund's official Rules and Regulations. If there is any conflict between this booklet and the Rules and Regulations, the Rules and Regulations shall be the final authority.

If you have any questions relating to your pension benefits or you would like to receive a copy of the Rules and Regulations, please contact the Fund administrator's office at:

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We would like to thank you for your continued interest and support, and we hope that you share in our satisfaction with the improvements of the Pension Fund to date.

Sincerely,

BOARD OF TRUSTEES

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## **1. THE PENSION FUND IN GENERAL**

The Carpenters' Pension Fund of Saskatchewan was established as a result of collective agreements between contributing Employers and Local 1985. The main purpose of this Pension Fund is to provide you with a retirement benefit.

Under the Pension Fund, there are normal, phased-in, early, deferred, disability and pre-retirement death pensions. There is also a lump sum death benefit payable in some circumstances. A description of the types of retirement benefits available under the Pension Fund, when you are eligible to receive a benefit, and how much you will receive are described in detail in this booklet.

This booklet reflects the current Pension Fund Rules and Regulations as of September 1, 2023. Unless otherwise stated, the pension benefits of Participants or Former Participants who have previously terminated participation in the Pension Fund will be determined under the terms of the Pension Fund in effect at the prior date of termination of participation.

The pensions provided by the Pension Fund are in addition to and independent of the Old Age Security benefits and retirement pensions provided by the Canada Pension Plan. For information on these programs, contact the nearest office of Old Age Security and Canada Pension Plan. Information on these programs can also be found on the following government website ([www.canada.ca/en/services/benefits/publicpensions.html](http://www.canada.ca/en/services/benefits/publicpensions.html)).

On the following pages you will find questions and answers about the Pension Fund.

## 2. DEFINITIONS

It is important that you understand the technical terms used in this booklet. Complete definitions can be found in the Rules and Regulations.

**Break In Service** – Occurs when you fail to work a total of at least 350 hours in Covered Employment in two (2) consecutive calendar years.

**Commuted Value** – Is the value of all your future expected monthly pension benefits converted to a single lump sum at a particular point in time.

**Covered Employment** – Is employment for which a contributing Employer contributes to the Pension Fund on your behalf in accordance with a Collective Bargaining Agreement.

**Employer** – Is an employer that makes contributions to the Pension Fund on your behalf in accordance with a Collective Bargaining Agreement or other agreement acceptable to the Trustees.

**Former Participant** – You are a “Former Participant” if you have attained Vested Status and have not worked a total of at least 350 hours in Covered Employment in two (2) consecutive calendar years and you did not exercise your Portability Option.

**Normal Retirement Age** – Age 65.

**Participant** – You are a “Participant” if you work for an Employer who contributes to the Pension Fund on your behalf, and you have met the minimum rules to participate in the Pension Fund.

**Period of Participation** – A “Period of Participation” starts once an Employer contributes to the Pension Fund on your behalf, and ends if you retire, if you die prior to retirement, or if you have a Break In Service.

**Portability Option** – Portability is offered when you incur a Break In Service. It allows you, for a limited time, the right to transfer your entitlement out of the Pension Fund.

**Spouse** – Your “Spouse” is a person who is married to you, or if you are not legally married, a person who is living with you as your Spouse and has been living with you continuously for at least one (1) year.

**Vested Status or Vested** – Being “Vested” or having “Vested Status” means you have earned the right to a pension benefit from the Pension Fund when you retire. You cannot lose this right, even if you stop working for a contributing Employer.

**Year** – Is the period from January 1<sup>st</sup> to December 31<sup>st</sup> of the same year.

**YMPE** – Year’s Maximum Pensionable Earnings is the maximum amount of your salary on which contributions may be made to the Canada Pension Plan. This maximum amount increases each year and is set by legislation in relation to the Canada Pension Plan. For 2023 the YMPE is \$66,600.

### 3. HOW DOES MY WORKING TIME COUNT?

The time you work for an Employer counts in two very important ways, for:

- Earning Benefit Credit; and
- Becoming Vested.

#### **Benefit Credit**

You earn Benefit Credit for the time you work for an Employer both before and after your “Future Service Date” (this term is explained on the next page). Benefit Credit is the sum of the following:

- The exact number of hours you worked for an Employer after January 1, 1993 for which contributions were made to the Fund on your behalf;
- The number of years (and fractions of a year) of Future Service Credit you earned before January 1, 1993 multiplied by 1,200 hours; and
- The number of years (and fractions of a year) of Past Service Credit that you may qualify for multiplied by 1,200 hours.

**Future Service Credit**– You earn Future Service Credit based on hours you worked for an Employer for which contributions were made to the Fund on your behalf. You earn one (1) year of Future Service Credit for 1,200 or more hours of work in Covered Employment in a calendar year. If you worked less than 1,200 hours in a year, you will receive  $\frac{1}{4}$  year for each complete 300-hour block of work.

**Past Service Credit** – If you worked in the industry before your “Future Service Date” (as explained on the next page), you may be eligible for Past Service Credit. In order to qualify, you must have worked at least 300 hours in any one (1) of the three (3) calendar years prior to your Future Service Date in employment for which contributions were made or were required to be made by a Collective Bargaining Agreement to the Carpenters’ and Millwrights’ Health & Welfare Benefit Trust Fund of Alberta and Saskatchewan. If you are eligible, you will earn  $\frac{1}{4}$  year of Past Service Credit for each complete 300-hour block of such employment. The maximum number of years of Past Service Credit you may receive is 10. If you need more information on how Past Service Credits are granted, please contact the Fund administrator’s office.

**Future Service Date** – If you were working under the jurisdiction of the former Locals 1804, 1867 and 1805 on the date your Employer first made contributions to the Pension Fund on your behalf, your Future Service Date is January 1, 1973. If you were working under the jurisdiction of the former Local 2469 on the date your Employer first made contributions to the Pension Fund on your behalf, your Future Service Date is January 1, 1974.

### **Vesting Service**

In addition to receiving Benefit Credit, you are also earning years of Vesting Service. Your Vesting Service is used to determine your Vested Status. You will receive one (1) year of Vesting Service for each year after your Future Service Date in which you complete at least 350 hours of work in Covered Employment.

### **Can I Lose My Benefit Credit and Vesting Service?**

Yes. This can happen if you have not earned a Vested right to your benefit (see Section 4) and you have a Break In Service. A Break In Service occurs if you do not work a total of at least 350 hours in Covered Employment in two (2) consecutive calendar years.

## **4. WHEN DO I ATTAIN VESTED STATUS?**

You will have attained Vested Status when you have completed the earliest of the following:

- your age plus your years of Future Service Credit and Past Service Credit (with a minimum of one (1) year of Future Service Credit) equal at least 45; or
- you have at least two (2) years of Vesting Service (as explained in Section 3); or
- you have reached Normal Retirement Age while you are a Participant (age 65).

Once you have earned the right to a Vested benefit, you cannot lose your entitlement – even if you stop working for a contributing Employer.

## 5. WHAT HAPPENS IF I STOP WORKING FOR AN EMPLOYER?

When you stop working for an Employer, no further contributions would be made to the Pension Fund for you. Unless you resume working for an Employer within the time periods specified below, you will then incur a Break In Service. Here's how it works:

### Break In Service

You will have a Break In Service if you fail to work a total of at least 350 hours in two (2) consecutive calendar years. When you have a Break In Service, you will cease to be a Participant as of the last day of the calendar year in which the break occurs.

If you have a Break In Service after you attain Vested Status, you will be entitled to a deferred pension as explained in Section 6, which is payable as early as age 55. If you are Vested and are under age 55 at the time you have a Break In Service, instead of a deferred pension, you have a **limited one-time opportunity** to elect the Portability Option as permitted by the Saskatchewan *Pension Benefits Act*. Further details are provided in Section 6.

If you return to Covered Employment after incurring a Break In Service, you start a new period of participation in the Pension Fund. The hours of Covered Employment you work during a new period of participation do not change or affect the benefits you previously earned.

### Are There Exceptions to These Break Rules?

Yes. "Grace Periods" are granted if your failure to work in Covered Employment is due to:

- disability,
- non-contributory employment in a supervisory capacity by a contributing Employer,
- service in the Canadian Armed Forces, or
- involuntary unemployment due to a lack of work availability.

Grace periods are periods of time which will not be counted in determining if you have incurred a Break In Service or are eligible for the Portability Option.

**YOU MUST APPLY FOR THESE GRACE PERIODS BY PROVIDING WRITTEN NOTICE AND EVIDENCE WITHIN THE TIME LIMITS SET BY THE TRUSTEES. FULL DETAILS ARE INCLUDED IN THE RULES AND REGULATIONS.**

## 6. WHEN AM I ELIGIBLE FOR A BENEFIT?

There are five (5) types of monthly pensions available from this Pension Fund: Normal, Phased-In Retirement, Early Retirement, Deferred and Disability pension. This section describes your eligibility for each type of pension as well as the Portability Option. Please note, in order to receive any benefit, you must submit a written application on a form approved by the Trustees. You may obtain a copy of the form from the Fund administrator's office or online at [skcarpenters.ca](http://skcarpenters.ca).

### Normal Pension

You are eligible for a Normal Pension if you:

- are a Participant;
- are at least age 65; and
- have attained Vested Status.

You may retire with a normal pension any time after you meet all of the above requirements, but you may not delay receiving your pension beyond the end of the calendar year in which you reach age 71, even if you are still working in Covered Employment.

### Phased-In Retirement Pension Option

You are eligible for a temporary Phased-In Retirement Pension if you:

- are a Participant;
- are at least age 65; and
- have attained Vested Status.

This pension permits you to start receiving 50% of your pension while remaining at work and continuing to earn additional pension benefits. This temporary phased-in pension is paid until you switch to a Normal Pension as described above. Additional details on the Phased-In Retirement Pension Option are provided in Sections 7, 13, and 14.

### Early Retirement Pension

You are eligible for an Early Retirement Pension if you:

- are a Participant;
- are at least age 55; and
- have attained Vested Status.

## **Deferred Pension**

You are eligible for a Deferred Pension if you:

- are a Former Participant;
- are at least age 55;
- have attained Vested Status; and
- have not elected the Portability Option.

## **Disability Pension**

You are eligible for a Disability Pension if you:

- become totally and permanently disabled while you are a Participant;
- are not eligible to retire with a Normal Pension; and
- have attained Vested Status.

You will be considered totally and permanently disabled (under the terms of this Pension Fund) if the Trustees determine, based on written evidence from a medical doctor who is licensed to practise under the laws of the province in which you live, that:

- you are totally unable, because of bodily injury or disease, to engage in any occupation for remuneration or profit, and
- this disability will be permanent and continuous for the remainder of your life.

When you apply for a disability pension you must obtain the necessary forms online at [skcarpenters.ca](http://skcarpenters.ca) or from the Fund administrator's office and have the forms completed by your medical doctor. You may be required to be examined by medical doctor(s) selected by the Trustees, and if your application is approved, the Trustees may require periodic medical re-examinations. Your disability pension will continue for your life provided you remain totally and permanently disabled. If you recover from your disability before age 65, your disability pension will stop.

## Portability Option

You may choose the Portability Option if you:

- have attained Vested Status;
- are eligible for the Portability Option or have a Break In Service; and
- have not reached age 55.

By choosing the Portability Option, you may transfer the commuted value of your pension to a Locked In Retirement Account (LIRA), another registered pension plan, if that pension fund permits, or to buy an immediate or deferred life annuity.

You will be sent a termination statement when you become eligible for the Portability Option or incur a Break In Service. **If you wish to choose the Portability Option, you must complete the form provided and submit it to the Fund administrator's office within 90 days of receiving the termination statement.**

If you fail to make an election during the required time period, you will be deemed to have elected a monthly pension benefit commencing at retirement and upon submitting the proper application form for the benefit.

Once you have chosen the Portability Option, you will not be entitled to any further benefits from the Pension Fund.

**Please note, it is important to keep the Fund administrator's office informed of any address changes as the failure to receive your termination statement due to an invalid or missing address will not extend the 90-day deadline for selecting the Portability Option.**

## 7. HOW MUCH WILL MY BENEFIT BE?

The amount of your pension benefit depends on the number of hours of Benefit Credit you have earned. If your monthly pension is not a multiple of \$0.50, it will be rounded up to the next higher multiple of \$0.50.

### Normal Pension

Your normal pension is a function of the number of hours you worked in Covered Employment and the benefit rate that applies to you. The benefit rates have been increased at the discretion of the Board of Trustees from time to time in the past if warranted by the financial position of the Pension Fund. The benefit rate that applies to any Period of Participation you have in the Pension Fund is determined by the benefit rate in effect on the date you have a Break In Service or the date you retire (whichever occurs first).

Your normal pension for a Period of Participation is a monthly amount calculated as follows:



Date the Period of Participation ended	Monthly benefit amount for each 1,000 hours of Benefit Credit earned during the Period of Participation
January 1, 2023 or later	\$80.00
January 1, 2022 to December 31, 2022	\$78.75
January 1, 2021 to December 31, 2022	\$78.03
January 1, 2019 to December 31, 2020	\$77.22
January 1, 2016 to December 31, 2018	\$75.30
January 1, 2014 to December 31, 2015	\$71.58
January 1, 2010 to December 31, 2013	\$65.61
January 1, 2008 to December 31, 2009	\$62.64
January 1, 2006 to December 31, 2007	\$56.37
January 1, 2004 to December 31, 2005	\$50.11
January 1, 2001 to December 31, 2003	\$43.84
January 1, 2000 to December 31, 2000	\$37.58
December 31, 1999 or earlier	\$25.05

Your total normal pension is equal to the sum of the normal pension you earned during each of your Periods of Participation.

Here are two examples of how this works:

***Example #1 – Active Participant with no Breaks In Service***

Peter became a Participant in January 1982 at age 23. His service history is as follows:

1982 to 1992	7.75 years of Future Service Credit
1993 to February 2023	53,044 contributory hours

Peter turns age 65 on February 2, 2023 and retires on March 1, 2023. His Benefit Credit is calculated as follows:

1982 to 1992	7.75 x 1,200 hours	9,300 hours
1993 to February 2023		<u>53,044 hours</u>
Total Benefit Credit		62,344 hours

Peter's normal pension is calculated as follows based on the benefit rate in effect on the date his Period of Participation ended:

$$\$80.00 \times (62,344 \div 1,000) = \$4,987.52 \text{ rounded up to } \$4,988.00$$

**As of March 1, 2023 Peter is eligible to receive a normal pension of \$4,988.00 per month starting at age 65.**

***Example #2 – Active Participant with Breaks in Service***

John first became a Participant on January 1, 1986 and participated in the Pension Fund over three separate periods. John's service history is as follows:

1986 to 1989	Future Service Credit	3.00 years
1990 to 1993	No service - Break in Service on December 31, 1990	0.00 years
1994 to 2001	Hours of Benefit Credit	14,245 hours
2002 to 2015	No hours - Break in Service on December 31, 2003	0 hours
2016 to 2023	Hours of Benefit Credit	7,756 hours

John turns age 65 on January 16, 2023 and retires February 1, 2023. His Benefit Credit is calculated as follows:

1986 to 1989	3.00 x 1,200 hours	3,600 hours
1990 to 1993		0 hours
1994 to 2003		14,245 hours
2004 to 2015		0 hours
2016 to 2023		7,756 hours

John's normal pension is calculated as follows based on the benefit rate in effect on each of the dates his three Periods of Participation ended:

1. John had his first Break In Service before January 1, 2000, and his total Benefit Credit before the break for his first Period of Participation is 3,600 hours. His normal pension for Benefit Credit for his first Period of Participation is equal to  $\$25.05 \times (3,600 \div 1,000) = \$90.18$ .
2. John had a total of 14,245 hours of Benefit Credit during his second Period of Participation. His normal pension for Benefit Credit for his second Period of Participation is equal to  $\$43.84 \times (14,245 \div 1,000) = \$624.50$ .
3. In his third Period of Participation leading into his retirement, John earns 7,756 hours of Benefit Credit. His normal pension for Benefit Credit for his last Period of Participation is equal to  $\$80.00 \times (7,756 \div 1,000) = \$620.48$ .

John's total monthly normal pension is  $\$90.18 + \$624.50 + \$620.48 = \$1,335.16$  rounded to  $\$1,335.50$ .

**As of February 1, 2023 John is eligible to receive a normal pension of \$1,335.50 per month starting at age 65.**

## Phased-In Retirement Option

The Pension Fund provides for a Phased-In Retirement Option if you choose to continue working beyond age 65. This option permits you to receive 50% of your normal pension while continuing to earn additional pension credit while you are at work.

To show you how this works, we will use Peter's situation again as described in Example #1 earlier. In that example, Peter had earned \$4,988.00 of pension by the time he attained age 65 in 2023. Instead of retiring however, he decided he wanted to continue to work selectively until the end of 2023, so he elected the Pension Fund's Phased-In Retirement Option. Based on his choice, Peter started receiving \$2,494.00 per month in 2023 as temporary phased-in income. This is in addition to the wages he was paid for his work in Covered Employment after age 65. On January 1, 2024, Peter actually retires completely. Over the last 10 months before his retirement, he worked an additional 1,500 hours. These additional hours earned him an additional \$108.75 in monthly pension [ $\$80.00 \times (1,500 \div 1,000) = \$120.00$ ]. His total normal pension increased to  $\$4,988.00 + \$20.00 = \$5,108.00$ . Once Peter's normal pension started to be paid, the temporary phased-in pension stopped.

## Early Retirement Pension

Your early retirement pension is calculated the same way as the normal pension but then it is reduced by 1/3 of 1% (0.3333%) for each complete month you are younger than age 65 when you retire. Your early retirement pension is reduced because it is being paid to you over a longer period of time.

Let's use our example of Peter again as described in Example #1 above, but let's now assume that he is retiring early at age 60. We know from our previous calculation that Peter's monthly normal pension at age 65 would be \$4,988.00, but because he is only age 60, his monthly early retirement pension will be reduced because he will receive his monthly pension payments over a longer period of time. For each complete month that he is younger than age 65, his normal pension is reduced by 1/3<sup>rd</sup> of 1% (0.3333%) or 4% per year. In this case, Peter is retiring 60 complete months (5 years) earlier than age 65. To determine Peter's reduced early retirement pension, we would reduce his monthly normal pension as follows:

Peter's monthly normal pension (before rounding)	\$4,987.52
Number of years younger than age 65	5.0
Amount of reduction	\$997.50 [ $(\$4,987.52 \times 4\%) \times 5.0 \text{ years}$ ]
Peter's monthly early retirement pension	\$3,990.02 ( $\$4,987.52 - \$997.50$ )

**Peter's early retirement pension would be \$3,990.50 per month.**

## Deferred Pension

If you are eligible for a deferred pension, the way your monthly pension is calculated depends on when you choose to begin receiving your monthly benefits and your age on the date your monthly benefits begin.

Once you have attained age 55, you will have two choices:

- begin receiving an amount equal to your reduced “early retirement” pension immediately, or any time before you reach age 65;

OR

- you can postpone receiving your monthly pension until you are at least age 65, with no reduction.

## Disability Pension

Your disability pension is calculated the same way as a reduced early retirement pension. If you are younger than age 55 when you become disabled, your monthly pension will be calculated as though you were age 55 on the date your pension is payable.

## 8. WHEN WILL MY PENSION BENEFITS BEGIN?

The date your monthly pension will begin depends on the type of pension and some other factors, which are outlined below.

A **normal pension** is payable monthly from the first of the month after your 65<sup>th</sup> birthday. If you continue working past your 65<sup>th</sup> birthday, you can start receiving 50% of your normal pension as a temporary **phased-in pension** while you continue to earn additional pension credits. You must however begin receiving your permanent pension benefit before the end of the calendar year in which you reach age 71. **You must still submit an application form in order to start receiving temporary or permanent benefits – payments do not automatically commence at age 65.**

An **early retirement pension** begins on or after you have reached age 55, and is payable monthly from the later of:

- the first of the month following receipt of your completed pension application; or
- the first of the month that you have chosen to begin receiving your benefits.

A **deferred pension** follows the same rules as the normal and early retirement pensions outlined above.

A **disability pension** is payable monthly from the first of the month following the 6<sup>th</sup> month of disability.

## 9. HOW IS MY BENEFIT PAID?

### Normal Form – If You Do Not Have A Spouse

If you do not have a Spouse when you retire, your normal, deferred or early retirement pension benefits will be in the form of equal monthly payments that begin upon your retirement, and continue for your life with a guarantee of 60 monthly payments. This means that if you die before you receive 60 monthly payments, your last-named beneficiary or estate will continue to receive monthly benefit payments until the balance of the guaranteed 60 monthly payments have been made. If you die after receiving 60 monthly payments, no further benefits are paid to your beneficiary.

However, if you do not want to receive your pension in the normal form as described above, you can choose an optional form of payment. Further details on the optional forms are described below. When you elect one of these optional forms, your monthly benefit will be reduced or increased to reflect the number of years your pension will be guaranteed.

If you do not have a Spouse and are retiring on a **disability pension**, your monthly pension benefits are payable for your life only – there is no guarantee and you will not be eligible to choose one of the optional forms of pension payments.

### Standard Form – If You Have A Spouse

If you have a Spouse when you retire, your normal, deferred, early or disability pension is paid under the standard form of pension - a joint and survivor benefit. This means you will receive a reduced monthly benefit for your life. When you die, your Spouse will receive 60% of your reduced monthly benefit for the rest of his or her life. The monthly benefit you receive is reduced because the retirement benefits are being paid over the longer of two lifetimes – yours and your Spouse's.

If your Spouse dies after your monthly pension payments begin, you will continue to receive your reduced monthly pension for your life. When you subsequently die, no further benefits will be paid to anyone.

If your Spouse dies before your pension begins, you will receive your pension benefits in the normal form, as described above, provided you have not elected an optional form.

Your Spouse may waive his or her rights to the joint and survivor benefit by signing and submitting a spousal waiver form. Your Spouse must sign this form in the presence of a witness but outside of your presence. The waiver form must be signed and filed with the Trustees no earlier than 90 days before your pension benefit payments begin. If your Spouse signs the spousal waiver form, you will be treated as if you do not have a Spouse and will receive your pension benefits in the normal form, as described above, provided you have not elected an optional form.

## **What are the Optional Forms of Pension?**

If you are retiring on a normal, deferred or early retirement pension and you are single, or if your Spouse has signed a spousal waiver form, you may elect to receive your monthly pension payments in one of the optional forms described below. The election must be made in writing, on a form approved by the Trustees and be filed along with your pension application. Once payment of your monthly benefits begins, you are no longer able to change your selected option and elect a different form of pension payment.

### **Life Annuity With No Guarantee Period**

This option provides a monthly benefit for your life only, with no further payments after your death. This form of pension payment will give you the highest monthly benefit, but it is only advised if you have no dependents or if you have fully provided for your dependents through life insurance, as they will not receive any further payments from your pension when you die. This option is only available prior to age 66.

### **Life Annuity Guaranteed for 10 Years**

This option provides a lower monthly benefit that begins upon your retirement and continues for your life with a guarantee of 120 equal monthly payments. This means that if you die before you receive 120 monthly payments, your last-named beneficiary or estate will continue to receive monthly benefit payments until the balance of the guaranteed 120 monthly payments have been made. If you die after receiving 120 monthly payments, no further benefits are paid to your beneficiary.

### **Life Annuity Guaranteed for 15 Years**

This option provides a lower monthly benefit that begins upon your retirement and continues for your life with a guarantee of 180 equal monthly payments. This means that if you die before you receive 180 monthly payments, your last-named beneficiary or estate will continue to receive monthly benefit payments until the balance of the guaranteed 180 monthly payments have been made. If you die after receiving 180 monthly payments, no further benefits are paid to your beneficiary.

### **75% or 100% Joint and Survivor Option**

These options provide a lower monthly pension payable upon your retirement and continue for your life. Following your death, your Spouse will receive 75% or 100% (as you may choose) of your reduced monthly benefit for the rest of his or her life.

Proof of date of birth for both yourself and your Spouse must be submitted along with your completed pension application. If either you or your Spouse die before the pension becomes payable, the option is automatically cancelled. If your Spouse dies after your monthly pension payments begin, you will continue to receive the same reduced pension for your life.

### **Phased-In Retirement Option**

With the Phased-In Retirement Option, you are not considered as being retired, so you are not required to choose a form of pension until you actually retire. At that point, you would be required to elect one of the forms described above.

Should you die prior to retirement, your Spouse or named beneficiary would receive a pre-retirement death benefit as described in Section 15 or 16.

### **Shortened Life Expectancy**

If you have not yet started to receive your monthly pension and are diagnosed with a health condition that is expected to shorten your life expectancy to two years or less, you may be eligible to receive a lump sum cash payment less applicable income tax instead of a monthly pension. Please contact the Fund administrator's office if you require additional details.

### **Non-Residency**

If you provide written evidence from the Canada Revenue Agency that you qualify as a non-resident of Canada, you may be eligible to receive a lump sum cash payment less applicable income tax instead of a monthly pension. Please contact the Fund administrator's office if you require additional details.

### **Small Benefit Threshold**

If your participation in the Pension Fund only covers a short period of time, the pension benefits you earn may not attain the small benefit threshold established by legislation, even if you have attained Vested Status. In such situations, your benefit entitlement will be paid as a lump sum cash payment less applicable income tax instead of a monthly pension.

## **10. WHEN SHOULD AN APPLICATION FOR A PENSION BE FILED?**

Your pension application must be filed with the Fund administrator's office at least one (1) month or 30 days in advance of the date you expect to retire. For example, if you wish to retire or commence receipt of a temporary phased-in pension on March 1<sup>st</sup>, your application must be filed before February 1<sup>st</sup>.

## **11. WILL PROOF OF AGE BE REQUIRED?**

Yes. When you submit your pension application you will be asked to provide proof of age for yourself and your Spouse, if applicable.

## **12. HOW DO I APPLY FOR BENEFITS?**

The pension application is available from the Fund administrator. Their toll-free telephone number is shown at the front of this booklet. You may ask them to mail the form to your home. The application is also available online at [skcarpenters.ca](http://skcarpenters.ca).

When you complete the application and have attached the required proof of age documents for both yourself and your Spouse (if applicable) and any additional information, you should sign the application and return it to the Fund administrator. If you do not have a Spouse, you must include a Statutory Declaration of Marital Status form with your application. A spousal waiver form must be signed and included with your application if you have a Spouse and he or she has waived their right to receive the joint and survivor benefit.

The Fund administrator will notify you if they require any additional information.

## **13. MUST I RETIRE AT AGE 65?**

No. Retirement under this Pension Fund is completely voluntary. You may continue to work after age 65, however, your normal pension must start no later than the end of the calendar year in which you turn age 71. If you work after age 65, you can receive a temporary phased-in pension equal to 50% of your normal pension. While you are receiving a temporary phased-in pension, you continue to earn additional pension credits for each hour of Covered Employment. Your temporary phased-in pension must stop, and you must apply for your normal pension, prior to turning age 71, as the Income Tax Regulations require that you must start your pension no later than the end of the calendar year in which you turn age 71. If you fail to start your benefit by that time, the Trustees must get special permission from Canada Revenue Agency (CRA) to pay your benefit. Typically, retroactive payments would not be allowed by CRA.

## **14. WHAT HAPPENS IF I RETURN TO WORK WHILE I AM RECEIVING A PENSION?**

If you return to work in Covered Employment after you have started to receive your monthly pension payments and you are younger than age 71, your options depend on which Collective Bargaining Agreement you are working under.



**If you are working under a Collective Bargaining Agreement that was signed prior to December 31, 2021 and you return to Covered Employment before the month in which you turn 65, you may choose one of the following two options:**

- a) Suspension of your monthly payments for each calendar month you are working in Covered Employment. Once you stop working, your monthly pension payments will start again but will be adjusted as follows:
  - The monthly pension payment you were receiving just prior to your return to work will be adjusted to take into account the amount of pension payment “forfeited” and the change in your retirement age; plus
  - The additional pension earned during your period of re-employment.

OR

- b) You may continue to receive your monthly pension payments during your period of re-employment, in which case you will not earn any additional Benefit Credit for hours worked prior to your 65<sup>th</sup> birthday. For hours worked for a contributing employer who makes contributions to the Pension Fund on your behalf after your 65<sup>th</sup> birthday, the additional contributions will be notionally allocated to a Savings Account in your name. Further information with respect to the Savings Account is outlined below.

If you continue to work past your 71<sup>st</sup> birthday, you will **not** earn any additional Benefit Credits and no further contributions will be allocated to your Savings Account.

**If you are working under a Collective Bargaining Agreement that was signed after December 31, 2021 or you return to Covered Employment after the month in which you turn 65, you will continue to receive your pension while you are working and any contributions made on your behalf by a contributing employer will be notionally allocated to a Savings Account in your name. Those contributions will be invested with the remainder of the Pension Fund’s assets and will be credited with the net rate of return earned by the Pension Fund. At some point in time, your Savings Account balance must be transferred from the Pension Fund to a locked-in retirement account (LIRA) in your name.**

You are permitted to transfer out your Savings Account at any time, but due to *Income Tax Act* rules, you are required to transfer out the balance no later than the end of the year in which you attain 71 years of age. There is a limit of one transfer per calendar year and an administrative fee of \$150 will be charged for each transfer except for the final transfer at age 71.

If you continue to work past your 71<sup>st</sup> birthday, you will **not** earn any additional Benefit Credits and no further contributions will be allocated to your Savings Account.

It should be noted that the Saving Account Option only came into effect on January 1, 2016. Therefore, the earliest any contributions can be allocated to your Savings Account, subject to the rules as outlined above, is January 1, 2016.

## 15. HOW IS MY SPOUSE PROTECTED IF I DIE BEFORE I RETIRE?

The Pension Fund provides a benefit for your Spouse, or where there is no Spouse, your beneficiary in the event of your death before you retire. Your Spouse may be eligible for a spouse's pension or a pre-retirement survivor pension as described below. If there is no Spouse, your beneficiary if living, otherwise your estate, will be eligible for a lump sum payment.

### Spouse's Pension

If you die before you retire, have at least five (5) years of Future Service Credit and Past Service Credit, and have worked a total of at least 350 hours in Covered Employment in the last two consecutive calendar years before you die, your Spouse is entitled to a spouse's pension.

Your Spouse will receive, for his or her life, a monthly pension payment based on your Benefit Credit at the date of your death. The benefit will be calculated as though you were age 55 on the date of your death, or your actual age if older than age 55, and had elected the 100% joint and survivor option. Your Spouse's monthly pension payments will begin the first of the month following your date of death and are guaranteed for 60 monthly payments. If your Spouse dies before receiving 60 monthly payments, your spouse's beneficiary will receive the balance of the 60 monthly payments.

Instead of a monthly benefit, your Spouse may elect to transfer the commuted value of the pension benefit to another registered pension plan, a Locked In Retirement Account (LIRA), or purchase a life annuity contract; however, this election is subject to the approval of the Canada Revenue Agency.

### Pre-Retirement Survivor Pension

If you are a Participant or a Former Participant and you die before you retire and your Spouse is not eligible for a spouse's pension, he or she will be entitled to a pre-retirement survivor pension payable for his or her life. The amount of the monthly pre-retirement survivor pension is determined based on your age on your date of death:

- **If you are younger than age 55 on your date of death** – the amount of monthly pension that can be provided by 100% of the commuted value of your normal pension earned to your date of death; or
- **If you are age 55 or older on your date of death** – the greater of a or b below:
  - a. the amount of monthly pension that would have been payable to your Spouse had you been retired and receiving your pension in the 100% joint and survivor optional form; and
  - b. the amount of monthly pension that can be provided by 100% of the commuted value of the pension payable had you retired on the date of your death.

Your Spouse's monthly pension payments will begin the first of the month following your date of death and are guaranteed for 60 monthly payments. If your Spouse dies before receiving 60 monthly payments, your spouse's beneficiary will receive the balance of the 60 monthly payments.

Instead of a monthly benefit, your Spouse may elect to transfer the commuted value of the pension benefit to another registered pension plan, a Locked In Retirement Account (LIRA), or purchase a life annuity contract; however, this election is subject to the approval of the Canada Revenue Agency.

## **16. CAN I LEAVE MY BENEFIT TO SOMEONE OTHER THAN MY SPOUSE?**

If you have a Spouse as defined earlier and you die before retirement, your Spouse is automatically entitled to any survivor benefits in respect of your pension benefits from this Pension Fund. However, your Spouse can waive his or her entitlement to the pre-retirement death benefits by completing a waiver (the waiver form can be obtained by contacting the Fund administrator's office or online at [skcarpenters.ca](http://skcarpenters.ca)). Unless this spousal waiver is completed, your Spouse is automatically the beneficiary of any death benefits payable under this Pension Fund, even if you name someone else on your beneficiary form or in your will. Once a spousal waiver is in place, your Spouse retains his or her right to revoke the waiver at any time by writing to the Fund administrator. If you do not have a Spouse as defined earlier, or your Spouse has a valid waiver in place, your beneficiary is eligible for the death benefit described below.

### **Death Benefit**

If you don't have a Spouse and die before you begin to receive your pension benefits, your beneficiary is entitled to receive a one-time lump sum payment. The amount of this lump sum payment depends on your age on your date of death:

- **If you are younger than age 55 on your date of death** – a lump sum payment equal to the commuted value of your normal pension earned to your date of death; or
- **If you are age 55 or older** – a lump sum payment equal to the greater of a or b below:
  - a. the commuted value of your pension calculated as though you had retired with a spouse who is three (3) years younger and had elected the 100% joint and survivor optional form; and
  - b. the commuted value of the pension payable had you retired on the date of your death.

The lump sum will be paid to your last-named beneficiary, or to your estate, if you have not named a beneficiary.

## **17. HOW DOES MY SPOUSE/BENEFICIARY APPLY FOR SURVIVOR BENEFITS?**

Your Spouse or beneficiary should contact the Fund administrator in writing and submit a copy of the death certificate as soon as possible after your death. Your Spouse or beneficiary will be asked to submit proof of age (if applicable) and will be advised if additional information is required. Your Spouse or beneficiary should contact the Fund administrator with any questions concerning eligibility for survivor benefits. The Fund administrator will help in every way possible with the application.

## **18. CAN MY SPOUSE OR I TAKE A REFUND INSTEAD OF A PENSION?**

No. If you are age 55 or older, your benefit must be payable as a monthly lifetime pension upon retirement. However, if your benefits are Vested and you have not yet reached age 55, you may be eligible to choose the Portability Option and transfer the commuted value of your pension to another registered pension plan; a Locked In Retirement Account (LIRA) to provide a pension no earlier than age 55; or you may purchase a life annuity contract. Please refer to Section 6 for full details regarding the Portability Option.

In the event of your death prior to pension commencement, your Spouse may also elect the Portability Option instead of receiving a monthly payment.

## **19. CAN I SIGN OVER MY BENEFITS?**

No. The Pension Fund contains provisions prohibiting any assignment, sale, transfer or attachment of a pension benefit. It cannot be used as security for a loan.

Note however that your pension benefit may be attached in certain circumstances to satisfy a Maintenance Enforcement Order.

## **20. WILL MY BENEFITS PROVIDED UNDER THIS PENSION FUND AFFECT MY CANADA PENSION PLAN BENEFITS IN ANY WAY?**

No. The benefits provided under this Pension Fund are in addition to any Canada Pension Plan benefits for which you may be eligible.

## 21. WHO ADMINISTERS THE PENSION FUND?

A Board of Trustees, consisting of an equal number of union appointed and employer appointed representatives is the legal Pension Fund Administrator of the Pension Fund. Ellement Consulting Group is the day-to-day Fund administrator hired by the Board of Trustees to assist with the Pension Fund's administration.

## 22. HOW WILL I KNOW WHAT MY BENEFITS ARE?

Each year you will receive an "annual pension statement" which outlines the benefits you have earned as well as your status under the Pension Fund.

## 23. WHAT IF I GET A DIVORCE, ANNULMENT OR SEPARATION?

If you get a divorce, annulment or separation, a portion of your retirement benefits may be payable to your former Spouse. Any division of your pension benefits will be subject to provincial legislation.

## 24. FILING REQUIREMENTS YOU SHOULD KNOW ABOUT

There are certain filing requirements which you must observe in order to protect your rights under the Pension Fund.

The requirements are as follows:

- **Grace Period.** In order to apply for a grace period for disability, employment in a supervisory capacity with a contributing Employer, or involuntary unemployment, you must contact the Fund administrator's office within one (1) year from the beginning of the period for which the grace period is desired. A renewal application for these grace periods must be filed annually thereafter.

In order to apply for a grace period for military service, you must notify the Administrator's office in writing, of your availability for Covered Employment and submit proof of your military service within 90 days after release from active duty or 90 days after recovery from a disability continuing after your release from active duty.

- **Application for a Pension.** Your application must be filed at least one (1) month in advance of your expected pension commencement date.

If you believe you are eligible for pension benefits and require application forms, or you would like further information about your pension benefits, you should contact the Fund administrator's office at the following address and a member of the staff will be pleased to help you:

Ellement Consulting Group  
10154 108 Street NW  
Edmonton, Alberta  
T5J 1L3

Telephone: 306.518.7654  
Toll-Free: 877.679.7654  
Fax: 780.452.5388

Website: [skcarpenters.ca](http://skcarpenters.ca)

Email: [carpenters@ellement.ca](mailto:carpenters@ellement.ca)

Any questions or concerns that you may have regarding the terms or administration of the Pension Fund should be directed or referred to the Fund administrator's office. No Union or Employer office has any authority to represent the Trustees in furnishing information, in accepting applications, or in any other matter.

It's never too early to start planning for your retirement. This booklet has been prepared to give you the highlights and a brief description of the Rules and Regulations of the Carpenters' Pension Fund of Saskatchewan and to help you make decisions about your retirement.

**25. APPLICATION FOR A COPY OF THE RULES AND REGULATIONS  
FOR  
CARPENTERS' PENSION FUND OF SASKATCHEWAN**

In order to receive a copy of the Rules and Regulations of the Carpenters' Pension Fund of Saskatchewan; please mail or email this form to:

Ellement Consulting Group  
10154 108 Street NW  
Edmonton, Alberta  
T5J 1L3  
Email: [carpenters@ellement.ca](mailto:carpenters@ellement.ca)

I would like to receive a copy of the Rules and Regulations of the Carpenters' Pension Fund of Saskatchewan.

Name: \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

City \_\_\_\_\_ Province \_\_\_\_\_

Postal Code \_\_\_\_\_

