



BOILERMAKERS' NATIONAL BENEFIT FUNDS (CANADA)

Administration Office
45 McIntosh Drive, Markham, Ontario L3R 8C7

Boilermakers' National Pension Fund (Canada) Plan Registration Number 0366708 and Boilermakers' National Health and Welfare Fund (Canada)

Information about the Defined Contribution Benefit For IBB Temporary Workers Updated May 2018

Question: How do I enroll in the Plan?

Answer: The Pension Plan Administration Office has provided an Enrollment Form to your employer and to the Union (the IBB). You must complete this form, along with your other employment forms. The Plan's enrollment form must be sent to the Plan Administration Office at the above address.

Question: Who did the Trustees retain to manage the Defined Contribution benefit for IBB Temporary Workers?

Answer: The Trustees, after a process of due diligence, retained Manulife Financial (Manulife) to manage the investments and accounts for the Defined Contribution benefit.

Question: How much of the total pension contribution paid to the Plan by my employer(s) will be remitted to the Defined Contribution benefit of the Plan?

Answer: The amount to be remitted can be calculated by using this chart:

Province	Hourly Pension Rate including Special Funding Contribution (Field Members)	Hourly Pension Rate excluding Special Funding Contribution	Transfer Ratio for deposits*	Net Hourly amount deposited to the IBB Defined Contribution benefit
Alberta	\$8.00	\$6.00	58.8%	\$3.53

Province	Hourly Pension Rate including Special Funding Contribution (Field Members)	Hourly Pension Rate excluding Special Funding Contribution	Transfer Ratio for deposits*	Net Hourly amount deposited to the IBB Defined Contribution benefit
Manitoba	\$6.87	\$5.25	58.8%	\$3.09
Newfoundland	\$6.50	\$5.00	58.8%	\$2.94
Nova Scotia	\$8.74	\$6.50	58.8%	\$3.82
New Brunswick	\$8.74	\$6.50	58.8%	\$3.82
Ontario	\$8.74	\$6.50	58.8%	\$3.82
Saskatchewan	\$6.87	\$5.25	58.8%	\$3.09

* The Transfer Ratio applies to contributions received by the Plan commencing as early as the August work month of the same year. The Transfer Ratio can be higher, or lower, than 58.8%. The Transfer Ratio will be amended subject to applicable legislation.

Question: How did the Trustees calculate the Transfer Ratio of 58.8%?

Answer: Each year the Boilermakers' National Pension Plan (Canada) (the Plan) actuary calculates the percentage of its total assets compared to the cost of all of the benefits to be provided by the Plan using a formula called "solvency". This produces the Transfer Ratio. The Transfer Ratio is calculated in the month of September for the prior year.

The Transfer Ratio will be calculated each September and will be adjusted subject to applicable legislation.

Canadian Active and Retired members earn benefits on a similar formula.

Question: Can the Transfer Ratio (the amount of money deposited to my Manulife account) change? If the Transfer Ratio can change, why will it change?

Answer: The Transfer Ratio can increase, decrease, or stay the same. The Transfer Ratio is calculated by the Plan's actuary according to a prescribed set of rules that must meet professional standards and be compliant with all applicable legislation. The Transfer Ratio is calculated every year and can change due to a number of factors:

- a) the investment earnings/losses of the Fund;
- b) an increase/decrease in the cost of providing benefits (ie the average age of Plan members increased/decreased);
- c) longer/shorter life expectancy of Plan members;
- d) interest rates and legislation.

Question: When will the money be deposited to Manulife?

Answer: The Plan transfers deposits to Manulife every month.

Question: Is there any age limit after which no money can be added to the Defined Contribution benefit?

Answer: Yes. No monies can be added to this benefit after December of the year in which you turn age 71. Your account at Manulife must be closed by December of the year in which you turn age 71.

Question: How will I know what money has been deposited at Manulife?

Answer: Provided the Plan has complete contact information for you, you will receive information from the Plan showing the monies deposited to the Manulife account on your behalf. You will also be given on-line access to your account at Manulife so that you can see what's in your account and how it's invested 24/7.

You also have access to the Plan's Personal Benefit Information site 24/7. Here you can see which employers remitted money on your behalf. You can obtain this information by connecting to the Plan's web site at www.boilermakersbenefits.ca. If the Plan has complete information for you, registration will be simple. If the information the Plan has about you is not complete, registration will be delayed. Please call the Plan Administration Office 1-800-668-7547 for help.

Question: What kind of an account is set up for me at Manulife?

Answer: Each Temporary Worker will have an account at Manulife. Each deposit of monies from the Plan to Manulife will be deposited to a balanced fund. This balanced fund invests in both stocks and bonds and the value of your account is not guaranteed. You pay Manulife fees for this investment. The Plan also provides a no-fee Daily Interest Account, Guaranteed Interest Certificates and other for-fees investment options. Temporary Workers may decide to leave the deposited monies in the balanced fund or invest the money using other investment options.

Question: What if I want to invest the Defined Contribution benefit monies in something other than the balanced fund?

Answer: You can select from any of the available investment options. Investment accounts, other than Guaranteed Interest Certificates (GICs) or the Daily Interest Account have investment management fees charged by Manulife. The investment management fees, if any, are shown on the Rates of Return Overview document located in the Temporary Workers' Benefits section of the Plan's web site at www.boilermakersbenefits.ca. Investment management fees are shown in the column "Annual IMFs". It is the Temporary Worker's responsibility to understand the investment options and the fees for them. The Temporary Workers' Benefit section of the Plan's web site has all of the investment profiles. You should study these very carefully as part of your research about how to invest your Defined Contribution benefit.

Question: Who can help me with my investment options?

Answer: Manulife can provide assistance to you in selecting investment options. You may contact them at 1-888-727-7766. Your policy number is 10001089.

Question: How do I tell Manulife about my investment choices?

Answer: You complete the Investment Directions for Future Contributions form. This Form is in the Temporary Workers' Benefits section of the Plan web site www.boilermakersbenefits.ca.

Question: Can I change my investment options?

Answer: Yes. You inform Manulife about your investment options by completing the Interfund Transfer for Existing Assets form. This Form is in the Temporary Workers' Benefits section of the Plan web site www.boilermakersbenefits.ca.

Question: What are the rules for taking the Defined Contribution benefit out of the Plan?

Answer: Once a Temporary Worker has stopped working for a minimum of one work month the Temporary Worker will be considered to be terminated under the Plan. The Temporary Worker will then be able to apply to withdraw the monies from the Manulife account. You must complete the Termination Form and file it with the Plan Administration Office. The Termination Form is located on the Temporary Workers' Benefits section of the Plan's web site at www.boilermakersbenefits.ca.

Please note that one withdrawal per calendar year is allowed. An additional final withdrawal will be allowed for the year in which you turn age 71 in order to close your account.

Question: Are there any fees to be paid if I withdraw my money from the Manulife account?

Answer: No. However, if you decided to invest your monies in a market-based account (ie anything other than the Daily Interest Account) your account could be subject to a market value adjustment. This means that, when you apply to withdraw your funds, Manulife Financial will value your account. If your account value is worth more than the contributions deposited to it because you chose an investment that made money, you will receive the total amount. If your account is worth less than the contributions deposited to it because you chose an investment that lost money, the amount you take out will be less than the amount of contributions deposited to your account by the Plan. If you invest money in the Daily Interest Account, you will receive the monies the Plan deposited to the account plus interest. Manulife does not charge Temporary Workers a fee for withdrawing money. **Please note that one withdrawal per calendar year is allowed.**

Question: My T4 from my employer shows something called a Pension Adjustment (PA). What is that? Do I pay tax on it?

Answer: The Pension Adjustment is a tax reporting requirement of your employer. You do not pay tax on that amount.

Question: The total pension contribution including the Special Funding Contribution is reported on my T4 by my employers as a Pension Adjustment (PA). Why does this whole amount have to be reported when only a part of it is deposited to my Manulife account?

Answer: Those are the rules of the *Income Tax Act*, Canada.

Question: If I take a withdrawal from my account at Manulife will I have to pay tax?

Answer: Yes.

Question: What about income tax reporting for the money I withdraw from my Manulife account?

Answer: Manulife will handle the paperwork. You should receive your tax slips for withdrawals from the Manulife account by the end of March for the prior year (ie March 2019 for 2018 withdrawals).

Question: Can I direct the Plan Administration Office to pay the contributions to me? Do I have to go through Manulife?

Answer: You must go through the Plan first to ensure that the withdrawal application is approved. The Plan Administration Office will provide Manulife with direction to withdraw your funds from the Plan's Defined Contribution benefit.

Question: How long will it take to receive the cash benefit from my Manulife account?

Answer: Assuming that you correctly complete the necessary applications and you have terminated your employment for at least one full work month, your requested transaction should be completed within 30 days of the date your application is received.

Question: What if I want to cash out a part of my Manulife account and leave some of it invested?

Answer: You are not allowed to withdraw just a part of the Defined Contribution benefit. You must decide if you want to withdraw all of it, or leave all of it in the account. You must ensure that any application is completely clear about

what your wishes are. The Plan administrator will instruct Manulife to pay all of the monies credited to your Manulife account by the date your application for withdrawal is processed.

Question: *What if I die? Who gets the benefit in the Manulife account?*

Answer: The Death Benefit is the market value of your account at Manulife at your date of death. If you have a Spouse at your date of death, the Death Benefit will be payable to your Spouse. If you do not have a Spouse at your date of death, the Death Benefit will be paid to your Estate.

Question: *Please summarize what the important forms are for the Defined Contribution benefit?*

Answer:

Form	Use this Form for	Send this Form to
Enrollment Form	Giving the Plan the information it needs to record contributions received on your behalf and remit them to Manulife	The Plan Administration Office
Termination Form	Making one withdrawal from the defined contribution benefit per Calendar year, provided you have not worked for at least one full work month	The Plan Administration Office
Investment Direction for Future Contributions	Making your investment selections for monies to be deposited to your Defined Contribution account	Manulife Financial
Interfund transfer for existing assets	Changing your investment selections for monies to be deposited to your Defined Contribution account	Manulife Financial