



Frequently asked questions

May 24, 2019



Vesting and Locking-in

1. What does vested mean?

When a plan member is vested it means that he or she is entitled to the full value of their pension plan account.

All CERi Pension Plan members are vested.

Within the CERi Pension Plan, members are fully vested on the date they join the plan and are entitled to both employee and employer contributions, plus any investment earnings.

2. What does locked-in mean?

Locked-in means that the value of your account – in this case, the money in your CERi Pension Plan account – must be used to provide a lifetime pension benefit at retirement. While you are an active member of the pension plan you do not have access to your account balance – it cannot be withdrawn in cash at any time.

If you terminate from the CERi Pension Plan, Manulife will provide you with options for transferring your account balance to a locked-in retirement savings plan; the options can include a life income fund, a restricted life income fund, a restricted locked-in savings plan, a locked-in registered retirement savings plan, purchasing a deferred annuity, and transferring your account balance to another employer pension plan if permitted by that plan. Detailed descriptions of these options can be found at [the website for the Office of the Superintendent of Financial Institutions](#).

When you retire, your account – whether in the CERi Pension Plan or previously transferred to a locked-in retirement savings plan – will remain subject to the applicable pension legislation rules. This means that there will be rules related to the options that you have at retirement, and how you choose to draw retirement income from your account balance.

For additional information about what happens if your employment ends or changes, please see Questions #7 to #9.

There are some limited exceptions to the locking-in rules that permit a terminated pension plan member or a person with money in a locked-in retirement savings plan to receive all, or a part, of their account balance in cash, subject to withholding taxes. Additional information can be found in the [Frequently Asked Questions section of the website for the Office of the Superintendent of Financial Institutions](#).

The CERi Pension Plan

3. What type of pension plan is the current CERi Pension Plan?

The CERi Pension Plan in which members currently participate is a defined contribution (DC) pension plan.

Under a DC pension plan, the employee and the employer make contributions according to their respective bargaining agreements, which are deposited to an account in the plan member's name.

Contributions within each individual member account are invested. At retirement, the member's account balance – the total contributions plus net investment earnings on those contributions – is used to provide the member with retirement income.

4. What is the difference between the CERi Pension Plan and a Registered Retirement Savings Plan (RRSPs)?

The CERi Pension Plan

The CERi Pension Plan is a registered Defined Contribution (DC) pension plan, subject to pension legislation. Contributions made by you and your employer to your CERi Pension Plan are made to your account on a tax-deferred basis. The funds in your DC plan account, including any investment earnings, are locked-in until you retire, at which time they must specifically be used to provide you with a lifetime retirement income.

A Registered Retirement Savings Plan (RRSP)

A RRSP is another type of retirement savings plan, designed to help you save for your financial future. Contributions that you make to a personal RRSP are tax deductible to certain limits and grow with investment earnings on a tax-deferred basis. A RRSP is not-locked in: the balance in the account can be withdrawn at any time. Further, any amount withdrawn from your RRSP must be included as income when you file your annual income taxes.

Since contributions made by you and your employer to your CERi Pension Plan are made to your account on a tax-deferred basis, they reduce the amount that you can contribute to your personal Registered Retirement Savings Plan (RRSP), as outlined under the Canada Revenue Agency rules. To learn more, visit www.canada.ca.

Further, there are specific programs that may enable you to use the value of your RRSP account. You can learn more at www.canada.ca.

5. Who is eligible to participate in the CERi Pension Plan?

The CERi Pension Plan is open to all bargaining units. It is a multi-employer pension plan (MEPP) – with contributions negotiated by your union with your employer. Each union’s collective bargaining contract outlines how much the employers (and the employees) must contribute to the plan.

Currently, participating bargaining units include:

Bargaining unit	Details
Chalk River Professional Employees Group (CRPEG)	Chalk River Engineers and Scientists
Chalk River Nuclear Security Officers Association (CRNSOA)	Chalk River Security Officers
International Association of Fire Fighters - I160 (IAFF-I160)	Whiteshell Fire Fighters/Security Officers
International Association of Fire Fighters - F4 (IAFF-F4)	Chalk River Fire Fighters
International Association of Machinists (IAM)	Whiteshell Trades
Society of Professional Engineers & Associates (SPEA)	Fredericton Engineers
Society of Professional Engineers & Associates (SPEA)	Douglas Point Technicians/Technologists
Society of Professional Engineers & Associates (SPEA)	Mississauga Scientists and Engineers Mississauga Designers and Drafting Personnel Mississauga Technicians/Technologists
United Association (UA)	Whiteshell Plumbers and Pipefitters
United Steel Workers Local 1568	Chalk River Technicians/Technologists
United Steel Workers Local 4096 404	Chalk River Administrative Staff
United Steel Workers Local 4096 896	Chalk River Stores Attendants, Utility Workers, Contamination Monitors
United Steel Workers Local 7806	Whiteshell Utility Workers, Contamination Monitors

Bargaining unit	Details
Whiteshell Professional Employees Association (WPEG)	Whiteshell Engineers and Scientists
Whiteshell Tech Employee Group (WTEG)	Whiteshell Technicians/Technologists

6. Is the CERi Pension Plan going to change?

The objective of the Board of Trustees is to provide members with the best possible pension plan, designed to help provide members with financial security at retirement.

In [Newsletter #1](#) and [Newsletter #2](#) we described the challenges of transitioning the current pension plan to a multi-employer target benefit (TB) pension plan.

It has always been the Board's intention to transition the current DC pension plan to a multi-employer TB pension plan. With support from our advisors, we continue to actively lobby the Government of Canada for an exemption from the *solvency funding* regulatory requirements. We will continue to update plan members of our progress.

If your employment changes or ends

7. What happens when I retire?

If your employment ends because you are retiring, Manulife will provide you with a retirement package that details the options you have with respect to your plan account balance.

Several considerations will influence the option you ultimately choose and may depend on your age at retirement, whether you have a spouse and when you would like to begin drawing retirement income, to name a few.

Note that you will not have the option to receive the funds in your account as a cash lump sum payment (unless the balance in your account is less than a specific limit set in the pension legislation regarding small pension balances or you have a shortened life expectancy).

To learn more about your options, contact Manulife directly at 1 800-242-1704, Monday through Friday, 8 a.m. to 8 p.m. ET.

8. What happens if I change jobs and my new employer has a different pension plan?

Should this happen, you will be terminated as a CERi Pension Plan member. Manulife will provide you with a package that details the options you have with respect to your plan account balance.

However, if your new employer is also participating in the CERi Pension Plan and your employment is covered by a collective agreement that provides for contributions to the CERi Pension Plan, then your funds will continue to be administered in the CERi Pension Plan and you can keep your account balance from your prior participating employer in the CERi Pension Plan. Contributions to your plan account will be determined by the new collective agreement under which you are employed.

To learn more about your options, contact Manulife directly, Monday through Friday, 8 a.m. to 8 p.m. at 1-800-242-1704.

9. What happens when I am no longer employed by a participating employer?

If your employment with a CERi Pension Plan participating employer ends, Manulife will provide you with a package that details the options you have with respect to your plan account balance.

Unless you have been a member for less than 24 months (or the balance in your account is less than a specific limit set in the pension legislation regarding small pension balances or you have a shortened life expectancy), you will not have the option to take the value of your account as a lump sum cash payment. Instead, you will be required to transfer your account balance to a locked-in retirement savings plan. See Question #2 for additional information.

To learn more about your options, contact Manulife directly, Monday through Friday, 8 a.m. to 8 p.m. at 1-800-242-1704.

The CERi Pension Plan Trust Fund

10. Who manages the investments in plan members' accounts?

The assets in the CERi Pension Plan Trust are managed by professional Investment Managers. They are appointed by the Board of Trustees and are evaluated and monitored by the CERi Pension Plan's Investment Advisors (Eckler Ltd.). The CERi Pension Plan Trust Fund is invested in accordance with a Statement of Investment Policies & Procedures (SIP&P) adopted by the Board of Trustees.

The Investment Managers are responsible for the selection of the underlying investments in the Trust Fund. The Board of Trustees do not select the individual investments held within the Pension Plan Trust Fund.

To learn more about the professional Investment Managers currently managing the CERi Pension Plan's Trust Fund assets, refer to our second [Newsletter to Plan Members](#) or visit the [Manulife VIP Room](#).

11. How can I learn more about the CERi Pension Plan Trust Fund investment strategy, and the Investment Managers currently managing the assets?

To learn more about the professional Investment Managers currently managing the CERi Pension Plan's Trust Fund assets, refer to our second [Newsletter to Plan Members](#) or visit the [Manulife VIP Room](#).

12. How can I learn more about the CERi Pension Plan?

Enhancements to the CERi Pension Plan website are ongoing, and you can learn more at <http://www.ceripension.ca/>

To view details about your plan member account, simply visit the Manulife VIP Room (<https://viproom.manulife.com>).

You will first need to register with Manulife to access your account online. To do so, you will need the USER ID and PIN, both mailed to you after you enrolled in the Plan. Then simply follow the online instructions.

Need immediate assistance?

A Manulife representative is available at 1 800-242-1704, Monday through Friday, 8 a.m. to 8 p.m. ET. Representatives can guide you through the registration process and can provide you with detailed account information.

The CERi Plan number with Manulife is RS105099/001.

A FINAL WORD

This document has been prepared exclusively for the Canadian Energy and Related Industries (CERi) Pension Plan. It is not intended to be comprehensive or to provide advice. This document provides answers to questions commonly received from members regarding the CERi Pension Plan. Answers are based on the provisions of the CERi Pension Plan, information from our prior Newsletters and information provided by Manulife regarding administrative requirements and procedures as at the date of publication. The Board of Trustees reserves the right to amend the plan at any time. If there are any differences between the information provided in this document and any legal documents and/or regulatory requirements that govern the delivery of CERi Pension Plan benefits, the legal documents and/or regulatory requirements will apply.