



Pension Plan Booklet

International Painters & Allied Trades Industry Pension Plan (Canada)

Effective January 1, 2021

International Painters and Allied Trades Industry Pension Plan (Canada)

The Trustees of the International Union of Painters and Allied Trades and Industry Pension Plan (Canada) are pleased to provide you with this Canadian Pension Plan Booklet (Booklet) summarizing the Rules of your Pension Plan.

This Booklet incorporates the main features of the Plan, including all amendments adopted by the Trustees up until January 1, 2021. As you read through it, you'll learn how you become a Plan Participant, what your benefits are, how they're calculated and the different payment choices you'll have when you retire.

We have tried to describe the Plan's provisions as clearly as possible in a plain and straightforward manner. However, this is only a summary of the Plan. If there is any conflict between this Booklet and the Rules of the Plan, the Rules will apply.

Please read the Booklet carefully, and share it with your family. It's important that you, and your family, understand your retirement benefits and the Plan's survivor protection features. We also suggest that you keep this Booklet with your family's other important documents.

We would also like to stress that only the Trustees or someone specifically authorized by the Trustees can speak for this Plan, or tell you about your rights and benefits. For example, if a Local Union or District Council official or business representative or an employer makes representations about your rights under the Plan, you should not rely on that information.

If you have any questions or require any additional information regarding your Plan and how it affects your pension rights and benefits, you should contact the Plan Administrator at the address listed in the **General Information** section. A complete text of the Rules of the Plan, and any other documents that make up the Plan, are kept at that office and are available for reference. You may also send your written questions or update personal information by contacting the Plan Administrator at the address shown on the following page.

This Plan represents important protection for you and your family, and the Trustees are proud to be involved in the continued operations of this valuable program.

With our very best wishes for the future.

Sincerely,

BOARD OF TRUSTEES

January 2021

Effective January 1, 2021

General Information

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Introduction

The International Union of Painters and Allied Trades and Industry Pension Plan (Canada) was established to provide retirement benefits for our members who are covered under Collective Bargaining Agreements with the Union. This Booklet outlines how the Plan works, how your pension benefits are calculated and the various ways you can receive your pension benefits. In addition to describing the calculation of normal retirement benefits, we have also included information on early retirement, deferred and disability pensions.

We recognize that many of our Plan Participants have family members who depend on them. That's why we've included information on the various forms of payment available to retiring members with a spouse and beneficiaries, as well as pre-retirement spouse's death benefit provisions.

The Plan is registered with the Financial Services Regulatory Authority in Ontario under the Pension Benefits Act and with the Canada Revenue Agency under the Income Tax Act. The registration number is 0587519. The Plan is also subject to provincial pension laws in other provinces of Canada.

The financing of the Plan is based on employer contributions made on behalf of Participants working under the terms of a Collective Bargaining Agreement or other arrangement made by the Trustees. Participants are not required to make any contributions. The contributions to the Plan are held in a trust fund for the sole purpose of providing benefits to eligible Participants and to pay for administrative expenses.

The Plan is managed by a Board of Trustees, consisting of Union and Employer representatives, who are responsible for the overall operation of the Plan. They serve without compensation. The Plan Administrator is appointed by the Trustees and is responsible for the day-to-day administration of the Plan, including maintaining records and making benefit payments.

Format – Provincial Variations

This Booklet sets out the broad details of the Plan, but you should be aware that each province has its own pension laws that the Plan must follow. Please look out for references to **Provincial Variations** in this Booklet. When you see that reference, there are variations in the benefits and rules stated, depending on which province you work in. At the back of the Booklet, you will find a section for each province telling you how the local rules differ.

Format – Current Scale of Benefits Only

The Plan's benefit formula was revised for benefits earned on and after January 1, 2010. This Booklet reflects the formula adopted at that time. If you were a member of the Plan prior to that date, the method for determining benefits arising from membership up to December 31, 2009 is as set out in previous Booklets. Further, for members whose participation terminated before that date, other terms and conditions will apply to you as appropriate at the time you stopped accruing benefits.

Participation

Who Can Participate in the Plan?

You can participate in this Plan if:

1. You work under a Collective Bargaining Agreement requiring contributions;
2. You are a paid employee or officer of a Local Union or District Council; or
3. You are an employee who is not within a bargaining unit, provided that your class has been accepted for participation in the Plan.

You may also become a Participant in the Plan if you are an employee of a Union industry-related organization as defined in the Plan and accepted by the Trustees.

When Do I Become a Participant?

You will become a Participant in the Plan on January 1 or July 1, whichever is earlier, after you have met one of the following requirements or, if earlier, after you have met minimum provincial requirements as outlined in the **Provincial Variations** section of this Booklet:

- If you work under a Collective Bargaining Agreement requiring contributions, or you are a full-time employee as defined in categories (2) or (3) above, you will become a Participant after 12 consecutive months in which you have at least 1,000 hours of covered employment.
- If you are a part-time employee whose job is covered by either category (2) or (3) above, you will become a Participant upon the completion of a 12-consecutive-month period during which you have at least 700 hours of service in covered employment.
- Other rules apply to members who joined the Plan before January 1, 2000.

Covered employment means employment for which contributions to the Plan, on your behalf, are required by a Collective Bargaining Agreement. Service for eligibility means each hour you are paid or entitled to be paid for the performance or nonperformance of duties, or for each hour for which back pay is either awarded or agreed to by your Contributing Employer.

Your hours may be with one or more Contributing Employers. All your hours count even though you may not have worked for some period of time between employers.

Example: *John, a full-time employee who started working under a Collective Bargaining Agreement in February 2017, earned:*

- *892 hours of service in covered employment from February to December of 2017, and*
- *120 hours of service in covered employment in January 2018.*

Since he completed at least 1,000 hours of service over 12 consecutive months, John becomes a Participant in the Plan on July 1, 2018.

Example: Steve, who was hired at the beginning of September 2017 as a part-time employee of a Local Union, earned:

- 203 hours of service in covered employment from September to December of 2017, and
- 400 hours of service in covered employment from December of 2017 to July of 2018, and
- 160 hours of service in covered employment from July to August 2018.

Since he has completed at least 700 hours of service over 12 consecutive months, Steve becomes a Participant in the Plan on January 1, 2019.

Vesting

If you are vested, it means you are entitled to a pension when you retire.

When Am I Vested?

As soon as you become a Participant, you are vested. Once you are vested, you have a right to the pension you have earned even if you do not work for a Contributing Employer again.

Pension Benefits

Four types of pensions are provided under this Plan:

1. Normal Retirement Pension
2. Early Retirement Pension
3. Disability Pension
4. Deferred Pension

This section describes when you are eligible to receive each type of pension and the amount of that pension. Keep in mind that you may receive only one type of pension from the Plan.

Normal Retirement Pension

When Am I Eligible for a Normal Retirement Pension?

You are eligible to retire on a normal retirement pension if you are at least age 65. If you keep working for a Contributing Employer after age 65, you may continue to earn benefits in the Plan until you actually retire. However, you must begin receiving your pension no later than the end of the year you attain age 71.

How Is a Normal Retirement Pension Calculated?

1. For Benefits Earned On and After January 1, 2010:
 - You will receive a monthly benefit equal to 1.5% multiplied by the total contributions made on your behalf by your employer on and after January 1, 2010 at the Base Contribution Rate (the Contribution Rate in effect for your employer as of January 1, 2010 that was negotiated by your local, or when your employer joined the Plan, if later).
 - However, if your employer’s Contribution Rate decreases, then the accrual rate for those contributions will also decrease as follows:

Lower Contribution Rate as a % of the Base Contribution Rate	Benefit Accrual Rate for Lower Contribution Rate
90%	1.2%
80%	0.9%
70%	0.6%
60%	0.3%
50% or lower	0%

The applicable Accrual Rate for Lower Contribution Rates not specified in the table above shall be determined by interpolation. For example, if your employer's Contribution Rate is 85% of the Base Contribution Rate, your Benefit Accrual Rate will be 1.05%, which is midway between 1.2% and 0.9%.

Example: *On and after January 1, 2018, Antonio's benefits are based on an Accrual Rate of 1.5% of the contributions made on his behalf by his employer.*

If his employer's Contribution Rate was \$1.00 an hour as of January 1, 2018 and Antonio worked 1,850 hours in 2018, the monthly amount of normal retirement pension earned in 2018 would be \$27.75 (1.5% times \$1,850 of contributions).

Remember, if you were a member of the Plan before January 1, 2010, you will need to refer to previous Booklets for how those benefits were calculated.

Early Retirement Pension

When Am I Eligible for an Early Retirement Pension?

You are eligible to retire on an early retirement pension if you are at least age 55.

How Is My Early Retirement Pension Calculated?

An early retirement pension is calculated in the same way as a normal retirement pension, but is reduced by one-half of 1% for each month you are younger than age 65 when your early retirement pension begins.

Example: *Bill is eligible for a regular pension of \$1,500.00 a month payable at age 65. However, since Bill wants to retire on his 62nd birthday, his early retirement pension is calculated as follows:*

- 1. The regular pension that Bill would receive if he were age 65 is \$1,500.00.*
- 2. The reduction % for early retirement (36 months younger than age 65) is 36 times 0.5%, or 18%.*
- 3. The early retirement pension will be 82% of the regular pension benefit (100% minus 18%).*
- 4. To determine the monthly benefit, multiply the regular pension benefit, \$1,500, by 82%. That equals \$1,230.*

Disability Pension

When Am I Eligible for a Disability Pension?

You are eligible to retire on a disability pension if you meet all of the following conditions:

- a. You are considered Totally and Permanently Disabled based on a written certificate by a medical doctor; and

- b. You are eligible to receive disability benefits according to the Canada Pension Plan (CPP) or the Quebec Pension Plan (QPP), as appropriate, prior to age 65; and
- c. You have at least 10 years of vested service (you begin to accumulate vesting service when you become a Participant in the Plan); and
- d. You worked at least 1,800 hours in covered employment during the 24 months following the beginning of the contribution period; and
- e. You worked in covered employment at least 1,000 hours in the two calendar years prior to the year in which you became disabled.

Note: If you were a member of the Plan before January 1, 2010, please see previous Booklets for any special rules that may apply to you.

How Is a Disability Pension Calculated?

The monthly amount of the disability pension is equal to 110% of your early retirement pension. The early retirement pension is based on the normal retirement pension to which you would be entitled and is reduced by one-half of 1% for each month your disability pension start date is prior to age 65.

Your disability pension cannot exceed the amount of the normal retirement pension at the start of your disability.

If you are not yet age 55 on the date on which your disability pension is first payable to you, your benefit will be determined as though you were age 55 on that date.

Payment of your disability pension will begin six months after the month in which you were disabled and after all paperwork and applications have been received. Payments will continue as long as you are considered Totally and Permanently Disabled.

Are There Any Time Limits for Applying for a Disability Pension?

Once you have received a determination from the CPP/QPP that you are entitled to CPP/QPP disability benefits, you must apply for a disability pension from the Plan within **12 months** of the date of your CPP/QPP determination (if you have not already done so).

Can I Apply for an Early Retirement Benefit While I Am Waiting for a CPP/QPP Award?

In many circumstances, long delays can occur before receiving a determination from the CPP/QPP on a disability application. Because of these delays, if you are age 55 or older, you are permitted to apply for an early retirement benefit from the Plan after applying for a disability benefit from CPP/QPP. Should you be granted a CPP/QPP disability award, the Plan will change your benefit from an early retirement pension to a disability pension, retroactive to the date of your CPP/QPP award. Your CPP/QPP disability award must be granted within 12 months of the date you make application to the Plan Administrator for an early retirement pension. If your CPP/QPP award is granted after this 12-month period, you will not be allowed to change your type of pension under the Plan from an early retirement pension to a disability pension.

What Happens if I Recover from My Disability?

If you recover from your disability and are over age 65, your disability pension will continue for as long as you live and as long as you do not return to work. If you recover from your disability and are under age 65, you will no longer be entitled to collect a disability pension.

If you lose your entitlement to the CPP/QPP disability benefit before you turn age 65, you must let the Trustees know within 21 days of the date you receive notice of such loss. If you lose this entitlement, your disability pension payments from the Plan will stop. If you return to covered employment and contributions to the Plan are made on your behalf, you will once again begin earning pension credit. These credits will be added to your previous credits and will be applied toward a normal retirement, early, or deferred pension.

Whatever disability payments you received earlier will not affect your eligibility, or the amount of one of these pensions.

If, as a disability pensioner, you are advised by the CPP/QPP that, prior to age 65, you are no longer eligible for disability benefits, and you appeal the decision of the CPP/QPP, your disability benefits under this Plan will continue while this matter is under appeal. In the event the appeal is denied in final by CPP/QPP, your disability benefits under this Plan will stop as of the date of such denial and those benefits you received from the Plan between the date of suspension and the date a final denial was made shall be refundable to the Plan by way of a suspension of future benefits. If, however, you demonstrate that the appeal to the CPP/QPP was made in good faith (i.e., by providing letters from doctors, etc.), you will not be required to refund the disability benefits paid from the Plan prior to the final denial.

Deferred Pension

When Am I Eligible for a Deferred Pension?

You are eligible to receive a deferred pension if you:

- Terminate participation in the Plan (your participation in the Plan will be terminated after a period of 24 consecutive months in which no contributions are made on your behalf); and
- If required by legislation or the Plan documents, you submit a written notice to the Administrator electing to terminate – we will tell you if such written notice is required; and
- Do not elect the portability option (see explanation in next section).

Normally, this benefit starts at age 65; however, you may choose to start receiving it any time once you reach age 55. If you choose to begin collecting a pension on or after age 55 but before age 65, it will be reduced as described in the **Early Retirement** section. If you are under age 55 at the time you terminate, instead of receiving a deferred pension you may choose the portability option (refer to the heading **What Is the Portability Option?** below).

How Is a Deferred Pension Calculated?

Your monthly deferred pension is calculated in one of two ways, depending on your age when you begin to receive your pension.

Age 65 or Older: If your deferred pension begins after you have reached age 65, the monthly amount of your deferred pension is calculated the same way as a normal retirement pension.

Before Age 65: If your deferred pension begins before you reach age 65, the monthly amount of your deferred pension is calculated the same way as a normal retirement pension, reduced by one-half of 1% for each month the start date of your pension precedes age 65.

Special Conditions: Based on your province of employment, special conditions may apply from time to time in determining the amount of your deferred pension and result in a lower pension than indicated above. We will tell you at the time if special conditions apply to you. No matter what province you work in, such special conditions will apply only if you elect to terminate.

What Is the Portability Option?

The portability option permits you to transfer the lump sum value of your deferred pension to:

- A locked-in retirement savings vehicle specified under provincial pension law (for example, a locked-in retirement account or locked-in RRSP);
- The pension plan of a new employer if that plan permits; or
- An insurance company to purchase an immediate or deferred annuity that will not begin before age 55.

The portability option is only available to those who terminate participation before age 55.

Any funds transferred under the portability option must continue to be locked-in and used to provide a retirement benefit. Generally, the law does not permit you to take these funds as a lump-sum cash payment, and rules vary by province of employment. You should refer to the **Provincial Variations** section to see how they affect you.

You should be aware that if you choose the portability option, you will not be entitled to any further benefits in respect of that period of participation. If you later return to covered employment, you will be treated as a new employee, and you must again satisfy the requirements to become a Participant.

When you terminate your participation in the Plan, the rules of the Plan as they existed on the date you terminate your employment with your last Contributing Employer will be used to determine your entitlement.

Please contact the Plan Administrator for details on this option.

Forms of Pension Payment

How Is My Pension Paid?

You will receive your pension in the form of equal monthly payments.

How your pension is paid is based on whether or not you have a spouse on the date your pension begins.

Generally, you will be considered to have a spouse if you are married or have been in a common-law relationship for a period of time. However, each province in Canada has a specific legal requirement defining marriage, common-law relationships and separation. You should refer to the **Provincial Variations** section to see how they affect you.

Exception for “Small” Pensions

If your monthly pension at age 65 is less than a minimum amount as determined in provincial legislation in effect at the time of your termination, the Trustees will pay you a single cash payment which is equal to the value of your monthly pension entitlement. You should refer to the **Provincial Variations** section to see how they affect you.

Normal Form

All pensions from the Plan are earned in what is known as the Normal Form. As such, they are paid for your lifetime with a guarantee of 60 monthly payments. If you die before receiving 60 payments, the balance of the 60 payments will be made to your spouse or beneficiary.

Optional Forms

Other forms of pension are available as explained below. However, every such option must be cost neutral to the Normal Form. So if you elect a more expensive option, the starting amount of your pension will be reduced to be cost neutral to the Normal Form.

What if I Have a Spouse on the Date My Pension Begins?

If you have a spouse as defined by law on the date your pension begins, your normal, early, deferred, or disability retirement pension must be paid as a 60% joint and survivor benefit. That means, when you die, your spouse will receive 60% of the pension you were receiving prior to your death, for as long as they live. As explained above, this means the monthly pension paid during your lifetime will be reduced. The amount of the reduction depends on your age, and your spouse’s age when payments begin.

You and your spouse may waive the payment of the joint and survivor benefit by submitting a Spousal Waiver Form to the Plan Administrator. It must be signed by you and your spouse, and a witness who is not related, in any way, to you or your spouse. This Spousal Waiver Form must be filed with the Plan Administrator before payment of your benefit commences.

Once you file a Spousal waiver form, you will be eligible to receive your full pension benefit as though you did not have a spouse. Please keep in mind that once you have selected and begun receiving a pension, you may not change the payment format.

Other Joint and Survivor Options

You may also choose to receive payments in the form of a 75% or 100% joint and survivor pension. This means you will receive a monthly pension for as long as you live, and your surviving spouse will receive a percentage of the pension upon your death. For example, if you choose the 100% joint and survivor option, upon your death, your spouse will receive 100% of the amount you were receiving before your death for the remainder of his or her lifetime. As noted above, your pension will be reduced to reflect whatever option you choose.

In order to elect either of these optional forms of payment, you must file a written request with the Plan Administrator prior to the date your pension is scheduled to begin. See the **Applying for Benefits** section for further details.

Other Options

You may select any of the options listed below if:

- You do not have a spouse on the date your pension begins OR
- You present a completed Spousal Waiver Form (as explained above) to the satisfaction of the Plan Administrator

Optional Form: 10-Year Guarantee

This option gives you a monthly pension payment for as long as you live, with the first 120 monthly payments guaranteed. If you die before receiving 120 payments, your beneficiary will continue to receive benefits until a total of 120 monthly payments, before and after your death, have been made. If you die after receiving at least 120 monthly payments, your pension payments will cease with the last payment payable in the month of your death.

In order to elect this optional form of payment, you must file a written request with the Plan Administrator prior to the date your pension is scheduled to begin. See the **Applying for Benefits** section for further details.

Beneficiaries

For all options including a guaranteed number of payments, including the Normal Form, your beneficiary is the person or persons you have designated to receive benefits from the Plan upon your death.

Survivor Benefits

Is My Spouse Protected if I Die Before I Retire?

If you die before you retire, your spouse (providing he/she meets the definition of spouse as defined by law) is entitled to a pre-retirement spouse's benefit. The benefit is payable as an immediate monthly pension for the lifetime of your spouse. The value of this monthly pension is equal to the lump sum value of the benefits you have earned to the date of your death.

Depending on the province in which you live, your spouse may have the option of receiving this benefit as a lump sum cash payment or transferring the lump sum amount under the portability option. You should refer to the **Provincial Variations** section to see how they affect you.

In some jurisdictions, you and your spouse may waive the payment of the pre-retirement spouse's benefit by submitting a Spousal Waiver Form to the Plan Administrator. Once you file the Spousal Waiver Form with the Trustees, your spouse will not be eligible for the pre-retirement spouse's benefit, and you can designate a beneficiary for the pre-retirement death benefit explained below. You should refer to the **Provincial Variations** section to see how they affect you.

What Happens to My Benefits if I Don't Have a Spouse?

If you die before you retire, and you do not have a spouse eligible for the pre-retirement spouse's benefit, your beneficiary is entitled to receive the pre-retirement death benefit. This benefit is payable to your beneficiary (or estate if you have not designated a beneficiary) as a single lump sum which is equal to the value of the benefits you earned up to the date of your death.

Applying for Benefits

How Do I Apply for Benefits?

Payment of a pension benefit from this Plan is not automatic. You must apply for the benefit by completing and submitting the necessary forms. It's recommended that you begin the application process three months prior to your planned retirement date to avoid any delays of your monthly payment. Pension application forms are available from the Plan Administrator. As soon as the Plan Administrator receives your request for an application, they will mail you a package with the application and detailed instructions on how to complete it. You will be given details of all the options open to you in terms of the form of your pension.

You will be required to submit proof of age for both yourself and your spouse and proof of marriage, if applicable. When you complete the application and have attached the required proofs of age and marriage, you should sign the application and return it to the Plan Administrator. The Plan Administrator will acknowledge receipt of your application and will notify you if any additional information is needed.

How Does My Spouse or Beneficiary Apply for a Benefit?

As soon as possible after your death, your spouse or beneficiary should contact the Plan Administrator in writing and submit a copy of your death certificate or funeral statement or, if applicable, a copy of a police report. Your spouse or beneficiary may be asked to submit proof of age and will be advised if additional information or proof is required. Your spouse or beneficiary should write to the Plan Administrator with any questions concerning eligibility for survivor benefits. The Plan Administrator will help in every way possible with the application.

Other Information

What Happens if I Work After Retirement?

After you retire, you can work in other industries and continue to receive your pension.

However, your retirement benefits will be suspended for the calendar months you work in covered employment if you are working for any Contributing Employer.

You are required to notify the Plan Administrator within 30 days after returning to such employment.

If your retirement benefits are stopped because you have gone back to work with a Contributing Employer, your benefits will begin again once you have let the Plan Administrator know that you have stopped working. At that time, you get any additional pension you have earned after your return to work, based on contributions received by the Plan in respect of that employment. Please contact the Plan Administrator for further details on the suspension of pension benefits.

Can I Assign My Benefits?

No, except as specifically permitted by provincial law. The Plan contains a provision prohibiting any form of assignment, sale, transfer, attachment, or garnishment of your pension benefit (except in the case of marriage breakdown). Also, your pension cannot be used as security for a loan or mortgage.

How Will I Know What My Benefits Are Under This Plan?

All of the records of the Plan are kept in such a manner that each Participant's records will be updated regularly. Each year, the Plan Administrator will send you a statement of the benefits accumulated for you under the Plan as well as your status in the Plan. To ensure that your records are accurate and up to date, you should keep the Plan Administrator advised of any changes in your marital status and your mailing address.

Will the Benefits Provided Under This Plan Affect My CPP/QPP Benefits in Any Way?

No. The benefits provided under this Plan are in addition to any CPP/QPP benefits which you may be eligible to receive.

What if I Get a Divorce, Annulment or Separation?

If you get a divorce, annulment or separation from your spouse, the allocation of your pension benefit will be subject to the applicable provincial family/pension law. The benefit to which you are entitled will be adjusted in accordance with any court order, or separation agreement, sent to the Trustees.

In order to avoid significant delays in the payment of benefits, it is important that you maintain accurate and current spousal information. You should inform the Plan Administrator of any changes in marital or beneficiary status.

Please contact the Plan Administrator for more information about pension issues in a marriage breakdown.

Additional Information

Income Tax Returns

The contributions made by the employers are recorded by them on their income tax reporting to the Canada Revenue Agency (CRA) each year. Under the Income Tax Act, these contributions reduce the amount of allowable RRSP contributions you can make. The reduction to your RRSP room for the following year is reported on your T4 provided to you by your employer. Your RRSP allowable contribution levels are reported to you each year by CRA, when your income tax return is processed.

Plan Termination

Although the Board of Trustees intends to continue the Plan indefinitely, they reserve the right to amend or modify it in any respect or to terminate it. The Board of Trustees intends that the Plan will be registered under the Ontario Pension Benefits Act and the Income Tax Act. In addition to having the right to amend the Plan to increase or reduce benefits, the Board of Trustees may reduce benefits in order to avoid revocation of the Plan's registered status under the Income Tax Act.

If the Plan terminates, its assets will be used to provide benefits to the Plan members.

Member Records

The Trustees are responsible for ensuring that all member records are maintained in good order and updated regularly. Be sure to advise the administrator promptly of any changes in your marital status or your mailing address.

All pension and benefit payments made, to you or your beneficiaries, under the Plan are subject to income tax, and appropriate deductions will be made by the Plan and remitted to the CRA on your behalf.

No Longer Resident in Canada

Depending on the rules in the province in which you were last employed, you may have the option to take your pension as a lump sum of equivalent value if you are no longer a resident of Canada

See the **Provincial Variations** section for the details.

Serious Ill-Health

Depending on the rules in your province, you may have the option to take your pension as a lump sum of equivalent value if you establish a serious illness that is expected to significantly shorten your life expectancy. The ability to access this option depends on the provincial rules in the province you were last employed in.

See the **Provincial Variations** section for the details.

Provincial Variations

Certain provinces have special rules about how your benefits are provided and/or paid. These provincial rules are known as *minimum standard rules*.

How These Variations Apply to You

If the rules of the Plan, as summarized in the main body of this Booklet, do not meet the relevant provincial minimum standards as outlined here, those minimum standards will be used to determine your benefit entitlement, amount and terms.

To determine which rules apply to you, select the province where you were employed at the time of retirement or termination. For example, if you worked in Alberta, read the special rules for Alberta.

Other Information on Provincial Variations

Provincial rules often refer to the Year's Maximum Pensionable Earnings (YMPE). The YMPE specifies the maximum amount used to determine contributions and pensions under the Canadian Pension Plan (CPP). For a list of the YMPE by year, consult the Government of Canada website (<https://www.canada.ca/en.html>) and search on "YMPE".

This section outlines certain special rules for the province applicable to your Plan participation. It is not intended to be, nor should it be interpreted as, a complete statement of all provincial rules. For complete rules and regulations, please consult the appropriate provincial regulator's website as noted below.

Alberta

<http://www.finance.gov.ab.ca/business/pensions/>

Participant

You will become eligible to be a Participant in the Plan after two years of continuous service and annual earnings of at least 35% of the YMPE in each of the two consecutive calendar years immediately preceding participation.

Spouse

A person who is married to the Participant and has not been living separate and apart from the Participant for a continuous period longer than three years. If this situation does not apply, then a person who has been living with the Participant in a marriage-like relationship for a continuous period of at least three years preceding the date of determination, or has been living with the Participant in a marriage-like relationship of some permanence, if there is a child of the relationship by birth or adoption. Legal advice should be obtained if your spousal status is unclear.

Pre-Retirement Death Benefit

Eligibility: If your surviving spouse meets the eligibility requirements for the pre-retirement death benefit but dies before pension payments start and has not elected a transfer option, this benefit will be paid in a lump sum equal to the commuted value to the eligible spouse's designated beneficiary or, if there is no beneficiary, to the spouse's estate.

Waiver of Pre-Retirement Death Benefit: You and your spouse may waive the payment of the pre-retirement spouse's benefit by submitting a Spousal Waiver Form to the Plan Administrator. Once you file the Spousal Waiver Form with the Trustees, your spouse will not be eligible for the pre-retirement spouse's benefit, and you can designate a beneficiary for the pre-retirement death benefit.

Payment of Benefits

Cash-out of Small Pensions: The Plan will pay you a lump sum equivalent to your pension entitlement if the annual pension payable to you or your surviving spouse at your termination, retirement or death is less than 20% of the YMPE.

Shortened Life Expectancy: If you have developed an illness or disability likely to shorten your life expectancy, you may be eligible to unlock a portion of your pension value and receive a lump sum payment. The determination of a considerably shortened life expectancy is made by a medical practitioner, who must certify that in his or her opinion, the active or deferred plan member has an illness or disability which is terminal or is likely to shorten that person's life considerably. Shortened life expectancy unlocking does not apply to a retired member who is receiving a pension under the Plan. Spousal consent required, where applicable.

Non-Resident: If you have been granted non-resident of Canada status by the Canada Revenue Agency, you may elect to receive a lump sum equivalent to your pension entitlement.

British Columbia

<https://www.bcfsa.ca/>

Participant

You will become a Participant in the Plan after two years of continuous service and annual earnings of at least 35% of the YMPE in each of the two consecutive calendar years immediately preceding membership.

Spouse

A person who, at the relevant time, was married to and not living separate and apart from the Participant for a continuous period longer than the two years immediately preceding the relevant time. If this situation does not apply, then a person who was living with the Participant in a marriage-like relationship (including marriage-like relationship between persons of the same gender) for a continuous period of at least two years immediately preceding the relevant time. Legal advice should be obtained if your spousal status is unclear.

Pre-Retirement Death Benefit

Eligibility: If your surviving spouse meets the eligibility requirements for the pre-retirement death benefit but dies before pension payments start and has not elected a transfer option, this benefit will be paid in a lump sum equal to the commuted value to the eligible spouse's designated beneficiary, or if there is no beneficiary, to the spouse's estate.

Forms of Payment to Your Surviving Spouse: Instead of the survivor pension, your surviving spouse may elect the portability option.

Waiver of Pre-Retirement Death Benefit: You and your spouse may waive the payment of the pre-retirement spouse's benefit by submitting a Spousal Waiver Form to the Plan Administrator. Once you file the Spousal Waiver Form with the Trustees, your spouse will not be eligible for the pre-retirement spouse's benefit, and you can designate a beneficiary for the pre-retirement death benefit.

Payment of Benefits

Cash-out of Small Pensions: The Plan will pay you a lump sum equivalent to your pension entitlement if the annual pension payable to you or your surviving spouse at your termination, retirement or death is less than 20% of the YMPE.

Shortened Life Expectancy: The determination of a considerably shortened life expectancy is made by a medical practitioner, who must certify that in his or her opinion, the active or deferred plan member has an illness or disability which is terminal or is likely to shorten that person's life considerably. Shortened life expectancy unlocking does not apply to a retired member who is receiving a pension under the Plan. Spousal consent required, where applicable.

Non-Resident: If you have been granted non-resident of Canada status by the Canada Revenue Agency and have been absent from Canada for two years or more, you may elect to receive a lump sum equivalent to your pension entitlement.

Saskatchewan

<http://www.fcaa.gov.sk.ca/>

Participant

If you are a full-time employee, you will become a Participant in the Plan after two years of continuous service. If you are a part-time employee, you will become a Participant in the Plan after two years of continuous service and annual earnings of at least 35% of the YMPE, or 700 hours worked, in each of the two consecutive calendar years immediately preceding membership.

Spouse

A person who is married to the Participant. If this situation does not apply, a person with whom the Participant is cohabiting as spouses at the relevant time and has been cohabiting continuously for at least one year prior to the relevant time. Only one spousal benefit is payable from the Plan, and in the case of multiple claims from persons who claim to be the spouse, the resolution of such claims and the priority of such claims may be referred to court. Legal advice should be obtained if your spousal status is unclear.

Pre-Retirement Death Benefit

Amount: If you die after you become eligible for an early retirement pension, your surviving spouse is entitled to receive a surviving spouse's pension determined as if you had started to receive an early retirement pension on your date of death. The usual adjustment for early retirement would apply. The forms of payment described below, other than the monthly lifetime pension, would not apply.

Forms of Payment to Your Surviving Spouse: Instead of the survivor pension, your surviving spouse may elect to receive the commuted value in a single cash payment or may elect the portability option.

Waiver of Pre-Retirement Death Benefit: You and your spouse may waive the payment of the pre-retirement spouse's benefit by submitting a Spousal Waiver Form to the Plan Administrator. Once you file the Spousal Waiver Form with the Trustees, your spouse will not be eligible for the pre-retirement spouse's benefit, and you can designate a beneficiary for the pre-retirement death benefit.

Payment of Benefits

Cash-out of Small Pensions: The Plan will pay you a lump sum equivalent to your pension entitlement if the annual pension payable to you or your surviving spouse at your termination, retirement or death is less than 4% of the YMPE, or if the commuted value of the pension is less than 20% of the YMPE.

Non-Resident: If you have been granted non-resident of Canada status by the Canada Revenue Agency, you may elect to receive a lump sum equivalent to your pension entitlement.

Manitoba

<http://www.gov.mb.ca/>

Spouse

A person who is married to the Participant. If this situation does not apply, a person who, with the Participant, registered a common-law relationship under the Manitoba Vital Statistics Act. If this situation does not apply, a person who, not being married to the Participant, cohabited with him or her in a conjugal relationship for a period of at least three years, if either of them is married; or for a period of at least one year, if neither of them is married. Legal advice should be obtained if your spousal status is unclear.

Pre-Retirement Death Benefit

Forms of Payment to Your Surviving Spouse: Instead of the survivor pension, your surviving spouse may elect the portability option. If there is no surviving spouse, the commuted value will be paid in a single cash payment to the designated beneficiary.

Waiver of Pre-Retirement Death Benefit: You and your spouse may waive the payment of the pre-retirement spouse's benefit by submitting a Spousal Waiver Form to the Plan Administrator. Once you file the Spousal Waiver Form with the Trustees, your spouse will not be eligible for the pre-retirement spouse's benefit, and you can designate a beneficiary for the pre-retirement death benefit.

Payment of Benefits

Cash-out of Small Pensions: The Plan will pay you a lump sum equivalent to your pension entitlement if the annual pension or the commuted value of the pension payable to you or your surviving spouse at your termination, retirement or death is less than 4% of the YMPE, or if the commuted value of the pension is less than 20% of the YMPE.

Shortened Life Expectancy: The determination of a considerably shortened life expectancy is made by a medical practitioner, who must certify that in his or her opinion, the plan member has an illness or disability which is terminal or is likely to shorten that person's life considerably (may not exceed two years). Spousal consent required, where applicable.

Non-Resident: If you have been granted non-resident of Canada status by the Canada Revenue Agency, you may elect to receive a lump sum equivalent to your pension entitlement.

Ontario

<http://www.fsrao.ca>

Participant

If you are a full-time employee, you will become a Participant in the Plan after two years of continuous service. If you are a part-time employee, you will become a Participant in the Plan after two years of continuous service and annual earnings of at least 35% of the YMPE, or 700 hours worked, in each of the two consecutive calendar years immediately preceding membership.

Spouse

Either of two persons who, as of the time in question, are not living separate and apart and who are married to each other; or are not married to each other and are living together in a conjugal relationship (including conjugal relationship between persons of the same gender) continuously for a period of not less than three years, or in a relationship of some permanence, if they are the parents of a child as set out in section 4 of the Children's Law Reform Act. Legal advice should be obtained if your spousal status is unclear.

Pre-Retirement Death Benefit

Forms of Payment to Your Surviving Spouse: Instead of the survivor pension, your surviving spouse may elect to receive a deferred pension starting by the end of the year in which your surviving spouse reaches age 65. Your surviving spouse may elect to receive the commuted value in a single lump sum cash payment.

Waiver of Pre-Retirement Death Benefit: You and your spouse may waive the payment of the pre-retirement spouse's benefit by submitting a Spousal Waiver Form to the Plan Administrator. Once you file the Spousal Waiver Form with the Trustees, your spouse will not be eligible for the pre-retirement spouse's benefit, and you can designate a beneficiary for the pre-retirement death benefit.

Payment of Benefits

Cash-out of Small Pensions: The Plan will pay you a lump sum equivalent to your pension entitlement if the annual pension or the commuted value of the pension payable to you or your surviving spouse at your termination, retirement or death is less than 4% of the YMPE, or if the commuted value of the pension is less than 20% of the YMPE.

Shortened Life Expectancy: The determination of a considerably shortened life expectancy is made by a medical practitioner, who must certify that in his or her opinion, the plan member has an illness or disability which is terminal or is likely to shorten that person's life considerably (may not exceed two years). Spousal consent required, where applicable.

Non-Resident: If you have been granted non-resident of Canada status by the Canada Revenue Agency, you may elect to receive a lump sum equivalent to your pension entitlement.

Quebec

www.retraitequebec.gouv.qc.ca

Participant

You will become a Participant in the Plan after two years of continuous service and annual earnings of at least 35% of the YMPE, or 700 hours worked, in each of the two consecutive calendar years immediately preceding membership.

Spouse

A person who is married to, or is in a civil union with, the Participant, provided that they are not legally separated from bed and board. If the Participant is neither married nor in a civil union, a person who has been living in a conjugal relationship with the Participant (whether the person is of the opposite or the same sex) for a period of not less than three years, or for a period of not less than one year if:

- i. at least one child is born, or to be born, of their union;
- ii. they have adopted, jointly, at least one child while living together in a conjugal relationship; or
- iii. one of them has adopted at least one child who is the child of the other, while living in a conjugal relationship.

Legal advice should be obtained if your spousal status is unclear.

Postponed Retirement

If you do not retire at age 65, your pension at eventual retirement shall not be less than the equivalent value of the normal pension, assuming you had retired at age 65. In addition, you may be eligible for a partial pension after age 65 to compensate for any reduction in earnings after age 65.

Pre-Retirement Death Benefit

Forms of Payment to Your Surviving Spouse: Instead of the survivor pension, your surviving spouse may elect to receive the commuted value in a single lump sum cash payment.

Waiver of Pre-Retirement Death Benefit: You and your spouse may waive the payment of the pre-retirement spouse's benefit by submitting a Spousal Waiver Form to the Fund Administrator. Once you file the waiver form with the Trustees, your spouse will not be eligible for the pre-retirement spouse's benefit, and you can designate another beneficiary to receive the pre-retirement death benefit instead of your spouse.

Payment of Benefits

Optional Payment Forms for Participants with an Eligible Spouse: You may elect, in lieu of the standard form of payment, an optional joint and survivor 60% payment form with a 10-year minimum payment guarantee.

Standard Form of Benefit for Participants with No Eligible Spouse: You may elect a single-life annuity with a 10-year minimum payment guarantee.

Portability Options: If you were given, but did not elect, a portability option upon termination of employment, you may revisit this election within the 90-day period prior to every fifth anniversary of your termination up to age 50.

Cash-out of Small Pensions: The Plan will pay you a lump sum equivalent to your pension entitlement if the annual pension payable to you or your surviving spouse at your termination, retirement or death is less than 20% of the YMPE. If you do not elect a cash-out option upon termination of employment, you may revisit this election within the 90-day period prior to every fifth anniversary of your termination up to age 50.

Shortened Life Expectancy: The determination of a considerably shortened life expectancy is made by a medical practitioner, who must certify that in his or her opinion, the active or deferred plan member has an illness or disability which is terminal or is likely to shorten that person's life considerably. Shortened life expectancy unlocking does not apply to a retired member who is receiving a pension under the Plan. Spousal consent required, where applicable.

Non-Resident: If you have been granted non-resident of Canada status by the Canada Revenue Agency and have been absent from Canada for two years or more, you may elect to receive a lump sum equivalent to your pension entitlement.

New Brunswick

<http://www.fcnb.ca/>

Participant

If you are a full-time employee, you will become a Participant in the Plan after two years of continuous service. If you are a part-time employee, you will become a Participant in the Plan after two years of continuous service and annual earnings of at least 35% of the YMPE, or 700 hours worked, in each of the two consecutive calendar years immediately preceding membership.

Spouse

Either of two persons who are married to each other or:

- i. are married to each other by a marriage that is voidable and has not been annulled by a declaration of nullity; or
- ii. have gone through a form of marriage with each other in good faith that is void and have cohabited within the preceding year; or
- iii. have cohabited continuously for a period of not less than two years in a conjugal relationship immediately before the relevant time.

Legal advice should be obtained if your spousal status is unclear.

Pre-Retirement Death Benefit

Forms of Payment to Your Surviving Spouse: Instead of the survivor pension, your surviving spouse may elect to receive the commuted value in a single cash payment.

Waiver of Pre-Retirement Death Benefit: You and your spouse may waive the payment of the pre-retirement spouse's benefit by submitting a Spousal Waiver Form to the Plan Administrator. Once you file the Spousal Waiver Form with the Trustees, your spouse will not be eligible for the pre-retirement spouse's benefit, and you can designate a beneficiary for the pre-retirement death benefit.

Payment of Benefits

Cash-out of Small Pensions: The Plan will pay you a lump sum equivalent to your pension entitlement if the adjusted commuted value of your pension is less than 40% of the YMPE divided by 1.06 for each year the age of the member precedes age 65 and your eligible spouse waives, in writing, any rights under the Plan. The adjusted commuted value is based on a specified interest calculation.

Shortened Life Expectancy: The determination of a considerably shortened life expectancy is made by a medical practitioner, who must certify that in his or her opinion, the member has an illness or disability which is terminal or is likely to shorten that person's life considerably. Spousal consent required, where applicable.

Non-Resident: If you have been granted non-resident of Canada status by the Canada Revenue Agency, you may elect to receive a lump sum equivalent to your pension entitlement.

Newfoundland

<http://www.gs.gov.nl.ca/>

Participant

If you are a full-time employee, you will become a Participant in the Plan after two years of continuous service. If you are a part-time employee, you will become a Participant in the Plan after two years of continuous service and annual earnings of at least 35% of the YMPE, or 700 hours worked, in each of the two consecutive calendar years immediately preceding membership.

Spouse

A person who is married to the Participant, is married to the Participant by a marriage that is voidable and has not been voided by a judgment of nullity, or has gone through a form of marriage with the Participant, in good faith, that is void and is cohabiting or has cohabited with the Participant within the preceding year.

A person who, not being married to the Participant, has cohabited continuously with the Participant in a conjugal relationship for a period of not less than one year (provided they are not being prevented by law from marrying). Or, has cohabited continuously with the Participant in a conjugal relationship for a period of not less than three years, if they were prevented by law from marrying, and is cohabiting or has cohabited with the Participant within the preceding year. Legal advice should be obtained if your spousal status is unclear.

Pre-Retirement Death Benefit

Amount: If you die after you become eligible for an early retirement pension, your surviving spouse is entitled to receive a surviving spouse's pension determined as if you had started to receive an early retirement pension on your date of death. The usual adjustment for early retirement would apply. The forms of payment described below, other than the monthly lifetime pension, would not apply.

Forms of Payment to Your Surviving Spouse: Instead of the survivor pension, your surviving spouse may elect to receive the commuted value in a single cash payment or may elect the portability option.

Payment of Benefits

Cash-out of Small Pensions: The Plan will pay you a lump sum equivalent to your pension entitlement if the annual pension payable to you or your surviving spouse at your termination, retirement or death is less than 4% of the YMPE, or if the commuted value of this pension is less than 10% of the YMPE.

Shortened Life Expectancy: The determination of a considerably shortened life expectancy is made by a medical practitioner, who must certify that in his or her opinion, the active or deferred plan member has an illness or disability which is terminal or is likely to shorten that person's life considerably. Shortened life expectancy unlocking does not apply to a retired member who is receiving a pension under the Plan. Spousal consent required, where applicable.

Nova Scotia

<https://www.novascotia.ca/finance/en/home/pensions/regulation.aspx.html>

Participant

If you are a full-time employee, you will become a Participant in the Plan after two years of continuous service. If you are a part-time employee, you will become a Participant in the Plan after two years of continuous service and annual earnings of at least 35% of the YMPE, or 700 hours worked, in each of the two consecutive calendar years immediately preceding membership.

Spouse

Either of two persons who, at the relevant time, are married to each other, are married to each other by a marriage that is voidable and has not been annulled by a declaration of nullity, who has gone through a form of marriage with the Participant, in good faith, that is void and is cohabiting with the Participant or, if they have ceased to cohabit, has cohabited within the 12-month period immediately preceding the date of entitlement, or are domestic partners within the meaning of the Vital Statistics Act, or are not being married to each other, cohabited in a conjugal relationship with each other

- A. for a period of at least three years, if either of them is married, or
- B. for a period of at least one year, if neither of them is married.

Legal advice should be obtained if your spousal status is unclear.

Pre-Retirement Death Benefit

Forms of Payment to Your Surviving Spouse: Instead of the survivor pension, your surviving spouse may elect to receive the commuted value in a single cash payment.

Waiver of Pre-Retirement Death Benefit: You and your spouse may waive the payment of the pre-retirement spouse's benefit by submitting a Spousal Waiver Form to the Plan Administrator. Once you file the Spousal Waiver Form with the Trustees, your spouse will not be eligible for the pre-retirement spouse's benefit, and you can designate a beneficiary for the pre-retirement death benefit.

Payment of Benefits

Cash-out of Small Pensions: The Plan will pay you a lump sum equivalent to your pension entitlement if the annual pension payable to you or your surviving spouse at your termination, retirement or death is less than 4% of the YMPE, or if the commuted value of the pension is less than 20% of the YMPE.

Shortened Life Expectancy: The determination of a considerably shortened life expectancy is made by a medical practitioner, who must certify that in his or her opinion, the Plan member has an illness or disability which is terminal or is likely to shorten that person's life considerably. Spousal consent required, where applicable.

Non-Resident: If you have been granted non-resident of Canada status by the Canada Revenue Agency, you may elect to receive a lump sum equivalent to your pension entitlement.

Prince Edward Island

PEI's pension legislation broadly follows Nova Scotia; however, it has never been formally adopted by the PEI legislature. Until that happens, the Trustees will do their best to treat PEI members in a manner that is fair and broadly consistent with members in other provinces.



**Pension Plan Booklet of the International Painters &
Allied Trades Industry Pension Plan (Canada)
2021**

