

## The current retirement plan for CMG members at Shaw Media

Canadian Media Guild members at Shaw Media have the opportunity to join the Retirement Plan for Bargaining Unit Employees of Global Communications Limited, a defined-contribution pension (DC) plan, after one year of full-time employment. A DC plan is a pension plan which specifies in advance the amount of contributions you and your employer will make to the plan. The amount of retirement income from a DC plan is determined by the value of the assets in your account at retirement.

**How the plan works:** a member chooses to contribute at least 2% of their base salary. The employer will match the amount the member contributes between 2% and 4%. Members can contribute more than 4%, considered a Voluntary Contribution. Voluntary Contributions made by a member are not matched by the employer. Currently, more than half of CMG members contribute at least 4%. Seventeen eligible members of the bargaining unit have not enrolled in the DC plan.

The savings you have available at retirement are based on how much you and the company contributed and how well the investments in the plan performed.

When you become entitled to pension benefits including your employer's contributions, your pension is said to be 'vested'. Members in the DC plan are vested after two years of membership in the plan. If you leave the company after completing two years of plan membership, you can transfer your account balance – the value of your and the employer's contributions – to a locked-in RRSP. If you leave the company with less than two years membership in the plan, you can transfer your own contributions to a personal RRSP or receive a cash refund less withholding tax.

You can take early retirement at 55, as long as you've been in the plan for at least 2 years. Normal retirement is at age 65. At that time, you either purchase an annuity or buy into a Life Income Fund. You can also defer the payout of retirement benefits by transferring your account into a locked-in RRSP (no later than Dec. 1<sup>st</sup> of the year in which you turn 71).

**Who controls the fund:** Under federal pension legislation, registered pension plan assets are held separately from the company's assets and in trust by a trustee. The assets can only be used to provide pension benefits and to pay for approved operating expenses of the plan. They cannot be accessed by the company or any other party for any other purpose.

**How the fund is doing:** The final fund rate of return for year 2010 is currently being determined and will be available in the very near future. An annual pension statement showing your account balance as at January 1, 2011 should be issued to you by June 30, 2011.