

**IWA - Forest Industry
Pension Plan**

Administration Manual

May 2018



We administer:

IWA - Forest Industry Pension Plan

IWA - Forest Industry Long Term Disability Plan (LTD Plan)

We also administer:

IWA - Forest Industry Safety and Health Research and Education Trust (H & S Fund)

The Plan Office is located at:

Suite 2100 - 3777 Kingsway
Avenue Burnaby BC V5H 3Z7

Phone: (604) 433-6310

Toll Free in BC: 1-800-663-4384

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You can e-mail the Contributions Department at **contributions@iwafibp.ca**

Members with questions about their individual pensions, should call us at:

Lower Mainland: (604) 433-5862

Toll Free in BC: 1-800-913-0022

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Welcome to the IWA - Forest Industry Pension Plan

The IWA - Forest Industry Pension Plan was established in 1973. It is administered by a Board of Trustees appointed by the United Steelworkers in Canada (the “USW”) and the forest industry employers. The Pension Plan is a Registered Retirement Savings Plan and is a target benefit plan under Canada Customs and Revenue Agency guidelines.

Contributions are made to the Pension Plan at an hourly rate which is set out in the collective agreements negotiated between the USW, the forest industry employers and employer groups. Your company’s participation in the Pension Plan is based on what has been negotiated or agreed to between your company and your union local as part of your collective agreement. In order to participate in the Pension Plan, your company must also enter into an agreement with the Trustees of the Pension Plan by signing a Participation Agreement. Under the Participation Agreement you are required to follow the terms of the Pension Trust Agreement and Pension Plan Text, which are established by the Pension Plan’s Trustees.

This Administration Manual is designed to be a reference guide for questions about the Pension Plan, including how to go about making contributions, what hours to contribute for, and how to direct your employees to find information about their pension.

In any case where a dispute arises due to differences between the Administration Manual and the Plan text, the Plan text will govern. Relevant portions of the Pension Plan are available to any Employing Company upon request.

1 GETTING STARTED

1.1 Company Number

When your company becomes an Employing Company in the IWA - Forest Industry Pension Plan, you are assigned a six digit company number, in the format 0000-00. This number is unique to your company. Quoting your company number in all correspondence and phone calls enables us to call up your account faster.

For owner-operators who have employees, two company numbers are assigned. The first four digits are the same for both, but the -00 extension refers to **employees** and the -55 refers to the **owner-operator**.

1.2 Reporting Method

The Pension Plan provides a number of ways for you to submit your Contribution Reports. You may choose to use our paper Contribution Reports, create your own spreadsheet or payroll reports, or report via electronic submission (E-submit), or e-mail.

1.2.1 Our Forms

The forms for reporting hours and calculating the amount of contributions are called **Contribution Reports**. Each report has three sections:

- Billing Statement

This front page displays the Company Name, Company Number, statement number and complete mailing address. Adjust the Period Start Date and Period End Date if necessary. Fill in the total hours for the pay period on this page. The contribution rate per hour for each plan your company participates in is indicated. Multiply the hours by the rate shown to get the amount owing per plan. Plans your company is not required to contribute for are marked "N/A".

- Member Hours Report

The middle section of our report is pre-printed with the Social Insurance Number ("SIN"), our internal Employee ID Number, and name of each employee we show as an active employee of your company. Fill in the hours worked for Pension and/or LTD in the appropriate column for each employee. Add the SIN and name of any new employees to the bottom of the list. Please ensure that you also submit an enrollment card for each new employee (see *2.3.1 Enrollment Card*).

- Member Work Status Report

The final section is for reporting employee status changes, such as Termination, Layoff, WCB, etc. A list of work statuses and codes appears on the top of this report.

It is important that all statuses are reported accurately as your employees may be eligible for special provisions under the Pension Plan (see *2.4 Employee Status Changes*).

1.2.2 Your Own Forms

If you decide to use your own forms, we require the following information:

- Company Name and Company Number
- Period Start and End Dates
- SIN and Name of each employee
- Hours for each member
- Total hours being reported and paid for

You will still receive a Billing Statement and Work Status Report from our office. These are sent to you to keep you up to date regarding any debits or credits in your company's account, as well as give you the opportunity to report any employee status changes. For more information, see *2.4 Employee Status Changes*.

1.2.3 Report by E-mail

You can submit your contribution information via e-mail. The data is submitted in the form of a simple text file, zipped, and protected with a password. If you are interested in sending your reports via e-mail, please contact our office for the file specifications.

1.2.4 E-submit

If you prefer to submit your contribution information via E-submit, contact our office for the specifications.

1.3 Pay Period

Employing Companies must submit contributions to the Pension Plan at least once every 31 days. Furthermore, contributions are due 30 days after your pay period end date. Within those guidelines, your company can choose a pattern of pay periods you find most convenient. It is advisable to choose the pay period schedule that most closely matches your payroll. The most popular choices are:

- by calendar month (January 1st to 31st)
- every 28 days (January 1st to 28th)
- every 14 days (January 1st to 14th, January 15th to 28th)
 - submit either one report every two weeks, or
 - two reports together, once every four weeks

Let us know which pay period schedule you choose so that we can send out Contribution Reports to match your schedule. Also let us know if you need to change your pay period schedule at any time, or adjust it as needed for rate changes, year ends, etc.

Your Contribution Report needs to have both a “Period Start Date” and “Period End Date” that cover the entire pay period regardless of the number of days worked in a pay period. Every day must be accounted for.

On the first page of your monthly contribution report, check that the Period Start Date and Period End Date we have pre-printed is correct. There may be occasions when the contribution report for the next period is mailed to you before we have received your previous one. In that case, adjust the Period Start Date and Period End Date.

1.4 Payment Methods

1.4.1 Wire Transfer

The preferred method of payment is via wire transfer. Please contact our office for banking information.

1.4.2 Cheque or Money Order

Cheques or money orders are also accepted and should be made payable to IWA - Forest Industry Pension Plan, and submitted together with your contribution report. One cheque made out to the Plan office may be used to cover your contributions to the Pension, LTD Plan and/or, H & S Fund.

2 EMPLOYEES

2.1 Eligible Employees

All of your employees doing I.W.A. bargaining unit work are considered to be Eligible Employees. This group includes casual employees, part-time employees, probationary employees, summer students, as well as regular full-time employees.

If you have contractors working for you who do not satisfy Canada Customs and Revenue Agency's definition of "independent contractors", they will be considered employees for the purposes of the Pension Plan, and contributions must be submitted on their behalf.

(If you are an owner-operator of a company participating in the Pension Plan, see *7 Owner-Operators*.)

Following is the full definition of Eligible Employee from the text of the Pension Plan:

Eligible Employee

- a) Subject to Subsection 4.03(b), Subsection 4.03(c), Subsection 4.03(d) and Subsection 4.03(e), a person shall be an Eligible Employee if:
 - i) the person is a member of the Union and is a bargaining unit employee of an Employing Company;
 - ii) the Union is the bargaining agent for hourly-paid employees of an Employing Company and the person is recorded in the payroll records as an hourly paid employee of the Employing Company, then the person shall be deemed to be an Eligible Employee unless the Employing Company establishes to the satisfaction of the Board of Trustees that such person was not performing bargaining unit work;
 - iii) the person is a member of the Union and is an officer or staff member employed by the Union;
 - iv) the person is a member of I.W.A. Canada who is employed in Ontario and satisfies the conditions described in Subsection 21.02(a); or
 - v) the person is an Owner-Operator.
- b) A person who qualifies as an Eligible Employee under paragraph 4.03(a)(i) or paragraph 4.03(a)(ii), but who transfers temporarily to a class of employment not covered by a Union bargaining unit, in the service of the same Employing Company, shall continue to qualify as an Eligible Employee until the end of the fourth month following the month in which such temporary transfer occurs.

- c) A person who becomes Disabled while an Eligible Employee of an Employing Company, or is Disabled when he becomes an Eligible Employee of an Employing Company, shall continue to be an Eligible Employee of such Employing Company for as long as he remains Disabled.
- d) A person who is Totally and Permanently Disabled shall not be an Eligible Employee, but may become an Active Plan Member under Subsection 4.04(b).
- e) A person who would qualify as an Owner-Operator, except that he performs work which is not Union bargaining unit work for more than 25% of the normal work month shall not be an Eligible Employee.
- f) A person who is a Management Transfer shall not be an Eligible Employee.

2.2 Eligible Hours

It is important to correctly determine which hours are eligible under the Pension Plan, and which ones are not. Not all hours your employees are paid for are considered Eligible Hours.

The Plan Office will periodically send you an updated copy of our Contributory Hours Reporting Guide or you may print a copy from our website: www.iwafibp.ca. This guide lists the most common categories of hours and whether contributions are required for the LTD Plan and/or the Pension Plan.

Following is the full definition of Eligible Hours from the text of the Pension Plan:

a) **Eligible Hours**

The Contribution Report shall include the Eligible Hours for each Eligible Employee of the Employing Company during the applicable Contribution Reporting Period which shall be equal to the hours actually worked by each Eligible Employee, adjusted as follows:

- i) An Eligible Employee who works a short shift but is paid as though a full 8 hour shift was worked shall be deemed to have worked 8 hours.
- ii) An Eligible Employee who has an alternate work schedule whereby he is paid for a greater number of hours than those actually worked, shall be deemed to have worked the hours paid.
- iii) An Eligible Employee who is detained on company premises at the Employing Company's direction, and is paid call time while so detained, shall be deemed to have worked the call time (but not travel time).
- iv) An Eligible Employee who works on Union business on a temporary or part time basis shall be deemed to have worked at the rate of 8 hours for

each day, with pro-rata allowance for part days, while on Union business. Such hours worked shall be reported and paid for by the Union.

- v) Effective March 14, 1981, an Eligible Employee, while on a pregnancy leave of absence, shall be deemed to work at the rate of 40 hours for each week of absence up to a maximum period equal to the sum of:
- A) 18 consecutive weeks; and
 - B) an additional 6 consecutive weeks provided the Pension Administrator receives a written statement from the attending Physician confirming that the leave of absence in excess of 18 weeks is due to medical reasons related to the birth or termination of the pregnancy.

Effective December 31, 1996, an Eligible Employee, while on a pregnancy leave of absence, shall be deemed to work at the rate of 40 hours for each week of absence up to a maximum period equal to the sum of:

- A) 17 consecutive weeks; and
- B) an additional 6 consecutive weeks provided the Pension Administrator received a written statement from the attending Physician confirming that the leave of absence in excess of 17 weeks is due to medical reasons related to the birth or termination of the pregnancy.

On and after December 31, 1996, if the Eligible Employee is required to remit amounts to the Board of Trustees in respect of the Member Contribution Rate, as described under Subsection 5.06(b), then Eligible Hours shall only be credited under this paragraph 5.03(a)(v) in respect of periods where such amounts are remitted to the Board of Trustees.

On and after July 18, 2003, if the Employing Company provides evidence satisfactory to the Pension Administrator that the Eligible Employee has been regularly scheduled to work less than 32 hours per week in the 12 month period prior to a pregnancy leave of absence, then the rate at which such Eligible Employee shall be deemed to work during such pregnancy leave of absence shall be equal to the number of hours the Eligible Employee had been regularly scheduled to work during such preceding 12 month period, or such other rate as may be considered appropriate in the circumstances by the Pension Administrator.

- vi) On and after March 22, 1991, an Eligible Employee, while on parental leave of absence, shall be deemed to work at the rate of 40 hours for each week of absence up to a maximum period of 12 consecutive weeks.

Effective December 31, 1996, an Eligible Employee, while on parental leave of absence, shall be deemed to work at the rate of 40 hours for each week of absence up to a maximum period:

- A) for a birth mother who takes leave under Subsection 5.03(a)(v), up to 35 consecutive weeks beginning immediately after the end of the leave under Subsection 5.03(a)(v); or
- B) for a birth mother who does not take leave under Subsection 5.03(a)(v), 37 consecutive weeks; or
- C) for a birth father or adoptive parents 37 consecutive weeks which on or after May 30, 2002, may be extended up to an additional five consecutive weeks if the child has a physical, psychological or emotional condition requiring an additional period of parental care.

On and after December 31, 1996 if the Eligible Employee is required to remit amounts to the Board of Trustees in respect of the Member Contribution Rate, as described under Subsection 5.06(b), then Eligible Hours shall only be credited under this paragraph 5.03(a)(vi) in respect of periods where such amounts are remitted to the Board of Trustees.

On and after July 18, 2003, if the Employing Company provides evidence satisfactory to the Pension Administrator that the Eligible Employee has been regularly scheduled to work less than 32 hours per week in the 12 month period prior to a parental leave of absence, then the rate at which such Eligible Employee shall be deemed to work during such parental leave of absence shall be equal to the number of hours the Eligible Employee had been regularly scheduled to work during such preceding 12 month period, or such other rate as may be considered appropriate in the circumstances by the Pension Administrator.

- vii) An Active Plan Member who has been awarded compensation for a period of time as a result of the settlement or arbitration of a grievance shall be deemed to have worked such period of time at the rate of 40 hours per week or in such other manner as is consistent with the settlement or arbitration of the grievance.
- viii) An Eligible Employee who is an officer or staff member of the Union shall be deemed to work an 8 hour day and a 40 hour week, with pro-rata allowance for part days and part weeks.
- ix) An Eligible Employee who is transferred temporarily to a class of employment not covered by a Union bargaining unit, but who continues to qualify as an Eligible Employee under Subsection 4.03(b), shall be deemed to work an 8 hour day and a 40 hour week, with pro-rata allowance for part days and part weeks.

2.2.1 Fractional Hours

Report all Eligible Hours to the Pension Plan, including fractional hours up to two decimal places. For example, if a member works 8.75 hours a day and works 17 days in one month, you must report 148.75 hours. Do not round up or down. The only exceptions are employees with an alternate work schedule, or who work a short shift as described in 2.2 *Eligible Hours*.

2.3 Forms for New Employees

If you need copies of any of the forms listed below, please contact our office, or download a printable version from our website, www.iwafibp.ca.

2.3.1 Enrolment Card

For every employee you hire, we need a completed Enrolment Card. This card gives us all of the basic information we need about each new employee, including birth date, hire date, and current address. Do not forget to fill in your company number.

- It is important that you provide us with the employee’s correct hire date. Members will automatically vest in our Pension Plan two years after their hire date.

2.3.2 Pre-Retirement Designation of Beneficiary Card

Every employee should fill out a Pre-Retirement Designation of Beneficiary card to identify their beneficiary in the case of death before retirement. The cards are accompanied by a leaflet explaining who can be named as a beneficiary. An employee who wishes to name or change their beneficiary with the Pension Plan must complete one of our Pre-Retirement Designation of Beneficiary forms.

When your employees elect or change their beneficiary for another plan, they often assume this designation also applies to the Pension Plan; it does not. Each benefit plan is administered separately and notifying one plan does not inform the others.

IWA-FOREST INDUSTRY PENSION PLAN
and
IWA-FOREST INDUSTRY LTD PLAN
 900 - 5945 KATHLEEN AVENUE
 BURNABY, B. C. V5H 2S5

ENROLLMENT CARD
 To be completed by employer for all new employees

Please Print

MEMBER INFORMATION

Name _____
Last Name First Name Initial

Street/P.O. Box _____

Town/City _____ Prov. _____

Postal Code _____ Phone _____

Social Insurance Number _____

Birthdate
Day Month Year

Sex Male Female

Hire Date
Day Month Year

Occupation _____

Check One: Part Time Full Time Casual

EMPLOYER INFORMATION

Company Name _____

Division Name _____

Company# _____ Division# _____

Signature of Employer _____

Date Signed _____ Phone# _____

| PRE-RETIREMENT DESIGNATION OF BENEFICIARY | | | |
|--|----------------------|------------------------------------|---------------------------------|
| PLEASE PRINT YOUR INFORMATION HERE: | | | |
| Name: (Last) | | First name(s) in Full: | |
| SIN: | Date of Birth: | Sex: Male <input type="checkbox"/> | Female <input type="checkbox"/> |
| Address: | | | |
| City: | | Postal Code: | Phone # () |
| Name of Employer: | | | |
| You must appoint your spouse as your beneficiary unless a waiver is signed (see over). If you do not have a spouse, you may name another person as your beneficiary or name your estate. If your beneficiary is a child under 19, or there is distribution of pension under a court order or separation agreement, please contact the Plan Office. | | | |
| PLEASE CHECK <input checked="" type="checkbox"/> ONE BOX: <input type="checkbox"/> I have a spouse <input type="checkbox"/> I do not have a spouse <input type="checkbox"/> My spouse has completed a waiver form | | | |
| PLEASE PRINT YOUR BENEFICIARY INFORMATION HERE: | | | |
| Name: (Last) | | First name(s) in Full: | |
| Date of Birth: | Relationship to you: | SIN: | |
| Address: | | | |
| City: | | Postal Code: | |
| Name: (Last) | | First name(s) in Full: | |
| Date of Birth: | Relationship to you: | SIN: | |
| Address: | | | |
| City: | | Postal Code: | |
| DATE: X _____ | | YOUR SIGNATURE: X _____ | |

2.3.3 Employee Change of Address Card

An Employee Address Change of Address Card must be completed and returned when your employee changes their address or name. If we do not have the correct address, the employee will not receive important correspondence from our office such as annual statements, T4A's or Break in Service Packages.

2.4 Employee Status Changes

It is important that you keep us up to date on the statuses of your employees. A full list of status codes is located at the top of the Member Work Status Report. Most are self-explanatory, however some have specific meanings for our Plan.

- T - Terminated - anyone who has quit or been fired, permanently laid off, or whose seniority has expired and will not be returning to your company
- P - Permanent Involuntary Job Loss - anyone who has been terminated due to downsizing, job elimination, technological change or permanent closure
- M - Management Transfer - anyone who has moved from an I.W.A. Canada bargaining unit position to a salaried position

An employee may still be eligible for pension credits even though he is not working. These Pension credits are called **unfunded hours** because no contributions are required to be made by the company. Any member who has less than 1500 Eligible Hours in a calendar year may be eligible to receive unfunded credits. To ensure that your employees get all the credits they are entitled to, we require that you provide us with the start and end dates of the periods when an employee is not working for one of the following reasons:

2.4.1 Layoff

Full-time Eligible Employees are eligible for up to five weeks (200 hours) of layoff credit each calendar year, when the layoff is due to weather or market conditions. Only complete weeks of layoff are counted. A complete week is considered to be any consecutive five working day period within seven calendar days.

2.4.2 Sick Leave

Members are eligible for a credit of 8 hours per day for each day they are in receipt of weekly indemnity benefits.

2.4.3 WCB

Members are eligible for a credit of 6 hours per day for each day they are in receipt of WCB wage loss benefits, rehabilitation allowances or income continuity payments.

2.4.4 ICBC Wage Loss

Members are eligible for a credit of 6 hours per day for each day they are in receipt of wage loss benefits under Part 7 of the Revised Regulations (1984) to the *Insurance (Motor Vehicle) Act of British Columbia*, or any similar act in another province.


2.4.5 Vacation in Excess of 5 Weeks

Members with more than five weeks of paid vacation in a calendar year are eligible for 40 hours of credit for each week after the fifth week.

2.5 Employees Who Retire

2.5.1 Application For Pension Benefits

When employees apply for an IWA - Forest Industry Pension, they complete Section A of the pension application form. Section B must be filled out by the Employer.



IWA – FOREST INDUSTRY PENSION PLAN
 SUITE 900-6945 KATHLEEN AVENUE, BURNABY, B.C. V5H 4J7
 TELEPHONE 604-433-8310 • TOLL FREE 1-800-663-4384 • FACSIMILE 604-433-0518

APPLICATION FOR RETIREMENT BENEFITS
 (to be completed 30 days in advance of retirement date)

SECTION A: To be completed by APPLICANT

| | |
|--|--|
| Name of Applicant _____ | Name of Beneficiary _____ |
| Address of Applicant _____ | Address of Beneficiary _____ |
| STREET _____ | STREET _____ |
| TOWN _____ | TOWN _____ |
| PROVINCE _____ | PROVINCE _____ |
| POSTAL CODE _____ | POSTAL CODE _____ |
| Phone No. _____ | Birthdate of Beneficiary _____ / _____ / _____ |
| Birthdate of Applicant _____ / _____ / _____ | Relationship of Beneficiary _____ |
| Social Insurance No. _____ | Social Insurance No. of Beneficiary _____ |

I hereby notify _____ (Employer) of my intention to retire on the 1st day of _____, 20____, and hereby make application for pension benefits as provided for under the terms and conditions of the IWA – Forest Industry Pension Plan in effect on my retirement date.

NOTE: If you do NOT retire within 30 days of _____, 20____, your application will be considered null and void.

SECTION B: To be completed by EMPLOYER

| | | | | | | | |
|--|--|--|--|--|--|--|--|
| Applicant has worked for us since _____ / _____ / _____ Vacation taken this year from _____ / _____ / _____ to _____ / _____ / _____ Last day employee expected to work _____ / _____ / _____ Applicant has not worked since _____ / _____ / _____ because of: 1. <input type="checkbox"/> DISABILITY: <input type="checkbox"/> W.C.B. Claim # _____ <input type="checkbox"/> Weekly Indemnity-Carrier _____ <input type="checkbox"/> LTD _____ 2. <input type="checkbox"/> TRANSFER TO SALARIED _____ / _____ / _____ 3. <input type="checkbox"/> LAYOFF: <input type="checkbox"/> Permanent <input type="checkbox"/> Temporary SENIORITY EXPIRES _____ / _____ / _____ 4. <input type="checkbox"/> TERMINATION REASON: <input type="checkbox"/> Technological Changes <input type="checkbox"/> Seniority Reduction Expired <input type="checkbox"/> Permanent Closure <input type="checkbox"/> Quit <input type="checkbox"/> Discharged <input type="checkbox"/> Other _____ Date _____ / _____ / _____ | Company Number <table border="1" style="display: inline-table; width: 40px; height: 20px;"><tr><td> </td><td> </td><td> </td><td> </td></tr></table> Division Number <table border="1" style="display: inline-table; width: 40px; height: 20px;"><tr><td> </td><td> </td></tr></table> Last report ended _____ / _____ / _____ Employee is/was <input type="checkbox"/> Casual <input type="checkbox"/> Full Time <input type="checkbox"/> Temporary | | | | | | |
| | | | | | | | |
| | | | | | | | |

NOTE: FORWARD ORIGINAL COPY TO: THE IWA – FOREST INDUSTRY PENSION PLAN ADMINISTRATION OFFICE AND KEEP A PHOTOCOPY FOR YOUR RECORDS.

2.5.2 Hours Worked After Retirement

If a member who is receiving an IWA - Forest Industry Pension returns to work, Pension contributions must be made on their behalf. If that member works more than 19 hours per week, their pension will be suspended.

2.5.3 Contributions for Employees over the Age of 71

Although the member will no longer receive pension credits for these hours, contributions will continue and will be tax deductible [*Income Tax Act section 147.2(1)*]. Members will have their portion of contributions refunded to them annually directly from the Plan Office. The employer portion will remain with the plan.

2.6 Pension Plan Booklet

The IWA - Forest Industry Pension Plan has published a booklet for members outlining the provisions of the Plan. If you need copies of the booklet for your employees, please contact our office.

3 CONTRIBUTIONS

3.1 Contribution Due Date

Contributions are due in our office 30 days after the “Period End Date” of your report. You must report and contribute at least once every 31 days. For example, reports and payment for the period January 1st to 31st are due by March 3rd. Reports and payment for the period January 1st to 28th are due February 28th. Please be aware that a member does not receive credits in the Pension Plan until the contributions are paid.

3.2 Nil Reports

Even if you have no eligible hours to report in a pay period, a nil report must be filed.

3.3 Interest Charges

Interest is charged on all overdue amounts. Interest is calculated daily, compounded monthly, at the rate of one and a half times the prime rate. The rate is updated on the first business day of each calendar quarter.

3.4 Legal Action

If your account is in arrears, the Pension Plan may initiate legal action against your company to collect ALL amounts outstanding. You will normally be notified before such action begins. You will be responsible for reimbursing the Plan for any fees we incur to pursue such action.

3.5 Article 23 (Non-Conforming Employer)

Employing Companies that fall more than 30 days behind in their contributions to the Pension Plan will become Non-Conforming Employers as per Article 23 of the Plan text. Please contact our office for further information regarding Non-Conforming Employers.

3.6 Correcting Reporting Errors

Any adjustments to an employee’s hours for a past pay period must be reported separately. Please do not add or subtract hours from your current billing statement. Let us know how many hours are being adjusted, which employee is affected and for which period, so we can make the appropriate changes to the correct reporting period.

4 COMPANIES

4.1 Company Address Change

Notify us as soon as possible if you are moving, so we can re-direct your billing statements. Similarly, if you hire an outside party to prepare your reports, please inform us of their contact information.

4.2 Company Name Change or Change of Ownership

If your company's name changes, or the company is sold to or amalgamates with another company, please inform our office immediately. If your I.W.A. operations move from one company to operating under another company, you must immediately let us know.

4.3 Change of Membership in an Employer Organization

If your company is a member of one of the forest industry employer organizations, such as Forest Industrial Relations Ltd. (FIR), Council on Northern Interior Forest Employment Relations (CONIFER), Interior Forest Labour Relations Association (IFLRA) or Inland Forest Construction Group, it is important that you notify our office if your membership in that organization ceases. Certain obligations to the Pension Plan which apply to these member organizations may no longer apply to your company.

4.4 Change of Collective Agreement

Each new Collective Agreement your company enters into with the USW may have an effect on your participation in the Pension Plan. Since the Plan Office is not a party to the Collective Agreement, we ask that you provide us a copy of the agreement when your company reaches a new Collective Agreement or signs a Memorandum of Agreement that concerns the Pension Plan.

4.5 Temporary Shutdown

If your company temporarily shuts down, you must submit nil reports for each pay period during the shutdown. This is the easiest method if the shutdown is not expected to last very long.

However, if you anticipate the shutdown will continue for quite some time, contact our office and we can arrange to stop sending billing statements. We will follow up with you at agreed-upon intervals from three months to one year's time. If you resume operations earlier than expected, contact our office immediately and we will send out billing statements.

4.6 Permanent Shutdown

Please notify us in writing if your company shuts down permanently. All contributions must be paid in full before your account can be closed. You are still obligated to contact the Plan Office if you resume operations in the future, regardless of the length of time your company is closed.

4.7 Receivership or Bankruptcy

If your company goes into receivership or files for bankruptcy, let us know immediately. Your employees may be eligible for credits in the Pension Plan beyond the last hours your company paid for.

4.8 Decertification

If your employees vote to decertify from the USW, your company's participation in the IWA - Forest Industry Pension Plan will end. Notify us immediately if your company has decertified. Your employees' pension entitlement will be reduced as a result of decertification. You cannot decertify retroactively.

5 AUDITS

We intend to audit all Employing Companies at least once every five years. We have an obligation to ensure that members are receiving all the credits they are entitled to, and to ensure compliance with the Plan rules.

All information obtained in an audit is kept confidential.

5.1 Right to Audit

Any Employing Company that signs a Pension Plan Participation Agreement, or is a member of an employer organization which is a party to the Pension Trust Agreement (such as FIR), thereby agrees to provide the Pension Plan with access to payroll records to confirm that the company is satisfying the requirements for contributions to the Pension Plan.

5.2 What Records the Auditor Needs to See

When your company is selected for an audit, you will be informed by mail. Our field auditors will require documentation which could include but are not limited to time sheets, T4s and the payroll register. One of our field auditors will contact you to arrange a convenient time to examine your payroll records.

5.3 Audit Results

Once the audit has been completed in the field, the results are analyzed by the Plan Office. You will receive a full breakdown of any discrepancies.

If an audit reveals an overpayment of contributions, credits will be applied to your company's account.

5.4 Payment Plans

Companies are given 30 days to pay the audit in full. Any company that is unable to pay the full amount owing should submit a payment proposal. The proposal must be submitted as soon as possible after receiving the audit results.

5.5 How Audit Payments Affect T4s

Once an audit is resolved, our office will provide you with a summary of the pension hours adjustments.

6 T4s

Contributions to the IWA - Forest Industry Pension Plan must be reflected on your employees' T4 statements.

There are three boxes on a T4 which require information about your Pension contributions.

- In Box 50, enter our Plan's registration number 0373332
- In Box 52, enter the Pension Adjustment. (See *6.1 Pension Adjustment*)
- In Box 20, enter the employee's Registered Pension Plan contribution. (See *6.2 Registered Pension Plan Contribution*)

6.1 Pension Adjustment

To calculate an employee's Pension Adjustment, multiply the number of Eligible Hours worked by that employee in a year by the factor provided to you by the Pension Plan. This factor represents the portion of each hourly contribution which funds service in the Plan from 1990 forward (the year Canada Customs and Revenue Agency introduced the Pension Adjustment).

At the end of each year, the Plan Office will inform all Employing Companies of what factor to use to calculate the Pension Adjustment for that year. This factor can change each year, according to the funding level of the Pension Plan. Canada Customs and Revenue Agency uses the Pension Adjustment to calculate an individual's RRSP contribution limit for the following year.

6.2 Registered Pension Plan Contribution

This amount should be equal to the **employee** portion of the hourly contributions remitted to the Pension Plan, multiplied by the number of Eligible Hours for the year. The employees use this figure on their Income Tax returns as a deduction.

6.3 Audits

Employees whose Pension hours were adjusted due to an audit will need this adjustment shown on their T4 for the year in which the audit was paid for or credited back to the company. (See *5.5 How Audit Payments Affect T4s*)

7 OWNER-OPERATORS

To be considered an owner-operator as defined in the Pension Plan, you must satisfy the following definition:

- you own at least 10% of the shares of an **incorporated** company,
- your company is an Employing Company in the IWA - Forest Industry Pension Plan,
- you are employed in the forest industry in an USW bargaining unit position,
- you perform such bargaining unit work at least 75% of your normal work month, and
- you are a member of the USW or the USW is your bargaining agent.

7.1 Change of Ownership

It is important to let us know if the ownership of your company changes. If you sell a portion of your business to someone else, that person may qualify as an owner-operator as described in *7 Owner-Operators*.

Other Sources of Information

For further information about the IWA– Forest Industry LTD Plan, please refer to the following:

- Contributory Hours Reporting Guide
- LTD Plan Booklet
- After Work Newsletter
- Collective Agreement
- The IWA-Forest Industry LTD Plan Annual Report
- www.iwafibp.ca