TORONTO L.U.30 SHEET METAL WORKERS

annual report 2013

TO **PLAN** MEMBERS AND **CONTRIBUTING** EMPLOYERS

FOREWORD

The Trustees of the Sheet Metal Workers Local Union 30, Benefit Trust Funds are pleased to present the 2013 Annual Report.

The Annual Meeting is being held on Saturday May 10, 2014. The Meeting is being held at the Days Hotel & Conference Centre – Toronto Don Valley, 185 Yorkland Blvd., Toronto, Ontario. This year the Trustees are inviting Mr. Chris Brisebois, the Pension Plan's investment consultant from Eckler Ltd., to give a presentation on the Pension Plan's new investment structure. This presentation will include the process the Trustees used to arrive at the new structure and what it means for Plan Members. The Trustees will also inform Members about important changes in how the Welfare Plan's benefits will be delivered including the introduction of an electronic Benefits Card.

The Annual Meeting starts at 10:00 a.m. You are encouraged to bring your spouse to the Annual Meeting.

The financial information in this Annual Report is taken from the Unaudited Financial Statements of each Trust Fund. The audits of the 2013 financial statements start in February and are completed by the end of June. The Audited Financial Statements are filed with The Ministry of Labour, Ontario, in accordance with legislation. The Pension Trust Fund's Audited Financial Statements are also filed with the Financial Services Commission of Ontario.

This year the Annual Report has been redesigned to provide the most relevant current information to Plan Members. Much of the Plan's historical information will be provided in a new report "History of the Sheet Metal Local 30 Benefit Plans". The new report will be ready later in 2014.

The Annual Report does not replace your benefit booklets or Plan documents. Detailed information about the Plans can be found in the Trust Agreements, the Pension Plan Text, Member information booklets and the contracts of insurance for the Welfare Plan. The Plans' Web Site *www.lu30plan.com* holds an abundance of information about the Plans including claim forms, applications for benefits and newsletters. The Trustees offer Members access to their personal Pension and Welfare Plan information 24/7 via the Plans' Web Site. All that is required is for you to register. A registration form is enclosed with this Report. If you haven't registered and will be attending the Annual Meeting, please call the Benefit Administration Office at 905-946-9700 extension 221; your Plan Web Site registration will be available for you at the Annual Meeting.

The Plans also have a Facebook page at www.facebook.com/smwialocal30benefits.

Your comments and suggestions are always welcome. Please address correspondence to:

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Fax: 905-946-2535
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Yours sincerely,

The Board of Trustees,

SHEET METAL WORKERS LOCAL UNION 30, BENEFIT TRUST FUNDS

A. E. White - Chair

B. Wilkinson - Co-Chair

T. Kerr

P. Witruk

M. Roberts

THE PENSION TRUST FUND

The Pension Plan is registered under the Pension Benefits Act, Ontario, and under the Income Tax Act, Canada. The Registration Number is 0345850. The Plan meets the requirements of these Acts, and will be amended in the future as may be required to remain compliant with applicable legislation. Based on the draft Unaudited (not final) Financial Statements of the Fund, the following reflects the Fund's financial position as at December 31, 2013.

During 2013, the Pension Trust Fund:

Received:

Contributions	$18,890,641
Interest and Dividends	9,088,557
Net Realized Gains	6,928,783
Net Realized Capital Loss	0
Net Unrealized Capital Gains	29,440,366
GST Rebate and other	110,043
	$64,458,390

Disbursed on account of Benefits and Expenses:

Benefits	$17,386,722
Benefit Holdbacks	466,158
Consulting, Actuarial	400,318
Administration	142,399
Audit	17,515
Legal Fees after recoveries	11,899
Investment Management/Advisory	2,164,959
Custodial	35,042
Trustees and Membership Meetings	19,291
Trustees Education	16,115
Printing and Stationery	21,463
Telephone, Postage and Courier	3,075
Government Fees	31,588
Trustees and Trust Fund Insurance	10,806
Miscellaneous	2,150
	$20,729,500
Net Income for the Year	43,728,890

Net Assets at the beginning of the Year	$331,632,424
Gain for the Year	43,728,890
Net Assets at the end of the Year	$375,361,314

At December 31, 2013 the Net Assets of the Pension Trust Fund were represented by:

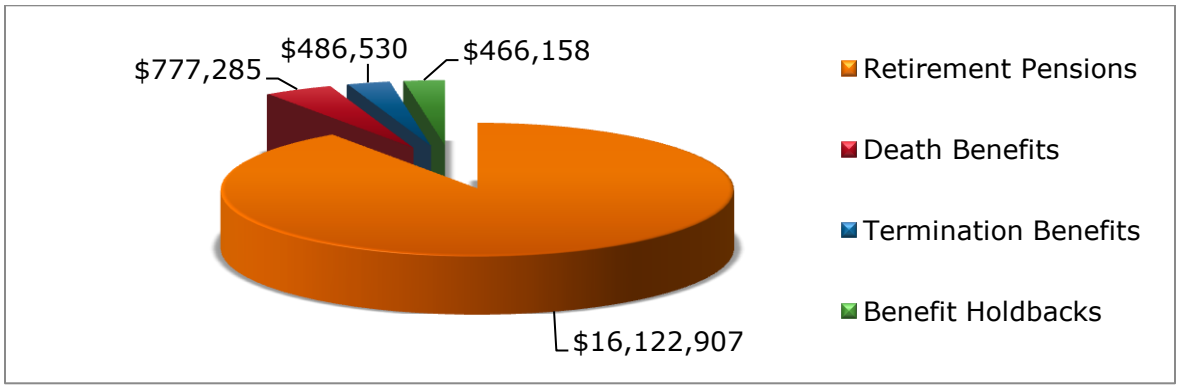
Cash (on hand or in transit, less accounts payable)	$2,668,263
Interest and Dividends earned, but not received by December 31st	1,873
Short-Term Notes, Bonds	120,644,364
Equities	237,913,832
Alternatives	14,132,982
	$375,361,314

Short-Term Notes, Bonds, Equities and Alternatives are reported at Market Value - that is, the closing price of these securities on the last trading day in 2013.

PENSION PLAN MEMBERSHIP AND BENEFITS PAID

As at December 31, 2013, 1,467 persons were in receipt of a Monthly Pension, and the total Monthly Pension Pay-out was $1,369,345.54. There was an increase of 34 persons in receipt of a Monthly Pension and a year over year increase of $84,081.73 in the total Monthly Pension Pay-out when compared to December, 2012.

During 2013, the Pension Trust Fund paid $17,852,880 in benefits to Plan Members and their Beneficiaries. Details about benefits paid are shown in the graph below.



PENSION PLAN FUNDING

Our Pension Plan is a Specified Ontario Multi-Employer Pension Plan. The Pension Plan's special status as a Specified Ontario Multi-Employer Pension Plan means that the Plan has received temporary approval from the pension regulator to not allocate contributions toward paying down the Plan's Solvency Deficiency. Pension legislation in Ontario excludes all multi-employer pension plans from any protection provided by the Pension Benefits Guarantee Fund. This means that, in the event the Pension Plan does not have sufficient assets to provide for benefits, benefits may be reduced so that the Plan remains compliant with applicable legislation. The Trustees cannot and do not guarantee benefits.

In compliance with the *Pension Benefits Act*, Ontario an Actuarial Valuation of the Pension Plan is completed at least every three years and filed with the pension regulator. The purpose of an Actuarial Valuation is to compare the assets (mainly investments) of the Plan with its liabilities (the value of Pensions earned by Members whether they are retired, active or terminated) at the date of the Valuation. The Valuation will show whether the Plan's liabilities are fully funded (meaning whether there are enough assets at the Valuation date to pay all of the liabilities calculated at the Valuation date) and whether the current Hourly

Contribution to the Plan is sufficient to fund the Pensions that the Members earn after the Valuation Date.

The *Pension Benefits Act*, Ontario requires all defined benefit pension plans to complete the Valuations on two bases, namely:

- **"GOING CONCERN"** which assumes that the Pension Plan will continue to receive Contributions into the future, the Pension benefits earned by Active Members at the Valuation Date will increase on account of those Contributions, and the Retired Members will continue to receive their Monthly Pensions from the Plan. In this type of Valuation, the Actuary calculates the liability at the Valuation Date of all Pension benefits earned to that date, as well as the liability for Pensions being paid now to Retired Members. The Actuary uses actuarial assumptions that conform to the Canadian Institute of Actuaries' generally accepted actuarial principles.
- **"SOLVENCY"** which assumes that the Pension Plan was wound up, or terminated, on the date of the Solvency Valuation. The objective of a Solvency Valuation is to determine whether the Pension Plan had sufficient assets on the Valuation Date to pay the Pensions being paid to Retired Members and Pension benefits earned by Active or Terminated Members if those benefits had to be purchased from an insurance company using current annuity rates prescribed under legislation.
- When completing a Solvency Valuation the Actuary must use actuarial assumptions prescribed in the Regulations to the Ontario *Pension Benefits Act.* The Trustees have elected to not pre-fund any early retirement benefits.

The Trustees, along with the trustees of other multi-employer pension plans, protested the requirement for Solvency Valuations on the basis that they are not meaningful when contributions are paid by a variety of unrelated employers. Several special commissions on pensions, including Ontario's Expert Commission on Pensions, endorsed that multi-employer pension plans should not be subject to Solvency Valuations and should not be required to allocate contributions toward funding a solvency deficiency. To date, pension law has not changed except to allow a temporary solvency deficiency funding hiatus for pension plans like ours.

The next Actuarial Valuation will be completed as at September 30, 2013. This will be presented to the Trustees before the end of June 2014 and will be filed with the Financial Services Commission of Ontario. The Actuarial Valuation will be made available to Plan Members.

The most recent Actuarial Valuation, filed with the Financial Services Commission of Ontario, completed at September 30, 2010 had the following highlights:

	Going Concern (in $1,000's)	**Solvency** (in $1,000's)
Smoothed Actuarial Assets	$322,841	$322,833
Actuarial Liabilities	323,768	409,343
Actuarial Surplus (Deficiency)	$ (927)	$(86,510)

The 2010 Valuation showed the following:

- The Normal Actuarial Cost of Pensions being earned by the Active Membership was less than the Average Hourly Contribution.
- The estimated cost of benefits, plus the provision for administrative and investment related expenses, was 88.3% of estimated Contributions. This was an increase from 87.4% at the previous Valuation.
- Actuarial liabilities in the Solvency Valuation were $85,575,000 greater than the Actuarial liabilities of the Going Concern Valuation. This difference arose from the following two factors:
  - Additional accrued liability in respect of the retirements under the Enhanced Early Retirement "Windows". The Window was closed April 30, 2009 because the Trustees were convinced the early retirement benefit was no longer sustainable in the current economic environment.
  - The Actuarial Investment Return Assumption in the Going Concern Valuation was 6.5% compounded annually, net of expenses incurred to earn that Return (investment management and custodial fees).

    In the Solvency Valuation, the Investment Return Assumption is legislated by the Ontario Government, and in the 2010 Valuation was 4.54% for 10 years, 5.44% thereafter on liabilities for Members who had not yet retired, and 4.83% for Retirees.

    Interest rates in Canada were almost about the lowest seen in the last 40 years. A decrease in interest rates results in higher Actuarial Liabilities. Higher Actuarial Liabilities resulted in a higher Solvency Deficiency.

Other Pension Statistics taken from the September 30, 2010 Actuarial Valuation are:

- There were 1,589 Active, 1,156 Inactive and Terminated Vested Members, as well as 40 Spouses of deceased Members entitled to a Pension when they reach Age 63, or earlier if they prefer.
- The average age of the Active Members was 43.5 years.

- There were 1,440 Retired Members (including Surviving Spouses) in the following age brackets:

Age	Number of Members & Surviving Spouses
Age 30 - 35	1
Age 35 - 40	2
Age 40 - 45	1
Age 45 - 50	2
Age 50 - 55	14
Age 55 - 60	43
Age 60 - 65	181
Age 65 and over	1,196

- The Plan's Going Concern funded position (99.71%) was lower at September 30, 2010 than at the 2007 Valuation (116.0%). This was mainly because the Fund's investments earned less than the Investment Return Assumption of 6.50% over the three years ended September 30, 2010. The average rate of return over the period October 1, 2007 to September 30, 2010 was 0.52%. The period of October 1, 2007 to September 30, 2010 included the global financial market crisis.

The 2010 Valuation was approved at the Board Meeting held May 10, 2011 and filed with the Financial Services Commission of Ontario. The Plan had a Solvency Deficiency at September 30, 2010 and so the Trustees applied to continue to be covered under the temporary solvency relief afforded by the Ontario *Pension Benefits Act*. The Plan continues to be designated as a Specified Ontario Multi-Employer Pension Plan (SOMEPP). A SOMEPP is not required to use Contributions to pay down its solvency deficiency.

AMENDMENTS TO THE PENSION PLAN 2010-2013

The Pension Plan's Amendments have been influenced by the Plan's Solvency Valuation results since 2005.

As mentioned earlier in this Report, the Trustees made application to the Financial Services Commission of Ontario (FSCO) to be classified as a Specified Ontario Multi-Employer Pension Plan in which case no further action would be required to address the current Solvency Deficiency. Allocating Contributions to pay the Pension Plan's Solvency Deficiency would most certainly reduce the benefits available to Plan Members.

On April 29, 2008, FSCO acknowledged that the Pension Plan is a Specified Ontario Multi-Employer Pension Plan (SOMEPP). SOMEPP status was renewed with the filing of the September 30, 2010 Valuation.

In 2012 the Ontario government allowed plans like ours to reconsider how it funded for early retirement pensions if they included a subsidy or any "grow-in" right which provided a benefit when a member had achieved a certain age and service. The Trustees decided not to pre-fund liabilities for any subsidized early retirement benefit. This is called "opting-out of grow-in rights".

Canadian pension legislation is trending towards immediate vesting – the right of plan members to the value of contributions paid to a pension plan. In July 2012 the Ontario government required that all Ontario pension plans provide for immediate vesting. The Pension Plan was amended to provide immediate vesting for all Members who were not terminated at June 2012.

PENSION TRUST FUND INVESTMENTS

- Setting asset mix is one of the most important roles of the Trustees.
- The Trustees have adopted a Statement of Investment Policies and Procedures. The purpose of the Policy is to obtain the best possible investment returns with a prudent level of risk. The Policy is reviewed annually and amended as necessary.
- An Asset Liability Study, the fourth such study, was undertaken at the request of the Trustees during 2013. An Asset Liability Study determines whether the Plan could improve upon its funding level and diversify itself further to reduce its volatility (how it reacts to investment market activity) and to provide greater confidence that the Pension Plan's benefits, which are target benefits (ie they are <u>not</u> guaranteed) will be provided.
- The results of the latest Asset Liability Study which was expanded to include a review of investment managers and their mandates, recommended that the Pension Plan's target asset allocation be: 22.5% Canadian Equities, 40.0% Global Equities, 27.5% Fixed Income including mortgages and high yield bonds and 10.0% Alternative Investments. The target asset mix will be implemented during 2014.
- During 2013, the rate of return of the Pension Trust Fund's assets was 13.7%. The benchmark for the Pension Plan's returns for 2013 was 12.8%. The benchmark is the return that could have been achieved using passive funds instead of active management. The Plan benefitted from the use of active investment managers during 2013 earning an additional return of 0.9%, or almost $3.2 Million.
- During the four years ended December 31, 2013 the Pension Plan's rate of return was 8.0%. The benchmark for the Pension Plan's returns for this period was 7.7%. The Plan benefitted from the use of active investment managers during the four-year period by 0.3%.

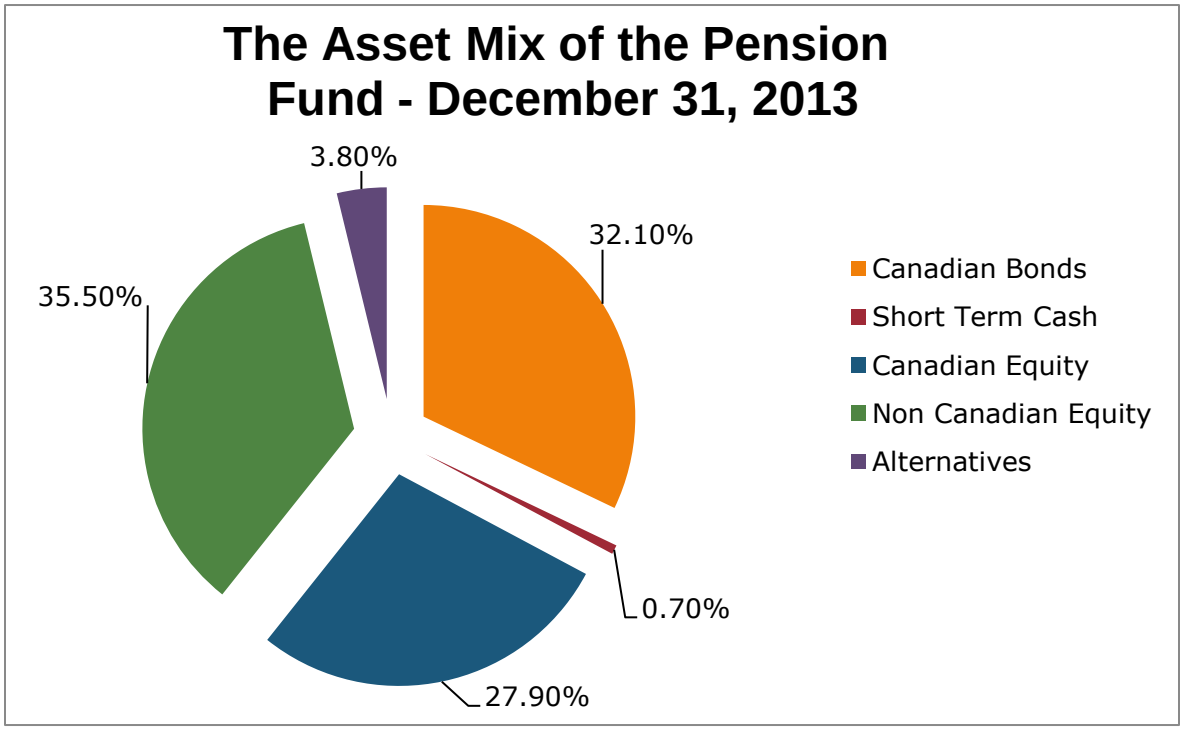
- During the five years ended December 31, 2013 the Pension Plan's rate of return was 9.6%.
- During the ten years ended December 31, 2013 the Pension Plan's rate of return was 6.60%.

The assets of the Pension Trust Fund are managed by five professional investment managers retained by the Trustees. These investment managers are each allocated a part of the Fund, and are given mandates to invest in Canadian and non-Canadian Equities, Alternatives such as real estate and hedge funds, Bonds and Short Term Cash.

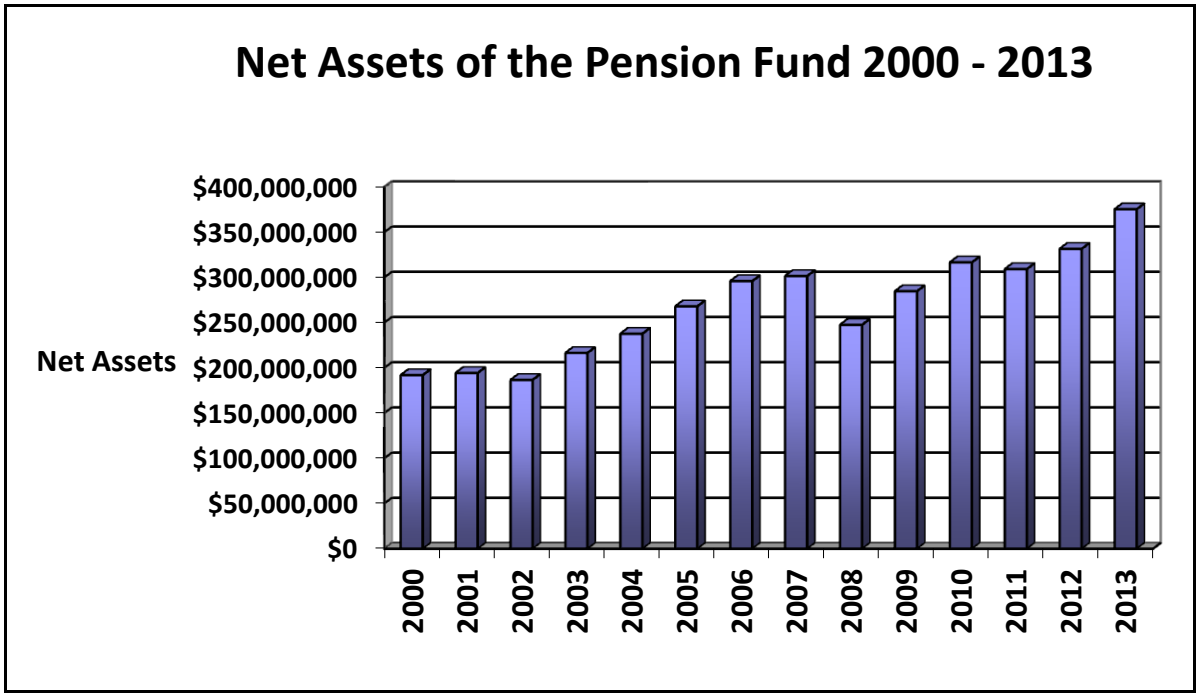
The Trustees retain Eckler Ltd. for the role of investment consultant. This role includes independent performance measurement services and other monitoring of the Fund's investment managers.

Four times each year, the Trustees conduct a dedicated Pension Trust Fund Investment Meeting. Investment managers are required to attend these Meetings to give reports on the performance of their respective portfolios and to provide an outlook on how the economy will impact on their portfolio. During 2013 several additional special Investment Meetings were held to review the Fund's asset mix and investment managers. At the end of this due diligence the Trustees resolved to amend the Fund's asset mix. The Trustees also made changes to the investment managers retained. Implementation of changes to the investment managers and asset mix started in 2013 and will continue in 2014.

The Fund's investments had a market value of $375,361,314. At December 31, 2013 the asset mix of the Fund was:



The Graph below illustrates the growth in the Net Assets of the Pension Trust Fund over the last 14 years. Net Assets are the sum of the Fund's Short Term Cash, Equities, Alternatives and Bonds (stated at their December 31st market value), as well as all interest, dividend and Contributions earned by the Fund but not yet received at December 31st. Net Assets subtracts any expenses that the Fund had incurred and not yet paid. The Actuarial Liabilities of the Pension Plan in respect of accrued Pensions and Pensions-in-pay are not included in Net Assets.



2000	$191,897,412	2005	$268,020,927	2010	$316,141,323
2001	$194,310,801	2006	$295,850,850	2011	$309,163,447
2002	$186,607,555	2007	$301,526,568	2012	$331,632,424
2003	$216,478,816	2008	$247,560,151	2013	$375,361,314
2004	$237,715,716	2009	$284,715,011		

LEGISLATION BEARING ON THE PENSION PLAN 2010-2013

PROVINCIAL LEGISLATION

The Ontario Pension Benefits Act

- On August 24, 2007, a new Regulation under the *Pension Benefits Act* was announced. The Regulation made changes to the funding rules for multi-employer pension plans like this Plan.

  The key changes were:

  (a) introduction of temporary solvency funding relief for Specified Ontario Multi-Employer Pension Plans (SOMEPPS)

(b) clarification of the funding requirements for multi-employer pension plans.

In order to take advantage of the new funding relief, the Pension Plan made an Election under the *Pension Benefits* Act. On April 29, 2008, the Financial Services Commission of Ontario (FSCO) acknowledged that the Pension Plan is a Specified Ontario Multi-Employer Pension Plan (SOMEPP). This status was renewed in 2011 and continued throughout 2013.

- On December 8, 2010 Bill 120 "*Securing Pension Benefits Now and for the Future Act, 2010"* received Royal Assent. This legislation, which amended the Ontario *Pension Benefits Act*, changes how Ontario multi employer pension plans fund pension benefits. Solvency funding, which forces pension plans to arrange benefits on the assumption that the plan is terminating, will be drastically changed under the new legislation. However, at this time regulations to the *Pension Benefits Act* have not been issued and so it is not possible to say the degree of relief a multi employer pension plan will receive under this new law.

- On June 22, 2011 the Ontario Government proclaimed an amendment to the *Pension Benefits Act* and the Ontario Family Law Act relating to the valuation and division of pension assets on marriage breakdown.

  Some of the key changes in this legislation are:

  1) Immediate payment of pension assets to the former spouse either as a lump sum or a division of monthly pension benefits is now permitted;

  2) The valuation of the pension assets will be done by the plan administrator. The marriage breakdown couple must apply directly to the plan administrator. Special forms were prepared by FSCO which must be used by the parties. Pension plans were permitted to charge a fee for each date a valuation is requested to reflect the additional cost to pension plans of this work.

  3) The Board of Trustees resolved that any Member of the Pension Plan who submits the prescribed forms to the Plan administrator will be charged a fee of $600 per requested valuation date. The fee is payable to the Pension Plan.

- On July 20, 2012 a new Regulation came into force which provided an extension of the Specified Ontario Multi-Employer Pension Plan (SOMEPP) regulations to cover actuarial valuation reports with a valuation date prior to September 1, 2017. The government subsequently extended the deadline for filing these valuations and allowed pension plans to retain their earlier scheduled valuations. The Pension Plan will file its next valuation, as at September 30, 2013, by the end of June 2014.

- Effective July 1, 2012, a number of amendments to the Ontario *Pension Benefits Act*, were proclaimed.

Some of the more significant reforms that are now in effect are:

(i) Immediate Vesting of Benefits

All benefits earned by a pension plan member are immediately vested upon commencement of plan participation. An eligibility waiting period (generally, up to 2 years of qualifying employment) is permitted.

The Trustees amended the Pension Plan, effective July 1, 2012, to defer Plan membership until at least 700 hours of contributions have been paid into the Plan in each of two consecutive calendar years or such earlier time as is required under applicable legislation.

(ii) Small Benefit Commutation

The threshold for small amounts that can be "unlocked" was increased. Plans may now permit the lump sum payment of the commuted value of a benefit if, in the year of plan termination, the annual benefit payable at the member's normal retirement date is not more than 4% of the Canada Pension Plan's Yearly Maximum Pensionable Earnings (YMPE) or if the commuted value of the benefit is less than 20% of the YMPE.

(iii) A number of changes were made to disclosure provisions.

Eligible individuals (including members, former/retired members, their spouses and their agents) may access certain plan records, electronically or by mail. Eligible persons can ask for records once per year per specific record. Plans may charge a fee of 25¢/page for paper copies of records, and may charge a maximum fee of $5 for each request for documents provided electronically.

Your Pension Plan will charge the maximum fee in order to offset some of the costs of printing and mailing.

- In October 2012 the decision of the Ontario Court of Appeal in Carrigan vs. Carrigan Estate cast confusion over the determination of spousal benefit entitlements in certain circumstances.

  This case highlighted that Plan Members must ensure that their beneficiary designations are current and that they not assume that such designations change automatically due to a separation or divorce. Members are required to ensure their Plan documents reflect their wishes and the obligations they have under any relationship agreements. Members are **required** to file these documents with the Plan administrator when they are signed by both parties.

  The Ontario government has promised to pass new legislation to clear up uncertainty caused by the Carrigan decision.

Ontario Harmonized Sales Tax (HST)

Effective with most goods and services purchased in Ontario on/after July 1, 2010, if the good attracted the Federal Goods and Services Tax (GST) the charge for the service with attract HST. This tax increases the non-benefit costs of the Fund by about 8% or $220,000 per year.

FEDERAL LEGISLATION

Canada Pension Plans Act

1) Changes were made to the Canada Pension Plan (CPP) so that reductions for taking an early pension (in advance of age 65) were increased to reflect the longer life expectancy of Canadians. A summary of the CPP reductions in effect from January 1, 2012 is:

Year	% (monthly reduction)
2012	0.52
2013	0.54
2014	0.56
2015	0.58
2016	0.60

2) CPP Retirement pensions will be higher if taken after age 65. The CPP pension will be increased by ½% for each month after 65 (up to age 70).

   The increases were introduced as follows:

Year	% (monthly reduction)
2011	0.57
2012	0.64
2013	0.70

   Starting in 2012, an employee could begin receiving his CPP pension without any work interruption. In addition if an employee under age 65 continues to work while receiving his CPP pension, the employee and the employer must continue to make contributions to CPP. The contributions will increase the employee's CPP benefit. If an employee is between age 65 and 70 and continues to work while receiving CPP benefits, he can choose to make CPP contributions. The contributions will increase his CPP benefit.

Old Age Security Legislation

On March 29, 2012 the Federal Minister of Finance announced a change to the age of eligibility for OAS (Old Age Security) and GIS (Guaranteed Income Supplement) benefits. The qualifying age will be gradually increased from 65 to 67. The change will be phased in, beginning in April 2023 and completed by January 2029. The change will not affect individuals who were 54 years of age or older on March 31, 2012. Individuals born between April 1, 1958 and January 1, 1962 will have an age of eligibility between 65 and 67, and those born after February 1, 1962 will be eligible at age 67.

Beginning July 1, 2013, eligible Canadians were allowed to voluntarily defer commencement of OAS benefits for up to 5 years and receive a higher, actuarially adjusted OAS benefit.

OTHER DEVELOPMENTS AFFECTING OUR PENSION PLAN

Canadian Institute of Actuaries (CIA)

The CIA is expected to recommend the use of new forecasts of Canadian life expectancy in 2014. It is estimated that the new life expectancy forecast could increase pension plan liabilities by 7%. There is concern that the new forecasts do not adequately reflect life expectancy of construction workers and many multi-employer pension plans are considering how to oppose implementation of the new life expectancy forecasts, without an adjustment for the industry sector.

TRUSTEE INITIATED DEVELOPMENTS NOT RELATED TO LEGISLATION

Member Internet Access to Personal Plan Information

Effective January 1, 2011 Plan Members may now see their personal Pension and Welfare information by accessing the Plans' on-line access. This is located on the upper right hand corner of the Plan's Web Site at www.lu30plan.com. Members must register for this access and a registration form is included with the Annual Report.

Plan Facebook page

The Trustees launched a Facebook page for Members to quickly obtain current information about the Plans. You can find the page at

www.facebook.com/smwialocal30benefits.

Financial Planning Estimates

For financial planning purposes, the Plan allows Members to request one commuted value calculation in each five-year period. This initiative further

encourages Plan Members to conduct frequent financial planning and to keep those plans up to date.

BRIEF SUMMARY OF THE PENSION PLAN

Depending upon the time during which you were a Plan Member, the amount of your target Monthly Pension benefit is determined either by the number of hours you worked for an Employer making Contributions to the Pension Trust Fund or by the amount of Contributions paid to the Fund on your behalf. The amount of target benefit finally paid is subject to the funding status of the Pension Plan. The Trustees must keep the Plan compliant with relevant legislation at all times. No Pension benefits paid, or payable, by the Plan are ever guaranteed. Benefits can be increased, or decreased.

Information for Active Plan Members

Each year by June 30th, Active Members receive an Annual Pension Statement disclosing the amount of Monthly Pension you earned to the prior December 31st. A second statement is issued about September of each year, covering the first six calendar months of the year.

Normal Retirement Date is Age 63

Monthly Retirement Pensions are payable, in full, upon retirement at Age 63 and must start no later than the end of the calendar year in which you attain Age 71.

Early Retirement Available from Age 53

You do not have to wait until you are Age 63 to receive your Monthly Pension. Pensions can begin as early as your Age 53. In order to account for the fact that you will receive a Pension for a longer period of time than if you delayed your retirement to age 63, the amount of your target Monthly Pension will be reduced by one half of one percent for each month (6% per year) you receive a Pension in advance of your Age 63.

How Benefits are Calculated

All Members earn a target annual pension benefit expressed at the rate of 20% of Contributions to the Pension Plan. This rate can increase or decrease, subject to applicable legislation bearing on the Pension Plan.

A summary of the prior rates of benefit in the Pension Plan will be included in the “History of the Sheet Metal Local 30 Benefit Plans” to be released later in 2014.

At December 31, 2013, Hourly Pension Contributions were:

Journeyman	$8.09
3 Year Apprentice	$4.34
4 Year Apprentice	$5.09
5 Year Apprentice	$5.83
Sheeter/Decker	$8.09
Sheeter/Decker Assistant	$7.01
Material Handler	$5.65

Your Spouse's Pension Rights

If you have a Spouse upon your retirement and your Spouse does not waive her/his right to a Joint and Survivor Pension, and you die before your Spouse, 60% of the target amount paid to you will continue to your Spouse for her/his remaining lifetime. No benefit is guaranteed and can be increased, or decreased.

If you do not have a Spouse upon your retirement, or she/he waives the right to a Joint and Survivor Pension, a Monthly Pension is payable as long as you live, with the proviso that if you die before having received the Pension for 10 Years, your Beneficiary will receive the balance until 120 payments of Monthly Pension, in total, have been made. The amount of Monthly Pension is not guaranteed and can be increased, or decreased.

All of the Plan's benefits including benefits in pay or payable upon the death of a Member are target benefits – they can be increased, or decreased, subject to applicable legislation.

WELFARE TRUST FUND

Based on the draft Unaudited (not final) Financial Statements of the Fund, the following reflects the Fund's financial position as at December 31, 2013.

During 2013, the Welfare Trust Fund:

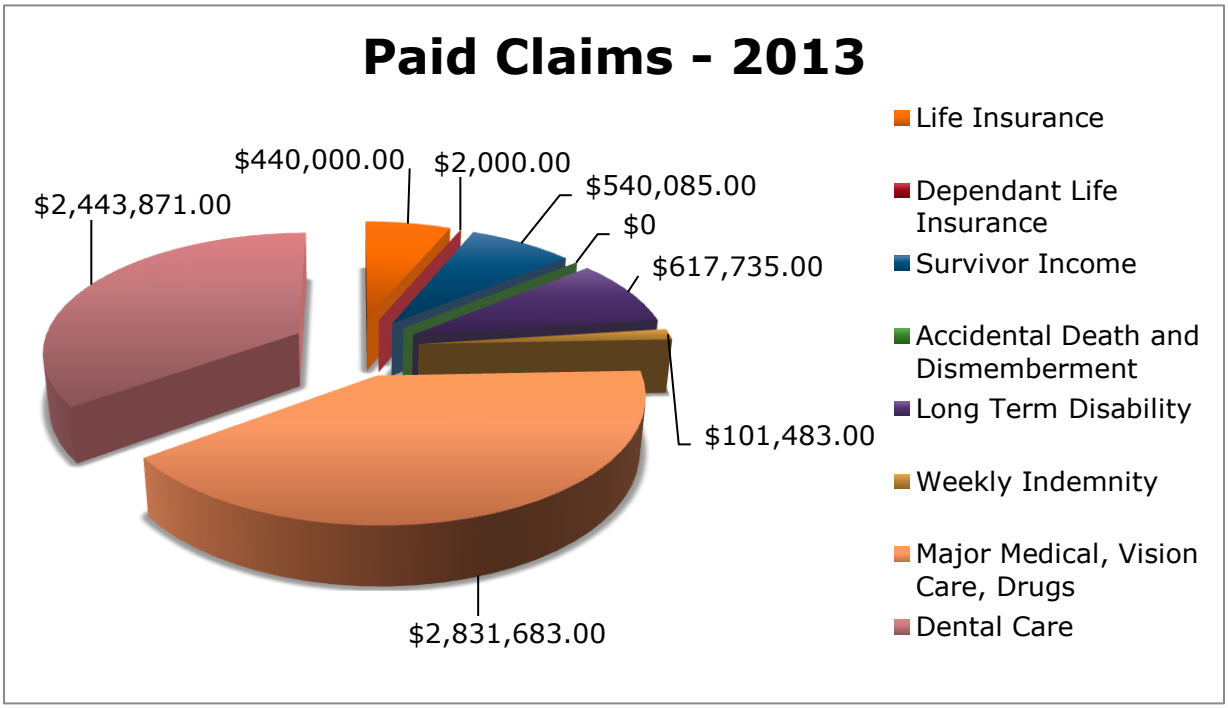
Received:	
Contributions	$11,956,773
Interest Income	$1,031,392
Miscellaneous	$1,545
	$12,989,710
Disbursed:	
Insurance Premiums	$9,254,872
FSEAP Premiums	35,561
Consulting Fees	36,605
Legal Fees Less Liquidated Damages	11,341
Audit Fees	20,340
Administration Fees	137,220
Investment Management Fees	83,095
Trustees and Membership Meetings	25,381
Trustees Education	16,050
Trustees and Trust Fund Insurance	10,806
Printing and Stationery	30,426
Telephone, Postage and Courier etc.	17,474
	$9,679,171
Excess of Receipts over Disbursements	$3,310,539
Transfer to Dollar Bank and Other Reserves	(881,798)
Gain for the Year	$2,428,741
Net Assets at the beginning of the Year	$15,166,363
Gain for the Year	2,428,741
Net Assets, end of the Year	$17,595,104

The Welfare Fund maintains several reserves to pre-fund for the cost of future benefits. At the end of 2013 these reserves were:

Reserves:	
For Retired Member Benefits	$6,131,743
For Benefits not Purchased	$6,646,808
For Workers Safety and Insurance Board Benefits	$401,955
For Extended Benefits	$4,099,393

BENEFITS PAID DURING 2013

During the period January 1, 2013 through December 31, 2013, the Welfare Plan paid $6.9 Million in benefits to its Members and their Beneficiaries.



The following benefits are taxable in the hands of Members:

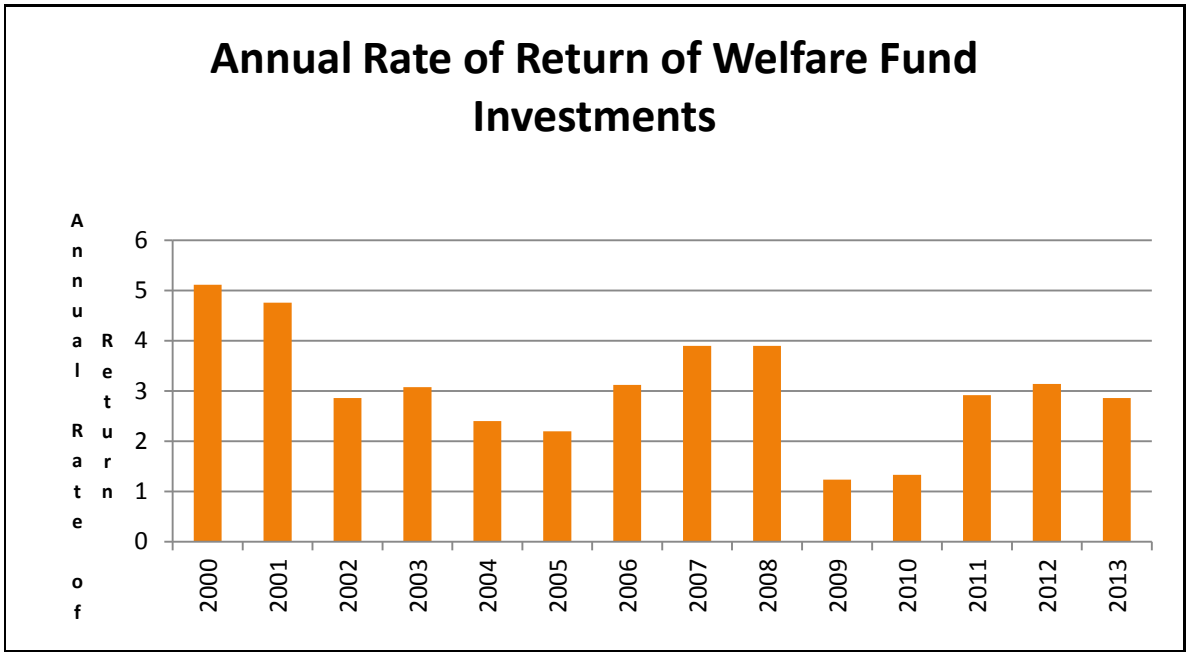
Benefit	Taxable amount
Life Insurance	Premium paid to the insurer on behalf of the Plan Member
Accidental Death and Dismemberment	Premium paid to the insurer on behalf of the Plan Member
Disability Benefits	The amount paid to the disabled Member
Survivor Income Benefit	Premium paid to the insurer on behalf of the Plan Member

Taxable benefits are reported to Members on T4A's issued to Plan Members every year.

WELFARE FUND INVESTMENTS

The Trustees have adopted a Statement of Investment Policies and Procedures. The purpose of the Policy is to obtain the best possible investment returns with a prudent level of risk. The Policy is reviewed annually and amended as necessary.

The Annual Rates of Return of the Welfare Fund's Investments over the 14-year period from 2000 through 2013 inclusive are shown in the following Graph:



2000	5.11%	2007	3.90%
2001	4.76%	2008	3.90%
2002	2.86%	2009	1.24%
2003	3.08%	2010	1.33%
2004	2.40%	2011	2.92%
2005	2.20%	2012	3.14%
2006	3.12%	2013	2.86%

BRIEF SUMMARY OF THE PLAN

The Welfare Plan covers Members, Apprentices, their Spouses and unmarried dependent children under Age 22. Dependants must be Canadian residents and covered under a provincial Medicare plan.

Under the Monthly Dollar Bank Deduction rules in effect commencing July 1, 2009 your Dollar Bank is debited each month in the amount of $409.00. Members can save excess Contributions in their Dollar Bank up to $4,908 - that is, one year's coverage under the current Rules.

The Trustees have not increased the Dollar Bank Deduction since July 1, 2009 even though improvements have been made in the Plan. The Trustees have been able to defer increasing the Dollar Bank Deduction largely due to the Ontario government initiatives which curtailed the cost of drugs and a change in the Plan's investment policy.

Certain benefits are continued for disabled, laid off and retired Local 30 Members, as well as Apprentices.

At January 1, 2014, the Plan provides the following benefits which are summarized below:

ACTIVE MEMBERS

Life Insurance:

- $50,000 Group Term Life Insurance
- $2,000 Spouse, $1,000 Child Dependant Life Insurance

Survivor Income Benefits:

- $900 Spouse, $600 Child/Children Monthly

Accidental Death and Dismemberment Benefits:

- Principal sum of (or a percentage of) $25,000 due to Accidental Death or Dismemberment.

Weekly Income:

- $468 per week, 26 week Maximum Benefit, commencing first day of disability due to accident or hospitalization, eighth day due to illness.
- The Plan excludes coverage for disabilities arising due to a motor vehicle accident.
- This benefit is integrated with Employment Insurance.

Long Term Disability:

- $1,750 Monthly Income Maximum benefit, payable from the 27th week of continuous Total Disability to Age 65 with respect to disabilities arising on or after January 1, 2011. The benefit is reduced, dollar for dollar, by any amount paid or payable by Workers' Compensation (WSIB). The Member must be Totally Disabled – that is, during the first 130 weeks of disability, he/she must be unable to perform the duties of his/her own occupation, and not engage in any occupation for wage or profit. Thereafter, Total Disability means the Member's inability to work at any occupation for which he/she is reasonably qualified, having regard for education, training and experience.
- The Plan excludes coverage for disabilities arising due to a motor vehicle accident.

Major Medical:

- With the exception of certain services, the Major Medical Plan pays 100% of the medically necessary, reasonable and customary charges for a broad range of ancillary medical expenses that are not covered by OHIP, provided that legislation does not prevent the payment thereof by this Plan. Included are charges for the services of a Registered Nurse out-of-Hospital, Ambulance, Prosthetic Devices, Hearing Aids, Speech Therapy,

and Hospital/Surgical/Medical Services received outside Ontario in the event of an emergency.

The Plan excludes coverage for expenses arising due to a motor vehicle accident.

Prescription Drugs:

- The Prescription Drug Plan pays 100% of the medically necessary, reasonable and customary charges for the ingredient cost of Prescriptions issued by the attending physician, provided that the Prescription is a generic drug and is for the treatment of illness or injury. The Plan pays 70% of the drug ingredient cost if the drug is a brand name drug. The Plan pays a maximum of $8.50 per eligible Prescription in respect of the Professional Dispensing Fee.

  For Members and Dependants age 65 and older, the Plan does not pay for any drug covered under the Ontario Drug Benefit Plan (ODB) for Seniors. The Ontario Drug Benefit Plan (which once paid 100% of listed prescription medications for Ontarians who are at least Age 65) was amended effective August 1, 1996 to require an Annual Deductible of $100 per person, followed by a User Fee equal to the Professional Dispensing Fee (currently, $6.11 per prescription order). These charges apply to Ontarians whose annual income exceeds $16,018 (single) or $24,175 (family). These charges are the responsibility of affected Members and are not covered by the Welfare Plan.

- The Plan excludes coverage for expenses incurred due to a motor vehicle accident.

Vision Care:

- The Vision Care Plan pays up to $240 for each Member and each Dependant per two year period for the initial purchase, or replacement, of prescription eye glasses and contact lenses. The Plan pays up to $50 per person per 24 consecutive month period for Refractions (testing for eyeglasses) unless the Refraction is covered by OHIP.

Dental:

- The Dental Care Plan provides a comprehensive range of benefits, to an Annual Maximum Benefit of $2,000 per person. The Plan also includes an Orthodontia benefit paying 75% of such expenses to a Maximum Annual Benefit of $1,000 per person, within the $2,000 maximum. Claims are paid on the basis of the 2013 Ontario Dental Association (ODA) Suggested Fee Guide For General Practitioners.

- The Plan excludes coverage for expenses incurred due to a motor vehicle accident.

The Trustees reserve the right to terminate, suspend or modify the Welfare Plan should circumstances warrant.

UNEMPLOYED MEMBERS

In the event that the Member is unemployed due to disability or lay off, all of the Benefits for Active Members remain in force until his/her Dollar Bank Balance is less than $409.00 under the current rules. Thereafter, through the special Extended Benefit Program for Unemployed Members, the benefits provided to Active Members (except Disability Income) remain in force as follows:

- If unemployment is due to disability, benefits are continued for up to 12 consecutive months for any one period of continuous disability.
- If unemployment is due to shortage of work, and the Member is actively seeking work through Local Union 30, benefits continue subject to ongoing authorization by Local Union 30.

Retirees who return to work are not eligible for the Extended Benefit Program.

In order to qualify, the Member must:

- **have been covered as an Active Member immediately prior to the layoff or disability;**
- **be and remain a Member in Good Standing of Local Union 30; and**
- **make prompt Application to the Office of Local Union 30, for approval. Local Union 30 is responsible for approving Applications, and accordingly notifies the Plan Administration Office.**

The Trustees reserve the right to terminate, suspend or modify the Extended Benefit Program.

APPRENTICES

Indentured Apprentices must periodically take time off work to attend Apprenticeship Training School. In order to ensure that they do not lose their Welfare Plan benefits due to lack of contributions, Apprentices can make arrangements with Local Union 30 to have credits granted in the Welfare Plan at a rate equal to the monthly Drawdown, so that their Dollar Bank is not depleted while they are attending Apprenticeship Training School.

It is the sole responsibility of the Apprentice to apply to Local Union 30 for this Benefit.

The Trustees reserve the right to terminate, suspend or modify the Apprentices Benefit Program.

PERMANENTLY DISABLED MEMBERS

The Welfare Plan continues certain benefits for persons who suffer a disability while insured, and before attainment of Age 65. In some cases, the degree of this disability is such that the Member cannot continue employment in the Sheet Metal Industry. In other cases the disability is so severe that the Member cannot work at any occupation, whatsoever, for wage or profit. In those cases, such Members remain covered as follows:

If the Member is Totally and Permanently Disabled, the Life Insurance benefits shown earlier for Active Members remain in force until Age 65, through the Waiver of Premium Clause in the Group Life Insurance Contract held by the Trustees. At age 65, the Death Benefit reduces to $10,000 ($5,000 for Members disabled prior to October 1, 2003). Prompt application for Waiver of Premium must be made by the Member and approved by the insurer.

It is the sole responsibility of a disabled Member to give prompt written Notice to the Plan Administration Office, and supply evidence of the initial and ongoing disability as requested. Otherwise, the insurer is contractually able to decline the Waiver of Premium.

The Trustees reserve the right to terminate, suspend or modify the Program for Permanently Disabled Members.

PAY DIRECT OPTION

In the event that the Member's Dollar Bank Balance is less than $409.00 and he/she has exhausted his/her entitlement under the Extended Benefit Program for Unemployed Members, he/she may apply to continue the benefits provided to Active Members (except Disability Income) for up to three months by paying the full cost of these benefits. Members also have the option to continue only the Life Insurance benefit or Life Insurance and Survivor Income benefits. Details may be obtained from the Plan Administration Office. Retirees who return to work are not eligible for the Pay Direct Option.

In order to qualify, the Member must:

- have been covered as an Active Member or under the Extended Benefits Program immediately prior to making application under the Pay Direct Option; and
- be and remain a Member in Good Standing of Local Union 30.

Pay Direct Notices are sent by regular mail – they are deemed to have been received five business days after the date the Notice was mailed. Payments must be made on time. Late payments are not accepted.

The Trustees reserve the right to terminate, suspend or modify the Pay Direct Plan at any time.

RETIRED MEMBERS

When an Active Member retires, provided that:

- The Plan Member is, and remains, a Member in Good Standing of Local Union 30; and
- The Plan Member is in receipt of a Monthly Pension from the Sheet Metal Workers Local 30 Pension Plan; and
- On the day prior to retirement, the Plan Member was covered by the Sheet Metal Workers Local 30 Welfare Plan as an Active Member, or on the Extended Benefit Program; and
- During the 120 months immediately prior to retirement, the Plan Member was covered by the Sheet Metal Workers Local 30 Welfare Plan as an Active Member, or on the Extended Benefit Program, for at least 60 months (in the aggregate, and not necessarily consecutive); and
- The Retired Plan Member makes any required Monthly Retiree Contribution (see note at end of this section),

the Retired Plan Member is eligible to choose Retiree Plan A, B or C and continue the following benefits:

Life Insurance (included under Retiree Plans A, B and C):

- $10,000 Group Term Life Insurance, except that if the Retired Member has been approved for Waiver of Premium under the Active Members' Life Insurance Benefit, the $10,000 Group Term Life Insurance will be reduced by any amount being continued under the Waiver of Premium Benefit.

The Retired Plan Member and his/her eligible Dependants are eligible for:

Major Medical (included under Retiree Plans A and B):

Subject to a $100 Deductible per person per calendar year:

- Subject to Lifetime Maximum Benefit of $100,000 for each person, a Major Medical Plan that provides benefits for a great range of medical services and supplies that are not covered by OHIP or the Provincial Medicare Plan where the Plan Member resides.
- Subject to a Maximum Benefit of $225 per calendar year per specialty, the Plan will pay the amount charged by a Chiropractor, Physiotherapist, Psychologist, Registered Massage Therapist, Osteopath, Naturopath Speech Therapist and Podiatrist.

Prescription Drugs (included under Retiree Plan A):

- The above-described Prescription Drug Plan for Active Members is extended to Retired Members. For Retired Members and Dependants age 65 and older, the Plan does not pay for any Drug covered under the Ontario Drug Benefit Plan (ODB) for Seniors, nor the $100 Annual Deductible or the Professional Dispensing Fee payable under the ODB.

This applies to all persons covered by the Retired Members Welfare Plan, regardless of where they reside.

Vision Care (included under Retiree Plans A and B):

- Subject to a Maximum Benefit of $50 per person per 24-month period, a Vision Care Plan for the reimbursement of the cost of frames and lenses prescribed by a physician or optometrist and for refractions (testing for eyeglasses) unless the refraction is covered by OHIP.

Dental (included under Retiree Plans A and B):

- Subject to a Deductible of $100 per person per calendar year, a Dental Plan that provides reimbursement for the cost of a broad range of dental services. Covered services include the treatment and restoration of natural teeth, as well as repairs to an existing denture or bridge, and the creation or replacement of dentures. The Maximum Benefit is $1,000 per covered person each year. Claims for services and supplies will be paid on the basis of the 2013 Ontario Dental Association Suggested Fee Guide For General Practitioners.

Note: Any residual Dollar Bank remaining at the time of retirement will be used to offset any contribution requirements based on the Retired Member Plan chosen, until the Dollar Bank is exhausted. If the Retired Member returns to work, he will be required to pay for the Retired Member Plan he has chosen at the unsubsidized rate until he ceases working or exhausts his Dollar Bank, whichever comes later. However, any contributions made on his behalf while he is working will be added to his Dollar Bank.

Retired Members have the ability to move to a less-comprehensive Plan in the future; but are not permitted to move to one of the more comprehensive Plans. Retired Members who choose to cancel their benefits outright will not have the opportunity to subscribe at a future date.

The Trustees reserve the right to terminate, suspend or modify any of the Plan's benefits at any time.

COST AND FUNDING OF THE WELFARE PLAN

All of the benefits of the Welfare Plan covering Active, Extended Benefit and Retired Members, except Accidental Death and Dismemberment (A.D.&D.), are provided under a Contract of Insurance underwritten by Manufacturers Life Insurance Company (Manulife Financial). The A.D.&D. benefit is insured with ACE/INA. The premiums paid for each benefit reflect the cost of claims incurred by covered Members and their Dependants, and are adjusted from time to time based upon the Welfare Plan's claims experience (the amount paid to Members), expected future use of the Plan and the demographic changes of Members enrolled in the Plan.

It is important that the Membership be familiar with the cost of their benefits in comparison with what they are presently contributing.

Active Members

Effective May 1, 2009, the Hourly Contribution was $4.11, of which $0.03 per hour is used to fund the liability to continue Welfare and Pension benefits by continuing contributions for up to one year on behalf of Members, as if they were fully employed, who suffer a work-related disability for which Workers' Compensation (WSIB) is payable. Commencing January 1, 2007, the Trustees established a WSIB Reserve into which the 3¢ per hour is deposited, and from which the cost of the benefits provided is withdrawn. The amount collected for 2013 was $81,875 while the amount paid in benefits was $58,370.

For each Hourly Contribution of $4.11, $3.7898 is deposited to the Dollar Bank Account of the Member who earned that Contribution. The remaining $0.2902 per hour is utilized to pay the premiums for unemployed Members covered by the Extended Benefit Program, and to keep Apprentices covered while in attendance at Apprenticeship Training School.

The Trustees set up a Reserve for Extended Benefits as of January 1, 2007. The $0.2902 is deposited into the Reserve each year while the cost of the benefit provided is withdrawn from it. The total Contributions in 2013 were $792,008 while the benefits provided cost $248,856.

Effective January 1, 2014, the Fund paid $363.67 per month on behalf of each Active Member eligible for benefits. The Active Member Dollar Bank Deduction has remained at $409.00 per month since July 1, 2009. The difference of $45.33 is deposited to the Fund's Unallocated Surplus and is used to support Retired Member benefits, stabilize the Fund against future adverse claims experience and to support benefit improvements.

Retired Members

Provided a Retired Member qualifies (see the Eligibility Requirements in the benefits information booklet), such Member is offered enrolment in three different Retired Member Welfare Plans.

Eligible Retired Members are able to continue their Welfare Plan benefits under their choice of one of three Optional Plans by agreeing to pay a Monthly Contribution which, in most cases, is deducted from the Retired Member's monthly Pension benefit.

Full payment for the selected Plan will be required for Retired Members who are available for work or working until they cease work and their Dollar Banks are exhausted.

The amount Retirees contribute to the Plan is set by the Trustees and is generally approximately 50% of the actual Monthly Insurance Premium paid for the benefit. The difference is paid out of the Welfare Fund's Reserve for Retired Member benefits. The current Contribution and Subsidy structure is set out in the following Table.

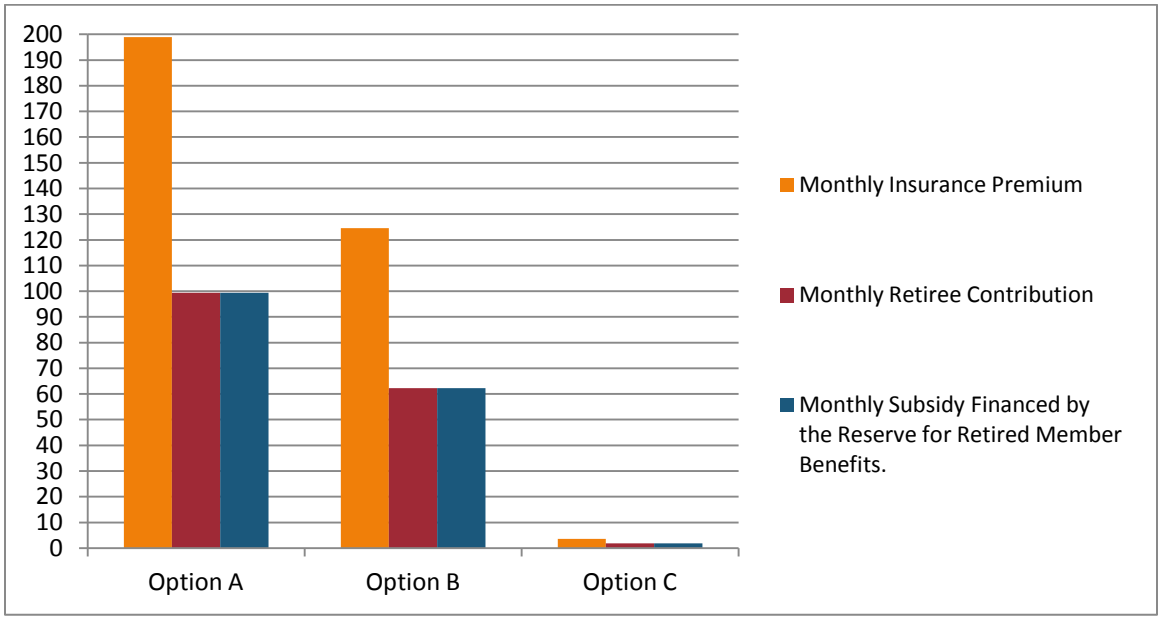
As at January 1, 2014:

Plan Option	Monthly Insurance Premium	Monthly Retiree Contribution, net of Tax	Monthly Subsidy per Retired Member
A	$198.90	$99.45	$99.45
B	$124.50	$62.25	$62.25
C	$3.63	$1.81	$1.82

Notes:

1. Retired Members living in Ontario are required to pay Ontario's 8% Retail Sales Tax on their Monthly Contribution.
2. Retired Members who are not eligible for the subsidized rate pay the Monthly Insurance Premium.

The following Graph provides a comparison of the Monthly Insurance Premium in relation to the Monthly Retiree Contribution. The difference is the Monthly Subsidy which is financed by the Welfare Fund's Reserve for Retired Member Benefits.



Effective January 1, 2007, the Trustees established a Reserve for Retired Member Benefits. This Reserve decreases by the amount the Fund pays to subsidize Retired Member benefits and is increased by investment income and, commencing in 2011, by the equivalent of $0.25 per hour for each Active Member contribution earned. The cost of the hourly contribution allocation is drawn from the Welfare Trust Fund's surplus. The Reserve will be increased by any new allocations the Trustees approve for this Reserve.

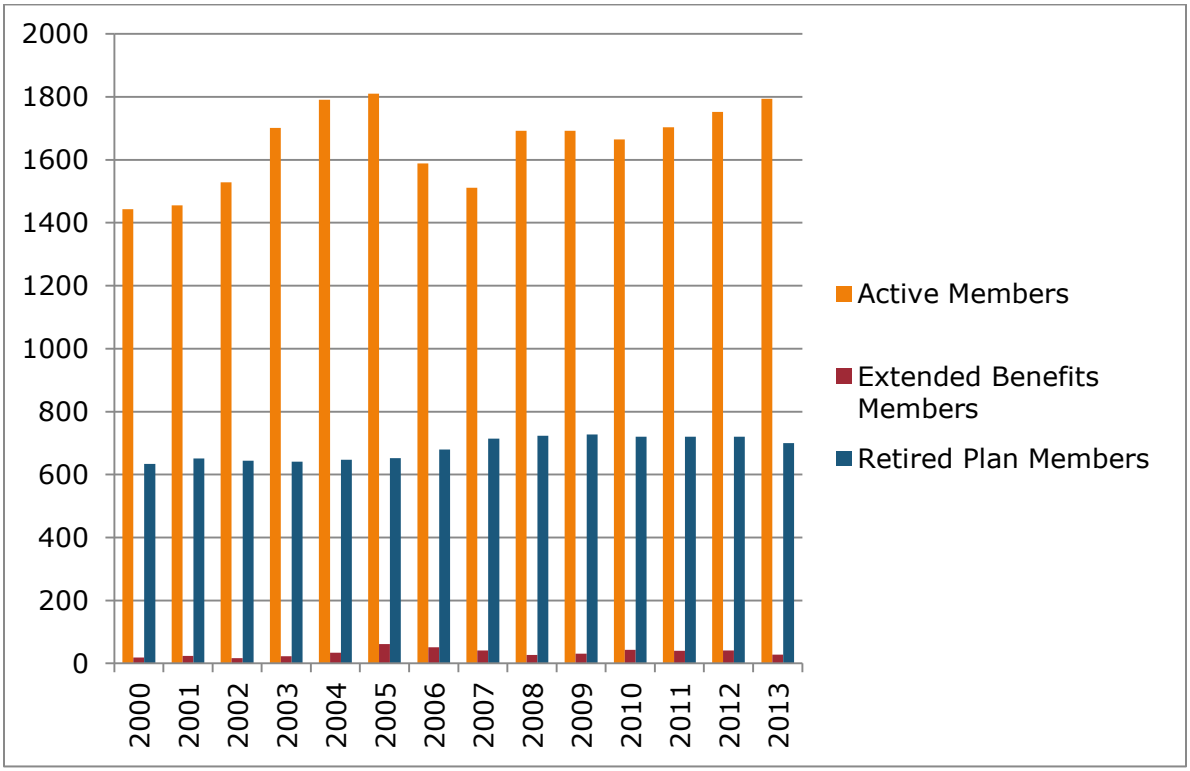
Welfare Plan Membership

The following data illustrate the number of insured Members in December of the indicated year:

Year	Active Members	Extended Benefit Plan Members	Retired Plan Members	Ratio Of Active Members To Extended Benefit And Retired Members
2000	1,443	19	634	2.21
2001	1,455	24	651	2.16
2002	1,529	17	644	2.31
2003	1,701	23	641	2.56
2004	1,791	34	647	2.63
2005	1,810	61	652	2.54
2006	1,589	51	680	2.17
2007	1,511	41	714	2.00
2008	1,692	27	723	2.26
2009	1,692	31	727	2.23
2010	1,665	43	720	2.18
2011	1,703	40	720	2.24
2012	1,752	41	720	2.30
2013	1,794	28	700*	2.46

*Comprised as follows: Plan A – 449; Plan B – 158; Plan C – 93

The following graph compares the number of Active Members to the number of Extended Benefit Plan Members and Retired Plan Members for the period 2000 through 2013, inclusive.



LEGISLATION BEARING ON THE WELFARE PLAN 2010-2013

- Commencing July 1, 2010 the Government of Ontario implemented changes to reduce the cost of generic drugs listed on the ODB formulary. Pricing of other generic drugs, and professional allowances paid to pharmacies with respect to such drugs, remain unregulated.

  For generic drugs paid by ODB, the benchmark cost was reduced on a staggered basis, from 50% of the brand name drug to 25% of the brand name drug. The price of the same drugs, when paid for by private plans or individuals, was previously unregulated. The new regulations limit the cost of generics to 25% of brand as of April 1, 2012.

  Dispensing fees paid to pharmacies by the ODB increased by $1 to $8 effective July 1, 2010 and are scheduled to increase by a further 2.5% in each of the succeeding five years commencing April 1, 2011.

- In December 2011, the Ontario Court of Appeal overturned an Ontario Divisional Court ruling which would have permitted pharmacy chains such as Shoppers Drug Mart to sell “white label” generic drugs in Ontario. The Ontario Government appealed the lower court ruling because it believed the white label drugs would ultimately lead to increased costs for the generic drugs involved.

RECENT CHANGES TO THE WELFARE PLAN 2011-2013

At the April 1, 2007 Meeting, the Membership cast ballots which resulted in an additional 40 cents per hour being allocated to the Welfare Fund effective each May 1st in 2007, 2008 and 2009. This new funding enhanced the stability of the Welfare Plan’s benefits and allowed some benefit improvements.

In the Autumn of 2010 the Trustees surveyed the Plan Membership. 477 Members (about 19% of those receiving the Survey) responded (a survey response rate of 5% to 10% is considered satisfactory). More than half of the respondents listed Prescription Drugs, Major Medical and Dental benefits as being of the highest priority.

The Trustees made the following benefit improvements effective January 1, 2011:

- the Weekly Indemnity Plan’s benefit was increased from $445 to $468.
- For disabilities arising on or after January 1, 2011, the LTD Plan’s Monthly Income Benefit was increased from $1,500 to $1,750.
- The Dental Plans commenced paying claims based on the 2010 ODA Suggested Fee Guide, General Practitioners, in replacement of the 2007 Guide.

- The annual maximum under the Orthodontics benefit for Active Members was increased from $500 to $1,000.

- The Lifetime Maximum under the Retired Member's Major Medical coverage was increased from $50,000 to $100,000.

- In 2011 the Trustees introduced Internet Access to Member benefit information through the Plan's Web Site at www.lu30plan.com. With this improvement, Members have access to their personal benefit information 24/7 including Employer contributions, how long coverage lasts and who has been enrolled in the Plan as a Dependant.

The Trustees made the following changes effective July 1, 2011:

- Massage Therapy coverage under the Active Members' Plan was reduced to 80% of the invoiced amount and an annual maximum of $1,000 was implemented.

- Convalescent Care coverage under the Retired Members' Plan became subject to a 100-day maximum per convalescence (at $20 per day) and a lifetime maximum of $5,000 was implemented.

- Effective with disabilities arising on or after October 1, 2011, Weekly Indemnity benefits were payable from the first day of hospitalization (previously the eighth day of hospitalization if due to illness).

- Effective with claims incurred on or after October 1, 2011, "per visit" and "per half hour" limits on the amount payable under the Retired Members Plan for services of a psychologist, speech therapist, podiatrist, chiropractor, physiotherapist, osteopath, naturopath and registered massage therapist were removed, allowing Retired Members and their Spouses to claim the $225 annual maximum per practitioner with fewer visits.

- Effective March 1, 2012, the Welfare Plan commenced paying up to $45 for a treatment plan requested by the Plan administrator with respect to three paramedical benefits (chiropractic, massage therapy and physiotherapy). The cost of the treatment plan will be included in determining when a covered person reaches any Plan maximum that may apply.

- Effective May 1, 2012 the Plan was improved to pay Dental claims on the basis of the ODA Fee Guide for 2011.

- Effective July 1, 2012, the Active Members Welfare Plan commenced providing a confidential and diverse counselling service which assists covered Members and their dependants with a variety of issues. Members can use this service for help with problems including legal, financial and family matters such as relationship problems, dealing with disability or aging.

The benefit is delivered by Family Services Employee Assistance Plans (FSEAP). FSEAP has hundreds of locations available across Canada. Treatment for substance abuse is coordinated with the De Novo Treatment Centre. The toll free telephone number is 1-800-668-9920. Web site access is at www.myfseap.com. The Welfare Plan's Web Site www.lu30plan.com has a link to this benefit.

- Dentists are able to submit claims directly to the Benefit Administration Office via the Internet. This will save Members time and money as dental claims do not have to be mailed.

- Members may have claim payments deposited directly to their bank accounts.

- Effective January 1, 2013 the Plan was improved to pay Dental claims on the basis of the ODA Fee Guide for 2012.

- Effective January 1, 2014 the Plan was improved to pay Dental claims on the basis of the ODA Fee Guide for 2013.

The Trustees carefully monitor the funding of the Plan in order to provide the Plan's benefits on a sustainable and prudent basis. This might require changes from time to time. Of ongoing concern to the Trustees are potential cutbacks under OHIP and/or the Ontario Drug Benefit for Seniors and the cost of new biologic drugs.

PRIVACY STATEMENT

The *Personal Information Protection and Electronic Documents Act*, Canada was proclaimed effective January 1, 2004, and requires most persons, firms and corporations which collect Personal Information to maintain that Information in strict safekeeping, and use that Information solely for the purpose for which it was collected. In the course of their duties, the Board of Trustees and the Plan Administration Office collect from the Membership certain Personal Information (such as home address, date of birth, names of spouse and other dependants, Social Insurance Numbers, etc.). The collection of this Personal Information is essential to the proper administration of the Plans as well as determining each Member's entitlement to receive a Benefit. Personal Information is provided by the Member when completing a Member Information Card, submitting a claim for Welfare Plan benefits, or an application to receive a Benefit from the Pension Plan. The Plan Administration Office protects Personal Information in accordance with the *Act*.

The Board of Trustees has developed a Privacy Policy, by which the Trustees and every employee of the Plan Administration Office have agreed to abide. The Trustees have appointed a Privacy Officer to ensure that the Privacy Policy is observed without exception. If you would like to receive a copy of this Privacy Policy, or if you have any questions on that subject, please write to:

Privacy Officer – Sheet Metal Workers Local Union 30, Benefit Trust Funds
Employee Benefit Plan Services Limited
45 McIntosh Drive
Markham, Ontario
L3R 8C7

ebps@mcateer.ca

TRUST FUND ADVISORS AND INSURERS

The Trustees of the Pension and Welfare Trust Funds have retained the following Firms to provide services:

Actuary / Investment Consultant	Eckler Ltd.
Administrator	Employee Benefit Plan Services Limited
Auditor	HS & Partners LLP, Chartered Accountants
Banker	Royal Bank of Canada
Consultant	J.J. McAteer & Associates Incorporated
Custodian of the Pension Fund	RBC Dexia Investor Services
Employee Assistance Plan	Family Services Employee Assistance Plans (FSEAP)
Insurers	Manufacturers Life Insurance Company (Manulife Financial)
	ACE/INA
Investment Managers	Greystone Investment Counsel
	Gryphon International Investment Counsel
	RBC Dominion Securities
	SEI Financial Services
	Walter Scott Global Investment Management
Legal Counsel	Borden Ladner Gervais LLP
Securities Monitoring	Labaton Sucharow LLP
	Robbins Geller Rudman & Dowd LLP

OFFICE OF THE PLAN ADMINISTRATOR

www.lu30plan.com

www.facebook.com/smwialocal30benefits

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