

CLPENS Members' Rights Group Newsletter

President: Wib Antler

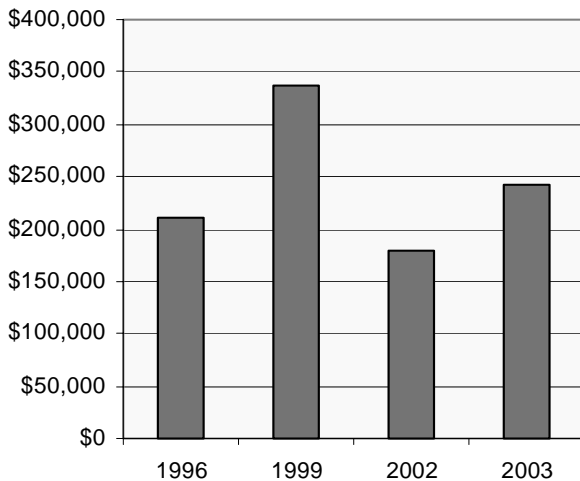
Vice President: Ed Barrett

Secretary: Gary Nummelin Treasurer: Don McIntyre

Committee Members: Phil Davy, Alex Harvey, Jim Martin

\$250,000,000
and growing
(A Problem? see P.3)

CL Plan Surplus (\$Millions)



What does Monsanto have to do with us?

Just as Great West Life has now done, Monsanto had advised FSCO of a Partial Plan Wind Up. The Superintendent of FSCO refused to accept the Monsanto Wind Up Report because it did not identify how surplus would be distributed to the members of the wind up group! Monsanto claimed that it did not have to distribute surplus under a partial wind up. The Supreme Court of Canada agreed with FSCO by a vote of 7 - 0.

So what that means to us and to many other plans is that when employers lay off employees and reorganize their businesses, they may not ignore the surplus in the plan. Rather, they must determine what the surplus amount is and how it will be distributed to members of the Partial Wind Up Group. That also means that the company must make clear its position on surplus ownership, a matter that is vitally important to every retiree, active member, deferred member and beneficiary. The Monsanto case is a landmark decision in pension rights for members of every category.

What Can CLPENS Do For Me That I Can't Do?

Well, theoretically, nothing. Practically speaking, however, a great deal.

The Company (Great West Life) advised the Financial Services Commission of Ontario (FSCO) on August 27, 2003 that it will be winding up part of the Canada Life Canadian Employees Pension Plan.

As a result, the question of surplus ownership will need to be addressed before the Superintendent will approve the partial wind-up.

There are hundreds of millions of dollars at stake!!

Now, any member has a right to make a representation to FSCO on this very technical matter. However, in practical terms, without expert representation, the odds of successfully pursuing an individual position are very small.

And expert representation is not within the financial means of most plan members on an individual basis.

The CLPENS group provides a viable alternative for you. By pooling our time, talents and resources we are able to engage expert help, to monitor proceedings and to communicate to you what is happening to your rights.

What is a Partial Wind Up?

When a company lays off or terminates a significant number of employees, such as through a plant closing, or a reorganization, then a portion of the pension plan can be wound up or discontinued.

Help Us Grow!

If you have the contact information of other ex-Canada Lifers, please forward this email and the CLPENS website information to them. The more members we have, the more credible a force we will be in dealing with the Company.

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Issue #18

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Oct, 2004

Why Should I Become a Voting Member of CLPENS?

Given the massive amounts of money at stake, we expect that Great West Life will muster significant legal and technical expertise to advance its claim on the surplus to FSCO .

In order to effectively advocate our claims to the surplus as plan members, we too will need to enlist expert legal resources .

To that end, we have created a fee structure for voting members.

Some may take the view that we are powerless and can't make a difference to the outcome. That is not true. Members' Rights groups at Confederation Life, at London Life and in many other similar situations have formed, fought and won their fair entitlements.

Perhaps some members have a feeling that the "company will do the right thing". Perhaps, but almost certainly the right thing for Great West Life stockholders will not be the best thing for Canada Life Pension Plan members.

We urge you to please print and complete the Registration Form on page 4 of this Newsletter or the one on our [website](#) and send it and your cheque for \$125 to CLPENS.

Do it now!

What Is CLPENS and What Are Its Goals

Simply put, CLPENS is an advocacy group for the rights of members of the Canada Life Canadian Employees Pension Plan and their beneficiaries.

On our web site you will find the history of the group and some of the issues with which we have been grappling.

TODAY, NO OTHER ISSUE IS AS FINANCIALLY IMPORTANT TO PLAN MEMBERS NOR AS TOPICAL AS THE SURPLUS ISSUE.

The Company has as yet failed to identify its position on the surplus to FSCO. We believe that it will claim that the Company is entitled to the Pen-

sion Plan Surplus. We view that the surplus belongs to the pension plan membership and should be used to enhance benefits for our members.

The immediate goal of Canada Life Pension Plan Members' Rights Group (CLPENS) as empowered by plan members is to advance the members' claim in this crucial matter.

Our overarching goal is to protect the rights of all plan members, whether they are part of the Plan Wind Up (PWU) group or not. Our Constitution can be found on our web site at

www.trigger.net/~clpens/

CLPENS Newsletter

If I Joined, Would This Jeopardize My Pension?

Some of our retirees have wondered whether their pensions might be at risk or whether other punitive actions might be taken by Great West Life, in the event they joined CLPENS.

We believe that GWL will vigorously pursue its own claim with the regulators and the courts but we do not have any reason to think that they will act in a vindictive or irresponsible manner.

Your Pension is NOT at risk. The plan is well funded and members' rights to their pensions are protected by the Pension Benefits Standards Act of Ontario.

Is There a Problem With The Pension Plan?

No, there is no problem with the plan. But there is a problem (opportunity) with the surplus.

The assets of the Canada Life pension plan provide for your basic monthly pension and the annual indexing of that pension.

As of the last actuarial valuation, the total assets in the pension plan significantly exceeded the total liabilities. That is, the plan has a great deal more money than is required to provide current and future pensions and the indexing the plan provides.

The amount by which the assets of the pension plan exceed its liabilities is in excess of \$250 million and this excess is called the pension surplus.

What Are
" Grow In" Benefits?
See next month's Newsletter
for details

Fees
The fee structure is \$100 initiation plus an annual fee of \$25. The \$25 will pay for meeting rooms and research while the \$100 will go toward creating a "war chest" to support outside legal resources.

As we go forward and key strategic issues emerge, paid members will have an opportunity to vote on the direction that CLPENS takes in the fight with Great West Life. If you are a non-paying member, you don't get to vote.

Previous Newsletters are available on our web site at

www.trigger.net/~clpens/

If you have received this Newsletter by mistake, or if you wish to be removed from the mailing list, please send an e-mail to clpens@trigger.net with the subject of "Unsubscribe" If you have information or opinions to share with the group as a whole, send your submission to clpens@trigger.net and we will post them online, with as little editing as possible.

MEMBERSHIP APPLICATION FORM

(Please Print)

SURNAME _____ **FIRSTNAME** _____

ADDRESS _____

CITY _____ **PROV** _____ **POSTALCODE** _____

TELEPHONE NO. RES () - _____ **BUS () -** _____

EMAIL _____

MEMBERSHIP CATEGORY: (Circle the appropriate category)

EMPLOYEE PENSIONER DEFERRED PENSION

TERMINATED BENEFICIARY

DATE OF COMMENCEMENT OF WORK AT CANADA LIFE

(mm yyyy) _____

IF NOT STILL EMPLOYED AT CANADA LIFE, DATE OF

TERMINATION (mm yyyy) _____

INITIATION FEE: \$ 100.00

ANNUAL MEMBERSHIP FEE: \$ 25.00

VOLUNTARY CONTRIBUTION: \$ (Optional, but appreciated, if any!)

TOTAL PAYMENT ENCLOSED: \$ _____

PAYMENT MODE (circle the appropriate mode) **CASH** or **CHEQUE**

****Cheques can be payable to "CLPENS GROUP" or, if you wish, to the full name: CANADA LIFE CANADIAN PENSION PLAN MEMBERS' RIGHTS GROUP**

**** If you are sending payment by mail, please address to:**

CLPENS GROUP

P.O. BOX 37036

6502 YONGE ST.

NORTH YORK, ONT. M2M 4J8.

IF YOU ARE WILLING TO HELP THE GROUP, PLEASE DESCRIBE BELOW WHAT TYPE OF HELP YOU WOULD BE ABLE TO PROVIDE, OR WHAT OTHER ASSISTANCE YOU WOULD OFFER

ANY OTHER COMMENTS
