

# CLPENS Members' Rights Group Newsletter

## GENERAL MEETING

There will be a General Meeting held on the evening of April 27th from 7 PM to 8:30 PM.

The purpose of the meeting is to bring everyone up to date on ongoing developments and give those unable to attend the Annual General Meeting last October, as well as those who were able to make it, an opportunity to participate first hand. It will be held at:

The Royal Canadian Legion  
Branch 66-North York  
6 Spring Garden Ave.  
Willowdale, Ont

Continued on page 4

President: *Wib Antler* Vice President: *Ed Barrett*  
Secretary: *Gary Nummelin* Treasurer: *Don McIntyre*  
Committee Members: *Phil Davy, Alex Harvey, Jim Martin*

## MEMBERSHIP DRIVE

As a result of the “Urgent Appeal to Our Members” e-mail, our ranks are continuing to swell, although we still need to attract new members to hit our threshold. A number of members have taken up the challenge and are contacting potential members by phone with a great deal of success and we thank them for their support.

We would like to reiterate that, with all the layoffs at Canada Life and with people going in many different directions, we have lost touch with a number of members because of changes in their e-mail addresses. Some members had received the newsletter at a Canada Life e-mail address. Subsequent to their departure, newsletters are returned when these individuals leave the company without providing us with a new e-mail address.

***Please remember to advise us if your e-mail address changes or if you know of some other member’s address change, so no one misses out.***

## LATE BREAKING NEWS

We have just learned that a Statement of Claim between Jean Paul Marentette (Plaintiff) and The Canada Life Assurance Company (Defendants) was filed in the Ontario Superior Court of Justice on February 3, 2005. It is a proceeding under the Class Proceedings Act, 1992. The intent of the action, among other things, is to secure a Court Order to have the proceeding certified as a class action, with the class being

Continued on page 4

### 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.

## “ENHANCED BENEFITS” VERSUS “PENSION GROW IN RIGHTS”

A number of members have asked us to clarify the difference between “*enhanced benefits*” and “*grow in rights*” benefits. The simple answer is that there is none. The “enhanced benefits” that the Company has referred to in certain of its termination letters are simply the result of “grow in rights” legislation. To be clear, these “enhanced benefits” are not the result of a benevolent decision by Great-West Life, they are a legal requirement. As outlined in these termination letters, this provision applies only to employees in Ontario and Nova Scotia. This is provided under the Pension Benefits Act of Ontario and Nova Scotia (although Nova Scotia repealed this provision as of January 1, 2005). Please note that a full explanation of “grow in” benefits can be found in the Newsletter 19 under “PENSION GROW IN RIGHTS”.

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## RETIREE HEALTH BENEFITS UPDATE

Great-West Life recently sent out a new employee booklet to all retirees late last year. There was one change to the plan, under “Survivor Benefits”, that may have gone unnoticed.

The new wording (page 2) states:

“If, however, the surviving spouse has group coverage elsewhere, benefits under the Canada Life plan will cease.”

The old wording stated:

“On the death of a retired employee, all benefits for which the dependents are covered will continue for the surviving spouse and dependants. If, however, the surviving spouse re-marries, benefits under the Canada Life plans (with the exception of the pension plan) will cease.”

It appears that Great-West Life has eliminated the “top-up” coverage that was a previous feature of the plan. While this may not have much effect on most retirees, it is indicative of a gradual erosion of plan benefits. While not part of our official mandate, CLPENS will continue to monitor and report on changes to retiree health benefits.

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**ARE YOU PART OF THE PARTIAL PLAN WIND-UP? IF SO, PLEASE READ THE NEXT SECTION CAREFULLY!**

A new member wrote to CLPENS with the following comment:

“I went to the website briefly and saw that it was for active members as well as retirees - but it’s taken me over a year to do this and I suspect a lot of others haven’t bothered going to the website either.

I think you may not be getting new members because there is a thought (or a rumour) that active employees are already entitled to the surplus and joining this group won’t help them - in fact, will hurt them.”

We’re not sure where this idea started but it may have something to do with the reference in the termination letter to the possibility of “enhanced benefits”. **Please note that “enhanced benefits” and surplus ownership are two very different things.** There is no indication in any of the correspondence that we have seen that addresses how the question of surplus will be handled.

As outlined in the previous section, only two provinces require plan sponsors to provide grow in rights (the “enhanced benefits” that the Company refers to). In Great-West’s correspondence to those included in the partial plan wind-up, they only propose to enhance benefits as required by law. Great-West has clearly

stated that there is no enhancement for those outside Ontario and Nova Scotia.

To be totally clear, the “enhanced benefits” referred to by the Company have nothing to do with the Monsanto ruling and any potential surplus distribution. (Under Monsanto, the Supreme Court ruled that ownership and distribution of the surplus as it affects members of the Partial Wind-Up Group must be dealt with at the time of a partial wind-up.)

If Great-West can demonstrate that they own the surplus, then there will be NO surplus distribution to plan members. As outlined ad infinitum, it is the position of CLPENS that the surplus is for the sole benefit of the plan members and we will continue to work towards this end. As of today, there is no guarantee that anyone, including active employees at the time of the GWL purchase who have been terminated subsequently, is entitled to any of the surplus.

Because of this, active employees as of July 10, 2003 should be aware of the implications and should give careful consideration to joining CLPENS to protect their interests. Joining CLPENS will have no detrimental effect on any surplus distributions; doing so will only give us all a stronger voice as we pursue our rights regarding ownership of the surplus.

## **CLASS ACTION** Continued from page 1

“all former employees....who were terminated, retired or voluntarily resigned.....between July 10, 2003 and the end of the “integration period”” and to secure an Order ascertaining the value of the actuarial surplus in the Plan. As discussed at length at our Annual General Meeting, Great West Life are already required to file their plan for treatment of the surplus arising from the partial plan wind-up when they file the wind-up report with FSCO.

Whether this action is premature or whether it is too narrow in its definition of proposed class members to meet the needs of Canada Life active and retired members in addition to wind-up group members remains to be determined. The CLPENS Members Rights Group has referred the matter to our own legal advisory working group for further consideration. We will have a more comprehensive update for you at our General Meeting on April 27<sup>th</sup> (see notice on Page 1).

If, in the meantime, you hear anything more about this Claim from any other sources, please provide us with details by sending an e-mail to [clpens@trigger.net](mailto:clpens@trigger.net) .

**NOTE: Previous newsletters are available on our website.** The Group’s website is [www.trigger.net/~clpens/](http://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](mailto: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](mailto:clpens@trigger.net) .

## **GENERAL MEETING** Continued from page 1

Branch 66 is located on Spring Garden Ave, two blocks north of Sheppard and Yonge St. At Spring Garden Ave. turn right (east). The Legion is the first building east of Yonge on the north side.

The closest subway stop is at Sheppard and Yonge.

For those who drive parking is located on a strip abutting the east side of the Legion.

Following the meeting there will be an opportunity to socialize with Old and new friends. We look forward to seeing many of our members on the 27th. Please plan to attend.