

MARCH 2008 - LL764 PENSION COMMITTEE REPORT

As I mentioned in the January Report, the Company requests 3 months notice of retirement. Although it is not necessary it does help ensure that you get your first pension cheque as soon as possible. As with any administrative or bureaucratic process there is a built in time line to accomplish any task. Adhering to the 3 month notification period allows for the retirement process to be completed as soon as possible after your last day of work.

You may request any day of the month to be your last day of actual work but your official retirement date will always be the first day of the following month. This is because everything associated with pensions is calculated in months. You may elect to take vacation owed, time bank or simply unpaid time off to cover the time from your last day of work until the end of the month if required.

The Company will owe you your first pension cheque on the first day of the month you retire. You will not get it on that day. After anyone severs their employment relationship with the Company for any reason including retirement, it takes about thirty (30) days for them to produce your 'final' pay cheque. This is when they do a final accounting of all time and monies owed to you or to them. This final accounting of your time must be completed by Hewitt before Mercer can begin to calculate your pension.

Because of this process, it is usually about 6 weeks before you will receive your first pension cheque. It will be for your first 2 months pension combined and it will be an estimate of your actual pension. Your first 3 or 4 cheques will be estimates. This is because it takes Mercer that long to do a final precise calculation of your pension. If they have not received your completed pension payment option package before you retire, your first pension payments default to the Level Life 50% J&S option amount. You will continue to receive this amount until your option selection form is processed and they make the necessary adjustments. As I stated in last month's report, they will also withhold \$150 per month to pay for any benefits you may elect to receive. This will continue until they have processed your completed benefits selection form.

The main point I want to make out of this explanation of the process, is that even if you follow the 3 month suggested guideline for submission of your retirement notice, you should expect to receive little or no money for 4 to 6 weeks after you retire. If you give less than the 3 month notice, it will be an even longer period. You will get all your money eventually, but please plan your finances for the first 2 months after you retire with this in mind. This can be a very unpleasant surprise if you are unaware and have not planned for it.

Email is the most effective way to reach me. I may be contacted at pres764@telus.net with any questions or concerns that you may have.

Respectfully Submitted,
Christopher Hiscock
Chairman, LL764 Pension Committee