

Benefits Booklet

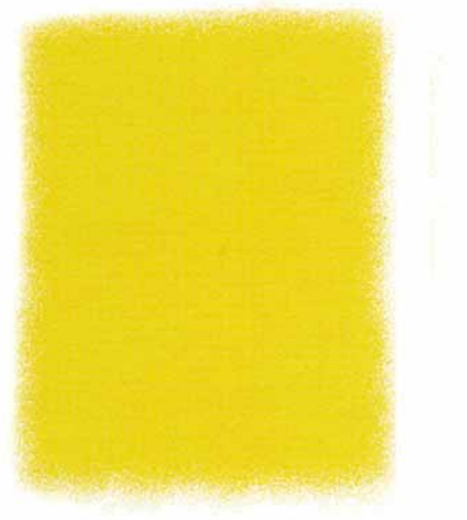
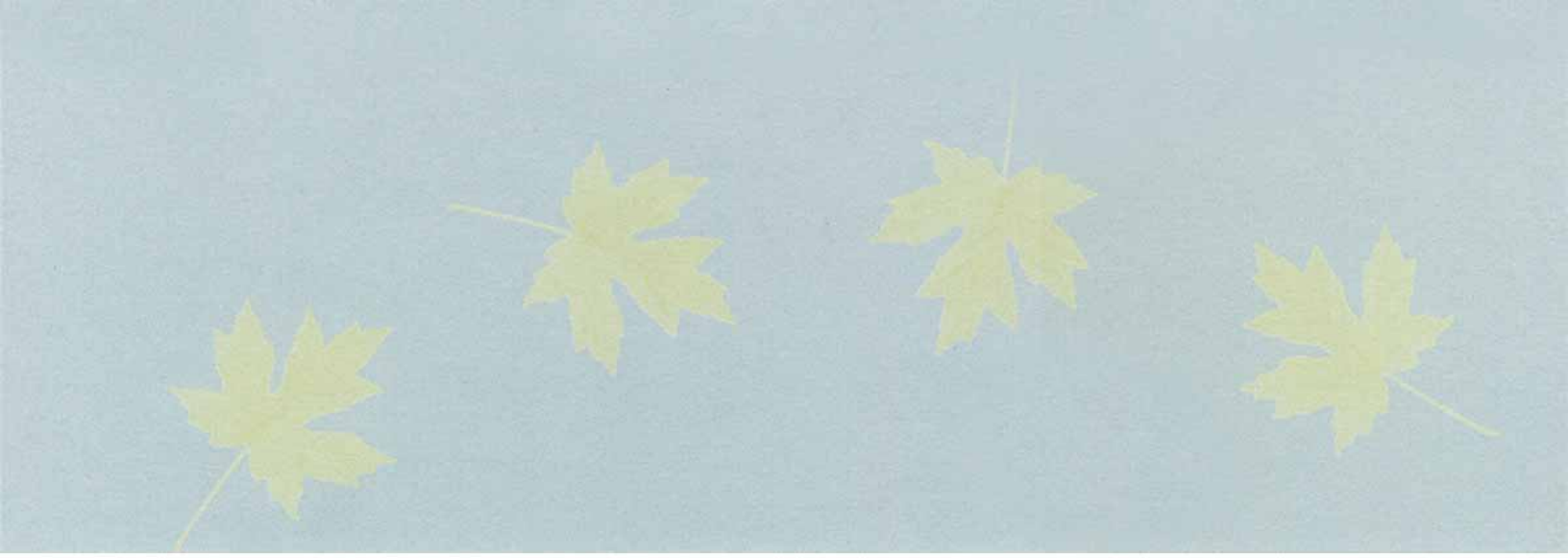
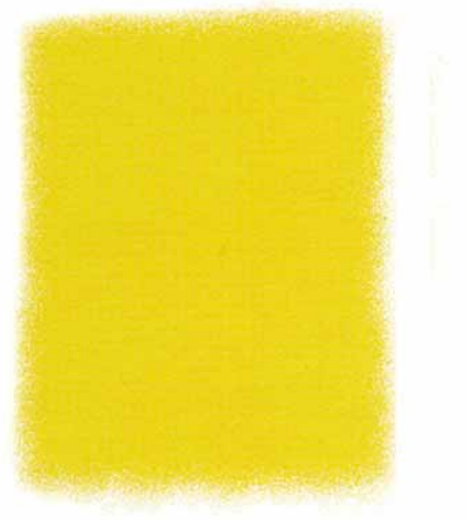


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Summary



Your Benefits

Every eligible employee at G&F Financial Group gets more than a paycheque. In addition to money, you receive benefits. Your benefits include life, accident and disability insurance, medical and dental coverage, pension benefits (for eligible employees), and vacation. This is all part of your total compensation.

Eligibility

You and your dependents may participate in the benefits program if you are residents of Canada and meet the eligibility requirements. For eligibility under the Pension Plan, please see that section of this booklet.

Employees

To be eligible for Basic Life, Optional Life and Accidental Death & Dismemberment, you must work an **AVERAGE** of 15 hours per week (which could mean 65 hours per month or 195 hours per quarter). To be eligible for disability you must maintain a **minimum of 14 hours of work per week**. If you do not maintain the minimum required work hours, you will not be eligible for disability benefits.

Dependents

Eligible dependents include your spouse and dependent children. For all benefits in this booklet (other than pension and provincial medical plan),

Spouse is defined as a person who is:

- legally married to you, or
- living with you for at least one year, and publicly represented as your husband or wife (this may include a same sex partner).

Benefit coverage is available to only one spouse at any one time. The same person must be listed as your spouse for all benefits.

Child is defined as a natural child of you or your spouse, a stepchild, adopted child or foster child who is unmarried, dependent on and living with you or your spouse and:

- under 19 years of age, or
- a full-time dependent student, under age 25.

Coverage may continue beyond these years if your child becomes disabled while they are insured.

For the provincial medical plan, the definition of dependent matches the provincial definition. A spouse is a resident who is either married to or is living and cohabiting in a marriage-like relationship with the applicant and may be of the same gender as the applicant. A child is the legal ward or child of the applicant, is supported by the applicant, is neither married nor living and cohabiting in a marriage-like relationship, and is either age 18 or younger or age 19 to 24 and attending school or university full-time.

Enrolment

To enroll in the G&F Financial Group benefit program at the time of eligibility, you must complete the enrolment forms and keep the information updated regarding the status of your dependents and selected beneficiary(ies).

Newborns, or other newly acquired dependents, must be enrolled within 60 days of dependency.

You must decide whether you want to purchase optional life insurance for you or your spouse. This plan requires completion of a Statement of Health form.

If you have any questions, Human Resources can assist you.



Effective Dates

For newly hired eligible employees, your coverage under the G&F Financial Group benefit program becomes effective on the following dates:

- Provincial Medical Plan - on the first of the month following 3 complete months of employment
- Extended Health Care - on the first of the month following 3 complete months of employment
- Dental - on the first of the month following 3 complete months of employment
- Short Term Disability - on the first of the month following 3 complete months of employment
- Long Term Disability - on the first of the month following 3 complete months of employment
- Basic Life Insurance - on the first of the month following 3 complete months of employment
- AD&D - on the first of the month following 3 complete months of employment
- Employee and Family Assistance Program - on the first of the month following 3 complete months of employment
- Pension Plan - Please see that section of the booklet

If you are away from work because of sickness or injury on the day your coverage is due to become effective, your coverage will be delayed until you return to work for one full day. If your dependents (other than a newborn child) are in hospital on the day their coverage is due to become effective, they will not be covered until after discharge from hospital.

New residents or persons re-establishing residence in British Columbia are eligible for Provincial Medical Plan benefits after completion of a waiting period that consists of the balance of the month of arrival plus two months.

Coverage for your eligible dependents enrolled under the plans begins the same day as yours.

Benefits Summary

Changes

You can change your optional life insurance coverage, your enrolled dependents at any time by completing forms available from Human Resources. A health questionnaire may be required if you increase your coverage.

Plan Sponsor

The G&F Financial Group program is administered by the Board of Trustees of the BC Credit Union Employees' Benefits Trust Fund and the BC Credit Union Employees' Pension Plan.. The Board of Trustees is comprised of twelve representatives from credit unions and co-operatives around B.C.

Extended Health Care

You already receive a basic level of coverage through your provincial medical plan. Our extended health care plan is designed to provide you and your family with additional health care protection over and above that provided by your provincial medical plan. The plan reimburses 100% of eligible expenses after the deductible, up to a maximum of \$1,000,000 per lifetime. In addition, the plan provides for reimbursement of 100% of emergency out-of-country expenses, up to a maximum of \$5,000,000 per claim. The deductible for extended health care is \$25 per single or family per calendar year. Reimbursement for Vision Care is included for up to \$300 per person per 12 month period.

Dental

There is no deductible for dental care. The insurance coverage is based on the insurance company's fee schedule and provides for reimbursement of eligible expenses at the following levels:

- basic treatment - 75% of eligible expenses
- major restorative treatment - 75% of eligible expenses
- orthodontic treatment - 50% of eligible expenses up to \$2,000 per person for life
 - New employees must be covered under the benefit plan for 12 months to be eligible for orthodontic coverage.

Basic Life Insurance

Life insurance provides financial protection for survivors in the event of your death. You are insured for 3 times your annual earnings to a maximum benefit of \$1,200,000 if you are under age 65, and 1.5 times your annual salary if you are age 65 and over

Accidental Death and Dismemberment (AD&D)

If you die or are severely injured in an accident, your AD&D will pay a benefit to you (in the case of injury) or your beneficiary (in the case of your death). You are insured for 2 times annual salary, up to \$800,000.

Optional Life Insurance

The amount of Life Insurance you choose depends on your personal situation. You can purchase up to an additional \$500,000 of coverage for yourself and \$500,000 for your spouse.

Service Providers

The Trustees select insurance companies that provide the best coverage at the most reasonable cost. The Trustees also use benefit consultants, actuaries and legal advisors to provide advice on plan details and costs.

Plan	Service Provider	Policy #
Extended Health Care	Green Shield	Not Required
Dental	Green Shield	Not Required
Life Insurance	Great-West Life	158692
Optional Life Insurance	Great-West Life	158693
AD&D	The Co-operators	G-2010-002
Short Term Disability	Great-West Life	56445
Long Term Disability	Great-West Life	158692
Employee and Family Assistance	Shepell-fgi	Not Required

Short Term Disability (STD)

If you become sick or injured, and are not able to return to work for a period of time, your disability plan provides income protection after fourteen days of disability. Short Term Disability pays 66 2/3% of your regular earnings for up to 15 weeks of disability. The maximum monthly benefit is \$15,000. This benefit is taxable when received. Income from all sources is limited to 85% of pre-disability gross income.

Long Term Disability (LTD)

If you continue to be disabled after 15 weeks of Short Term Disability, the Long Term Disability plan will pay 66 2/3% of your regular monthly earnings to a maximum of \$15,000 per month. This benefit is taxable when received. Income from all sources is limited to 85% of pre-disability gross income.

Pension Plan

For a summary of your pension benefits, please refer to that section in the booklet.

Group RRSP

For a summary of your Group RRSP benefits, please refer to that section in the booklet.

Employee and Family Assistance Program (EFAP)

The Employee and Family Assistance Program (EFAP) is a confidential short term counselling session for you and your eligible dependents. The service can assist with all issues, ranging from stress to chemical dependence and abuse. The plan may limit counselling to twelve sessions if the counsellor determines that the issues are of a long-standing or chronic nature. Should specialized or long-term follow up assistance be required, the counsellor will make a referral to appropriate professionals and agencies within the community.

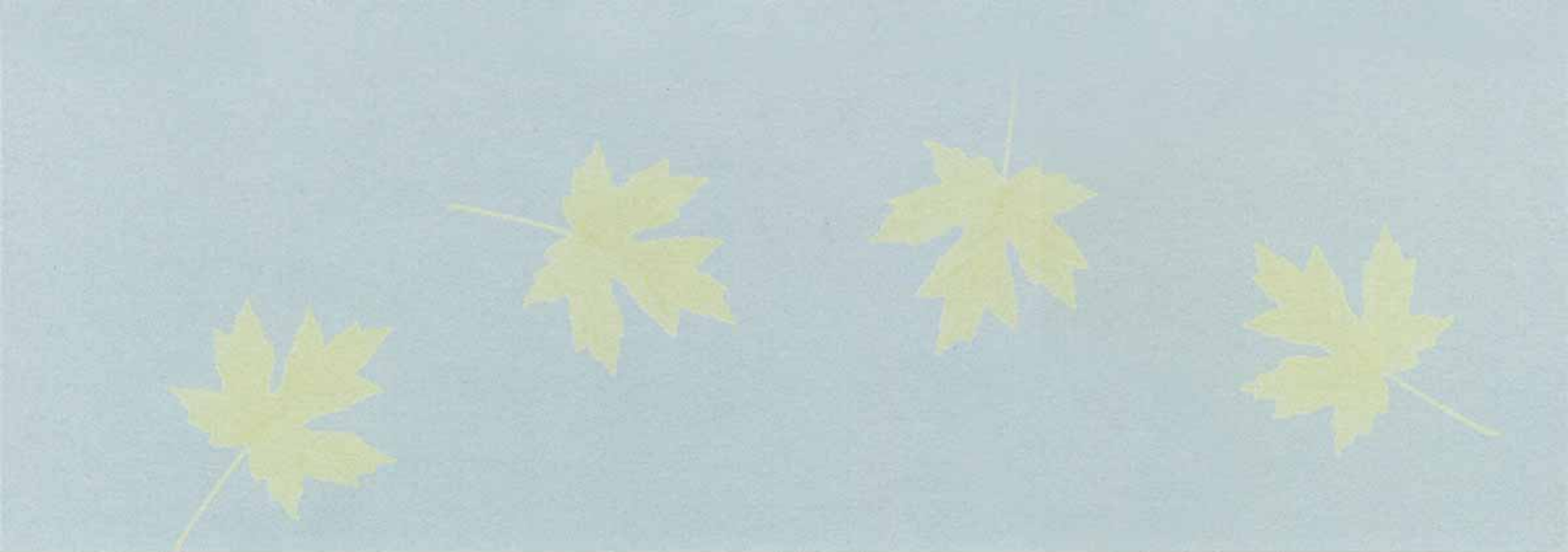
The plan also provides a number of Work/Life programs:

- Childcare and eldercare resources and referral program.
- Financial counselling such as credit/debt management, savings plans, insurance plans, bankruptcy.
- 24 hour access to a registered nurse for non-urgent physical symptoms and concerns.
- Home care assessment and access to quick response services.
- Professional nutrition counseling by registered dietitians.
- Internet based online information and education service.

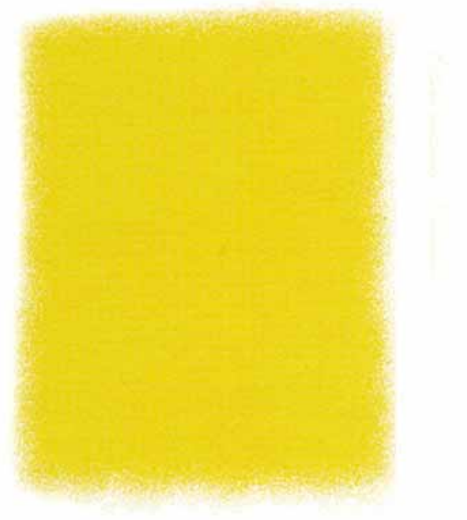
To contact an EFAP Counsellor please refer to the EFAP brochure or visit the website: www.shepellfgi.com



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Medical



Provincial Medical Plan

G&F Financial Group pays 100% of the premium for your coverage under your provincial medical plan. The provincial plan typically covers most doctor's fees, the cost of comprehensive hospital care at standard ward levels, and other qualifying expenses, such as:

- Doctor's charges for office, home and hospital calls
- Consultations
- Laboratory exams
- X-rays
- Diagnostic and therapeutic treatment
- In-hospital nursing care
- Drugs administered in a hospital
- Operating rooms
- Surgical procedures
- Anaesthetic expenses (administered in a hospital)

Medical

Your extended health care plan is designed to supplement your provincial medical plan. Together, the two plans are intended to cover most of the medical and hospital expenses incurred by you and your family.

How Does the Plan Work?

Visits to most doctors are covered under the provincial medical plans, and you will not be charged. You may wish to check with your doctor or specialist first prior to incurring costs.

If your doctor prescribes medication, your pharmacist will be able to tell you if your prescription is covered under the extended health care plan by means of a computer link to Green Shield. Your pay direct drug card can be used for eligible drugs covered under the drug plan (refer to the Conditional Drug Plan section). You will be able to send in claims electronically through your pharmacist.

The G&F Financial Group extended health care (EHC) plan covers the cost of going to many health care specialists including naturopaths, chiropractors and physiotherapists, subject to limits. And, if you are traveling out of the province, the plan will also cover emergency medical services and supplies.

Who Pays?

G&F Financial Group pays 100% of the premium for the EHC plan. The plan provides 100% reimbursement of covered expenses, up to a maximum of \$1,000,000 per lifetime. The plan also provides for reimbursement of 100% of **emergency** out-of-country expenses, up to a maximum of \$5,000,000 per claim. You pay an annual deductible, which is \$25 per person or family.

Enrolment

After completing the eligibility requirements (as shown in the Summary of Benefits section) you should have filled out your enrolment form and listed the dependents you wanted covered. Check the Summary of Benefits section for dependent eligibility. To make future changes you will be required to fill out a new enrolment form.

Compound Drugs

Green Shield's policy on compound drugs ensure that compounds are paid only if:

- the compound contains an eligible Drug Identification Number (DIN) under the drug plan,
- the compound utilizes an eligible base, and
- there is sufficient therapeutic dose.

Employees should contact Green Shield directly if they have any questions regarding this policy.

Extended Health Care

The G&F Financial Group extended health care plan provides coverage for medically necessary expenses beyond the amounts covered by your provincial plan. If you have any questions about your coverage please call the **Green Shield Customer Service Line: 1-888-711-1119** or visit www.onlineservices.greenshield.ca

Hospital Expenses

- Extra charges for a private or semi-private room in an acute care hospital

Medical Expenses

- Prescription drugs (fertility drugs limit \$5,000 per lifetime)
- Emergency ambulance services
- Oxygen, blood or plasma, artificial limbs and eyes, crutches, splints, casts, trusses, braces (braces or orthotic devices used for athletic activities are not covered)
- Hearing aids - \$500 maximum per 5 year period
- Wigs and hairpieces required because of injury or medical treatment - maximum \$500 per lifetime
- Orthopedic shoes - one pair per person lifetime maximum
- Orthotic devices - 1 pair per person every 12 months (orthotic devices use for athletics are not covered)
- Rental or purchase (where more economical) of durable equipment for therapeutic treatment, including standard wheelchairs and hospital beds (major expenses should be approved before purchase)
- Professional services of the following practitioners are covered at 100% from the first visit up to the specified maximums (x-rays, appliances and tray fees are not covered):
 - Chiropractor - up to \$200 per person / year
 - Naturopath - up to \$200 per person / year
 - Remedies prescribed by a Naturopath are not covered
 - Physiotherapist and massage practitioner - no annual limit - for massage therapy a physician's referral is required
 - Podiatrist - up to \$200 per person / year
 - Speech language pathologist - up to \$100 per person / year
 - Acupuncture treatments provided in BC by a licensed acupuncturist (including x-rays) - up to \$100 per person / year
 - Services of a registered psychologist and/or Clinical Counselor - up to \$200 per person / year
- **Reimbursement for paramedical practitioner expenses will be based on usual and customary amounts.**
- Insulin pump and supplies
 - Medical condition must be Type 1 Diabetes
 - Insulin infusion pump is paid at "usual and customary" charges - the current maximum eligible expense for reimbursement is \$5,500 per 5 years.
 - \$250 monthly maximum for insulin infusion pump supplies
 - Claim/application must be submitted under the provincial plan first for those who are age 18 or younger
- In acute cases, the services of a private-duty registered nurse
 - up to a maximum of 720 hours per year
- Fees for medical exams required for employment purposes (if not covered by another plan)

Physiotherapy is limited to 20 visits per year, at which point Green Shield will request additional information from the physician and physiotherapist. Green Shield will review this information and determine whether they will approve the continued treatment for the length of time indicated by the physician or physiotherapist.

Accidental Dental Coverage

Dental expenses incurred because of an accidental blow to the mouth that require prompt repair of natural teeth are covered under the EHC plan. Normal dental care expenses are covered under the dental plan. Please refer to the dental section for details.

Vision Coverage

Vision care expenses for eye examinations (for persons aged 19 to 64), prescription eyeglasses, contact lenses and laser eye surgery are covered up to \$300 per person per 12 month period from the date on the receipt.

Emergency Treatment While Traveling

If you have an accident or medical emergency while traveling outside your province of residence or outside of Canada, the plan will cover 100% of the costs for a ward hospital room, doctors fees, professional ambulance service, and other in-patient or out-patient services and supplies in excess of the amounts covered by our provincial medical plan, up to your benefit maximum, which is \$5 million per claim.

Eligible benefits are limited to a maximum of 60 days per trip.

Be sure to take your ID card with you. If you or one of your covered family members has a medical emergency, Green Shield provides toll-free access to multilingual personnel who will help you locate professional care, services and supplies.

Travel assistance multilingual services are also available 24 hours a day to assist you in locating medical services, arranging medical evacuations and related transportation needs, locating interpreters, replacing lost passports and obtaining other services as required.

Please see the brochure document for more detailed information.

Double Coverage

If you or your spouse have additional EHC coverage outside of the G&F Financial Group plan, you may be able to recover your share of any costs from the other plan. You will be required to:

- pay the full cost of the service or supplies,
- send your claim to the insurer,
- wait for your reimbursement, and
- submit a claim form to your other insurer, with proof of your first reimbursement.

Spouses should claim under their own plan first, and then from the G&F Financial Group plan.

If you have children covered under both our plan and your spouse's plan, the child's claim is submitted first to the plan of the parent born earliest in the year, and then to the other plan. For example, if the mother's birthday is in March, and the father's birthday is in August, the child's claim should be submitted to the mother's plan first.

If you and your spouse both work for G&F Financial Group, claims may be submitted to the insurer under both your names.

Benefits are adjusted so that you cannot recover more than you actually paid out.

Be a Wise Consumer of Prescription Drugs

Health care costs are rising fast but you can do your part to keep costs as low as possible while still having the medicines you need. Talk to your doctor and your pharmacist about generic drugs. They are identical to brand name drugs but without the fancy label and high cost.

Also, check the amount the pharmacist charges as a fee for dispensing your prescription because fees can vary quite a bit between stores. Choosing a pharmacy that provides the best service at the most reasonable cost is part of being a wise consumer.

Making a Claim

For prescription drug claims, please see the "The Conditional Drug Plan" on the following page. Otherwise, follow these instructions: Save all your receipts. Fill out an Extended Health claim form, attach your original receipts, make a copy for your records, and mail them to the insurer. Please note that you will be reimbursed for amounts in excess of the \$25 deductible. After your claim has been processed, the insurer will mail you a cheque for reimbursement of the covered expenses.

It may be that your pharmacist will be reimbursed directly for most prescription drug claims. In any event, direct payment does not apply if you and your spouse have double coverage where claims must be sent to the other insurer first. Once the other insurer has paid the claim, any unpaid portion may be reimbursed by the insurer by submitting a claim form, receipt and proof of the other plan's payment.

For expenses incurred outside of your province, the insurer will coordinate your reimbursement from the provincial medical plan and our Extended Health Care plan, up to the provincial maximums.

All claims should be submitted within 90 days of the expense. Any claims not submitted within one year of the expense will not be covered.

Enrolling New Dependents

You can enrol new dependents by completing a benefits enrolment / change form available from Human Resources. A new spouse or child must be enrolled within 60 days after qualifying as an eligible dependent.

The Conditional Drug Plan

Since the early 1990's, there have been significant advancements in the medical field and the introduction of new, higher priced drugs. Although, these new drug treatments have benefited us, studies have shown there are a growing number of new, higher priced drugs that are no more effective, for certain conditions, than existing, lower cost alternatives. As well, a drug treatment's effectiveness is often hindered by improper use. In order to ensure effective drug treatment coverage, a conditional drug plan has been adopted within the extended health care plan.

New drugs introduced to the market on or after January 1, 2006 will be evaluated to determine whether they will be 'automatically' covered by the plan or not.

Green Shield will evaluate all drugs introduced to the market after January 1, 2006 and will immediately assign the drug a status: "Covered", "Conditional", or "Not Covered". The Conditional Drug Plan will not affect prescription drugs that were covered under the plan before January 1st 2006. The new plan will only affect certain drugs introduced to the market on or after January 1st 2006. So medications covered before the Conditional Drug Plan was introduced will continue to be covered. Please refer to "The Conditional Drug Plan" booklet and/or www.cutrust.com for more information.

Using your Pay Direct Drug Card

You will receive a Green Shield ID card. At the time of purchase, present the card to the pharmacist. The pharmacist will fill the prescription and send the claim to Green Shield electronically. The claim will be adjudicated immediately, and the pharmacist's computer system will advise the pharmacist what portion of the cost the plan will pay. You will be responsible for the remainder of the cost, if any.



General Information

What expenses are not covered?

The EHC plan does not cover all expenses. The most common exclusions are:

- Drugs which have been deemed ineligible by Green Shield.
- Expenses not medically necessary (e.g. smoking cessation products, comfort items).
- Extra or balanced billing costs charged by your doctor.
- Expenses covered by other government programs and plans.
- Expenses covered by other privately sponsored programs and plans (see section on Double Coverage).
- Cosmetic treatments, services and supplies, unless the result of deformities resulting from injury or illness, or congenital defects that interfere with bodily functions.
- Professional services performed by a relative or someone who ordinarily resides with you.
- Treatment for purposefully self-inflicted injuries.
- Charges for completions of forms.
- Treatment for injuries which occur as a result of war, riot, insurrection, or criminal activity.

If you have an expense that is not on this list or identified as a reimbursable expense, check with the insurer to determine if it is covered.

When does coverage end?

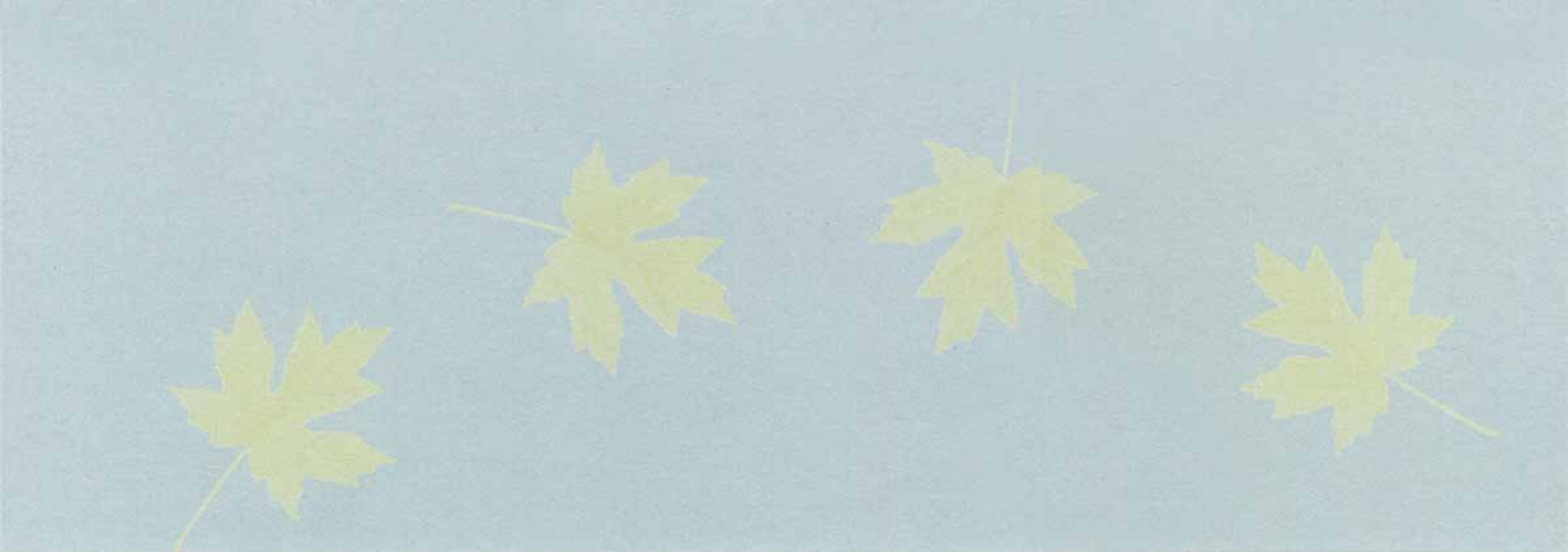
Coverage ends when you are no longer eligible, or on the last day of the month in which you terminate employment, whichever is earlier.

Coverage for your dependents ends at the same time yours ends or when they no longer qualify, if earlier.

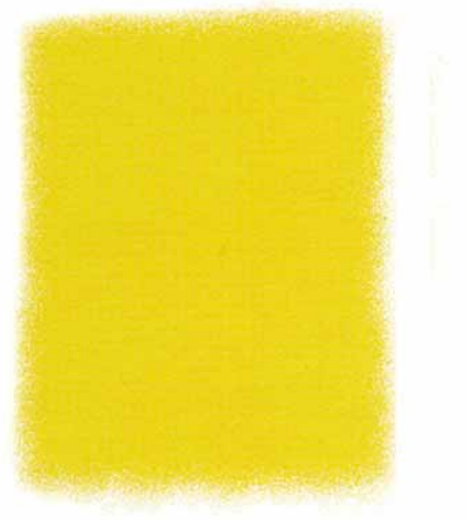




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Dental



Who Pays?

G&F Financial Group pays 100% of the premium for the dental plan. The dental plan reimburses 75% of all basic treatment, 75% of major treatment and 50% of orthodontic treatment.

There is no annual maximum benefit for basic and major treatment.

There is a lifetime \$2,000 maximum for orthodontic treatment per covered individual.

Our plan reimburses expenses based on Green Shield's dental fee guide. **If your dentist charges fees higher than the fee guide, you will be responsible for paying the excess.**

Dental

Our dental plan at G&F Financial Group covers a full range of dental work including:

- Basic Treatment - routine exams, cleaning, fluoride, fillings, and x-rays
- Major Restorative Treatment - crowns, bridges and dentures
- Orthodontic Treatment

How Does the Plan Work?

You will be issued an identity card from Green Shield. Make an appointment to see a dentist of your choice. Show your card, and discuss the services covered, your dentist's charges, and what portion of the cost you will be required to pay. **Please note that not all services may be covered.**

Basic Treatment

Our plan reimburses 75% of the premium for basic dental treatment, which includes:

- Examinations, routine cleaning, fluoride treatment, and bite-wing x-rays - twice each year
- Full mouth x-rays are limited to once every 3 years
- Space maintainers for missing primary teeth
- Pit and fissure sealants for dependent children
- Fillings (white fillings in front teeth only)
- Extractions
- Treatment of gums
- Root canals
- Denture repair and reline (limited to once every 2 years)
- Dental surgery
- Inlays and onlays, if required
- Periodontal Scaling is limited to 8 units per 12-month period (1 unit is 15 minutes)



Major Reconstructive Work

Our plan will reimburse 75% of the cost of major restorative work, which includes:

- Crowns or bridges
- Complete and partial dentures

Services to replace a crown or bridge will not be covered more than once every 5 years.

Laboratory Charges

The Dental plan limits applicable lab expenses to a maximum of 40% of the professional fee. According to insurance companies, although lab fees can vary, most lab fees are either 40% of the professional fee, or less. Should the lab cost exceed 40% of the professional fee, reimbursement for the service will be reduced accordingly.

For example,

Crown (Porcelain fused to Metal) according to the current BC Dental Fee Guide: \$456.00
Lab fee cannot exceed 40% of the cost of the service: $\$456 \times 40\% = \182.40

The Crown would then be assessed at the selected reimbursement percentage (for example 75%). Therefore, in the example above, the Plan would reimburse the cost of the Crown (\$456.00) plus lab (\$182.40), multiplied by the reimbursement percentage (75%).

Orthodontic Treatment

Our plan will reimburse 50% of orthodontic treatment after you (and your dependent if claiming for a dependent) have completed 12 months participation in the plan. The maximum lifetime benefit for orthodontic work is \$2,000 per person.



General Information

Should I get a cost estimate before treatment?

Yes, if extensive dental work is required, your dentist should submit an outline of the proposed services to Green Shield to help determine what services and fees your dental plan will cover.

Insurers pay only for the least expensive treatment that produces a professionally adequate result.

If in doubt, you should check.

What expenses are not covered?

The dental plan does not cover all expenses. The most common exclusions are:

- Cosmetic procedures or temporary dentistry
- Implants for dentures and bridgework
- White fillings in back teeth
- Drugs, medicines and some general anaesthetics
- Treatment covered by WCB
- Expenses for which a third party is liable
- Work started before membership in the G&F Financial Group plan
- Charges for completing forms, or for broken appointments
- Dentures or appliances that have been lost or stolen

If you are unsure about whether your treatment will be covered by the dental plan, you should first check with the insurer, then with Human Resources.

Am I covered for emergency treatment?

Yes. Emergency dental services provided anywhere in the world is covered up to the same limits in accordance with Green Shield's fee guide. You should not have non-emergency work done outside of your province of residence.

When does coverage end?

Coverage ends when you are no longer eligible, or on the last day of the month in which you terminate employment, whichever is earlier. Coverage for your dependents ends at the same time yours ends or when they no longer qualify, if earlier.

Making a Claim

Today, most dentists send the claim and receive payment directly from the insurer. The dentist will ask you to pay only for your share of the expenses.

Other dentists, however, may ask you to pay the full cost yourself and then claim reimbursement from the insurer. In this case, your dentist will give you a completed claim form which you must then send to the insurer.

All claims should be submitted within 90 days of treatment.

How to Enrol

Fill out your enrolment form.

List the dependents you want covered.

Check the Summary of Benefits section
for dependent eligibility.

Double Coverage

If you or your spouse have additional dental coverage outside of the G&F Financial Group plan, you may be able to recover all or a portion of your share of the costs from your other plan, up to Green Shield's dental fee guide.

Let your dentist know that you have coverage under two plans. They will assist you to coordinate the claims to both insurance companies. If you require further advice, contact Human Resources.

Spouses should claim under their own plan first, and then from the G&F Financial Group plan.

If you have children covered under both our plan and your spouse's plan, the child's claim is submitted first to the plan of the parent born earliest in the year, and then to the other plan. For example, if the mother's birthday is in March, and the father's birthday is in August, the child's claim should be submitted to the mother's plan first.

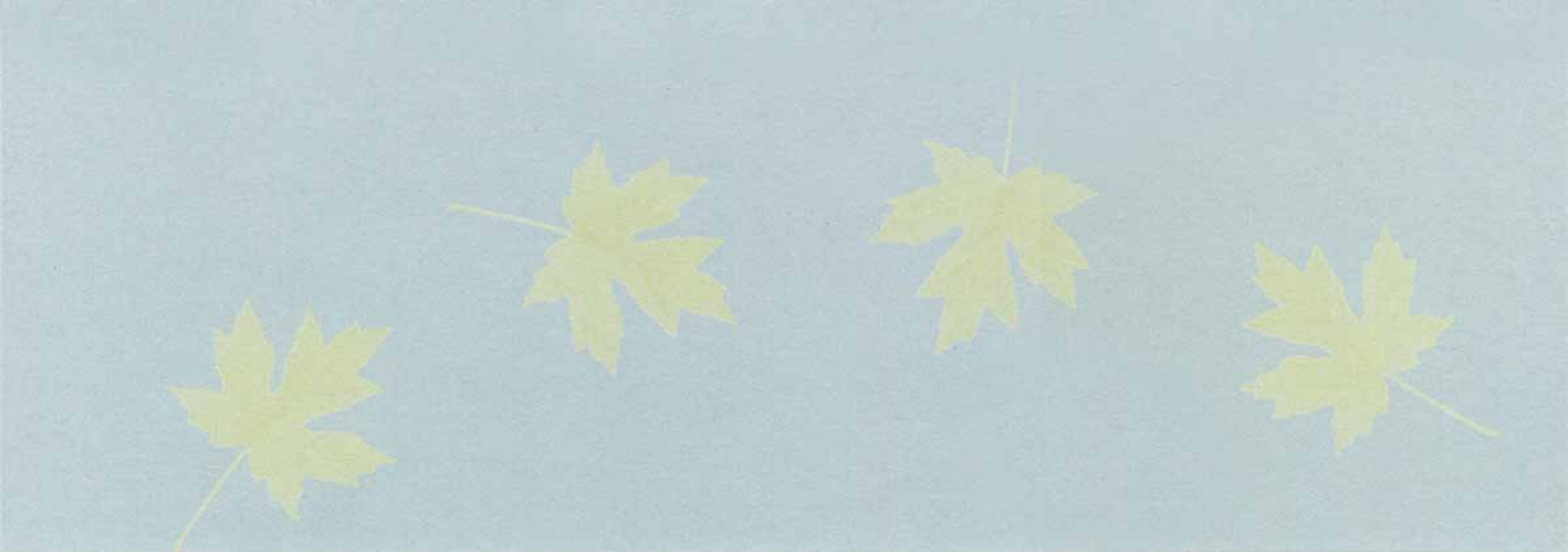
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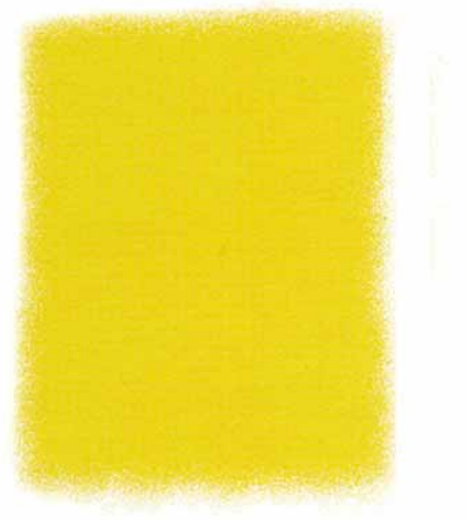




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Disability



Making a STD Claim

Obtain a claim form from Human Resources as soon as you know you will be absent for more than 14 calendar days. After you and your doctor have completed the form, return it to Great-West Life.

There are certain rules about what is considered to be a valid claim, when payments begin, and for how long you would receive them. **You must submit a claim for benefits and that claim must be approved by Great-West Life before benefit payments can begin. Therefore it is important that Great-West Life receives ALL the information needed to process your claim as quickly as possible so your benefit payments are not delayed.**

You may be asked to provide a medical certificate of your disability and to confirm you are under the regular care of a physician. You may also be asked to have an independent medical examination by Great-West Life's doctor and go through a rehabilitation assessment.

Your claim could be denied if you have not provided satisfactory medical documentation of your disability.

Sickness & Disability

Your disability plan provides coverage if you are unable to work due to an illness or injury that is not work related. If your disability is work related, you are covered under the provincial Workers' Compensation Board program. Together, these programs will replace some portion of your regular earnings when an illness or injury keeps you away from your job.

The Disability Plan

Your disability plan is made up of three types of coverage: Sick Leave, Short Term Disability (STD) and Long Term Disability (LTD). Employees will become eligible for STD benefits following the 14 day waiting period. STD benefits can continue for as long as 15 weeks. If the insurance company determines that you are still disabled after this time, you will be eligible to receive benefits under the LTD plan.

Sick Leave

G&F Financial Group provides Sick Leave benefits. Benefit details are included in the 'Other' section.

Short Term Disability

STD covers you when you are sick or injured due to a non-work related cause.

If your disability is work-related, you must make an application for WCB benefits.

Who pays?

G&F Financial Group pays 100% of the the premium for STD plan.

How much income does the STD plan provide?

STD will pay 66 2/3% of your regular earnings, up to \$15,000 per month.

Earnings is based on the annual salary received by an employee excluding overtime and bonuses. For a member earning a commissioned salary, the rate is the average remuneration received during the previous 12 months. If an hourly employee's hours vary, his/her earnings are to be calculated using the average number of hours worked in the last 12 months and the current hourly rate of pay.

Making an LTD Claim

The administrative transition from Short Term to Long Term is fully integrated. If it is determined that your disability will continue for more than 119 days, the initial paperwork submitted for Short Term satisfies the employee's Long Term requirements. Short Term claims that have the potential to progress to Long Term are managed by a single Case Manager who will continue to manage the claim through the transition to Long Term and throughout the Long Term period. Given that this process is seamless, both the Employer and the employee are not required to complete another set of claim forms at the time of the Long Term Disability benefit.

Long Term Disability

If you are unable to return to work after STD benefits end, you may qualify for long term disability (LTD) benefits.

Who pays?

G&F Financial Group pays 100% of the premium for the LTD plan.

How much income does LTD provide?

LTD will pay 66 2/3% of your regular monthly earnings, up to \$15,000 per month.

Earnings is based on the annual salary received by an employee excluding overtime and bonuses. For a member earning a commissioned salary, the rate is the average remuneration received during the previous 12 months. If an hourly employee's hours vary, his/her earnings are to be calculated using the average number of hours worked in the last 12 months and the current hourly rate of pay.

How do I qualify for LTD benefits?

If you are still disabled and unable to perform your job duties after the later of the 119th day (approximately 17 weeks) of disability, or the expiration of sick leave benefits or STD benefits, you may be eligible to receive up to 104 weeks of LTD benefits (or up to 2 years from the commencement of LTD payments).

To receive LTD benefits after this period, you must be unable to work at **any occupation** for which you are, or may reasonably become, qualified by education, training or experience.

While you are disabled you may be required to go through a rehabilitation process. The intent of the program is to ensure that you are able to return to work as quickly as possible.

You are considered disabled if, because of disease or injury, there is no combination of duties you can perform that regularly took at least 60% of your time at work to complete.

Questions on...

STD

- **When will benefits start?**

Upon approval of your claim benefits begin on your 15th day of disability, or on the first day you are treated by a doctor, whichever is later.
- **How often will I receive benefits?**

You will receive STD benefit payments weekly.
- **How long will I receive benefits?**

As long as you are still considered to be disabled by Great-West Life, STD benefits will continue for up to 15 weeks, but not beyond your 65th birthday.
- **What if I receive other income?**

You may qualify to receive benefits from other sources. If so, any STD benefits you receive will be reduced by income received from these sources, to ensure total benefits do not exceed 85% of your pre-disability gross income.
- **Do I qualify for benefits if, due to my disability, I am only able to work on a part-time basis?**

Yes. You may qualify for partial benefits if the program is approved by Great-West Life.
- **How does a third party liability settlement affect my benefits?**

If another party may be held responsible for your disability or your loss of income and you receive a settlement from the other party for your loss of income, you will be required to repay some or all of your STD benefits.
- **What if my disability re-occurs?**

If you have a relapse of the same or related disability within 30 days of returning to work, your STD benefits will resume where they left off.

LTD Reductions for Other Income

Your LTD benefit will be reduced if you receive other additional income. Your benefit will be reduced dollar for dollar by certain types of income including:

- CPP/QPP payments (not including income payable for your dependents)
- WCB benefits

Your LTD benefit will also be reduced if your income from all sources is more than 85% of your pre-disability earnings. Income from all sources includes:

- other group disability benefits
- CPP/QPP payments (including income payable for your dependents)
- WCB benefits
- disability benefits from automobile insurance, and
- any employer or government-sponsored disability or pension plans.

Your LTD benefit will NOT be reduced if you receive any income from an approved rehabilitation program.

LTD

If you qualify for LTD benefits, they will begin when your STD benefits end.

You will receive LTD benefit payments monthly.

Provided that LTD benefits are approved, and continue to be approved, LTD benefits will continue until you recover, terminate, or reach age 65, whichever is earlier. (See - How do I qualify for LTD benefits?)

You may qualify to receive benefits from other sources, as described above (LTD Reductions for Other Income). If so, any LTD benefits you receive will be reduced by income received from these sources, to ensure total benefits do not exceed 85% of your pre-disability gross income. However, if you are participating in an approved rehabilitation program you may be eligible to receive up to 100% of your pre-disability income.

Yes. Any income you receive from an approved rehabilitation program will NOT result in a reduction of your benefits. There will be no reduction of rehabilitation earnings unless the the sum of your disability and rehabilitation earnings exceed 100% of pre-disability income.

If another party may be held responsible for your disability or your loss of income (for example, through a car accident claim) and you receive a settlement from the other party for your loss of income, you will be required to repay some or all of your LTD benefits.

You will not have to re-qualify for LTD benefits if the same or a related disability re-occurs within 6 months of your return to work. Your LTD benefits will resume as soon as the relapse occurs.

STD

- Are there any disabilities not covered by this plan?

Most disabilities are covered. However, there are some exclusions such as if your disability results from participation in war.

- Are pre-existing conditions covered?

Yes.

- Are there any other limitations I should know about?

Yes. For example, benefits are not payable while you are on a leave of absence or if:

- You are working outside Canada (unless approved in advance).
- You refuse to follow the recommended treatment program or rehabilitation program.
- You are confined in a penal institution or other house of correction.

If you are not sure whether your disability is covered, check with the insurers.

- When does coverage end?

Your STD coverage ends when you are no longer considered by the insurer to be disabled, when you are no longer an eligible employee, on your last day of work, or when you reach age 65, whichever is earliest.

- Is the benefit taxable?

Yes. The income tax is automatically deducted from your benefit

- What if I leave the country?

Benefits will not be paid while you are outside Canada unless approved in advance by Great-West Life.



LTD

Most disabilities are covered. However, there are some exclusions such as:

- Your disability results from, or is influenced by, chronic alcoholism or the use of narcotics, barbiturates or hallucinogens, unless undergoing active professional treatment,
 - Your disability results from an injury or illness sustained in declared or undeclared war, insurrection, or rebellion, or
 - You are disabled while participating in a criminal act, riot or civil commotion.
-

If you were hired prior to February 1, 2006, a pre-existing condition is one for which you received medical attention, consultation, diagnosis or treatment during the 12 months before becoming insured. This exclusion does not apply if you, after becoming insured, have been actively working for 3 consecutive months with no absence related to the pre-existing condition clause.

If you were hired after February 1, 2006, a pre-existing condition is a disability arising from a disease or injury for which you obtained medical care before you became insured. Medical care is considered to be obtained when you consulted a doctor, used medication on the advice of a doctor, or received other medical services or supplies. This exclusion does not apply if disability starts after: (a) you have been continuously insured for 1 year; or (b) you have not had medical care for the disease or injury for a continuous period of 90 days ending on or after the date you insurance took effect.

Yes. For example, benefits are not payable while you are on a leave of absence or if:

- You refuse to submit required medical information when requested,
- You do not accept medical care or treatment appropriate for your condition,
- You fail to comply with the terms of a reimbursement agreement,
- You are not under the care of a legally qualified doctor or specialist,
- You refuse to participate in an approved medical coordination program or rehabilitation program,
- You are confined in a penal institution or other house of correction.

If you are not sure whether your disability is covered, check with the insurers.

Your LTD coverage ends when you are no longer considered to be disabled, when you are no longer an eligible employee, on your last day of work, or when you reach age 65, whichever is earliest.

Yes. Income tax will be automatically deducted from your LTD payments.

Benefits will not be paid while you are outside Canada unless approved in advance by Great-West Life.

Government Disability Plans

Workers' Compensation Board (WCB)

WCB benefits pay a portion of your earnings if you become ill or injured as a result of performing your duties at work. For example, in BC, the benefit amount is 90% of your average net earnings. WCB adjusts the maximum weekly benefit amount periodically. The length of time you remain covered is determined by WCB. In order to receive this benefit, you must apply to the Workers' Compensation Board. WCB forms can be obtained from Human Resources.

Employment Insurance Benefits (EI)

EI benefits are provided through the federal government and both you and the company contribute to the cost. In addition to employment benefits, this program coordinates with the G&F Financial Group disability plans.

EI replaces a portion of your weekly earnings up to a maximum amount that is adjusted yearly (in 2011, the EI replacement rate = 55% and the weekly maximum = \$468). EI disability benefits may continue for up to 15 weeks.

You may be eligible to receive EI benefits for the following reasons:

- for disabilities not covered under the STD or LTD plans;
- to replace a portion of your earnings when STD or LTD benefits end;
- to replace a portion of your earnings while you are on maternity leave.

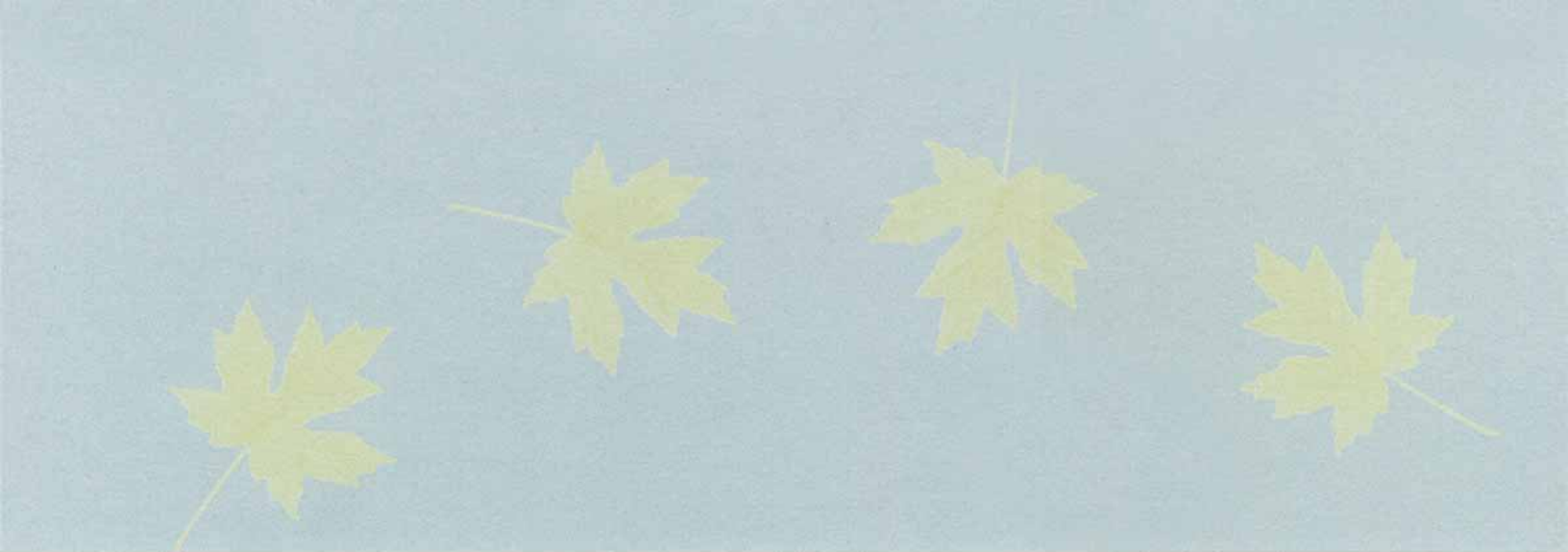
Canada Pension Plan (CPP)

You are required to apply for benefits from the Canada Pension Plan after 4 months of disability. You may be eligible under the following conditions:

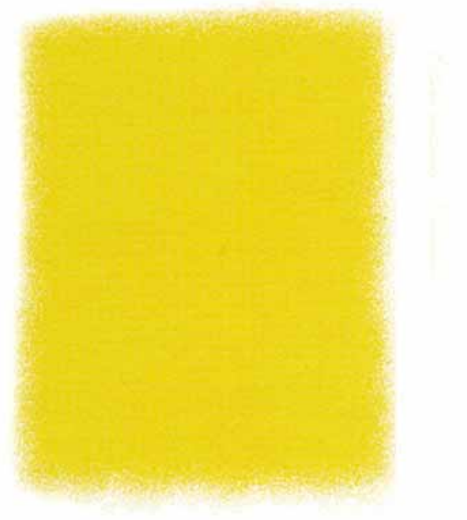
- your disability must be severe enough to prevent work at any gainful occupation, and
- your disability must be prolonged.

Please note that the amounts listed above are subject to modification.

While every effort has been made to provide you with information that is easy to understand, not all details are included. The legal documents will govern in all cases, and may be reviewed upon request. Errors & Omissions Excluded. If you have any questions regarding your benefits program, please contact Human Resources.



Insurance



Life & Accident Insurance

Your insurance plans at G&F Financial Group are designed to provide financial assistance if you or your spouse die or become seriously injured. The plan includes three different types of insurance coverage.

These are:

- *Basic Life Insurance*
- *Optional Life Insurance for you and your spouse*
- *Accidental Death and Dismemberment (AD&D) Insurance*

How Do the Plans Work?

G&F Financial Group provides basic life and accident insurance to all of our eligible employees. For these benefits you do not have to pass a medical exam in order to be insured. But, you must complete an enrolment form indicating your beneficiary.

If you want additional life insurance coverage for yourself or your spouse, G&F Financial Group offers an optional life insurance plan.

Who pays?

G&F Financial Group pays 100% of the premium for your basic life insurance. G&F Financial Group pays 100% of premium for your AD&D insurance.

If you want to have more coverage for yourself or your spouse, you can purchase optional life insurance. The premium of the optional insurance depends on the amount of coverage you choose, your age, gender, and whether you have smoked cigarettes, marijuana, or any other narcotics, or used tobacco products in the last twelve months.

How to Enrol

You are automatically enrolled in the life and AD&D insurance plans. However, you do need to fill out the enrolment form so that a record of your beneficiary(ies) exists.

You can change your beneficiary(ies) at any time.

If you choose to have optional life insurance, you must complete the optional life section of your enrolment form. For this coverage a health questionnaire must be completed. You may also be requested to have a medical examination.

Basic Life Insurance

Your basic life insurance is 3 times your annual earnings to a maximum benefit of \$1,200,000. Once you reach age 65, your basic life insurance amount decreases to 1.5 times your annual earnings.

Earnings is based on the annual salary received by an employee excluding overtime and bonuses. For a member earning a commissioned salary, the rate is the average remuneration received during the previous 12 months. If an hourly employee's hours vary, his/her earnings are to be calculated using the average number of hours worked in the last 12 months and the current hourly rate of pay.

What if my salary changes?

Your coverage amount changes automatically when your salary changes. However, if your coverage increases you must be actively at work before receiving the higher coverage.

When does coverage end?

Your coverage ends 31 days after your last day of active employment or age 70, whichever is earlier. You can convert your coverage from G&F Financial Group's group life insurance to an individual insurance policy without having a medical exam, provided you apply in writing to Great-West Life and pay the premium within those 31 days.

What if I become disabled?

If you become disabled, your life insurance coverage will continue while you are on STD and as long as premiums are paid. As long as you are on LTD, your coverage will continue up to age 65 while you are totally disabled.

Living Benefit
If you become terminally ill, you may qualify for an advance payment of a portion of your Life Insurance coverage, which pays up to 50% of your coverage up to maximum of \$50,000.

AD&D Insurance

Your AD&D coverage is 2 times your annual earnings up to \$800,000. Again, "annual earnings" do not include bonuses, premiums, overtime, or any extra compensation.

If you die accidentally, your beneficiary(ies) will receive 100% of your coverage.

If you suffer a serious injury, you will receive a certain percentage of your coverage amount, if the loss occurs within one year of the accident. Depending on the injury, you will receive the benefit shown on the Accident Coverage Table.

Who receives the benefit if I die?

Your beneficiary(ies) receives the benefit.

Who receives the benefit if I have a serious injury?

You receive the benefit.

Are there any special conditions I should know about?

Yes. No more than 100% of your coverage (200% in the case of paraplegia, hemiplegia, quadriplegia, loss of use of both arms or both legs or loss of use of one arm and one leg on the same side of the body) will be paid per accident, no matter how many individual injuries occur.

Also, claims must be submitted no later than 12 months following the accident.

Temporary Leave of Absence

If you are covered for AD&D during a temporary leave of absence (other than Maternity or Parental leave), please note that you will need to advise The Co-operators if you travel outside Canada. Written approval from the insurance company must be obtained before you leave Canada in order to ensure you are covered for an out-of-country AD&D claim. If your leave of absence (other than Maternity or Parental leave) lasts longer than 3 months, out-of-country AD&D coverage is not available.

Is there anything the plan will not cover?

Yes. For example, the plan will not cover death or injuries resulting from:

- suicide or attempted suicide;
- intentionally self-inflicted injury;
- war, or any act of war, insurrection, riot or civil disorder;
- bodily or mental infirmity or treatment thereof;
- while acting as a pilot or crew member of any aircraft or if the flight is for the purpose of aeronautical instruction;
- commission, or attempted commission, of any criminal offense; or
- injuries sustained as a result of driving a vehicle if your blood contains more than 80 mg. of alcohol in 100 ml. of blood.

What if I become disabled?

If you become disabled, your life insurance coverage will continue while you are on STD and as long as premiums are paid. As long as you are on LTD, your coverage will continue up to age 65 while you are totally disabled.

Critical Disease

Benefits

You will receive 10% of your AD&D coverage if you become disabled for at least 9 months as a result of contracting certain critical illnesses including:

- Poliomyelitis
- Parkinson's Disease
- Huntington's Chorea
- Multiple Sclerosis
- Alzheimer's Disease
- Type 1 Diabetes (insulin dependent)
- Amyotrophic Lateral Sclerosis (ALS)
- Peripheral Vascular Disease
- Necrotizing Fasciitis

AD&D benefits will also be payable if you lose the use of limbs, sight, speech, or hearing through contracting any of these diseases.

Example

Kevin Gardner has an accident and loses his hearing in both ears. Kevin's annual salary at G&F Financial Group is \$30,000 per year. His AD&D insurance is 2 times annual earnings, or \$60,000. For his injury, Kevin will receive \$40,000 (66 2/3 % of \$60,000, as shown in the Accident Coverage Table below).

Accident Coverage Table

Loss of:	% Paid	For loss of use of:	% Paid
Paraplegia.....	200	Both legs or both arms.....	200
Hemiplegia.....	200	One arm and one leg on	
Quadriplegia.....	200	the same side of the body.....	200
Life.....	100	Both hands or both feet.....	100
Both arms or both legs.....	100	One leg and either	
Both hands or both feet.....	100	one hand or one arm.....	100
Sight of both eyes.....	100	One arm or one leg.....	75
One hand and one foot.....	100	One hand or one foot.....	66 ^{2/3}
Sight of one eye and either			
one hand or one foot.....	100		
Speech and hearing in both ears.....	100		
One arm or one leg.....	75		
One hand or one foot.....	66 ^{2/3}		
Speech.....	66 ^{2/3}		
Hearing in both ears.....	66 ^{2/3}		
Sight of one eye.....	66 ^{2/3}		
Thumb and index finger			
of the same hand.....	33 ^{1/3}		
Four fingers of one hand.....	33 ^{1/3}		
Hearing in one ear.....	33 ^{1/3}		
All toes of one foot.....	25		

When does coverage end?

Your AD&D coverage ends on the last day worked in the month in which you terminate employment, or at age 70, whichever is earlier.

Optional Life Insurance

If you would like additional life insurance coverage, you can purchase it through G&F Financial Group's optional life insurance plan. The cost of this insurance coverage is often less than you would pay if you purchased the coverage yourself from an insurance company.

You and your spouse can each purchase up to \$500,000 of coverage in units of \$10,000. You must complete the Optional Life section of the enrolment form and send it to Human Resources.

Are there any medical requirements?

Yes. The statement of health form asks a number of health related questions. You and/or your spouse may also be requested to have a medical examination. The statement of health should be sent directly to Great-West Life.

How much does the insurance cost?

Premiums are based on age, gender and smoking status.

How do I qualify as a non-smoker?

You qualify as a non-smoker if you have not smoked cigarettes, marijuana, or any other narcotics, and have not used tobacco products for at least 12 months.

What if I become disabled?

If you become disabled, your life insurance coverage will continue while you are on STD and as long as premiums are paid. As long as you are on LTD, your coverage will continue up to age 65 while you are totally disabled.

Special AD&D Benefits

Additional benefits to help you and your family in the case of accidental death or serious injury:

- family transportation - maximum \$3,000
- home alteration and vehicle modification - maximum \$10,000
- rehabilitation and retraining expenses - maximum \$10,000
- repatriation benefit - maximum \$10,000
- spouse's occupational training - maximum \$10,000
- children's educational expenses - maximum \$5,000 per year for up to 4 years



When does coverage begin?

Coverage begins on the day of approval of your application by Great-West Life, provided you are actively at work on that date. If you are off work due to sickness or injury, your coverage begins on the date you return to work. If your spouse is in hospital on the date their coverage would normally become effective, coverage begins the day after discharge.

Who receives the benefit if I die?

You may name any beneficiary(ies) to receive your insurance benefit.

If my spouse has coverage who receives the benefit if he or she dies?

Under Spousal Optional Life, you receive the benefit if your spouse dies.

What if I want to change or cancel my coverage?

You can change your beneficiaries or your coverage amount at any time by completing a form available from Human Resources. A new enrolment form must be completed for coverage changes. You can also change from smoker to non-smoker status whenever you qualify.

Is there anything the plan does not cover?

Yes. No benefit is paid if death is due to suicide within 12 months following the effective date of coverage.

What if I become disabled?

If you become disabled, your life insurance coverage will continue while you are on STD and as long as premiums are paid. As long as you are on LTD, your coverage will continue up to age 65 while you are totally disabled.

When does coverage end?

Coverage ends 31 days after your last day of active service, at age 70, or at the end of the month in which you request cancellation. Your spouse's coverage ends at the same time or when they no longer qualify as an eligible spouse, whichever is earlier.

If you leave G&F Financial Group, you can convert your coverage and your spouse's coverage from this group plan to an individual insurance policy without having a medical exam, provided you apply to the insurance company in writing and pay the premium within 31 days.

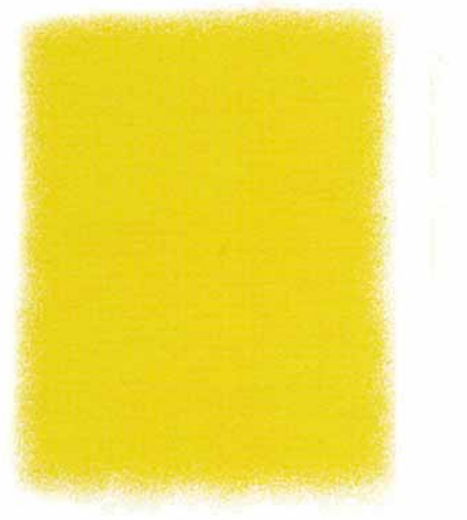




While every effort has been made to provide you with information that is easy to understand, not all details are included. The legal documents will govern in all cases, and may be reviewed upon request. Errors & Omissions Excluded. If you have any questions regarding your benefits program, please contact Human Resources.



Defined Benefit Pension Plan



Pension Plan

To help you prepare for financial security in your retirement years, G&F Financial Group provides a **defined benefit pension plan** through the B.C. Credit Union Employees' Pension Plan. You may also receive retirement income from the government programs, Canada Pension Plan (CPP) and Old Age Security (OAS).

Your retirement income is a shared responsibility. Company and government pensions provide only part of the income most Canadians feel they need to live comfortably during their retirement years. You are encouraged to begin financial planning early in your working career, and consider making contributions to a personal RRSP or other long term investment vehicles.

Retirement Age

Normal retirement age is 62.

You may, however, retire between ages 55 and 62 with an adjusted pension. You can also postpone collecting your pension payment as late as age 71.

Group RRSP

G&F Financial Group provides group RRSP benefits. Benefit details are included in the 'Group RRSP' section.

How Does the Plan Work?

The plan is intended to provide a pension when you retire. You are required to make contributions which vary, depending on your age. G&F Financial Group pays a share of the cost required to pay for your pension. G&F Financial Group's contributions and employee contribution may change over time according to the pension plan valuation. (A valuation is an analysis performed regularly by the plan actuaries to determine the amounts necessary to fund the plan.)

The amount of your pension is directly related to your earnings and length of service. The greater your earnings and the longer your service, the greater your pension will be.

As a participant in the plan, you will receive a statement each year telling you how much pension you have earned. It will also estimate how much you are likely to receive if you continue working for G&F Financial Group, assuming your salary remains at its current level.

Eligibility

All full-time employees are eligible to join the plan after 1 year of employment.

Inflation Protection

For service before January 1, 2010, our pension is indexed. Indexing is a very important feature of our pension plan. Not all plans have this feature because it can be expensive. Indexing means that your G&F Financial Group pension will be increased every January 1st to protect you against inflationary increases, at a rate equal to 50% of the increase in the Consumer Price Index. The maximum annual increase is 3%. For service after December 31, 2009 your pension will be increased only when the plan can afford it.

Contributions

Employer

G&F Financial Group will contribute the amount based on the recommendation of the plan actuary.

Employee

You are required to make contributions based on your age. Your contributions are automatically deducted from your pay. The current deduction schedule is provided below.

Age	% of Earnings
Under 25	2.5%
25 - 29	3.5%
30 - 34	4.5%
35 - 39	5.5%
40 - 44	6.5%
45 - 49	7.5%
50 - 54	8.5%
55 and over	9%

Voluntary

In addition to your required contributions, you can also make voluntary contributions through automatic payroll deduction. Voluntary contributions can be withdrawn or transferred to your personal RRSP at any time. Additional voluntary contributions will reduce the amount you can contribute to your RRSP in the following calendar year.



Amount of Pension

Your pension is based on two factors:

Highest Average Earnings - your highest average 60 consecutive months of earnings in the last 10 years of membership in the plan.

Credited Service - number of years you were a contributing member of the pension plan, plus any years of past service that you have purchased.

(If you did not join the pension plan when you were first eligible, you may still be able to purchase this time as credited service. Contact Human Resources if you are interested in this option.)

Pension Formula

Your pension is calculated as:

$$\Rightarrow 1.75\% \times \text{Highest Average Earnings} \times \text{Years of Credited Service}$$

Example

Barbara is 62 years old. She has worked for G&F Financial Group for 23 years, and has accumulated 20 years of credited service in the defined benefit pension plan. If Barbara retires with her highest 5-year average earnings equal to \$40,000, her pension would be:

$$\Rightarrow 1.75\% \times \$40,000 \times 20 \text{ years}$$

$$\Rightarrow \$14,000 / \text{year (partly indexed)}$$

Government Plans

The federal government provides two benefits that you may be eligible to receive upon retirement. These benefits are from the Canada Pension Plan (CPP) and Old Age Security (OAS).

CPP is available to all Canadians who have worked in Canada. You make payments to CPP by deductions from your paycheque. G&F Financial Group makes an equal contribution on your behalf. You will be eligible to receive your CPP benefits when you reach age 65, or as early as age 60 if you choose to retire sooner. The amount of your CPP benefit will depend on how many years you have been working and contributing to CPP, and your earnings during those years. The maximum CPP benefit for 2012 is \$986.67 per month. This amount is adjusted annually to reflect increases in the cost of living.

OAS is a benefit paid by the federal government when you reach age 65. You cannot receive it earlier. OAS is paid to all Canadian citizens or legal residents who have lived in Canada for at least 10 years after attaining 18 years of age. The OAS maximum is \$540.12 per month (in January 2012). This amount is adjusted quarterly to reflect increases in the cost of living.

You can inquire about your CPP and OAS pension by phoning 1-800-277-9914.

Early Retirement

If you are at least 62 years old, you can retire from G&F Financial Group with an **unreduced** pension.

If you are at least 55 years old, you can retire with an **adjusted** pension, as follows:

- If you retire before age 60 and you have at least 10 years of total service (pre 2010 and post 2009 combined), the early retirement adjustment for pre 2010 service is equal to 100% minus 3% for each year that your retirement precedes your 60th birthday.
- If you retire before age 60, but have fewer than 10 years of total service (pre 2010 and post 2009 combined), the early retirement adjustment for pre 2010 service is equal to 100% minus 6% for each year that your retirement precedes your 60th birthday.
- If you retire before age 62, the early retirement adjustment for post 2009 service is equal to 100% minus 6% for each year that your retirement precedes your 62nd birthday.

In all three cases, the early retirement adjustment is more valuable than the actuarial adjustment. Please note that these early retirement adjustments are subject to Trustee consent. In the absence of that approval, the early retirement pension would be actuarially adjusted so that the value of the smaller early retirement benefits payable for your lifetime is equal to the value of the pension you would have received had you retired on the normal retirement date.

Examples of the calculation at different levels of age, service and pensionable earnings follow. In the first example, the pension for the pre 2010 service is not adjusted because the retirement occurs at age 60, while the post 2009 pension is adjusted because the retirement is before age 62:

Current age	50
Retirement age	60
Pre 2010 (credited service to December 31, 2009)	18
Post 2009 (credited service from January 1, 2010)	10
Highest Average Pensionable Earnings	\$80,000

Pension Earned	Early Retirement Factor		Pension Accrual Rate		Credited Service		Highest Average Pensionable Earnings		Annual Pension
Pre 2010	100%	x	1.75%	x	18	x	\$80,000	=	\$25,200.00
Post 2009	88%	x	1.75%	x	10	x	\$80,000	=	\$12,320.00
Total					28				\$37,520.00



In the following example, both pieces of the pension are reduced, but by different amounts. Note that even though this member has less than 10 years of pre-2010 service, he has more than 10 years of total service, so the reduction factor that applies to his pre-2010 service is only 3% per year that he retires before age 60 (rather than 6% per year):

Current age	45
Retirement age	55
Pre 2010 (credited service to December 31, 2009)	8
Post 2009 (credited service from January 1, 2010)	10
Highest Average Pensionable Earnings	\$50,000

Pension Earned	Early Retirement Factor		Pension Accrual Rate		Credited Service		Highest Average Pensionable Earnings	=	Annual Pension
Pre 2010	85%	x	1.75%	x	8	x	\$50,000	=	\$5,950.00
Post 2009	58%	x	1.75%	x	10	x	\$50,000	=	\$5,075.00
Total					18				\$11,025.00

Following is an example of a member who has fewer than 10 years of total service when he retires. Note that the reduction factor that applies to his pre-2010 service is 6% per year that he retires before age 60 because this member has less than 10 years of total service when he retires; the difference between the pre 2010 and the post 2009 early retirement adjustment factors is the difference between a 6% adjustment to age 60 and a 6% adjustment to age 62:

Current age	53
Retirement age	57
Pre 2010 (credited service to December 31, 2009)	4
Post 2009 (credited service from January 1, 2010)	4
Highest Average Pensionable Earnings	\$35,000

Pension Earned	Early Retirement Factor		Pension Accrual Rate		Credited Service		Highest Average Pensionable Earnings	=	Annual Pension
Pre 2010	82%	x	1.75%	x	4	x	\$35,000	=	\$2,009.00
Post 2009	70%	x	1.75%	x	4	x	\$35,000	=	\$1,715.00
Total					8				\$3,724.00

Pension Payment

Your pension will be paid to you monthly for as long as you live. The standard form of pension is a lifetime pension guaranteed for a minimum of 10 years if you are single. Otherwise, if you are married at the time of your retirement, your standard form of pension is guaranteed to continue to pay 60% of your pension to your surviving spouse in the event of your death, and the payment is guaranteed for a minimum of 5 years. However, there are a number of different forms of pension payments to choose from. If you are married, you can choose a pension that continues to pay your spouse 66-2/3%, 75%, or 100% of your retirement pension. Single life optional forms are available for married members upon completion of spousal waiver forms.

If you do not have a spouse when you retire, you can choose instead to receive:

- a lifetime pension with no guarantee, or,
- a lifetime pension guaranteed for at least 5, 10 or 15 years.

The amount of your monthly pension is adjusted to reflect which form of payment is chosen. You are encouraged to contact Human Resources before you plan to retire, to discuss the options available to you.

Another Example

Current age	50
Retirement age	57
Pre 2010 (credited service to December 31, 2009)	12
Post 2009 (credited service from January 1, 2010)	7
Highest Average Pensionable Earnings	\$45,000

Pension Earned	Early Retirement Factor		Pension Accrual Rate		Credited Service		Highest Average Pensionable Earnings		Annual Pension
Pre 2010	91%	x	1.75%	x	12	x	\$45,000	=	\$8,599.50
Post 2009	70%	x	1.75%	x	7	x	\$45,000	=	\$3,858.75
Total					19				\$12,458.25

You can personalize and model other scenarios by visiting the online calculator at www.cutrust.com (the modelling calculator is located under the Plan-it Wealth section of the website)

What if I take a leave of absence?

All approved leaves of absence, including pregnancy and parental leaves, will continue to earn credited service, up to a maximum of 2 years, provided that you continue to make the required contributions.

Other Benefits

Termination

Upon termination of employment or plan membership before age 55, you are entitled to a deferred pension starting any time after age 55. Alternatively, you can transfer the greater of:

- 1.5 times your own required contributions accumulated with investment earnings, or
- the value of your pension.

You may:

- transfer this amount to your personal (locked-in*) RRSP, or
- transfer this amount to a Life Income Fund, or
- use this amount to purchase an annuity from an insurance company, or
- transfer this amount to your new employer's pension plan (if it can receive such transfers, and as long as the funds are subject to legislative lock-in provisions).

If you transfer the value of your pension from the plan, you may be eligible to receive additional RRSP contribution room. If the value of benefits you receive from the plan is less than the Pension Adjustments that were reported to you in prior years, you will receive a Pension Adjustment Reversal, which reinstates some of your RRSP room.

If you leave after age 55 you can:

- Start receiving your pension immediately, or
- Delay your pension until age 62.

Leaves of Absence or Short Term Disability

If you are on pregnancy leave, parental leave, jury duty or other leaves as set out in the applicable Employee Standards legislation or are receiving Short Term Disability benefits, you will remain a member of the pension plan, as long as you remain an employee of G&F Financial Group. During this period, you may elect to continue to make your contributions to the plan. If you do, G&F Financial Group will continue to make its contributions on your behalf, and you will continue to receive credited service. Contributions will be based on your earnings prior to your leave/disability. However, if you elect not to continue your contributions, you will not continue to receive credited service.

Long Term Disability

If you become disabled and are receiving Long Term Disability (LTD) benefits from a plan sponsored by G&F Financial Group or are receiving CPP disability benefits, you will remain a member of the pension plan, as long as you remain an employee of G&F Financial Group. During this period, you will not be required to make contributions to the plan, but you will continue to receive credited service.

Death

If you die **before** age 55 your spouse will receive a death benefit from the pension plan with the same options as shown under Termination. If you do not have a spouse, or your spouse waives their rights as beneficiary, your beneficiary will receive a lump sum payment equal to the benefit you would have received if you had terminated employment.

If you die **after** age 55, the death benefit will be calculated as though you had just retired.

- Your spouse would receive the pension that would have been payable had you retired the day before your death and elected a joint and 100% survivor pension, or
- A beneficiary other than your spouse would receive a cash payment equal to the value of the pension that would have been paid had you retired and elected a life pension with a 15-year guarantee period.

***Pension legislation requires that all employer and employee contributions made after December 31, 1992 are locked-in after you have completed 2 years' plan membership.** Locked-in means that the money cannot be withdrawn in cash. It must eventually be used to provide retirement income through the purchase of a lifetime annuity or transfer to other prescribed vehicles. Contributions made prior to January 1, 1993 are not locked-in, and may be paid in cash or transferred without the locking-in restriction.

Choosing a Beneficiary

It is important to know that, for pension plan purposes, B.C. Pension Legislation requires that if you have a legally married or common law spouse, your death benefits must be paid to that spouse, regardless of your named beneficiary (unless your spouse waives this entitlement). This is not the same for insurance benefits, where the benefit is paid to your named beneficiary.

If you die before retirement, your pension plan death benefits will automatically go to your legally married spouse. If you do not have a legally married spouse, or if you have been living separate and apart from your married spouse for more than 2 years, your death benefits will be paid to your common law spouse, if any. Common law spouse may include a person of the same sex, and is defined as the person with whom you have been living in a marriage like relationship for a period of **not less than two (2) years**.

If you do not have a married or common law spouse, your death benefits will be paid to your named beneficiary(ies). If you have neither a spouse, nor a named beneficiary, benefits will go to your estate.

Tax Issues

Am I taxed when G&F Financial Group makes a contribution to the pension plan?

No. G&F Financial Group's contributions to the plan are not added to your income and, therefore, are not subject to income tax.

Are my pension benefits taxed?

Yes. Pension payments you receive from the plan are treated as taxable income at the time you receive them. Normally, income tax is automatically deducted from your pension payments.

Does my membership in this pension plan affect the amount I can contribute to an RRSP?

Yes. Membership in the G&F Financial Group Pension Plan has a direct effect on how much you can contribute to an RRSP. The value of your earned pension is reported as a Pension Adjustment (PA) on your T4 slip.

The PA and your RRSP contributions together cannot exceed the lesser of 18% of your earned income, or a specified dollar limit. The 2011 dollar limit is \$22,450.

Each year, Canada Revenue Agency will send you a statement telling you how much you can contribute to your RRSP.

Annual Statement
Each year you will receive a personalized annual statement showing the pension you have earned to date and your expected pension at retirement assuming your earnings stay at their current level.

Investment Options for Voluntary Contributions

If you have voluntary contributions there are six investment funds to choose from, with different levels of risk. Your funds are credited daily with investment earnings based on their investment performance. In any given year, investment earnings can either be positive or negative.

Disclosure of Information

If the plan is terminated, the Plan and Trust Agreement provide that all assets held under the trust fund are for the exclusive benefit of the Members and their beneficiaries. No surplus assets that may arise on termination of the Plan can be payable to the employers.

If the Plan is terminated, and if the assets available under the Plan are less than the liabilities for the benefits earned under the Plan, then your benefit entitlement may be reduced.

The Trustees determine the amount of Employer contributions. The Trustees may, if they choose, determine that Employer contributions be reduced or set at zero (i.e. a contribution holiday), if there is a surplus during the continuance of the Plan.

- **Money Market Fund**

This fund consists of high quality short term investments such as government treasury bills, short term bonds, and other short term instruments that provide stable, predictable returns. This investment fund is expected to have low risk and provide moderate long term growth.

- **Conservative Portfolio Fund**

With a primary emphasis on income, this portfolio is the most conservative of the Portfolio Funds. It is designed for those investors who have a shorter-term investment horizon, want a regular income stream, and have concerns about investment volatility. A small equity component is included to bolster returns above fixed income levels.

- **Moderate Portfolio Fund**

This portfolio is designed for investors who have a medium-term investment horizon and prefer more income than growth. The investment mix is managed to ensure lower growth volatility than other more aggressive options, but still provide a solid component for growth.

- **Balanced Portfolio Fund**

This portfolio is designed for those investors who want a longer-term balance between growth and income at reduced volatility levels. The portfolio is managed to take advantage of market conditions.

- **Advanced Portfolio Fund**

With a primary emphasis on growth, this portfolio is made up primarily of equities. This fund is appropriate for investors who want some income in the short term but are more interested in long-term capital appreciation.

- **Aggressive Portfolio Fund**

For investors who want the potential for maximum long-term growth, this portfolio consists solely of equity investments. This fund is appropriate for people with a long-term investment horizon and who are unconcerned with short-term investment volatility.

What else should I know?

- All pension benefits, termination benefits, death benefits, and other amounts payable, are designed to provide retirement income.
- With the possible exception of marital breakdown, your benefits cannot be assigned to anyone, nor can they be claimed by your creditors.
- G&F Financial Group is a participating employer in the B.C. Credit Union Employee Pension and Benefit Plans. The Board of Trustees of the Plans operates and administers all pension plan and group benefit programs on behalf of its members.
- Although the Board of Trustees expects to continue the Plans indefinitely, it reserves the right to alter or discontinue the Plans.
- If you have periods of employment with G&F Financial Group during which you did not participate in the plan, you may make past service contributions to receive credit for these years of service. Also, if you have years of credited service in the money purchase pension plan, you may transfer your contribution balances from that plan to purchase eligible years of service in the defined benefit plan. For additional details, please refer to the "Information Sheet" on purchasing past service.

Changing Your Investment

At any time, you may change your investment choice for existing assets or new contributions. Changes can be made through Group Retirement Services transactional website (www.grsaccess.com) or through the Group Retirement Services Access Line which is 1-800-724-3402. A form is also available from Group Retirement Services if you prefer to make changes by sending in written direction.

You will receive a statement each year telling you how much G&F Financial Group and you have contributed to your accounts, and how much your investments have earned.

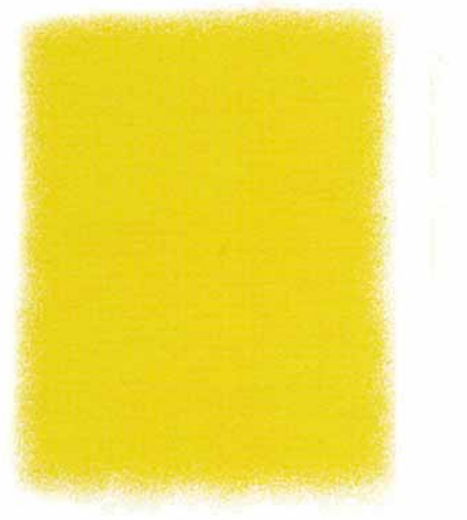
**How to Apply for
Pension Benefits**
Contact Human Resources
at least 60 days prior to
retirement.



This is a summary of the G&F Financial Group pension plan benefits, which are provided under the B.C. Credit Union Employees' Pension Plan. If there is a difference between this booklet and the legal plan document, benefits and privileges will be governed by the legal plan document and Trust Agreement, which can be reviewed at Central 1 Credit Union. Errors & Omissions are Excluded



Money Purchase Pension Plan



Pension Plan

Government Plans

The federal government provides two benefits that you may be eligible to receive upon retirement. These benefits are from the Canada Pension Plan (CPP) and Old Age Security (OAS).

CPP is available to all Canadians who have worked in Canada. You make payments to CPP by deductions from your paycheque. G&F Financial Group makes an equal contribution on your behalf. You will be eligible to receive your CPP benefits when you reach age 65, or as early as age 60 if you choose to retire sooner. The amount of your CPP benefit will depend on how many years you have been working and contributing to CPP, and your earnings during those years. The maximum CPP benefit for 2012 is \$986.67 per month. This amount is adjusted annually to reflect increases in the cost of living.

OAS is a benefit paid by the federal government when you reach age 65. You cannot receive it earlier. OAS is paid to all Canadian citizens or legal residents who have lived in Canada for at least 10 years after attaining 18 years of age. The OAS maximum is \$540.12 per month (in January 2012). This amount is adjusted quarterly to reflect increases in the cost of living.

You can inquire about your CPP and OAS pension by phoning 1-800-277-9914.

To help you prepare for financial security in your retirement years, G&F Financial Group provides a **money purchase pension plan**. You may also receive retirement income from the government programs, Canada Pension Plan (CPP) and Old Age Security (OAS).

Your retirement income is a shared responsibility. Company and government pensions provide only part of the income most Canadians feel they need to live comfortably during their retirement years. You are encouraged to begin financial planning early in your working career, and consider making contributions to a personal RRSP or other long term investment vehicles.

How Does the Plan Work?

G&F Financial Group will contribute a percentage of your earnings to your pension account. You are not required to make any contributions. You can, however, make voluntary pension contributions that will be directed to a separate voluntary account in your name.

As a participant in the plan, you will receive annual statements telling you how much money you have in your accounts.

Eligibility

All full-time employees are eligible to join the plan after 1 year of employment.

Retirement Age

Normal retirement age is 65. You may, however, retire as early as age 55.

Annual Statement

Each year you will receive a personalized annual statement showing your contributions for the year and your accumulated account balances.

Contributions

Employer

G&F Financial Group will contribute the following amounts:

Contribution Rate (as a percentage of earnings)

6%

When you retire, these contributions plus investment earnings will be used to provide you with an annuity. To comply with the Income Tax Act limits, you are responsible to ensure that your total retirement contributions do not exceed the established annual limits (see Tax Issues section). Total retirement contributions will include:

- G&F Financial Group contributions
- voluntary contributions
- contributions to your personal RRSP
- contributions to any other registered retirement vehicle

Voluntary

Voluntary contributions can be withdrawn or transferred to your personal RRSP at any time. Additional voluntary contributions will reduce the amount you can contribute to your RRSP in the following calendar year.

An annuity is a series of guaranteed monthly payments paid by an insurance company in return for a lump sum paid by you when you retire.

Choosing a Fund

The most appropriate fund for you is that which best fits your investment time frame and your tolerance for volatility of investment returns. Generally, the closer you are to retirement, the less volatility you may want to assume. And the further you are from retirement, the more volatility you may be able to assume.

Investment

You determine how to invest your contributions. There are six investment funds to choose from, with different levels of risk.

Investment Options

- **Money Market Fund**
This fund consists of high quality short term investments such as government treasury bills, short term bonds, and other short term instruments that provide stable, predictable returns. This investment fund is expected to have low risk and provide moderate long term growth.
- **Conservative Portfolio Fund**
With a primary emphasis on income, this portfolio is the most conservative of the Portfolio Funds. It is designed for those investors who have a shorter-term investment horizon, want a regular income stream, and have concerns about investment volatility. A small equity component is included to bolster returns above fixed income levels.
- **Moderate Portfolio Fund**
This portfolio is designed for investors who have a medium-term investment horizon and prefer more income than growth. The investment mix is managed to ensure lower growth volatility than other more aggressive options, but still provide a solid component for growth.
- **Balanced Portfolio Fund**
This portfolio is designed for those investors who want a longer-term balance between growth and income at reduced volatility levels. The portfolio is managed to take advantage of market conditions.
- **Advanced Portfolio Fund**
With a primary emphasis on growth, this portfolio is made up primarily of equities. This fund is appropriate for investors who want some income in the short term but are more interested in long-term capital appreciation.
- **Aggressive Portfolio Fund**
For investors who want the potential for maximum long-term growth, this portfolio consists solely of equity investments. This fund is appropriate for people with a long-term investment horizon and who are unconcerned with short-term investment volatility.

Changing Your Investment

At any time, you may change your investment choice for existing assets or new contributions. Changes can be made through Group Retirement Services transactional website (www.grsaccess.com) or through the Group Retirement Services Access Line which is 1-800-724-3402. A form is also available from Group Retirement Services if you prefer to make changes by sending in written direction.

You will receive a statement each year telling you how much G&F Financial Group and you have contributed to your accounts, and how much your investments have earned.

What Else Should I Know?

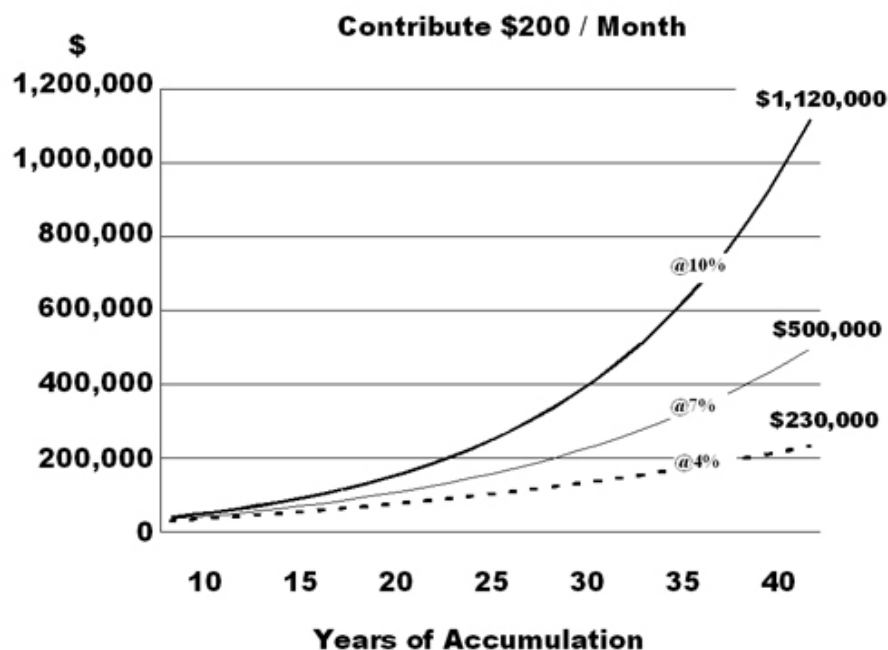
- All pension benefits, termination benefits, death benefits, and other amounts payable, are designed to provide retirement income.
- With the possible exception of marital breakdown, your benefits cannot be assigned to anyone, nor can they be claimed by your creditors.
- G&F Financial Group is a member of the B.C. Credit Union Trust. The Board of Trustees operates and administers all pension plans and group benefit programs on behalf of its members.
- Although the Board of Trustees expects to continue the plan indefinitely, it reserves the right to alter or discontinue the plan.

Account Balance

Your accumulated account balance will impact the amount of pension (or annuity) you can purchase at retirement.

The following example illustrates how, by contributing \$200 per month, your account balance can change depending on the level of investment returns and the number of years you contribute.

For example, if your investment earnings average 7%, contributing \$200 per month for 40 years will accumulate to a lump sum of about \$500,000. If you were to contribute the same amount of money each month for 30 years, the fund would build to only about ½ the size.



Disclosure of Information

If the plan is terminated, the Plan and Trust Agreement provide that all assets held under the trust fund are for the exclusive benefit of the Members and their beneficiaries.

Benefits

Retirement or Termination

If you leave G&F Financial Group or you retire, you will receive all the contributions and investment income earned in your money purchase pension account, as well as any amount in your voluntary pension account. If you leave before you have 2 years of plan membership, you will receive this money as a lump sum payment or you can transfer this amount to your RRSP. If you leave after 2 years of plan membership, you can leave your funds in the pension plan until you retire, or:

- Transfer it to your personal (locked-in*) RRSP, or
- Transfer it to your new employer's pension plan, if it can receive such transfers, and as long as the funds are locked-in, or
- Transfer it to a Life Income Fund (LIF), or
- Use it to purchase an immediate or deferred lifetime annuity from an insurance company.

If you leave your funds in the pension plan until you retire, your accounts must then be transferred from the plan to purchase an annuity.

Short Term Disability and Long Term Disability

If you become disabled and are receiving disability benefits from a plan sponsored by G&F Financial Group, you will remain a member of the pension plan, as long as you remain an employee of G&F Financial Group.

Death

If you die before you retire from G&F Financial Group, your spouse will receive the total value accumulated in your employer pension account, as well as any amount in your Money Purchase Pension account. Your spouse will have the same options as shown under Termination. If you do not have a spouse, or your spouse waives their rights as beneficiary, your beneficiary will receive a lump sum payment, less taxes.

Pregnancy or Parental Leave

If you are on pregnancy leave or parental leave, you will remain a member of the pension plan, as long as you remain an employee of G&F Financial Group. During this period, G&F Financial Group will continue to make contributions to your account.

***Pension legislation requires that all employer contributions made after December 31, 1992 are locked-in after you have completed 2 years' plan membership.** Locked-in means that the money cannot be withdrawn in cash. It must eventually be used to purchase a lifetime annuity. Contributions made prior to January 1, 1993 are not locked-in, and may be paid in cash or transferred without the locking-in restriction.

Choosing a Beneficiary

It is important to know that, for pension plan purposes, B.C. Pension Legislation requires that if you have a legally married or common law spouse, your death benefits must be paid to that spouse, regardless of your named beneficiary (unless your spouse waives this entitlement). This is not the same for insurance benefits, where the benefit is paid to your named beneficiary.

If you die before retirement, your pension plan death benefits will automatically go to your legally married spouse. If you do not have a legally married spouse, or if you have been living separate and apart from your married spouse for more than 2 years, your death benefits will be paid to your common law spouse, if any. Common law spouse may include a person of the same sex, and is defined as the person with whom you have been living in a marriage like relationship for a period of **not less than two (2) years**.

If you do not have a married or common law spouse, your death benefits will be paid to your named beneficiary(ies). If you have neither a spouse, nor a named beneficiary, benefits will go to your estate.

Tax Issues

Am I taxed on contributions to the plan?

No. G&F Financial Group's contributions to the plan are not added to your income and, therefore, are not subject to income tax.

Yes, Any member voluntary contributions are tax-deductable in the year they are made

Are my pension benefits taxed?

Yes, Payments you receive from the plan are treated as taxable income at the time you receive them (unless you transfer them directly into an RRSP). Normally, income is automatically deducted from your payments.

Does my membership in this pension plan affect the amount I can contribute to an RRSP?

Yes, Membership in the plan has a direct effect on how much you can contribute to an RRSP. The total amount you and G&F Financial Group contributed to the plan will reduce your RRSP room in the following calendar year in the form of a Pension Adjustment (PA).

Each year, Canada Revenue Agency will send you a Notice of Assessment outlining how much you can contribute to your RRSP.





This is a summary of the G&F Financial Group pension plan benefits, which are provided under the B.C. Credit Union Employees' Pension Plan. If there is a difference between this booklet and the legal plan document, benefits and privileges will be governed by the legal plan document and Trust Agreement, which can be reviewed at Central 1 Credit Union. Errors & Omissions are Excluded



Group RRSP



Your Benefits

To help you prepare for financial security in your retirement years, G&F Financial Group provides a **Group RRSP**. You may also receive retirement income from the government programs, Canada Pension Plan (CPP) and Old Age Security (OAS).

Your retirement income is a shared responsibility. Company and government pensions provide only part of the income most Canadians feel they need to live comfortably during their retirement years. You are encouraged to begin financial planning early in your working career, and consider making contributions to a personal RRSP or other long term investment vehicles.

How Does the Plan Work?

You must contribute a percentage of your earnings to your account and G&F Financial Group will contribute a percentage of your earnings.

Voluntary Contributions

In addition, you can also make voluntary contributions that will be directed to a separate voluntary account in your name.

Spousal RRSP

You can set up a Spousal RRSP whereby you make voluntary contributions (up to your annual RRSP contribution limit) to an account in the name of your spouse.

Eligibility

All regular full-time and regular part-time employees are eligible to join the plan after 1 year of employment.

Contributions

Employer Contributions

G&F Financial Group will contribute 10% of your base salary.

Employee Contributions

While employee contributions are not required, you are permitted to make voluntary contributions.

To comply with the Income Tax Act limits, it is your responsibility to ensure that your total contributions in an RRSP plan year do not exceed the established annual limits (see Tax Issues section). Total contributions will include:

- G&F Financial Group contributions
- voluntary contributions
- contributions to your personal RRSP
- contributions to a spousal RRSP
- pension adjustments from other registered retirement vehicles

While an employee of G&F Financial Group, you cannot withdraw or transfer any funds from your account to your personal RRSP unless the funds are used for the Home Buyers Plan or Life Long Learning Plan.

Voluntary Contributions

Voluntary contributions can be withdrawn or transferred to your personal RRSP at any time. Please note that any voluntary contributions you make to your account will reduce the amount you can contribute to your personal RRSP.

Spousal RRSP

If you have made contributions to a Spousal RRSP, your spouse can transfer the funds to his/her own personal RRSP at any time. Please note that any contributions you make to your spousal RRSP will reduce the amount you can contribute to your personal RRSP.

Your spouse cannot transfer any contributions made to your Spousal Plan by G&F Financial Group to his/her own personal RRSP as long as you are an employee of G&F Financial Group.



Investment

You determine how to invest your contributions. There are six investment funds to choose from, with different levels of risk. Your funds are credited daily with investment earnings based on their investment performance. In any given year, investment earnings can either be negative or positive.

Investment Options

- **Money Market Fund**

This fund consists of high quality short term investments such as government treasury bills, short term bonds, and other short term instruments that provide stable, predictable returns. This investment fund is expected to have low risk and provide moderate long term growth.

- **Conservative Portfolio Fund**

With a primary emphasis on income, this portfolio is the most conservative of the Portfolio Funds. It is designed for those investors who have a shorter-term investment horizon, want a regular income stream, and have concerns about investment volatility. A small equity component is included to bolster returns above fixed income levels.

- **Moderate Portfolio Fund**

This portfolio is designed for investors who have a medium-term investment horizon and prefer more income than growth. The investment mix is managed to ensure lower growth volatility than other more aggressive options, but still provide a solid component for growth.

- **Balanced Portfolio Fund**

This portfolio is designed for those investors who want a longer-term balance between growth and income at reduced volatility levels. The portfolio is managed to take advantage of market conditions.

- **Advanced Portfolio Fund**

With a primary emphasis on growth, this portfolio is made up primarily of equities. This fund is appropriate for investors who want some income in the short term but are more interested in long-term capital appreciation.

- **Aggressive Portfolio Fund**

For investors who want the potential for maximum long-term growth, this portfolio consists solely of equity investments. This fund is appropriate for people with a long-term investment horizon and who are unconcerned with short-term investment volatility.

Changing Your Investment

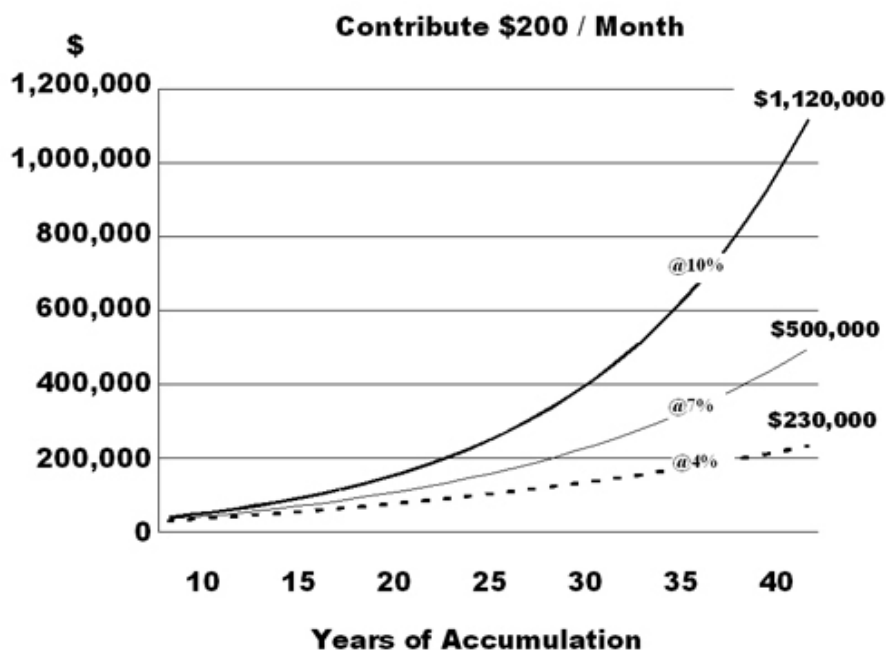
At any time, you may change your investment choice for existing assets or new contributions. Changes can be made through Group Retirement Services transactional website (www.grsaccess.com) or through the Group Retirement Services Access Line which is 1-800-724-3402. A form is also available from Group Retirement Services if you prefer to make changes by sending in written direction. You will receive a statement each year telling you how much G&F Financial Group and you have contributed to your accounts, and how much your investments have earned.

Account Balance

Your accumulated account balance will impact the amount of pension (or annuity) you can purchase at retirement.

The following example illustrates how, by contributing \$200 per month, your account balance can change depending on the level of investment returns and the number of years you contribute.

For example, if your investment earnings average 7%, contributing \$200 per month for 40 years will accumulate to a lump sum of about \$500,000. If you were to contribute the same amount of money each month for 30 years, the fund would build to only about 1/2 the size.



Retirement or Termination

If you leave G&F Financial Group or you retire, you are entitled to your account balance including all the investment earnings.

You have the following options:

- Receive your account balance in cash, less withholding taxes
- Transfer the funds to a regular RRSP or a Registered Retirement Income Fund (RRIF)
- Transfer the funds to an insurance company to purchase an immediate or a deferred annuity

Short Term Disability and Long Term Disability

If you are off on short or long term disability, G&F Financial Group will not be contributing to your RRSP.

Death

Upon your death, your named beneficiary(ies) will receive the same amount you would have received had you left G&F Financial Group. If your named beneficiary(ies) is your spouse or dependent children, your account balance can be transferred to their personal RRSP without any taxes being withheld. For all other named beneficiary(ies), the account balance will be paid after withholding taxes.

Choosing a Beneficiary

The proceeds of the RRSP will remain tax-sheltered if one of these situations applies:

- Your surviving spouse is the beneficiary, and the proceeds are transferred into an RRSP in his/her name;
- You have no surviving spouse, but you have children or grandchildren who are minors named as your beneficiaries. They are dependent on your estate for financial support and will have the proceeds transferred to a term annuity registered in their names; or
- Children or grandchildren, regardless of age, who are financially dependent because of physical or mental infirmity. The RRSP proceeds will be transferred to an RRSP or RRIF registered in their names, or used to purchase an annuity.

For any other named beneficiary(ies), your RRSP account balance will be paid after taxes have been withheld.



Tax Issues

If I participate in this plan, does this affect the amount I can contribute to my personal RRSP?

Yes. The amount of contributions G&F Financial Group makes into your RRSP account has a direct effect on how much you can contribute to your personal RRSP. The total amount G&F Financial Group contributed to the account is reported on your T4 slip.

The total contributions you and G&F Financial Group make plus your personal RRSP contributions together cannot exceed the lesser of 18% of your income, or a specified dollar limit. The 2011 dollar limit is \$22,450. Each year, Canada Revenue Agency will send you a statement telling you how much you can contribute to your RRSP.



When would I be forced to withdraw/transfer my funds out of the Plan?

By the end of the year in which you turn age 69, you will have to collapse your RRSP. At that time you have the following options:

- Receive the funds in cash, less withholding taxes
- Transfer the funds to a Registered Retirement Income Fund (RRIF)
- Transfer the funds to an insurance company to purchase an annuity

Any amount you withdraw from the above tax sheltered plans is subject to withholding taxes.

Can my spouse withdraw the contributions I make to a Spousal RRSP?

Yes, your spouse can withdraw the contributions you make to the Spousal RRSP.

Any contributions made by G&F Financial Group to your Spousal RRSP cannot be withdrawn as long as you are an employee of G&F Financial Group.

However, if your spouse withdraws any funds from the Spousal RRSP within three years of the time since the contributions were made, you will be taxed on the withdrawals at your tax rate. If your spouse withdraws the contributions after three years, your spouse will be taxed on the withdrawals.

For example, suppose you contributed \$2,000 to a Spousal RRSP in each of 2004, 2003 and 2002. If your spouse withdrew \$8,000 from the plan in 2004, \$6,000 of the withdrawal would be taxed as part of your income, since those contributions were made in the year of withdrawal (2004) and the two preceding years (2003 and 2002). Your spouse would be liable for tax on the remaining \$2,000, which represents contributions made before 2002.

This is a summary of the G&F Financial Group pension plan benefits, which are provided under the B.C. Credit Union Employees' Pension Plan. If there is a difference between this booklet and the legal plan document, benefits and privileges will be governed by the legal plan document and Trust Agreement, which can be reviewed at Central 1 Credit Union. Errors & Omissions are Excluded