

# intouch retiree pension bulletin

## Pension Advisory Council Retiree Election



## The results are in!

We are pleased to announce that William Price was the successful candidate as Representative of the Retired Members. An election took place during April and May with the actual ballot count completed under the supervision of the Canada Post Internal Audit department on May 9<sup>th</sup> & 10<sup>th</sup>, 2005. Mr. Price joined Canada Post in 1973 and held various executive positions in Finance and was a key member on a number of large initiatives. Mr. Price served two years on the Pension Advisory Council as the elected representative of management and unionized employees, until his retirement in 2005.

## Pension Plan Amendments approved by Pension Committee

In December 2004, the Pension Committee approved amendments to the pension plan text. The 2004 Personalized Pension Statements and the Canada Post Pension web site have been updated to include any content changes required because of the plan amendments, as applicable.

The regulatory compliance amendments were required to update the pension plan text definitions for SPOUSE, COMMON-LAW PARTNER and SURVIVOR which brought the definitions into alignment

with the Pension Benefits Standards Act (PBSA, 1985) and also updated the plan to reflect PBSA s.14 (1) (b) (1) participation requirements.

The text clarification and the process change amendments are considered to be general housekeeping items and did not impact the pension benefit. All plan amendments have been filed with the Canada Revenue Agency (CRA) and the Office of the Superintendent of Financial Institutions (OSFI) in January 2005.

## Changing banks or moving?

If you are planning on changing banks or moving, remember to contact us to ensure there is no interruption in receiving your pension payments and/or communications. If you are changing banks we strongly recommend that you keep your old bank account open until you have confirmed that pension payments are being deposited into your new account.

### For changes in banks or bank accounts contact:

#### RBC Global Services

#### In writing:

Benefit Payment Services  
5<sup>th</sup> Floor  
1 Place Ville Marie E Wing  
MONTRÉAL QC H3B 1Z3

By phone: 1-800-876-4498

### For address changes contact:

#### Pension Centre

#### In writing:

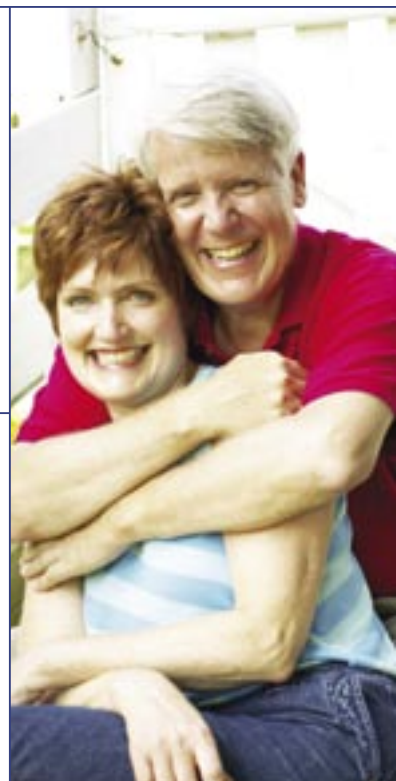
P.O. Box 2073  
Mississauga ON L5B 3C6

By Phone: 1-877-480-9220

## Q & A

In our Question and Answer section we will answer one or two questions we hope will interest the majority. Please feel free to e-mail us at [pension.services@canadapost.ca](mailto:pension.services@canadapost.ca).

- Q.** What happens to my Canada Post pension if I return to work with Canada Post and choose to rejoin the pension plan?
- A.** If upon subsequent termination, your pension will be recalculated to account for the increase in your pensionable service minus pension benefits previously received. If you have not completed two years of eligibility service or have not been a member of the pension plan for at least two additional years, you will receive a return of your contributions paid, plus interest and your previous benefit will be reinstated with no additional service.



# Canada Post Corporation Registered Pension Plan Performance Results for October 1 to December 31, 2004

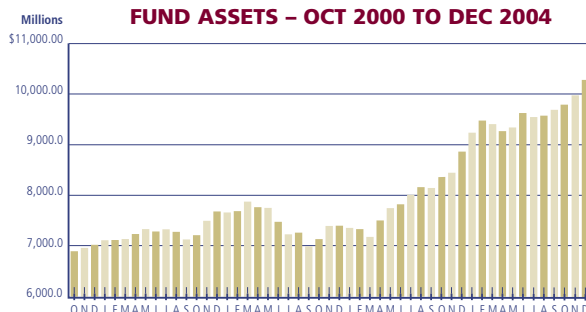
## Market Conditions

Equity markets strengthened during the fourth quarter as stronger world economic growth and an end to the uncertainty over the US election provided a yearend rally. Bond markets also rose as the Bank of Canada held rates steady at their December meeting. The Canadian dollar continued to climb over the period on strong commodity prices.

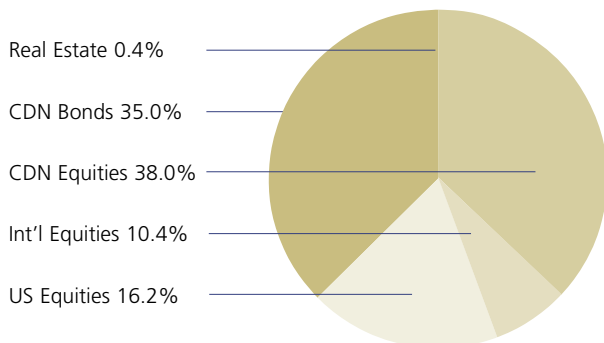
Asset Class	Market Value (in millions)	2004 OCT-DEC	2004 YTD	2003 ANNUAL	2002 Annual	2001 annual
<b>Fixed Income</b>						
Cash & Short Term Investments	\$ 360.5	0.6%	2.4%	2.9%	2.4%	4.3%
Canadian Bonds	3,207.7	3.5%	9.6%	8.4%	10.2%	7.3%
<b>Equities</b>						
Canadian Equities	3,923.6	7.2%	15.6%	25.5%	-11.6%	-7.7%
U.S. Equities	1,659.3	4.5%	4.9%	7.5%	-20.9%	----
International Equities	1,063.3	8.3%	13.3%	7.3%	-21.6%	----
<b>Total Registered Pension Plan</b>	<b>\$10,214.4</b>	<b>5.45%</b>	<b>11.13%</b>	<b>13.87%</b>	<b>-6.99%</b>	<b>5.10%</b>

## Investment Highlights

- The fund's fourth quarter rate of return is 5.45% versus our benchmark of 5.22%. For the year the fund is up 11.13% versus our benchmark of 9.23%.
- As at December 31, 2004, the fund held assets of \$10,214.4 million.
- The fund received net contributions of \$64.1 million in the fourth quarter. We allocated \$15.0 million to U.S. equities and \$6.0 million to Real Estate. Cash & short-term investments increased by \$43.1 million.



## ASSET MIX



## Asset Mix Highlights

- As at December 31, 2004, 65.0% of assets were invested in equities and real estate, above the asset mix target of 62.5%. Of the total, Canadian equities represented 38.0%, US equities 16.2% International equities 10.4% and real estate 0.4%.
- 35.0% of assets were invested in bonds and short-term investments, compared to an asset mix target of 37.5%. This included 7.4% in real return bonds, 24.1% in Canadian bonds and 3.5% in cash and short-term investments.

## DID YOU KNOW?

- that, if, at the time of your death, there are outstanding contributions owing for leave without pay (LWOP) or elective service instalments which are in default these will be recovered, in full, from your survivors, beneficiary or estate. **Note:** Upon your death future elective service instalments are life insured.
- that elective service buybacks purchased at retirement must be finalized and CRA approval received before service credit can be applied and your retirement pension benefit adjusted.

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## IMPORTANT

When sending documents, letters, forms or any other type of communication to the Pension Centre please include your employee ID number.

## Congratulations

to the Canada Post Pension Centre who marked their first anniversary on May 3<sup>rd</sup>, 2005.

Do you have a topic in mind for our next "intouch" bulletin? Please submit any suggestions or comments in writing to:

**Pension Services**  
2701 RIVERSIDE DRIVE SUITE B320E  
OTTAWA ON K1A 0B1  
OR send an e-mail directly to:  
pension.division@canadapost.ca