



# Pension Plan News



## 10 year anniversary of the Pension Plan News

2009 marks the ten year anniversary of the Pension Plan News (PPN). The team working on the PPN are all members of the Plan and would like to take this opportunity to share feedback that we have gathered over the past decade. The following items are things

that you and I can do to help ensure that our first pension benefit or survivor pension benefit payment is processed smoothly.

### REVIEW YOUR ANNUAL PERSONALIZED PENSION STATEMENT AND RETURN YOUR FORMS

To make sure that there is no disruption between receipt of your last pay cheque and first pension benefit payment, review your data in your personalized pension statements annually for accuracy and send in your retirement documents as soon as you complete them.

### UPDATE YOUR PLAN BENEFICIARIES

Keep your beneficiaries current and stay informed about your eligible survivors.

Your spouse or common-law partner is eligible for survivor benefits under the Plan and does not have to be added as a beneficiary.

Your dependent children may be eligible for survivor benefits under the Plan. If you want to ensure that your children receive a pension benefit at the time of your death, include them on your designation of beneficiary form.

### COMPLETE A PENSION DECLARATION FORM

You must declare if you are in receipt of a Canada Post or related employer pension. Related employers are defined under the *Income Tax Act* as employers who do not deal at arm's length with Canada Post which includes the federal public service, crown agencies and employers whose pension benefits are paid from the Consolidated Revenue Fund of the Government of Canada or by an agent of her Majesty the Queen in the right of Canada.

You cannot participate in the Plan if you are currently receiving a pension benefit from Canada Post or a related employer. If you are currently in a related employer situation, you should contact the Pension Centre to advise them of your situation.

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### Disclaimer:

The Canada Post Corporation Registered Pension Plan is referred to as the Plan in this publication. The official Plan text governs your actual benefits from the Plan and is the final authority in any case of dispute. For more information on terms used in this publication, please visit [www.cpcpension.com](http://www.cpcpension.com). More information can also be found in Your Personalized Pension Statement and Your Information Booklet.

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# Tell us what you think

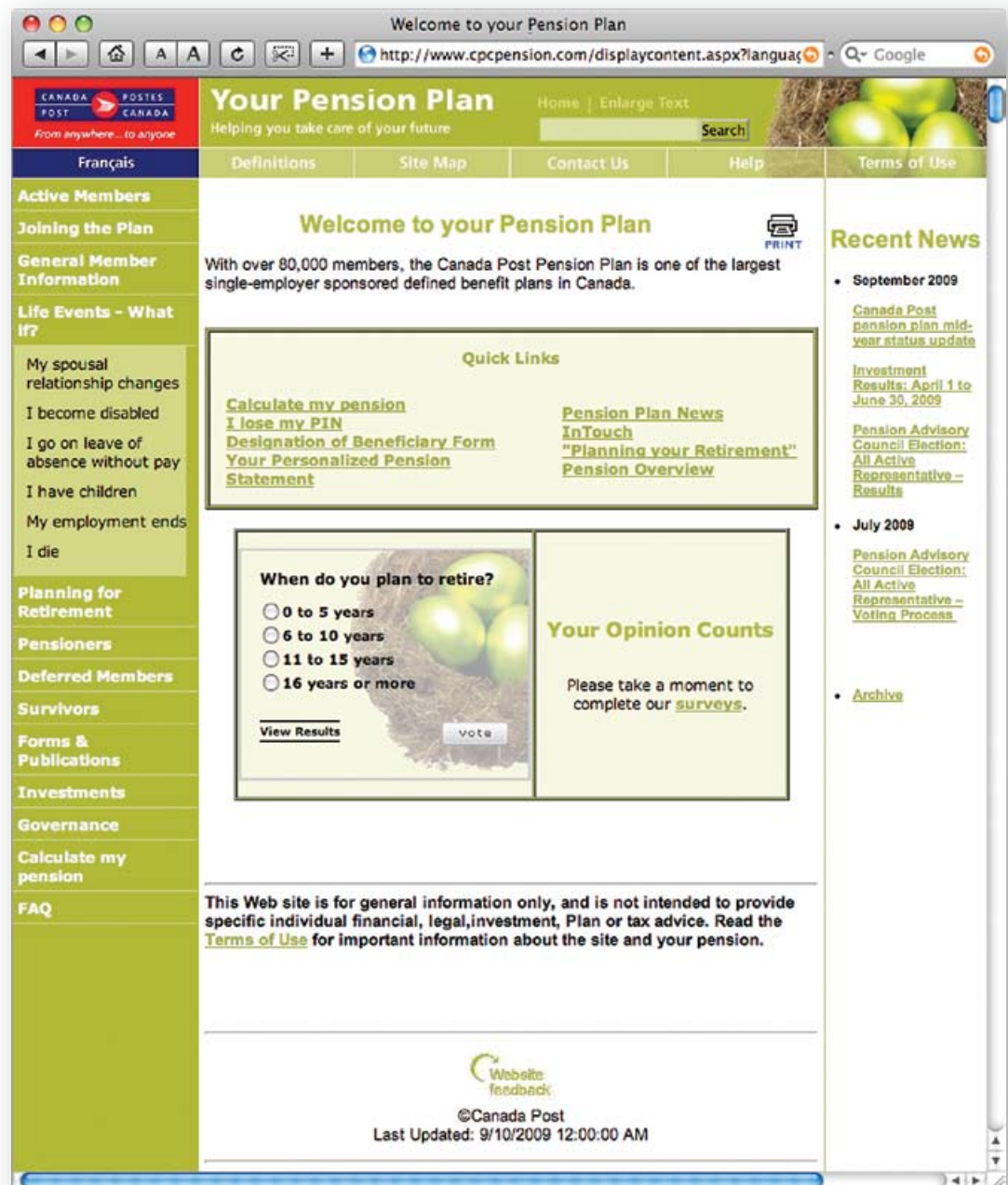
We've recently set up online surveys on [www.cpcpension.com](http://www.cpcpension.com) so you can provide your input about our communications and website. Each survey takes approximately two minutes. If you have an extra minute, answer our new poll on the Welcome page.

A business reply survey card was included with your 2008 Annual Report in May. If you have a moment, please fill it in and return the card.

Your feedback is important and helps improve Plan communications.

## NEW PRINT FEATURE

It is now easier to print articles on [www.cpcpension.com](http://www.cpcpension.com) by using our new print button. Just remember, that articles on the website are subject to change, so check back online to make sure you have the most up-to-date information.



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## UPDATE YOUR MARITAL STATUS

If you get married or are in a common-law relationship, your spouse or common-law partner is eligible for survivor benefits so be sure to update your marital status.

During a relationship breakdown (separation or divorce), your pension benefit may be included as part of your property settlement agreement. To avoid delays in processing your pension benefit when you retire, send certified copies of all agreements, court orders and other relevant documents to the Pension Centre. If you do not divorce, your separation agreement should specify how the survivor benefits should be handled to ensure that the benefit is paid to the appropriate person(s).

## UPDATE YOUR ADDRESS

Be sure to keep your address current to continue to receive all your important Plan communications including your annual personalized pension statement.

For more information or to obtain a 'Designation of Beneficiary' form, visit [www.cpcpension.com](http://www.cpcpension.com) or contact a Pension Centre Representative at 1-877-480-9220 (TTY 613-734-8265). For marital status and address changes or to obtain a Pension Declaration form, contact AccessHR at 1-877-807-9090.

# Market Conditions

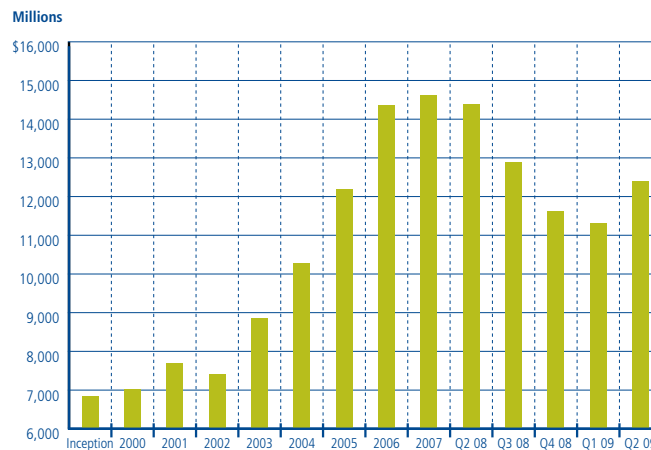
Equity markets were higher in the second quarter of 2009 as the credit situation and the economic outlook improved somewhat. The Canadian S&P/TSX Composite index was up 20.0%, while in Canadian dollar terms the US S&P 500 index was up 7.0%, and the international EAFE index was up 15.8%. The DEX Bond Universe was up 1.3% as the Bank of Canada cut the overnight interest rate from 0.5% to 0.25% to stimulate the economy. The following table depicts the fund's performance (% return).

ASSET CLASS	MARKET VALUE (IN MILLIONS)	2009 APR-JUN	2009 YTD	2008 ANNUAL	2007 ANNUAL	2006 ANNUAL	2005 ANNUAL	2004 ANNUAL
<b>Fixed Income</b>								
Cash & Short Term	\$ 46.8	0.6%	1.4%	3.0%	3.2%	4.1%	2.7%	2.4%
Canadian Bonds	4,658.0	1.9%	4.2%	3.7%	3.5%	2.4%	8.6%	9.6%
<b>Equities</b>								
Canadian Equities	3,264.8	18.6%	15.9%	-32.0%	9.0%	18.9%	25.2%	15.6%
U.S. Equities	2,260.5	8.1%	0.2%	-21.6%	-10.7%	16.9%	3.4%	4.9%
International Equities	1,578.7	18.6%	4.9%	-37.4%	-5.1%	28.4%	13.2%	13.3%
Real Estate	563.7	0.1%	-1.1%	-1.5%	16.8%	24.8%	17.2%	—
<b>Total Registered Pension Plan– Benchmark–</b>	<b>\$ 12,372.5</b>	<b>9.45%</b>	<b>6.58%</b>	<b>-19.27%</b>	<b>2.09%</b>	<b>14.25%</b>	<b>13.73%</b>	<b>11.13%</b>
		<b>9.83%</b>	<b>5.89%</b>	<b>-17.58%</b>	<b>0.91%</b>	<b>12.98%</b>	<b>11.17%</b>	<b>9.23%</b>

## Canada Post Corporation Registered Pension Plan Investment Performance Results for April 1 to June 30, 2009

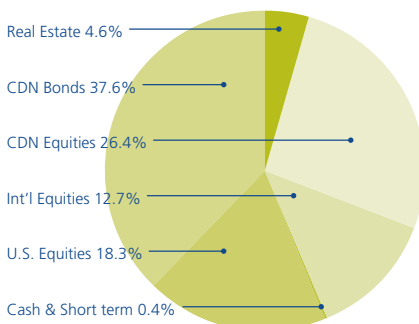
# Investment Highlights

- The fund's second quarter return was 9.45% versus our benchmark of 9.83%. Year to date the fund's return is 6.58% against our benchmark return of 5.89%.
- As at June 30, 2009, the fund held assets of \$12,372.5 million.
- The fund had net inflows of \$5.1 million in the second quarter. We reduced cash and short-term investments by \$11.5 million and real estate by \$15.8 million. We allocated \$31.7 million to the currency overlay account and \$3.4 million to private equity, \$2.4 million of which came from U.S. equities.



# Asset Mix Highlights

## ASSET MIX



- As at June 30, 2009, 62.0% of assets were invested in equities and real estate, just below the asset mix target of 62.5% which consists of 26.4% Canadian equities, 18.3% U.S. equities, 12.7% international equities and 4.6% real estate.
- 38.0% of assets were invested in bonds and short-term investments, compared to an asset mix target of 37.5%. This included 8.7% in real return bonds, 28.9% in Canadian bonds and 0.4% in cash and short-term investments.

The Canada Post Corporation Registered Pension Plan ranked twelfth overall in the Benefits Canada Top 100 Pension Plans report. The Benefits Canada report is based on pension plan assets at year end and rates Canadian defined benefit pension plans.



# 2009 Pension Advisory Council Election Results



The three-year term of two elected positions on the Pension Advisory Council (PAC) expired this year. As a result, two separate elections were held in 2009 to elect representatives for the two groups of Plan members.

The PAC welcomes Mr. John Polak, the successful candidate now representing the group of Management and Exempt members.

Congratulations are also extended to Ms. Micki McCune who was re-elected for a third consecutive term representing the group of All Active members.

Please refer to [www.cpcpension.com](http://www.cpcpension.com) under Recent News to learn interesting facts regarding the vote count process, the importance of your Voter Declaration Form and ballot secrecy.

## You Asked?

This space is reserved for Q&As. We will answer one or two questions we hope will interest the majority. Please send your questions to [pension.services@canadapost.ca](mailto:pension.services@canadapost.ca)

**Q. How long after I retire do I receive the bridge portion of my pension benefit?**

A. You receive the bridge portion of your pension benefit from the date you retire until you reach age 65, die, or begin receiving Canada / Québec Pension Plan (C/QPP) disability benefits, whichever occurs first.

## No change to the 2010 employee contribution rate

There will be no change to the employee contribution rate for 2010. Employees will continue to contribute

- 5.7% of pensionable earnings up to the 2010 YMPE plus
- 9.2% of pensionable earnings over the 2010 YMPE

The YMPE (Year's Maximum Pensionable Earnings) limit is an earnings ceiling set by the government each year to determine Canada/Québec Pension Plan contribution rates. The 2010 YMPE amount is \$47,200.



## Holiday Wishes

We wish you and your families a happy and healthy holiday season.

**We appreciate your feedback. If you have a comment or a suggested topic, please contact:**

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