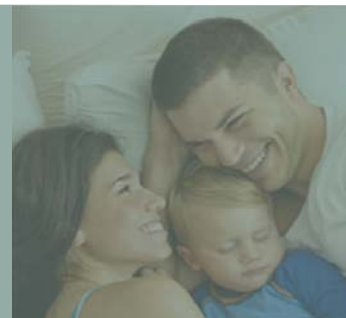


Capital Pension Plan FAQs for New Employees



What is an “active” Plan member?

An “active” Plan member is someone who currently works for an employer that participates in the Capital Pension Plan and makes regular contributions to an account with the Plan.

Conversely, an “inactive” Plan member is someone who is no longer employed with a participating employer but who chose to leave his/her funds with the Plan.

What is “vesting”?

“Vesting” refers to the point in time when you become unconditionally entitled to ownership of the employer’s required contributions. Vesting occurs at the earlier of:

- the completion of a period of employment established by your employer (not to exceed 2 years of continuous service); or
- the completion of 2 years of employment with one or more participating employers; or
- the date you turn age 65;
- the date of death.

What is “locked-in”?

Once a member becomes vested, certain funds in your account become locked-in. Locked-in equity is no longer eligible for withdrawal from the Plan as cash and may be converted to one or more retirement income options once you become eligible. Locked-in equity includes:

- employee and employer required contributions (with investment earnings thereon) if you terminate employment after you become vested; and
- any equity transferred to the Plan on a locked-in basis (i.e. from a LIRA or another registered pension plan).

How much am I required to contribute to the Capital Pension Plan?

Your employer sets the rate of employee required contributions (as a percentage of your earnings) that you are required to contribute to the Plan.



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How much is my employer required to contribute to the Plan on my behalf?

Your employer sets the rate of employer required contributions as well. The employer required contribution rate must be at least equal to (but may be greater than) the employee required contribution rate.

Can I make contributions over an above what I am required to contribute?

Yes. The Plan can accept additional voluntary contributions made through payroll deduction up to the maximum contribution limits set by the Canada Revenue Agency (CRA). Currently, the maximum contribution limits are:

- 18% of your earnings in the current year; or
- the maximum dollar amount set by the Canada Revenue Agency (\$22,000 for 2009).

These additional voluntary contributions are included in your RRSP contribution limit (i.e. the more you contribute to the Plan, the less RRSP room you will have).

Your employer does not “match” additional voluntary contributions.

Can my spouse contribute, or can I make contributions to the Plan on behalf of my spouse?

No. Although the Capital Pension Plan operates much like an RRSP in many respects, it remains an employer-sponsored registered pension plan. Membership is restricted to current and former employees of participating employers. Spouses are not eligible to join or invest funds with the Plan.