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The **WESLEYAN RETIREMENT PLAN** is an employer-paid plan for full-time employees of the Wesleyan Church in Canada (working 30+ hours/week). The Plan is made up of two components:

1. Retirement savings [RRSP and/or TFSA] held by Canada Life
2. Life & Long-Term Disability insurances held by RBC Insurance

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- Contributions to the plan are to be made by the employer in the amount of 12% of salary (including housing). 11/12 of the contribution goes to the retirement savings; 1/12 is withheld to pay Life insurance and Long Term Disability insurance premiums, and to cover administrative costs of the WRP.
  - Before any contributions are made for a new employee, your employer should send the following information to the Wesleyan Retirement Plan administrator, to enroll you in the WRP:
    - Full name, SIN, Date of birth, address, phone number and email addressContact information will be forwarded to Doug Ingersoll, our advisor for the retirement savings plan held by Canada Life. He will contact you to work through the application process, including your investment preferences.
  - Members can add their own voluntary contributions on top of what the employer pays, either monthly along with the employer-paid amount, or by a lump sum directly to Canada Life. *(Life & LTD insurance premiums are not charged on the voluntary amount)*
  - Processing of contributions is done after the 3<sup>rd</sup> Monday of each month and payments are forwarded to Canada Life (retirement savings portion) and RBCI (Life & Disability Insurance premiums) by the end of each month. Any contributions received by WRP by the third Monday of the month will be included in the processing for that month. Any late payments will be held over to the following month.
  - **It is very important that employer contributions are kept current and made monthly.** Irregular payments seriously jeopardize the long term disability and life insurance coverages since membership in the Wesleyan Retirement Plan is subject to cancellation when there is no payment for three months. Once payments resume, it requires twelve consecutive monthly payments in order for you to have long-term disability coverage again (life insurance coverage is restored the month after payments resume). This twelve-month contribution requirement is not a policy of The Wesleyan Church of Canada but rather a requirement of RBC Insurance, the coverage provider, as a part of our group plan. In the case of a disability claim, we are required to certify that the participant's employer (church or other) has made payments on a regular and consistent monthly basis during the time the applicant has been in the plan. This explains why it is so important that payments be made monthly since a loss of the life and long-term disability coverages could be very serious. Also, when payments are made several months in arrears, there is a potential loss of interest earnings in the retirement savings during the months when payments are not made.
  - Please notify the Wesleyan Retirement Plan office of any change to your employment status or change to your personal information (address, phone, email).
  - A summary of the Life Insurance and Long-Term Disability benefits is included on the next page.

### EMPLOYEE BASIC TERM LIFE INSURANCE

**Amount of Insurance:** 400% of the employee’s annual earnings based on the employer paid assessments, with a decrease of 10% for each year older than age 30 until it reaches 100% at age 60 and older, rounded to the next higher \$1,000, if not already a multiple of \$1,000.

The maximum amount is \$550,000 (\$300,000 without evidence of insurability)

When the employee turns 70 the amount of insurance will be reduced to 65% of the amount in force immediately prior to age 70. When the employee turns 75 the amount of insurance will be reduced to 50% of the amount in force immediately prior to age 70

**Terminal Illness Benefit:** The lesser of 50% of the employee’s Amount of Insurance; or \$100,000  
Payable only once during the employee’s lifetime, the Company will pay this benefit to an employee who is less than 64 years of age, becomes disabled and has a life expectancy of 12 months or less due to a terminal illness (by written request and with written physician certification)  
After this benefit has been paid to an employee, the amount of insurance on the life of the employee will be reduced by this amount.

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### LONG TERM DISABILITY (LTD)

**Maximum Monthly Benefit:** \$6,000                      **Minimum Monthly Benefit:** \$100

**Monthly Payment Calculation:**

1. Multiply the employee’s pre-tax monthly earnings by 60% and then round to the next higher \$1.00
2. The maximum monthly amount is \$6,000
3. The lesser amount of item 1 and 2 is the employee’s gross monthly benefit
4. Subtract 100% of direct benefit offsets (payments from other sources) from the answer from item 1.
5. Multiply the employee’s pre-tax monthly earnings by 85%
6. Subtract 100% of direct and indirect benefit offsets from the answer from item 5.

The monthly payment is the least of items 3,4 or 6 above; but not less than the minimum monthly benefit. The employee’s monthly payment may be reduced by disability earnings.

**Waiting Period:** To be eligible, the employee must have made 12 monthly contributions to the Wesleyan Retirement Plan (been active in the Plan for at least one year).

**Elimination Period:** Following the Waiting Period, the period of continuous disability must be 180 calendar days for the employee to be eligible for this benefit.

**Maximum Period of Payment:** The age at disability must be less than age 65; payment may be made to age 65, but not less than 1 year.

**Employer Selected Benefits:** Conversion benefit                      Yes  
Cost of Living Adjustment                      2% annually, after 5 full years (60 months) of benefit payments have been received

**Termination of Coverage:** the earlier of the date the employee retires or age 65