

Date: February 13, 2009
To: CBE Employees who are Staff Association Members
From: Pension Services
Subject: Additional deductions for LAPP 2008 contributions are required

In discussions with LAPP it has become clear that both retroactive salary and vacation pay must be treated as pension eligible earnings and must be used in LAPP contribution calculations. This means that additional deductions for LAPP contributions are required which relate to the retroactive salary paid to Staff Association members in August, 2008 as well as vacation pay now being paid bi-weekly for 10 month employees. Both of these matters arose as a result of the Collective Agreement which was ratified in 2008.

CBE, in order to meet 2008 LAPP pension guidelines, submitted employer contributions for both retroactive salary and vacation pay in late December. At that time CBE also submitted the employee contributions to LAPP on behalf of our impacted employees so that there was minimal impact on annual pension benefit statements. However, these employee contributions are ultimately the accountability of the employees.

Details:

- Employees are responsible for the employee contributions which have been made on their behalf. CBE will be recovering these additional contributions from employees. This will take place over several pay periods beginning with pay period ending March 14th and concluding with pay period ending July 4th.
- The particulars relating to your personal situation are attached. It clearly shows the value of the employee contribution that you are responsible for. You will have choices related to the repayment of these contributions to CBE.
- Options for recovery are available to all employees. The attached options form must be completed and submitted either by interdepartmental mail or to the address noted on the options form no later than March 6, 2009.
- Employees who terminate prior to June 30th will have any outstanding contributions recovered on final pay.
- Should repayment be less than \$20.00 the full amount will be recovered on the pay period ending either March 14 or March 28, 2009.
- Minimum repayment per pay period will be \$10.00.

We apologize for any inconvenience this may have caused to our employees and that the repayment options will be flexible enough to meet your needs. We appreciate your understanding on this matter.

If you have any concerns, please contact the CBE Employee Contact Centre at [1-877-353-2555](tel:1-877-353-2555) or email at CBE.ClientServicesCentre@telus.com