



Evaluating a DB merger with the CAAT Pension Plan

Considerations	Future Accrual Only	Past and Future Accruals
Predictable and steady contributions	Yes (for future accruals)	Yes
Simple and predictable accounting treatment (cash accounting)	Yes (for future accruals)	Yes
Assists in attracting and retaining employees	Yes	Yes
Assists with union negotiations	Yes (for future accruals)	Yes (for all accruals)
Enhances benefit security	Yes (for future accruals)	Yes
Past service benefits are replicated	N/A	Yes, per previous plan provisions (equivalent value is also possible)
Requires regulatory approval	No	Yes
Requires member consent (i.e., members must vote)	No	Yes
Length of process to join	3 months	9-12 months
Risk Management – transfer of: (a) Pension risk (investment, longevity, asset) (b) Investment responsibilities (c) Administration responsibilities (d) Governance responsibilities (including regulatory filings and compliance)	Partial Partial Partial Partial	Full Full Full Full (once asset transfer is complete following regulatory approval)
Fee reduction/elimination in respect of any pre-existing pension obligations	No	Yes (once asset transfer is complete following regulatory approval)