

Retirement

Welcome to Your New Planning for Retirement Newsletter!

We are pleased to introduce a new version of *Planning for Retirement*, designed to provide general information about everything retirement. Your feedback on the newsletter series we published in 2005-2006, on the changes to the retirement program, was so positive that we decided to keep the newsletters going. So, we tweaked the newsletter's look a little, but kept the same name and user-friendly format you told us you liked.

We plan to publish *Planning for Retirement* regularly throughout the year to provide information about the retirement issues that matter most to you. Be sure to let us know if there's a topic you'd like us to cover and we'll try our best to include your suggestions in future issues.

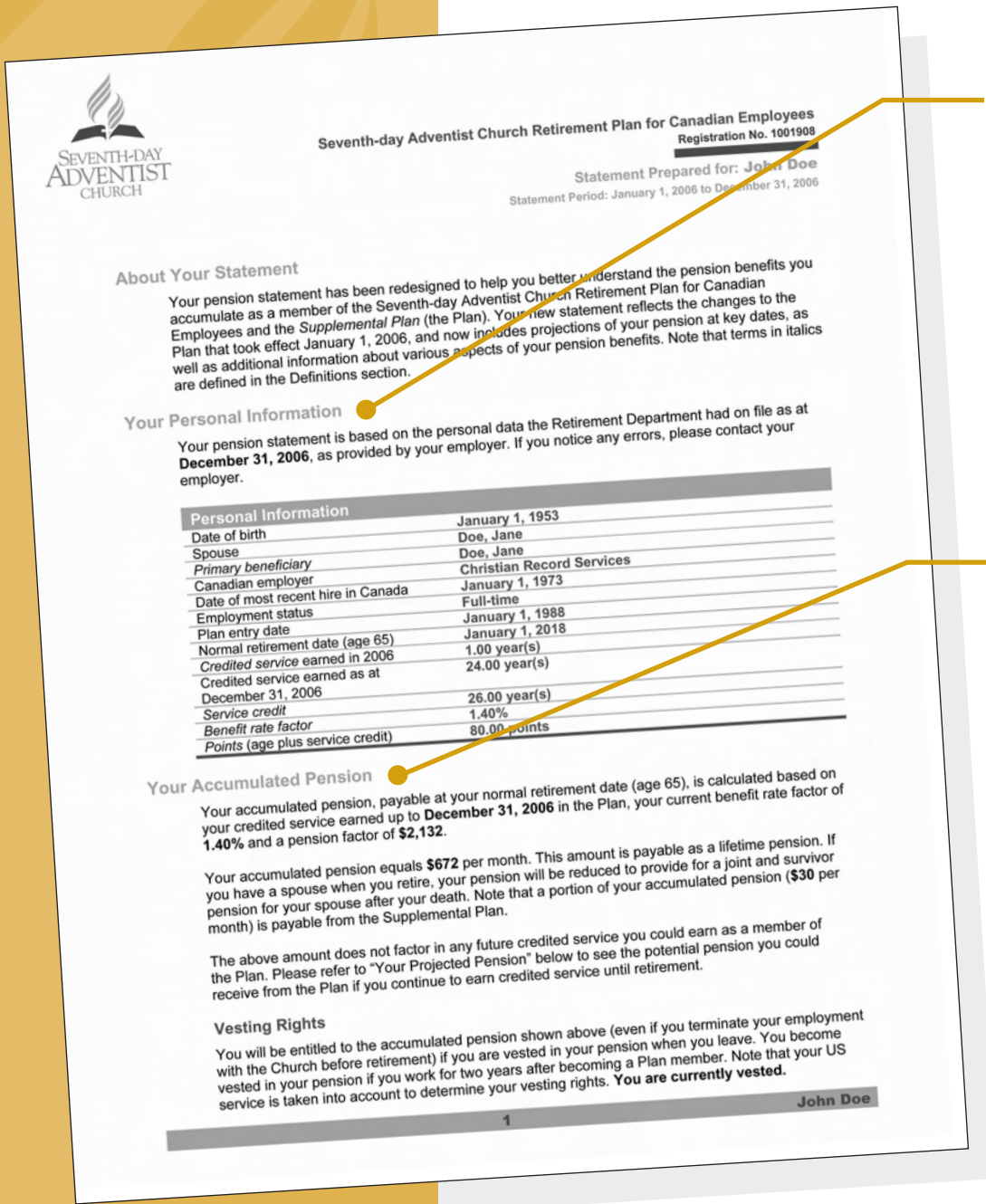
Introducing... *Your Redesigned Annual Statement!*

We kick off the new *Planning for Retirement* series with an issue on your redesigned annual statement, enclosed with this newsletter. We are excited to offer you this new and improved statement to help you better understand the pension benefits you accumulate as a member of the Seventh-day Adventist Church Retirement Plan for Canadian Employees (the Plan).

Your new statement reflects the changes to the Plan that took effect January 1, 2006, and now includes projections of your pension at key dates, as well as additional information about various aspects of your pension benefits. Your statement also has a brand new look to make it easier to read and understand!

Read on for details on everything that's new with your annual statement!

Note: If you are age 65 or older, some content described in this newsletter does not apply to your situation and therefore does not appear in your annual statement.



Your Personal Information

We have added the following data to the personal information shown: your Canadian employer, your employment status (full-time or part-time), your service credit and your points (age plus service credit).

Remember that your pension statement is based on the personal information the Retirement Department had on file as at December 31, 2006. Since all pension amounts shown in your statement depend on the accuracy of this information, be sure to take a minute to review it and contact your employer if you notice any errors.

Your Accumulated Pension

This section now includes more information about how your pension will be paid at retirement. It also shows the portion of your accumulated pension that is payable from the Supplemental Plan, if applicable, thereby providing a more complete picture of your accumulated pension.

This information will be particularly useful if you have Canadian hospital service, independent transfer service before January 1, 1978 and/or Newfoundland teacher service prior to August 31, 1994, since benefits for this service are all payable from the Supplemental Plan and were not included in your previous annual statements.

Note that this section does not include information about the minimum value guarantee, which is also payable from the Supplemental Plan. That's because your eligibility for this benefit is determined when you retire, based on criteria outlined in your annual statement under *Your Projected Pension*.



Your Projected Pension

This section is a brand new addition to your annual statement!

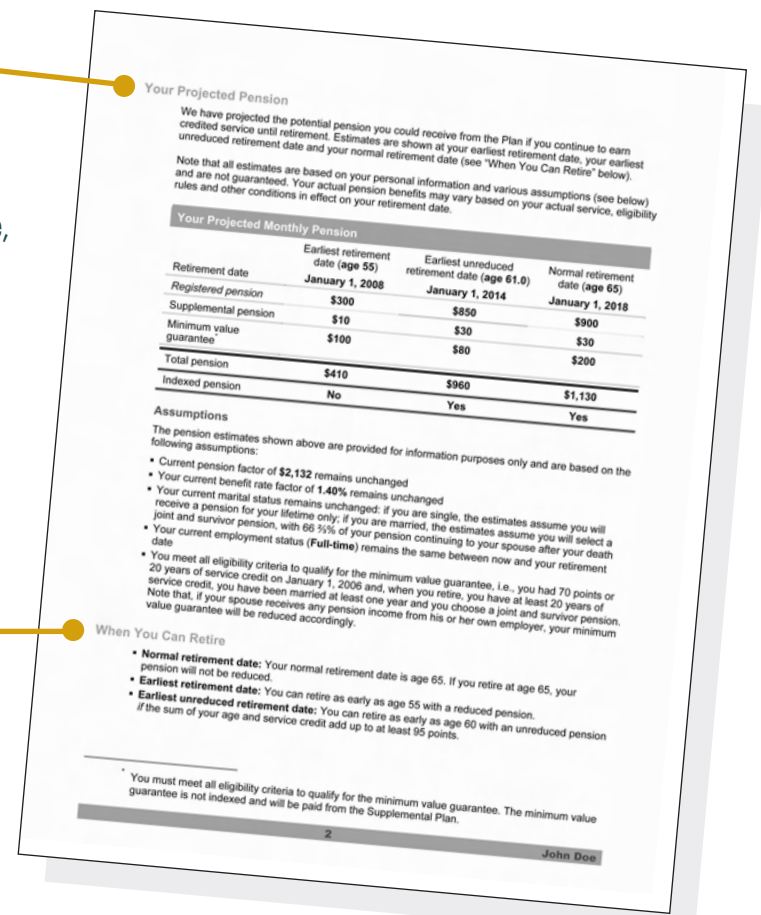
To help you get a better sense of the benefits you may receive from the Plan at retirement, we have projected your potential pension at your earliest retirement date (age 55), your earliest unreduced retirement date, i.e., the date at which you can retire with no reduction to your pension for early retirement, and your normal retirement date (age 65).

If applicable, these projections also show potential benefits payable from the Supplemental Plan and any minimum value guarantee amount. This is also where you'll see whether your pension may be indexed.

As you know, these pension projections are provided for information purposes only and are based on many assumptions. Be sure to review them carefully!

When You Can Retire

Review this section for more information about exactly when you can retire and to get a better understanding of the reduction that may be applied to your pension if you retire early, i.e., before age 65.



Service for Pension Calculation

Although your annual statement provides more information than ever, some service is still excluded from the pension calculations shown, namely, US service, US hospital service and/or independent transfer service after January 1, 1978.

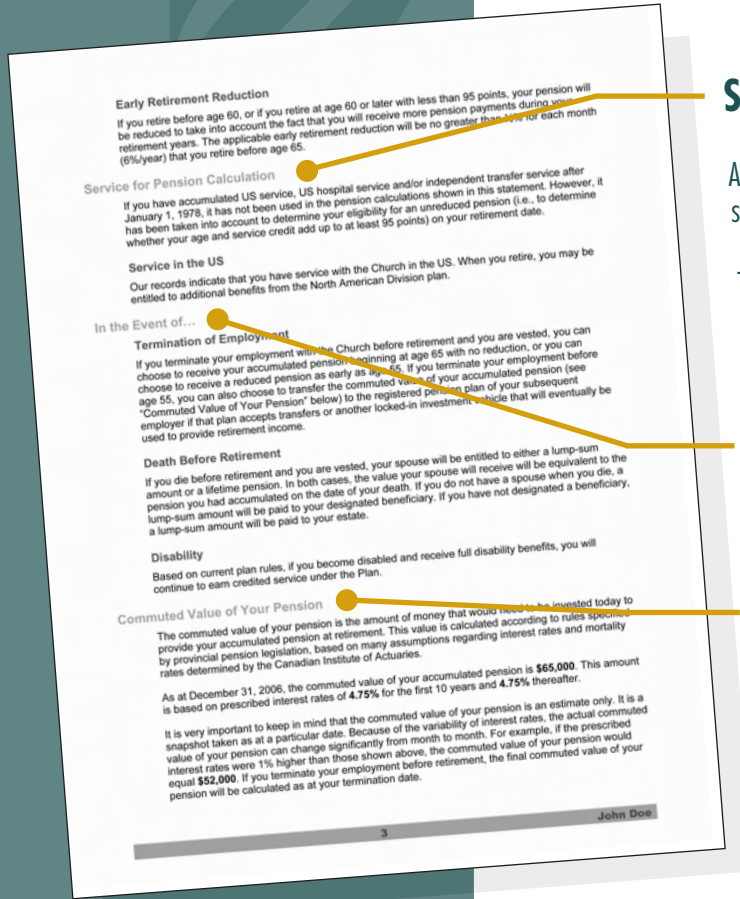
That's because benefits for this service are payable from a plan other than the Seventh-day Adventist Church Retirement Plan for Canadian Employees or the Supplemental Plan. However, note that this service has been taken into account to determine your eligibility for an unreduced pension on your retirement date, as shown in *Your Projected Pension*.

In the Event of...

This is where you can find out what happens with regards to your pension benefits in the case of various events.

Commuted Value of Your Pension

If you are younger than age 55, you'll also see brand new text about the commuted value of your pension. The commuted value of your pension is the amount of money that would need to be invested today to provide your accumulated pension at retirement. This value is calculated according to rules specified by provincial pension legislation, based on many assumptions regarding interest rates and mortality rates determined by the Canadian Institute of Actuaries.

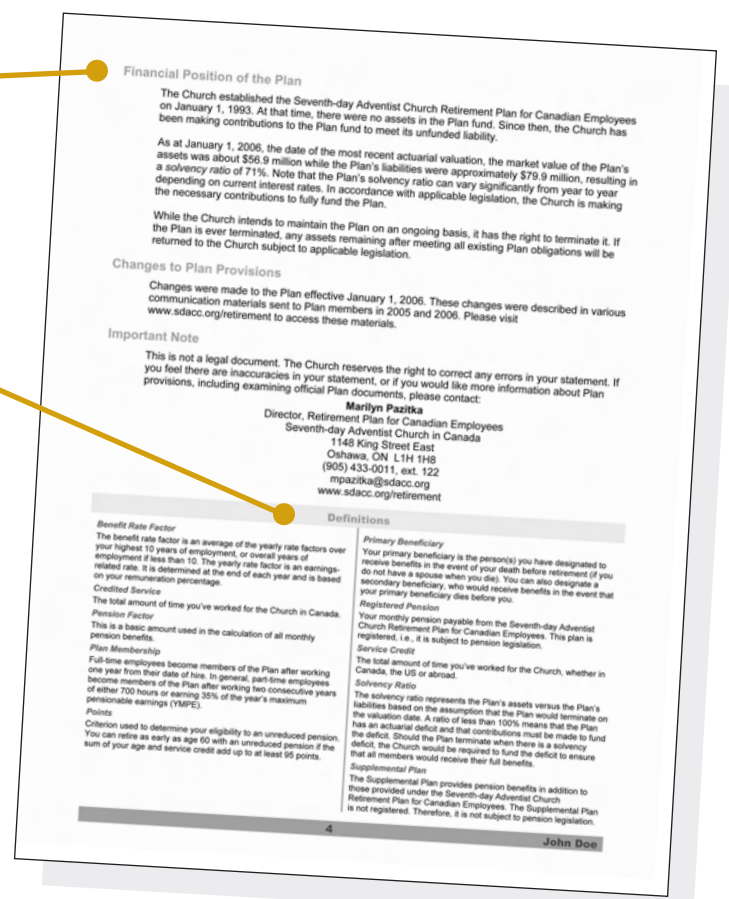


Financial Position of the Plan

We have added some details on the financial position of the Plan to help you better understand how secure your pension benefits would be should the Plan be terminated (even though the Church intends to maintain the Plan on an ongoing basis).

Definitions

All key terms in your statement are in italics and are defined at the back of your statement in a brand new Definitions section. We have added new definitions and clarified existing ones, once again to ensure that your annual statement is as easy to understand as possible and that it serves as a useful tool in your retirement planning.



Who to Call

If you need further clarification, have questions, or would like to give feedback, please contact the Retirement Department at **905-433-0011** or write to retirement@sdacc.org.

Next Issue

TO BE DETERMINED.
Be sure to let us know if there's a topic you'd like us to cover and we'll try our best to include your suggestions in future issues.

Tell Us What You Think!

We are very excited about your redesigned annual statement... At the same time, we understand that there's always room for improvement. That's why we would appreciate your feedback on your statement: *Do you like the new look? What sections do you think work best? What's not so clear?*

Please let us know how we can keep on improving your annual statement so that it becomes a key tool in your retirement planning. You can contact the Retirement Department at **905-433-0011** or write to retirement@sdacc.org.