



## **2018 Year End REPORT TO MEMBERS**

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The TWU-USW Employee Life and Health Trust (“TW-ELHT”) was created on January 29, 2016 to replace the Telecommunication Workers Benefit Trust which was wound up on the same date. The new trust was created for the purpose of delivering benefits in a more tax effective manner. All benefits previously provided and paid by the TW Benefit Plan are now being delivered by the TWU-USW Employee Life and Health Plan (“TW-ELHP”). The benefits and coverage are exactly the same under the new Plan as they were under the old plan.

### **LIFE and DISABILITY BENEFITS**

New TELUS employees have the option to apply for coverage when they complete the TW/USW membership application or when the administration office sends enrolment forms and information to new employees. If new employees apply for coverage immediately (within 60 days) no medical information is required. TW-ELHP continues to encourage all TW/USW members employed at TELUS to consider the benefits available to them by becoming a Participant in the Plan.

Since the inception of the Plan, many Participants and their beneficiaries have benefited from the coverage they have under the TW-ELHP for Short Term Disability, Life Insurance and Survivor Income Benefits. For the period of January to December 2018 approximately \$3,306,830.98 million was paid out in benefits.

We encourage members who are not enrolled in the Plan and who would like more information on the benefits of the Plan to contact the administration office. A staff member would be happy to provide this information and answer any questions they may have. Assistance in both French and English are available. The Plan Administrator is also available to provide presentations at unit meetings. Any unit wishing to arrange a presentation should contact the Administrator directly at the Plan office, either by phone at 604-430-3300 or email at [jennifer.bucholtz@twplans.com](mailto:jennifer.bucholtz@twplans.com).

Members are reminded that they should apply at the first opportunity to do so. Like any insurance program, any member who initially declines to participate in the Plan but then wishes to enrol at a later date will be required to complete a short medical questionnaire which must be reviewed by the insurer as a part of the membership application. Thus, if a member waits too long and a medical condition arises, they might risk the opportunity to be eligible for enrolment in the Plan.

Likewise, members who take a Leave of Absence and choose not to continue their contributions via self-payment while on leave will be required to complete a medical questionnaire in order to

re-establish coverage. In these situations, coverage will be cancelled during the Leave of Absence and members will risk being denied re-enrolment in the Plan if 1) they were originally enrolled during an open enrolment period at which time they already had a medical condition or 2) they developed a medical condition since they were first enrolled. In order to avoid being denied coverage, members are encouraged to maintain coverage via self-payment of contributions during a Leave of Absence. Those wishing to continue contributions while on Leave can do so by making arrangements with your Employer's payroll department prior to your Leave.

The approximate Plan membership in PART's B&C as at December 2018 was 1677 in BC, 243 in Alberta, 40 in Ontario, 43 in Quebec and 6 in other provinces.

During the period of January to December 2018, the Plan paid out approximately \$2,522,729.08 million in Survivor Income Benefits to beneficiaries of 176 deceased Plan members. During this same period, the Plan paid out approximately \$251,101.90 in Short Term Disability benefits to an estimated 69 members.

An Actuarial Valuation as at December 31, 2017 showed the Plan 98% funded with a shortfall of assets over liabilities of approximately \$700 000. The change in financial position from 2016 was due to a decrease in the number of death and disability claims. The Actuary and Trustees continue to review the financial position of the Plan.

## **Administration and Financial Information**

As at December 2018 the approximate market value of the assets as reported by the Custodian was approximately \$40.2 million. The 2018 rate of return was 3.1%.

The Trustees have had, since the Plan's inception, a risk controlled investment policy under which the Plan assets are invested so as to mitigate the risks faced by the Plan. All of the Plan's assets are invested in fixed income securities and as a result, the Plan is not exposed to any of the fluctuations in the equity markets. The Trustees, in conjunction with the Investment Manager and the Plan's consultants continue to review ways of improving the yield on the Plan portfolio within the framework of investing to protect the Plan's liabilities.

As at December 31, 2018 the asset mix of the Plan portfolio was as follows:

Government of Canada Bonds	8.4%
Provincial Bonds	44.1%
Non-Government Securities & Mortgages	33.6%
ACM MFO	5.8%
CREC Commercial Fund	7.7%
Cash and Equivalents	0.4%
Total	100.0%

The following TW/USW 1944 members are the current Trustees of the Plan:

Czar Loquia  
Tamara Marshall

Rachel Worley  
Richard Scanks

## Membership Information

Please note that all new hires at Telus are offered membership in the TWU-USW ELHP. There is a 60-day open enrollment period from the date that our original letter is sent to you. As long as your enrollment card and beneficiary designation form are received in the Plan office prior to the 60 days you will be permitted to participate in the Plan regardless of any physical or medical condition you may have.

If you choose not to enroll in the Plan before 60 days and you later desire to become a Plan member you will be able to do so if you can provide medical evidence of good health/insurability. This will require completion of an Evidence of Insurability form. This will then be forwarded to the Plan's insurer. If you are approved, you will be notified by the Plan office. Thereafter, Telus would be advised to commence payroll deductions. Please note that two pay period deductions are required before you will be enrolled in the Plan. Deductions from your paycheck will become effective on the first pay period following the Plan office receiving your enrollment card. Once the Plan has received two pay period deductions your enrollment date will be retroactive to the date the office received your enrollment card.

For more information on the Plan, please visit <http://www.twplans.com/index.html>.

Should you have any questions or if you would like to update your beneficiary information please contact the Benefit Plan office at (604) 430-3300 or by email at [general@twplans.com](mailto:general@twplans.com).



Jennifer Bucholtz  
Administrator

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