



## **USW 1005 LEGACY PENSION PLAN UPDATE**

April 2, 2018

Bedrock has agreed to fund the Stelco Legacy Pension Plans \$142 million in exchange for the “Carried Interest” provision which formed part of the Plan of Arrangement(CCAA).

The \$142 million payment is in addition to the other scheduled Pension Plan payments in the Pension Plan. Since the July 1, 2017 CCAA closing date, Bedrock Inc. has funded the Pension Plans \$30 million **UPFRONT PAYMENT** (USW 1005 allocation \$15 million) and \$20 million **ADVANCE PAYMENT** (USW 1005 allocation \$10 million).

Of the \$142 million, \$94.6 million has been allocated to USW Local 1005 Pension Plan for Bargaining Unit Employees. The funds were deposited on March 28, 2018, which increases the funded solvency basis to 85%.

Throughout the CCAA process, OUR PRIORITY has been and will continue to be, that USW 1005 pensioners receive 100% of their Pensions. Thanks to all the stakeholders, this is positive news.

Last week at Queens Park, the Ontario Provincial Government announced that PBGF (Pension Benefit Guarantee Fund) has increase from \$1000 to \$1500 a month. While long overdue, we do view this as a positive step in the right direction.

We view pensions as deferred wages and that is unconscionable that a person who works for 30 or 40 years would have their pensions reduce, therefore depriving them of living in dignity. Our thoughts go out to retirees, such as the Sears Canada Workers, who have lost or have been threatened with the loss of their pensions.

The number one questions retirees’ call about us about is, “will I get 100% of my pension deposited into my account the first of each month” says USW Local 1005 President Gary Howe. Todays developments are another step in ensuring that happens.

### **Contact information**

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