



What's new with your plan?

Going forward, we'll be providing member newsletters twice a year to update you on the Canadian Baptist Pension Plan (CBPP) and to share important industry developments and trends. From time to time, we'll also include some useful health benefits plan information and reminders.

This newsletter provides an update on your pension plan's performance, as well as some changes to the pension landscape coming in 2019.

Plan performance

After a prolonged period of relative stability, markets recently saw the return of volatility, including a dip in October with the announcement of a second interest rate increase in 2018. While that volatility may impact investment returns, it's important to keep in mind that pension plan investing is a long-term proposition. Markets move up and down in the short term, but it's the long term that matters. And remember: as a CBPP member, you pay lower investment management fees, meaning more money stays in your account – which, over time, can have a significant impact on your retirement income.

Here is an overview of your plan's year-to-date performance as of September 30, 2018:

CBM Conservative Fund	CBM Moderate Fund	CBM Balanced Fund	CBM Aggressive Fund	CBM Retirement Fund
2.0%	2.7%	3.0%	3.9%	2.0%

You'll find more details on fund performance, including 5-year average returns, on page 2.

New website launching in January

Starting on January 1, 2019, you'll have access to a **new consolidated CB Benefits website: cbbenefits.ca**

Rather than getting your plan information from a range of different sources, CB Benefits will be your go-to hub for both pension- and benefits-related information. The site was designed with intuitive, user-friendly navigation by "life stage" – whether you're new to CB Benefits, a current plan member or a retiree/pre-retiree. Or, if you're just looking for a form, you can also navigate directly to that content.

Your new and improved website will be full of useful resources, giving you 24/7 access to all the pension and benefits information you need, all in one place. Check it out in January... more information to come!

Did you know?

You can make voluntary contributions by payroll deduction, in any amount you choose! You can start, change or stop making voluntary contributions at any time. Talk to your treasurer for more information.

What's inside:

Fund performance & asset mix summary | CPP enhancements coming soon
Protecting your wealth AND your health | Member support

Fund performance

The CBPP offers fund options across the risk/reward spectrum: from the low-risk money market fund, to higher-risk funds such as the CBM Aggressive Fund. You choose the funds that best suit your needs.

The following table provides an overview of CBPP fund performance (as of September 30, 2018 and the 5-year average return):

Fund	Rate of Return (%) As of September 30, 2018	Rate of Return (%) 5-year average
CBM Conservative Fund	2.0%	5.7%
CBM Moderate Fund	2.7%	7.4%
CBM Balanced Fund	3.0%	8.2%
CBM Aggressive Fund	3.9%	9.8%
CBM Retirement Fund	2.0%	7.2%

It's important to ensure that your fund choices match your risk tolerance (conservative, moderate, balanced or aggressive) and your time horizon to retirement. It's also important to check your risk tolerance profile periodically. If you haven't done so lately, visit the Sun Life website to review your profile at mysunlife.ca.

CPP enhancements coming soon

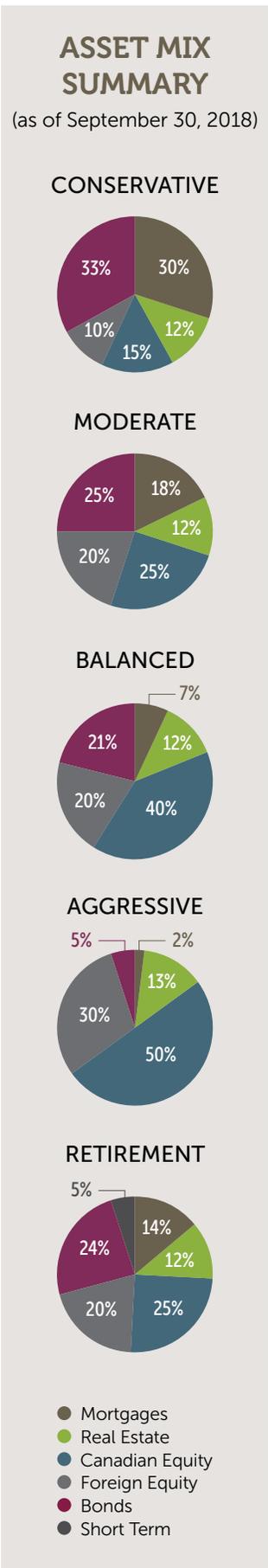
How the CPP changes will impact CBPP members

Your CBPP pension is an important piece of the retirement income puzzle, but it's not the only piece! You'll also want to consider any benefits you may be eligible to receive from the Canada Pension Plan (CPP), Old Age Security (OAS) and/or Guaranteed Income Supplement (GIS), as well as your personal savings (including real estate).

As you may have heard, the Federal government recently announced enhancements to the CPP, which will be phased in over several years. Rest assured, there will be **no impact on the pension you earn from the CBPP.**

However, your CPP contributions will go up. On January 1, 2019, the CPP will start to grow, with the ultimate goal of replacing one third of the average industrial wage. Between 2019 and 2023, the CPP contribution rate will gradually increase – so if you continue to work and make contributions to the CPP in 2019 and onward, you will receive higher benefits in exchange for making higher contributions. To fully benefit from the enhanced CPP, you would need to contribute to it for 40 years.

For more information on the CPP enhancements, visit the Government of Canada website.





Protecting your wealth AND your health

At CB Benefits, we're committed to supporting your financial, physical and psychological wellness. That's why, in addition to a competitive pension plan, we also offer comprehensive health benefits to our employees.

Your benefits are provided through a modular flex plan, which gives you the flexibility to choose different coverage levels depending on your personal needs and circumstances. Benefits include life insurance (for you, your spouse and your dependents), long-term disability, global medical assistance, prescription drugs, vision care, medical services and supplies, paramedical services,

dental services, critical illness, and accidental death and dismemberment (AD&D) coverage. Great-West Life and Chubb are your plan providers (Chubb is for AD&D only).

To contact Great-West Life:

Medical/dental coverage: 1-800-957-9777

Healthcare Spending Account (HCSA): 1-877-883-7072

To contact Chubb Insurance:

Canada.ChubbLife@chubb.com

1-800-387-7199

What is a Healthcare Spending Account (HCSA), and how does it work?

Depending on which benefits plan you belong to and which option you choose, you may have access to a **Healthcare Spending Account (HCSA)**. A HCSA is simply extra money you can use toward health and dental expenses that aren't covered (or aren't fully covered) under your benefits plan.

You can use HCSA funds toward any eligible health or dental expense under Canada's *Income Tax Act* – like an extra massage or pair of glasses. If your claim exceeds the maximum for a certain benefit, you can maximize your coverage by putting the claim through your benefits plan

first and then claiming the remainder through your HCSA. You can claim eligible expenses for yourself, your spouse and/or any eligible dependents, as long as they're listed on your income tax return.

If you don't use your full HCSA balance in a given plan year, you can carry forward the unused portion to the next plan year. However, you must use the carry-forward amount by the end of Year 2 or it will be forfeited (per Canada's tax rules). Any HCSA claims submitted in Year 2 will automatically be applied first to any carry-forward balance from the prior year, and then to the new allocation.

MEMBER SUPPORT

Looking for more information or resources? We've got you covered!

- Start by reviewing the **CB Benefits website**. You'll find a wealth of information and resources to help you understand your plans and your benefits.
- For retirement planning support, call **Sun Life** at 1-866-224-3906 (Option 1) between 8 a.m. and 8 p.m. EST, Monday to Friday, and speak to a Retirement Consultant. They can help you find the best path to reach your retirement income goals.

A final word

This bulletin has been prepared exclusively for Canadian Baptist Pension Plan members. It is not intended to be comprehensive or to provide advice. If there are any differences between the information provided in this bulletin and any legal documents that govern the delivery of benefits, the legal documents will apply.