

things you need to know...

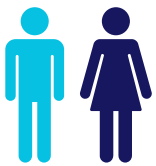


Musicians' Pension Fund
of Canada



What the Fund's Trustees Do

Who are the “Board of Trustees” and What Do They Do?



A Board of Trustees is an appointed or elected group of individuals that supervises the affairs of a public or private organization. The Musicians' Pension Fund of Canada's Board of Trustees is made up of an equal number of employee and employer representatives,

who are appointed to the Board. They are responsible for the overall operation of our Pension Plan—to ensure that the Fund operates in the best interests of current and future Plan Members.

The Fund's Trustees are not paid for their Board work. Trustees make a wide range of decisions about Plan operations within the legal and legislative framework.

When considering any changes to the Plan or the way the Fund operates, the Trustees gather information, listen to the recommendations provided by the Fund's professional consultants (e.g., actuaries, investment advisors, lawyers) and discuss the issue and related solutions.

The Trustees' responsibilities include all aspects of running the Fund. This means they can make or may be required to make decisions on a wide range of issues including changing Plan provisions and benefits.

MISSION STATEMENT

To administer the Plan in a prudent manner to ensure its long-term viability in order to provide the best possible retirement benefits to the Fund's Members and beneficiaries.



When Can Benefits Be Improved?



If the Trustees receive a funding report from the Plan actuary that shows the Plan has a surplus, they must determine what, if anything they want to do with that surplus.

First and foremost, the Trustees want to be as sure as they can be that the Plan can meet its current obligations. That means that it is far from automatic that funding surpluses, as and when they arise, will be allocated to benefit improvements.

In practice, the Trustees will want a cushion, and it

is only when the assets are enough to meet current liabilities and that cushion, that any excess could be considered for benefit improvements.

Even then, it is not automatic. The Trustees may decide to use such excess surplus to support a lower risk investment policy. They will make that decision in conjunction with the Plan's actuary and in a way that best balances risk and return for you, the Plan members.

For the avoidance of doubt, the Trustees are not considering benefit improvements at this point.

When Can Benefits be Reduced?



If the Trustees receive a funding report from the Plan actuary that shows the Plan cannot afford its current level of benefits, they are required under Ontario law to take action to fix that situation. Such action could include

reducing benefits already earned, already in pay, or to be earned in the future.

If that need arises, the Trustees will try and be as fair as possible in where such benefit reductions are applied. For the avoidance of doubt, the Trustees are not considering benefit cuts at this point. If the Trustees change provisions of the Plan, the Fund Office will notify you in writing about the changes.