

| | | |
|-----------------|--|----------------|
| OFFICE USE ONLY | | |
| Entered | | RECEIVED STAMP |
| Reviewed | | |

COST CERTIFICATE

This form should reflect only costs and demographics associated with the Defined Benefit provisions of the pension plan

| PART A – PLAN INFORMATION | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|
| CRA NUMBER: | | ACTUARIAL REVIEW DATE: | ____ / ____ / ____ YYYY MM DD |
| OFFICIAL NAME OF THE PLAN: | | | |
| CERTIFICATE START DATE: | | CERTIFICATE END DATE: | |
| ____ / ____ / ____ YYYY MM DD | | ____ / ____ / ____ YYYY MM DD | |
| REVIEW TYPE: <input type="checkbox"/> FULL REVIEW (Regular Triennial or Annual) <input type="checkbox"/> FULL REVIEW (Due to a Major Event: Amendment, Merger, Split, Partial Windup etc) <input type="checkbox"/> INITIAL REVIEW (At Plan's Inception) | | | |
| PART B - GOING CONCERN RESULTS | | | |
| (1) NORMAL ACTUARIAL COST (CURRENT SERVICE COST) | EMPLOYER COST | MEMBER COST | |
| ESTIMATED NORMAL ACTUARIAL COST FOR FIRST YEAR OF PERIOD COVERED | \$ _____ | \$ _____ | |
| RULE FOR HOW THE NORMAL ACTUARIAL COST IS CALCULATED FOR THE PERIOD COVERED (COMPLETE ONE) | _____ % OF MEMBER CONTRIBUTIONS OR _____ % OF COVERED PAYROLL | _____ % OF COVERED PAYROLL | |
| | OTHER (describe): | OTHER (describe): | |
| (2) SPECIAL INFORMATION FOR SPECIFIED MULTI-EMPLOYER PENSION PLANS (SMEPPs) | | | |
| A) NORMAL ACTUARIAL COST | \$ | | /HOUR |
| B) EXCESS ASSETS USED TO OFFSET NORMAL ACTUARIAL COST | \$ () | | /HOUR |
| C) UNFUNDED LIABILITY PAYMENTS | \$ | | /HOUR |
| D) SOLVENCY DEFICIENCY PAYMENTS | \$ | | /HOUR |
| E) CONTINGENCY RESERVE / (SHORTFALL) | \$ | | /HOUR |
| NEGOTIATED CONTRIBUTION RATE [A + B + C + D + E] | \$ | | /HOUR |
| AVERAGE ANNUAL HOURS OF WORK ASSUMPTION PER MEMBER | | TOTAL ANNUAL HOURS OF WORK ASSUMPTION | |
| (3) MEMBERSHIP DATA AT THE ACTUARIAL REVIEW DATE | | NUMBER OF MEMBERS | AVERAGE AGE |
| ACTIVE MEMBERS (include anyone accruing benefits) | | | |
| DEFERRED VESTED MEMBERS (MAY INCLUDE OUTSTANDING NON-VESTED TRANSFERS/PAYMENTS) | | | |
| SUSPENDED MEMBERS | | | |
| DISABLED MEMBERS (receiving disability pension payments) | | | |
| RETIRED MEMBERS (include pensioners & beneficiaries receiving benefits) | | | |
| TOTAL COVERED MEMBERS | | | |

PART B - GOING CONCERN RESULTS (continued)

| (4) Liabilities by Membership Group | Going Concern Liabilities |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
| A) ACTIVE MEMBERS (include anyone accruing benefits) | \$ |
| B) DEFERRED VESTED MEMBERS (MAY INCLUDE OUTSTANDING NON-VESTED TRANSFERS/PAYMENTS) | \$ |
| C) SUSPENDED MEMBERS | \$ |
| D) DISABLED MEMBERS (receiving disability pension payments) | \$ |
| E) RETIRED MEMBERS (includes pensioners & beneficiaries receiving benefits) | \$ |
| F) TOTAL GOING CONCERN LIABILITIES [A + B + C + D + E] | \$ |
| G) Utilized / Actuarial Value of Assets | \$ |
| H) Excess Assets/(Unfunded Liability) [G - F] | \$ |
| I) Market Value of Assets (including adjustments for payables and receivables) <i>NOTE: Must equal the figure reported in Section C-1(A)</i> | \$ |
| J) Going Concern Funded Ratio [G / F] (to four decimal places e.g. 0.8762) | |
| PLEASE EXPLAIN HOW ANY EXCESS ASSETS WILL BE UTILIZED (e.g. to offset current service contributions or contributions to a defined contribution provision etc): | |

| (5) Unfunded Liabilities existing at the beginning of the period covered by this certificate: | | | |
|------------------------------------------------------------------------------------------------------|-------------------|----------------|----------------------------------|
| Original Date Established (YYYY-MM-DD) | Remaining Balance | ANNUAL Payment | Amortization End (YYYY-MM-DD) |
| / / | \$ | \$ | / / |
| / / | \$ | \$ | / / |
| / / | \$ | \$ | / / |
| / / | \$ | \$ | / / |
| / / | \$ | \$ | / / |
| / / | \$ | \$ | / / |
| / / | \$ | \$ | / / |
| / / | \$ | \$ | / / |
| / / | \$ | \$ | / / |
| TOTAL | \$ | \$ | |

PART B - GOING CONCERN RESULTS (continued)

(6) SOURCES OF GAIN AND LOSS (DO NOT COMPLETE FOR AN INITIAL REVIEW)

| | |
|-------------------------------------------------------------------------------------------|----|
| TOTAL EXCESS ASSETS/(UNFUNDED LIABILITY) AT LAST REGULAR REVIEW | \$ |
| GAINS/(LOSSES) DUE TO: | |
| ⇒ EXPECTED INTEREST ON EXCESS ASSETS/(UNFUNDED LIABILITY) | \$ |
| ⇒ FUND INVESTMENT RETURN DIFFERENT THAN ASSUMED | \$ |
| ⇒ REQUIRED SPECIAL PAYMENTS (PER PREVIOUS COST CERTIFICATE) | \$ |
| ⇒ SPECIAL PAYMENTS DIFFERENT THAN REQUIRED (PER PREVIOUS COST CERTIFICATE) | \$ |
| ⇒ CURRENT SERVICE CONTRIBUTIONS DIFFERENT THAN REQUIRED (PER PREVIOUS COST CERTIFICATE) | \$ |
| ⇒ DEMOGRAPHIC ACTIVITY DIFFERENT THAN ASSUMED | \$ |
| ⇒ EXPENSES DIFFERENT THAN ASSUMED | \$ |
| ⇒ PLAN AMENDMENTS | \$ |
| ⇒ CHANGES TO ECONOMIC ASSUMPTIONS (DETAIL MUST APPEAR IN VALUATION REPORT) | \$ |
| ⇒ CHANGES TO DEMOGRAPHIC ASSUMPTIONS (DETAIL MUST APPEAR IN VALUATION REPORT) | \$ |
| ⇒ OTHER (PLEASE DESCRIBE) | \$ |
| ⇒ OTHER (PLEASE DESCRIBE) | \$ |
| ⇒ OTHER (PLEASE DESCRIBE) | \$ |
| TOTAL EXCESS ASSETS/(UNFUNDED LIABILITY) AT THIS REVIEW - MUST MATCH TOTAL IN 4(H) | \$ |

(7) ACTUARIAL METHODS AND ASSUMPTIONS

| UTILIZED VALUE OF ASSETS | LIABILITY VALUATION METHOD |
|------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| <input type="checkbox"/> MARKET VALUE (INCL. ADJUSTMENTS FOR PAYABLES/RECEIVABLES) | <input type="checkbox"/> UNIT CREDIT (ACCRUED BENEFIT, PROJECTED ETC.) |
| <input type="checkbox"/> ADJUSTED/AVERAGE MARKET VALUE (INCLUDES SMOOTHING) | <input type="checkbox"/> INDIVIDUAL LEVEL PREMIUM |
| <input type="checkbox"/> BOOK VALUE | <input type="checkbox"/> ENTRY AGE NORMAL |
| <input type="checkbox"/> ADJUSTED BOOK VALUE | <input type="checkbox"/> ATTAINED AGE |
| <input type="checkbox"/> BLEND OF BOOK & MARKET VALUES | <input type="checkbox"/> AGGREGATE |
| <input type="checkbox"/> OTHER (SPECIFY) | <input type="checkbox"/> OTHER (SPECIFY) |

MORTALITY TABLE

- GAM 94 (with or without adjustments)
- UP 94 (GAM 94 WITHOUT MARGINS, with or without adjustments)
- GAR 94 (GAM 94 WITH A PROJECTION TABLE, with or without adjustments)
- GAM 83 (adjusted)
- GAM 83 (not adjusted)
- GA 71 (adjusted)
- OTHER (UP 84, GAM 71, CONSTRUCTED TABLE ETC.) PLEASE SPECIFY: _____

PART B - GOING CONCERN RESULTS (continued)

(7) ACTUARIAL METHODS AND ASSUMPTIONS (continued)

| Interest Rate (for Active Members): | | | Salary Increase Rates: | | |
|-------------------------------------|---------------------------|-------|------------------------|-------------------------------------|--------|
| _____% | FOR THE FIRST | _____ | YEARS | A) INFLATION: | _____% |
| _____% | THEREAFTER (IF DIFFERENT) | | | B) PRODUCTIVITY: | _____% |
| | | | | C) MERIT ⁽¹⁾ : | _____% |
| | | | | TOTAL [A+B+C] ⁽²⁾ | |

(1) If Merit is age or service related, indicate the *average expected* merit for membership as a whole.

(2) Simply showing a total is not sufficient; each of the components in A, B & C must be shown individually.

| | | | |
|----------------------------------------------|-------------------------------------|-----------|------------|
| Post-Retirement Indexing Rate: _____% | Withdrawal Table/Rates Used? | No | Yes |
|----------------------------------------------|-------------------------------------|-----------|------------|

Expense Assumption

| | |
|--------------------------|------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> | A) NONE (EMPLOYER PAYS ALL EXPENSES) |
| <input type="checkbox"/> | B) IMPLICIT ONLY (INTEREST RATE IS NET OF ALL EXPENSES) |
| <input type="checkbox"/> | C) EXPLICIT ONLY - SPECIFY DOLLAR AMOUNT: \$ _____ |
| <input type="checkbox"/> | D) COMBINATION OF IMPLICIT AND EXPLICIT - SPECIFY DOLLAR AMOUNT FOR EXPLICIT PORTION: \$ _____ |

PART C – SOLVENCY RESULTS

NOTE:

Plans that have been granted an exemption from making solvency payments must still perform and report the solvency deficiency calculations in Part 1 below but need only complete the **Original Date Established** and **Remaining Balance** columns in Part 2.

Plans for Specified Individuals must still perform and report the solvency deficiency calculations in Part 1 and show the estimated annual special payments required by the *Employment Pension Plans Act* and Regulation in Part 2, regardless of whether or not those payments could be made in part or in full because of such funding limitations as are imposed by the *Income Tax Act (Canada)*.

| (1) Total Plan Solvency – This Section Must be Completed in its Entirety | | |
|--------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|----|
| (A) | MARKET VALUE OF ASSETS (INCLUDING ADJUSTMENT FOR PAYABLES AND RECEIVABLES). <i>MUST EQUAL THE FIGURE REPORTED IN SECTION B-4 (I)</i> . | \$ |
| (B) | LESS ASSUMED WINDUP EXPENSES | \$ |
| (C) | = SOLVENCY ASSETS FOR CALCULATING SOLVENCY RATIO [A - B] | \$ |
| (D) | PLUS PRESENT VALUE OF GOING-CONCERN SPECIAL PAYMENTS (INCLUDE AMOUNTS COVERED BY PREVIOUSLY ESTABLISHED LETTERS OF CREDIT HERE) | \$ |
| (E) | = SOLVENCY ASSETS FOR CALCULATING SOLVENCY DEFICIENCY [C + D] | \$ |
| (F) | SOLVENCY LIABILITIES | \$ |
| (G) | Solvency Ratio = (C) / (F) (to four decimal places e.g. 0.8762) | |
| (H) | TOTAL Plan Solvency Excess/(Deficiency) = (E) minus (F) | \$ |

| (2) Solvency Deficiencies existing at the beginning of the period covered by this certificate | | | |
|-----------------------------------------------------------------------------------------------|-------------------|----------------|----------------------------------|
| Original Date Established (YYYY-MM-DD) | Remaining Balance | ANNUAL Payment | Amortization End (YYYY-MM-DD) |
| / / | \$ | \$ | / / |
| / / | \$ | \$ | / / |
| / / | \$ | \$ | / / |
| / / | \$ | \$ | / / |
| / / | \$ | \$ | / / |
| / / | \$ | \$ | / / |
| / / | \$ | \$ | / / |
| / / | \$ | \$ | / / |
| / / | \$ | \$ | / / |
| TOTAL | \$ | \$ | |

PART D – ACTUARIAL OPINION

Based on the results of my/our actuarial review, I/we hereby certify that, in my/our opinion, the estimated normal actuarial cost and special payments to be made to the plan during the period covered by this certificate, at the rates and amounts specified in this certificate, meet the minimum requirements of the *Employment Pension Plans Act* and *Regulation*. Future contribution levels may change as a result of future changes in the actuarial methods and assumptions, the membership data and the plan provisions, or future experience gains or losses resulting from emerging experience differing from the assumptions.

In my/our opinion and for the purposes of the actuarial review on which this certificate is based, the data used is sufficient and reliable and the assumptions made and the methods employed are appropriate. This opinion has been given in accordance with accepted actuarial practice in Canada.

This certificate has been prepared in accordance with the *Employment Pension Plans Act* and *Regulation*. It is not intended to satisfy the reporting requirements of valuations for funding purposes under either the *Income Tax Act* (Canada) or the Practice-Specific Standards for Pension Plans approved by the Canadian Institute of Actuaries.

Is this a Qualified Opinion? Yes No If Yes, please specify:

| | | | |
|-----------------------------|--|--------------|-----|
| ACTUARY'S SIGNATURE: | | DATE: | / / |
|-----------------------------|--|--------------|-----|

| | |
|------------------------------------|--|
| NAME & TITLE (printed): | |
|------------------------------------|--|

| | |
|-----------------|--|
| COMPANY: | |
|-----------------|--|

| | |
|-----------------|--|
| ADDRESS: | |
|-----------------|--|

If a second actuary has signed the actuarial valuation report, the following can be completed but is not necessary:

| | | | |
|-----------------------------|--|--------------|-----|
| ACTUARY'S SIGNATURE: | | DATE: | / / |
|-----------------------------|--|--------------|-----|

| | |
|------------------------------------|--|
| NAME & TITLE (printed): | |
|------------------------------------|--|

| | |
|-----------------|--|
| COMPANY: | |
|-----------------|--|

| | |
|-----------------|--|
| ADDRESS: | |
|-----------------|--|

Note: Information Collected on this form will become subject to the *Freedom of Information and Protection of Privacy Act* and will be managed in accordance with that Act. If you have any questions about the collection, use or disclosure of this information, please contact Alberta Finance at (780) 427-8322.