

FUND CELEBRATES 40TH ANNIVERSARY



Your Pension Benefits Newsletter

FALL 2002

MISSION STATEMENT

To prudently administer the Plan in order to provide the best possible benefits for its members and beneficiaries

Included in this issue:

We're Forty (40) Years Old and Proud of It

New Joint & Survivor Option

Summary Financial Statement

We're Forty (40) Years Old and Proud of It

In 1959 the American Federation of Musicians negotiated an agreement with the Phonograph Industry in the United States that established the AFM-EPW Fund and provided for pension contributions to that Fund. The A F of M then negotiated with the film industry, the major broadcasting networks, and the producers involved in commercial announcements (then jingles). They all included contributions to the newly established pension fund.

At that time in Canada, we had a small but growing industry in films, phonograph records, and jingles but the CBC was producing numerous musical shows. We were utilizing the international agreements which provided for pension contributions to a fund based in New York but not registered in Canada.

The late Messrs Walter Murdoch (A F of M) and Arthur Jubien (advertising agencies) together with their legal counsel, Mr. Jack McMaster, then established a similar pension fund in Canada and on April 9th, 1962 the Declaration of Trust was executed and the AFM-EPW Fund (Canada) was born. Mr. Murdoch and Mr. Jubien were the original trustees who signed the trust document.

The rest is obviously history, but certain events should be noted. In 1963-64 negotiations that included pension contributions were consummated with the Toronto and Montreal symphonies, and following that lead, all major symphony orchestras in Canada today have pension coverage in their collective agreements.

In 1964-65 the negotiated agreement between the A F of M and the CBC included pension contributions for the first time and today, all producers of television shows, films, and documentaries are making contributions to the Fund on behalf of our members. A few Locals in Canada have pension coverage on hotels and restaurants (bars) steady engagements and some Locals have pension contributions on casual engagements in their jurisdiction. Locally negotiated agreements have pension coverage and that includes musicians that work in theatres, opera and ballet orchestras, touring theatrical shows, concert orchestras and many other establishments that employ musicians.

Every musician in Canada that is working under a collective agreement has pension contributions made on his/her behalf. In addition, a large group

of musicians has pension coverage on steady and casual engagements.

In 1962 not one (1) musician was covered in the AFM-EPW Fund (Canada) and in 2002 there are thousands. That is why we are so proud.

Administratively, the Fund in Canada has seen many changes. It began with two (2) trustees and all contributions were sent to New York together with the necessary paper work. In 1965 Mr. Murdoch resigned and was replaced by J. Alan Wood. In 1968 Mr. Jubien retired and was replaced by Robert Aston. It became evident to the two (2) trustees that we should take the record keeping away from New York and set up our own in-house administration.

In 1970-71, the Trustees made many changes. Ellen Versteeg-Lytwyn was hired as the Administrator, and she still holds that position today. The number of Trustees was expanded to six (6). Two(2) money managers were contracted. Benefit consultants and an actuary were engaged and a professional custodian was contracted to handle the assets. **The Fund was now totally Canadian.**

The growth of the Fund since 1962 and the monies paid to pensioners and beneficiaries is printed elsewhere in this newsletter and suffice to say, the results have been unbelievable.

The present trustees, the administrative staff, and I am sure that all pensioners, beneficiaries, and plan participants are all proud to be part of the AFM-EPW Fund (Canada) as we celebrate our **40th Anniversary.**

J. Alan Wood
Chairman,
Board of Trustees

New Joint & Survivor Benefit Option

By law, if you have a spouse as defined by the Plan on the date your pension begins, the pension you are entitled to must be paid as a 66-2/3% joint and survivor benefit.

Effective July 1, 2002 the Plan provides 2 types of joint and survivor benefits.

Joint and Survivor 66-2/3% - No Guarantee Period

Under the Joint and Survivor 66-2/3% (no guarantee period), you will receive your monthly pension for as long as you live. Upon your death, your spouse, if still

living, will receive 66-2/3% of your pension for the remainder of his or her lifetime.

The monthly pension you will receive in this Joint form will be the same as you would receive under the Normal form.

Joint and Survivor 66-2/3% - 10 Year Guarantee

Under the Joint and Survivor 66-2/3% (10-year guarantee) the monthly amount you receive will be reduced, as required by the Income Tax Act, based on your age and your spouse's age. This amount is payable for your lifetime, with a 10 year guarantee. If you die before receiving 10 years of payments, your spouse will receive the remaining guaranteed payments. After the 10-year guarantee period is over, your spouse, if still living, will receive 66-2/3% of the monthly amount for his or her lifetime.

If you and your spouse both die before the 10-year guarantee period has expired, the remaining guaranteed payments will go to the designated beneficiary or estate.

When you apply for your pension you will be advised of these options and the amounts payable under each.

In Memoriam

Popular and highly talented Local 149 Toronto drummer Jerry Fuller died suddenly on July 13, 2002. Jerry was 62 and still very much an active participant on the Toronto music scene at the time of his death.

We regret to announce the passing of James (Jimmie) Begg on August 7, 2002, at the age of 82. Many of you will remember Jim as a popular bandleader in the Hamilton area. Jim, with his vibrant wife Mary, went on to run Local 293 for many years. They were a fixture at A F of M conventions and Canadian Conferences. Our condolences go to Mary and the family.

Don't Let This Happen To You!

Recently, we have had a number of members raising questions about contributions (or lack thereof) for employment in the 1960's and 1970's.

The Fund office sends an annual statement to all members for whom they have received contributions in the immediate previous year.

THE TIME TO ASK QUESTIONS IS WHEN YOU RECEIVE YOUR STATEMENT.

Waiting to ask these important questions makes it more difficult and sometimes impossible to investigate. If it is necessary for the Fund to collect pension contributions on your behalf it is much easier to do on a timely basis. Many employers (who are responsible to make

these payments) go out of business. Many musicians do not have, nor do they keep, the kind of records we may need to pursue a non-payment of contributions.

Ultimately, the non-payment of a contribution may determine your eligibility for a benefit and will definitely have a direct effect on the amount of your benefit.

Disclaimer

Every effort is made to ensure the accuracy of information contained in this newsletter. In the event of any differences in interpretation between this newsletter and the official Rules and Regulations of the Plan, the official Rules and Regulations of the Plan will apply.

2001 Summary Financial Statement

Plan Assets as at December 31, 2000		\$488,185,630.00
Plus 2001 Plan Income (Loss)		
Employer Contributions	\$6,560,297.00	
Investment Income	19,694,397.00	
Realized Gain on Sale of Investments	10,222,662.00	
Change in Net Unrealized Gains	(13,150,564.00)	
	\$23,326,792.00	+\$23,326,792.00
Minus 2001 Plan Expenses		
Pension and Death Benefits Paid	\$10,456,489.00	
Termination Payments & Portability Transfers	362,694.00	
Administrative Expenses (Professional Fees & Operating Expenses)	2,508,970.00	
	\$13,328,153.00	-\$13,328,153.00
Plan Assets as of December 31, 2001		\$498,184,269.00

Additional information is available from the Fund office, on written request.

Staff Directory

Ellen M. Versteeg-Lytwyn, Administrator Ext. 25	Dale MacDonald, Contract Processing Ext. 28
Jill D. Giustino, Assistant to the Administrator Ext. 26	Nora Cid, Contract Processing Ext. 31
Humberto Martins, Pension & Benefits Administrator Ext. 23	Lydia Koper, Member records Ext. 29
Judy Haidinyak, Pension and Benefits Ext. 22	Lisa Ayling, Reception Ext. 21
Pirkko Vega, Manager, Data Processing Ext. 27	

Your Pension Benefits Newsletter is published by the Board of Trustees of the AFM-EPW Fund (Canada).

Board of Trustees

J. Alan Wood (Chairman)

Emile Subirana

David J. Jandrisch

Pierre Racicot

Stanley Shortt

John Sinclair

AFM-EPW Fund (Canada)

416-497-4702

1-888-462-6666

2255 Sheppard Ave. E.

Suite A110

Toronto, Ont. M2J 4Y1

email: afmepw.can@on.aibn.com

A publication of the American Federation of Musicians' and Employers' Pension Welfare Fund (Canada) designed to promote the Fund, and educate its members about the Fund rules and general benefit issues.