

in touch retiree pension bulletin

Canada Post pension plan and Canada Pension Plan (CPP) or Quebec Pension Plan (QPP) benefit integration

Our Canada Post pension plan provides a benefit composed of a LIFETIME pension and a BRIDGE benefit. The LIFETIME pension is a monthly benefit payable for your lifetime.

The BRIDGE benefit is a temporary payment to help bridge the gap between your retirement date and the normal retirement date (age 65) under CPP or QPP. It is payable to you commencing on the date you start receiving a Canada Post pension benefit and ceasing on the earliest of:

- the 1st day of the month following your 65th birthday.
- the 1st day of the month following your death,
- the 1st day of the month following the effective date of an approved CPP or QPP disability benefit.

Other possible sources of government income

- **Old Age Security (OAS)** If you meet certain residence requirements, you may be entitled to a monthly pension once you reach the age of 65. If the elder spouse is age 65, the younger spouse may be eligible for benefits prior to age 65.
- **CPP or QPP** may provide you with a monthly retirement pension at age 65 (or as early as age 60 with a reduced retirement benefit). Disability, survivor and death benefits are also available.

NOTE: You must make application to receive CPP, QPP or OAS. For further information on these plans, please contact:

OAS & CPP

English 1-800-277-9914
French 1-800-277-9915
TDD/TTY device 1-800-255-4786
Website: http://www.sdc.gc.ca/en/gateways/nav/top_nav/program/isp.shtml

QPP

1-800-463-5185
TDD/TTY device 1-800-603-3540
Website: www.rrq.gouv.qc.ca/an/accueil/00.htm



Canada Post Corporation Registered Pension Plan

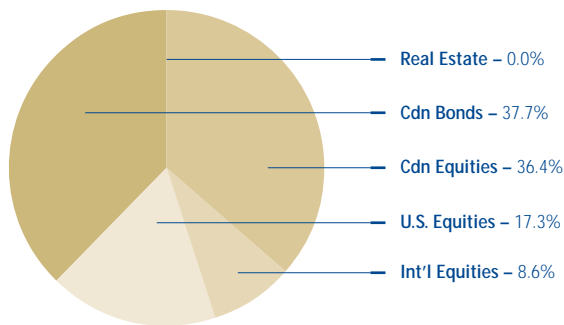
Performance Results for July 1 to September 30, 2003

Market Conditions

The Canadian equity market returned 6.7% during the 3rd quarter as renewed growth in corporate earnings propelled the markets higher. U.S. and International equities also strengthened. Bonds returned 1.4% as the Bank of Canada provided two interest rate cuts during the third quarter of 2003.

ASSET CLASS	Market Value (In millions)	2003 Jul 1- Sep 30	2003 YTD	2002 Annual	2001 Annual
Fixed Income					
Cash & Short Term Investments	\$ 340.1	0.7%	2.2%	2.4%	4.3%
Canadian Bonds	2,725.8	1.4%	6.5%	10.2%	7.3%
Equities					
Canadian Equities	2,925.4	6.1%	13.1%	-11.6%	-7.7%
U.S. Equities	1,392.9	3.1%	0.1%	-20.9%	-
International Equities	691.7	4.9%	-2.5%	-21.6%	-
Total Registered Pension Plan	\$ 8,075.9	3.54%	6.65%	-6.99%	5.10%

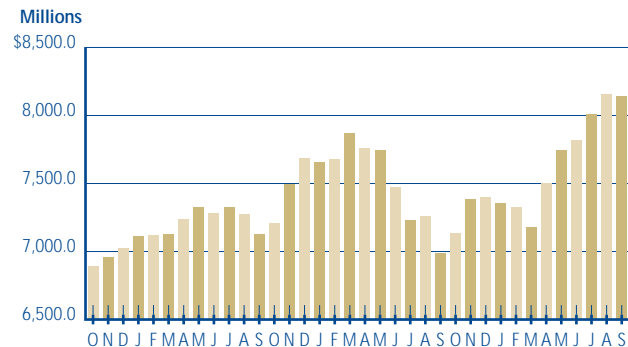
Asset Mix



Investment Highlights

- The Fund's third quarter rate of return is 3.54%. Year to date return is 6.65% versus our benchmark of 6.43%.
- As at September 30, 2003, the fund held assets of \$ 8,075.9 million.
- The fund deployed \$110 million of short-term investments into U.S. and International equities in the third quarter.
- Our International equity mandates were reviewed in Q3 and changes were implemented.

Fund Assets – Oct 2000 to Sep 2003



Asset Mix Highlights

- 62.3% of assets were invested in equities, close to the asset mix target of 62.5%. Of the total, Canadian equities represented 36.4%, US equities 17.3% and International equities 8.6%.
- 37.7% of assets were invested in bonds and short-term investments, compared to an asset mix target of 37.5%.
- Following a review of Real Estate investment opportunities, fund allocation to this asset class is expected to commence in January of 2004.

Did you know?

A member who is receiving a monthly Pension Benefit, from Canada Post, or a related employer, (Her Majesty in Right of Canada, and all Federal Crown Corporations and Agencies) cannot participate in the Canada Post pension plan.

If you are in this situation please contact the Canada Post Pension Administration Centre at **1 877-480-9220**.

Message from PAC Chair – Louis O'Brien

As the new chairman of the Pension Advisory Council (PAC), I am very pleased to have the opportunity to help represent the interests of all employees who are members of the Canada Post pension plan.

As you may be aware, the role of the PAC includes providing advice to the Pension Committee of the Board of Directors on measures "to promote awareness and understanding of the Pension Plan and its operation" among members, both active and retired.

Information about our pension plan is a key building block for members as they become involved in the retirement planning process. The PAC, which includes representation from management, all unions, non-managerial members not represented by a bargaining agent and retirees, has become active in dealing with a wide range of issues raised by plan members and their representatives.

By taking advantage of the numerous communications vehicles now available to share information, we are determined to reach out to employees and to seek their input as to how we can best ensure their information requirements are being met. I can personally assure you that we are willing to consider any reasonable suggestion that will help to advance the interests of current and future retirees.

It is reassuring to know that as our pension plan continues to grow, our benefits are secure. This is because the Canada Post Registered Pension Plan is a "defined benefit" plan. This means our benefit formula is based upon a member's earnings and number of years of service rather than the Plan's investment return.

I look forward to working with the members of PAC and to ensuring that all plan members are well represented in any Pension discussions, and that they receive the highest affordable level of service and information about their pension.

intouch

Do you have a topic in mind for our next "intouch" bulletin? Please submit any suggestions or comments in writing to: Pension Services, 2701 RIVERSIDE DRIVE, SUITE B320, OTTAWA ON K1A 0B1 OR send an e-mail directly to: pension.services@canadapost.ca

Visit our website at: www.cpcpension.com

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