



in touch

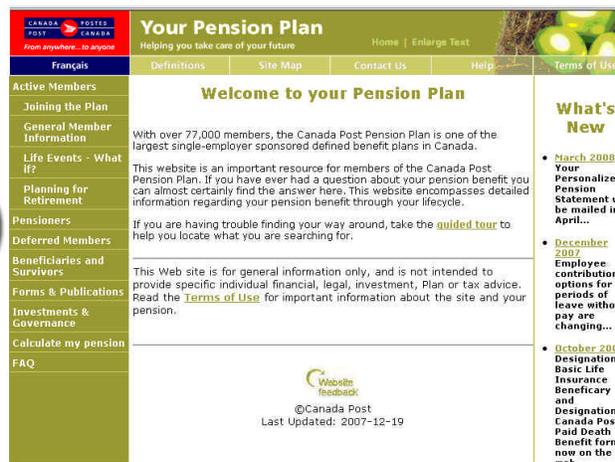
retiree pension bulletin



Improvements to our pension website

Our menu has changed to make it easier to find information on:

- Active Members** – subheadings have drop down menus pertaining to active members
- Pensioners** – a drop down menu pertaining to pensioners
- Deferred Members** – a drop down menu pertaining to deferred members
- Beneficiaries & Survivors** – useful information, if you are a beneficiary or a survivor
- Forms & Publications** – forms and publications right at your fingertips
- Investments & Governance** – investment information, such as investment results and rates of returns, – governance information such as the governance structure and governance documents
- Calculate my pension** – allows an active or deferred member to calculate a pension benefit estimate
- FAQ** – contact information, how to obtain a PIN and easy access to printable forms can be found here



2007 United Way Results

The 2007 United Way results are in and there is every reason to smile. Across Canada, the amount raised at Canada Post was just over \$2.5 million dollars, a significant increase from the previous year. This represents the 16th consecutive year our employees/retirees contributed over \$1 million dollars!

Beyond these amazing financial results the efforts, commitment and time contributed by our employees and retirees are truly inspiring.

Thanks to your generosity, you have helped build stronger, healthier and safer communities for everyone. We hope you will support this important work again during the 2008 Canada Post United Way campaign.

John Smith SVP & CIO
Canada Post 2007 United Way Campaign Chair
For more information, please call 613-734-7986.

What to do when a Pensioner passes away

Contact the Pension Centre at 1-877-480-9220 - TTY 613-734-8265. Having the following information available will enable our agents to assist you more efficiently:

<u>Pensioner's name</u>	Employee number, SIN, Date of Death and Marital Status at Death
<u>Spouse's name</u> (if applicable)	Date of Birth, SIN, Address and Phone number
<u>Eligible Children's name</u>	Date of Birth, SIN and School
<u>Executor's name</u>	Address, Phone Number and a copy of Proof of Appointment as Executor
<u>Beneficiary's Name</u>	Address and Phone Number

Detailed survivor information can be found on our website www.cpcpension.com by clicking on **Pensioners** and then on **Survivor Information**. A Survivor's General Guide is also found on this page, which includes an easy to follow checklist.

Plan Amendments for 2007

Amendments to the Canada Post Corporation Registered Pension Plan and the Supplementary Retirement Arrangement were approved by the Pension Committee in December 2007. The amendments were made to:

- Allow new employees, who transfer-in service under the Pension Transfer Agreement (PTA), to recognize different levels of service between the Registered Pension Plan and Supplementary Retirement Arrangement when there is a shortfall in funding;
- Change the mandatory age limit from age 69 to 71 by which a Plan Member must cease contributing or earning benefit accruals and begin receiving benefits under the Income Tax Rules;
- Require Members to pay outstanding elective service contributions owing when they defer commencement of their pension after termination of employment;
- Clarify that the normal termination options should be provided to any Member who terminates employment.

Market Conditions

Equity markets were lower in the fourth quarter with the Canadian S&P/TSX Composite Index down 1.3%, while in Canadian dollar terms the US S&P 500 fell 4.0%, and the international EAFE index was off 2.4% as markets remained nervous. The DEX Bond Universe was up 2.7% with the Bank of Canada lowering rates 25 basis points to 4.25% in December in response to credit concerns. The following table depicts the Plan's performance since inception.

ASSET CLASS	MARKET VALUE (IN MILLIONS)	2007 Oct-Dec	2007 ANNUAL	2006 ANNUAL	2005 ANNUAL	2004 ANNUAL	2003 ANNUAL	2002 ANNUAL
Fixed Income								
Cash & Short Term	\$ 557.4	-0.1%	3.2%	4.1%	2.7%	2.4%	2.9%	2.4%
Canadian Bonds	4,452.7	2.6%	3.5%	2.4%	8.6%	9.6%	8.4%	10.2%
Equities								
Canadian Equities	4,282.8	-1.8%	9.0%	18.9%	25.2%	15.6%	25.5%	-11.6%
U.S. Equities	2,522.9	-4.5%	-10.7%	16.9%	3.4%	4.9%	7.5%	-20.9%
International Equities	2,408.5	-4.6%	-5.1%	28.4%	13.2%	13.3%	7.3%	-21.6%
Real Estate	387.0	3.6%	16.8%	24.8%	17.2%	—	—	—
Total Registered Pension Plan	\$ 14,611.3	-1.25%	2.09%	14.25%	13.73%	11.13%	13.87%	-6.99%

New Service

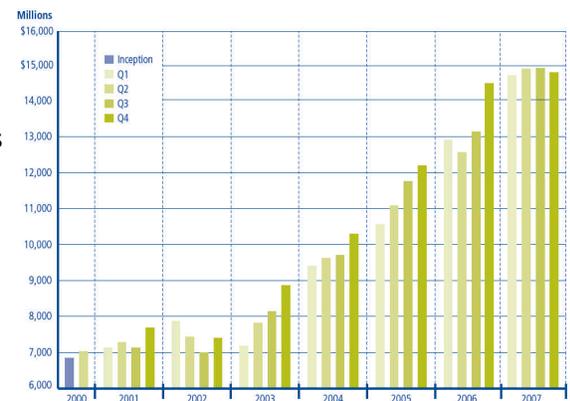
The Pension Centre is pleased to announce a new service – a Telecommunication Device for the Deaf (TTY). Now hearing impaired members can contact the Pension Centre directly by calling 613-734-8265.

Did you know?

that the Pension Centre processes over 220 retirements and answers more than 2,800 telephone calls per month.

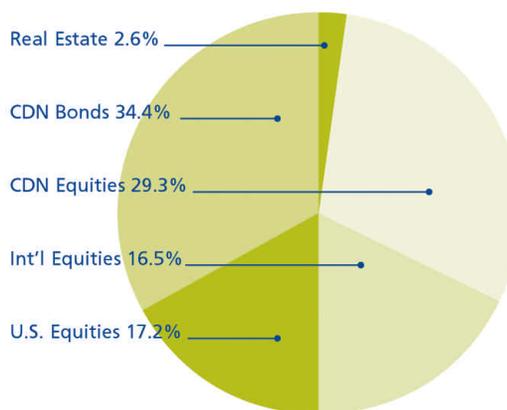
Investment Highlights

- The fund's fourth quarter return was -1.25% versus our benchmark of -0.36%. For the year the fund earned 2.09% against a benchmark return of 0.91%.
- As at December 31, 2007, the fund held assets of \$14,611.3 million.
- The fund had net outflows of \$32.2 million in the fourth quarter. We reduced the Canadian equity allocation by \$85.5 million. This amount plus \$46.2 million in currency hedge gains were allocated as follows: \$36.5 million to real estate; \$10 million to nominal bonds; \$18 million to cash and short-term investments; \$25 million to U.S. equities and \$10 million to international equities.



Asset Mix Highlights

ASSET MIX



- As at December 31, 2007, 65.6% of assets were invested in equities and real estate, above the asset mix target of 62.5%. Of the total, Canadian equities represented 29.3%, U.S. equities 17.2%, international equities 16.5% and real estate 2.6%.
- 34.4% of assets were invested in bonds and short-term investments, compared to an asset mix target of 37.5%. This included 6.9% in real return bonds, 23.7% in Canadian bonds and 3.8% in cash and short-term investments

Do you have a topic in mind for our next "intouch" bulletin?

Please submit any suggestions or comments in writing to:

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OR send an email directly to:
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