

YOUR RETIREMENT PENSION PLAN



**FOR HOURLY EMPLOYEES OF
FORD MOTOR COMPANY OF CANADA, LIMITED
REPRESENTED BY UNIFOR (PENSION PLAN #1)
AS AMENDED SEPTEMBER 25, 2023**

For Hourly Bargaining unit employees who were hired prior to September 24, 2012

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YOUR RETIREMENT PENSION PLAN

The Retirement Pension Plan described in this booklet is YOUR PENSION PLAN if you are an hourly employee of the Company represented by UNIFOR and you have a seniority date prior to September 24, 2012.

The many valuable Plan benefits available to you and, in some circumstances, to your eligible spouse, are briefly described along with the age, service and other requirements you must meet to become entitled to them. The information given here is, of course, subject to all written agreements respecting pensions between the Company and UNIFOR and to all applicable government legislation.

The cost of Plan benefits, as computed by an independent actuary, is paid by the Company into a Pension Trust Fund. Employees hired/rehired on or after January 1, 2010 are required to contribute \$1 per hour for each compensated hour worked, holiday pay and vacation paid out (up to a maximum of 1,700 hours per calendar year) to the Pension Trust Fund. This employee contribution requirement was removed effective September 28, 2020.

The Pension Trust Fund is held by a Trust Company. The assets of the Trust Fund can be used only to pay benefits and certain administrative costs of the Plan. All Plan benefits are paid from the Fund to the extent permissible by Federal and Provincial legislation.

The Plan is administered by a Board of Administration made up of three members appointed by the Company and three members appointed by the Union.

If you have questions concerning the Plan, you should see your local Benefit Representative, local Union Representative or write to the Pensions Board of Administration.

The Retirement Pension Plan is part of the Company's comprehensive employee benefit program, which includes various benefits of particular interest to an employee who is considering retirement. For a description of these benefits, you should refer to your Benefit Program booklets or consult with either your local Benefit Representative or your local Union Representative.

The eligibility, conditions, benefit rates, estimates and tables used for the explanations in this booklet are based on benefit and other provisions of the Retirement Pension Plan effective September 25, 2023. In the event there is a discrepancy between the contents of this booklet and the official pension plan text, the official pension plan text will prevail.

WHEN YOU MAY RETIRE

There are several types of retirement under the Pension Plan. You may retire and get a pension when you meet the age, service, or other requirements. If you have seniority at the time you retire, you may apply for one of the types of retirement described in this section. If you have broken your seniority, see *"If You Leave the Company Before Retirement"* section.

RETIREMENT OPTIONS AND ELIGIBILITY REQUIREMENTS FOR RETIREMENT BENEFITS:

Normal Retirement

At Age 65

Regular Early Retirement

Before Age 65

- Age 60 or older with at least 10 years of credited service, or
- Age 55 or older but under age 60 with combined years of age and credited service totaling 85 or more, or
- Any age with 30 or more years of credited service.

Special Early Retirement

- Age 55 or older with at least 10 years of credited service, and
- Meet standards for special early retirement based on:
 - Physical or mental inability to work efficiently, regularly, and safely, or
 - Permanent lay-off with no apparent opportunity for re-employment by the Company.

Disability Retirement

- At least 10 years of credited service; and,
- Totally disabled (unable to work at Company plants where you have seniority) for at least 5 months with disability expected to be continuous for life.

Vested Retirement

- Age 55

RETIREMENT BENEFITS

If you meet the eligibility requirements for retirement under the Ford of Canada - UNIFOR Retirement Pension Plan #1 and you make application to the Pensions Board of Administration, you will receive, upon Board approval of your application, a monthly Basic Pension Benefit payable for life. Depending on the type of retirement, your age, and your years of creditable service, you may also be eligible to receive, for a period of time, a monthly Supplementary Retirement Benefit and under certain conditions, a monthly Special Allowance.

In addition, you may be entitled to receive the following government pensions:

- Old Age Security Pension
- Canada Pension (or Quebec Pension)

YOUR BASIC PENSION BENEFIT

- The Basic Pension Benefit is payable monthly for life to all pensioners.
- The initial amount of your monthly Basic Pension Benefit will be:

The Basic Benefit Rate in effect for your Benefit Class Code on the Date you Retire
(see page 7)

times

Your Years of Credited Service (see page 17)

- Your initial Basic Pension Benefit Rate depends on date of your retirement.
Use the following table to determine your Basic Pension Benefit Rate:

Initial Basic Date of Retirement	Benefit Class Code	Benefit Rate Per Year of Credited Service
October 1, 2009 to December 1, 2023	A	\$68.60
	B	\$68.85
	C	\$69.10
	D	\$81.60
January 1, 2024 and after	A	\$73.60
	B	\$73.85
	C	\$74.10
	D	\$87.60

- The amount of your monthly Basic Pension Benefit will be reduced, or suspended, if:
 - (1) You do not prevent the automatic election of a joint and survivor pension, if you have an eligible spouse at the time your pension commences (see page 12);
 - (2) You elect Regular Early Retirement before you reach age 60 (see page 8);
 - (3) You are entitled to receive Weekly Accident and Sickness Benefits (see page 16);
 - (4) You receive Workers' Compensation based on a claim filed more than two years after the last day you worked for the Company.

YOUR SUPPLEMENTARY RETIREMENT BENEFIT

- A Supplementary Retirement Benefit is payable to employees who retire on Disability Retirement or with less than 30 years of pension creditable service on Regular Early or Special Early retirement. Employees who retire on Normal Retirement, former employees who receive Deferred Vested Pension Benefits and surviving spouses who receive a Please describe the type of retirement planning tools that are offered to employees (e.g. retirement income calculator)?joint and survivor pension are not entitled to a Supplementary Retirement Benefit.

- If payable to you, the monthly amount of this benefit, before any applicable reductions or suspensions (see below), is equal to \$18 times your years of credited service up to 30 years. It is payable until and including the month following the month in which you reach age 65.
- The amount of your Supplementary Benefit will be reduced, or suspended:
 - (1) If you retire on Regular Early Retirement before you reach age 60 (see page 8).
 - (2) Before age 65, if you receive a disability benefit under the Canada (or Quebec) Pension Plan.
 - (3) If you receive Workers' Compensation based on a claim filed more than two years after the last day you worked for the Company.

GOVERNMENT PENSIONS

Old Age Security Pension (OAS)

This provides a lifetime monthly pension to most Canadians when they reach age 65. If your retirement income is above a certain level, OAS payments will be clawed back as part of your income tax calculation. You must apply to receive this benefit.

Canada (or Quebec) Pension (CPP/QPP)

The normal age for receiving a CPP retirement pension is 65. You may apply for and receive your CPP retirement pension at a reduced monthly amount as early as age 60 OR you may delay applying for your pension beyond age 65, and up to age 70, and receive an increased monthly amount. You must apply to receive this benefit.

If you have any questions about your government pension benefits, you should consult the government pension representative at the Canada Pension Plan Office or Quebec Pension Plan office in your locality or contact the Income Security Programs Office in your province. To check current pension amounts, check the Government of Canada website at www.canada.ca.

YOUR BENEFIT CLASS CODE

- Your Benefit Class Code is determined by the job classification you have held for the greatest number of days during the 24-month period ending with the last day you work before you retire or break seniority.
- Each job classification has been assigned a Benefit Class Code determined by the base hourly rate of the classification, as shown below:

Effective On & After	On or Before	Maximum Base Hourly Rate of Job Classification	Benefit Class Code
Sept 25, 2023	Sept 22, 2024	\$42.075 or less	A
		\$42.080 - \$42.475	B
		\$42.480 - \$43.945	C
		\$43.950 and over	D
Sept 23, 2024	Sept 21, 2025	\$42.915 or less	A
		\$42.920 - \$43.325	B
		\$43.330 - \$44.825	C
		\$44.830 and over	D
Sept 22, 2025	Sept 20, 2026*	\$44.200 or less	A
		\$44.205 - \$44.625	B
		\$44.630 - \$46.170	C
		\$46.175 and over	D

* Until changed by a subsequent Collective Agreement.

RETIREMENT BEFORE AGE 65

- If you retire before your 65th birthday on Special Early or Disability Retirement, after your 60th birthday on Regular (voluntary) Early Retirement, your Basic Pension Benefit and your Supplementary Retirement Benefit (if eligible) would be calculated as described on pages 4 through 6 without reduction for early retirement.
- If you retire on Regular (voluntary) Early Retirement before age 60 with 30 years of pension creditable service your Basic Pension Benefit would be reduced. At age 65, your Basic Pension Benefit will be restored to the full amount and paid thereafter without reduction for early retirement.
- If you retire on Regular (voluntary) Early Retirement before age 60 with 85 points (age plus years of pension creditable service equal at least 85) your Basic Pension Benefit and Supplementary Benefit would be reduced. At age 60, your Basic Pension Benefit and

Supplementary Retirement Benefit will be restored to their full amounts and paid thereafter without reduction for early retirement.

- The percentage of full (unreduced) Basic Pension and/or Supplementary Retirement Benefit amounts payable for Regular (voluntary) Early Retirement at each whole year of age prior to age 60, depending on credited service at retirement, is shown in the following table:

**Percentage of Full Benefits You Would Receive
Age-Service At Retirement**

Your Age When Benefits Begin*	Age 60 and 10 or more Years <u>Credited Service</u>	Age + Service Totals 85 or more**		<u>30 or more Years of Credited Service***</u>	
	<u>Lifetime</u>	<u>To Age</u>	<u>After Age 60</u>	<u>To Age 65</u>	<u>After Age 65</u>
		<u>60</u>			
60	100%	-	100%	-	100%
59	***	93.3%	100	93.3%	100
58	***	86.7	100	86.7	100
57	***	80.8	100	80.8	100
56	***	75.2	100	75.2	100
55	***	69.4	100	69.4	100
54	***	63.5	100	63.5	100
53	***	57.9	100	57.9	100
52	***	53.2	100	53.2	100
51	***	48.9	100	48.9	100
50	***	45.0	100	45.0	100
49	***	41.5	100	41.5	100
48	***	38.3	100	38.3	100
47	***	35.4	100	35.4	100
46	***	32.8	100	32.8	100
45	***	30.4	100	30.4	100
44	***	28.2	100	28.2	100
43	***	26.1	100	26.1	100
42	***	24.3	100	24.3	100

* If you retire between the years of age shown, the percentage of full benefits payable would be prorated based on whole months of attained age.

** Age and credited service totaling at least 85 required for retirement.

*** 30 or more years of credited service required for retirement.

- The following are examples of information shown by the table:

	Percentage of Full Benefits		
	To Age 60	After Age 60	After Age 65
Retirement at age 60:			
If credited service is under 30 years	-	100%	100%
If age-service totals 85 or more	-	100	100
If credited service is 30 or more years	-	100	100
Retirement at age 57:			
If credited service is under 30 years	*	*	*
If age-service totals 85 or more	80.8%	100%	100%
If credited service is 30 or more years	80.8	80.8	100
Retirement at age 54:			
If credited service is under 30 years	*	*	*
If age-service totals 85 or more	*	*	*
If credited service is 30 or more years	63.5%	63.5%	100%
Retirement at age 50:			
If credited service is under 30 years	*	*	*
If age-service totals 85 or more	*	*	*
If credited service is 30 or more years	45.0%	45.0%	100%

* Not eligible for retirement.

- The Supplementary Retirement Benefit payable to eligible employees for retirement before age 65 is not payable beyond age 65 and one month.

SPECIAL ALLOWANCE

- If you retire on Regular Early, Special Early or Disability Retirement before you attain age 65 and one month:
 - (1) with 30 or more years of credited service; and
 - (2) you apply for retirement benefits within 5 years of the last day you worked for the Company; and
 - (3) agree to restrict your employment after retirement; and
 - (4) have not been discharged for cause;

you could be entitled to receive a Special Allowance.

- For a Regular Early or Special Early Retirement, when a Special Allowance is added to your Basic Pension Benefit, your total monthly benefits, subject to the conditions below, initially will be the amount shown below:

<u>Initial Amount of Total Monthly Benefits</u>		
Date of Retirement	Class Codes A,B,C	Class Code D
October 1, 2009 to December 1, 2023	\$3,545.32	\$3,925.32
January 1, 2024 and after	\$3,795.32	\$4,225.32

- The Special allowance will not increase your total monthly benefits at retirement to an amount in excess of 70% of your monthly straight time base pay plus cost-of-living allowance.
- The amount of Special Allowance will be based on the amount of your other Plan benefits before any reduction for a joint and survivor pension, or for receipt of a government disability pension, and will assume that benefits begin immediately upon retirement.
- A Special Allowance is not payable to you for any month in a calendar year after your earnings in that year (from employment after retirement) exceed 50% of the Canada Pension YMPE.
- In any event, no Special Allowance is payable beyond the month following the month in which you reach age 65.

COMMUTED VALUE OPTION

You may elect to take your pension as a lump sum amount (commuted value). More information on the commuted value is provided below. Please note that if you retire under a Disability retirement, this commuted value payment option is not available.

The commuted value is the lump sum present value of the monthly pension benefits to which you are entitled to under the Plan. The value is calculated actuarially in accordance with the *Pension Benefits Act* and takes into account several variables such as life expectancies and interest rates at the time.

- You can elect to transfer the commuted value of your pension at retirement (this option is not available if you retire under a disability retirement) to another registered retirement vehicle.

Maximum Transfer Value

Through the *Income Tax Act*, the government limits the amount of the commuted value that can be transferred to another locked-in retirement arrangement (locked-in RRSP, a locked-in retirement account (LIRA) or a similar registered savings plan) or a lifetime annuity with an insurance company at termination. This is called the maximum transfer value and it is calculated by multiplying your accrued annual pension at age 65 by an annuity factor.

If your commuted value exceeds the maximum transfer value, the amount of your commuted value above the transfer value will be paid in cash (withholding tax would be deducted). Effective September 2024, members can elect to transfer the amount of their commuted value above the transfer value to an RRSP.

JOINT AND SURVIVOR PENSION

Your eligible spouse may in certain circumstances become entitled to a monthly Ford of Canada pension for his/her lifetime after your death. This is called a joint and survivor pension.

If you qualify, your eligible spouse could receive a joint and survivor pension whether you die before or after retirement. The joint and survivor pension and the eligibility for it, are described below:

Joint and Survivor Pension at Retirement

- If you have an eligible spouse at pension commencement, the Plan provides for a joint and survivor pension of 66 2/3% to your eligible spouse upon your death. This means you will receive a monthly pension for as long as you live, and your surviving spouse will receive 66 2/3% of the basic pension you were receiving before your death for the remainder of his or her lifetime. This joint and survivor pension would be automatically elected if you are married or have a common-law spouse at retirement. This statutory form of pension may be waived, in writing, by your spouse. If your spouse waives his/her right to the joint and survivor

pension, he/she could revoke the waiver at any time BEFORE your pension commences by filing a written revocation with the administrator.

- The automatic election of the joint and survivor pension becomes effective on the latest of: (1) your retirement date; (2) if you have less than 30 years of credited service upon retirement before age 55, the first day of the month after your 55th birthday; (3) if at the time the automatic election would otherwise become effective you have a common-law spouse with whom you have cohabited for less than a year, the first day of the month after one year of satisfying the criteria for common-law status.
- The cost of the joint and survivor pension, which will be deducted from your monthly **Basic Pension Benefit**, will be determined as follows:
 - (1) If your spouse is older than you and the difference between your age and your spouse's age is 5 years or less, the cost would be 5% of the Basic Benefit that is or would be payable to you if you were over age 60. The 5% reduction percentage would decrease ½ percentage point or each year over 5 up to 10 that your spouse is older than you are. Where the spouse's age is 10 or more years older than yours, the cost is \$0.
 - (2) If your spouse is younger than you and the difference between your age and your spouse's age is 10 years or less, the cost would be 5% of the Basic Benefit that is or would be payable to you if you were over age 60. The 5% reduction percentage would increase ½ percentage point for each year over 10 that your spouse is younger than you are.

The joint and survivor pension would not apply if you elect the Commuted Value form of pension. Further, if you elect the Commuted Value at retirement, your eligible spouse at the time of your retirement would have to complete a Waiver form to waive his/her right to the joint and survivor pension.

Examples of Reduction Percentages

	Years Difference in Age				
	<u>2 Years</u>	<u>5 Years</u>	<u>8 Years</u>	<u>10 Years</u>	<u>16 Years</u>
Spouse is younger	5%	5%	5%	5%	8%
Spouse is older	5%	5%	3½%	0%	0%

- The amount of the monthly joint and survivor pension payable to your surviving spouse would be 66 2/3% of the monthly **Basic Benefit** (after it is reduced for the cost of the joint and survivor benefit) which would be payable to you if you were over age 60.
- The amount of the joint and survivor pension does not include any Supplementary Retirement Benefit or Special Allowance that may be payable to you.

If Your Spouse Dies or In case of Divorce/Separation

If your eligible spouse pre-deceases you after your retirement, you could remove the joint and survivor pension option by submitting the required form and relevant documents, to your local Benefit Representative.

If you get divorced or separated after retirement, you could cancel the joint and survivor pension option, provided that it is not expressly prohibited by a court decree. For information on canceling the joint and survivor pension option, please visit the Financial Services Regulatory Association (FSRA) of Ontario website.

Upon your submission of written application for cancellation to the Board of Administration, your Basic Pension Benefit will be increased to the amount payable without the option and no joint and survivor pension will be payable, effective the first day of the third month after receipt of your complete application by the Board.

If You Marry or Remarry After Retirement

If you marry or remarry after retirement, and you have not previously rejected a joint and survivor option, you could elect a joint and survivor pension. This election must be made within one year of marriage or within one year of acquired common-law status by submitting the required form and relevant documents to your local Benefit Representative or local Union Representative at least 2 months' PRIOR to you reaching either of the above-mentioned milestones, depending on your marital status.

The survivorship will become effective after you have been married one year or after one year of acquired common-law status.

Survivor's Benefit - Death Before Retirement

If you die before retirement and your eligible spouse survives you, your eligible spouse (including a common-law spouse with whom you had cohabited for at least a year) could be entitled to a joint and survivor benefit, if at the time of your death, you:

- were under age 65, and
- were age 60 or older with 10 or more years of credited service, or
- were under age 60 but at least age 55, with years of credited service which when added to your years of age totaled at least 85 years, or
- had 30 or more years of credited service

OPTIONAL FORMS OF SINGLE-LIFE PENSION

You may elect a Pension Guarantee option of 5, 10 or 15 years.

This form of pension will be paid for your lifetime and your Basic pension is guaranteed for 5, 10 or 15 years, whichever you choose. This means that, if you die before the chosen guaranteed period ends, the plan would continue to pay your Basic pension for the remainder of the guaranteed period to your designated beneficiary (or estate), after which time all pension payments would cease. Any Supplementary pension or Special Allowance benefit to which you may be entitled is not eligible for this guarantee.

If you die after retirement and before age 65 and you were eligible for the redetermination of your Basic pension at age 65, the guaranteed pension payable to your designated beneficiary (or estate) would still be eligible for this redetermination.

The following is required if you choose to elect this option:

- you must not have an eligible spouse on the date your retirement commences, or you and your eligible spouse must waive the right to receive a survivorship form of pension using a prescribed form,
- you must name a beneficiary
- you must choose the Pension Guarantee option before your pension commencement date (i.e., you cannot choose this option after your pension has started to be paid).

There is a cost associated with choosing the Pension Guarantee form of pension, and your monthly pension will be reduced to reflect this cost. The cost is determined on an actuarial equivalent basis.

OPTIONAL FORM OF JOINT AND SURVIVOR PENSION

The Plan currently provides for a 66 2/3% form of joint and survivor pension. Effective October 1, 2025, you will also have the option to elect a 100% joint and survivor pension. If you choose the 100% joint and survivor option, upon your death, your spouse will receive 100% of the amount you were receiving before your death for the remainder of his or her lifetime. There is a cost associated with choosing the 100% joint and survivor form of pension, and your monthly pension will be reduced to reflect this cost. The cost is determined on an actuarial equivalent basis.

- The amount of the monthly joint and survivor pension payable to your surviving spouse would be 100% of the monthly **Basic Benefit** (after it is reduced for the cost of the joint and survivor benefit) which would be payable to you if you were over age 60.
- The amount of the joint and survivor pension does not include any Supplementary Retirement Benefit or Special Allowance that may be payable to you.

IF YOU LEAVE THE COMPANY BEFORE RETIREMENT

If you break seniority with the Company, you would be eligible to receive a deferred pension benefit from the Pension Plan. The benefit would be calculated based on your pension creditable service at date of termination multiplied by the benefit rate in effect for your Benefit Class Code at the date your break in seniority occurs.

The vested pension benefit is payable from age 65, but you could elect to receive your pension at any time from age 55. However, if you receive your pension early, it would be reduced on an actuarially equivalent basis. Your deferred vested pension benefit would not be increased by pensioner cost-of-living allowance adjustments nor would you be entitled at any time to a Supplementary Retirement Benefit or a Special Allowance. You would not be eligible for other Company benefits available to regular retirees.

Instead of leaving your deferred pension in the Plan, you may elect to transfer the lump sum value to:

- your new employer's pension plan if your employer's plan permits such transfers;
- a life insurance company for the purchase of a life annuity;
- a locked-in registered retirement savings plan, a locked-in retirement account or other registered savings plan or fund as permitted by Canada Revenue Agency at the time of transfer.

If you elect a transfer to a locked-in plan, the lump sum amount transferred cannot be withdrawn prior to at least age 55. The amount must be used to provide future retirement income. This is done through the purchase of an annuity or through transfer to a Life Income Fund which requires you to withdraw amounts in annual increments when you decide to begin receiving retirement income.

Should you subsequently return to work for the Company, re-employment will have the following effect on your Company pension:

- (1) If you did not previously withdraw your deferred vested pension when your seniority was broken, upon application, your past service would be added to the credited service you earn after rehire. This total credited service would be used to calculate any benefit you receive upon subsequent retirement or upon leaving the Company. You may obtain the required application form from your Benefit Representative or your local Union Representative.
- (2) If you elected a transfer of the commuted value of your vested benefit to another plan, the lump sum amount cannot be transferred back to the Company pension plan nor would you be given credit for the past credited service.
- (3) If you are in receipt of your Ford pension and have employment earnings (such earnings is defined as the type of pensionable employment earnings subject to contributions under the Canada or Quebec Pension Plan) in any calendar year after your retirement but prior to your age 65 that exceed the YMPE as defined under the Plan, your Special Allowance could be clawed back equal to the amount by which your employment earnings exceeds the amount permitted.

PRE-RETIREMENT DEATH BENEFIT

In the event you die before retirement benefits begin, your eligible spouse or designated beneficiary would be entitled to a benefit from the Plan.

All death benefits would be payable first to your eligible spouse, if you have an eligible spouse at the time of your death. If you do not have an eligible spouse at the time of your death, any benefit would be paid to your named beneficiary, or to your estate if you do not have a beneficiary.

Your eligible spouse is defined as the person to and with whom at the earlier of your death or the date your pension benefits begin, you:

- (a) are married to and not living separate and apart from; or
- (b) are not married to and are living together in a conjugal relationship,
 - (i) continuously for a period of not less than one year, or
 - (ii) in a relationship of some permanence if they are the natural or adoptive parents of a child, both as defined in the Family Law Act (Ontario).

INSURANCE BENEFITS

Weekly Accident and Sickness Benefits

Pension Plan benefits will not be paid to you for any month for which you receive Weekly Accident and Sickness Benefits. When you retire, you may choose to have your Weekly Accident and Sickness Benefit suspended and to receive your Pension Plan benefits instead.

For a full explanation of Weekly Accident and Sickness Benefits see your "Life and Disability Insurance Program" booklet.

Extended Disability Benefits

If you have ten or more years of credited service and you have received Extended Disability Benefits for one year, you must apply for either Disability or Special Early Retirement. It is to your advantage to do so, because your Extended Disability Benefits will be reduced by the amount of Pension Plan benefits you could receive whether or not you receive it.

For a full explanation of Extended Disability Benefits see your "Life and Disability Insurance Program" booklet.

Life Insurance

Most retired employees are eligible for continued group life insurance coverage after retirement. For information about this insurance see your "Life and Disability Insurance Program" booklet. Former employees who qualify for Deferred Vested Pension Benefits are not eligible for continued life insurance coverage.

Hospital, Surgical, Medical, Drug, Dental, Vision Insurance

If you were hired prior to September 24, 2012, the Company would continue health care benefits for you and your eligible dependents when you retire and upon your death after retirement. If you die before you retire, continuation of this coverage, including duration of coverage, at Company cost for your surviving spouse and eligible dependents would depend upon your date of hire and your eligibility to retire at the time of your death.

This coverage is not provided for former employees who qualify for Deferred Vested Pension Benefits.

This Section is intended only to provide a general description of certain insurance benefits for retired employees pursuant to agreements between Ford of Canada and UNIFOR which expire on September 20, 2026. If there are differences between this Section and these agreements, the agreements (or any applicable agreements amending or replacing the agreements which expire in 2026) shall govern.

CREDITED SERVICE

For Plan purposes your employment with the Company is measured in years of credited service.

If you have seniority on or after October 5, 1987 the following rules apply to you.

- **Future Service**

Credited service is based on the number of hours in each calendar year for which you receive pay, plus certain additional creditable hours or periods of service as explained under "Additional Future Service", below. The amount of pension service credit you will receive is shown on the following table:

Hours Counted in the Calendar Year	Pension Plan Credited Service
1615 or more hours.....	1.0 years
1445 but less than 1615 hours	.9 years
1275 but less than 1445 hours	.8 years
1105 but less than 1275 hours	.7 years
935 but less than 1105 hours	.6 years
765 but less than 935 hours	.5 years
595 but less than 765 hours	.4 years
425 but less than 595 hours	.3 years
255 but less than 425 hours	.2 years
85 but less than 255 hours	.1 years
Less than 85 hours.....	none

- **Additional Future Service**

In addition to hours for which you receive pay, other hours or periods of service may be counted, within specific limits, in the calculation of your Future Service:

1. Hours, at the rate of 40 hours per week, while absent from work on approved leave:
 - (a) due to occupational injury or disease incurred in the course of your employment and for which you receive Workers' Compensation benefits;
 - (b) while engaged in the business of, or working for your Union Local or while holding a position on the staff of the National Union.
2. Hours, at the rate of 40 hours per week, while on layoff or approved sick leave during 1968 or later years, provided you shall have received pay for at least 170 hours in the year your absence began.
3. Under certain circumstances you may receive limited additional hours for periods you were on layoff or sick leave during the year following the calendar year in which your layoff or sick leave began,
4. You may be entitled, upon application, to receive creditable hours for part or all of any time you were on layoff in the years 1951 to 1967 inclusive; 1979 to 1983 inclusive; or 1990 to 1994 inclusive, if you otherwise received less than a full year of credit in any of these years.
5. You may be entitled, upon application, to receive credit for your years of service under another retirement plan of the Company.
6. An employee who was absent from work prior to January 1, 1980, for any period of pregnancy or parental leave up to the prescribed limit of pregnancy or parental leave under the Ontario employment Standards act, 1990 shall receive Future service credit at a rate of forty (40) hours per week during such absence to the extent permitted under the Revenue Rules. In no event shall such employee be credited with more than 1700 hours for any calendar year, and that there shall be no duplication of creditable service by virtue of this section.

- **Employment with Ford U.S. and with Certain Subsidiaries of Ford U.S. and of Ford of Canada**

It is no longer permitted by Canada Revenue Agency to grant credited service for any employment you have had with Ford Motor Company (U.S.) or with certain other companies which are associated or subsidiary companies of Ford of Canada or of Ford U.S.

- **Reinstatement of Credited Service After Rehire**

If you received a payout of the value of your pension at the time you broke seniority with Ford and are subsequently rehired, you will not be entitled to additional credits for your prior service.

- **Foundry Service**

If you have earned more than 10 years of credited service while in employment on certain job classifications in the Windsor Casting Plant (Foundry Service), the credited service you earned for employment in those job classifications will be increased for years over 10 through 25 by 33.3% (1/3rd) and for years over 25 by 20% (1/5th). For example, 22 years of Foundry Service will be increased to 26 years of credited service; 25 years of Foundry Service to 30 years of credited service; and 30 years of Foundry Service to 36 years of credited service.

If you believe you are entitled to any additional Service for which application is required, contact your local Benefit Representative or local Union Representative for further information and the necessary application form.

YOUR ANNUAL STATEMENT

As soon as possible after each year end, an Annual Pension Statement will be sent to you. This Annual Pension Statement will show your credited service for the preceding year and your total credited service to the date printed on the statement.

You should check your statement carefully to make sure that the spelling of your name, your birth date and your credited service are shown correctly. If you have any questions or if you do not agree with any information shown on the statement you should notify your supervisor or local Benefit Representative immediately.

TO APPLY FOR YOUR BENEFITS

You must file an application to receive pension benefits. No pension benefit can be paid until your application has been approved by the Pensions Board of Administration.

You should apply at least 60 days before the month you plan to retire or elect to have your Deferred Vested Pension Benefit begin to allow time for your application to be processed and to obtain all necessary documents. If you apply less than 60 days before retirement date, it could result in a delay of your first pension payment.

Please contact your local Benefit Representative to commence the application process.

You will be required to provide proof of your age and for survivor benefit purposes, proof of marriage and your spouse's age.

PENSION BENEFIT PAYMENTS

Pension benefits are paid the first of each month for which a payment is due. Your first payment will commence only once your application has been processed and approved by the Pensions Board of Administration. All Pension payments will be made electronically, and will be deposited directly into an account of a financial institution of your choice. All your plan benefits - your Basic Pension Benefit as well as any Supplementary Retirement Benefit or Special Allowance you are eligible to receive for the month - are payable in a single monthly payment.

CHANGE OF ADDRESS AFTER YOUR HAVE LEFT THE COMPANY

If you change your address after retirement, please ensure that you update your address by contacting your local Benefit Representative. You should send your Change of Address notice at least three weeks before the date your next benefit payment is due.

If you have changed your address after you have left the Company with a Deferred Vested Pension Benefit, please contact your local Benefit Representative.



Ford Motor Company of Canada, Limited

HR7614-PP1 September 2023