



CHRISTIAN SCHOOLS
INTERNATIONAL

Canadian Christian School Pension Plan & Trust Fund

UPDATE

Date: December 2005

To: Active and Inactive Plan Participants
on August 31, 2005

From: Howard Van Mersbergen
Executive Secretary-Treasurer

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Status Report

The enclosed report contains important information about your status with the Plan as of August 31, 2005. Be sure to check the information carefully and contact us promptly if it is incorrect or incomplete, or if your records do not agree with ours. Please check that your designated beneficiary is current. If you need to change your beneficiary, you can get a change of beneficiary form from the Employee Benefits section of the CSI website (www.CSIonline.org).

Retirement Benefit

The Status Report states your annual retirement benefit earned as of August 31, 2005. We will be happy to do additional calculations for you and project, using certain assumptions, your benefit to your retirement date. We can do these calculations for more than one retirement date. Just call us at 800-635-8288, ext. 231, email us at wvantil@CSIonline.org or send us a letter including such information as your expected retirement date and an estimated percentage of future salary increases.

Retirement Checklist

The enclosed checklist suggests steps you can take regarding your participation in the CSI Pension Plan to prepare for retirement. Choose the checklist that is applicable and complete the steps to work towards your retirement goals.

Interest Rate

The Trustees confirmed 2.65% as the interest rate to be credited to the participants' contribution accounts for 2005/2006.

No. 158

(More)

Investments

The Trust Fund's net equity on August 31, 2005, exceeded \$139 million. Presently, the asset composition is 1% cash or cash equivalents, 44% Canadian fixed-income securities, 27% Canadian equities, and 28% international equities. The total investment portfolio's annual rate of return was 14.1% for the past three years and 4.9% for the past 5 years. The actuarially assumed interest rate is 6.75%. The last valuation as of August 31, 2004, showed the Plan to be under funded. As explained in the May 2005 Pension Funding Update, with assets of about \$114 million on August 31, 2004, the Plan had a shortfall of just over \$10 million. The Trustees will be conducting another valuation and will receive the results of this valuation at their March 2006 meeting.

Trustee Terms

The Trustees provide an important and valuable service for all of us. Recently the number of three-year terms a Trustee can serve was increased from three to four. Increasing the number of years a Trustee can serve is part of a national trend brought on by the increasing complexities of employee benefit programs. New Trustees encounter a significant learning curve and all of our Trustees participate in ongoing education to stay up to date and best positioned to provide Plans that help our schools achieve their missions. We are fortunate to have the following committed and competent Trustees serving on our behalf:

Stuart Bakker, Abbotsford, BC
Theo Meester, Beamsville, ON
Leo Smit, Barrie, ON
Henry Vanderveen, Langley, BC

Mary Haven, London, ON
Heiko Oegema, Talbotville, ON
Jack Vanden Pol, Lacombe, AB
Jean Weening, Calgary, AB

Updated factors for the Optional Forms of Retirement Benefits

Effective September 1, 2006, the factors used to calculate the optional forms of retirement benefits will be updated. This update of the factors makes all the options (single life, 50% joint and survivor, 75% contingent annuity, etc.) substantially equivalent in value.