

FEBRUARY, 2010

2009 Annual Member Statement

With this bulletin is your 2009 Annual Statement. We hope you will find the format straight-forward and easy to read. Explanatory notes are on page 2 of the statement. Please feel free to contact the Plan if you have any issues you would like addressed.

BCGEU Pension Plan Board of Trustees

Judi Fillion (Chair)

Jim Manson

Paul Martin

Kelly McDonald

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Mike Nuyens

Stephanie Seaman

Rory Smith

Economic Commentary

The Board of Trustees are pleased to report a strong recovery and returns for 2009. The Plan (as you can see from the table below) had a solid return of 15.50%. While we all welcome those strong returns the market continues to be one characterized by tremendous volatility. Canadian equity markets were stellar performers in the past year. Global equity markets were also strong performers but an appreciating Canadian dollar diluted those returns considerably.

Bond funds in general offered the kind of returns you would expect in a low interest rate environment. The Plan's real estate returns were modestly negative reflecting the widespread depreciation of some property holdings. Income flows from those properties continue to provide acceptable cash flows. Many concerns dominate the markets and affect investor sentiment. Issues such as - will the recovery continue, will increasing government debt bring higher interest rates and will inflation emerge all tend to make investors wary. The Board continues to hold the view that investment diversification and no major asset reallocation is a prudent manner in which to conduct the investment policy.

Pension Plan Performance

At December 31, 2009, the annual return for the Plan was 15.50%. The December 31, 2009 unit value is 419.08. To illustrate the return you have earned in the Plan, you may find it interesting that the unit value at commencement of the Plan in March 1989 was 100. Following are the one, three, five, ten, fifteen and twenty year annualized rates of return at December 31, 2009.

Average Annualized Rate of Return (%)					
1 Year	3 Year	5 Year	10 Year	15 Year	20 Year
15.50 %	- 3.89%	2.17 %	3.74 %	6.90%	7.17%

Main Fund

The assets of the Main Pension Fund as at December 31, 2009 were approximately \$120.1 million and are comprised of the following asset classes:

Plan Assets at December 31, 2009:	
Cash & Short Term Notes:	4.35%
Bonds and Mortgages:	23.62%
Real Estate	10.09%
Canadian Equities:	26.08%
Global Equities:	35.86%
Total Investments	100.00%

Immunization Fund

The rate of return for the Immunization Fund was 1.01% for the 12-month period ending December 31, 2009 with total assets of \$2.2 million. The Immunization Fund is comprised solely of short-term notes. The Fund has been closed to new participants since January 2006.

Important Reminders:

- If you move, please make sure you provide the Plan Administrator and the Union with your change of address. If you know anyone that did not receive a statement, ask them to make sure that the Plan Administrator and Union have their current address.
- Check that your employer is remitting the correct percentage of employee and employer contributions as prescribed in the Collective Agreement.
- If you are retiring this year, you should be aware that annuities purchased through the Plan are purchased on a "net of commission" basis. This results in annuity payments which are higher compared to annuities purchased after funds have been transferred out of the Plan.
- For more information about your Plan, please refer to the relevant section of your pension booklet before contacting the Union or the Plan Administrator.

MORE INFORMATION

For more information about your Plan, please refer to the relevant section of your pension booklet before contacting the Union or the Plan Administrator.

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