

**RETIREMENT PLAN
FOR THE CANADIAN EMPLOYEES OF**



Employee Booklet

Prepared In Partnership with:



April 2021

Retirement Plan for Employees of Team Quality Services Inc.

Research has clearly shown that on their own, employees may not save in a consistent manner towards their retirement. We as a company wish to take an active role in helping you save for your retirement and to this end, we have implemented a Retirement Savings Plan for our employees.

The organizations we have selected to partner with on our plans are as follows:

- **Ironwood Wealth Management Group:** An independent firm of financial advisors, Ironwood Wealth Management Group focuses on providing the personal retirement planning and investment-counseling services most individuals need to start and maintain a regular savings program together with a prudently diversified investment strategy. Jason Rienas & Carl McKnight along with their team will be our designated advisors from Ironwood Wealth Management Group.
- **Mackenzie Financial Corporation:** One of Canada's leading mutual fund companies, Mackenzie manages over \$60 billion in assets for investors. Mackenzie will be the investment manager and administrator for the *Team Quality Services Inc.* Retirement Plans.

The HR Department (Ryan Spurgeon) is responsible for administering our Canadian Retirement Plan. If you have any questions about the Plan, please direct them to him.

Our intent is to encourage you to save for your retirement. If you contribute to the Plan, we will make a **matching** contribution, subject to certain limits and eligibility requirements.

The *TQS* Retirement Plan is made up of a Group Retirement Savings Plan (Group RRSP) and Deferred Profit-Sharing Plan (DPSP). Employees' contributions will be deposited to the Group RRSP. Employer contributions will be deposited to the DPSP. This structure allows employees the greatest flexibility in both accessing and managing their investments.

The following pages contain easy to read questions and answers regarding the benefits available to you under the *TQS* Retirement Plan. Please read this booklet carefully and the Plan documents that will be made available to you. We will be hosting information sessions from time to time to allow you to enhance your financial literacy and investment knowledge. Please make a special effort to attend these sessions.

We are proud to be part of your retirement savings strategy and we look forward to your active participation in the *TQS* Retirement Plan.



Chris Straw | President

Team Quality Services Inc Retirement Plan- Questions & Answers

The *Team Quality Services Inc.* Retirement Plan is composed of a combination Group Retirement Savings Plan (Group RRSP) and Deferred Profit-Sharing Plan (DPSP). Employees' contributions will be deposited to the Group RRSP. Employer contributions will be deposited into the DPSP.

Your rights and benefits as a Group RRSP member are governed by the Plan Document for the Group RRSP, which may be amended periodically. Contact Ryan Spurgeon for further information.

1. What is a Group RRSP?

A collection of individual RRSP's where an employer assists a group of employees by handling their contributions through regular payroll deductions and giving them an immediate tax deduction for their contribution. There is a separate account for each individual and there is no comingling of assets or information.

2. What is a DPSP?

A Deferred Profit-Sharing Plan (DPSP) is an employer-sponsored profit-sharing plan registered as a trust with the Canada Revenue Agency (CRA). There is a separate DPSP account for each member of the plan.

3. Who may join?

All Full-time employees and all Part- time administrative employees are eligible to enrol in the plan.

4. When may I join?

Employees may enroll the first of the month following their hire date with *TQS Inc.*

5. How do I join?

The Operations Department will notify you one month in advance of your eligibility date for membership in the Group RRSP. Account opening documentation will be provided by Ironwood Wealth Management Group.

6. Do I contribute to both plans?

No – you only contribute directly into the Group RRSP portion. The company match amount is directed into the DPSP portion.

7. How much will TQS contribute?

The Company contributes a partial matching amount of your contributions to your Group Registered Retirement Savings Plan, providing the total does not exceed 18% of your current year's earnings, as follows:

TQS Inc will contribute a matching contribution at a rate of 25% of your first 6% of contributions.

"Earnings" is defined to include all amounts eligible for inclusion in Box 14 of your T4 slip less the employee's contribution to Canada Pension Plan

Team Quality Services Inc Retirement Plan- Questions & Answers

Combined Contribution Matrix

Employee Contribution	TQS Contribution	Total Contribution
2.0%	0.5%	2.5%
3.0%	0.75%	3.75%
4.0%	1.0%	5.0%
5.0%	1.25%	6.25%
6.0%	1.5%	7.5%
6.0% +	Capped at 1.5% on first 6.0%	7.5% +

8. What is my default contribution amount?

The default contribution amount is 2% of your current calendar year earnings.

If you would like to make your base contributions as a dollar amount of your earnings start at \$50 and increase the amount in increments of \$25. The minimum amount you can contribute to participate in the *Team Quality Services Inc.* Retirement Plan is \$50 per month.

9. Can I make additional contributions over what the Company will match?

Yes- If you would like to make your additional contributions as a percentage of your earnings, contributions to the RRSP can be increased in 0.5% or \$25 increments.

You are responsible to ensure that the sum of your base contribution and additional contribution do not exceed your RRSP contribution room shown on your most recent Notice of Assessment.

10. May I stop and restart my contributions?

Yes. However, if you voluntarily suspend your contributions, you will not be allowed to restart your contributions to your Group RRSP for a period of three months. In addition, you will lose the Company's matching contributions for 12 months from the date you suspend your contributions to the Group RRSP. If

11. Where and how are contributions invested?

All contributions are invested with Mackenzie Financial Corporation, one of the largest mutual fund companies in Canada. You decide your investment options from amongst the funds available from Mackenzie with guidance from Jason Rienas or Carl McKnight of Ironwood Wealth Management Group who will meet with you to assist in the investment selection.

12. Who do I consult regarding any investment issues?

The Company has partnered with Jason Rienas and Carl McKnight of Ironwood Wealth Management Group to assist you. They are available to answer questions or provide professional advice pertaining to your specific financial situation.

Team Quality Services Inc Retirement Plan- Questions & Answers

13. How do I revise my fund selection?

You may revise where your future contributions are invested by giving written notice to Mackenzie. All investment instructions or changes must be processed through Jason Rienas or Carl McKnight.

14. What does "vested" mean?

It means any balance in your account belongs to you.

15. When do the Company's contributions "vest" in the DPSP?

Funds in the DPSP vest after 2 years as a plan member.

16. Do the vesting rules apply to my contributions?

No. Your contributions are made to a Group RRSP and always belong to you.

17. When can I make withdrawals from the Plan?

Group RRSP – When you leave the plan, you are free to transfer to an individual RRSP/RRIF or withdraw the assets as you see fit. While employed, *Team Quality Services Inc.* Management will review requests to transfer or withdraw funds from the plan once per year on a case-by-case basis.

DPSP – When you leave the plan, you are free to transfer to an individual RRSP/RRIF or withdraw the assets as you see fit. While employed, withdrawals and transfers are not permitted.

18. What happens when I retire, die, or terminate?

You or your beneficiary will be provided with a statement detailing your investments' accumulated value and your available options at that time. The Group RRSP and vested DPSP can be converted to a regular RRSP once you are no longer a member of the plan.

19. What happens if I die before retiring?

Your beneficiary may receive the account balance in cash or transferred to their RRSP/RRIF or used to directly purchase an Annuity (after 55 and before 71)

20. What is the tax treatment of these accounts?

You will receive a RRSP receipt from Mackenzie Financial Corporation for the contributions made by you and *Team Quality Services Inc.* However, since your taxes are being reduced each pay by the amount of your contributions you will generally not receive any additional tax refunds when you file your personal tax returns for that year.

Please note that all Company contributions deposited to the Plan are reported annually to the Canada Revenue Agency and is used to calculate your RRSP room for the next year on your Notice of Assessment by way of a Pension Adjustment.

