Annual Report

Lutheran Church–Canada Pension Plan

	Worker Benefit Plans		2013

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This annual report is for informational purposes only and does not constitute an agreement, nor does it create or confer any contractual rights or obligations. This is only a summary of the pension and benefit activities of 2013. In the event of any inconsistency between this document and the official plan or policy, the plan or policy texts will govern.

The Path to Sustainability (Part IV)

The Year in Review

After several years of persistent bad news on the Defined Benefit (DB) plan's funding, 2013 seemed like a turn-around year. Investments continued to do well, and interest rates finally moved up - decreasing the pension liabilities. As a result, the DB plan's funded position improved significantly. The following provides details on these events.

Investments

LCC's defined benefit portfolio had a great return during 2013. The fund earned a return of 15.6% compared to the total fund benchmark for other similar plans of 12.6%. Global equity markets performed strongly in 2013 with a 26.3 % return. The Canadian equity component of the portfolio brought us a 20.4% return for the year compared to a 13% return for the S&P/TSX Composite. The U.S. equity component did even better than the Canadian component bringing in a return of 33.2% in-line with the benchmark index return. After decades of solid returns, bonds showed a small loss by year end of (0.5%) reflecting the fact that interest rates had hit bottom and were showing signs of increasing. These strong returns meant the assets in the fund grew from $81.2 million at the beginning of the year to $91 million by year's end. The average annual investment return over the last 10 years for the portfolio was 6.6% compared to the benchmark return of 6.1%.

The decision made in 2012 to gain a toehold in the world of alternative investing was implemented in 2013. The board allocated a small portion of the fund ($ 4 million) to Wellington Financial LP (a private firm that provides secured corporate loans). The intent of this investment was to provide greater diversification of the fund, provide an enhanced return and be less correlated with public markets. Despite this small entry into alternative investing the BOM continues to support the plans' current asset allocation (60% equities, 40% bonds) for the defined benefit plan as the best way to ensure the long-term growth of the fund. The BOM does periodically conduct a review of the fund's asset allocation to ensure the asset allocation is the most appropriate one for meeting the obligations of the DB plan.

Plan Funded Status

Finally some good news! The actuarial valuation conducted at December 31, 2013 to assess the financial health of the Plan showed the plan being funded, on a going concern basis, at 88 %. This was up from 86% in the prior year. The unfunded liability decreased to $ 11.8 million - compared to $13.3 in the prior year. The improvement in the going concern funding position was due to the employers' contributions going into the plan, as well as, favourable investment returns.

The valuation also showed that the solvency funding of the plan has changed significantly and is now sitting at 80% - a major improvement from the prior year's solvency position of 62% (solvency funding is an assessment of the assets and liabilities of the Plan assuming it is wound up on the date of valuation). The solvency deficit shrunk from $49.5 million in the prior year to $22.5 million. This 27 million dollar improvement was largely due to an increase in long bond yields from the end of 2012 by about 0.93%. The increase in bond yields improved our solvency position by $17 million by reducing our liabilities (bond yields are used in valuing liabilities and the higher the bond yield the lower the liabilities and the amount of money that must be set aside to fund the benefits). Good investment returns along with employer contributions going into the plan accounted for about a $10 million decrease in the deficit. The $17 million improvement in the plan's solvency position without any significant change in the plan's operations is illustrative of the concerns we have with the funding requirements required by legislation. In other words, something such as a relatively small increase in bond yields, which are totally outside the plan's control, are so significantly leveraged that they create significant volatility - which is hard to manage and has a significant impact on the funding status of the plan.

Government Consultation

As has been noted in previous communications, the BOM continues to discuss our DB funding concerns with the pension regulators) and the significant increase in contribution levels we would face if we were required to make solvency payments based on current legislation. The regulators have extended a great deal of understanding to us in that they are currently not requiring us to make solvency funding deficit payments to our plan while they are in the process of enacting new pension regulations. We are, however, making special payments towards the going concern deficit.

New regulations are expected to be released in the fall of 2014 and we hope they will provide us with more flexible funding options. While the government has not committed to any specifics, they have indicated that they want to continue working with us to find a long-term funding solution for our plan as their aim is the same as ours: to ensure members receive their full defined benefit pension. This objective, however, needs to be balanced with our employers' capacity to pay for both ongoing pension benefits and pension legacy costs. We are hopeful that a long-term funding solution which protects members, and provides an affordable financially stable solution for employers, can be found. It should also be noted that while we are currently not making solvency payments we did apply for and were approved for additional temporary solvency funding relief that was extended to plan sponsors permitting the amortization of solvency payments over 10 years rather than 5 years.

Defined Contribution Pension Plan

At the beginning of 2013 the Plan continued its transition into a Defined Contribution (DC) plan with the movement of most active plan members (the exception being a small group of older, longer service members) into the redesigned DC plan (the DB/DC members). The new DC Plan requires a 4% contribution from members and a 6% contribution from employers, with members being able to make an additional optional contribution of 4%. The retirement income these members ultimately receive will be determined by the money they accumulate through contributions and the investment income earned on contributions. While the DB/DC members no longer accrue benefits under the DB plan after December 31, 2012, they will receive a benefit for their service prior to this date.

A review of the Canadian equity managers on our DC platform was conducted in 2013 because of organizational and structural changes at one of the investment managers, Jarislowsky Fraser. After discussions and recommendation from both Sun Life and Towers Watson, our investment consultant, the BOM selected Beutel Goodman as the Canadian Equity manager replacing Jarislowsky Fraser.

A variety of communication channels were utilized throughout 2013 to inform members of both their DB and DC benefits including workshops, newsletters, statements and informational memos.

The Year Ahead

Administrative Review

We have worked tirelessly over the last several years to reduce our administrative costs. We had come to a point where we felt that there was no further potential to lower costs with the current consulting arrangements. Late in 2013, we embarked on a RFP process to see if we could obtain consulting services at a lower cost without sacrificing the quality of service. We also looked at whether we could outsource some of our internal administration and systems and whether they could be done at least as effectively at a lower price. Effective March 1, 2014, the BOM appointed Ellement Consulting, replacing Towers Watson in the provision of actuarial, investment and consulting services. The BOM anticipates annual savings in its consulting fees of $125,000 (a 40% reduction). Ellement Consulting also presented a quote showing that it would be more cost effective and just as efficient to outsource internal administration to them (member enrollments, retirement and termination calculations and employer billings). The outsourcing of WBP's administration is effective for January 1, 2015. Further communication on this change will be provided throughout 2014.

Plan Funding and Structure

As noted earlier in this report, we are awaiting new pension regulations to be enacted by the Alberta government that hopefully will provide us with new funding options for the DB plan. At this point we don't know the exact nature of the reforms and whether a restructuring of our plan from a single employer plan to an alternative arrangement will be required in order to address the solvency issues. Further communication on the impact of regulatory change will be sent to employers and members later in 2014.

With the improvement in our funding position, the BOM will be investigating options for mitigating future market and longevity risks in the DB plan by considering asset mix changes and potentially annuitizing a portion of the liabilities (retiree and deferred pensioners) with an insurance carrier.

Challenges Ahead

The BOM recognizes the significant importance of the pension and benefit programs to members and their families.

The BOM also understands the pressures employers are under to reduce cost and we are in turn doing the utmost to deliver programs competently in the most cost effective manner.

We feel the decisions taken by the BOM over the last few years are fair and balanced. They meet our goal and commitment of providing an appropriate pension and benefits program that is valued by members, affordable to employers and members, and sustainable over the longer term. This will continue to be our goal when considering future changes.

We would like to thank all the employers for their continued financial support of the Worker Benefit Plans and all employees for their understanding as we continue to implement change.

Dr. Dieter Kays	Dwayne Cleave
Chair, Board of Managers	Executive Director, Worker Benefit Plans

Introduction

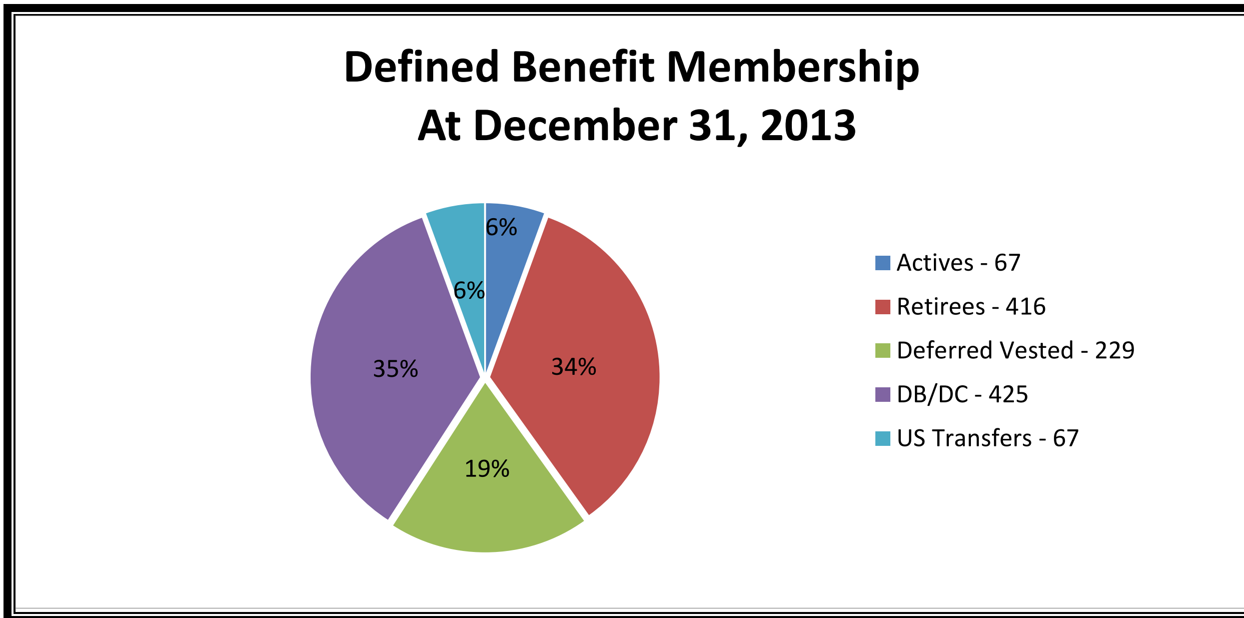
During 2013 the Lutheran Church-Canada Pension Plan continued its transition from an employer-paid defined benefit plan (DB) to a defined contribution plan (DC) with both employer and employee contributions. Effective January 1, 2013, most active plan members with the exception of a small group of older, long service members were moved into the DC plan (the DB/DC members). (Those hired in **2012 and later** are enrolled in the defined contribution pension plan.)

While the DB/DC members no longer accrue benefits under the DB plan after December 31, 2012, they will receive a benefit for their service prior to this date. Membership information noted below reflects the member's plan and where they currently earn benefits. A DB/DC member would be recorded as a DC member. The Plan is available to employees of participating congregations, schools and other employers affiliated with Lutheran Church–Canada.

The Plan is registered in the Province of Alberta and with Canada Revenue Agency as No.0356610.

Defined Benefit Plan

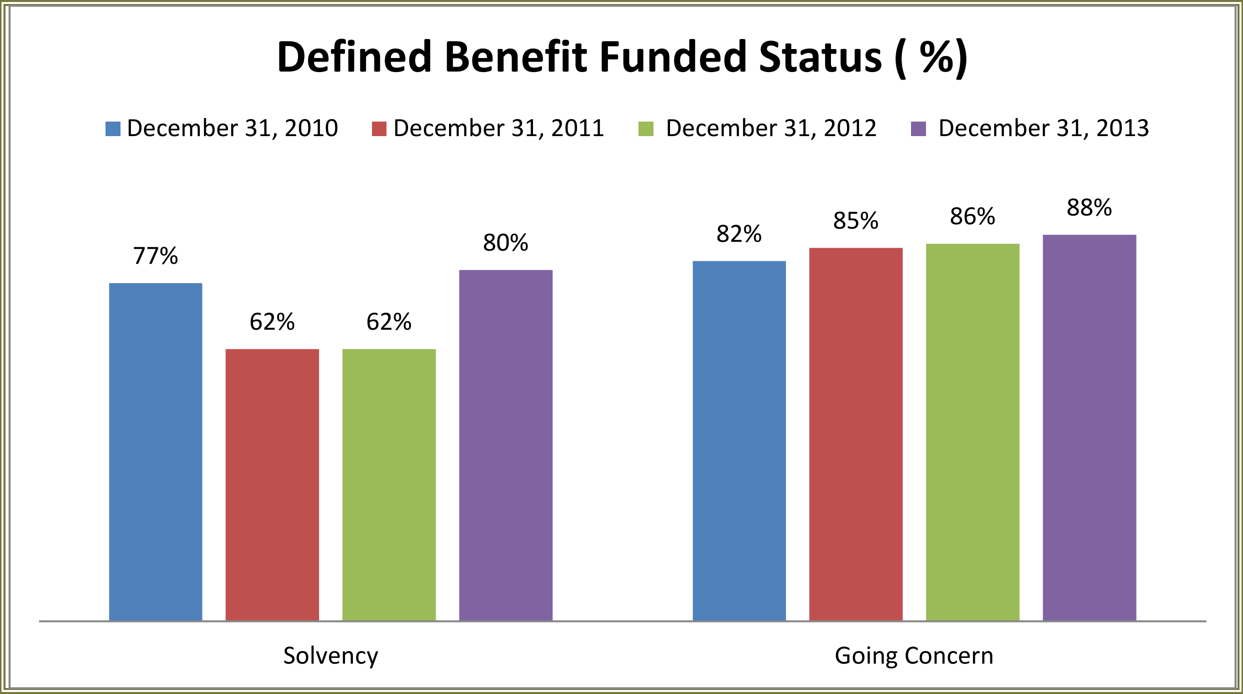
Membership



DB Active Membership Changes

Active Members January 1, 2013	544
New members in 2013	0
Transfer to DC	461
Terminations	0
US Transfers - net	0
Retirements	(15)
Death	(1)
Data Correction	0
Active Members at December 31, 2013	67

Funded Status

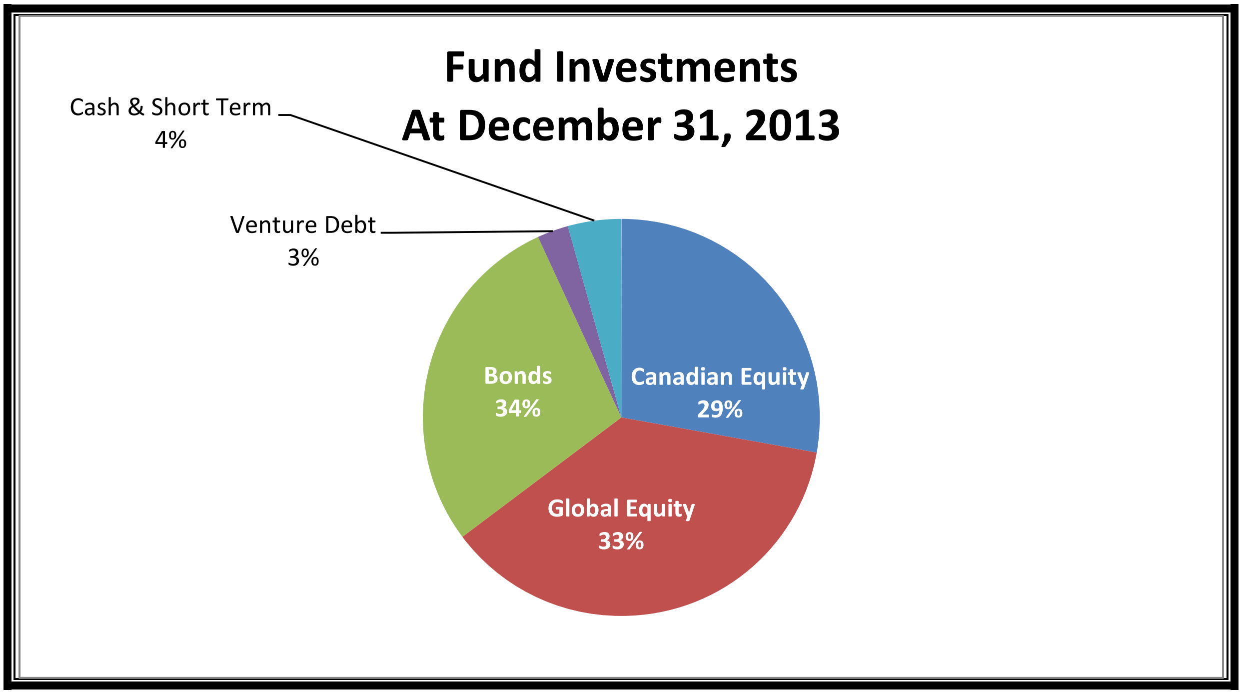


Funding Terminology – What does it Mean?

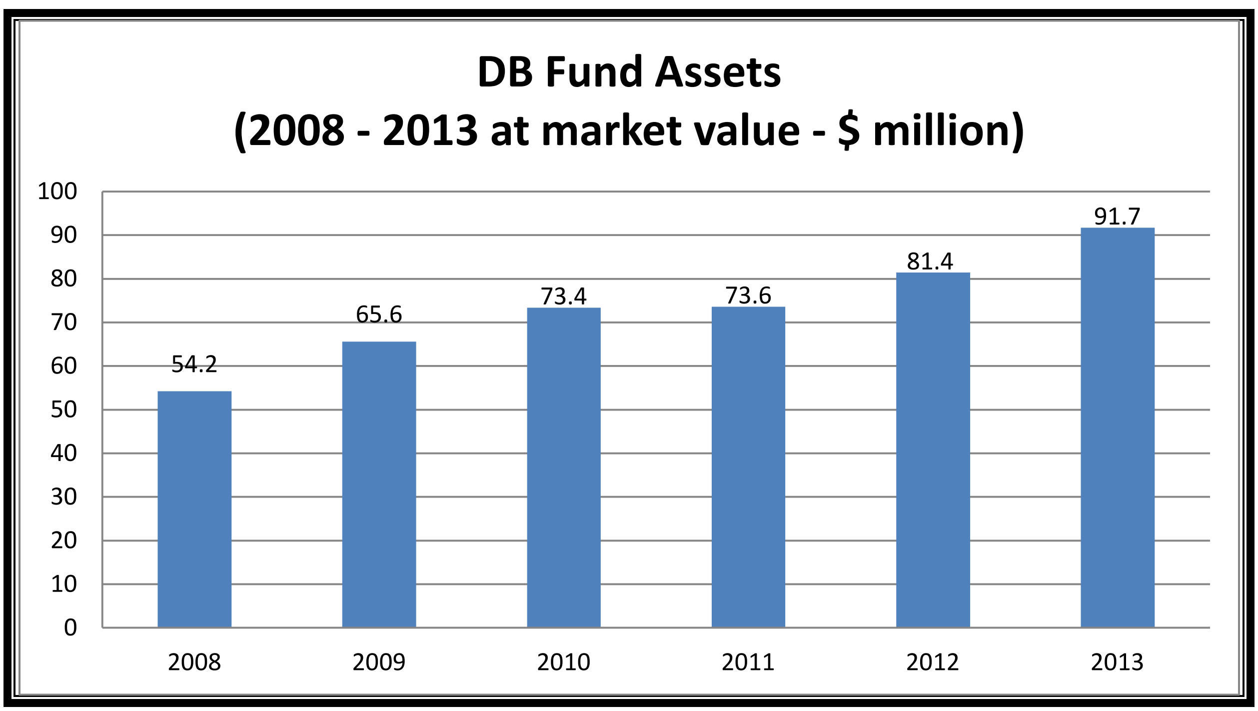
Going-Concern Basis: *The going concern valuation values the present value of member's future benefits for credited service up to the date of the valuation and is based on assumptions that the pension plan will continue in operation indefinitely. Economic assumptions such as future salary increases and probabilities of retirement, termination and death are set with a long-term view.*

Solvency Basis: *The solvency valuation assumes that the plan is terminated and wound up as of the valuation date. The solvency liabilities are those that need to be paid out immediately both to retired members and to those currently employed. The value of these liabilities is directly affected by the level of bond yields as of the valuation date. Decreases in bond yields have the effect of increasing the liability and conversely increases in yields decreases liabilities.*

Fund Investments



Fund Assets



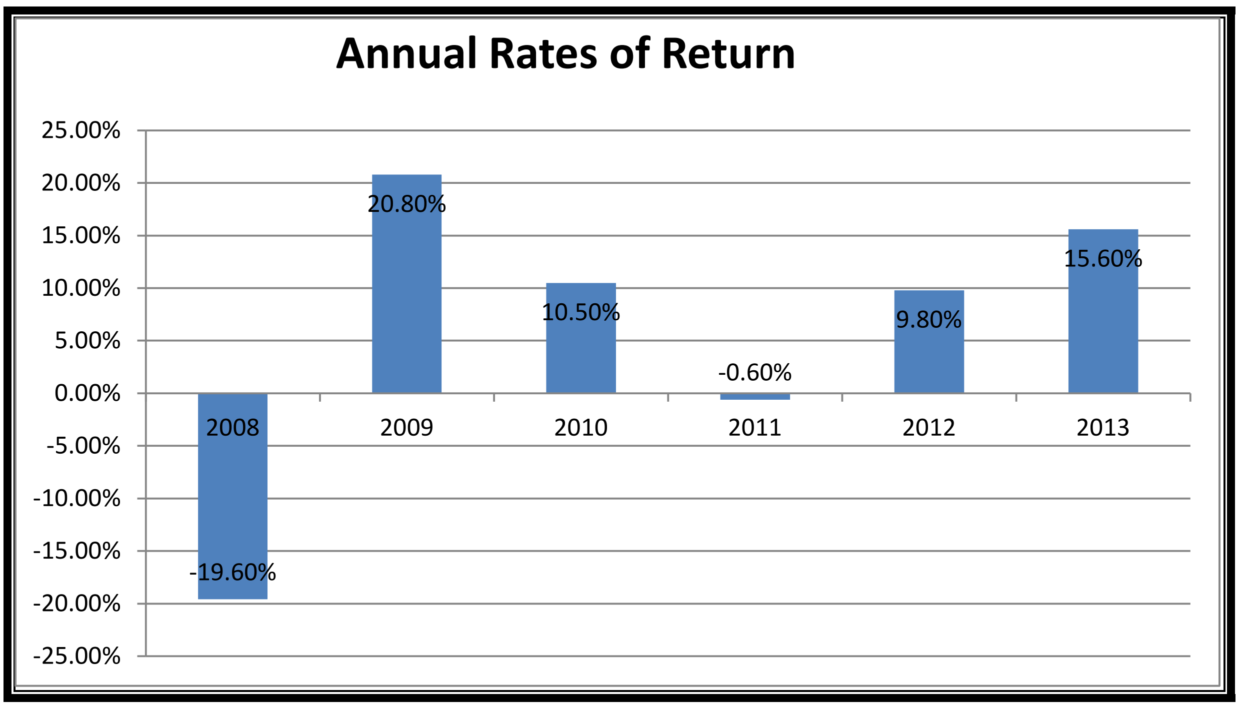
DB Financial Position (000's)

	December 31, 2013	December 31, 2012
Going Concern Basis		
Actuarial Value of Assets	$ 88,066	$ 80,654
Actuarial Liability	99,893	93,913
Actuarial Surplus (unfunded, actuarial liability)	$(11,827)	$ (13,259)
Going-concern funded ratio	88%	86%
Solvency Basis		
Solvency value of assets	$ 91,361	$ 81,026
Solvency liability	113,898	130,450
Solvency surplus (deficit)	$ (22,537)	$ (49,424)
Solvency funded ratio	80%	62%

DB Annual Rate of Return

The funds are invested with Foyston Gordon & Payne, an active value style manager, TD Quantitative Capital Asset Management, a passive index manager, Phillips, Hagar & North (Sky Investments) who manages the fund's foreign (non US) investment component and Wellington Financial LP, a private firm that provides secured corporate loans. The Board of Managers regularly monitors and reviews the performance of each manager with comparisons to benchmark returns, SEI Median returns and the fund objectives. Annual rates of return for the fund over the last five years are shown in the graph below:

Fund Annual Rates of Return



Lutheran Church–Canada Defined Benefit Pension Plan Statement of Changes in Net Assets Available for Benefits

	2013	2012
Net assets available for benefits, beginning of year	**$81,476,637**	**$ 73,646,929**
Increase in assets:		
Contributions - employer	2,725,764	5,466,914
Contributions - employee	198,248	
Investment Income	2,842,117	3,204,657
Realized investment gains net of realized losses	707,696	3,411,743
Unrealized investment gains, net of unrealized losses	8,975,742	598,142
Decrease in assets:		
Unrealized investment losses, net of unrealized gains	-	-
Realized Investment Losses, net of realized gains	-	-
Pension benefits paid	3,850,020	3,529,302
Lump-sum transfers	697,588	624,671
Consulting fees	177,992	280.004
Investment and custodial fees	286,795	255,655
Administration expenses	177,688	162,116
Net Assets available for benefits, end of year	**$91,736,120**	**$81,476,637**

The full DB financial statements are available on the WBP website: www.lccbenefits.ca

Description of the DB Plan

The following provides a general description of the DB Plan. Further details on the Plan are provided on the WBP website at **www.lccbenefits.ca** or by contacting Worker Benefit Plans.

General

The plan was established on January 1, 1989. Effective January 1 2013, most active members, with the exception of a small group of older, longer service members were transferred into the Defined Contribution Pension plan (DC). While the members who were transferred (the DB/DC members) will no longer accrue benefits under the DB Plan after December 31, 2013, they will receive a benefit for their service prior to this date. New hires after December 31, 2011 participate in the DC plan. The older, longer service employees that were left accruing benefits in the DB plan are required to make contributions of 4% of earnings to the DB plan. The pension funds are held in trust with CIBC Mellon.

Funding Policy

Lutheran Church–Canada and its various affiliated entities make contributions to the trust fund based on an actuarial valuation of the Plan that is conducted at least every three years. As of January 2014 we are required to file an annual valuation in accordance with Alberta Finance and Enterprise requirements that an annual valuation be done if a pension plan has a funded ratio less than 85% on either a going concern or solvency basis. The actuarial valuation provides information on both the going-concern and solvency position of the Plan. Normally, we would need to make special solvency contributions but the government has permitted these to be in abeyance until the new pension regulations are adopted. We are hopeful that the new pension act and regulations will offer alternative funding arrangements that will be suitable to our plan.

The going concern valuation values the present value of member's future benefits for credited service up to the date of the valuation. Measurement of the funded status on a going concern basis is based on assumptions that the pension plan will continue in operation indefinitely. As a result, the economic assumptions used to measure the pension obligations are set with a long-term view and include margins for adverse deviations. Assumptions are made for future salary increases and probabilities of retirement, termination and death. This valuation uses an asset smoothing method to value the plan assets. This has the effect of averaging periods of underperformance with periods of outperformance over a five year period.

The solvency position of a pension plan represents the funded status of the pension plan assuming the plan was to be terminated or be wound-up at that date and all members' benefits settled. The market value of the plan assets, less an allowance for expected plan wind-up expenses, is compared to the actuarial present value of members' accrued benefits at the valuation date. The members' accrued benefits are determined in accordance with the plan formulae, based upon years of service and actual pensionable earnings up to the valuation date (i.e., no allowance is made for future earnings escalation or future service accruals). To determine the actuarial present value of these accrued benefits, members not yet eligible to retire are assumed to receive a commuted value (the lump-sum value of future payments), whereas annuities are assumed to be purchased from an insurance company for members who are retired or eligible to retire. Economic assumptions used in the solvency valuation reflect interest rates in effect for settling members' benefits at the valuation date, and are directly correlated to Government of Canada bond rates.

Plan Formula

Members accrue benefits based on 1.25% of Final Average Earnings (average of the highest 60 consecutive months during the last 240 months of credited service) up to the Average Year's Maximum Pensionable Earnings (AMPE) (for the year of retirement and the two previous years) as set by Canada Pension Plan, plus 1.6% of Final Average Earnings in excess of the AMPE, multiplied by credited years of service.

Normal, Early Retirement and Postponed Retirement

Normal Retirement is the first of the month coincident with or immediately following the attainment of age 65.

A member can retire as early as age 55. Members who are at least age 62 and whose age plus years of credited service equals 85 points or more at the time of their termination of employment, can retire without reduction in their pension. For employees transferred to the DC plan effective January 1, 2013, credited service includes your time in both the DB and DC plan, only for purposes of calculating eligibility for unreduced pension. Members who retire at or after age 60 will have their pension reduced by .55% for each month that their early retirement date precedes age 65. A member who retires between age 55 and 60, will have their pension benefit reduced by 33% plus an additional .27% for each month that their early retirement precedes the first of the month following their 60th birthday.

Members may continue to accrue benefit up to the end of the year in which they turn 71 years of age, at which time they must commence to receive their pension.

Vesting and Termination

Members who cease employment are entitled to a benefit from the Plan upon completing two years of service (you may be vested immediately depending on your province of employment as some provinces prescribe immediate vesting). Benefits are determined based on the plan formula and member's earnings and credited service. Members under age 55 may transfer the value of their benefits to eligible retirement vehicles; however, such transfers are subject to locking-in provisions (i.e. an amount that cannot be received in cash). Alternatively, benefits may remain in the Pension Plan and the former member may commence a monthly pension as early as age 55.

Death Benefits

If a member dies before retirement, a benefit is paid to the surviving spouse or beneficiary if there is no surviving spouse. If a member's death occurs after retirement, the benefit paid to the surviving spouse is paid according to the form of pension chosen at the time of retirement.

Defined Contribution Option

2012 Summary Financial Statement

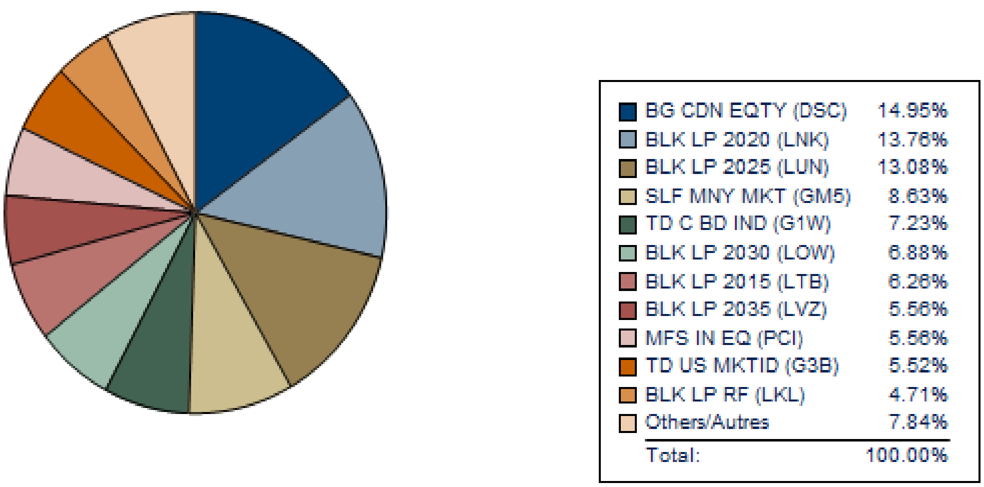
	2013	2012
Change in Assets	**$**	**$**
Assets beginning of the year	**$ 6,494,190**	**$ 5,845,257**
Employee contributions	1,509,004	521,581
Employer contributions	1,734,543	118,867
Investment income (loss)	934,235	424,473
Transfers to Financial Institutions	(463,806)	(502,043)
Transfers In from other plans	242,417	86,055
Increase (decrease in assets)	3,956,393	648,933
Assets, end of year	**$ 10,450,583**	**$ 6,494,190**

Fund Asset Mix

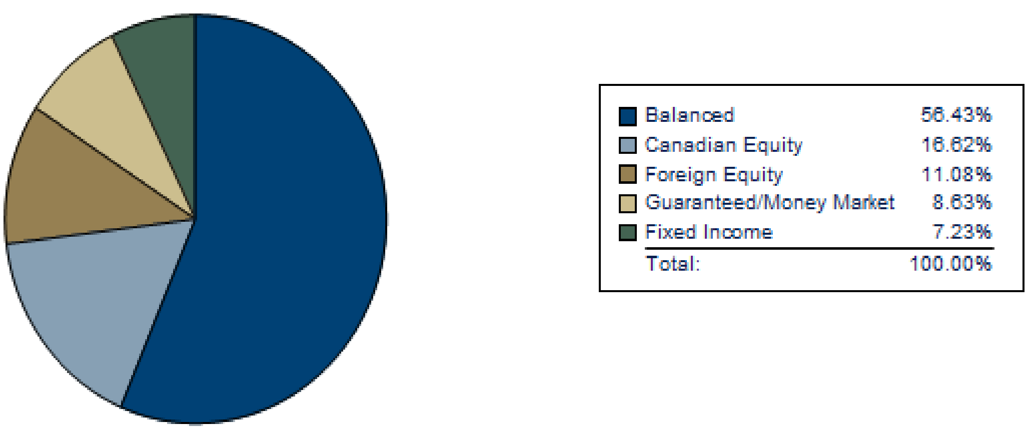
The following charts illustrate the DC Plan asset mix at December 31, 2013 both by asset category and by funds in which members allocated their assets.

Asset Category	Month-end Closing Balances $	% of Investment
Balanced	5,897,487.46	56.43
Canadian Equity	1,737,158.23	16.62
Fixed Income	755,516.29	7.23
Foreign Equity	1,158,240.01	11.08
Guaranteed/Money Market	902,181.39	8.63
Total	**$10,450,563.38**	**100.00 %**

By fund



By asset category



Rates of Return*

Following a comprehensive review of the investment funds offered under the defined contribution plan during 2012, organizational and structural changes at Jarislowsky Fraser meant the BOM once again had to review the investment offerings under the DC plan. After discussions and recommendation from both Sun Life and Towers Watson, our investment consultant, the BOM selected Beutel Goodman as the Canadian equity manager replacing Jarislowsky Fraser. Rates of Return shown below are for the funds in effect at December 31, 2013.

	2013 (%)	2012 (%)
Target Date Funds (56.43%)		
• BlackRock LifePath Retirement Index	5.6	6.9
• BlackRock LifePath Index 2015	7.0	7.7
• BlackRock LifePath Index 2020	8.9	9.0
• BlackRock LifePath Index 2025	11.6	9.8
• BlackRock LifePath Index 2030	14.5	10.4
• BlackRock LifePath Index 2035	16.8	10.8
• BlackRock LifePath Index 2040	18.8	11.2
• BlackRock LifePath Index 2045	20.6	11.6
• BlackRock LifePath Index 2050	21.8	
Canadian Equity (16.62%)		
• Beutel Goodman Canadian Equity	26.1	12.3
• CC&L Canadian Q Growth	25.4	8.8
Fixed Income (7.23%)		
• TDAM Canadian Bond Index	-1.3	3.5
Foreign Equity (11.08%)		
• TDAM US Market Index	40.8	13.1
• MFS International Equity	26.6	20.9
Money Market (8.63%)		
• Sun Life Money Market	1.1	1.2

*Returns stated are before investment management fees and include the reinvestment of all distributions. They do not take into account any administration charges or taxes payable. Past returns may not be repeated.

DC Membership Changes

Members January 1, 2013	605
New members in 2013	117
Terminations	35
Death Claims	(1)
Members at December 31, 2013	686

Description of the DC Plan

The following provides a general description of the DC Plan. Further details on the Plan are provided on the WBP website at www.lccbenefits.ca or by contacting Worker Benefit Plans.

General

Effective January 1, 2013 DB members who were under age 55 or who were over age 55 and whose age plus service was less than 80 points were transferred to the DC plan.. Effective from January 1, 2012 onwards newly hired members became members of the Defined Contribution Plan (DC). The DC Plan provides for a 4% required contribution from members and a 6% employer contribution. In addition, members including members of the Defined Benefits (DB) plan may make optional contributions of up to 4% of pay.

All pension assets are held in trust with Sun Life Financial.

Funding

Required employer contributions of 6% of pay and required employee contribution of 4% of pay apply to members hired from January 1, 2012 onwards. In addition, members including members of the Defined Benefits (DB) plan may make optional contributions of up to 4% of pay. This provides an opportunity for employees to tax effectively build their retirement income. Effective January 1, 2013 DB members who are transferred into the DC plan from the DB plan will also receive employer contributions of 6% of pay paid into their Sun Life account and will make required member contributions of 4% of pay.

Members have a further opportunity to enhance their retirement savings by directing excess flex credits from the Flex Plan to the DC Plan.

Members choose how to invest contributions made to the DC Plan from a suite of investment options with varying risk and return potential. The investment options are managed by professional fund managers selected by the Board of Managers. Fund managers are selected from the investment funds available from the record keeper, Sun Life Financial, based on a number of criteria, including investment approach, organizational strengths, historical performance and service capabilities. The DC Plan currently provides seven investment options managed by six fund managers. Sun Life is responsible for the day-to-day management and administration of member accounts. Members may change the investment directions of current contributions or move past contributions into different funds, at any time.

Vesting and Termination/Retirement

Any Plan Sponsor contributions are vested (owned) by the employee and locked-in (required to be ultimately used to provide a retirement income) after two years of service (you may be vested immediately depending on your province of employment as some provinces prescribe immediate vesting). Withdrawals prior to termination are not permitted. At termination or retirement members may transfer their funds from the Plan to a financial institution of their choosing.

Death Benefits

If a member dies before retirement, the member’s account balance is transferred to an eligible retirement vehicle of the surviving spouse. Such transfers are subject to locking–in provisions (i.e. an amount that cannot be received in cash). If there is no surviving spouse, the member’s account is paid in a lump sum to the member’s beneficiary or if not named to the estate of the member.

Governance and Administration

Good pension plan governance requires control mechanisms that encourage good decision making, proper and efficient practices, clear accountability, and regular review and evaluation. In order to achieve its goal of good governance and to meet its legal and fiduciary obligations the Board of Directors approved two documents that provide guidance to plan administrators and governors, “Pension Plan Governance Structure” and the “Regulations for the Administration of the Lutheran Church-Canada Pension Plan”. The governance objectives of the Plan are to be in compliance with all applicable laws, to be able to demonstrate prudent oversight of the Plan to stakeholders and to ensure the Plan is funded and administered so as to meet its obligations to members and beneficiaries. The Board of Directors of Lutheran Church-Canada has delegated to the Board of Managers (BOM) the responsibility for pension strategy, implementation and administration of the Plan including the management of the investment funds.

Board of Managers (BOM)

The BOM has general oversight responsibilities for the Plan and in that capacity they oversee all aspects of the Plan’s operations, including the selection or termination of investment manager(s), trustee(s), custodian(s), third party administrator(s), actuary and other advisors, set pension related policies, determine funding, contribution and actuarial strategy, and ensure the plan is in compliance with all legislation. The BOM acts in fiduciary capacity to ensure the best interests of all present and future plan members, pensioners and beneficiaries. Day-to-day management of the Plan is delegated to the Director, Worker Benefit Plans (WBP) and WBP staff.

During 2013, the BOM consisted of seven individuals who are appointed by the Board of Directors of Synod to serve a three-year term with a maximum of three successive 3-year terms. All appointments are staggered, with 50% of the BOM being appointed following each Convention. At least five of the BOM members must be communicant members of member congregations of the Synod. The BOM consists of:

- two rostered church workers
- three lay persons each of whom have experience in either human resources, pensions, health benefit programs or investment management
- one person from a Lutheran Church–Canada higher education institution
- the treasurer of the synod

The BOM meets regularly at least three times per year and more often, if required. During 2013 the BOM met four times. All members attended the meetings.

2013 Board Members

Dieter E. Kays, ICD.D, Phd.
Chairperson, Board of Managers
Kitchener, Ontario

Dr. Kays is a certified professional director serving on several boards including the Ombudservice for the Canadian Life and Health Insurance, (OLHI), St. Mary's Hospital, and the International Rotary Club. He is the retired President and Chief Executive Officer of Faith Life Financial, an organization providing insurance and investment programs to Canadian families. Prior to accepting this role, Dieter was Chief Executive Officer of Lutherwood, a Canadian church affiliated social service agency serving more than 10,000 clients annually. He was also the President of the Lutherwood Foundation, has served as a Director of Lutheran Life Insurance Society of Canada and its investment committee, the Canadian Life and Health Insurance Association (CLHIA) and FI Capital. He also served two terms as a municipal councillor.

Dr. Kays has a Master of Divinity degree from Concordia Seminary, St. Louis, Missouri, and a Master of Social Work. In 1993, he earned his doctorate, specializing in organizational leadership at Waterloo's Wilfrid Laurier University. He has done post graduate work at Stanford University, the Wharton School of Business, and most recently the Rotman business school – U of T.

Dr. Kays and his wife, Rosalind, have three children and nine grandchildren. They are members of Holy Cross Lutheran Church (LCC) in Kitchener where Dieter chairs the Future Facilities committee.

Dwayne Cleave, CIM* 1
Executive Director, WBP
Winnipeg, Manitoba

Dwayne has served in the office of treasurer of Lutheran Church–Canada since May 2002. In March 2010 he was also appointed as the Executive Director of the LCC Worker Benefit Plans. Prior to his employment with the Church, Dwayne's 25 year business career included positions as an Investment Consultant with CIBC Wood Gundy and as a Regional Manager for the Brick Warehouse Corporation.

In addition to his business experience, Dwayne has received formal training through the Certified General Accountant Program (CGA), Certified Employee Benefit Specialist Program (CEBS) and the Canadian Securities Institute (CSI). Dwayne completed a 4 year certificate course in Management through the University Of Manitoba continuing education program in 1994.

Dwayne, his wife Bonita and their two (now adult) children have been members of Saint James Lutheran Church in Winnipeg since 1989.

* Canadian Institute of Management

Martin Bender
Kitchener, Ontario

After graduating from Wilfred Laurier, Martin had oversees training at Western and St. Francis Xavier Universities. Subsequent employment covered a number of domestic and international organizations. Martin taught briefly in Ontario and then worked for the Ministry of Education in Trinidad (CUSO) and Crossroads in Yaoundé, Cameroun. Martin then held positions with Ontario Hydro Nuclear Stations (Pickering/B.N.P.D.), Acres Engineering (Niagara Falls/Cordoba, Argentina), Babcock, Metro Toronto, Toyota (Cambridge) and D. Bobiy & Assoc.(Calgary) focusing primarily on the Employee Relations/Labour Relations functions.
Married to Connie Klassen, Martin has 4 children and 2 grandchildren. Martin is a member of Faith Lutheran, Kitchener. Martin currently works in Church committees, Nicaragua, consulting and farming in Norfolk County.

Richard Currie 1
Edmonton, Alberta

Richard Currie currently holds the position of Vice President Finance and Administration at Concordia University College of Alberta. His past experience includes the administration of benefits and pension programs in senior administrative roles within advanced education, health, not-for-profit and Christian organizations. He holds a Bachelor of Science from the University of Western Ontario and a Masters Health Science Administration from the University of Alberta. He is CGA certified and is also a member of the Certified General Accountants of Alberta. Richard has been a member of the Board of Managers since 2009.

Pastor Mark Hennig, 1
Edmonton, Alberta

Mark graduated from Concordia Lutheran Seminary in Edmonton in 2003 and went on to serve Immanuel Lutheran Church in Tomahawk, Alberta for six years. He currently serves Concordia Lutheran Church in south east Edmonton. He also serves as LWML-C Pastoral Councillor for the past 5 years; the Board of Regents – Concordia University College since 2009; and the Board of Managers – Workers Benefits since 2010. Mark is married to Darla Kulak and they have four children.

Stan Lee
Vancouver, British Columbia

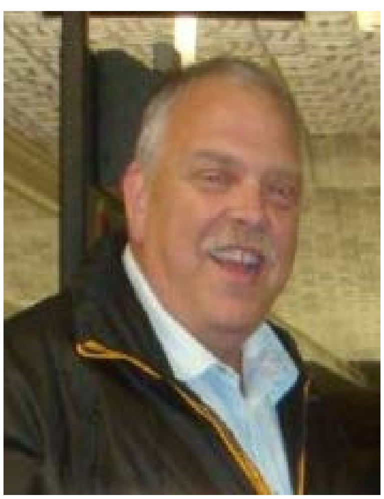
Stan is a chartered accountant; he owns and operates an accountancy business in Vancouver, which serves over 900 individual and 250 corporate clients. Before opening his own practice, he worked for nine years for a major accounting firm in Burnaby. He also sits on the Board of Directors for six private enterprise companies. He received his Bachelor of Commerce degree in 1983 from the University of British Columbia in Vancouver, and his Chartered Accountant designation in 1986 from the Institute of Chartered Accountants of B.C.

Stan serves on the Department of Stewardship and Finance for the ABC District, as well as, serving as the Board Chair for the Audit Committee. Stan also served on the Board of Directors for Faith Life Financial from 1994 to 2012. In that capacity he held a number of roles including Board Vice-Chair, Chair of the Audit, Risk, Compliance and Finance Committee and Chair of the Products and Services Committee, and was a member of the Executive Committee and Human Resources Committee.

Active in his church community, Mr. Lee is currently Chairman of his home congregation, Prince of Peace Lutheran Church in Vancouver. He also provides occasional simultaneous translation (into English from Cantonese) during his congregation's Sunday services.

Mr. Lee and his wife, Lisa, are members of top-rated Faith Life Financial Chapter 0244, which Mr. Lee helped establish in 1995. He previously served as chapter president. The Lees have two daughters.

Steve Raine
Regina, Saskatchewan



Steve Raine worked for the Royal Canadian Mounted Police for 31 years, beginning his career in the Yukon Territory and the Northwest Territories before moving to a variety of different posts in Saskatchewan. He then became the Staff Relations representative for Saskatchewan before finishing his career as Chair of the National Staffing Committee. Steve currently is self employed as an advisor with Sun Life Financial.

Steve is a musician, song writer and worship leader with his group Ebenezer Stone and uses music as a ministry opportunity in Regina and other Saskatchewan locations.

Steve and his wife Barb have 3 adult children. They are members of New Beginnings Lutheran Church in Regina.

1. Dwayne Cleave, Richard Currie and Pastor Hennig are members of the LCC Pension Plan. Their membership does not constitute a conflict of interest for purposes of participating on the BOM.

Advisors and Service Providers

Aikins, MacAulay and Thorvaldson	**Legal Counsel**
CIBC Mellon GSS	**DB Trustee, Custodian and Pension Payments**
KPMG	**Auditor**
Sun Life Financial	**DC Record Keeper/Custodian**
Towers Watson	**Actuary, Pension and Investment Consultants**
Foyston, Gordon & Payne	**DB Investment Manager**
Phillips, Hager & North	**DB Investment Manager**
Wellington Financial LLP	**DB Investment Manager**
Beutel Goodman	**DC Investment Manager**
BlackRock	**DC Investment Manager**
Connor, Clark & Lunn	**DC Investment Manager**
MFS	**DC Investment Manager**
Sun Life Financial	**DC Investment Manager**
TDAM	**DB & DC Investment Manager**

Strategic Plan 2012

Our Mission

The mission of Worker Benefit Plans is to serve members and employers by ensuring the provision of sustainable benefits.

"Serving those who serve."

Our Vision

We will develop an efficient, innovative and sustainable benefit plan with shared responsibility among engaged stakeholders

Our Values

1. **Integrity**
2. **Transparency**
3. **Stewardship**
4. **Consultation**
5. **Shared Responsibility**
6. **Excellence**

Our Strategic Directions

1. **Ensure sustainability and stability of benefits**
2. **Develop an educated and knowledgeable member and employer base**
3. **Cultivate a meaningful involvement of stakeholders and develop the philosophy of shared responsibility**
4. **Promote health and wellness**
5. **Strengthen and enhance governance**