

How Is My Account Paid ?

The value of your account balance can be paid to you or your beneficiary in a lump sum or in monthly payments under an annuity option.

Can I withdraw amounts from my account while I am employed ?

Under no circumstances will an employee be permitted to make withdrawals from the fund before retirement.

However 50% of your personal contributions may be used as collateral for a loan granted by ABI Bank Ltd. Under the following conditions:

- A) that you have been a contributing member for at least three years,
- B) The loan is for the purchase or construction of your primary residence,
- C) The loan is for educational purposes
- D) The loan is for the payment of medical bills in respect of a major illness or emergency treatment.

Advantages offered to fund contributors by ABI Bank.

- ◇ A guaranteed interest rate 6% per annum on the retirement fund.
- ◇ Up to 60% discount on motor vehicle insurance if policy purchased through ABI Insurance Company Ltd
- ◇ Loans to the participants backed by their value in the fund.
- ◇ Credit Cards (Visa, MasterCard).
- ◇ Additional discount on property insurance if policy purchased through ABI Insurance Company Ltd.
- ◇ Quarterly statements to the individual participants of the fund.

For further information contact your HR Department or

ABWU Tel: 1.268.462.2005
AHTA Tel: 1.268.462.0374
ABIB Tel: 1.268.480.2727



ANTIGUA HOTELS & TOURISTS
ASSOCIATION

EMPLOYEES RETIREMENT FUND



ABIB > ABI Bank Ltd.

This booklet highlights the important features of the A.H.T.A. Hotel Employees Retirement Fund. It sets out in simple language the main features of the Fund.

FUND PROVISIONS

Am I Eligible?

In order to join the fund, you must meet all the following requirements:

- ◇ You must be employed at a hotel covered by the Collective Agreement between the A.H.T.A. and the A.B.W.U.
- ◇ You must have completed your probationary period. Your probationary period is a four week period measured from your date of employment.

When Can I Join The Fund?

You can join the Fund following the date you first attain eligibility requirements.

How Much Can I Contribute?

Basic Contributions

You will automatically contribute 2,5% of your basic salary to the fund. Your hotel will match this 2,5% contribution to make a total value contribution of 5%. So for every one dollar that is deducted from your salary for your retirement fund your hotel will add one dollar.

Additional Voluntary Contributions

You may choose to make additional voluntary contributions to the Retirement Fund. However your hotel will not match any Additional Voluntary Contributions. If you would like to make Additional Contributions please advise your HR Manager.

When Are Benefits Paid?

The fund will begin paying benefits to you (or your beneficiary) upon the earliest of the following:

- ◇ Your retirement on or after your 60th birthday
- ◇ The date you become totally disabled.
- ◇ The date of your death (proceeds paid to your named beneficiary)
- ◇ The date you terminate employment due to an involuntary layoff :-
 - a. Where employment is terminated because of ill health
 - b. Where the employee is made redundant by the Hotel
 - c. Where the Hotel ceases to operate or exist

How Much Do I Get At Retirement?

The amount of your retirement benefit is based upon your account balance at retirement. Your account balance will be equal to the sum of (a) your contributions, plus (b) your Hotel's Contribution and (c) interest on all contributions.

What about my years of Service ?

Under the current Collective Agreement an amount equal to 75% of the severance entitlement was to be paid upon retirement at the age of 60. The Retirement Fund will replace this entitlement, however all your years of service will be calculated up until 31st January 2010, and the severance entitlement due up to this date will be paid to you upon retirement as well as the Retirement Fund.



What If I Leave the Hotel Before Retirement?

If your employment terminates prior to age 60 for any reason, including death or disability, your contributions and interest on those contributions will be distributed to you or your beneficiary.

You will also be legally entitled to a distribution of your vested Hotel's contributions and the interest on those amounts.

If your employment terminates because of involuntary layoff, your vested Hotel contributions will be paid to you as soon as possible.

If you voluntarily resign your contributions and any vested employer's contributions will be paid to you.

If you decide to leave and work in another hotel you may remain in the fund. You will retain your personal contributions and all vested contributions from your previous employer and start contributing again with your new employer.

WHAT IS VESTING?

To be "vested" means you have ownership rights to the value of your account.

You are always fully vested in your contributions as well as the interest earned on your contributions.

You are vested in your employer's contributions after 5 years of continuous service as well as the interest earned on these contributions.