

**Yellow Pages Pensioners' Group
Response To The Consultation Document
Enhancing Retirement Security for
Canadians**

Executive Summary

Yellow Pages Pensioners' Group was created in 2012, dedicated to the protection of the pensions and benefits of 1,249 pensioners' Defined Benefit Plan, registered and regulated in Ontario under FSCO. There were serious concerns in 2012, that Yellow Pages Group was facing bankruptcy. The Yellow Pages Group Defined Benefit Plan was, and still is seriously underfunded. Yellow Pages Group proposed a Recapitalization Plan, that was eventually accepted in December 20, 2012 by shareholders, creditors and the Courts.

Since the Yellow Pages Recapitalization in 2012, Yellow Pages has taken advantage of Solvency relief 3 times, as Legislation has allowed them to do. They have very recently filed a new Solvency Valuation report, months after their last Valuation report, simply for the reason that new Legislation allows them to take advantage of Solvency Relief for a fourth time since their Recapitalization in 2012.

In 2014, Yellow Pages Pensioners' Group joined the Canadian Federation of Pensioners, in solidarity with many other Pensioner groups in Canada, working to protect the pensions and benefits of active and retired members of Defined Benefit Plans in Canada.

We understand that Yellow Pages taking advantage of the most recent funding relief allowed with new Legislation, will result in approximately \$30 million less contributions being paid into the plan by the company over the next three years. Such a reduced contribution amount will significantly worsen the underfunding in the Yellow Pages Plan and increase the risk of reductions to monthly pension benefits to the Pensioners, if the Yellow Pages Plan were to be wound up, which will very likely occur if the company becomes insolvent.

During the time frame of between June 30, 2017 and June 30, 2018. Yellow Pages reduced its workforce from 2,127 to 1,109 which included 500 employee layoffs taking place in January of 2018, which resulted in a \$17 million restructuring charge.

During 2017, Yellow Pages paid out \$26 Million to 6 people in Executive Compensation, to departing executives and to new executive hires.

Also, in 2018, Yellow Pages has been selling or liquidating significant assets and business lines including ComFree/DuProprio, RedFlagDeals.com, Mediative, JUICE, Totem, Western Media Group, and Yellow Pages NextHome, one of which generated \$50 Million. None of these monies have been infused into the Under Funded Pension Plan.

Yellow Pages Pensioners' Group ("**YPPG**") remains very concerned that the Yellow Pages Plan continues to be significantly underfunded on a wind up basis by \$154,759,000 and is exposing the pension plan members to losses to their monthly pension benefits.

A Defined Benefit Plan is a commitment made to an employee or retiree; a commitment that Pre-Defined Pensions will be paid to them in exchange for their years of service. Canadian Pensioners are expecting that the commitments that have been made to them will be honoured

The Yellow Pages Pensioners' Group supports and agrees with the Canadian Federation of Pensioners (CFP) Submission to the Consultation Document Enhancing Retirement Security for Canadians.