



BOILERMAKERS' NATIONAL BENEFIT FUNDS (CANADA)

Administration Office
45 McIntosh Drive, Markham, Ontario L3R 8C7
Tel: 905-946-2530 • Fax: 905-946-2535

Administration Office
15220-114 Avenue, Edmonton, AB, T5M 2Z2
Tel: 780-455-3502 • Fax: 780-488-7423

Boilermakers' National Pension Fund (Canada) Plan Registration Number 0366708 and Boilermakers' National Health Fund (Canada)

February 9, 2024

Dear Plan members

Re: **Boilermakers' National Pension Plan (Canada)**
Retired Members: Complete Restoration of Benefits - retroactive to October 1, 2023
Active and Retired Members: Accrual of 1% applied to the Special Funding Contribution effective October 1, 2023

Retired Members: Complete Restoration of Benefits

The Trustees are pleased to announce that all retired members who had a reduction in their pension as part of the 2009-2011 plan recovery formula, will have their pension amount fully restored retroactive to October 1, 2023. The applicable retired members had their first restoration in May 2022. The amount payable effective October 1, 2023 will fully restore the reduction. The first full payment will be deposited in March 2024. Retroactive amounts will take a bit longer as each retired member file is reviewed to ensure the retroactive amount is accurate.

Many retired members made the special funding contribution prior to their retirement. These amounts will also have the 1% accrual applied to their special funding contribution. The pension amount will be added to their pension.

The retroactive payment will be made to survivors as well. Persons who did not have a reduction in their benefit as part of the recovery program would not qualify for this restoration of benefits.

Retired members will receive a custom letter from the plan administration office detailing the full restoration of their benefits and any retroactive payments.

Active Members: Accrual of 1% applied to the Special Funding Contribution paid from 2010 to 2018

Many active members made a special funding contribution to the pension plan commencing in 2010. The plan kept a complete and accurate record of all special funding contributions.

The Trustees are pleased to announce, effective October 1, 2023, all special funding contributions of active members will accrue a pension at the rate of 1% per month.



In terms of impact, let's take an example of a member who commenced paying the special funding contribution in May 2010 at \$3.00 per hour, reduced the amount to \$2.00 per hour in July 2015 and then to zero in July 2018. Let's assume this person worked an average of 120 hours per month over this time. The special funding contribution total would have been approximately \$31,000. When a 1% pension factor is applied to the special funding contributions the member would earn an additional \$310.00 per month in pension at their normal retirement age.

This increase in pension will be shown in your mid-year benefit statement.

Retroactivity

Where calculations for retroactivity are required, these will be done by the plan administration office and reported to the applicable member.

Conclusion

The Trustees recognize and appreciate that the final restoration for retired members has taken time, much longer than the Trustees anticipated. The delay was due to regulatory restrictions. The plan must remain in compliance with all applicable legislation.

The Trustees have kept a close watch on the funding of the pension plan. When plan surplus exceeded the legislated amount (presently a 14% surplus or PfAD* is required) the Trustees applied for restorations for retired members and active members. This request was approved and is now being applied.

These restorations are in line with the Trustees' approved Funding and Benefits Policy – this is available on the member website.

The Trustees thank all members for their continued engagement and support. Please send all comments and questions to questions@boilermakersbenefits.ca.

Kind regards,

Joe Maloney, M.S.C.
Board Chair

*PfAD = provision for adverse deviation – in plain language = legislated level of retained surplus