



BOILERMAKERS' NATIONAL BENEFIT FUNDS (CANADA)

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

November 2022

Dear Plan members

Re: Boilermakers' National Pension Plan (Canada)
First Restoration of Benefits - Retired Members at May 1, 2022

At December 31, 2021, the pension plan was 113.4% funded; there are 4,688 retired members and survivors in receipt of a pension - 823 of them are between ages 80 and 89; 103 of them are over the age of 90

By year-end 2022, retired members or their survivors who had a reduction in their pension as part of the 2009-2011 plan recovery formula will have a 5% restoration of their benefit – the monthly amount paid will be increased by 5%. This is a positive step resulting from a major shift in the plan's funding to 113% and how the Alberta PfAD* worked out in 2022. Ironically, rising interest rates put the plan in a position to make this key first restoration. The 5% restoration will be retroactive to May 1, 2022. The restoration amount will be paid by year-end 2022. The restoration amount will be paid using the member's preferred pension payment method filed with the plan.

This restoration of 5% to retiree benefits is the first step in the restoration of benefits for active and retired members. The Trustees closely monitor the plan's funding and legislation. The Trustees believe the plan should hold surplus at a prudent level as a buffer against market downturns like we are seeing in 2022.

The Trustees will make the next restoration – for persons who were active at May 1, 2022 - and who remain active or retired subsequent to May 1, 2022 - and who had reductions as part of the recovery program- as soon as it is prudently possible.

Persons who did not have a reduction in their benefit as part of the recovery program would not qualify for this restoration of benefits.

We know that some will say that 5% does not cover inflation – we know that. However, a first restoration of 5% is what is affordable now. Nothing more is affordable. The 5% restoration is the first step. This first restoration is also 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