

IAM Multi-Employer Pension Plan

Changes to the Plan

Effective 1st January 2019



Dear Garda Member

As an active member of the Plan, the rate at which you earn pension is increasing from 1st January 2019. This letter explains the change and the reasons for it.

What is changing?

The pension you earn on contributions paid after 1 January 2019 is increasing from the current rate of 0.75%.

The new plan formula will be as follows:

*It is very important to note
that pension earned up to
31 December 2018 is not changing*

Monthly pension = 0.8% of all contributions paid on your behalf after 1 January 2019

An example of how this works in practice is set out at the end of this letter.

Why is the benefit rate increasing?

The Plan's actuary regularly looks at the financial position of the Plan, in what is known as an actuarial valuation. One of the things considered is whether the current benefit rate is affordable and reasonable value for the contributions paid.

Since your employer joined the Plan, the average age of your group has reduced. That makes it cheaper to provide pensions to the group.

In addition, the Plan is in good shape financially, so we are delighted to be able to give you this increase in benefit rate going forward.

Can we expect this to happen again?

At this time, the Trustees are satisfied that the benefit rate offered is the “right” one. By that, we mean it strikes the right balance between two key drivers for us, as follows:



- Providing benefits that are fair value for money for the contributions paid; and
- Being prudent enough to protect the long-term position of the Plan and pay the benefits promised.

Do I need to do anything?

No, **you do not need to do anything**. These changes will happen automatically on 1st January 2019.

Will my contributions go up?

Contributions paid on your behalf will not go up as a result of this change. The Plan now gives you **more pension for the same contributions**. We have set out an example at the end of this letter to show you how this might work. In practice it will depend on how many hours you work.

What if I have questions?

As always, questions should go to Irene Perry at the Fund Office address below. Please note that, to ensure all members get the same information about the Plan, all non-personal Q&As will be published on the website. We encourage you to check-in there on a regular basis.

Fund Office
703-331 Cooper St, Ottawa, ON, Canada
K2P 0G5
Telephone: +1.888.354.5444
FAX: +1.613.594.9038
E-mail: admin@iammepp.ca

*Reminder: you can access
the Plan's website here
<http://www.iammepp.ca/>*



Additional Information

How the new formula works: **example for 2019**

