IAM Labour-Management Pension Fund (Canada)   September 2025 Newsletter • Vol. 8, #01

Gearing Up for Retirement

What's Inside

Update from the Trustees

Welcome to another newsletter from the Trustees. We hope you find this communication of interest.

Stay connected with us by email, phone, and post (and find us on Facebook). See page 4 for how to stay in touch with us.

Sincerely,

The Trustees

2024 Highlights by the Numbers

$13.8 million contributions received

$13.9 million benefits paid to members

7,888 members

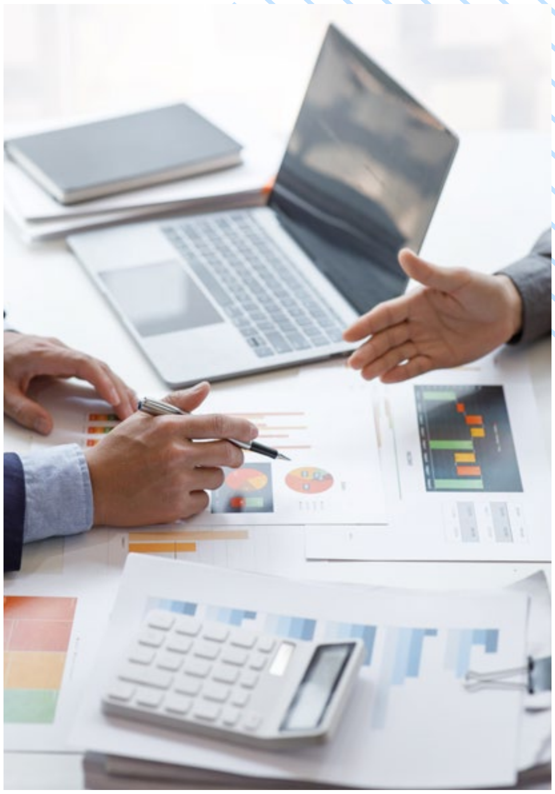
12.10% return on assets

1,434 new members during year

$304.0 million year-end assets

Announcing our New Investment Managers

In 2024, the Trustees began a search to help further diversify the Fund's investments. The Fund is pleased to announce that it has retained IMC Institutional Mortgage Capital to manage approximately $30 million in assets. Look to the right for information on Fund Managers.



Investment Update

One of the benefits of a registered pension plan compared to an RRSP or other personal investments is the Fund's ability to diversify through various investment managers. The investment managers retained by the Fund are:

- Letko Brosseau
- Montrusco Bolton
- River Road
- William Blair
- Greystone
- Crestpoint
- IMC Institutional Mortgage Capital

All managers are as recommended and approved by our investment adviser, Segal Marco, who advise on over US$700 billion of assets.

Plan Funding

Pension plans are required to regularly file actuarial valuations with the Financial Services Regulatory Authority of Ontario (FSRA).

FSRA requires the Fund's actuary to determine whether the incoming contributions are sufficient to fund the benefits promised by the Fund. **If a plan cannot satisfy that requirement, it is required to reduce benefits for past and/or future service, or increase contributions.**

The Fund last filed a valuation report with FSRA as at 1 January 2024. As of that date, the Fund's contributions and assets are sufficient to cover the plan's existing benefits and to continue future accrual of benefit of 1.455% of contributions. There is no requirement nor are there any plans to reduce benefits.

The Trustees

The Board of Trustees is as follows:

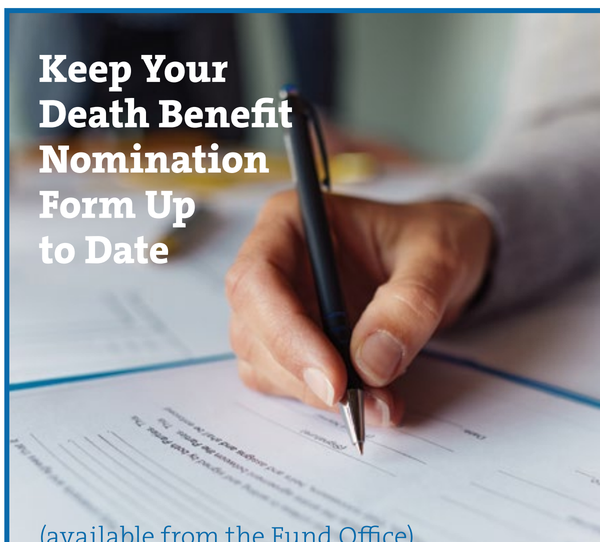
Dave Ritchie (Chair)
Retired IAMAW Canada General Vice President

David Chartrand
Current IAMAW Canada General Vice President

Bruce Nelson
Dominion Motors

Ray Fisher
Formerly Magellan Aerospace

The Board of Trustees meets in person twice a year, with conference calls in between, to manage issues as they arise.



What is the portability option?

The portability option is available to you if you incur a Break in Service before reaching age 55. It allows you to transfer the lump sum "commuted value" of your pension to another locked-in retirement savings plan or another pension plan if that plan allows it.

Note that if you elect to transfer your benefit using the portability option, you will not be entitled to any further benefits from the Plan for the period of service related to the transfer, and you will have to re-satisfy the participation requirements should you ever return to Covered Employment.

Why is the payment of my commuted value locked in?

Funds that are transferred out of a registered pension plan are meant for retirement income.

Therefore, applicable provincial legislation requires the money to be **locked in** to ensure that the funds will be available to you on retirement. Under the portability option, the commuted value is transferred on a **tax-deferred basis** subject to the limits imposed by the *Income Tax Act*.

Can I receive my commuted value in cash?

You may only access your locked-in funds from the Fund, less applicable withholding taxes, under the following circumstances:

- Shortened life expectancy;
- Non-resident of Canada status; or
- Small pension amount.

The conditions applicable to you will depend on your province of employment.

Why do I have to wait 24 months to receive my commuted value?

Breaks in Service occur when contributions are not remitted to the plan on your behalf for 24 consecutive calendar months. The 24-month period is designed to help members who may change jobs, moving from one participating employer to another, to stay in the Fund. In that situation, your membership is unbroken and there is no need to go through the eligibility conditions again on re-employment.

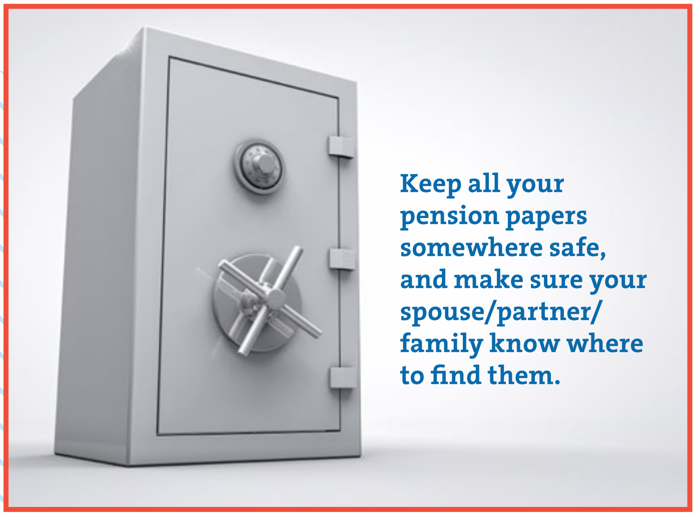
Legislative Changes

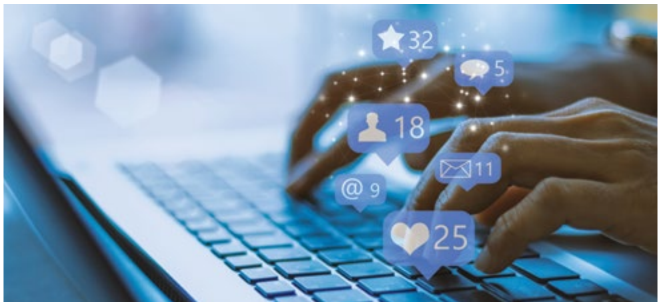
In October 2024, the Ontario government finalized changes to the *Pension Benefits Act* and *Regulation* that will impact how the Fund is governed and funded.

Some of the significant changes include:

- Permanent elimination of solvency funding: Multi-employer Pension Plans have not been required to fund solvency since 2008. This exemption was temporary and set to expire on January 1, 2025. The legislation eliminates solvency funding permanently.
- Provision for adverse deviations: Plans will be required to hold an additional margin, called the provision for adverse deviations, when determining the actuarial cost of accruing benefits.
- Commuted Values will be determined on the same basis on which the plan is funded. If the plan is not fully funded at the time of transfer, the calculation will include a reduction to reflect the current funding level.

It is important to note that these changes will not materially impact how benefits are funded.





Stay in Touch

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Sign Up for Email Updates

Visit **iamlmpf.ca** to create a secure member login, and sign up to receive email updates from the Fund. You can also find us on Facebook and Twitter where you can keep up to date with all retirement news.

Our goal continues to be to get as many people as possible signed up to communicate with us by email so that we can save money and share information more easily. We will continue to send general information like this newsletter by Canada Post and to flag communications and link to them on our Facebook and Twitter accounts.

As always, there will be a full record on the Fund website of all general communications issued if you miss them first time round.

Follow us here:

@IAMPensions

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