

IAM Multi-Employer Pension Plan

Changes to the Plan

Effective January 1st 2025

As a member of the Plan, the way your pension is calculated is changing from January 1st 2025. This letter explains the changes and the reasons for them.

What is changing?

Benefits Accrued for work prior to January 1, 2025

Effective January 1, 2025, if you have not commenced receiving a pension and have not taken your entitlement out of the plan, your accrued benefit to date will increase by 25%.

If you have commenced receiving a pension, your pension in pay will increase by 25%. The adjustment will be made in your August 2025 pension payment along with an amount for the January 2025 increase.

This means that for every \$1 of accrued pension or pension in pay, you will be entitled to an additional \$0.25 in benefits.

For example:

(a) Accrued Pension as of January 1, 2025:	\$500
(b) January 1, 2025 benefit increase (a) x 25%	<u>\$125</u>
(c) New Total Accrued Pension as of January 1, 2025	\$625

How can the plan afford this increase at this time?

The Plan's actuary regularly looks at the financial position of the Plan in what is known as an actuarial valuation. The pension regulator requires the plan to fund on a going-concern basis. The going-concern valuation assumes the plan will operate indefinitely and is based on best estimate assumptions.

The plan's current financial position has allowed the Trustees, on the advice of the Plan's Actuary, to provide this benefit increase. Even after providing this increase, the plan's financial position is strong and is expected to remain strong going forward.

Will there be more benefit increases in the future?

The economy and markets are highly volatile and conditions change on a daily basis. The Trustees and their advisors will continue to monitor the plan's health.

Should the plan's funded status remain healthy, the Trustees and their advisors *may* provide additional benefit improvements in the future.

Do I need to do anything?

No, **you do not need to do anything**. These changes will happen automatically provided you have not transferred your entitlement out of the plan.

What if I have questions?

As always, questions should go to your local union representative or the Fund Office at the address below.

304-116 Lisgar St, Ottawa, ON, Canada
K2P 0C2

Telephone: +1.888.354.5444

E-mail: **admin@iammepp.ca**

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

Issued by the Trustees

July 21, 2025