



SPECIAL NOTICE TO MEMBERS

Notice of Pension Plan Benefit Improvements

The Trustees of the Plan are pleased to inform Plan Members of some upcoming pension plan benefit improvements occurring for pensioners/retirees including active, deferred vested and limited members. The changes, summarized below, are effective **January 1, 2026**.

Changes to Legislation & Preliminary Actuarial Valuation Report

After years of the Trustees and professionals in the B.C. pension industry lobbying the provincial government for changes with respect to the margin (or “PfAD¹”) required by pension legislation, changes came into effect that lowered the uncertainty of the required PfAD amount significantly. This allows for the Trustees to access more of the fund for benefit improvements. The Trustees consulted with their professional advisors and reviewed and updated the Plan’s Funding Policy accordingly.

At least once every three years, the Trustees must file an actuarial valuation report with the BC Financial Services Authority (the provincial pension regulator). The next actuarial report as at June 30, 2025 is currently being finalized and will reflect aforementioned changes to legislation with respect to the amount of required PfAD.

When a valuation report is prepared, the Trustees are able to analyze the financial position of the Plan and assess whether they can make changes to the benefits that have already been earned and that will be earned in the future.

Sustainability and Nature of Pension Benefits

The Trustees and their advisors are closely monitoring the economy, the stock market, and the Plan’s investments. Even after considering the current risks in markets, the Trustees are confident that the increases described below are reasonable and appropriate. After reflecting these increases, the Plan continues to have an excess, in accordance with pension legislation, to act as a cushion protecting the Plan in the event that market conditions deteriorate.

The Trustees will continue to monitor and manage the financial health of your Plan to maintain an appropriate balance between benefit security and a sustainable level of benefits over the long term.

Benefit Increase Details

For Pensioners/Retirees

- At their most recent meeting, the Trustees of the Plan passed a motion to increase pensions in payment on January 1, 2026 by 25%. The increase will be applied to your gross pension amount, before taxes are withheld. Your pension will increase with your January 2026 payment and if you receive your pension via electronic funds transfer, the payment date for that month will be January 2, 2026.

For Active members/Deferred vested members/Limited members

- In addition to the above, Members of the Plan not already in receipt of a monthly pension on January 1, 2026 will receive a benefit improvement; the accrual rates for service will increase by 25%. The exception to this will be the accrual rate for the period from January 1, 2023 to December 31, 2025 will increase by 37.5% from \$80.00 to \$110.00 per year. Future service on/after January 1, 2026 will be at this same \$110.00 per year rate.

¹ PfAD is the “Provision for Adverse Deviation”; in other word, a margin or buffer or “rainy day fund”.



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- The new accrual rates will be as follows:

Period Effective Date	Accrual Rate / Year of Service CURRENT	Accrual Rate / Year of Service REVISED JANUARY 1, 2026	% Increase
1/1/2023 onward (+ future service)	\$80.00	\$110.00	37.5%
1/1/2019 to 12/31/2022	\$88.00	\$110.00	25%
1/1/2014 to 12/31/2018	\$77.00	\$96.25	25%
1/1/2011 to 12/31/2013	\$66.00	\$82.50	25%
1/1/2008 to 12/31/2010	\$55.00	\$68.75	25%
1/1/1996 to 12/31/2007	\$48.40	\$60.50	25%
Pre-1/1/1996	\$40.70	\$50.88	25%

- Your pension statement ending December 31, 2025 will be mailed to you by the end of June 2026 and your calculated accrued pension on that statement will reflect the above new rates.

For Pensioners who retired since January 1, 2023 and are receiving a pension on January 1, 2026:

- If you started your pension and had pensionable service after January 1, 2023, your pension will be recalculated to reflect the above revised accrual rates for all periods, as described in the above table.
- This recalculation includes the 25% adjustment described above under “*For Pensioners/Retirees*”.

Individuals who do not have a vested interest in the Plan as at January 1, 2026 are not eligible for any benefit adjustments.

This includes, but is not limited to, the following:

- Members who have received a termination benefit from the Plan (lump sum transfer)
- Designated beneficiaries who have received a lump sum death benefit from the Plan
- Members who have opted to retire and received a “small benefit” commuted value for their pension (i.e. a lump sum payment versus a monthly pension)
- Ex-spouses (Limited members) who have opted to receive a lump sum commuted value for their share of pension

Target Benefit Plan

As communicated to members in 2016, the pension benefits provided by the Plan are not a “promise”, but rather a “target”. Under this plan type, there may be circumstances where pensions need to be decreased. The Trustees manage the Plan prudently to reduce the chance of pension decreases, but these remain a possibility, particularly if investments perform poorly. But as is the case with the increase communicated herein, if the Plan is managed well and experience is favourable, there will be opportunities to increase benefits. The Trustees will continue to monitor and manage the financial health of your Plan to maintain an appropriate balance between benefit security and a sustainable level of benefits over the long term.

You are a valued Plan Member and the Trustees are pleased to be able to communicate this good news to you.

Yours truly,

Hilary Kilback

Director Pension and Benefits

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Local 213 Electrical Workers' Welfare & Pension Plan

Scott Ashton, Chair

Jim Lofty, Vice-Chair

Darcy Biln, Recording Secretary

Sandra Brynjolfson, Trustee

Robin Nedila, Trustee