



Teamsters Local 213 Members Benefit Plans

490 E. Broadway, Vancouver, BC V5T 1X3 Tel: 604-879-8627 / Fax: 604-872-4725 / Toll Free: 1-800-972-6241

August 12, 2014

To: All Plan Members – Active, Inactive, Retirees & Beneficiaries
Teamsters Local 213 Pension Plan

RE: **TRANSFER OF TEAMSTERS LOCAL 213 PENSION PLAN'S REGISTRATION FROM
FEDERAL JURISDICTION TO BRITISH COLUMBIA**

BACKGROUND

Pension standards legislation sets out minimum standards in such areas as membership eligibility, vesting, death benefits and termination of employment, and varies among the different Canadian jurisdictions. When a pension plan has members in more than one jurisdiction, the plan is usually registered in the jurisdiction that has the plurality (or majority) of active plan membership.

Active plan membership can change over time from one jurisdiction to another, and when the change in membership is assessed to be a consistent change, the registration of the plan should be transferred from the original jurisdiction of registration to the jurisdiction having the plurality of active plan membership.

CHANGE OF REGISTRATION TO BRITISH COLUMBIA

On November 30, 1978, the Teamsters Local 213 Pension Plan ("the Plan") was registered with the Office of the Superintendent of Financial Institutions ("OSFI") and made subject to federal jurisdiction and the *Pension Benefits Standards Act, 1985*. The province of British Columbia did not have pension standards legislation when the Plan was registered with OSFI. The Plan has members in different jurisdictions within Canada. However, given that the majority of the Plan's active membership is governed by British Columbia legislation, over the past year the Board of Trustees has been actively pursuing the transfer of the Plan's registration from OSFI to the British Columbia Financial Institutions Commission ("FICOM").

On behalf of the Board of Trustees, I am pleased to inform you that we have now received approval for the transfer of the Plan's regulatory supervision from OSFI (federal jurisdiction) to FICOM (British Columbia).

The Plan's new registration number under FICOM is 86734-1 (previously OSFI 55751).

IMPACTS OF THIS CHANGE

The changes to the Plan and members will be minor and are not expected to have any consequential impact on any of the members' benefits. For the Plan, the advantages will be simplified compliance and administration requirements, which are expected to reduce costs. In addition, British Columbia is in the process of updating the *Pension Benefits Standards Act and Regulations*, which will apply to the Plan once in force. It is possible that the flexibility and modernization offered by this new legislation will benefit the Plan and its members.

If you are presently in receipt of a pension, this change has no impact on the amount of your pension benefit.

LEGISLATION APPLICABLE TO BENEFITS

Regardless of where a pension plan is registered, a member's benefits are governed by the pension standards legislation of the jurisdiction in which the member is employed. A member is deemed to be employed in the province in which the establishment of the employer is located, and to which the person is required to *report to work*. A member who is not required to report to work at an establishment of the employer is deemed to be employed in the province in which the establishment of the employer is located from which the person's *remuneration is paid*.

If you are an active member of the Plan (actively working and accruing a pension) or an inactive member of the Plan (not working and not receiving a pension but your pension is vested), the legislation that applies to your benefits will be determined based on the jurisdiction of your employment. For example, the question of whether or not you have a "spouse" who is eligible to receive a pre-retirement death benefit would be determined according to the pension standards legislation in the jurisdiction in which you are employed.

The federal *Pension Benefits Standards Act, 1985* will continue to apply to members who are in "included employment", meaning employment in connection with any work, undertaking or business that is subject to the legislative authority of the Government of Canada. This includes activities such as interprovincial road transportation and employment in the Northwest Territories, the Yukon Territory or Nunavut. FICOM will supervise these members on behalf of OSFI.

If you are unsure of the jurisdiction that applies to the payment of your pension benefits, you can confirm it by contacting Ada Leong or Winnie Leong at the plan administrator's office:

*Teamsters Local 213 Members Benefit Plans,
490 East Broadway, Vancouver, BC V5T 1X3
Telephone 604-879-8627 or Toll Free 1-800-972-6241(BC & Yukon only)*

NEXT STEPS

We are presently working on identifying and finalizing the changes required to the Plan administration, Plan documents and forms. This includes the Plan's enrolment form, which is being updated and will be mailed shortly to all members (excluding retirees and beneficiaries) for completion and return.

The Plan's solvency deficiency as per the last filed actuarial valuation as at December 31, 2012 was 98.4%. The Plan's funded ratio on a going concern basis is sound and continues to be in excess of 100%. The Plan's actuarial valuation as at December 31, 2013 will be filed with FICOM before September 28, 2014. This valuation will be used to confirm that the Plan continues to meet required funding levels.



Walter Canta, Chair
Teamsters Local 213 Pension Plan

Copy: OSFI and FICOM