

## Notice of Proposed Plan Updates

For active membership approval June 22, 2024

### Plan Updates

The following notice outlines affordable Plan updates that have been approved by the TTC Pension Plan Board of Directors after careful consideration, based on the Plan's actuarial reports. Please be advised that additional approval is required on these enhancements, which will be presented to the TTC Board on June 20, 2024, and to the members for approval at the Annual General Meeting (AGM) on June 22, 2024, before the updates come into effect.

All active members and retired members are welcome to attend. Only active members of the TTC Pension Plan are eligible to vote on these enhancements.

1. For members who have retired on or after Jan. 1, 2024, your pensionable earnings in 2023 will now be included in the base period for calculating your pension benefits. The base-period formula will now be the average of your best four years of pensionable earnings up to Dec. 31, 2023.
2. Together with this formula update, the survivor benefit date has been moved to Jan. 1, 2024. This means that for married members, the 60% survivorship option will have no cost for all pension service prior to Jan. 1, 2024.
3. Also, members who retired before Jan. 1, 2024, will receive an ad hoc cost-of-living adjustment (COLA) of 4.77%. If you retired in 2023, your COLA will be prorated for the number of days you were retired in 2023.

On an annual basis, the TTC Pension Plan Board of Directors assesses affordability of benefit improvements and provides them at its discretion. There is no contractual obligation to provide benefit improvements, and future enhancements are not guaranteed.

### Additional Bylaw amendments

In addition to amendments required as a result of Board-approved formula improvements, TTC Pension Plan administration and the Board of Directors have recommended a revision to the Plan's treatment of a deferred plan member's pension entitlement, when they return to work and are eligible to rejoin the Plan. The new change allows any Plan member with a deferred pension entitlement to resume membership in the Plan immediately upon rehire.