



BOARD OF DIRECTORS  
Ralph McGinn, Chair

Diana Miles  
Lynn Bueckert  
Alan Cooke  
Baltej Dhillon  
Lee Loftus

Margaret McNeil  
Brooks Patterson  
Kay Teschke  
Lillian White

2018/01/24-01

## THE WORKERS' COMPENSATION BOARD OF BRITISH COLUMBIA

### RESOLUTION OF THE BOARD OF DIRECTORS

**RE: Adoption of WorkSafeBC Pension Plan Amendment to  
Remove Transfer of Excess Investment Return**

#### **WHEREAS:**

Pursuant to section 86(3) of the *Workers Compensation Act*, RSBC 1996, Chapter 492 and amendments thereto, the Board of Directors ("BOD") established the Workers' Compensation Board Superannuation Plan which was renamed the "WorkSafeBC Pension Plan" (the "Plan") by BOD resolution on July 13, 2016;

#### **AND WHEREAS:**

The Plan currently provides for the automatic transfer to the Inflation Adjustment Account ("IAA") of the excess investment return on the pensioners' share of assets in the Basic Account, using the rate of return assumed by the actuary in the most recent actuarial valuation of the Plan under section 75(3)(d)(ii) of the Plan Rules;

#### **AND WHEREAS:**

The Plan is being amended to remove the automatic excess investment return transfer from the Basic Account to the IAA;

#### **AND WHEREAS:**

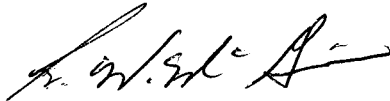
The BOD retains the ability under the Plan Rules to transfer such amount of excess investment return in the Basic Account to the IAA as it determines.

**THE BOARD OF DIRECTORS RESOLVES THAT:**

1. The Plan amendment deleting the language from Part 9 of the Plan text shown in strikethrough and adding language to Part 9 of the Plan text underlined in red in the form attached hereto as Schedule A is approved and adopted.

DATED at Richmond, British Columbia, January 24, 2018.

**By the Workers' Compensation Board**

A handwritten signature in black ink, appearing to read 'R. McGinn', is written over a solid black horizontal line.

**RALPH MCGINN, P. ENG  
CHAIR, BOARD OF DIRECTORS**

## SCHEDULE A

### Excess Investment Return Transfer amendment

#### PART 9 – PENSION FUND

##### Accounts in the pension fund

##### 75

- (1) The pension fund is divided into the following 3 accounts:
  - (a) the basic account;
  - (b) the inflation adjustment account;
  - (c) the supplemental benefits account.
- (2) The basic account consists of all the assets of the pension fund other than assets in the inflation adjustment account and the supplemental benefits account.
- (3) The inflation adjustment account consists of
  - (a) the active members' contributions made under paragraph 5 (1) (c),
  - (b) an amount equal to the amount determined in paragraph (a) allocated from the contributions made by the board under section 6,
  - (c) net investment income earned on the account, and
  - (d) ~~Repealed~~ ~~income, as specified by the plan administrative agent, that~~
    - (i) ~~is earned on other pension fund assets held in the basic account in respect of indexable benefits being paid, and~~
    - (ii) ~~is in excess of the investment rate of return assumed by the actuary in the most recent actuarial valuation of this Plan, and~~
  - (e) where the most recent actuarial valuation discloses a surplus in the basic account, such amount as the board determines be transferred from such surplus, less
  - (f) amounts transferred to the basic account under sections 73 and 88,
  - (g) contributions made under paragraph 5 (1) (c) refunded to members who terminated employment before September 30, 2015 without vesting in

accordance with the terms of the Plan in effect on the date the member terminated employment,

(h) amounts determined by the plan administrative agent in respect of the portion of any commuted value, actuarial reserve value or other form of lump sum transferred out of the pension fund that is attributable to the cost of living adjustment,

(i) amounts transferred to the basic account that are equal to the capitalized value of the increase in a member's retirement benefit resulting from any increase in the member's highest average salary under section 100, and

(j) amounts contributed to the supplemental benefits account under paragraph (4) (d).

(4) The supplemental benefits account consists of

(a) contributions to the pension fund provided for in section 86,

(b) amounts from contributions under section 6 specified by the plan administrative agent as necessary to cover any annual shortfall between current assets in the account and the cost of providing benefits under section 87 and the cost of providing cost of living benefits under section 88,

(c) amounts otherwise contributed under section 6 which are specified by the plan administrative agent to be required to pay for the cost of administering the account, including the costs to administer any benefits under Part 11, and

(d) other amounts that may be specified by the board,  
less

(e) amounts paid in respect of benefits under section 87,

(f) amounts paid in respect of cost of living benefits under section 88, and

(g) amounts determined by the plan administrative agent as the cost of administering the account, including the costs to administer any benefits under Part 11.

(5) The plan administrative agent must keep an account of

(a) all contributions and money received and all money paid out, and

(b) all assets and liabilities of the pension fund.

(6) Subject to section 59 of the *Pension Benefits Standards Act*, the plan administrative agent may return to a member or the board, or to the supplemental benefits account, any contributions that are inadvertently made to the basic account which are in excess of the maximum contributions set out in the *Income Tax Act*.

