

**THE RETIREMENT PLAN FOR
NON-TEACHING EMPLOYEES OF
SCHOOL DISTRICT NO. 43 (COQUITLAM)**

**(Incorporates amendments up to and including
Amendment #7-2008)**

Consolidation October 2008

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CERTIFICATION

PLAN SUMMARY

ELIGIBILITY	Employees	Non-teaching employees and speech and language pathologists and audiologists
	Compulsory	Appointed on a permanent basis to a permanent position, 20 or more appointed hours per week: immediate
	Optional	<p><i>Not classed as exempt:</i> January 1 or any subsequent pay period after</p> <p>(a) 2 years service, and</p> <p>(b) pensionable earnings of at least 35% of YMPE in 2 consecutive calendar years</p> <p><i>Exempt:</i> immediate</p> <p><i>Appointed on less than a permanent basis to a permanent position or appointed on a permanent basis to a permanent position and less than 20 appointed hours per week:</i> upon appointment or any subsequent pay period.</p>

CONTRIBUTIONS	Member	<p>BASIC</p> <p>4.9%/6.6%.</p> <p>VOLUNTARY</p> <p>Permitted</p>
	Employer	As actuarially required; can offset with surplus subject to provision for surplus to first supplement post-retirement indexing where fund investment returns insufficient

LEAVES OF ABSENCE	Future leave periods	<p>Can elect 100% participation rate. Contributions continue at 2½ x the member rate. Earnings for contributions and service and earnings credits for pensions based on 100% of deemed amounts. Does not matter who pays member and Board amounts, but treated as regular member amounts if member pays.</p> <p>If no election or if payment default, participation set at 0%.</p> <p>First 10 days of cumulative leave in a year do not count unless they are continued from a previous year.</p> <p>Applies for years after 1996 only.</p>
	Past leave periods	<p>Can buy back leave periods of 0% previous participation. Must use RRSP funds and must buy all prior qualifying periods (no part purchases). Can buy any time before cessation of service.</p>

NORMAL RETIREMENT		65
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EARLY RETIREMENT	Unreduced	<p>60 and 10 years of pensionable service</p> <p>OR</p> <p>55 and age + pensionable service = 80</p> <p>OR</p> <p>for pension in respect of service prior to 1997, age 50 to 55 and age + pensionable service = 80</p> <p>Full 2% pension to age 65, then 2% pension less CPP offset.</p>
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<p>EARLY RETIREMENT (continued)</p>	<p>Reduced (must be vested)</p>	<p>55 OR 50 and 10 years of retirement service (not pro-rated for years after 1996)</p> <ul style="list-style-type: none"> • Reduction of 3% per year from 60 for pension in respect of service before 1997 if: <ul style="list-style-type: none"> ⇒ 10 years of pensionable service, and ⇒ age + pensionable service <80 • Reduction of 3% per year from 65 for pension in respect of service before 1997 if: <ul style="list-style-type: none"> ⇒ < 10 years of pensionable service, and ⇒ age 50 • Reduction of 6% per year from 60 for pension in respect of service after 1996 if: <ul style="list-style-type: none"> ⇒ age + pensionable service = 80, and ⇒ age <55 <p>OR</p> <ul style="list-style-type: none"> ⇒ 10 years of pensionable service, and ⇒ < age 60, and ⇒ age + pensionable service < 80 <ul style="list-style-type: none"> • Reduction of 6% per year from 65 for pension in respect of service after 1996 if: <ul style="list-style-type: none"> ⇒ < 10 years of pensionable service, and ⇒ age 60 • Actuarial reduction (from 65) if: <ul style="list-style-type: none"> ⇒ < 10 years pensionable service, and ⇒ age 50 to 60 <p>These reductions subject to Board consent.</p> <ul style="list-style-type: none"> ⇒ Reduced 2% pension to age 65, then reduced 2% pension less reduced CPP offset.
	<p>Terminated Member with deferred pension</p>	<p>Full actuarial reduction from unreduced date unless member is eligible at termination date for normal retirement or unreduced early retirement.</p>
	<p>Full or partial Plan termination</p>	<p>As for terminated member</p>

LATE RETIREMENT	Up to December 1 of year attaining age specified in pension laws	Contributions continue to pension commencement, pension is as for normal retirement but using pensionable earnings up to late retirement; no actuarial increase for late start.
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PENSION FORMULA		<p>2% highest 3 pensionable earnings less 0.7% highest 3 pensionable earnings up to YMPE in year prior to retirement or termination, multiplied by pensionable service (referred to as “2% pension - CPP offset”)</p> <p>Pensionable service excludes non-contributory leaves of absence</p> <p>Pensionable earnings is T4 earnings less: taxable benefits and allowances, allowances in lieu of benefits and vacations, lump sum entitlements, and pay for non-contributory leaves</p> <p>Highest 3 pensionable earnings is average based on 3 consecutive years</p> <p>For years after 1996, pensionable service pro-rated and pensionable earnings grossed-up if appointed hours for year are less than 1500</p>
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NORMAL FORM OF PENSION	No spouse (or spouse waiver)	Life with 10 year guarantee
	With spouse	Life continuing at 60% to surviving spouse; actuarial equivalent to no spouse (or spouse waiver) normal form.

OPTIONAL FORMS	No spouse	Life only (no guarantee) Life with 5 year guarantee
	With spouse	Life continuing at over 60% and no more than 100% to surviving spouse; option of 5 or 10 year guarantee period
	Amount	Adjusted so that value is same as normal form of pension

REDUCTIONS AT 65	With spouse	After member death, continuing percentage is applied to pension amounts before and after 65 and reduction still occurs at member's projected age 65
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VESTING		After completion of 2 years of continuous membership or, for members as at January 1, 1998, completion of 5 years of service if earlier.
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TERMINATION	Not Vested	Refund of employee contributions with interest; can leave on deposit for up to 10 years to achieve vesting under reciprocal agreement
	Vested	Deferred pension or commuted value transfer

PRE-RETIREMENT DEATH	Not vested and under age 60	Refund of employee contributions with interest
	Vested AND (no spouse OR spouse but not age 60 and not 10 yrs retirement service)	Pre-93 service: refund of employee contributions with interest Post-92 service: greater of refund and 60% of commuted value of pension
	With spouse AND (60 or 10 years of retirement service)	2/3 pension to spouse subject to (a) service projected to 60 (b) CPP offset from pension commencement (c) no early retirement reduction (d) maximum of YMPE (e) if member eligible for retirement, spouse can take spouse pension as if member retired with joint and 100% survivor optional form.
	Terminated member with deferred pension	Benefits as above. No projection of pensionable service.

DISABILITY	10 years of retirement service and under age 60	<p>Disability criteria</p> <ul style="list-style-type: none"> (a) total and permanent (b) unable to perform any suitable job (c) disabled for at least 4 months (d) Retirement Committee adjudicates based on medical certification and eligibility for Canada Pension Plan disability benefits <p>Normal form pension subject to</p> <ul style="list-style-type: none"> (a) addition of 50% of service projected to 60 (b) CPP offset from pension commencement (c) no early retirement reduction (d) maximum of YMPE or accrued pension if greater
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INDEXING		<p><i>On pension in respect of pre-1997 Pensionable Service:</i> full CPI (December over December); adjustment April 1, pro-rating in first year, no benefit decreases.</p> <p><i>On pension in respect of post-1996 Pensionable Service:</i> excess over 7% fund return plus surplus as necessary and available to max of full CPI; adjustment April 1; pro-rating in first year; no benefit decreases</p>
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SMALL PENSION	Annual Pension < 10% YMPE or Commuted Value < 20% YMPE	Cash Lump Sum = Commuted Value up to Max Transfer Amount + Cash only = any excess Commuted Value over Maximum Transfer Amount.
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OTHER	50% rule	If Participant contributions with credited interest exceed 50% of benefit value, excess is paid as additional benefit
	Interest	<p>Required contributions: 5-year chartered bank deposit rate</p> <p>Voluntary contributions: fund rate of return</p>
	Maximum benefits	Income Tax Act limits apply

1 INTRODUCTION

1.1 Effective Date

The **Plan** became effective on May 1, 1955. This document is a consolidation of the **Plan** incorporating all amendments up to and including October, 2008.

This document governs the following benefits:

- (a) any **Cash Lump Sums** and **Locked-In Transfers** paid after 1996 and
- (b) any **Pensions** and increases in **Pensions** for inflation that commence after 1996.

The **Maximum Pension To 65** and the **Maximum Transfer Amount** limits are retroactive in their effect to January 1, 1992. In addition, the provisions of the **Plan** in force before 1997 that related to suspension or cessation of a disability pension on recovery from disability became ineffective on January 1, 1992. Otherwise, other benefits continue to be governed by the applicable terms of the **Plan** in force before 1997.

Unless explicitly stated otherwise, the remaining provisions of this document apply only after 1996.

1.2 Purpose

The purpose of the **Plan** is to provide pension and related benefits to **Employees** of the **Board** and to their spouses and beneficiaries.

1.3 Interpretation

Article 2 contains definitions used in the **Plan**. Defined terms are bold-faced where used. If other documents or legislation are amended from time to time, references to them in this **Plan** refer to the amended versions unless otherwise stated.

The **Plan** summary at the beginning of this document is for convenience of reference only and does not determine any provisions of the **Plan**. In the event of inconsistency between the summary and the remainder of the **Plan**, the remainder of the **Plan** shall prevail.

1.4 June 2002 Downsizing Program

The **June 2002 Downsizing Program** called for additional benefits and contributions under the **Plan**. These are described in Appendix B.

1.5 June 2003 Downsizing Program

The **June 2003 Downsizing Program** called for additional benefits and contributions under the **Plan**. These are described in Appendix C.

2 DEFINITIONS

“2% Pension” means the **Pension** whose monthly amount is determined in Subsection 8.2.

“Actuarially Equivalent” means, subject to Subsection A.2 of Appendix A, equal in actuarial value. Actuarial value must be calculated using methods and assumptions adopted by the **Committee**. The methods must not result in differentiation of benefit amounts on the basis of gender.

“Actuary” means the Fellow of the Canadian Institute of Actuaries appointed by the **Committee** under the **Plan**.

“Appointed Hours” means, for the purpose of determining post-1996 **Pensionable Service**,

- (a) in respect of periods of **Service** other than **Leaves Of Absence**, the following hours worked during the periods by a **Member**:
 - (i) regular hours in accordance with the **Member's** notice of appointment,
 - (ii) paid overtime hours,
 - (iii) paid vacation hours,
 - (iv) hours of paid casual or draw time work,
 - (v) for speech and language pathologists and audiologists, 1,950 hours, or such other deemed annual quota as is from time to time determined by the **Committee**, multiplied by the fraction of their appointment to a full-time position multiplied by the fraction of a calendar year that the periods represent and,
- (b) in respect of **Leaves Of Absence**, **Deemed Appointed Hours**.

No **Appointed Hours** are credited in respect of lump sum payments on **Cessation Of Service** to settle rights still existing at that time, such as banked vacation pay, severance, unused sick leave trust entitlements, and service recognition lump sums.

No **Appointed Hours** are credited in respect of periods when the **Employee** is not a **Member**.

If the **Member** or **Employee** has more than one appointment, the hours under each are to be added together.

“Approved” means approved or accepted by the **Committee** on conditions specified by the **Committee**.

“Benchmark Fraction” means, for a calendar year,

- (a) if the **Member** has 1,500 or more **Appointed Hours** in the calendar year, a fraction equal to one, or,
- (b) if the **Member** has less than 1,500 **Appointed Hours** in the calendar year, a fraction equal to the ratio of the **Member's Appointed Hours** to 1,500.

For the purpose of this definition, a calendar year is the period covered by the pay periods ending in a calendar year.

“Board” means the Board of School Trustees of School District No. 43 (Coquitlam).

“Cash Lump Sum” means a payment, other than a **Locked-In Transfer**, in the form of a cash lump sum, some or all of which may be transferred in accordance with the **Income Tax Act** to another registered arrangement.

“Cessation of Service” means cessation of all employment with the **Board**, as recorded in the employment records of the **Board**. The summer gap in employment for **Employees** with 10-month continuing contracts does not constitute **Cessation Of Service**. A transfer to a position covered by another pension plan in which the **Board** participates will be considered a **Cessation of Service** for **Plan** purposes.

“Committee” means the committee appointed by the **Board** and the **Union** to administer the **Plan**.

“Commuted Value” of a benefit means the lump sum which is determined by the **Pension Administrator** on the advice of the **Actuary**, in accordance with the recommendations for the computation of transfer values of pensions issued by the Canadian Institute of Actuaries, to be **Actuarially Equivalent** to that benefit.

“Continuous Membership” means **Service** during which an **Employee** is a **Member**.

“Contributory Participation Rate” means the percentage of the normal rate of **Plan** participation that a **Member** elects during a **Leave Of Absence**, determined in accordance with Section 6.

“CPI” means the Consumer Price Index (Canada), all items, as reported by Statistics Canada.

“CPP Offset” means the monthly reduction in a **Member’s 2% Pension** amount as determined in Subsection 8.3.

“Deemed Appointed Hours” means deemed **Appointed Hours** to be credited in respect of **Leaves Of Absence**.

Where a **Member** is working in at least one permanent appointed position at the commencement of the **Leave Of Absence**, **Deemed Appointed Hours** are the regular appointed hours in respect of the **Member’s** appointments (both permanent and temporary) in place at the date of commencement of the **Leave Of Absence**, multiplied by the **Member’s Contributory Participation Rate** for the **Leave Of Absence**.

The **Committee** may credit **Deemed Appointed Hours** in other cases where it considers that such credit is justified to provide equitable treatment of other **Members** during **Leaves Of Absence**. The principles applied to any such other cases must be reasonably similar for practical purposes to those applying to a **Member** referred to in the previous paragraph.

If there is difficulty in determining the regular appointed hours in respect of the **Member’s** appointments in place at the date of commencement of the **Leave Of Absence**, the **Committee** shall determine a reasonable estimate of such deemed **Appointed Hours**, based on the advice of the **Pension Administrator**. Such an estimate will be binding for all purposes of the **Plan** thereafter.

No **Deemed Appointed Hours** are credited in respect of periods when the **Employee** is not a **Member**.

“Deemed Pensionable Earnings” means amounts of deemed **Pensionable Earnings** on which contributions are paid in respect of **Leaves Of Absence**.

Where a **Member** is working in at least one permanent appointed position at the commencement of the **Leave Of Absence**, **Deemed Pensionable Earnings** are the **Pensionable Earnings** which would be paid at current rates for the **Member's** regular appointed hours in respect of the appointments (both permanent and temporary) in place at the date of commencement of the **Leave Of Absence**, multiplied by the **Member's Contributory Participation Rate** for the **Leave Of Absence**.

The **Committee** may credit **Deemed Pensionable Earnings** in other cases where it considers that such credit is justified to provide equitable treatment of other **Members** during **Leaves Of Absence**. The principles applied to any such other cases must be reasonably similar for practical purposes to those applying to a **Member** referred to in the previous paragraph.

If there is difficulty in determining the **Pensionable Earnings** which would be paid at current rates for the **Member's** regular appointed hours in respect of the appointments in place at the date of commencement of the **Leave Of Absence**, the **Committee** shall determine a reasonable estimate of such deemed **Pensionable Earnings**, based on the advice of the **Pension Administrator**. Such an estimate will be binding for all purposes of the **Plan** thereafter.

No **Deemed Pensionable Earnings** are credited in respect of periods when the **Employee** is not a **Member**.

“Deferred Pension” means a **Pension** payable to a **Deferred Pensioner** in accordance with Section 10, or a corresponding previous provision of the **Plan** in force before 1997, and includes the associated **Pre-Retirement Death** benefit calculated in accordance with Section 11.

“Deferred Pension Early Commencement Reduction” means the percentage reduction that may apply to a **Deferred Pension**, as described in Subsection 8.5.

“Deferred Pensioner” means a **Member** who has undergone a **Termination Of Employment** and is entitled to a **Deferred Pension** which has not commenced.

“Deferred Salary Plan” means an **Approved** plan under which an **Employee** forgoes a percentage of **Pensionable Earnings** for a period of employment (the saving period) then takes a leave of absence during which the forgone **Pensionable Earnings** is paid (the payout period). The plan must qualify as a prescribed plan or arrangement under the **Income Tax Act** so that the forgone **Pensionable Earnings** is taxed in the payout period and not in the saving period.

“Defined Benefit Limit” means, for a calendar year, one-ninth of the money purchase limit for the year as defined under Subsection 147.1(1) of the **Income Tax Act** as amended from time to time, or such higher limit as prescribed by the **Income Tax Act**.

“Disability Retirement” means **Cessation of Service** of a **Member** before age 60 that counts as **Disability Retirement** in accordance with Subsection 7.4.

“Early Retirement” means **Cessation of Service** of a **Member** before age 65 that counts as **Early Retirement** in accordance with Subsection 7.2.

“Early Retirement Reduction” means the percentage reduction that may apply to a **Member's** benefits on **Early Retirement**, as described in Subsection 8.4.

“Employee” means a **Board** employee who is not classed by the **Board** as a B.C. certified teacher. It includes employees who are members of the **Union**, exempt staff, and speech and language pathologists who are members of the Coquitlam Teachers Association.

“Employment Standards Act” means the Employment Standards Act of British Columbia and associated regulations.

“Excess Contributions” means, in relation to a **Member’s Pension** and to **Required Contributions**, an amount equal to the excess, if any, of

- (a) the sum of the **Required Contributions** and any **Board** contributions payable under Section 5 that are paid by the **Member** in accordance with special rules applying during **Leaves of Absence** described in Section 6, all with **Interest** over
- (b) 50% of the **Commuted Value** of the **Pension**.

“Family Relations Act” means the Family Relations Act of British Columbia and associated regulations.

“Fund” means the fund established under the **Trust Agreement** to hold the assets of the **Plan**.

“Fund Investment Income” means **Fund** investment income credited to **Voluntary Contributions**.

Fund Investment Income is calculated and credited in the same way as **Interest** except that the rate applicable to a calendar year which has ended at the date of calculation is the rate of return, after deducting expenses charged to the **Fund**, on the **Fund** for that calendar year. The rate for a year which has not ended at the date of calculation is the rate applicable to that year under the definition of **Interest**.

“Grossed-up Pensionable Earnings” means, for a calendar year after 1996, a **Member's Pensionable Earnings** for the period in that year when the person was a **Member** divided by the **Member's Benchmark Fraction** for that year. For this purpose, **Pensionable Earnings** for the period in a year when the person was a **Member** may be determined using a reasonable approximation such as total **Pensionable Earnings** for the calendar year multiplied by the ratio of **Service** while a **Member** during the calendar year to total **Service** during the calendar year.

“Highest 3 Grossed-Up Pensionable Earnings” means, in relation to a **Member’s** post-1996 **Cessation Of Service**, the greater of the “best 3 calendar year average” and the “final 3 average” of the **Member's Grossed-up Pensionable Earnings**, determined as follows.

If, excluding the calendar year of **Cessation Of Service** unless the **Cessation Of Service** occurred at the end of that year, the **Member** has at least 3 consecutive post-1996 calendar years of **Grossed-up Pensionable Earnings**, the “best 3 calendar year average” is the highest average of the **Member's Grossed-Up Pensionable Earnings** over any consecutive group of 3 of those years. Otherwise the “best 3 calendar year average” is nil.

The “final 3 average” of the **Member's Grossed-Up Pensionable Earnings** is

- (a) (i) the **Member's Grossed-Up Pensionable Earnings** for the calendar year of **Cessation Of Service**

multiplied by

- (ii) the **Member's Benchmark Fraction** for that year

plus

- (b) the **Member's Grossed-Up Pensionable Earnings** for each of the two preceding calendar years

plus

- (c) (i) the **Member's Grossed-Up Pensionable Earnings** for the calendar year preceding the two calendar years referred to in (b)

multiplied by

- (ii) one minus the **Member's Benchmark Fraction** for the year of **Cessation Of Service**

divided by 3.

If the calendar years in (a), (b), and (c) all occur after 1996, the divisor is 3 even if the **Member** has no **Grossed-Up Pensionable Earnings** during some of them. If some occur before 1997, they are excluded from the determination in (a), (b), and (c) and the divisor is reduced to the **Benchmark Fraction** for the year of **Cessation Of Service** plus the number of post-1996 calendar years recognized in (b).

“**Highest 3 Pensionable Earnings**” means, in relation to a **Member's** post-1996 **Cessation Of Service**, the “best 3 calendar year average” of the **Member's Pensionable Earnings**, determined as follows.

Only participating **Pensionable Earnings** are recognized. These are **Pensionable Earnings**

- (a) for post-1996 years, in respect of which contributions have been made in accordance with Sections 4, 5, and 6, and,
- (b) for pre-1997 years, which have been recognized as such in the records maintained by the **Board**, based on the terms of the **Plan** and administrative practice before 1997.

If, excluding the calendar year of **Cessation Of Service** unless the **Cessation Of Service** occurred at the end of that year, the **Member** has at least 3 consecutive calendar years of participating **Pensionable Earnings**, the “best 3 calendar year average” is the highest average of the **Member's** participating **Pensionable Earnings** over any consecutive group of 3 of those years.

Otherwise the “best 3 calendar year average” is the sum of the **Member's** participating **Pensionable Earnings** over the latest calendar years, up to a maximum of 3, divided by 3.

“**Income Tax Act**” means the Income Tax Act (Canada) and associated regulations.

“Interest” means interest credited to **Required Contributions**.

Interest is credited for each year or fraction of a year at the rate for that year.

The rate for a year is an average of five-year chartered bank deposit rates, published monthly as CANSIM Series B-14045 by Statistics Canada. The average applying to a year is the average of the CANSIM rates published for each of the 12 months of the preceding year, rounded to the next higher 1/4%.

Interest for a fraction of a year is calculated as the rate for the year multiplied by the fraction, measured to complete weeks.

Interest for a year or fraction of a year applies to **Required Contributions** and **Interest**, if any, at the end of the previous year and to **Required Contributions** paid in the year. **Interest** on **Required Contributions** paid by payroll deduction in the year is calculated at 50% of the applicable rate.

“June 2002 Downsizing Program” is the program implemented by the **Board** in June of 2002 under which **Members** in specified job categories who satisfied certain age and service criteria were offered cash and/or pension enhancements on **Early Retirement**.

“June 2003 Downsizing Program” is the program implemented by the **Board** in June of 2003 under which **Members** in specified job categories who satisfied certain age and service criteria were offered cash and/or pension enhancements on **Early Retirement**.

“Late Retirement” means **Cessation of Service** of a **Member** after age 65 that counts as **Late Retirement** in accordance with Subsection 7.3.

“Leave Of Absence” means a period occurring after 1996 (or the part of such a period that occurs after 1996) during which a person is a **Member**, receives less than full pay from the **Board**, and remains an **Employee** but does not work, such as

- (a) general leave,
- (b) layoff,
- (c) **Maternity Or Parental Leave**,
- (d) periods of receipt of sickness or disability benefits from a sickness or disability trust or plan or, if less than full pay, from the **Board**,
- (e) leave to hold public office or union office while not participating in another pension plan associated with that office,
- (f) periods of receipt of sickness income benefits from the Unemployment Insurance Commission,
- (g) periods of receipt of income benefits from the Workers Compensation Board,
- (h) educational leave,
- (i) strikes, lockouts or similar labour interruptions, and
- (j) **Deferred Salary Plan** leave.

The summer gap in employment for **Employees** with 10-month continuing contracts does not constitute **Leave Of Absence**.

“Legislated Late Commencement Age” means the lesser of the age specified in the **PBSA** and the age specified in the **Income Tax Act** as the age on which a pension must commence without further delay.

“Limited Member” means a person who has rights under the **Plan** arising from a notice of marriage breakdown filed with the **Committee** in accordance with the **Family Relations Act**.

“Locked-In Transfer” of a benefit means transfer of the **Commuted Value** of that benefit to one of the following retirement plans on behalf of the person to whom the benefit is payable, as elected by that person:

- (a) a registered pension plan of that person's employer,
- (b) a life annuity contract,
- (c) a life income fund,
- (d) an RRSP, or
- (e) a retirement income fund prescribed under the **PBSA**.

If the **Committee** is satisfied that the person entitled to the benefit is suffering from a physical disability that is likely to considerably shorten his or her life expectancy, the person may instead elect to convert the benefit to a payment whose amount is equal to the present value of the benefit determined on a basis acceptable to the **Committee**.

If the **Committee** is satisfied that the person entitled to the benefit is a **Non-Resident**, the person may instead elect to convert the benefit to a payment whose amount is equal to the present value of the benefit determined on a basis acceptable to the **Committee**.

If the annual pension to which the person is entitled is less than an amount prescribed under the **PBSA**, the person may instead elect to convert the benefit to a payment whose amount is equal to the present value of the benefit determined on a basis acceptable to the **Committee**.

The funds must comply with all locking-in requirements of the **PBSA**.

“Maternity or Parental Leave” means leave taken in connection with childbirth that is provided under terms of the **Employment Standards Act**.

“Maximum Disability Pension” means the maximum **Pension** that can be paid from the **Plan on Disability Retirement** under the **Income Tax Act**. It is described in Appendix A.1.3.

“Maximum Pension After 65” means the maximum **Pension After 65** that can be paid from the **Plan** under the **Income Tax Act**. It is described in Appendix A.1.1.

“Maximum Pension To 65” means the maximum **Pension To 65** that can be paid from the **Plan** under the **Income Tax Act**. It is described in Appendix A.1.2.

“Maximum Transfer Amount” means, for the purposes of Sections 10 and 12 through 14 inclusive, an amount equal to A times B where

- (a) A is the lesser of
 - (i) the **Member's 2% Pension** minus the **Member's CPP Offset** and
 - (ii) the **Member's Maximum Pension After 65**, and

(b) B is the present value factor in the following table which appears in Section 8517(1) of the Regulations to the **Income Tax Act**, based on the interpolated age of the **Member** in years and completed months.

Age	Present Value Factor
Under 50	9.0
50	9.4
51	9.6
52	9.8
53	10.0
54	10.2
55	10.4
56	10.6
57	10.8
58	11.0
59	11.3
60	11.5
61	11.7
62	12.0
63	12.2
64	12.4
65	12.4
66	12.0
67	11.7
68	11.3
69	11.0
70	10.6
71	10.3
72 or over	0.0

“Member” means a person who has joined the **Plan** and remains entitled to benefits under it.

“Non-Resident” means an individual who has satisfied the requirements set out in the **Income Tax Act** to be a non-resident of Canada for tax purposes. Proof of such status must be provided to the **Committee** on request.

“Non-Transferable Cash Lump Sum” means a cash lump sum payment to an individual that, under the terms of the **Income Tax Act**, is not eligible for direct rollover to an RRSP or other registered arrangement.

“Normal Benefit” means the benefit payable in the absence of an election to receive an **Optional Benefit**.

“Normal Retirement” means **Cessation of Service** of a **Member** in the month of attainment of age 65 that counts as **Normal Retirement** in accordance with Subsection 7.1.

“Optional Benefit” means a benefit that the person entitled to a **Normal Benefit** has the right to elect instead of the **Normal Benefit**.

“Payment To A Beneficiary” means, in relation to a deceased person, a payment to the following person in accordance with the following conditions.

- (a) The payment is made to
 - (i) a beneficiary (which may include the personal representative of the person's estate) or, in specified shares, to more than one beneficiary validly designated by the deceased person on an **Approved** form filed with the **Pension Administrator**,
 - (ii) if there is no validly designated beneficiary, to the personal representative of the deceased person's estate.
- (b) The payment is subject to the following conditions.
 - (i) A payment to the personal representative of a person's estate is for credit of the estate.
 - (ii) If the designated beneficiary is a minor, the payment must be made to the Public Trustee in trust for the minor.
 - (iii) If the person had a **Spouse** at the date of death who has not filed a **Spouse Waiver** a beneficiary designation is void and, subject to any **Spouse Rights Conditions** arising out of a previous spousal relationship of the deceased person, the **Spouse** shall be entitled to the benefit.
 - (iv) If
 - (A) the deceased person's benefits under the **Plan** are subject to any **Spouse Rights Conditions** arising out of a previous spousal relationship of the deceased person and
 - (B) the **Pension Administrator** has paid benefits in a manner that would be valid in the absence of any **Spouse Rights Conditions** before receiving notice of those **Spouse Rights Conditions**,the **Spouse Rights Conditions** remain valid but the **Pension Administrator** is not liable to make further payment or pursue the former spouse's claim.
 - (v) If the payment is made to a deceased person's **Spouse**, it is made as a **Cash Lump Sum**. Otherwise, it is made as a **Non-Transferable Cash Lump Sum**.

“PBSA” means the Pension Benefits Standards Act of British Columbia and associated regulations.

“Pension” means a **Pension To 65** or a **Pension After 65**.

“Pension Administrator” means the party responsible for record-keeping, processing of benefit calculations, and other administrative functions in accordance with Section 16.

“Pension After 65” means the pension benefit payable after a **Member's** 65th birthday.

“Pension To 65” means the pension benefit payable up to, and if the **Member’s** birthday falls on the first of a month, including, the **Member’s** 65th birthday.

“Pensionable Earnings” means

- (a) for years before 1997, the amount recorded as such in the records maintained by the **Board** for that period, based on the terms of the **Plan** and administrative practice before 1997, and,
- (b) for years after 1996, T4 earnings from the **Board**,
 - (i) excluding
 - (A) taxable benefits,
 - (B) any allowance paid for part-time or casual work which is in lieu of benefits or vacations,
 - (C) any other taxable allowances,
 - (D) lump sum payments on **Cessation Of Service** to settle rights still existing at that time, such as banked vacation pay, banked overtime, severance, unused sick leave trust entitlements, and service recognition lump sums, and
 - (E) any earnings paid in respect of **Leaves Of Absence**,
 - (ii) plus, in respect of **Leaves Of Absence**, **Deemed Pensionable Earnings**,

all as determined by the **Board**.

For the purpose of (b)(i)(D), where a **Member** receives a lump sum vacation payout on **Cessation Of Service** and the date of **Cessation Of Service** is delayed by the length of the vacation, the lump sum will be treated as if it was **Pensionable Earnings** and will be deemed to have been paid over the pay periods that would have applied had it been paid bi-weekly through payroll.

In respect of a partial calendar year, T4 earnings means amounts earned for that partial calendar year that will be included at year-end in T4 earnings for that calendar year.

Unless reinstated in accordance with Subsection 3.5.1, **Pensionable Earnings** does not include **Pensionable Earnings** before a previous **Termination of Employment**.

“Pensionable Service” means,

- (a) for years before 1997, the number of years and fractions of a year recorded as such in the records maintained by the **Board** for that period, based on the terms of the **Plan** and administrative practice before 1997, and,
- (b) for years after 1996, the sum of the **Member's Benchmark Fractions** for those years.

Periods of **Service** credited as **Pensionable Service** through a collective agreement prior to January 1, 1997 shall be included in (a) for the purposes stated in the collective agreement.

Unless reinstated in accordance with Subsection 3.5.1, **Pensionable Service** does not include **Pensionable Service** before a previous **Termination of Employment**.

“Pensioner” means a **Member** who is receiving a **Pension**.

“Plan” means the Retirement Plan for Non-Teaching Employees of School District No. 43 (Coquitlam), as set out in this text.

“Pre-Retirement Death” means death of a **Member** prior to **Pension** commencement.

“Reciprocal Agreement” means an agreement described in Subsection 16.11.

“Refundable Member Contributions” means a benefit equal to

- (a) **Required Contributions** plus
- (b) any **Board** contributions payable under Section 5 that are paid by the **Member** in accordance with special rules applying during **Leaves Of Absence** described in Section 6, with **Interest**.

“Refundable Voluntary Contributions” means an amount equal to the **Member’s Voluntary Contributions** with **Fund Investment Income**.

“Required Contributions” means contributions that, subject to special rules during **Leaves Of Absence**, must be paid by a **Member** in accordance with Section 4.

“Retirement” means **Cessation of Service** which counts as **Disability Retirement, Early Retirement, Normal Retirement, or Late Retirement** under Section 7.

“Retirement Service” means **Service** that is counted towards qualification for **Early Retirement** and **Disability Retirement** in accordance with Section 7 and towards qualification for an immediate **Spouse Pension** on **Pre-Retirement Death** in accordance with Section 11.

It is equal to

- (a) pre-1997 **Pensionable Service**
plus
- (b) post-1996 **Service** in respect of which contributions are made, multiplied by, in the case of **Leaves Of Absence** included in such **Service**, the **Member's Contributory Participation Rate**.

Unless reinstated in accordance with Subsection 3.5.1, **Retirement Service** does not include **Retirement Service** before a previous **Termination of Employment**.

“Service” means an **Employee's** period of employment by the **Board**. **Service** includes **Leaves Of Absence** in accordance with Section 6 and periods that occur when the **Employee** is not a **Member** but would otherwise satisfy the definition of **“Leave Of Absence”** in Section 2.

Unless reinstated in accordance with Subsection 3.5.1, **Service** does not include **Service** before a previous **Termination of Employment**.

“Small Pension Limit” means, a limit in relation to a **Pension**, such that the **Pension** is less than the limit at a specified date if and only if either

- (a) the **Pension After 65** related to the **Pension** is less than 1/12th of 10% of the **YMPE** for the calendar year in which the date occurs, or
- (b) the **Commuted Value** of the **Pension** on that date is less than 20% of the **YMPE** for the calendar year in which the date occurs.

or, in the case of (a) and (b), such other corresponding limit as is required at the applicable time under the **PBSA**.

“Spouse” means, in relation to a **Member** at a specified time:

- (a) a person who was not a **Limited Member** and who
 - (i) was married to the **Member**, and
 - (ii) had not lived separate and apart from the **Member** for the immediately preceding two-year period; or
- (b) if there is no person who satisfies the conditions of sub-paragraph (a), a person who was not a **Limited Member** and who
 - (i) had lived with the **Member** as husband and wife for the immediately preceding two-year period, or
 - (ii) was the same gender as the **Member** and had lived in a marriage-like relationship with the **Member** for the immediately preceding two-year period.

“Spouse Rights Conditions” means conditions on payout of benefit arising in respect of an agreement or court order filed in accordance with the **Family Relations Act**

“Spouse Waiver” means a written waiver by a **Spouse** of

- (a) the right to have a **Member** elect a normal form joint and 60% survivor **Pension** with the **Spouse** as joint pensioner or another optional form **Pension** that provides a more generous survivor pension to the **Spouse** or
- (b) the right to receive a benefit in the event of the **Member's Pre-Retirement Death**.

The waiver must be in a form and completed in a manner that complies with the **PBSA**.

In addition, the waiver must be accompanied by evidence satisfactory to the **Committee** that the **Spouse** has obtained independent legal advice before signing it.

“Termination Date” means the date on which the **Plan** is terminated, in full or in part.

“Termination of Employment” means **Cessation Of Service** of a **Member** other than by reason of **Retirement** or death.

“Totally And Permanently Disabled” means suffering from total and permanent disability in respect of which the **Member** qualifies for Canada Pension Plan disability benefits.

In the absence of such qualification, the **Committee** reserves the right to accept that a **Member** is **Totally And Permanently Disabled** if

- (a) the **Member** has applied for Canada Pension Plan disability benefits and been refused them and
- (b) the **Committee** is satisfied, on the basis of certification by a medical doctor who is selected by the **Committee** and who is legally licensed to practice in a Canadian province or in the place of the **Member's** residence, that the **Member** is suffering from total and permanent disability that causes inability to perform any occupation to which the **Member's** education and training are suited.

“Trust Agreement” means the agreement governing the **Fund**.

“Trustee” means the trustee or trustees who hold the **Fund** in accordance with the **Trust Agreement**.

“Union” means the Canadian Union of Public Employees, Local 561.

“Vesting Service Requirement” means either completion of 2 years of **Continuous Membership** or, for **Employees** who were **Members** as at January 1, 1998, completion of 5 years of **Service** if earlier.

“Voluntary Contributions” means voluntary contributions made in accordance with subsection 4.4 by the **Member**.

“YMPE” means, in respect of a calendar year, the Year's Maximum Pensionable Earnings under the Canada Pension Plan.

3 ELIGIBILITY AND ENROLMENT

3.1 Compulsory Membership

Each **Employee**

- (a) who is not classed by the **Board** as a member of the exempt staff,
- (b) who has not joined the **Plan** in respect of the current period of **Service**,
- (c) who is appointed to a permanent position such that the weekly rate of regular hours specified in the **Employee's** notice of appointment to that position, when added to the weekly rate of regular hours specified in the **Employee's** notice of appointment to any other permanent positions to which the **Employee** is appointed at the same time, is at least 20 hours work per week, and,
- (d) if the appointment to a permanent position referred to in (c) occurs after 1996, who is appointed on a permanent basis to that permanent position,

must join the **Plan** on the date of the appointment.

3.2 Optional Membership

3.2.1 General Rule

An **Employee** who is not classed by the **Board** as a member of the exempt staff and who has not joined the **Plan** in respect of the **Employee's** current period of **Service** is eligible to join at the beginning of the first pay period following the first January 1 on which the **Employee** satisfies all of the following conditions:

- (a) completion of 2 years of **Service**,
- (b) having had **Pensionable Earnings** of at least 35% of the **YMPE** in each of 2 consecutive calendar years,
- (c) having made application for enrolment in the required manner, and
- (d) having had that application accepted by the **Pension Administrator**.

3.2.2 Exempt Staff

An **Employee** who is classed by the **Board** as a member of the exempt staff and who has not joined the **Plan** in respect of the **Employee's** current period of **Service** is eligible to join on the **Employee's** date of appointment.

3.2.3 Temporary and Part-time Appointments to Permanent Positions

An **Employee** who is not classed by the **Board** as a member of the exempt staff and who, after 1996, is

- (a) appointed on less than a permanent basis to a permanent position, or
- (b) appointed on a permanent basis to a permanent position such that the weekly rate of regular hours specified in the **Employee's** notice of appointment to that position, when added to the regular hours specified in the **Employee's** notice of appointment to any other permanent positions to which the **Employee** is appointed at the same time is less than 20 hours per week, and

who has not joined the **Plan** in respect of the **Employee's** current period of **Service** is eligible to join on the **Employee's** date of appointment.

3.2.4 Effective Date

Employees who do not join when first eligible may join the **Plan** with effect from any subsequent pay period before **Cessation of Service**.

3.3 Enrolment

When joining the **Plan** an **Employee** must complete and submit an **Approved** enrolment form to the **Pension Administrator**.

3.4 No Opting Out

After becoming a **Member**, an **Employee** remains subject to the **Plan's** contribution and other requirements so long as the **Member** retains any actual or potential entitlement to benefits under the **Plan**.

3.5 Re-Hire of a Member Before or After Retirement

3.5.1 Re-Hire of a Member Before Retirement

If a **Member** who has undergone **Termination Of Employment** and continues to have undischarged benefit rights under Section 10, or a corresponding provision of a previous version of the **Plan**, again becomes an **Employee**, the following provisions will apply.

- (a) If the **Member**, on previous **Termination Of Employment**, received any portion of the available entitlement in the form of a **Locked-in Transfer** or a **Cash Lump Sum**, the **Member** is treated as a new **Employee**, subject to the normal eligibility, contribution, and benefit rules for the new period. Any previous **Deferred Pension** or other benefit rights are unaltered.
- (b) If the **Member**, on previous **Termination Of Employment**, did not receive any portion of the available entitlement in the form of a **Locked-in Transfer** or a **Cash Lump Sum**, the **Member** must rejoin the **Plan** on the date of re-employment and previous **Service**, **Pensionable Service**, **Retirement Service**, and **Pensionable Earnings** will be reinstated. Any **Deferred Pension** or other benefit rights in respect of the **previous Termination of Employment** will be cancelled. On subsequent **Cessation Of Service**, the **Member's** benefits will be calculated based on the combined amounts of **Service**, **Pensionable Service**, **Retirement Service**, and **Pensionable Earnings** as if the **Termination Of Employment** had not occurred.

3.5.2 Re-Hire of a Member After Retirement

If a **Pensioner** again becomes an **Employee**, the **Pension** shall be suspended. The **Pensioner** shall be treated as a new **Employee**, subject to the normal eligibility, contribution, and benefit rules for the new period, except that previous and new **Service**, **Retirement Service**, and **Pensionable Earnings** will be combined for determining benefit qualification for the new period. On subsequent **Retirement**, benefits for the new period will commence and the previous **Pension** will recommence. The payments of the previous **Pension** will be equal to those that would have been made had it not been suspended, with one exception. Payment of the **Pension** for the prior period will be resumed at the level that would have applied had the commencement of that **Pension** been delayed by a period equal to the suspension, but without an increase in **Pensionable Service**.

4 MEMBER CONTRIBUTIONS

4.1 Coverage

Each **Member** must make **Required Contributions** to the **Fund** by payroll deduction. **Required Contributions** in the amount specified in subsection 4.2 commence on joining the **Plan** and, subject to the following rules, cease on **Cessation Of Service**.

Special rules apply during **Leaves Of Absence**. These are described in Section 6.

4.2 Amount

Their amount is, subject to any applicable limits under the **Income Tax Act**:

Required Contributions	
On Cumulative Pensionable Earnings in a Year up to YMPE	On Cumulative Pensionable Earnings in a Year over YMPE
4.9%	6.6%

For this purpose, cumulative **Pensionable Earnings** over the **YMPE** for a year will be restricted to the amount of **Highest 3 Pensionable Earnings** or **Highest 3 Grossed-up Pensionable Earnings** that would produce, for one year of **Pensionable Service**, a **Pension After 65 on Normal Retirement** equal to the amount referred to in subparagraph (a)(ii) of the definition of “annual benefit limit” in Subsection A.1.4. for the year.

4.3 Remittance

Required Contributions for a pay period ending in a month are to be remitted by the **Board** to the **Fund**.

The remittance to the **Fund** must be made within 30 days after the end of the month. It must not be paid to the **Fund** before January 1 of the year in which the month occurs.

4.4 Voluntary Contributions

Each **Member** may make **Voluntary Contributions** to the **Fund** up to the limits permitted under the **Income Tax Act** for current service. No voluntary contributions for past service are permitted. Voluntary contributions do not increase **Pensionable Service** for calculating a **Member's Pension**.

5 EMPLOYER CONTRIBUTIONS

5.1 Coverage

The **Board** must make contributions in the amount specified in subsection 5.2 to the **Fund** in respect of the **Members, Service, and Pensionable Earnings** for which **Required Contributions** are paid by **Members**.

Special rules apply during **Leaves Of Absence**. These are described in Section 6.

5.2 Amount

The **Board** will contribute to the **Fund**, in accordance with the **PBSA**, amounts which are estimated by the **Actuary** to be adequate to fund the benefits provided by the **Plan**.

If the **Actuary** determines that the **Plan** has a remaining surplus after any application of surplus to provide pension increases for inflation in accordance with subsection 15.6, the **Board**, at its discretion and subject to the **PBSA**, may use all or part of any remaining surplus to finance all or part of its contribution requirement.

Any **Board** contribution that would make the **Plan** subject to revocation under the **Income Tax Act** shall be returned to the **Board**.

5.3 Remittance

Board contributions for a pay period ending in a month are to be remitted by the **Board** to the **Fund** within 30 days after the end of that month and in no event later than 30 days after the end of the calendar quarter to which they relate. They must not be paid to the **Fund** before January 1 of the year in which the quarter occurs.

6 CONTRIBUTIONS AND SERVICE AND EARNINGS CREDITS DURING LEAVES OF ABSENCE

6.1 Participation During Leaves Of Absence

For periods of leave of absence before 1997, service and earnings determinations are based on the terms of the **Plan** and administrative practice before 1997 and are as recorded in the records maintained by the **Board** for those periods.

After 1996, the rules are as stated in the remainder of this Section 6.

After a cumulative total of 10 normal working days of **Leave Of Absence** in a single calendar year, a **Member** may elect to participate in the **Plan** in respect of periods of **Leave Of Absence**. The **Member** can choose participation at 100% of the approximate level of participation that would have occurred had the **Leave Of Absence** not occurred. In the absence of such an election, the **Member** will not participate during such periods of **Leave Of Absence**. The following rules apply.

6.2 Qualifying Leaves Of Absence

A period of **Leave Of Absence** qualifies for participation election if

- (a) it is a continuation of a **Leave Of Absence** which commenced in a previous calendar year and which qualified for participation pursuant to paragraph (b), or,
- (b) it occurs in a calendar year in which the **Member** has already had 10 normal working days of **Leave Of Absence** (in which case the period of **Leave of Absence** which qualifies for participation shall not include those 10 days of **Leave of Absence**).

The **Committee** has the right to determine conclusively whether a **Leave Of Absence** qualifies under these criteria.

6.3 Contributory Participation Rate

A **Member's Contributory Participation Rate** for a **Leave Of Absence** is

- (a) if the **Member** elects a 100% level of contributory participation for the **Leave Of Absence**, 100%, and
- (b) if the **Member** does not make an election in respect of the **Leave Of Absence**, 0%.

6.4 Contributions During Leaves Of Absence

A **Member** must make **Required Contributions** in respect of a **Member's Leave Of Absence** based on the **Member's Deemed Pensionable Earnings** for that **Leave of Absence** and the contribution rates specified in Section 4.

Board contributions must also be made in respect of a **Member's Leave Of Absence** based on the **Member's Deemed Pensionable Earnings** for that **Leave Of Absence**. However, the amount of the **Board's** contributions in respect of a **Member's Leave of Absence** shall not be calculated in accordance with Section 5, but shall be calculated as equalling one and a half times the rate of **Required Contributions**.

During a **Member's Leave Of Absence**, the **Board** may pay the **Member's Required Contributions** and the **Member** may pay the **Board's** contributions. Regardless of who pays them, they shall be treated as **Required Contributions** and **Board** contributions respectively.

6.5 Leave Of Absence Participation Elections

6.5.1 Elections For Future Leaves Of Absence

The **Member** may elect a **Contributory Participation Rate** of 100% in respect of future periods of **Leave Of Absence**. In this case

- (a) the election will become effective from the start of a pay period following its date of signature, as agreed between the **Member** and the **Pension Administrator**,
- (b) contributions must be paid bi-weekly for periods of **Leave Of Absence** after the effective date of the election,
- (c) the election remains effective for all subsequent periods of **Leave Of Absence** that qualify for participation election under Subsection 6.2 until altered or revoked by the **Member**,
- (d) alteration or revocation is permitted but cannot be retroactive, and
- (e) if the **Member** fails to make any payment in accordance with the terms of the election, the election will be cancelled from the date of default on, so that the **Member's** subsequent **Contributory Participation Rate** will be 0%, and the **Member** may not make a new election in respect of future contributions until after the end of that **Leave Of Absence**.

6.5.2 Elections For Past Leaves Of Absence

The **Member** may elect a **Contributory Participation Rate** of 100% in respect of past periods of **Leave Of Absence** in respect of which the **Member's Contributory Participation Rate** was 0%. In this case

- (a) contributions must be paid in a lump sum with **Interest** calculated from the date such **Required Contributions** would have been made pursuant to subsection 6.5.1 to the date the lump sum payment is made in respect of all such periods of **Leave Of Absence** (part purchases are not permitted),
- (b) the lump sum payment, to the extent that it is paid by the **Member** and not the **Board**, must be paid by transfer of funds from the **Member's RRSP**, and
- (c) the election must be made and the contributions paid before **Cessation Of Service**, except that the **Committee** may extend this time limit in cases where it considers that a **Member**, for reasons other than lack of funds, was unable to comply with it.

6.6 Service And Earnings Credits During Leaves Of Absence

During **Leaves Of Absence**, **Members** receive credit for **Deemed Appointed Hours** and **Deemed Pensionable Earnings**, as described in the definitions of those terms, that reflect their **Contributory Participation Rates**.

7 RETIREMENT DATES

7.1 Normal Retirement

Normal Retirement of a **Member** is **Cessation Of Service** for reasons other than death in the month of attainment of age 65.

The **Member's Normal Retirement** effective date is the first of the month first following age 65.

7.2 Early Retirement

Early Retirement of a **Member** is **Cessation Of Service** for reasons other than death before the month in which the **Member** attains age 65, but no earlier than:

- (a) if the **Member** has met the **Vesting Service Requirement** and has less than 10 years of **Retirement Service**, the month of attainment of age 55, and,
- (b) if the **Member** has 10 or more years of **Retirement Service**, the month of attainment of age 50.

If the **Member** has not met the **Vesting Service Requirement** and has attained the age of 55, the **Member's** benefits will be determined under Section 10.

The **Member's Early Retirement** effective date is the first of the month following the month of that **Cessation of Service**.

7.3 Late Retirement

Late Retirement of a **Member** is **Cessation Of Service** for reasons other than death after the month in which the **Member** attains age 65.

The **Member's Late Retirement** effective date is the first of the month following the **Cessation of Service**.

If **Cessation of Service** has not occurred before December of the calendar year which the **Member** attains **Legislated Late Commencement Age**, it will be deemed to have occurred on November 30 of that year.

7.4 Disability Retirement

Disability Retirement of a **Member** is **Cessation Of Service**

- (a) after 10 or more years of **Retirement Service**,
- (b) before age 60, and
- (c) because the **Member** is **Totally And Permanently Disabled**.

The **Member's Disability Retirement** effective date is the first of the month first following the **Cessation of Service**.

8 PENSION FORMULAE

8.1 Pension Formulae

The following subsections describe the calculation of the formula amounts used to determine amounts of **Pension** payable under the **Plan**. The formulae used to determine benefit limits under the **Income Tax Act** are included in Appendix A.

8.2 2% Pension

A **Member's 2% Pension** is a monthly amount equal to 1/12th of the sum of:

- (a) for pre-1997 **Pensionable Service**,
 - (i) 2%
multiplied by
 - (ii) the **Member's Highest 3 Pensionable Earnings**
multiplied by
 - (iii) the **Member's** pre-1997 **Pensionable Service**, and,
- (b) for post-1996 **Pensionable Service**,
 - (i) 2%
multiplied by
 - (ii) the **Member's Highest 3 Grossed-up Pensionable Earnings**
multiplied by
 - (iii) the **Member's** post-1996 **Pensionable Service**.

8.3 CPP Offset

A **Member's CPP Offset** means an amount by which the **Member's 2% Pension** is reduced to reflect the expectation that part of the **2% Pension** will be provided by the Canada Pension Plan. The monthly amount of the reduction is 1/12th of the sum of:

- (a) for pre-1997 **Pensionable Service**,
 - (i) 0.7%
multiplied by
 - (ii) the lesser of the **Member's Highest 3 Pensionable Earnings** and the **YMPE** in the year prior to the date of **Cessation Of Service**.
multiplied by
 - (iii) the **Member's** post-1965, pre-1997 **Pensionable Service**, and

- (b) for post-1996 **Pensionable Service**,
 - (i) 0.7%
multiplied by
 - (ii) the lesser of the **Member's Highest 3 Grossed-up Pensionable Earnings** and the **YMPE** in the year prior to **Cessation Of Service**.
multiplied by
 - (iii) the **Member's** post-1996 **Pensionable Service**.

8.4 Early Retirement Reduction

8.4.1 Without Board Consent

If a **Member's Early Retirement** effective date occurs after 1996, the **Member's Early Retirement Reduction** is nil in the following circumstances:

- (a) In respect of the **Pension** for pre-1997 **Pensionable Service**, if the **Member's Early Retirement** effective date occurs on or after the earliest of the following dates:
 - (i) the first of the month following the month in which the **Member** attains age 65,
 - (ii) if the **Member** has more than 10 years of **Pensionable Service**, the first of the month following the month in which the **Member** attains age 60, and
 - (iii) the first of the month following the date on which the sum of the **Member's** age and **Pensionable Service** (without further accrual) equals 80,

OR

- (b) In respect of the **Pension** for post-1996 **Pensionable Service**, if the **Member's Early Retirement** effective date occurs on or after the earliest of the following dates:
 - (i) the first of the month following the month in which the **Member** attains age 65,
 - (ii) if the **Member** has more than 10 years of **Pensionable Service**, the first of the month following the month in which the **Member** attains age 60, and,
 - (iii) if the **Member** has attained age 55, the first of the month following the date on which the sum of the **Member's** age and **Pensionable Service** (without further accrual) equals 80.

If a **Member's Early Retirement** effective date occurs after 1996 and before the earliest of those dates, the **Member's Early Retirement Reduction** is a percentage reduction, or a reasonable approximation thereto determined by the **Committee** based on the advice of the **Actuary**, such that the reduced **Pension** payable on the **Member's Early Retirement** effective date is **Actuarially Equivalent** to a **Pension** commencing on the earliest of those dates (this provision to be applied separately in respect of pre-1997 and post-1996 **Pensionable Service**).

8.4.2 With Board Consent

If a **Member** takes **Early Retirement** after 1996 and the **Board** explicitly consents to the calculation of the **Member’s Early Retirement Reduction** in accordance with this Subsection 8.4.2, the **Early Retirement Reduction** in Subsection 8.4.1 will not apply. Instead, the **Member’s Early Retirement Reduction** will be a percentage reduction that depends on the **Member’s** age and years of **Pensionable Service** at **Retirement** as determined from the following table:

Age at Retirement	Member’s Status on Early Retirement Effective Date					
	Satisfies “80 rule” ¹		Has 10 or more years Pensionable Service; does not satisfy “80 rule” ¹		Has less than 10 years Pensionable Service; does not satisfy “80 rule” ¹	
	55 or over	under 55	60 or over	50 or over, under 60	60 or over	50 or over, under 60
Early Retirement Reduction applicable to Pension for pre-1997 Pensionable Service	nil	nil	nil	3% from 60 ²	3% from 65 ²	retirement on January 1, 1997 - 3% from 65 ³ retirement after January 1, 1997 - actuarial from 65 ³
Early Retirement Reduction applicable to Pension for post-1996 Pensionable Service	nil	6% from 60 ²	nil	6% from 60 ²	6% from 65 ²	actuarial from 65 ³

Notes

1. “80 rule” means the sum of the **Member’s** age and years of **Pensionable Service** at **Retirement** is at least equal to 80.
2. “x% from y” means x% multiplied by the number of years by which the **Member’s Early Retirement** effective date precedes the first of the month following attainment of age y. For this purpose, complete calendar months each count as 1/12 of a year. The reduced pension resulting from this form of reduction is subject to a minimum of the reduced pension that would result from the application of Subsection 8.4.1 instead of this Subsection 8.4.2.
3. “Actuarial from 65” means a percentage reduction, or a reasonable approximation thereto determined by the **Committee** based on the advice of the **Actuary**, such that the reduced pension payable on the **Member’s Early Retirement** effective date is **Actuarially Equivalent** to a **Pension** commencing on the first of the month following attainment of age 65 whose amount is equal to the **Member’s Pension** on **Early Retirement** before application of the **Early Retirement Reduction**.

8.5 Deferred Pension Early Commencement Reduction

The **Deferred Pension Early Commencement Reduction** of a **Deferred Pensioner** who elects to commence a **Deferred Pension** on or after the earliest of the following dates is nil:

- (a) In respect of the **Deferred Pension** for pre-1997 **Pensionable Service**,
 - (i) the first of the month following the month in which the **Member** attains age 65,
 - (ii) if the **Member** has more than 10 years of **Pensionable Service**, the first of the month following the month in which the **Member** attains age 60, and
 - (iii) the first of the month following the date on which the sum of the **Member's** age and **Pensionable Service** (without further accrual after the date of **Termination Of Employment**) equals 80,

OR

- (b) in respect of the **Pension** for post-1996 **Pensionable Service**,
 - (i) the first of the month following the month in which the **Member** attains age 65,
 - (ii) if the **Member** has more than 10 years of **Pensionable Service**, the first of the month following the month in which the **Member** attains age 60, and,
 - (iii) if the **Member** has attained age 55, the first of the month following the date on which the sum of the **Member's** age and **Pensionable Service** (without further accrual after the date of **Termination Of Employment**) equals 80.

If the **Deferred Pensioner** elects to commence the **Deferred Pension** before the earliest of those dates, the **Deferred Pension Early Commencement Reduction** is

- (c) in the case of a **Member** who
 - (i) qualifies for **Early Retirement**,
 - (ii) is under age 55, and
 - (iii) elects, in accordance with Subsection 13.2, to receive, as an **Optional Benefit on Early Retirement**, the benefits provided under Section 10,and in respect of whom
 - (iv) the **Board** explicitly consents to the calculation of the **Member's Early Retirement Reduction** in accordance with Subsection 8.4.2,the amount specified in Subsection 8.4.2, and,
- (d) in the case of any other **Member**, a percentage reduction, or a reasonable approximation thereto determined by the **Committee** based on the advice of the **Actuary**, such that the reduced **Pension** payable on the chosen commencement date is **Actuarially Equivalent** to a **Pension** commencing on the earliest of the dates for which the **Deferred Pension Early Commencement Reduction** is nil (this provision to be applied separately in respect of pre-1997 and post-1996 **Pensionable Service**).

9 FORM OF PENSION PAYMENT

9.1 Normal Form

9.1.1 Normal Joint And 60% Survivor Form For Member With Entitled Spouse At Pension Commencement

This subsection applies to a **Member** who has a **Spouse** at **Pension** commencement if that **Spouse** has not filed a **Spouse Waiver** with the **Pension Administrator**. The normal form of payment of a **Pension** to such a **Member** is the normal joint and 60% survivor form payable as follows. The **Pension** is payable in monthly amounts to the **Member** on the first day of each month from and including the month in which the **Pension** commences up to and including the month of the **Member's** death. After the **Member's** death, 60% of the payments that would have been made if the **Member** had not died are continued to the **Spouse** for the **Spouse's** subsequent lifetime, if any.

Where an amount of **Pension** is described as being paid in the normal form, that amount applies if it is payable in the normal form described in subsection 9.1.2. If the **Pension** is payable under the normal form described in this subsection 9.1.1 and commences after January 1, 1997, the amount payable shall be adjusted so that the **Pension** is **Actuarially Equivalent** to a **Pension** of the original amount payable in the normal form described in subsection 9.1.2. This adjustment does not apply to a **Pension** commencing on January 1, 1997.

9.1.2 Normal Life Guaranteed 10 Form For Member With No Entitled Spouse At Pension Commencement

This subsection applies to a **Member** who, at **Pension** commencement, does not have a **Spouse** or has a **Spouse** who has filed a **Spouse Waiver**. The normal form of payment of a **Pension** to such a **Member** is the normal life guaranteed 10 form payable as follows. The **Pension** is payable in monthly amounts to the **Member** on the first day of each month from and including the month in which the **Pension** commences up to and including the month of the **Member's** death. After the **Member's** death, if less than 120 monthly payments have been made, the remainder are payable in accordance with Subsection 9.1.5.

9.1.3 Normal Form For Entitled Spouse On Member's Pre-Retirement Death

This subsection applies to a **Spouse** who becomes entitled to a **Pension** on the **Member's Pre-Retirement Death** in accordance with Section 11. The normal form of payment of a **Pension** to such a **Spouse** is the normal life form payable as follows. The **Pension** is payable in monthly amounts to the **Spouse** on the first day of each month from and including the month in which the **Pension** commences up to and including the month of death.

9.1.4 Pension Reductions At 65

Where, after the **Member's** death, a **Pension** becomes payable to a surviving **Spouse** as a percentage of the original **Member's Pension**, the surviving **Spouse's Pension** is, if the **Member's** death occurs before the **Member's** 65th birthday, that percentage of the **Member's Pension To 65** up to, and if the **Member's** birthday falls on the first of a month, including, the date on which the **Member's** 65th birthday would have occurred and thereafter that percentage of the **Member's Pension After 65**.

9.1.5 Guarantee Payments

In respect of a **Pension** payable with a guarantee period, the **Member** or, in the case of a **Pension** payable to a **Spouse** after the **Member's** death, the **Spouse**, may designate a beneficiary to receive payments due after the **Member's** or **Spouse's** death. On written application to the **Pension Administrator**, supported by any evidence required by the **Pension Administrator**, the **Member** or **Spouse** as applicable may change the beneficiary designation at any time. Payments due to the beneficiary are payable directly to the beneficiary and do not form part of the deceased **Member's** or **Spouse's** estate. If the **Member** or **Spouse** has not designated a beneficiary or if the designated beneficiary has predeceased the **Member** or **Spouse**, the **Commuted Value** of the payments due after the **Member's** or **Spouse's** death shall be paid in a lump sum to the estate of the **Member** or **Spouse**.

9.2 Optional Forms

9.2.1 Amount Of Optional Form Pensions

The amount of a **Pension** payable in an optional form is calculated so that the optional form **Pension** is **Actuarially Equivalent** to the corresponding normal form **Pension**.

9.2.2 Optional Form For Member With Entitled Spouse At Pension Commencement

This subsection applies to a **Member** who has a **Spouse** at **Pension** commencement if that **Spouse** has not filed a **Spouse Waiver** with the **Pension Administrator**. The optional forms of payment of a **Pension** available to such a **Member** are joint and survivor forms payable with a continuing percentage to the surviving **Spouse**, if any, of more than 60% but not more than 100% or payable with a guarantee period of 5 or 10 years, or payable with both the higher continuing percentage and a guarantee period, and in other respects payable the form described in Subsection 9.1.1. The **Committee** may place restrictions on the percentages made available within the 60% to 100% range. If an option is elected with a guarantee period, and the **Member** dies after **Pension Commencement** and before expiry of the guarantee period, payments will continue in full to the **Spouse** until the end of the guarantee period at which point they will reduce to the continuing percentage elected of the payments that would have been made if the **Member** had not died, and will continue to the **Spouse** for the **Spouse's** subsequent lifetime, if any. If both the **Member** and the **Spouse** die before the end of the guarantee period, the remaining payments are payable in accordance with subsection 9.1.5.

9.2.3 Optional Forms For Member With No Entitled Spouse At Pension Commencement

This subsection applies to a **Member** who, at **Pension** commencement, does not have a **Spouse** or has a **Spouse** who has filed a **Spouse Waiver**. The optional forms of payment of a **Pension** to such a **Member** are the single life form or the life guaranteed 5 form. These are payable in the same way as the normal life guaranteed 10 form described in subsection 9.1.2, except that,

- (a) in the case of the single life form there is no guarantee period and
- (b) in the case of the life guaranteed 5 form the guarantee period is 5 years.

9.2.4 Election Of Optional Forms

Election of optional forms must be made in accordance with rules set from time to time by the **Committee** in accordance with the requirements of the **PBSA**.

10 BENEFITS ON TERMINATION OF EMPLOYMENT

10.1 Termination - Member With Vesting Service Requirement At Termination

10.1.1 Normal Benefit

The **Normal Benefit on Termination Of Employment** of a **Member** with the **Vesting Service Requirement** at the date of **Termination Of Employment**, is

- (a) if the **Deferred Pension** in (b) is less than the **Small Pension Limit** in the year of **Termination Of Employment**
 - (i) a **Cash Lump Sum** equal to the lesser of the **Maximum Transfer Amount** and its **Commutated Value** plus
 - (ii) a **Non-Transferable Cash Lump Sum** equal to any excess of the **Commutated Value** over the **Maximum Transfer Amount**, otherwise,

- (b) a **Deferred Pension** as follows:

payable to: the **Member**, subject to any **Spouse Rights Conditions**

form: normal form described in Section 9, subject to any applicable actuarial adjustment as stated in Subsection 9.1.1

commencement date: the first of a month selected by the **Member** that is no later than the first of the month following the month in which the **Member's** 65th birthday occurs and which is no earlier than the earliest of:

- (i) if the **Member** has less than 10 years of **Retirement Service**, the first of the month following the month of attainment of age 55, and,
- (ii) if the **Member** has 10 or more years of **Retirement Service**, the first of the month following the month of attainment of age 50.

monthly amount: **Pension To 65**: the lesser of

- (i) the **Member's 2% Pension**, less the **Member's Deferred Pension Early Commencement Reduction**, and
- (ii) the **Member's Maximum Pension To 65**, and

Pension After 65: the lesser of

- (iii) the **Member's 2% Pension** minus the **CPP Offset**, less the **Member's Deferred Pension Early Commencement Reduction**, and
- (iv) the **Member's Maximum Pension After 65**.

In addition, the **Normal Benefit** includes payment of any **Excess Contributions** determined at the date of **Termination Of Employment** and payment of any **Refundable Voluntary Contributions** as **Cash Lump Sums** at commencement of the **Deferred Pension** or on application before commencement of the **Deferred Pension** and after the date of **Termination Of Employment**.

10.1.2 Optional Benefits

On application and subject to any **Spouse Rights Conditions**, a **Member** to whom the **Small Pension Limit** does not apply may elect, instead of the **Normal Benefit**, the following **Optional Benefits**:

- (a) a **Locked-in Transfer** of the lesser of the **Maximum Transfer Amount** and the **Commuted Value** of the **Deferred Pension**,
- (b) a **Non-Transferable Cash Lump Sum** equal to any excess of the **Commuted Value** over the **Maximum Transfer Amount**, and
- (c) payment of **Refundable Voluntary Contributions** and **Excess Contributions**, if any, as **Cash Lump Sums** at **Termination Of Employment**.

10.2 Termination - Member Without Vesting Service Requirement At Termination

10.2.1 Normal Benefit

The **Normal Benefit** on **Termination Of Employment** of a **Member** without the **Vesting Service Requirement** at the date of **Termination Of Employment**, is payment of **Refundable Member Contributions** and, if any, **Refundable Voluntary Contributions** as **Cash Lump Sums** on application within 10 years after the date of **Termination Of Employment** or, in the absence of such an application, as soon as is reasonably possible after expiry of the 10-year period.

The **Member** will instead receive benefits determined under Section 10.1 upon subsequent achievement of the **Vesting Service Requirement** if that occurs as a result of the operation of a **Reciprocal Agreement** before payment of any **Cash Lump Sum** under this subsection and before expiry of the 10-year period.

10.2.2 Optional Benefits

No **Optional Benefits** are available in place of the **Normal Benefit** under subsection 10.2.1.

11 BENEFITS ON PRE-RETIREMENT DEATH

11.1 Pre-Retirement Death Without Vesting Service Requirement - Normal Benefit

The **Normal Benefit** on **Pre-Retirement Death** of a **Member** without the **Vesting Service Requirement** at the date of **Pre-Retirement Death** and to whom Subsection 11.7 does not apply is payment of **Refundable Member Contributions** and, if any, **Refundable Voluntary Contributions** as a **Payment To A Beneficiary**.

11.2 Pre-Retirement Death Without Vesting Service Requirement - Optional Benefits

No **Optional Benefits** are available in place of the **Normal Benefit** under subsection 11.1.

11.3 Pre-Retirement Death With Vesting Service Requirement, And With No Spouse - Normal Benefit

This subsection 11.3 applies in the event of **Pre-Retirement Death** of a **Member** who, at the date of **Pre-Retirement Death**, had the **Vesting Service Requirement**, and

- (a) had no **Spouse**, or
- (b) had a **Spouse** who has filed a **Spouse Waiver**.

The **Normal Benefit** is the sum of the benefits stated in subsections 11.3.1 and 11.3.2 plus **Payment To A Beneficiary** of any **Refundable Voluntary Contributions**.

11.3.1 Normal Benefit For Pre-93 Pensionable Service

The **Normal Benefit** for pre-93 **Pensionable Service** is payment of an amount equal to the **Member's Required Contributions** made in respect of **Pensionable Service** before 1993 with **Interest** as a **Payment To A Beneficiary**.

11.3.2 Normal Benefit For Post-92 Pensionable Service

The **Normal Benefit** for post-92 **Pensionable Service** is **Payment To A Beneficiary** of 60% of the **Commuted Value** of,

- (a) in the case of a **Deferred Pensioner**, the **Deferred Pension** to which the **Member** was entitled immediately before the date of death,
- (b) in the case of a **Member** who was an **Employee** immediately before the date of death and who had qualified for **Early Retirement** at the date of death, the **Pension** to which the **Member** would have been entitled under subsection 13.1 if **Early Retirement** had occurred on the date of death, and,
- (c) in the case of a **Member** who was an **Employee** immediately before the date of death and who had not qualified for **Early Retirement** at the date of death, the **Deferred Pension** to which the **Member** would have been entitled under subsection 10.1 if **Termination Of Employment** had occurred on the date of death.

In addition, the **Normal Benefit** includes payment as a **Payment To A Beneficiary** of any **Excess Contributions** related to the **Pension** or, if not previously paid, to the **Deferred Pension**, as applicable.

In the subsection 11.3.2, **Pensions**, **Deferred Pensions**, and **Excess Contributions** are calculated in respect of post-92 **Pensionable Service** only.

11.4 Pre-Retirement Death With Vesting Service Requirement, And With No Spouse - Optional Benefits

No **Optional Benefits** are available in place of the **Normal Benefit** in subsection 11.3.

11.5 Pre-Retirement Death With Vesting Service Requirement, Without Qualification For Immediate Spouse Pension, And With A Spouse - Normal Benefit

This subsection 11.5 applies in the event of **Pre-Retirement Death** of a **Member** who, at the date of **Pre-Retirement Death**, had the **Vesting Service Requirement**, and

- (a) (i) had not reached age 60, and
- (ii) had not completed 10 or more years of **Retirement Service**, and
- (b) had a **Spouse** who has not filed a **Spouse Waiver**.

The **Normal Benefit** is the sum of the benefits stated in subsections 11.5.1 and 11.5.2, payable in the form stated in subsection 11.5.3, plus payment as a **Cash Lump Sum** to the **Spouse** of any **Refundable Voluntary Contributions**.

11.5.1 Amount Of Normal Benefit For Pre-93 Pensionable Service

The **Normal Benefit** for pre-93 **Pensionable Service** is payment of an amount equal to the **Member's Required Contributions** made in respect of **Pensionable Service** before 1993 with **Interest**.

11.5.2 Amount Of Normal Benefit For Post-92 Pensionable Service

The **Normal Benefit** for post-92 **Pensionable Service** is 60% of the **Commuted Value** of,

- (a) in the case of a **Deferred Pensioner**, the **Deferred Pension** to which the **Member** was entitled immediately before the date of death,
- (b) in the case of a **Member** who was an **Employee** immediately before the date of death and who had qualified for **Early Retirement** at the date of death, the **Pension** to which the **Member** would have been entitled under subsection 13.1 if **Early Retirement** had occurred on the date of death, and,
- (c) in the case of a **Member** who was an **Employee** immediately before the date of death and who had not qualified for **Early Retirement** at the date of death, the **Deferred Pension** to which the **Member** would have been entitled under subsection 10.1 if **Termination Of Employment** had occurred on the date of death.

In addition, the **Normal Benefit** includes payment of any **Excess Contributions** related to the **Pension** or, if not previously paid, to the **Deferred Pension**, as applicable.

In the subsection 11.5.2, **Pensions**, **Deferred Pensions**, and **Excess Contributions** are calculated in respect of post-92 **Pensionable Service** only.

11.5.3 Form Of Payment Of Normal Benefit

The form of payment of the benefits determined under subsections 11.5.1 and 11.5.2 is as follows:

- (a) if the sum of those benefits is less than 20% of the **YMPE** in the year of **Pre-Retirement Death**, a **Cash Lump Sum** to the **Spouse**,
- (b) otherwise, a **Locked-In Transfer** for the **Spouse**.

11.6 Pre-Retirement Death With Vesting Service Requirement, Without Qualification For Immediate Spouse Pension, And With A Spouse - Optional Benefit

No **Optional Benefits** are available in place of the **Normal Benefit** in subsection 11.5.

11.7 Pre-Retirement Death With Qualification For Immediate Spouse Pension - Normal Benefit

11.7.1 Qualification Conditions For Normal Benefit

Subsection 11.7 applies in the event of **Pre-Retirement Death** of a **Member** who, at the date of **Pre-Retirement Death**,

- (a)
 - (i) had reached age 60 or
 - (ii) had completed 10 or more years of **Retirement Service**, and
- (b) had a **Spouse** who has not filed a **Spouse Waiver**.

11.7.2 Payment Conditions For Normal Benefit

The **Normal Benefit** is,

- (a) if the **Pension** in (b) is less than the **Small Pension Limit** in the year of **Pre-Retirement Death**, a **Cash Lump Sum** to the **Spouse** equal to its **Commuted Value**, which may not be transferred to another registered arrangement unless any necessary approval under the **Income Tax Act** has first been obtained, and,
- (b) otherwise, a **Pension** as follows:
 - payable to: the **Spouse**, subject to any **Spouse Rights Conditions**
 - form: normal form described in subsection 9.1.3
 - commencement date: the first of the month first following the **Member's Pre-Retirement Death**
 - monthly amount: determined in accordance with subsection 11.7.3.

In addition, the **Normal Benefit** includes payment as a **Cash Lump Sum** to the **Spouse** of any **Refundable Voluntary Contributions** and, if any, **Excess Contributions** related to,

- (c) in the case of a **Deferred Pensioner**, the **Deferred Pension** to which the **Member** was entitled immediately before the date of death, if such **Excess Contributions** have not been previously paid,
- (d) in the case of a **Member** who was an **Employee** immediately before the date of death and who had qualified for **Retirement** at the date of death, the **Pension** to which the **Member** would have been entitled under subsection 13.1 or 14.1 if **Retirement** had occurred on the date of death, and,

- (e) in the case of a **Member** who was an **Employee** immediately before the date of death and who had not qualified for **Retirement** at the date of death, the **Deferred Pension** to which the **Member** would have been entitled under subsection 10.1 if **Termination Of Employment** had occurred on the date of death.

If the **Commuted Value** of the **Normal Benefit**, including any **Cash Lumps Sums**, provided under this Subsection 11.7.2 is less than the **Normal Benefit** provided under Subsection 11.5, then the benefit that would be provided under Subsection 11.5 will apply instead of the benefit under this Subsection 11.7.2.

11.7.3 Amount Of Normal Benefit

The amount of the **Pension** payable under subsection 11.7.2 is the greater of, as applicable,

- (a)
 - (i) in the case of a **Member** who was an **Employee** immediately before the date of death and who had qualified for **Early Retirement** at the date of death, the amount of level **Pension** which is **Actuarially Equivalent** to the **Pension**, composed of a **Pension To 65** and a **Pension After 65**, determined as if the **Member** had taken **Early Retirement** on that date, elected a joint and survivor optional form continuing at 100% to the surviving **Spouse** under subsection 9.2.2, then died before receiving any payments, or
 - (ii) in the case of a **Member** who was an **Employee** immediately before the date of death and who had qualified for **Normal** or **Late Retirement** at the date of death, the amount of **Pension** determined as if the **Member** had taken **Retirement** on that date, elected a joint and survivor optional form continuing at 100% to the surviving **Spouse** under subsection 9.2.2, then died before receiving any payments, or
 - (iii) in the case of a **Member** who was a **Deferred Pensioner** immediately before the date of death and who had the right to elect commencement of the **Deferred Pension** at the date of death, the amount of level **Pension** which is **Actuarially Equivalent** to the **Pension**, composed of a **Pension To 65** and a **Pension After 65**, determined as if the **Member** had remained alive and had elected to commence the **Deferred Pension** on that date, elected a joint and survivor optional form continuing at 100% to the surviving **Spouse** under subsection 9.2.2, then died before receiving any payments, and
- (b) the least of
 - (i) $\frac{2}{3}$ of (the **Member's 2% Pension** minus the **CPP Offset**), both calculated including, except in the case of a **Deferred Pensioner**, the additional **Pensionable Service** which would have been expected to accrue in the period, if any, from the **Member's date of Pre-Retirement Death** to the first of the month following attainment of age 60 if that period had been a **Leave Of Absence** with a 100% **Contributory Participation Rate**,
 - (ii) $\frac{2}{3}$ of the **Member's Maximum Pension After 65**, and
 - (iii) $\frac{1}{12}$ of the **YMPE** for the year in which the **Pre-Retirement Death** occurs,

or, in the case of (ii) and (iii), such other corresponding limit as is required at the applicable time under the **Income Tax Act**.

11.8 Pre-Retirement Death With Qualification For Immediate Spouse Pension - Optional Benefits

On application, the **Spouse** referred to in subsection 11.7 may elect, instead of the **Normal Benefit** in subsection 11.7, the following **Optional Benefit**:

- (a) subject to first having obtained any necessary approval of the transfer under the **Income Tax Act**, a **Locked-in Transfer** of the **Commuted Value** of the **Pension** calculated under subsection 11.7.3 and
- (b) payment of **Refundable Voluntary Contributions** and **Excess Contributions**, if any, as **Cash Lump Sums**.

12 BENEFITS ON DISABILITY RETIREMENT

12.1 Disability Retirement - Normal Benefit

On **Disability Retirement**, the **Normal Benefit** payable to a **Member** is,

- (a) if the **Pension** in (b) is less than the **Small Pension Limit** in the year of **Retirement**,
 - (i) a **Cash Lump Sum** equal to the lesser of the **Maximum Transfer Amount** and its **Commuted Value** plus
 - (ii) a **Non-Transferable Cash Lump Sum** equal to any excess of the **Commuted Value** over the **Maximum Transfer Amount** and,
- (b) otherwise, a **Pension** as follows:
 - payable to: the **Member**, subject to any **Spouse Rights Conditions**
 - form: normal form described in Section 9, subject to any applicable actuarial adjustment as stated in subsection 9.1.1
 - commencement date: the **Member's Disability Retirement** effective date
 - monthly amount: the least of
 - (i) the **Member's 2% Pension** minus the **CPP Offset**, both calculated with the addition of 50% of the additional **Pensionable Service** which would have been expected to accrue in the period, if any, from the **Member's Disability Retirement** to the first of the month following attainment of age 60 if that period had been a **Leave Of Absence** with a 100% **Contributory Participation Rate**,
 - (ii) the **Member's Maximum Pension After 65**, and
 - (iii) the **Member's Maximum Disability Pension**

In addition, the **Normal Benefit** includes payment of **Refundable Voluntary Contributions** and **Excess Contributions** related to the **Pension** in (b), if any, as **Cash Lump Sums** at **Retirement**.

12.2 Disability Retirement - Optional Benefits

On application and subject to any **Spouse Rights Conditions**, the **Member** may elect, instead of the **Pension**, a **Pension** payable in an optional form described in section 9.

the **Member** may elect to commence the **Pension** after age 55 but before age 60, in which case the **Pension** will be as described in paragraph 12.1 (a) but subject to reduction of its amount so that it is **Actuarially Equivalent** to the **Pension** referred to in paragraph 12.1(a).

13 BENEFITS ON EARLY RETIREMENT

13.1 Early Retirement - Normal Benefit

On **Early Retirement**, the **Normal Benefit** payable to a **Member** is,

- (a) if the **Pension** in (b) is less than the **Small Pension Limit** in the year of **Retirement**,
 - (i) a **Cash Lump Sum** equal to the lesser of the **Maximum Transfer Amount** and its **Commutated Value** plus
 - (ii) a **Non-Transferable Cash Lump Sum** equal to any excess of the **Commutated Value** over the **Maximum Transfer Amount**, and,
- (b) otherwise, if (a) does not apply, the **Pension** calculated as follows:
 - payable to: the **Member**, subject to any **Spouse Rights Conditions**
 - form: normal form described in Section 9, subject to any applicable actuarial adjustment as stated in subsection 9.1.1
 - commencement date: the **Member's Early Retirement** effective date
 - monthly amount: **Pension To 65**: the lesser of
 - (i) the **Member's 2% Pension**, less the **Member's Early Retirement Reduction**, and
 - (ii) the **Member's Maximum Pension To 65**, and**Pension After 65**: the lesser of
 - (iii) the **Member's 2% Pension** minus the **CPP Offset**, less the **Member's Early Retirement Reduction**, and
 - (iv) the **Member's Maximum Pension After 65**.

In addition, the **Normal Benefit** includes payment of any **Refundable Voluntary Contributions** or **Excess Contributions** related to the **Pension** in (b) as **Cash Lump Sums** at **Retirement**.

13.2 Early Retirement - Optional Benefits

On application and subject to any **Spouse Rights Conditions**, the **Member** may elect, instead of the **Pension**, a **Pension** payable in an optional form described in section 9. On application and subject to any **Spouse Rights Conditions**, a **Member** who is under age 55 at the date of election may elect to receive, instead of the benefits provided under this Section 13, the benefits that would be provided under Section 10 if the **Member's Early Retirement** had been a **Termination Of Employment**.

14 BENEFITS ON NORMAL OR LATE RETIREMENT

14.1 Normal Or Late Retirement - Normal Benefit

On **Normal Retirement** or **Late Retirement**, the **Normal Benefit** payable to a **Member** is,

- (a) if the **Pension** in (b) is less than the **Small Pension Limit** in the year of **Retirement**,
 - (i) a **Cash Lump Sum** equal to the lesser of the **Maximum Transfer Amount** and its **Commuted Value** plus
 - (ii) a **Non-Transferable Cash Lump Sum** equal to any excess of the **Commuted Value** over the **Maximum Transfer Amount**, and,
- (b) otherwise, if (a) does not apply, the **Pension** calculated as follows:
 - payable to: the **Member**, subject to any **Spouse Rights Conditions**
 - form: normal form described in Section 9 subject to any applicable actuarial adjustment as stated in subsection 9.1.1
 - commencement date: the **Member's Retirement** effective date
 - monthly amount: the lesser of
 - (i) the **Member's 2% Pension** minus the **CPP Offset**, and
 - (ii) the **Member's Maximum Pension After 65**.

In addition, the **Normal Benefit** includes payment of any **Refundable Voluntary Contributions** or **Excess Contributions** related to the **Pension** in (b) as **Cash Lump Sums** at **Retirement**.

14.2 Normal Or Late Retirement - Optional Benefits

On application and subject to any **Spouse Rights Conditions**, the **Member** may elect, instead of the **Pension**, a **Pension** payable in an optional form described in section 9.

15 PENSION INCREASES FOR INFLATION

15.1 Application Of Increases

The amount of each monthly payment of a **Pension** will be adjusted

- (a) in accordance with the terms of the Plan at the appropriate time on each January 1, up to and including January 1, 1996,
- (b) in accordance with subsections 15.2 and 15.3 on April 1, 1997,
- (c) in accordance with subsections 15.4 and 15.5 on each April 1 on and after April 1, 1998, and
- (d) if applicable, in accordance with subsection 15.6 on each April 1 on and after April 1, 2002.

If the calculated **CPI** change for the calculation of the adjustment on any date is negative, the **Pension** will not be reduced, but subsequent adjustments shall be calculated so that they do not produce a greater **Pension** than would have resulted if the reduction had been applied.

15.2 Amount of Increases in 1997 in Respect of Pre-1997 Pensionable Service

Subject to the provisions related to negative **CPI** changes in subsection 15.1, the adjustment on April 1, 1997 to the amount of **Pension** earned in respect of **Pensionable Service** before January 1, 1997 is

- (a) the amount of **Pension** that would have been payable in the absence of the adjustment, but after any prior adjustments, multiplied by
- (b) the percentage change in the **CPI** from September, 1995, to December, 1996, multiplied by,
- (c) 1/5 times the number of complete calendar quarters of the previous 15-month period throughout which the **Pension** was payable.

15.3 Amount of Increases on April 1, 1997 in Respect of Post-1996 Pensionable Service

The adjustment on April 1, 1997 to the amount of **Pension** earned in respect of **Pensionable Service** after 1996 shall be nil.

15.4 Amount of Increases After 1997 in Respect of Pre-1997 Pensionable Service

Subject to the provisions related to negative **CPI** changes in Subsection 15.1, the adjustment on each April 1, commencing April 1, 1998 to the amount of **Pension** earned in respect of **Pensionable Service** prior to January 1, 1997 shall be

- (a) the amount of **Pension** that would have been payable in the absence of the adjustment, but after any prior adjustments, multiplied by
- (b) the percentage change in the **CPI** from December of the second previous year to December of the previous year, multiplied by,
- (c) 1/4 times the number of complete calendar quarters of the previous year throughout which the **Pension** was payable.

15.5 Amount of Increases After 1997 in Respect of Post-1996 Pensionable Service

Subject to the provisions related to negative **CPI** changes in Subsection 15.1, the adjustment on each April 1, commencing April 1, 1998 to the amount of **Pension** earned in respect of **Pensionable Service** after 1996 shall be

- (a) the amount of **Pension** that would have been payable in the absence of the adjustment, but after any prior adjustments, multiplied by
- (b) the lesser of
 - (i) a percentage related to the excess, if any, of the **Fund Investment Income** for the previous calendar year, expressed as a percentage, over 7% as determined by the Committee, which percentage may be calculated using a smoothed average of **Fund Investment Income** over a period of years, carryforwards of excesses and shortfalls between **Fund Investment Income**, expressed as a percentage, and **CPI** changes, carryforwards of excesses and shortfalls between **Fund Investment Income** and 7%, or any combination of these methods, and
 - (ii) the percentage change in the **CPI** from December of the second preceding calendar year to December of the preceding calendar year,

multiplied by 1/4 times the number of complete calendar quarters of the previous year throughout which the **Pension** was payable.

15.6 Amount of Increases After 2001 in Respect of Post-1996 Pensionable Service

On each April 1 commencing April 1, 2002, if

- (a) the percentage calculated under subparagraph 15.5(b) is less than the percentage change in the **CPI** from December of the second preceding year to December of the preceding year, and
- (b) the **Actuary** has determined that a surplus existed as at the date of the most recent actuarial valuation of the **Plan**,

then, subject to the **PBSA** or other applicable legislation, all or a portion of the surplus shall be applied to increase the percentage calculated under subparagraph 15.5(b), to the extent sufficient, up to the amount of the **CPI** change.

As at April 1, 2002, this rule shall be applied in respect of increases granted on April 1, 2001 but any additional **Pension** amounts resulting from such increase shall become payable only from April 1, 2002 onwards.

16 ADMINISTRATIVE PROVISIONS

16.1 Committee

16.1.1 Constitution

The **Committee** consists of the following 9 members:

- (a) 4 **Employees** representing the **Board**, each of whom shall be a voting member and at least one of whom shall be a **Member** who is included in the non-teaching exempt staff,
- (b) 4 persons representing the **Union**, each of whom shall be a voting member, and
- (c) 1 member elected by the **Pensioners**, who shall be a non-voting member.

New Committee members are selected and inducted in accordance with the Retirement Committee Skills, Knowledge and Experience Criteria. Appointments are made for terms of 2 years. They may be renewed or extended. The Board and the Union shall arrange for vacancies of their appointees to be filled immediately. Unappointed deputies are not permitted to stand in for members, except on a temporary basis with the consent of and on terms set by vote of the other members of the Committee.

The members appointed by the **Union** have the right to appoint one of their number to act as chair of the **Committee**. The **Union** may request that the **Board** appoint the chair from one of the **Board's** number. The members appointed by the **Board** are responsible for appointing one of their number to act as secretary of the **Committee**. The chair and the secretary each have full voting rights and may make motions. In the event that the chair or secretary is unable to discharge their responsibilities in connection with a meeting, the **Committee** shall appoint an alternate member to fulfil the role for the purpose of that meeting.

6 voting **Committee** members constitute a quorum. Decisions of the **Committee** are by majority vote of those voting members present at a **Committee** meeting provided that the majority vote includes at least one **Union** and one **Board** appointee. (The chair does not have a casting vote.) Decisions can be made only when there is a quorum.

The **Committee** shall designate at least 2 of its voting members as having signing authority on its behalf and a document signed on behalf of the **Committee** requires the signatures of 2 of these voting members of whom one shall be a **Board** appointee and one of whom shall be a **Union** appointee.

The **Board** shall notify the **Trustee** of the names of the members of the **Committee** and of the names of those having signing authority.

16.1.2 Powers And Duties

The **Committee** has the following powers and duties:

- (a) interpret the provisions of the **Plan** and resolve questions relating to its administration in a way that is consistent with its provisions, including decisions on
 - (i) who is eligible,
 - (ii) measurement of **Pensionable Service** and
 - (iii) calculation of **Plan** benefits,

- (b) authorize and direct all payments from the **Fund**, including reasonable expenses for counsel and agents, administration, insurance, communication to members, conference attendance by **Committee** members authorized by collective agreement, and any other reasonable expenses incurred by the **Committee** in connection with the **Plan**,
- (c) employ counsel and agents to provide clerical, medical, legal, investment, administrative, and actuarial services necessary or appropriate for administration of the **Plan**,
- (d) with the advice of the **Actuary**, adopt actuarial assumptions for administration of the **Plan**,
- (e) arrange for actuarial valuations of the **Plan's** assets and liabilities, to be conducted at least every 3 years in accordance with generally accepted actuarial principles and applicable legislation,
- (f) in conjunction with investment agents and advisors, adopt and administer a statement of investment policy governing the investment of the **Fund**, and delegate the duties and responsibilities for investing the **Fund** in accordance with it, and,
- (g) in the event of an administrative error, vary the provisions of the Plan to the extent necessary to permit reasonable rectification of the error consistent with the intent of the **Plan**.

16.2 Benefits Administration and Record-Keeping

The **Committee** has overall responsibility for the administration of rights and benefits and for the maintenance of the membership records required under the **Plan**. Subject to reasonable monitoring procedures, it may delegate these functions to a separate **Pension Administrator**, which may be the **Board** or another person or corporation reasonably qualified to undertake them.

16.3 Disclosure

The **Pension Administrator** shall provide the following information in the form required by the **PBSA** to the following recipients within the following time periods:

<u>Information</u>	<u>Recipient</u>	<u>Time Period</u>
Summary of Plan	Each eligible Employee	30 days prior to eligibility or date of hire if shorter
Explanation of amendment	Each Member affected	Within 90 days after registration of the amendment
Annual statement of entitlement	Each Member	Within 180 days after the end of each calendar year
Statement of benefit and options	Each Member who exits by Termination Of Employment	Within 90 days after Cessation of Service , or 30 days after written request
Statement of benefit and options	Each Spouse, beneficiary, or estate entitled to a benefit from the Plan on the Member's death	Within 30 days after receipt by the Pension Administrator of proof of the Member's death
Statement of benefit and options	Each Member who exits by Retirement	Within 30 days after receipt by the Pension Administrator of notice of Retirement
Statement of benefit and options	Each Member on the termination or winding up of the Plan	Within 30 days after approval of the report filed under the PBSA

The **Pension Administrator** shall comply with all other disclosure requirements of the **PBSA**.

16.4 Elections And Defaults

Where a person has the right to make an election under the **Plan**, the **Committee** may stipulate, in compliance with the requirements of the **PBSA**, a time limit for the making of that election. If it establishes such a time limit, it must also determine, in accordance with the terms of the **Plan**, the default provision that applies if the election is not made within the time limit.

If an individual entitled to a benefit under this **Plan** elects in accordance with the **Plan** provisions to transfer the **Commuted Value** of that benefit out of the **Plan**, the **Pension Administrator** must ensure that such transfer occurs within 60 days of the individual filing the relevant documentation.

The **Committee** may set conditions as to the form in which elections must be made and may refuse to recognize elections that are not made in the required form.

16.5 Evidence Of Age and Entitlement

Each person claiming entitlement to benefit must provide such information, including proof of age, marital status, employment, income, death, disability, leave of absence etc., as the **Pension Administrator** may reasonably request for the purposes of administering the **Plan**.

The **Committee** may refuse to make or continue payment of any benefit if it judges that the information the **Pension Administrator** has received is not adequate.

16.6 Release Upon Payment of Benefit

The full payment of benefits in accordance with the terms of the **Plan** in respect of any **Member** constitutes a complete and binding discharge of all obligations owed by the **Plan** in respect of that **Member's** entitlement. After the payment of benefits is complete, neither that **Member**, nor any other person will have any further right or claim of any kind against the **Plan** in respect of that **Member**.

16.7 Non-Assignment Of Benefits

Except in the case of a claim filed under the terms of the **Family Relations Act**, benefits and rights provided under the **Plan** may not be surrendered, assigned, or in any other way that is prohibited by the **PBSA** or by the **Income Tax Act** anticipated. Any attempt to do so is void.

16.8 Errors And Liability

In the event of an administrative error, the **Committee** may take such steps as it considers necessary and appropriate to permit reasonable resolution of the error in a manner consistent with the intent of the **Plan**.

The **Committee** may enter into insurance contracts to insure the **Fund** against insurable losses. The **Committee** may also enter into insurance contracts to insure its members against claims resulting from their action or inaction in their capacity as **Committee** members.

16.9 Provision for Arbitration of Disputes

Notwithstanding any other provisions of the **Plan**, the following special provisions apply to the arbitration of disputes:

- (a) All disputes among parties (as defined in the **PBSA**) to the **Plan** which the **PBSA** requires be settled by arbitration (and no other manner of disputes) shall be finally and conclusively settled by arbitration under the *Commercial Arbitration Act* (B.C.) and the Rules of the British Columbia International Commercial Arbitration Centre (BCICAC) for the conduct of domestic commercial arbitrations (the “Rules”), each as are in force at the time the dispute arises, except as otherwise provided herein or as is required by the **PBSA**. If there is any inconsistency between the *Commercial Arbitration Act* (B.C.) or the Rules and this section or the **PBSA**, then to the extent permitted by law this section or the **PBSA**, as the case may be, shall prevail. Any case so arbitrated shall be administered by the BCICAC in accordance with the Rules. The place of arbitration shall be Vancouver, B.C.
- (b) A party to the dispute may commence an arbitration of the dispute by notifying the other party to the dispute in writing within 60 days after receiving adequate notice of intent of the event which gave rise to the dispute of its desire to submit the dispute to arbitration and:
 - (i) the parties to the dispute shall agree on a single arbitrator. The arbitrator selected shall be an active member of the Law Society of British Columbia or a Fellow of the Canadian Institute of Actuaries who by virtue of his or her experience and training can reasonably be considered an expert in pension law matters:
 - (ii) the arbitrator selected shall hear and determine the dispute as provided in this part: and
 - (iii) the arbitrator shall issue a written decision which shall be final and binding to the extent permitted by law on the parties to the dispute and any other person affected by it.
- (c) If a party fails to give written notice in accordance with subsection (b) within the 60 day period specified therein that party shall be thereafter precluded from commencing an arbitration of the matter in issue.
- (d) If the parties cannot agree on the single arbitrator within thirty (30) days after the arbitration has commenced, a party to the dispute may ask the BCICAC to appoint an arbitrator.
- (e) In arbitrating a dispute under this part an arbitrator shall have regard to such principles as are required by law and shall also consider the following factors:
 - (i) the funding risks assumed by the parties in the past: and
 - (ii) the reliance placed by the parties on legal precedent in structuring the **Plan**.

16.10 Marriage Breakdown

A person who qualifies as the spouse of a **Member** under the **Family Relations Act** and delivers to the **Pension Administrator** the notice prescribed under the **Family Relations Act** will become a **Limited Member** and, receive in accordance with the **Family Relations Act**, a share of the benefits accrued in respect of the **Member**.

The **Committee** may require that the **Plan** charge fees for administering **Limited Member** claims. These fees may not exceed the maximum administrative fees permitted under the **Family Relations Act**.

16.11 Reciprocal Agreements

Subject to all requirements of the **Income Tax Act** and the **PBSA**, the Board may enter into agreements that provide for portability of pension rights or benefits on transfer of **Members** to and from other pension plans. The terms of such an agreement form part of the terms of the **Plan**.

17 FUND

17.1 Structure

The **Fund** was established by the **Board** and is maintained under the provisions of the **Trust Agreement** for the sole purpose of financing the **Plan**. The **Fund** consists of all the assets of the **Plan** and of the trust constituted by the **Trust Agreement**.

A **Trustee** was selected by the **Board** and may be changed from time to time by the **Board**. The **Trustee** is charged with holding and dealing with the **Fund** under the provisions of the **Trust Agreement**.

17.2 Powers And Duties Of Trustee

The powers and duties of the **Trustee** are determined by the **Trust Agreement** and include the following requirements:

- (a) it shall receive from the **Board** the **Board's** contributions together with **Member Required Contributions** and **Voluntary Contributions** and any other deposits that may be made in accordance with the **Plan**,
- (b) it shall receive all the income of the **Fund**,
- (c) it shall pay, upon written instructions from the **Committee**, the funds required for payments under the **Plan**,
- (d) it shall invest and re-invest the **Fund** as directed by the **Committee** in accordance with the requirements of the **Income Tax Act** and the **PBSA**,
- (e) it shall maintain such records and accounts and shall render such financial statements and reports as may be required from time to time by the **Committee**.

All payments under the **Plan** shall be made or provided for solely from the **Fund** and solely to the extent that such **Fund** shall suffice therefor. If the **Fund** should be insufficient to provide for any payment under the **Plan** whatsoever, the **Committee**, the **Board**, and the members, directors, officers, agents and representatives of either or both of them shall not be liable for any such payment in any manner whatsoever.

18 PLAN AMENDMENT AND TERMINATION

18.1 Powers Of The Board To Alter The Plan

Subject to the restrictions described in this Section, the **Board** has the power to

- (a) amend the **Plan**,
- (b) terminate all or part of it,
- (c) divide the plan into two or more parts, or
- (d) merge the **Plan** with another plan.

18.2 Limited Power of the Retirement Committee to Amend the Plan

In its capacity to amend the **Plan** provided in subparagraph 18.1(a), the **Board** authorizes the **Committee** established under the **Plan** to effect housekeeping amendments and to effect certain other amendments that are necessary or desirable for:

- (a) compliance with the **PBSA** or **Income Tax Act** or other applicable legislation, and/or
- (b) effective administration of the **Plan**.

The **Committee** can only approve amendments if they do not result in significant changes in discretionary policy and if they do not require any adjustment to the **Board**'s contribution rate in effect at the effective date of the amendment.

The **Committee** must make the decision to approve such an amendment at a regular or special meeting of the **Committee** and the adopted amendment must form part of the official minutes of the meeting.

The **Committee** may also adopt updated versions of the **Plan** which consolidate previous versions of the **Plan** with subsequent amendments.

In all other circumstances, the power to amend the **Plan** remains with the **Board**.

18.3 Restrictions On Exercise Of Board's Powers

The **Board's** powers under this Section are restricted as follows.

- (a) Exercise of these powers cannot result in payment of any part of the **Fund** to the **Board** unless all **Plan** benefits have been increased to the maximum amounts defined in Appendix A applied in accordance with the requirements for registration of pension plans under the **Income Tax Act**.
- (b) If benefits have been increased to these maximum amounts and all or part of the **Plan** is being terminated, any remaining portion of the **Fund** relating to the terminating portion of the **Plan** must be returned to the **Board**.
- (c) Exercise of these powers cannot otherwise result in use of any part of the **Fund** for any purpose other than the provision of **Plan** benefits arising from **Member** entitlements and payment of related expenses.
- (d) In the event of division of the **Plan** into two or more parts, the **Fund** must be divided among those parts in proportion to their respective actuarial liabilities immediately before division determined by the **Board**

based on the advice of the **Committee** and the **Actuary**. In the event of partial termination of the **Plan**, the **Fund** must be divided in this way between the terminating and ongoing portions of the **Plan**.

- (e) For any proposed merger of the **Plan** with another plan to proceed, the **Actuary** must provide an opinion that the terms of the proposed merger do not result in any material reduction of benefit security.
- (f) In the event of termination of the **Plan**, the provisions of paragraph 18.4(b) shall be deemed to apply if and only if any new plan which a **Member** may join will recognize **Service** under this **Plan** for the purposes of eligibility and vesting in the new plan.

18.4 Benefits on Plan Termination

- (a) For the purposes of determining **Members'** benefits under the **Plan** on full or partial termination of the **Plan**, all **Members** who are not **Pensioners** or **Deferred Pensioners** on the **Termination Date** shall be deemed to have undergone a **Cessation of Service** on that date and shall become entitled to benefits as **Pensioners** and **Deferred Pensioners**, as the case may be, based on their **Pensionable Service** and **Highest 3 Pensionable Earnings** to that date. If a **Member** is deemed to have **Retired** as a consequence of the **Member's** deemed **Cessation of Service**, the **Early Retirement Reduction** applicable to the **Member's Pension** shall be calculated in accordance with subsection 8.4.1. All **Commuted Values** calculated under subsection 18.5 shall reflect this **Early Retirement Reduction**.
- (b) Notwithstanding the above, and subject to the restriction described in subparagraph 18.3(f), the **Board** may require that, subject to any **Spouse Rights Conditions**, members who become entitled to benefits as **Deferred Pensioners** have their benefits paid out of the **Plan** as follows:
 - (i) a **Locked-in Transfer** of the lesser of the **Maximum Transfer Amount** and the **Commuted Value** of the **Deferred Pension**,
 - (ii) a **Non-Transferable Cash Lump Sum** equal to any excess of the **Commuted Value** over the **Maximum Transfer Amount**, and
 - (iii) payment of **Refundable Voluntary Contributions** and **Excess Contributions**, if any, as **Cash Lump Sums** at **Termination Of Employment**.

18.5 Allocation Of Assets On Full Or Partial Plan Termination

In the event of the full termination of the **Plan**, the **Committee** will allocate the assets of the **Fund** to the following categories in the following order of priority:

- (a) **Cash Lump Sums** which, to the extent that funds are available, are equal to the **Refundable Voluntary Contributions** then payable to each **Member**,
- (b) **Cash Lump Sums** which, to the extent that funds are available, are equal to the **Refundable Member Contributions** then payable to each **Member**,
- (c) Amounts which, to the extent that funds are available, are equal to the **Commuted Values** of the pension benefits in payment under the **Plan** immediately prior to the **Termination Date**,
- (d) Amounts which, to the extent that funds are available, are equal to the excess, if any, of the **Commuted Value** of the **Pensions** which commence payment to **Members** as a consequence of the deemed **Cessation of Service** by **Members** on the **Termination Date** over the excess of **Refundable Member Contributions** over **Excess Contributions** calculated at the same date,

- (e) Amounts which, to the extent that funds are available, are equal to the excess, if any, of the **Commutated Value** of the **Pension** or **Deferred Pensions** accrued at the **Termination Date** (including the **Deferred Pensions** of those **Members** who become **Deferred Pensioners** as a consequence of the **Members'** deemed **Cessation of Service** on **Plan** termination), by **Deferred Pensioners** who had the **Vesting Service Requirement** at that date over the excess of **Refundable Member Contributions** over **Excess Contributions** remaining in the **Plan** for such **Deferred Pensioners** calculated at the same date,
- (f) Amounts which, to the extent that funds are available, are equal to the excess, if any, of the **Commutated Value** of the **Deferred Pension** accrued at the **Termination Date** for each **Member** not included in any of the categories (a) to (e) above over the excess of **Refundable Member Contributions** over **Excess Contributions** for such **Members** calculated at the same date.

Following allocation of the **Fund** in the above manner, should there still remain assets of the **Fund** unallocated, the **Committee** shall allocate such remainder to increase the amounts in categories (c), (d), (e) and (f) above, ranking each category equally with the others and ranking each person within a category equally with all other persons within that category, in proportion to the **Commutated Value** of each person's **Pension** or **Deferred Pension** accrued at the **Termination Date**, but in no circumstance shall the allocation to any person be such as to increase the **Pension** above the **Maximum Pension To 65** or the **Maximum Pension After 65** which could be paid to that person.

In the event of the partial termination of the **Plan**, the **Committee** will allocate a proportion of the assets of the **Fund** to the persons affected by the partial termination, in accordance with (a) to (f) above as though a full termination of the **Fund** were taking place.

Any assets which still remain will be returned to the **Board** in the event of a full termination, but will be retained in the **Fund** in the event of a partial termination.

Once the above allocation is complete, the **Committee** shall cause the assets of the **Fund** to be distributed by way of **Locked-In Transfers**, **Non-Transferable Cash Lump Sums**, purchases of an annuity contract from a licensed insurer or payment of a **Cash Lump Sum** to the **Board**, as the case may be.

Notwithstanding any of the above, on full or partial **Plan** termination prior to January 1, 2003, the **Board** will be required to pay an additional amount into the **Fund**, prior to any allocations being made in accordance with this subsection 18.5, equal to the balance of the unamortized solvency deficiency payments identified in the January 1, 1995 actuarial valuation of the **Plan**.

APPENDIX A - INCOME TAX ACT LIMITS ON BENEFITS

A.1 Maximum Pension Limits

A.1.1 Maximum Pension After 65

The monthly amount of a **Member's Maximum Pension After 65** determined in relation to a specified year is 1/12 of

- (a) the annual benefit limit for the applicable year
multiplied by
- (b) **Pensionable Service** excluding any portion before 1992 in excess of 35 years.

A.1.2 Maximum Pension To 65

A **Member's Maximum Pension To 65** is the **Member's Maximum Pension After 65** plus the product of

- (i) 25%,
- (ii) the average of the YMPE for the calendar year of **Pension** commencement and the two preceding ones,
- (iii) the **Member's Post-1965 Pensionable Service**, subject to a maximum of 35 years, and
- (iv) 1/35.

A.1.3 Maximum Disability Pension

The monthly amount of a **Member's Maximum Disability Pension** is the greater of

- (a) 1/12 of the YMPE for the year in which the **Disability Retirement** effective date occurs and
- (b) the **Member's 2% Pension** minus the **CPP Offset**, both calculated without the additional years of **Pensionable Service** referred to in Section 12.

A.1.4 Terms Used In Calculating Maximum Limits

- (a) The annual benefit limit is the lesser of
 - (i) 2% of the **Member's** highest 3-year average indexed annual **Pensionable Earnings** reduced, in the case of **Early Retirement** before any of the following events has occurred, by .25% for each month, if any, from the date of earliest of them to **Pension** commencement date, calculated as if the **Member** had continued to render **Pensionable Service** until then
 - (A) attainment of age 60,
 - (B) completion of 30 years of **Pensionable Service**, and
 - (C) attainment of total years of age and **Pensionable Service** of 80, where ages and periods for calculating reductions are measured in years and each complete calendar month is counted as one-twelfth of a year, and

(ii) the **Defined Benefit Limit** for the year in which **Pension** payments commence.

or such other amount as is prescribed by the **Income Tax Act**.

(b) A **Member's** highest 3-year average indexed annual **Pensionable Earnings** is the highest average of the **Member's** indexed **Grossed-up Pensionable Earnings** calculated in the same way as **Highest 3 Grossed-up Pensionable Earnings**, but with indexed **Grossed-up Pensionable Earnings** substituted for **Grossed-up Pensionable Earnings**.

A **Member's** indexed **Grossed-up Pensionable Earnings** in respect of a year equals the **Member's** **Grossed-up Pensionable Earnings** for the year multiplied by the ratio of the average wage measure for the calendar year in which **Pension** commencement occurs to the average wage measure for 1986 or the year in which the **Grossed-up Pensionable Earnings** were accrued, whichever is later.

If the **Member** has less than 36 months of **Pensionable Earnings**, the average is based on the actual number of months.

(c) The average wage measure for a year is the Canadian average industrial wage as published by Statistics Canada for September of the preceding year or such other measure as is prescribed by the **Income Tax Act**.

A.2 Minimum Actuarial Reduction On Early Retirement

The **Actuarially Equivalent** percentage reductions referred to in Subsections 8.4.1, 8.4.2, and 8.5 must be at least equal to 0.25% times the number of months of the reduction period.

APPENDIX B – JUNE 2002 DOWNSIZING BENEFITS

B.1 Eligibility for Additional Pension Benefits

Members who meet the age and service classification criteria specified under the **June 2002 Downsizing Program** are eligible for benefits in addition to those provided in Article 8 of the Plan as set out in this Appendix B. The criteria include:

- (a) membership in CUPE Local 561,
- (b) being between ages 55 and 64 and otherwise eligible for retirement under the Plan,
- (c) situations where a Member's retirement saves a job for another employee with lower seniority in that job classification, and
- (d) the member elects the additional benefits provided in this Appendix B.

B.2 Contributions

Subject to the **Income Tax Act** and based on the advice of the Actuary, the Board shall pay additional contributions to the **Plan** sufficient to fund the additional benefits specified in this Appendix.

B.3 Enhanced Retirement Benefit

Subject to the limits in Appendix A, upon **Early Retirement** under the **June 2002 Downsizing Program**, the **Member** will receive an additional monthly pension payable to age 65 equal to the amount that is **Actuarially Equivalent** to the funding amount available for the **Member** under the **June 2002 Downsizing Program**. Such extra bridge amount will not exceed:

- (a) the amount that is **Actuarially Equivalent** to the lesser of:
 - (i) the cost of two or three additional years of **Post-1996 Pensionable Service** as applicable to the **Member** under the **June 2002 Downsizing Program**; and
 - (ii) 50% of current annual earnings as determined by the **Board**,
- (b) when added to the **CPP Offset**, the amount as specified under 8303(2)(b) of the Income Tax Act Regulations.

Such additional benefit will be payable in the same form as the **Member's** regular benefits from the **Plan**.

Such additional benefit will not be included in the calculation of **Excess Contributions**.

For the purpose of Section 15 ("Pension Increases for Inflation") such additional benefit will be treated as being related to post-1996 **Pensionable Service**.

APPENDIX C – JUNE 2003 DOWNSIZING BENEFITS

C.1 Eligibility for Additional Pension Benefits

Members who meet the age and service classification criteria specified under the **June 2003 Downsizing Program** are eligible for benefits in addition to those provided in Article 8 of the Plan as set out in this Appendix C. The criteria include:

- (a) membership in CUPE Local 561,
- (b) employment in one of the following specified classifications – Clerical, Noon-Hour Assistants, Teacher Assistants, Caretakers, Special Education Assistants, Delivery Person,
- (c) being between ages 55 and 64 and otherwise eligible for retirement under the Plan,
- (d) situations where a Member's retirement saves a job for another employee with lower seniority in that job classification, and
- (e) the member elects the additional benefits provided in this Appendix C,

C.2 Contributions

Subject to the **Income Tax Act** and based on the advice of the Actuary, the Board shall pay additional contributions to the **Plan** sufficient to fund the additional benefits specified in this Appendix.

C.3 Enhanced Retirement Benefit

Subject to the limits in Appendix A, upon **Early Retirement** under the **June 2003 Downsizing Program**, the **Member** will receive an additional monthly pension payable to age 65 equal to the amount that is **Actuarially Equivalent** to the funding amount available for the **Member** under the **June 2003 Downsizing Program**. Such extra bridge amount will not exceed:

- (a) the amount that is **Actuarially Equivalent** to the lesser of:
 - (i) the cost of two or three additional years of **Post-1996 Pensionable Service** as applicable to the **Member** under the **June 2003 Downsizing Program**; and
 - (ii) 50% of current best rate of pay as determined by the **Board**,
- (b) when added to the **CPP Offset**, the amount as specified under 8303(2)(b) of the Income Tax Act Regulations.

Such additional benefit will be payable in the same form as the **Member's** regular benefits from the **Plan**. Such additional benefit will not be included in the calculation of **Excess Contributions**.

For the purpose of Section 15 ("Pension Increases for Inflation") such additional benefit will be treated as being related to post-1996 **Pensionable Service**.

**CERTIFIED TO BE A TRUE COPY OF THE PLAN TEXT OF THE RETIREMENT PLAN
FOR NON-TEACHING EMPLOYEES OF SCHOOL DISTRICT NO. 43 (COQUITLAM)**

Authorized Signature

Date