

Trinity College Pension Plan

**(Amended and Restated Effective January 1, 2021
with Updates to January 10, 2022)**

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Article 1 – Introduction

Beginning December 1, 1927 and running until June 30, 1968, Trinity College (the “College”) made various arrangements with Teachers Insurance & Annuity Association (“TIAA”), Canadian Government Annuities (“CGA”), and Canada Life Assurance Company (“Canada Life”) for the purchase of annuities for certain eligible staff. In each case, when the College stopped remitting contributions to the insurer the annuities became paid up.

Effective July 1, 1968, the College established the Revised Pension Plan for Employees of Trinity College (the “Plan”) which, with modifications, continues in force to the present.

The Plan provides benefits based on service while participating in the Plan plus service while participating in the group annuity contracts with TIAA, CGA and Canada Life. These benefits are reduced by the amount of any benefits payable under the terms of the various paid-up annuities.

The Plan was further amended and restated effective July 1, 1991 to comply with the Income Tax Act of Canada (the “Income Tax Rules”), the Pension Benefits Act of Ontario (the “Act”) and to rename the Plan as the Trinity College Pension Plan. The Plan was further amended from time to time and was amended and restated as of July 1, 2014 to provide unreduced early retirement for Union Employees at age 60 with the sum of age and Continuous Service equaling at least 80 points, to further comply with the Income Tax Rules, the Act and to update the Plan with respect to administrative practice under the Plan.

The Plan is hereby amended and restated effective January 1, 2021 to restrict the transfer out of lump-sum commuted values effective January 10, 2022 to only those Active Members who have not yet reached eligibility for Unreduced Early Retirement, as defined in Section 5.02, and to update the Plan effective January 1, 2021 with respect to administrative practice under the Plan.

Benefits payable in respect of retirements, deaths, disabilities or other terminations which occur prior to January 1, 2021, shall be governed by the terms of the Plan in effect at such time unless expressly stated otherwise herein.

Article 2 – Construction, Interpretation and Definitions

Construction and Interpretation

- 2.01 This document, as it may be amended from time to time, constitutes the Plan. No statement in any other document or communication, whether or not such document or communication is required by the Act or the Income Tax Rules, shall create or confer any right or obligation other than as set out in this document or otherwise as required by the Act or the Income Tax Rules, nor may any such document or communication be used or relied upon to interpret or vary any terms or provisions of the Plan.
- 2.02 In the Plan, references to the masculine include the feminine and vice versa, references to the singular shall include the plural and vice versa, as the context shall require, and references to a subparagraph, paragraph, Section, Article or Appendix mean a subparagraph, paragraph, Section, Article or Appendix of the Plan.
- 2.03 The Plan shall be construed in accordance with laws of the Province of Ontario.
- 2.04 All amounts payable under the Plan shall be construed as being expressed in the lawful currency of Canada. If an amount of benefit or earnings entering into the computation of any benefit or contribution hereunder is expressed in a currency other than that of Canada, such amount shall be converted to Canadian currency prior to such computation based upon exchange rates established by the Committee.
- 2.05 Each provision of the Plan is distinct and severable, and if any provision of the Plan or part thereof is determined to be void or unenforceable in whole or in part, such determination shall not affect the validity or enforcement of any other provision or part thereof.
- 2.06 Headings wherever used herein are for reference purposes only, and do not limit or extend the meaning of any of the Plan's provisions.
- 2.07 Benefits in respect of a Deferred Member whose employment ceased prior to January 1, 2021 shall be determined in accordance with the terms of the Plan in effect when the Deferred Member ceased employment except as required by Applicable Pension Laws or Revenue Rules or as may be specifically provided herein.

Definitions

- 2.08 “Act” means the Pension Benefits Act, R.S.O., 1990, Chapter P.8 and the Regulations issued thereunder, and any future legislation amending, supplementing or superseding it.
- 2.09 “Actuarial(ly) Equivalent” means benefits of equivalent value but different form of payment to a specified benefit, as determined on a basis of calculation adopted by the College on the advice of the Actuary and which is in accordance with the Act and Income Tax Rules, and in effect on the date such determination is being made. Notwithstanding the foregoing, the College may adopt a basis that eases administration of the Plan, including the use of unisex factors, provided that such basis is not precluded by the Act and Income Tax Rules.
- 2.10 “Actuary” means the independent qualified actuary who is a Fellow of the Canadian Institute of Actuaries, or a firm of independent qualified actuaries, at least one of whose members is a Fellow of the Canadian Institute of Actuaries, selected by the College to give advice and make recommendations under the Plan.
- 2.11 “Average YMPE” in respect of a Member means the average of the YMPE during the 36 months of that Member’s participation in the Plan that are used to determine the Member’s Highest Average Earnings.
- 2.12 “Beneficiary” means the person or persons last designated by the Member pursuant to Section 15.07.
- 2.13 “Collective Agreement” means the Collective Agreement between Trinity College and Service Employees International Union Local 2, as amended from time to time.
- 2.14 “College” means Trinity College.
- 2.15 “Committee” means the committee appointed pursuant to Section 13.01.
- 2.16 “Continuous Service” means service determined pursuant to Section 4.01.
- 2.17 “Credited Interest” means:
- (a) for the time period prior to January 1, 1987, interest compounded annually from the last day of June following the date on which the contribution was made to the Plan to December 31, 1986 at the rates determined by the Committee during that time period; and
 - (b) for the time period from January 1, 1987 onwards, interest compounded annually from the

later of January 1, 1987 and the first day of the month following the month in which the contribution was made or amount deposited to the date of computation at a rate equal to the average of the fixed term chartered bank deposit rates as reported in the Bank of Canada Review as CANSIM series V 122515 (formerly series B 14045) for the twelve calendar months ending with the preceding June 30.

- 2.18 "Credited Service" means service determined pursuant to Sections 4.02 and 4.03.
- 2.19 "CPI" means the Canada All-Items Consumer Price Index as published by Statistics Canada.
- 2.20 "Dependency Period" in the context of an Orphan means the period following the death of the parent of the Orphan who was a Member and ending on the latest of:
- (a) the end of the calendar year in which the Orphan attains age 18;
 - (b) the date on which the Orphan ceases to be in full-time attendance at an educational institution; and
 - (c) if the Orphan was dependent on the Member because of mental or physical infirmity at the time the Member died, the date the Orphan ceases to be mentally or physically infirm.
- 2.21 "Dependent" means, in respect of a Member:
- (a) the Spouse of the Member; or
 - (b) a child of the Member.
- 2.22 "Dependent's Pension" means the pension paid to a Member's Dependent as described in Section 7.02.
- 2.23 "Designated Employee" means an Employee who is an Active Member and is classified by the College in a continuing appointment within the Administrative or Professional/Managerial employee groups, or is a faculty or professional librarian employee other than a Grandfathered Faculty or Professional Librarian Employee.
- 2.24 "Earnings" means the basic remuneration paid by the College to the Employee for work done or services rendered, excluding the value of benefits, bonuses and overtime pay, as determined by the College.

While a Member remains Totally Disabled and is accruing Credited Service, his Earnings shall be increased by the “across-the-board” economic increase granted by the College to its active Employees during the preceding 12 months. Such increase shall be equal to and shall take effect at the same time as an increase applicable to an Employee who is in active employment and who is in the same category of employment as the Member.

A Member who makes required contributions during a period of absence pursuant to Section 12.03(b), shall be deemed to receive Earnings for the period of absence at the same rate that the Member would have received Earnings if the Member had continued in active employment during such leave.

For any calendar year in which a Member is employed on less than a full-time basis the Member’s Earnings for such year shall be the annual salary rate on which his part-time earnings are based, in the case of a Member accruing Credited Service pursuant to Section 4.02, and otherwise shall be equal to the amount determined under the preceding paragraphs, and, in either case, multiplied by a fraction, the numerator of which is the number of hours regularly scheduled for a full-time employee in a comparable position and the denominator of which is the number of hours worked by the Member in that year while a Member.

- 2.25 “Effective Date” means July 1, 1968.
- 2.26 “Employee” means a person who is employed by the College.
- 2.27 “Funding Agent” means the trust company or insurance company which is a party to a Funding Agreement with the College.
- 2.28 “Funding Agreement” means the trust agreement or agreements or pension investment contract or contracts as amended, substituted or replaced from time to time, between the College and any Funding Agent.
- 2.29 “Grandfathered Faculty or Professional Librarian Employee” means an Employee who was hired by the College prior to July 1, 2004 as either a faculty member or a professional librarian.
- 2.30 “Highest Average Earnings” means the average annual Earnings of an Employee, during the 36 completed months of service as an Employee when the Member’s Earnings are the highest.
- 2.31 “Income Tax Rules” means the provisions of the Income Tax Act of Canada and the Regulations thereunder and any rules adopted by the Canada Revenue Agency in respect of registered pension

plans.

- 2.32 “Increase in the CPI” in respect of a particular year means the difference between the CPI for the preceding December 31 and the CPI for the next preceding December 31 divided by the CPI for the next preceding December 31. An Increase in the CPI shall not be less than zero.
- 2.33 “Member” means an Employee who has enrolled in the Plan pursuant to Article 3. “Active Member” means a Member who is engaged in active employment with the College. “Deferred Member” means a Member who is no longer an Employee and who remains entitled to a deferred vested pension pursuant to Article 8. “Retired Member” means a Member in receipt of a pension under the terms of the Plan.
- 2.34 “Non-Designated Employee” means an Employee who is not a Grandfathered Faculty or Professional Librarian Employee or a Designated Employee.
- 2.35 “Normal Retirement Date” of a Member means the last day of June coincident with or next following the date the Member attains age 65.
- 2.36 “Orphan” means a child of a deceased Member.
- 2.37 “Pension Fund” means the fund established for the purposes of the Plan, the assets of which are held by a Funding Agent under a Funding Agreement to provide for the payment of benefits expressly defined in the Plan and expenses of the Plan.
- 2.38 “Plan” means this Trinity College Pension Plan as amended from time to time.
- 2.39 “Plan Year” means a period of one year commencing on July 1st, 1968, or on any anniversary of such date.
- 2.40 “Prescribed Leave” means an unpaid leave of absence in respect of pregnancy leave, parental leave, emergency leave or any other leave where the Employment Standards Act (Ontario) permits the Member to continue to accrue benefits during a period of absence, provided the Member makes any required contributions. A Prescribed Leave shall also include an absence for up to one year, due to any injury in respect of which the Member is permitted to accrue benefits under the Workplace Safety and Insurance Act, 1998 (Ontario), provided the Member makes any required contributions.
- 2.41 “Quarter” means the three month period beginning on the first day of January, April, July or October in any calendar year.

2.42 "Spouse" of a Member means, the person who, at the earlier of the Member's date of death and the date the Member retires and commences to receive his pension:

- (a) is legally married to the Member; or
- (b) has been cohabiting with the Member in a conjugal relationship for a period of at least three years or in a conjugal relationship of some permanence if the person and the Member are the natural or adoptive parents of a child;

and who is not living separate and apart from the Member.

2.43 "Totally Disabled" means the condition of a Member who has a mental or physical infirmity and as a consequence is unable to perform the duties of the employment in which the Member was engaged prior to the infirmity and is entitled to receive benefits under the College's long term disability plan. "Total Disability" shall have a corresponding meaning. The determination of Total Disability shall be based, at least in part, on a written report which is satisfactory to the Committee and which is prepared by a medical doctor who is licensed to practice under the laws of a province of Canada or the laws of the place where the Member resides.

2.44 "Union Employee" means a Non-Designated Employee who is covered under the Collective Agreement.

2.45 "YMPE" at any time means the Year's Maximum Pensionable Earnings in effect at the beginning of the current Plan Year as defined under the Canada Pension Plan.

Article 3 – Membership

3.01 Prior Members

Each person who is a Member of the Plan on June 30, 2014 shall continue to be a Member on July 1, 2014.

3.02 Full-Time Employee

A full-time Employee who is not a Member shall be eligible to become a Member on the first day of any Quarter coincident with or next following completion of one year of Continuous Service.

3.03 Part-Time Employee

Each Employee employed on less than a full-time basis shall be eligible to become a Member on the first day of the Quarter coincident with or next following completion of at least 12 months of Continuous Service during which he:

- (a) worked at least 700 hours with the College; or
 - (b) had annual earnings from the College of at least 35% of the YMPE;
- in the preceding 12 months.

3.04 Earlier Eligibility for Designated Employees

Notwithstanding the provisions of Sections 3.02 and 3.03, if an Employee is a full-time Designated Employee, the Employee shall be eligible to join the Plan on the first day of any Quarter coincident with or next following his date of hire.

3.05 Enrolment

An Employee who is eligible to become a Member pursuant to Section 3.02, 3.03 or 3.04, may join the Plan when first eligible to do so, by completing and filing with the College such documentation as the College may prescribe including an authorization for payroll deduction and acceptance of the terms of the Plan. If a Member does not join the Plan when he is first eligible to do so, he may join the Plan on the first day of any Quarter following his eligibility, provided he has completed and filed an application with the College pursuant to this Section 3.05.

3.06 Information for Members

The Committee shall provide to each Employee who becomes or is eligible to become a Member, a

written explanation of the terms and conditions of the Plan and amendments thereto applicable to the Employee, together with an explanation of the rights and duties of the Employee with reference to the benefits available to the Employee under the terms of the Plan. Such information shall be provided within the time prescribed by the Act.

In addition, the Committee shall provide a Member or other person entitled to payment from the Plan with any other information as may be required by the Act. In the event of any conflict between any statement made in such explanation and the provisions of the Plan, the provisions of the Plan shall govern.

A copy of the Plan together with such other documents as are prescribed under the Act shall be available at the business office of the Committee for inspection by any Member, Spouse or any other person entitled to such information under the Act.

3.07 No Discontinuance of Membership

While an Employee, a Member may not terminate, suspend or withdraw from participation in the Plan.

3.08 Transfers of Membership Categories

In the event that a Non-Designated Employee becomes a Designated Employee, such Member's benefits in respect of Credited Service before such transfer of membership and Credited Service after such transfer of membership shall be determined as though all Credited Service were earned while a Designated Employee.

Article 4 – Service

4.01 Continuous Service

An Employee's Continuous Service shall be his period of uninterrupted employment with the College calculated from the later of the Employee's date of first employment or most recent date of re-employment, if applicable. Continuous Service shall not be interrupted by:

- (a) jury duty;
- (b) vacations;
- (c) Total Disability;
- (d) a Prescribed Leave;
- (e) a sabbatical leave or an education leave authorized by the College and during which the Employee is in receipt of Earnings
- (f) a leave of absence or sick leave authorized by the College provided the Employee returns to active service as required by the terms of such leave;
- (g) a temporary suspension of employment; or
- (h) any other unpaid leave of absence which has been approved by the College or any period of absence which has been approved by the College during which the Employee receives less than 25% of his regular Earnings.

An Employee's Continuous Service shall cease to accrue when the Employee:

- (i) terminates employment with the College for any reason; or
- (j) fails to return to active service as required by the terms of a leave of absence or sick leave.

Continuous Service shall be measured in months and years. Notwithstanding the foregoing, an Employee shall not accrue any Continuous Service for the month in which the Employee terminates employment, if the Employee terminates prior to the 15th day of the month.

4.02 **Credited Service**

- (a) Credited Service, with respect to a Member, means, subject to paragraphs (b),(c) and (d), Section 4.03, Section 4.04 and Section 4.05, the Member's Continuous Service in Canada while a Member of the Plan.
- (b) Notwithstanding paragraph (a), with respect to any period of Continuous Service that the Member is employed by the College on a less than full-time basis, Credited Service for such period shall be adjusted in the ratio that:
 - (i) the number of hours the Member actually works during such period, as determined by the College, bears to
 - (ii) the number of hours the Member would have worked during such period had the Member worked on a full-time basis in the same category of employment during such period, as determined by the College.
- (c) Credited Service shall include:
 - (i) an authorized paid sabbatical leave or educational leave;
 - (ii) a Prescribed Leave; or
 - (iii) any other leave approved by the College as a period during which Credited Service is permitted to accrue, including, but not limited to, a Temporary Suspension of Employment or a self-funded educational leave where the Member receives less than 25% of his regular Earnings;

provided that the Member continues to make contributions to the Plan pursuant to paragraph 12.03(b) and if applicable, paragraph 12.03(c), in the form and manner prescribed by the Committee; and

 - (iv) any Credited Service purchased by the Member pursuant to Section 4.04.
- (d) For greater certainty, Credited Service shall exclude:
 - (i) any period in excess of one year where the Member is absent due to an injury and is in receipt of benefits under the Workplace Safety and Insurance Act, 1998 (Ontario);

- (ii) any unpaid leave of absence which has been approved by the College or any period of absence which has been approved by the College during which the Employee receives less than 25% of his regular Earnings which is not included in Credited Service pursuant to paragraph (c); and
- (iii) any other leave which is not approved by the College as a period during which Credited Service is permitted to accrue.

4.03 Credited Service While Totally Disabled

If a Member becomes Totally Disabled, then the Member shall cease contributing to the Plan but shall continue to accrue Credited Service at the same rate at which he was accruing Credited Service immediately prior to becoming Totally Disabled. Such Member shall continue to accrue Credited Service until the earliest of:

- (a) the Member's Normal Retirement Date;
- (b) the Member's death;
- (c) the date the Member ceases to be Totally Disabled;
- (d) the date the Member retires pursuant to the Plan; or
- (e) the date the Plan is terminated.

4.04 Purchase of Additional Credited Service

A Member who, prior to joining the Plan, accrued monies in a registered pension plan of a previous employer, may at the discretion of the College, elect to transfer such monies into the Pension Fund and purchase additional Credited Service under the Plan, to the extent that such Credited Service constitutes eligible service, as defined under the Income Tax Rules. The amount of such Credited Service which can be purchased with the transferred monies shall be determined by the College.

4.05 Limitation on Accrual During Certain Periods of Absence

In no event, however, shall the total periods of absence without Earnings on and after January 1, 1991 included in Credited Service in respect of a Member, excluding those throughout which the Member is Totally Disabled, exceed the sum of:

- (a) the full-time equivalent of five years; and
- (b) the periods of parenting, as defined in the Income Tax Rules, subject to a maximum of the full-time equivalent of 36 months of such periods of parenting and a maximum of 12 months for any one period or parenting.

Article 5 – Retirement Dates

5.01 Normal Retirement

- (a) Subject to Section 5.04, an Active Member shall retire on his Normal Retirement Date.
- (b) A Member who retires pursuant to this Section shall be entitled to receive a retirement pension determined under Section 6.01.

5.02 Unreduced Early Retirement

- (a) An Active Member who:
 - (i) is a Designated Employee or a Non-Designated Employee who is a Union Employee; and
 - (ii) whose age plus years of Continuous Service equals or exceeds 80; and
 - (iii) has attained age 60;

may elect to retire on the last day of any month which is prior to the Active Member's Normal Retirement Date and receive a retirement pension determined under Section 6.01.

- (b) Notwithstanding paragraph (a), an Active Member who is a Designated Employee and who has attained age 65 shall be permitted to retire on the last day of any month which is prior to the Member's Normal Retirement Date and receive a retirement pension determined under Section 6.01.

5.03 Early Retirement

An Active Member may elect to retire on the last day of any month prior to his Normal Retirement Date if he is within 10 years of reaching his Normal Retirement Date. A Member who retires pursuant to this Section shall be entitled to receive a retirement pension determined under Section 6.02.

5.04 Postponed Retirement

If an Active Member continues in employment with the College following his Normal Retirement

Date, he may elect to retire on the last day of any Quarter following his Normal Retirement Date, but shall commence receipt of his pension no later than the first day of July of the calendar year in which the Member attains age 71 (or such other date permitted under the Income Tax Rules). The date of the Member's retirement in accordance with this Section shall be his Postponed Retirement Date. A Member who retires pursuant to this Section shall be entitled to receive a retirement pension determined under Section 6.01.

Article 6 – Retirement Pension

6.01 Normal Retirement Pension

Subject to Appendix C, a Member who retires pursuant to Section 5.01, 5.02, or 5.04 shall receive, commencing on the first day of the month following actual retirement, an annual retirement pension equal to the sum of:

- (a) 1.6% of the Member's Highest Average Earnings not exceeding the Average YMPE multiplied by the Member's Credited Service; plus
- (b) 2% of the Member's Highest Average Earnings in excess of the Average YMPE multiplied by the Member's Credited Service.

6.02 Early Retirement Pension

A Member who retires pursuant to Section 5.03 shall receive an annual pension commencing on the first day of the month which the Member selects prior to his Normal Retirement Date. A Member's retirement will be effective on submission of a written application to the College in such form and in such manner as the Committee may prescribe. If the Member fails to elect a commencement date for his early retirement pension then it shall commence on the Member's Normal Retirement Date. Unless a Member is eligible for an unreduced early retirement pension in accordance with Section 5.02, the retirement benefit payable to the Member shall be calculated pursuant to Section 6.01 and reduced by five-twelfths of one percent for each full month that the date of commencement of the Member's pension precedes the Member's Normal Retirement Date.

6.03 Portability

Notwithstanding any other provision of the Plan, in lieu of receiving an annual pension under Article 7, a Member who terminates employment with the College on or after January 1, 2021 but prior to January 10, 2022 and prior to his Normal Retirement Date, may elect to transfer out of the Pension Fund, subject to the Income Tax Rules, an amount equal to the greater of, the commuted value of the deferred vested pension to which the Member is entitled, and twice the total of his contributions with Credited Interest thereon plus, if applicable, the contributions transferred to the Pension Fund pursuant to Section 4.04 with Credited Interest thereon to:

- (a) another registered pension plan, if the administrator of the plan agrees to accept the

payment;

- (b) a retirement savings arrangement in the form prescribed under the Act; or
- (c) an insurance company licensed to provide annuities in Canada, for the purchase of a life annuity that will commence no earlier than 10 years prior to the Member's Normal Retirement Date;

provided that notice of such election by the Member is given within the prescribed time limits and such transfer is carried out in accordance with the requirements of the Act and the Income Tax Rules. The transfer of such amount shall be in full and final satisfaction of all rights of such Member under the Plan and, upon such transfer, such person shall have no rights to any other benefit under the Plan.

Notwithstanding the foregoing, effective January 10, 2022, the above paragraph only applies to a Member who terminates employment with the College prior to his Earliest Unreduced Retirement Date.

6.04 **Excess Contributions**

If a Member is entitled to receive a pension upon retirement and if the Member has not elected a transfer pursuant to Section 6.03, the Member shall receive a lump sum payment equal to the amount, if any, by which the total of the Member's contributions with Credited Interest made in respect of participation in the Plan after December 31, 1986 exceeds an amount equal to fifty percent (50%) of the Actuarial Equivalent value of the pension accrued in respect of participation in the Plan after December 31, 1986. For greater certainty, any contribution transferred to the Pension Fund pursuant to Section 4.04 shall be excluded in determining excess contributions pursuant to this Section 6.04.

Article 7 – Form of Pension

7.01 Normal Form With No Dependents

Where a Member has no Dependents at the time of pension commencement, a pension payable pursuant to Article 6 or 8 shall be paid for the lifetime of the Member in equal monthly installments provided that, if the Member dies before receiving 60 monthly installments then, following the Member's death, the pension shall continue to be paid to the Member's Beneficiary until a total of 60 monthly payments in all have been made. Notwithstanding the foregoing, a Beneficiary may elect in writing, to have the balance of monthly payments due, if any, paid in a lump sum cash payment in lieu of continuing monthly payments.

7.02 Normal Form With Dependents

- (a) For an Active Member who has one or more Dependents at the time of pension commencement or for a Deferred Member who had attained age 45 and completed at least 10 years of Continuous Service when he terminated employment with the College and has one or more Dependents when payment of the Member's pension commences to be paid, the normal form of pension shall be a pension payable in equal monthly installments for the life of the Member reduced on the death of the Member to a Dependent's Pension equal to 60% of the pension payable to the Member.
- (b) If a Member entitled to a pension under paragraph (a) is survived by a Spouse, then the Dependent's Pension payable pursuant to (a) shall be paid to the Spouse in equal monthly installments for his lifetime.
- (c) If a Member entitled to a pension under paragraph (a) is survived by a Spouse and Orphans, then the Dependent's Pension payable pursuant to (a) shall be paid to the Spouse in equal monthly installments for his lifetime and no payment shall be made to the Orphans.
- (d) If a Member entitled to a pension under paragraph (a) is not survived by a Spouse and is survived by one or more Orphans, the Dependent's Pension shall be paid to those Orphans who have not ended their Dependency Period. Any Dependent's Pension payable to one or more Orphans shall be divided equally among each of such surviving Orphans who has not yet ended his Dependency Period. Payment of the Dependent's Pension to any Orphan shall cease with the payment for the month in which the Orphan dies or reaches the end of his Dependency Period, whichever occurs first, and the final payment of the Dependent's

Pension shall cease with the payment for the month in which the last Orphan dies or reaches the end of his Dependency Period.

- (e) A Deferred Member who has not yet attained age 45 and completed at least 10 years of continuous Service when he terminated employment with the College and who has a Spouse at his pension commencement date, must receive a pension in the joint and 60% survivor form, which is the Actuarial Equivalent of the pension payable pursuant to Section 7.01, unless the Spouse has waived entitlement to the survivor pension pursuant to Section 7.03.

7.03 Waiver of Joint and 60% Survivor Form or Orphan Pension

- (a) The requirement to pay a pension in the joint and 60% survivor form pursuant to paragraph 7.02(a) or 7.02(d) shall not apply if the Member and Spouse execute and file with the Committee a waiver in the form required under the Act or a certified copy of a domestic contract containing such waiver. Such waiver must be filed within the 12 months preceding the date that payment of the pension is due to commence.
- (b) Any Dependent's Pension payable pursuant to this Article 7 cannot be waived.

7.04 Optional Forms

A Member may elect, subject to Section 7.03, to have his pension paid in one of the optional forms provided below in this Section 7.04. A pension paid in one of these optional forms shall be Actuarially Equivalent to the pension which would have been paid had the pension been paid in the normal form determined under Section 7.01 or 7.02 provided that if the Member had a Dependent and the Member elects a life only, or ten year guarantee form then it shall be Actuarially Equivalent to the pension which would have been paid had the pension been paid in the normal form under Section 7.01.

- (a) Life Only

A pension payable in equal monthly installments for the lifetime of the Member, ceasing with the payment for the month in which the death of the Member occurs.

- (b) Ten Year Guarantee

A pension payable in equal monthly installments for the lifetime of the Member provided that, if the Member dies before receiving 120 monthly installments then, following his death, payment of the pension shall continue to his Beneficiary until a total 120 monthly

payments have been made.

(c) Joint and Survivor to Spouse

A pension payable in equal monthly installments for the lifetime of the Member and, upon his death, a percentage of such pension (as selected by the Member but not exceeding 100%) shall be paid to the Member's Spouse if such Spouse survives the Member, for the lifetime of such Spouse. An election of this form shall be void if the Spouse dies before payment of the Member's pension is due to commence.

(d) Joint and Survivor to Orphan

A pension payable in equal monthly installments for the lifetime of the Member and, upon his death, a percentage of such pension (as selected by the Member but not exceeding 100%) shall be paid to the Member's Orphans for their Dependency Period. A pension payable pursuant to this paragraph (d) shall be Actuarially Equivalent to the Dependent's Pension payable pursuant to Section 7.02.

7.05 Minimum Payment

When the last payment of a pension is made under Section 7.01, Section 7.02 or Section 7.04, if the total of the monthly payments of such pension are less than the Member's contributions together with Credited Interest thereon the difference shall be paid to the Member's Dependent or Beneficiary, if applicable, in a lump sum.

Article 8 – Termination of Employment

8.01 Deferred Vested Pension

- (a) If a Member terminates employment with the College for reasons other than death or retirement he shall be entitled to receive, commencing on the first day of the month following his Normal Retirement Date, a deferred vested pension. The deferred vested pension payable at the Member's Normal Retirement Date, shall be calculated pursuant to the provisions of Section 6.01 based on the Member's Highest Average Earnings, Credited Service and the Average YMPE in effect on the date of the Member's termination of employment.
- (b) In addition, if the Member does not elect a transfer pursuant to paragraph 8.02(a), the Member shall receive a lump sum payment equal to the amount, if any, by which the total of the Member's contributions made in respect of participation in the Plan after December 31, 1986 with Credited Interest exceeds an amount equal to fifty percent (50%) of the Actuarial Equivalent value of the pension accrued in respect of participation in the Plan after December 31, 1986. For greater certainty, any contributions transferred to the Pension Fund pursuant to Section 4.04 shall be excluded in determining excess contributions pursuant to this paragraph 8.01(b).

8.02 Transfer In Lieu of Deferred Vested Pension

A Member whose employment with the College is terminated for any reason other than death or retirement, and who has not yet become eligible for Unreduced Early Retirement as defined in Section 5.02, may elect in writing, provided that notice of such election by the Member is given within the prescribed time limits, to transfer the greater of:

- (a) the Commuted Value of the vested pension described in Section 8.01 above; and
- (b) two times the Member's accumulated required contributions made pursuant to Section 12.03 (Member Contributions) with Credited Interest thereon, to one of the following retirement vehicles:
 - (i) another employer's pension plan if such plan permits the transfer;
 - (ii) the Member's locked-in retirement account;

- (iii) another retirement savings vehicle prescribed by the Pension Benefits Act; or
- (iv) an insurance company licensed to provide annuities in Canada, for the purchase of a life annuity that will commence no earlier than 10 years prior to the Member's Normal Retirement Date.

The amount of the transfer shall be subject to the limits prescribed in the Income Tax Act.

The transfer of such amount shall be in full and final satisfaction of all rights of such Member under the Plan and, upon such transfer, such person shall have no rights to any other benefit under the Plan.

8.03 **Early Commencement of Deferred Vested Pension**

Notwithstanding the preceding provisions of this Article, a Member who is entitled to a deferred vested pension pursuant to Section 8.01 may elect to commence receiving such pension on the first day of any month within 10 years of his Normal Retirement Date. Such pension shall be the Actuarial Equivalent of the deferred vested pension which would have been payable if it had commenced on the Member's Normal Retirement Date, subject to the minimum reduction required under the Income Tax Rules.

8.04 **Portability**

(Removed – now covered by Section 8.02(b))

Article 9 – Pre-Retirement Death Benefits

9.01 Pre-Retirement Death Benefit

If a Member dies before payment of his pension is due to commence then a pre-retirement death benefit shall be paid that is equal to the sum of (a) and (b) as follows:

- (a) a lump sum amount equal to:
 - (i) the total of the Member's required contributions to the Plan in respect of Continuous Service prior to January 1, 1987, together with Credited Interest thereon, plus
 - (ii) the total of the Member's contributions transferred to the Pension Fund pursuant to Section 4.04, attributable to service accrued prior to January 1, 1987, together with Credited Interest thereon, if any.

- (b) an amount equal to the greater of:
 - (i) the commuted value of the pension that had accrued to the credit of the deceased Member in respect of participation in the Plan after December 31, 1986, determined as if the Member had terminated employment immediately prior to his death or, in the case of a Deferred Member, equal to the commuted value of the deferred vested pension of the Member in respect of his participation in the Plan after December 31, 1986; and
 - (ii) a lump sum amount equal to:
 - (A) twice the total of the Member's required contributions to the Plan in respect of Continuous Service after December 31, 1986, together with Credited Interest thereon; plus
 - (B) the total of the Member's contributions transferred to the Pension Fund pursuant to Section 4.04, attributable to service accrued after December 31, 1986 together with Credited Interest thereon, if any.

9.02 Payment of Pre-Retirement Death Benefit

- (a) Subject to 9.03, a benefit payable under Section 9.01 shall be paid to the surviving

Spouse of the deceased Member. A benefit payable under paragraph 9.01(a) shall be paid in a lump sum. The surviving Spouse of the deceased Member may elect to receive a benefit payable under paragraph 9.01(b) in the form of:

- (i) a lump sum payment;
 - (ii) an immediate pension;
 - (iii) a deferred pension commencing no later than the date the Spouse attains age 71 or (or if later, within one (1) year of the Member's date of death); or
 - (iv) transfer the benefit into a registered retirement savings plan of which the Spouse is an annuitant.
- (b) The Spouse shall elect the form of such benefit within 90 days of receipt from the Committee of notice of his entitlement, failing which the Spouse shall be deemed to have elected to receive an immediate pension.
- (c) Subject to 9.03, if the Member does not have a Spouse at his date of death, a benefit payable under Section 9.01 shall be paid to the Member's designated Beneficiary in a lump sum payment.

9.03 **Spousal Waiver**

A Spouse may waive entitlement to the death benefits payable under Section 9.01 by completing a waiver and filing such waiver with the College in the form and manner prescribed under the Act.

Article 10 – Limitations and Adjustments Regarding Benefits

10.01 Maximum Pension

(a) Notwithstanding any other provision of the Plan, the annual pension payable to a Member under this Plan in the year of commencement, including any benefit payable to a Spouse or former Spouse of the Member pursuant to Section 15.08 and excluding any portion of a pension resulting solely from an actuarial increase in respect of deferral after the Member's Normal Retirement Date, shall not exceed the lesser of:

- (i) the defined benefit limit for the year of commencement; and
- (ii) 2% of the Member's highest average compensation indexed to the year of commencement;

multiplied by the Member's Credited Service. For the purposes of this Section "defined benefit limit" and "highest average compensation" shall have the meanings ascribed to the respective terms under the Income Tax Rules and Credited Service in respect of the period prior to July 1, 1991 shall be limited to 35 years.

(b) Where the Member commences his pension prior to his Normal Retirement Date pursuant to Section 6.02, the Member's pension shall be subject to the maximum benefit set out in paragraph (a) prior to determining any reduction for early commencement which may be applied pursuant to the terms of the Plan.

10.02 Minimum Benefit

The commuted value of a Member's pension in respect of participation in the Plan prior to January 1, 1987 shall not be less than the Member's contributions made in respect of Credited Service prior to January 1, 1987.

10.03 PA Limits

The pension adjustment of a Member in respect of the Plan shall not, in any calendar year, exceed the limits imposed under the Income Tax Rules.

10.04 Certification of PSPA

If the Plan is amended or a Member's benefit is improved in a manner which produces a past service pension adjustment (PSPA) in respect of a certifiable past service event, (as defined under the Income Tax Act), such amendment or benefit improvement shall not apply to the particular Member unless and until the past service event has been certified by the Minister of National Revenue unless such PSPA is exempt from certification.

Article 11 – Cost of Living Adjustment

11.01 Adjustment

The amount of a pension being paid under this Plan or under the Group Pension Policy No. P.968 issued by The Canada Life Insurance Company, as of July 1, 1947, including any amendments made thereto, shall be adjusted annually on the first day of July commencing with the later of the first day of July following commencement of the pension and July 1, 1991. Any pension paid from the Teachers Insurance & Annuity Association or the Canadian Government Annuities Branch shall not be subject to this adjustment. Effective July 1, 1996, the adjustment under this Article shall also apply to the deferred pension payable to a Deferred Member, beginning with the first increase applicable no earlier than July 1, 1997.

11.02 Amount of Initial Adjustment

On the first day of July following the termination of employment with entitlement to an immediate or deferred pension (but no earlier than July 1, 1997 in the case of a deferred pension) the amount of immediate or deferred pension shall be increased by the addition of an amount which is the product of:

- (a) the amount of immediate or deferred pension payable immediately prior to such adjustment;
- (b) the greater of:
 - (i) 75% of the Increase in the CPI not exceeding 0.08 plus 60% of that portion of the Increase in the CPI in excess of 0.08; and
 - (ii) the Increase in the CPI less 4%; and
- (c) a fraction, the numerator of which is the number of calendar months between the date of termination of employment and the following June 30 and the denominator of which is 12.

Notwithstanding the preceding provisions of this Section regarding the adjustment of a deferred pension, the annual pension payable to a Member under this Plan in the year of commencement is subject to the limit determined pursuant to Section 10.01.

11.03 Amount of Succeeding Adjustments

On the first day of July in each year following the initial adjustment under Section 11.02, the amount of immediate or deferred pension shall be increased by the addition of an amount which is the product of:

- (a) the amount of immediate or deferred pension payable immediately prior to such adjustment;
and
- (b) the greater of:
 - (i) 75% of the Increase in the CPI not exceeding 0.08 plus 60% of that portion of the Increase in the CPI in excess of 0.08; and
 - (ii) the Increase in the CPI less 4%.

Notwithstanding the preceding provisions of this Section regarding the adjustment of a deferred pension, the annual pension payable to a Member under this Plan in the year of commencement is subject to the limit determined pursuant to Section 10.01.

This Section 11.03 applies to benefits payable to a Spouse, Orphan or Beneficiary.

Article 12 – Funding and Contributions

12.01 Pension Fund

The College shall establish and maintain a Pension Fund pursuant to a Funding Agreement with a Funding Agent for the purpose of funding the benefits under this Plan. All contributions shall be deposited into the Pension Fund within the time period prescribed by the Act.

12.02 Amendment of Funding Agreement and Change of Funding Agent

The College reserves the right to amend or revoke the Funding Agreement and to remove the Funding Agent and appoint an additional and/or a successor Funding Agent, in accordance with the provisions thereof, as it may deem appropriate.

12.03 Member Contributions

(a) Subject to Appendix C, each Active Member shall contribute to the Plan by way of regular payroll deduction an amount equal to:

- (i) 6.0% of the Member's Earnings which do not exceed the YMPE; plus
- (ii) 7.0% of the Member's Earnings which exceed the YMPE;

provided that no contribution shall be required of a Member in respect of that portion of the Member's Earnings in a Plan Year which would result in the accrual of an annual benefit greater than the maximum benefit permitted under Section 10.01.

(b) Subject to paragraph (c) and Section 4.05, a Member who is on an authorized paid sabbatical leave or educational leave may continue to make required contributions to the Plan for the period of leave. In addition, a Member who is on a Prescribed Leave, may continue to make required contributions for the period prescribed by applicable legislation.

Required contributions made by a Member pursuant to this paragraph (b) shall be based on the Earnings (excluding any merit increase) the Member would have received if he had continued in active employment during such leave. If the Member makes contributions pursuant to this paragraph (b), Credited Service shall continue to accrue for the period of leave, or if applicable, the period prescribed by applicable legislation. If the Member does not make contributions pursuant to this paragraph (b), Credited Service shall not accrue unless

the College has waived required contributions pursuant to paragraph (e). Notwithstanding the foregoing, a Member who is Totally Disabled and accruing Credited Service pursuant to Section 4.03 shall not be required to make contributions to the Plan while he remains Totally Disabled.

- (c) Subject to Section 4.05, if a Member is on an unpaid leave of absence which has been approved by the College, a Temporary Suspension of Employment or a self-funded educational leave, or any period of absence which has been approved by the College during which the Member receives less than 25% of his regular Earnings, the Member may continue to make contributions equal to two times his required contributions to the Plan for the period of leave.

Member required contributions shall be based on the Earnings (excluding any merit increase) the Member would have received if he had continued in active employment during such period. If the Member makes the two times required Member contributions pursuant to this paragraph (c), Credited Service shall continue to accrue for the period of leave. If the Member does not make two times the required contributions pursuant to this paragraph, Credited Service shall not accrue. For greater certainty, paragraph (e) shall not apply to contributions required under this paragraph unless the College specifically determines otherwise.

- (d) Notwithstanding the preceding provisions of this Section, a Member's contributions made pursuant to this Section shall not in a calendar year exceed the lesser of:
 - (i) 9% of the Member's Earnings in that calendar year; and
 - (ii) \$1,000 plus 50% of the pension credit of the Member for the Plan in respect of that calendar year.

For the purposes of this Section "pension credit" shall have the meaning ascribed to that term under the Income Tax Rules.

- (e) Notwithstanding the preceding provisions of this Section, the College may, from time to time at its sole discretion, waive the requirements for any particular class of Members to contribute pursuant to this Section for a specified period of time.

12.04 College Contributions

The College shall contribute an amount, as determined by the Actuary, which, taking into account the

assets of the Pension Fund is sufficient to fund the benefits accruing to Members for service during the current year, but not exceeding the amount that the College can claim as a deduction from income under the Income Tax Act of Canada. Such contributions, if any, shall be paid into the Pension Fund in monthly installments, made within 30 days after the end of the month for which the contributions are payable. The College shall also make equal monthly contributions throughout the fiscal year of the Plan, if any are required, to amortize any unfunded liability or solvency deficiency, all as in accordance with the Act.

12.05 Investment of Pension Fund

The Pension Fund shall be invested or loaned so as to comply with the Act and any other applicable laws, rules or regulations promulgated by any governmental authority having jurisdiction over the Pension Fund or Plan. The Committee shall adopt, and review annually, a statement of investment policy and the assets of the Pension Fund shall be invested in compliance with such statement of investment policy.

12.06 Payment from Pension Fund

All benefits payable under the Plan shall be payable only from the Pension Fund however, the Committee, in its sole discretion and so long as such action would not result in the Plan ceasing to be approved or registered under the Income Tax Rules or the Act, may require the Funding Agent to withdraw from the Pension Fund such amount as may be required to purchase, from a life insurance company licensed to do business in Canada selected by the Committee, annuity benefits of equal amounts and payable under the same conditions as the pension to which a Member, Spouse, Orphan or Beneficiary, as applicable, is entitled and to apply the monies so withdrawn for said purposes. The purchase of an annuity pursuant to this Section shall constitute a full acquittal and discharge of the College, the Pension Fund and the Funding Agent by the recipient.

12.07 Sole Liability of Pension Fund Assets

A Member or other person having any claim under the Plan must look solely to the assets of the Pension Fund for such benefit. In no event will the College or any of its directors or officers, or any member of the Committee be liable, in his individual or other capacities, to any person under the provisions of the Plan, or under the Funding Agreement.

12.08 Application of Pension Fund

Notwithstanding the provisions of Section 14.01, the College may not make any amendment to the

Plan which would cause or permit any portion of the assets of the Pension Fund, as of the date of such amendment, to be used for any purpose other than the exclusive benefit of Member, Spouse, Orphan or Beneficiary except as provided in Sections 12.04, 13.03 and 14.03.

12.09 Return of Contributions

In the event that the College or a Member makes a contribution to the Plan which would cause the Plan's registration to be revocable under the Income Tax Rules then, subject to the conditions or approval procedures under the Act, such contributions shall be returned to the College or Member, as applicable.

Article 13 – Administration

13.01 Pension Committee

The Plan shall be administered by a Committee composed of:

- (a) one person selected to represent the Active Members;
- (b) one person selected to represent the Retired Members; and
- (c) such other persons as the College may determine.

The Committee shall be responsible for carrying out the provisions of the Plan and shall have the authority to interpret, construe and apply the provisions of the Plan and to determine all matters pertaining to such administration. The Committee may adopt such rules and regulations as may be necessary and desirable to carry out the administration of the Plan and such rules and regulations shall be applied uniformly to all persons similarly situated. The Committee may authorize one or more of its officers or agents to issue written instructions to the Funding Agent on behalf of the Committee.

The Committee is the administrator of the Plan for all purposes including for purposes of the Act and the Income Tax Act.

13.02 Fiscal Year

The Plan and Pension Fund shall have a fiscal year which ends on the last day of June in each calendar year.

13.03 Payment of Expenses

All expenses arising from the operation and administration of the Plan and the Pension Fund shall be paid by the College except to the extent that the College directs that such expenses be paid directly from the Pension Fund.

13.04 Generally

The College, its officers and directors and the members of the Committee shall be entitled to rely upon all tables, valuations, certificates and reports furnished by a pension consultant or any Actuary designated by the College, upon all certificates and reports made by any accountant selected or

approved by the College or Committee, upon all opinions given by any legal counsel selected or approved by the College or Committee and upon all opinions given and action taken by any investment counsel selected or approved by the College or Committee; and the College, its officers and directors and the members of the Committee shall be fully protected with respect to any action taken in good faith in reliance upon a pension consultant or any Actuary, accountant, legal counsel or investment counsel, and all action so taken shall be conclusive upon each of them and upon all Members of the Plan.

13.05 Reciprocal Transfer Agreements

The College may enter into a reciprocal transfer agreement or agreements with another employer or employers respecting the transfer of members from the College to the other employer and from the other employer to the College. Such reciprocal transfer agreement or agreements shall state the basis on which the accepting plan will accept a transferring employee and the basis for determining the amount of any accompanying asset transfer.

Article 14 – Future of the Plan

14.01 Power to Amend

The College reserves the right to amend or discontinue the Plan, at any time or times, subject always to the Income Tax Rules and the provisions of the Act. Such right to amend shall include, but not be limited to, the right to merge the Plan with another pension plan or plans, to divide the Plan into one or more separate pension plans, to transfer out a portion of the Pension Fund to another registered pension plan or to convert the Plan to a money purchase pension plan.

14.02 No Reduction in Benefits

No amendment to the Plan shall operate to reduce the amount or the value of the benefits which have accrued to Members prior to the date of such amendment except on the termination of the Plan when, due to insufficient funds, a reduction is authorized by the applicable regulatory authorities. If the Plan is terminated, the College shall not be obligated to make any further contributions to the Plan with respect to service after the date of such termination of the Plan except as required under the Act.

14.03 Application of Assets on Termination

If the Plan is terminated or otherwise discontinued, the assets in the Pension Fund, after providing for the expenses of the Plan attributable thereto, shall be applied, to the extent sufficient, to provide for the accrued benefits of a Member, Spouse, Orphan or Beneficiary as determined by the Committee, on the advice of the Actuary and subject to the requirements of the Act.

Any excess assets remaining after the application of funds as prescribed in this Section shall be returned to the College. Any distribution of funds will be conditional upon the prior approval of the applicable regulatory authorities.

If the assets of the Pension Fund are insufficient to fully provide for all accrued benefits then they shall be applied to provide benefits for a Member, Spouse, Orphan or Beneficiary on a pro rata basis in accordance with their respective interests in the Plan as determined by the Committee, on the advice of the Actuary and subject to the requirements of the Act.

14.04 Provision of Benefits

The benefits determined in accordance with the provisions of Section 14.03 may be provided

through the purchase of annuity contracts from an insurance company licensed to do business in Canada, or by the transfer of benefits to which the Members are entitled to the pension plans of subsequent employers or to registered retirement savings plans or by the continuation of the Pension Fund or by the payment of cash refunds, all as determined by the Committee, subject to the requirements of the Act.

Article 15 – General Provisions

15.01 Payments to Minors and Incompetents

If the Committee or the Funding Agent finds that any Member, Spouse, Orphan or other Beneficiary entitled to receive any benefit under the Plan is, at the time when such benefit becomes payable, a minor or is physically, mentally or legally incompetent to receive such benefit or to give a valid release therefore, the Committee or the Funding Agent may cause the payments becoming due to such Member, Spouse, Orphan or Beneficiary, as the case may be, to be paid to another person for his benefit without responsibility on the part of the Committee, or the Funding Agent to follow the application of such payment. Any such payment shall be a payment for the account of such Member, Spouse, Orphan or Beneficiary, as the case may be, and shall operate as a complete discharge of all liability therefore under this Plan.

15.02 Mailing Address

It shall be the responsibility of each Member, Spouse, Orphan or Beneficiary, as the case may be, to keep the College and the Funding Agent informed of his mailing address. Any notice required or permitted to be given hereunder shall be deemed given if directed to such address and mailed by regular mail. If any notice or payment mailed by regular mail to such address is returned, the mailing of cheques will be suspended until the Member, Spouse, Orphan or Beneficiary, as the case may be, makes demand therefore in writing.

15.03 Effect of Mis-statements

If any Member, Spouse, Orphan or Beneficiary, as the case may be, in any written statement required by the Committee or the Plan mis-states any fact which would affect the actuarial or other assumptions with respect to, or the amount of, a benefit payable hereunder, the accrual of such benefit with respect to such Member, Spouse, Orphan or Beneficiary, as the case may be, shall not be invalidated, but the amount of benefit to be available relative to such Member, Spouse, Orphan or Beneficiary, as the case may be, on account of his participation in the Plan will be adjusted retroactively to the amount which would have been payable if such fact or facts had not been mis-stated; provided, however, that in no event shall there be any liability to pay any greater benefit with respect to any such Member, Spouse, Orphan or Beneficiary than that which would have been payable on the basis of the true facts.

15.04 **Spendthrift Provisions**

Except to the extent permitted by law, no benefit, either in whole or in part, payable under the provisions of this Plan or other interest herein may be alienated, sold, transferred, assigned, pledged, encumbered, charged, anticipated, given as security or surrendered until paid to the Member, Spouse, Orphan or Beneficiary, as the case may be, nor shall such benefit or interest be subject to attachment, garnishment, execution following judgment or other legal process or be liable for or subject to the liabilities or claims of the Member, Spouse, Orphan or Beneficiary, as the case may be, until so paid unless otherwise specifically provided herein. Any attempt or agreement to so alienate, sell, transfer, assign, pledge, encumber, charge, anticipate, give as security or surrender the same which is not permitted by law shall not be recognized by the Committee and shall be treated as though void.

15.05 **Rights of Members**

The adoption and maintenance of the Plan shall not be deemed to give any Employee the right to be retained in the employ of the College or to interfere with the right of the College to discharge any Employee at any time without regard to the effect such discharge might have upon the Employee as a Member of the Plan.

15.06 **Commutation of Small Pensions**

- (a) If the annual amount of pension payable to a Member at the Member's Normal Retirement Date is less than 4% of the YMPE or if the lump sum entitlement described in Section 6.03 or Section 8.02, as applicable, is less than 20% of the YMPE in the year that such Member terminates employment or retires or such other amounts permitted under the Act, the Committee may direct that the lump sum entitlement described in Section 6.03 or Section 8.02, as applicable, be paid in a single lump sum or transferred, at the Member's option, to a non-locked in retirement savings arrangement. This paragraph shall apply to retirements and terminations of employment occurring at such times as permitted under the Act.
- (b) If a Spouse becomes entitled to a survivor pension pursuant to Article 7 and if the annual amount of pension payable to the Spouse is less than is less than 4% of the YMPE or if the commuted value of such pension is less than 20% of the YMPE in the year of the Member's death or such other amount permitted under the Act, the Committee may direct that the commuted value of the pension be paid in a single lump sum or transferred, at the Spouse's option, to a non-locked in retirement savings arrangement. This paragraph shall apply to

deaths occurring at such times as permitted under the Act.

15.07 Designation of Beneficiary

Each Member may, from time to time, designate a person or persons to receive the benefits which may be payable to a beneficiary under the Plan in the event of the death of the Member. Each such designation will revoke all prior designations by such Member, shall be in writing on a form provided for that purpose and filed with the Committee, and may name one or more primary beneficiaries. If the Member has not designated a Beneficiary or such Beneficiary pre-deceases the Member then any death benefit payable to a Beneficiary shall be paid to the estate of the Member.

15.08 Marriage Breakdown

Subject to the Act, when an order from a court of competent jurisdiction or a valid written domestic contract requiring division of a Member's benefits under the Plan due to breakdown of marriage or dissolution of a common-law relationship has been received by the Committee, such division shall be made in accordance with such order or contract, as determined by the Committee and subject to any requirements prescribed under the Act. Any necessary adjustments shall be made to the Member's benefit entitlement to reflect such division, in accordance with the Act.

15.09 Diminished Life Expectancy

Notwithstanding the locking-in provisions of the Plan, if a Deferred Member or a Retired Member provides proper medical evidence to the College from a physician licensed to practice in Canada that his life expectancy has likely been shortened by reason of disability or illness to less than two years, the College shall permit payment of the actuarial present value of such Deferred Member's or Retired Member's benefit in a lump sum if the Member provides the College with the documentation prescribed under the Act. Upon payment of the entire lump sum the said Deferred Member or Retired Member will have no further entitlement under the Plan.

Article 16 – Ad Hoc Increases

- 16.01 The College may, from time to time, amend the Plan to provide ad hoc increases to the retirement income payable under the Plan to a Retired Member, surviving Spouse, Orphan or Beneficiary.
- 16.02 (a) Notwithstanding Section 16.01, in no event shall the amount of retirement income payable to a Retired Member exceed the retirement income in the year of commencement, adjusted from time to time to reflect increases in the Consumer Price Index as published by Statistics Canada.
- (b) Paragraph (a) shall also apply to the portion of a retirement income continuing to a Retired Member's Spouse, Orphan or Beneficiary after the Retired Member's death.

Appendix A – History of Contribution Waivers for Members Pursuant to Section 12.03

Class of Members	Period of Contribution Waiver	% Waiver
Grandfathered Faculty or Professional Librarian Employees ¹	July 1, 1997 to June 30, 2001	100%
Designated Employees and Non-Designated Employees other than Union Employees ²	October 1, 1997 to June 30, 2000	100%
Union Employees ³	July 1, 1997 to June 30, 2000	100%

Class of Members	Period of Contribution Waiver	% Waiver
Grandfathered Faculty or Professional Librarian Employees ¹	June 1, 2001 to June 30, 2002	50%
Designated Employees and Non-Designated Employees ⁴	July 1, 2000 to June 30, 2001	100%
Designated Employees and Non-Designated Employees ⁴	July 1, 2001 to June 30, 2002	50%

¹ previously referred to in prior versions of this Plan text as Faculty or Professional Librarian Employees

² previously referred to in prior versions of this Plan text as Administrative Staff Employees and Other Staff Employees (except Employees represented under the Collective Agreement)

³ previously referred to as Employees within the Other Staff Employee category who were represented under the Collective Agreement

⁴ previously referred to in prior versions of this Plan text as Administrative Staff Employees and Other Staff Employees

Appendix B – History of Ad Hoc Increases

B.1 Effective July 1, 1991, retirement income payable to a Retired Member who commenced to receive his retirement income on or prior to May 17, 1991 was increased by 0.7%.

B.2 Effective July 1, 1993, retirement income payable to a Retired Member who commenced to receive his retirement income on or prior to June 30, 1991 was increased by the percentage indicated below:

Pension Commencement Date	Percentage Increase
on or prior to June 30, 1980	4.00%
from July 1, 1980 to June 30, 1985	2.00%
from July 1, 1985 to June 30, 1989	1.50%
from July 1, 1989 to June 30, 1991	1.00%

B.3 Pensions in payment to Retired Members as of July 1, 1997 are increased by the difference in the amount payable as of June 1, 1997 and the amount of pension that would be payable if the pension had increased annually to reflect 100% of the increase in CPI between the date of pension commencement and July 1, 1997. This pension increase is retroactive with effect for the payment for July 1, 1997.

B.4 Effective July 1, 1999, retirement income payable to a Retired Member who commenced to receive his retirement income on or prior to June 30, 1998 shall be increased by the percentage indicated below:

Pension Commencement Date	Percentage Increase
on or prior to June 30, 1997	0.42%
from July 1, 1997 to June 30, 1998	0.25%

B.5 The ad-hoc increases provided in Sections B.1., B.2. B.3. and B.4. shall also apply to the portion of a survivor benefit payable to a Spouse, Orphan or Beneficiary of a Retired Member who commenced to receive his retirement income prior to the respective pension commencement dates outlined in Sections B.1, B.2, B.3 and B.4.

B.6 Effective April 1, 2007, retirement income payable to a Retired Member who commenced to receive his retirement income on or prior to June 30, 2005 shall be increased by the percentage

indicated below:

Pension Commencement Date	Percentage Increase
on or prior to June 30, 2002	2.00%
from July 1, 2002 to June 30, 2003	1.57%
from July 1, 2003 to June 30, 2004	1.07%
from July 1, 2004 to June 30, 2005	0.55%

B.7 The ad hoc increase in Section B6. shall also apply to the portion of a survivor benefit payable to a Spouse, Orphan or Beneficiary of a Retired Member who commenced to receive his retirement income on or prior to June 30, 2005.

B.8 Effective July 1, 2009, retirement income payable to a Retired Member who commenced to receive his retirement income on or prior to June 30, 2007, who is a Grandfathered Faculty or Professional Librarian Employee, shall be increased by the percentage indicated below.

Pension Commencement Date	Percentage Increase
on or prior to June 30, 1999	3.16%
from July 1, 1999 to June 30, 2000	2.51%
from July 1, 2000 to June 30, 2001	1.71%
from July 1, 2001 to June 30, 2002	1.54%
from July 1, 2002 to June 30, 2006	1.00%
from July 1, 2006 to June 30, 2007	0.60%

B.9 The ad-hoc increase in Section B8. shall also apply to the portion of a survivor benefit payable to a Spouse, Orphan or Beneficiary of a Retired Member who is a Grandfathered Faculty or Professional Librarian Employee who commenced to receive his retirement income on or prior to June 30, 1999.

Appendix C – Provisions for Grandfathered Faculty and Professional Librarian Employees

- C.1 The provisions of this Appendix C apply to Members who are Grandfathered Faculty or Professional Librarian Employees and shall replace the corresponding provisions as set out in the main body of the Plan.
- C.2 A Member who is a Grandfathered Faculty or Professional Librarian Employee who retires pursuant to Section 5.01, 5.02, or 5.04 shall receive, commencing on the first day of the month following actual retirement, an annual retirement pension equal to the sum of:
- (a) 1.5% of the Member's Highest Average Earnings not exceeding the Average YMPE; or multiplied by the Member's Credited Service; plus
 - (b) 2% of the Member's Highest Average Earnings in excess of the Average YMPE multiplied by the Member's Credited Service.
- C.3 Each Active Member who is a Grandfathered Faculty or Professional Librarian Employee shall contribute to the plan by way of regular payroll deduction an amount equal to:
- (i) 6.3% of the Member's Earnings which do not exceed the YMPE; plus
 - (ii) 8.4% of the Member's Earnings which exceed the YMPE;
- provided that no contribution shall be required of a Member in respect of that portion of the Member's Earnings in a Plan Year which would result in the accrual of an annual benefit greater than the maximum benefit permitted under Section 10.01.
- C.4 The provisions of Sections 12.03(b), 12.03(c) and 12.03(d) shall apply to the contributions made pursuant to Appendix C.3.