

**Lutheran Church - Canada**

**Pension Plan**

**Amended and Restated as of September 1, 2014**

Canada Revenue Agency and  
Alberta Superintendent of Financial Institutions  
Registration No. 0355610

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## **Part 1 – General Provisions**

### **Article 1 – Introduction**

- 1.01 The primary purpose of the Plan is to provide pension benefits to eligible Employees of Participating Employers after retirement and until death in respect of their service as Employees.
- 1.02 The Plan was a successor plan to the Prior Plan, and provided benefits of the same form and level as generally provided under the Prior Plan. The Plan assumed all liabilities in respect of members of the Prior Plan who transferred to the Plan. Assets sufficient to fund all accrued liabilities were transferred from the Prior Plan to the Plan, as agreed upon by the Administrator, on the advice of the Actuary.
- 1.03 Benefits in respect of a Member whose employment with a Participating Employer ceased prior to September 1, 2014 shall be determined in accordance with the terms of the Plan applicable when the Member ceased employment except as required by Applicable Pension Laws or Revenue Rules or as may be specifically provided herein.
- 1.04 The Plan is intended to be a pension plan accepted for registration under Applicable Pension Laws and Revenue Rules. The Plan shall be designed, written and administered to comply with the requirements for registration under Applicable Pension Laws and Revenue Rules. If the Plan fails to comply with any such requirements, the Church may in its sole and absolute discretion amend the Plan so to comply, or discontinue the Plan.  
  
Any amendment to the Plan is conditional upon acceptance for registration under both Applicable Pension Laws and Revenue Rules and may be modified or withdrawn by the Church in its sole and absolute discretion if the amendment is not accepted for registration under either Applicable Pension Laws or Revenue Rules.
- 1.05 Subject to Applicable Pension Laws, the Church and the Participating Employers in the establishment of the Plan, the Prior Plan or in this amendment and restatement expressly do not and have not intended to create a trust. If, and to the extent the Plan, or the Plan together with the Funding Agreement, is construed as a trust, then, if permitted by law, the Church and Participating Employers expressly reserve the right to revoke such trust, in accordance with the powers of amendment or the powers of termination contained in the Plan, which shall be exercised by the Church on behalf of the Participating Employers.
- 1.06 The purpose of this amendment and restatement, effective September 1, 2014, is:

- (a) to consolidate amendments since the previous restatement effective January 1, 2012;
- (b) to incorporate changes required to comply with Applicable Pension Laws and Revenue Rules; and
- (c) to incorporate certain provisions which clarify certain administrative requirements of the Church, Applicable Pension Laws and Revenue Rules.

#### 1.07 Plan History

- (a) The Pension Plan for Pastors and Teachers of The Lutheran Church – Missouri Synod (the “PPPT”), a money purchase pension plan, was established in October 1937, to provide pension benefits for professional workers of the Synod, including those in Canada.
- (b) On July 10, 1964, the Board of Directors of the Lutheran Church – Missouri Synod adopted the Concordia Retirement Plan (the “CRP”) for the workers of the Synod and its controlled organizations, including Canadian members of the Synod.
- (c) Effective January 1, 1965, the CRP replaced the PPPT; however members of the PPPT were given the option of remaining as members of the PPPT or joining the CRP.
- (d) The PPPT subsequently became inactive in 1972 and no further contributions were made thereto. Funds in the plan are being accumulated with interest for the provision of current and future benefits. All members of the PPPT are 100% vested and the Plan is funded through a trust with the Canada Trust Company.
- (e) Effective January 1, 1989, certain Canadian members of the Lutheran Church – Missouri Synod formed the Lutheran Church – Canada and established the Lutheran Church – Canada Pension Plan (the “LC-CPP”). The LC-CPP was a successor plan to the CRP, and provided benefits of the same form and level as was generally provided under the CRP. The LC-CPP assumed all liabilities in respect of members of the CRP who transferred to the LC-CPP. Assets sufficient to fund all accrued liabilities were transferred from the CRP to the LC-CPP, as agreed upon by the Administrator, on the advice of the Actuary.
- (f) Effective January 1, 1990, the PPPT and the LC-CPP (collectively called the “Plan”) was merged. The merger of the PPPT with the LC-CPP did not cause any pension benefits accrued in respect of any worker, prior to the merger, to be reduced.
- (g) The Plan as constituted herein is a consolidation of the LC-CPP as contained in Part 3 – Defined Benefit Provisions of the Plan and the PPPT as contained in Part 2 – Defined Contribution Provisions of the Plan.

- (h) Effective January 1, 2003, the Plan introduced a defined contribution provision. The employers made a one-time defined contribution on behalf of every Member of the Plan. Thereafter, Members could elect to contribute to this defined contribution provision and the employers would also contribute on behalf of those members. The defined contribution provision was a supplemental benefit to the benefits that the Members accrued under the defined benefit provisions. For greater clarity, membership under the defined benefit provisions was unaffected by participation in the defined contribution provision.
  - (i) Effective January 1, 2008, the Plan introduced employers contributions from the Lutheran Church – Canada Flexible Benefits Plan (the “Flex Plan”) to the defined contribution provision, at the direction of the member.
  - (ii) Effective January 1, 2011, employer contributions to the defined contribution provision under paragraph (h) were discontinued. Members could elect to contribute to the defined contribution provisions on or after January 1, 2011 and such contributions were recorded as additional voluntary contributions and are not locked-in in accordance with Applicable Pension Laws.
- (i) Effective January 1, 2012, the Plan was amended to:
  - (i) require each Employee who became a Member of the Plan on or after January 1, 2012 to participate in the DC Provisions,
  - (ii) require each Member who had attained age 55 and whose age plus Credited Service equaled or exceeded 80 years as of December 31, 2012 to continue to participate in the DB Provisions and required each such Member to make required contributions under the DB Provisions; and
  - (iii) require each Member who did not meet the eligibility requirements under paragraph (ii) as of December 31, 2012 to cease accruing Credited Service under the DB Provisions and to commence accruing benefits under the DC Provisions.
- (j) Effective January 1, 2015, Concordia University College of Alberta ceased participation in the Plan. Further, the obligations in respect of service prior to this date will be the responsibility of a separate pension plan to be sponsored by Concordia University College of Alberta.

## 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 Applicable Pension Laws or Revenue Rules, shall create or confer any right or obligation other than as set out in this document or otherwise as required by Applicable Pension Laws or Revenue 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, Part, Schedule or Appendix mean a subparagraph, paragraph, Section, Article, Part, Schedule or Appendix of the Plan.
- 2.03 The Plan shall be construed in accordance with the laws of the Province of Alberta.
- 2.04 All amounts payable under the Plan are stated and shall be paid 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 Administrator.
- 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.

### Definitions

In the Plan, unless the context clearly indicates otherwise, the following terms shall have the following meanings:

- 2.07 **“Account(s)”** means one or more of the Employee Account, Employer Account, Optional Account or the Forfeiture Account.
- 2.08 **“Actuarial Equivalent”** means a benefit of same value but of different form of payment, as determined on an actuarial basis in accordance with accepted actuarial practice, adopted by the Administrator after consultation with the



Actuary and which is in accordance with Applicable Pension Laws and Revenue Rules, and in effect on the date such determination is being made. Notwithstanding the foregoing, the Administrator may adopt a basis that eases administration of the Plan including the use of unisex factors, provided that such basis is not precluded by Applicable Pension Laws or Revenue Rules.

- 2.09 **“Actuary”** means a person who is, or a firm one of whose employees is, a Fellow of the Canadian Institute of Actuaries and who carries out actuarial valuations and provides actuarial advice and services at the request of the Church or the Administrator.
- 2.10 **“Administrator”** means the Church which has the responsibility for administering the Plan in accordance with Section 10.01.
- 2.11 **“Affiliated Agency”** means an organization that is associated or affiliated with a Member Congregation or Synodical Entity of the Church.
- 2.12 **“Alberta Employee”** means an Employee who works for a Participating Employer in the Province of Alberta. If the Employee is not required to report to work at an establishment of the Participating Employer or is required to report to more than one establishment of the Participating Employer in different provinces, “Alberta Employee” means an Employee who is paid from an establishment of the Participating Employer, such establishment being situated in the Province of Alberta.
- 2.13 **“Applicable Pension Laws”** means the Employment Pension Plans Act (Alberta) and any regulation pursuant thereto and any amendments or substitutes therefor as well as any similar statute applicable in a particular circumstance and any regulation pursuant thereto adopted by the federal or any provincial government.
- 2.14 **“Beneficiary”** means the person last designated by the Member in accordance with Section 11.01 to receive benefits under the Plan on the death of the Member.
- 2.15 **“Board of Directors”** means the Board of Directors of the Church.
- 2.16 **“Board of Managers”** means the board appointed to administer the Plan pursuant to the Synodical by-laws of the Church and given that name.
- 2.17 **“Church”** means the Lutheran Church - Canada and any successor organization.
- 2.18 **“Continuous Service”** means the service of a Member as specified in Section 4.01.
- 2.19 **“Consumer Price Index”** means, for application on January 1 of a particular calendar year, the average Consumer Price Index for Canada (All Items), as published by Statistics Canada under the Statistics Act, for the 12-month period ending on December 31 of the preceding calendar year. For application on a January 1 on or after January 1, 2014 under paragraph 2.30(c), the average Consumer Price Index for Canada (All Items), as published by Statistics Canada

under the Statistics Act, for the 12-month period ending on October 31 of the preceding calendar year.

- 2.20 **“Council of Presidents”** means the president and vice-presidents of the Synod and the district presidents.
- 2.21 **“Credited Service”** means the service of a DB Member or DB/DC Member, as defined in Section 4.02:
- (a) **“Credited Contributory Service”** means the portion of Credited Service on or after January 1, 2013 in respect of which a DB Member makes or is deemed to make Required Contributions, as defined in paragraph 4.02(a).
  - (b) **“Credited Non-Contributory Service”** means the portion of Credited Service prior to January 1, 2013 in respect of which a DB Member or DB/DC Member has not made Required Contributions, as defined in paragraph 4.02(b).
- 2.22 **“Date of Determination”** means the date as of which a benefit is to be calculated under the Plan, as specified in each relevant Section, and being as the context requires:
- (a) a Member’s Retirement Date, date of termination of employment or date of death, whichever shall first occur;
  - (b) the date of amendment of the Plan;
  - (c) the date at complete or partial discontinuance of the Plan affecting the Member; or
  - (d) the date of consolidation or merger of the Plan with another registered pension plan.
- 2.23 **“DB Member”** means a Member who participates in the DB Provisions in accordance with Section 3.05.
- 2.24 **“DB Provisions”** means the defined benefit provisions set out in Part 3.
- 2.25 **“DB/DC Member”** means a Member who, in accordance with Section 3.05, participates in the DC Provisions as of January 1, 2013, but remains entitled to a benefit under the DB Provisions with respect to Credited Service accrued prior to January 1, 2013 in accordance with paragraph 4.04.
- 2.26 **“DC Member”** means a Member who participates in the DC Provisions in accordance with Section 3.05.
- 2.27 **“DC Provisions”** means the defined contribution provisions set out in Part 2.
- 2.28 **“Disabled”** means, in respect of a Member, a physical or mental impairment, as certified in writing by a qualified medical doctor who is licensed to practice in Canada, which prevents the Member from performing the duties of employment in which the Member was engaged before the commencement of the impairment

and provided the Member is in receipt of benefits under the Participating Employer's long term disability plan. A Member shall cease to be Disabled on the earlier of the date on which the Member ceases to qualify as Disabled, the Member's death, termination of employment, retirement, return to active employment, and the Member's Normal Retirement Date.

2.29 **"Early Retirement Date"** means the date of a Member's actual retirement determined in accordance with Section 5.02.

2.30 **"Earnings"** means:

- (a) a Member's base salary or wages paid by the Participating Employer for personal services rendered, plus either (i) or (ii), where;
  - (i) is cash utility and housing allowance; and
  - (ii) is the monetary value of housing furnished by the Participating Employer, which shall be deemed to be 30% of the base salary or wages, but shall not include any bonuses, car allowances, cash allowances (except as specifically set forth above), or other forms of remuneration.
- (b) During a period of Temporary Leave of Absence or Educational Leave in respect of which a Member does not have Earnings as defined in paragraph (a), such Member shall be deemed to have received Earnings during such period at a rate equal to that in effect immediately prior to the commencement of the Temporary Leave of Absence or Educational Leave. The deemed Earnings shall be used to calculate contributions and retirement income under Part 2 and Part 3, as applicable.
- (c) During a period in which a Member is Disabled and in respect of which a Member does not have Earnings as defined in paragraph (a), such Member shall be deemed to have received Earnings during such period at a rate equal to that in effect immediately prior to the commencement of such period, indexed each January 1 as per the increase in the Consumer Price Index, subject to a maximum of 3% in respect of any one-year increase. The deemed Earnings shall be used to calculate contributions and retirement income under Part 2 and Part 3, as applicable.

2.31 **"Educational Leave"** means an educational leave of absence, with or without pay, to a maximum of five years, approved by the Participating Employer.

2.32 **"Effective Date"** means January 1, 1989.

2.33 **"Employee"** means:

- (a) A person who is employed by a Participating Employer and is not accruing pension or retirement benefits under any other pension or retirement plan to

which a Participating Employer contributes (other than the Canada or Quebec Pension Plan) on that person's behalf.

- (b) The Participating Employer shall initially determine whether such a person meets the definition of Employee and shall promptly inform the Administrator. The Administrator may, on its own motion, re-examine the Participating Employer's determination and if such Participating Employer shall exclude any employed person, such person may appeal in writing to the Administrator. The decision of the Administrator concerning such person's eligibility as an Employee shall be binding and conclusive.
  - (c) In the case of a person assigned as an Employee to a Participating Employer by the Council of Presidents (acting as the Board of Assignments), the "date on which he becomes an Employee" shall be the date upon which the person reports to the assigned Participating Employer or the first day of the calendar quarter coinciding with or next following the date upon which the Council of Presidents made the assignment, whichever is the earlier date.
- 2.34 **"Employer Contributions"** means the contributions made by a Participating Employer in respect of a DC Member or DB/DC Member pursuant to Sections 14.01, 14.02 and 14.03.
- 2.35 **"Excess Contributions"** means the amount in respect of a DB Member determined in accordance with Article 25.
- 2.36 **"Final Average Earnings"** means:
- (a) as of the Date of Determination of a DB Member, the annual average of the largest aggregate Earnings for a period of 60 consecutive calendar months occurring within the last 240 calendar months of the DB Member's Credited Service, or, if the DB Member has fewer than 60 calendar months of Credited Service, the annual average Earnings over the DB Member's entire period of Credited Service; or
  - (b) as of the Date of Determination of a DB/DC Member, the annual average of the largest aggregate Earnings for a period of 60 consecutive months occurring within the last 240 calendar months of the DB/DC Member's Credited Service before January 1, 2013 and the DB/DC Member's Continuous Service on or after January 1, 2013 during which the Participating Employer made Employer Contributions on the DB/DC Member's behalf, or if the DB/DC Member has fewer than 60 months of such service, the annual average Earnings of the DB/DC Member's entire period of Credited Service before January 1, 2013 and the DB/DC Member's Continuous Service on or after January 1, 2013 during which the Participating Employer made Employer Contributions on the DB/DC Member's behalf.

- (c) A DB Member or DB/DC Member who transfers to the Concordia Retirement Plan in accordance with paragraph 4.06(c) and whose employment is not terminated upon transfer, shall have his Final Average Earnings at his date of such transfer indexed each January 1 as per the increase in the Consumer Price Index, subject to a maximum of 3% in respect of any one-year increase, until the January 1 coincident with or preceding his Date of Determination. The deemed Final Average Earnings shall be used to calculate the Plan Benefit under Part 3.
- 2.37 **“Final Average YMPE”** means, as of the Date of Determination, the YMPE for the calendar year containing the Date of Determination plus the YMPE for each of the two preceding calendar years, divided by 3.
- 2.38 **“Flex Plan”** means the Lutheran Church – Canada Flexible Benefits Plan.
- 2.39 **“Forfeiture Account”** means the separate account maintained on behalf of a Participating Employer in accordance with Section 16.02.
- 2.40 **“Fund”** means the fund established for the purposes of the Plan. For greater certainty, the Fund includes assets in the Member Accounts and the Forfeiture Account.
- 2.41 **“Funding Agency”** means a trust company or Insurer or any combination thereof eligible under Applicable Pension Laws, designated by the Church to hold the whole or a portion of the assets of the Fund at any time pursuant to the terms of a Funding Agreement.
- 2.42 **“Funding Agreement”** means any written arrangement or agreement in force between the Church and any Funding Agency, with respect to the portion of the assets of the Fund held by the Funding Agency.
- 2.43 **“Insurer”** means an insurance company licensed or otherwise authorized under Canadian or provincial laws to carry on an annuities business in Canada.
- 2.44 **“Interest”**<sup>1</sup> means interest credited on a DB Member’s Required Contributions:
- (a) at the end of each Plan Year, at a rate determined by the Administrator using the average of the yields of 5-year personal fixed term chartered bank deposit rates (CANSIM Series V122515, or such other series as may be prescribed by Applicable Pension Laws) for that Plan Year; plus
  - (b) for the portion of the Plan Year in which the Member ceases Continuous Service, a pro-rata portion of the rate calculated in accordance with paragraph (a) for the preceding Plan Year, up until the beginning of the month in which payment is made.

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<sup>1</sup> Applicable as modified in the Appendices for Members employed in Manitoba and Quebec.

Interest shall be calculated and credited in accordance with the administrative procedures that may be established from time to time by the Administrator and in accordance with the requirements of Applicable Pension Laws and Revenue Rules.

2.45 **“Locked-in Retirement Savings Vehicle”** means in relation to the transfer of an accrued benefit or amounts from a Member’s Account:

- (a) a registered pension plan, where the administrator of such plan agrees to accept the transfer;
- (b) for a Member who is an Alberta Employee, a locked-in retirement account, as approved under Applicable Pension Laws;
- (c) for a Member who is a Manitoba Employee as defined in Appendix B, a locked-in retirement fund, as approved under Applicable Pension Laws; or
- (d) for a Member who is not an Alberta Employee and not a Manitoba Employee as defined in Appendix B, such other registered vehicle as may be approved under Applicable Pension Laws and Revenue Rules;

as designated by the Member, provided, however, that the administrator of such plan or vehicle agrees in writing to administer the transferred amounts within the conditions of Applicable Pension Laws and, where approval by the Member’s Spouse is required by Applicable Pension Laws, such approval has been given in respect of the transfer.

2.46 **“Maximum Formula”** means the formula used to calculate the maximum annual lifetime retirement income in respect of Credited Service, which can be paid from the Plan as set out in Section 23.02.

2.47 **“Medical Practitioner”** means a person who is a regulated member of the College of Physicians and Surgeons of Alberta who holds a practice permit issued under the *Health Professions Act*, and who is not under suspension, or a physician who is regulated, registered, or certified in that capacity in another jurisdiction in Canada and who is not under suspension.

2.48 **“Member”** means an Employee who has joined the Plan in accordance with Article 3 and who remains contingently or absolutely entitled to a retirement income under the Plan.

2.49 **“Member Accounts”** means the accounts which are maintained under the DC Provisions in the Fund:

- (a) **“Employee Account”** means the separate account maintained on behalf of a DC Member or DB/DC Member in accordance with paragraph 16.01(a).
- (b) **“Employer Account”** means the separate account maintained on behalf of a DC Member or DB/DC Member in accordance with paragraph 16.01(b).

- (c) **“Optional Account”** means the separate account maintained on behalf of a Member in accordance with paragraph 16.01(c).
- 2.50 **“Member Congregation”** means, in relation to the Church, an individual congregation which has applied for and been received into membership in the Church pursuant to the provisions of the By-laws of the Church.
- 2.51 **“Money Purchase Limit”** has the meaning assigned under Revenue Rules.
- 2.52 **“Normal Retirement Date”** or **“Pension Eligibility Date”** means the date specified in Section 5.01.
- 2.53 **“Optional Contributions”** means contributions that are made by a Member to the DC Provisions in accordance with Section 13.04. Such contributions are considered additional voluntary contributions, not subject to the locking-in requirements of Applicable Pension Laws.
- 2.54 **“Participating Employer”** means:
- (a) the Church;
  - (b) such Synodical Entities as shall adopt the Plan. The Administrator shall establish criteria for determining the eligibility of a Synodical Entity to adopt the Plan and become Participating Employers;
  - (c) such Member Congregations as shall adopt the Plan. The Administrator shall establish criteria for determining the eligibility of Member Congregations to adopt the Plan and become Participating Employers; and
  - (d) such Affiliated Agencies after admission to the Plan. The Board of Directors shall establish criteria for determining the eligibility of Affiliated Agencies to become Participating Employers. The determination of whether an Affiliated Agency qualifies for participation in the Plan shall be made by the Administrator on the basis of the criteria approved by the Board of Directors, subject, however, to an appeal directly to the Board of Directors by an Affiliated Agency in the event of an adverse determination by the Administrator.

A Member Congregation or Synodical Entity who adopts the Plan or an Affiliated Agency who is admitted to the Plan assumes all obligations of the Participating Employer and agrees to be bound by the terms of the Plan and the administrative rules of the Administrator.

A participating Member Congregation, Synodical Entity or Affiliated Agency will cease to participate in the Plan at such time and upon such terms as the Administrator shall deem reasonable, including the requirement to make additional employer contributions in respect of any deficit attributable to the Members of such withdrawing Member Congregation, Synodical Entity or Affiliated Agency in accordance with paragraph 6.01(c).

- 2.55 **“Pension Commencement Date”** means the first day of the month on which the Member starts receiving his lifetime retirement income under Part 3.
- 2.56 **“Plan”** means the Lutheran Church – Canada Pension Plan as amended from time to time.
- 2.57 **“Plan Benefit”** means the annual lifetime retirement income determined in accordance with Section 23.03.
- 2.58 **“Plan Formula”** means the formula used to calculate the annual lifetime retirement income in respect of Credited Service, prior to the application of the Maximum Formula, as set out in Section 23.01.
- 2.59 **“Plan Year”** means the calendar year.
- 2.60 **“Postponed Retirement Date”** means the date specified in Section 5.03.
- 2.61 **“Prior Plan”** means the Concordia Retirement Plan, in effect up to and including December 31, 1988.
- 2.62 **“Required Contributions”** means:
- (a) in respect of a DC Member, contributions that are made to the DC Provisions on or after January 1, 2012 in accordance with Section 13.01; and
  - (b) in respect of a DB/DC Member, contributions that are made to the DC Provisions on or after January 1, 2013 in accordance with Section 13.01; and
  - (c) in respect of a DB Member, contributions that are made to the DB Provisions on or after January 1, 2013 in accordance with Section 22.01.
- 2.63 **“Retirement Date”** means the Early Retirement Date, Normal Retirement Date or Postponed Retirement Date on which a Member actually retires or is deemed under the terms of the Plan to retire.
- 2.64 **“Revenue Rules”** means the provisions of the Income Tax Act (Canada) and any applicable provincial income tax act, and any relevant regulations thereto, as they may be amended from time to time, pertaining to pension plans or funds registered under the Income Tax Act (Canada) as they are applicable to the Plan.
- 2.65 **“RRSP”** means a registered retirement savings plan or a registered retirement income fund as prescribed under Revenue Rules from time to time.
- 2.66 **“Service Provider”** means the entity appointed by the Church for the purposes of Part 2 of the Plan pursuant to paragraph 6.04(d) to provide administrative services and to make available investment options to the Members in respect of the Member Accounts and to the Church in respect of the Forfeiture Account.
- 2.67 **“Service Provider Agreement”** means any written agreement or contract in force between the Church and a Service Provider as amended from time to time.



- 2.68 **“Spouse”<sup>2</sup>** or **“Pension Partner”** means, subject to the requirements for registration under Applicable Pension Laws and Revenue Rules, in relation to a Member, the person who, at the earlier of the commencement of a Member’s pension and the date of the Member’s death, meets one of the following eligibility requirements:
- (a) the person who is married to the Member and has not been living separate and apart from the Member for a continuous period longer than three years; or
  - (b) if there is no person to whom subparagraph (a) above applies, the person who, immediately preceding the relevant time, lived with the Member in a conjugal or marriage-like relationship:
    - (i) for a continuous period of at least three years preceding the relevant date; or
    - (ii) of some permanence, if there is a child of the relationship by birth or adoption.
- 2.69 **“Synodical Entities”** includes colleges and seminaries established by the Church, entities that have been granted auxiliary status by the Church, and service organizations which have been listed in the Canadian Lutheran Annual.
- 2.70 **“Temporary Leave of Absence”** means:
- (a) a leave of absence, with or without pay, approved by the Participating Employer; or
  - (b) an absence owing to sickness or disability while the Employee is not Disabled, with or without pay, including periods of maternity, adoption or parental leave of absence for the first 12 months of such leave of absence or for a longer period if required by law; or
  - (c) for a Member who is a pastor, a leave in between calls to a maximum of one year per leave.

The Administrator shall determine the qualifications and criteria for approving a Member’s request for a leave of absence under paragraphs (a) and (c), in a uniform and non-discriminatory manner. Such criteria may include the requirement of both the Member to make Required Contributions and the Participating Employer to make contributions to the Plan on the Member’s behalf.

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<sup>2</sup> Applicable as modified in the Appendices for Members employed in British Columbia, Manitoba, New Brunswick, Ontario, Quebec and Saskatchewan.

- 2.71 **“Temporary Suspension of Employment”<sup>3</sup>** means any suspension of employment that lasts less than 52 weeks and is expected to be temporary in nature or any period of layoff.
- 2.72 **“Transferred Account”** means the amounts transferred into the Fund in accordance with paragraph 20.01.
- 2.73 **“Valuation Date”** means the date at which the Funding Agency determines the value of each Account in accordance with Section 16.04.
- 2.74 **“Vesting Date”** means the date an Employee becomes a Member.
- 2.75 **“YMPE”** means the Year’s Maximum Pensionable Earnings established each year under the Canada Pension Plan as may be amended from time to time, or under any superseding legislation.

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<sup>3</sup> Applicable as modified in the Appendices for Members employed in Manitoba, New Brunswick, Ontario, Quebec and Saskatchewan.

## **Article 3 – Membership**

### **3.01 Members at December 31, 2011**

Each Employee who was a Member of the Plan on December 31, 2011 shall continue as a Member of the Plan on and after January 1, 2012.

### **3.02 Other Employees<sup>4</sup>**

Subject to Section 4.07, each Employee who was not a Member of the Plan on December 31, 2011 shall become a Member of the Plan on the later of January 1, 2012 and the first day of the month next following the date on which he:

- (a) becomes employed by a Participating Employer on a full-time basis;
- (b) becomes employed by a Participating Employer in other than full-time employment where the Employee is working at least 24 hours per week; or
- (c) becomes employed by a Participating Employer in other than full-time employment where the Employee is working less than 24 hours per week and where such Employee has earned at least 35% of the YMPE in each of two consecutive calendar years.

### **3.03 Modify Eligibility Requirements<sup>5</sup>**

The Administrator may, in its absolute discretion but in a uniform and non-discriminatory manner, waive or modify any eligibility requirements to permit an Employee to become a Member of the Plan as of any earlier date the Administrator shall specify.

### **3.04 Enrolment**

Upon joining the Plan, the Employee shall complete and sign an enrolment form prescribed by the Administrator, thereby authorizing the deduction of contributions from Earnings and designating a Beneficiary.

### **3.05 DB and/or DC Membership**

- (a) Each Employee who was a Member of the Plan on December 31, 2011, shall become a DB Member on January 1, 2012 and:
  - (i) shall continue as a DB Member on January 1, 2013 if such Member attains age 55 and such Member's age plus Credited Service equals or exceeds 80 years on December 31, 2012; or

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<sup>4</sup> Applicable as modified in Appendix F for Members employed in Manitoba, Ontario, and Quebec.

<sup>5</sup> Applicable as modified in Appendix B for Members employed in Manitoba.

- (ii) shall become a DB/DC Member on January 1, 2013 if such Member does not meet the eligibility criteria under subparagraph (i) on December 31, 2012.
- (b) Each other Employee who becomes a Member of the Plan on or after January 1, 2012, shall accrue benefits under the DC Provisions.

### **3.06 No Discontinuance of Membership**

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

## Article 4 – Service

### 4.01 Continuous Service

- (a) Continuous Service means the period of uninterrupted employment of a Member with a Participating Employer, beginning with the date on which the Member was last hired by a Participating Employer and ending on the earliest of:
- (i) the date at which the Member is no longer being employed by any Participating Employer;
  - (ii) the Member's date of death;
  - (iii) the Member's Retirement Date;
  - (iv) the date at which the Participating Employer withdraws from the Plan affecting the Member; and
  - (v) the date of complete discontinuance of the Plan, or partial discontinuance of the Plan affecting the Member, without immediate substitution of a successor registered pension plan.

Periods of continuous service completed as a member of the Prior Plan shall also be included in Continuous Service.

To the extent that periods are included in Credited Service by virtue of paragraph 4.03(b), such periods shall also be included in Continuous Service.

- (b) The following shall not constitute an interruption of employment and shall be included in a Member's Continuous Service, to the extent not already included under paragraph (a):
- (i) periods of Temporary Leave of Absence or Educational Leave; and
  - (ii) periods of Temporary Suspension of Employment provided that the Member does not elect, where permitted by Applicable Pension Laws, to receive benefits in accordance with Article 19 or Article 28; and
  - (iii) periods during which the Member is Disabled.

### 4.02 Credited Service

"Credited Service" means for purposes of the DB Provisions, the sum of (a) and (b) as follows:

- (a) "Credited Contributory Service" means the aggregate of years and months of Continuous Service on or after January 1, 2013 during which the DB Member makes or is deemed to make Required Contributions to the DB Provisions; and

- (b) “Credited Non-Contributory Service” means the aggregate of years and months of continuous membership up to December 31, 2012. In the case of a Member who, immediately prior to the Effective Date was a participant under the Prior Plan, Credited Service under the Plan shall include any period of “creditable service” under that plan up to December 31, 1988.

#### 4.03 Exclusions and Inclusions of Credited Service

Notwithstanding Section 4.02, Credited Service is subject to the following exclusions and inclusions.

(a) *Exclusions from Credited Service*

Credited Service shall exclude:

- (i) prior to January 1, 2013, any leave of absence of a DB Member or DB/DC Member which did not qualify for continued accrual of “creditable service” under the Plan up to and including December 31, 2012;
- (ii) on or after January 1, 2013:
  - (A) any Temporary Leave of Absence of a DB Member without pay as described in paragraph 2.70(a) during which the Participating Employer did not elect for continued accrual of “creditable service” under the DB Provisions;
  - (B) any Temporary Leave of Absence of a DB Member described in paragraph 2.70(c) during which the Participating Employer did not elect for continued accrual of “creditable service” under the DB Provisions; and
- (iii) on or after January 1, 2013, any Temporary Suspension of Employment of a DB Member.

(b) *Inclusions in Credited Service*

Credited Service shall include:

- (i) prior to January 1, 2013, any leave of absence of a DB Member or DB/DC Member which qualified for continued accrual of “creditable service” under the Plan up to and including December 31, 2012, provided the Member does not elect to receive benefits in accordance with Article 28;
- (ii) on or after January 1, 2013:
  - (A) any Temporary Leave of Absence of a DB Member with pay as described in paragraph 2.70(a);
  - (B) any Temporary Leave of Absence of a DB Member without pay as described in paragraph 2.70(a) where the Participating

Employer elects for continued accrual of “credited service” under the DB Provisions;

- (C) any Temporary Leave of Absence of a DB Member as described in paragraph 2.70(b);
- (D) any Temporary Leave of Absence of a DB Member as described in paragraph 2.70(c) where the Participating Employer elects for continued accrual of “credited service” under the DB Provisions;
- (E) any Educational Leave with or without pay as described in Section 2.31 up to a maximum of five years,

provided the Member does not elect to receive benefits in accordance with Article 28;

- (iii) prior to January 1, 2013, any periods during which the DB Member or DB/DC Member is Disabled; and
- (iv) on or after January 1, 2013, any periods during which a DB Member is Disabled.

In no event, however, shall the total periods of absence included in Credited Service under paragraphs (i) and (ii) during which a Member does not have Earnings as defined in paragraph 2.30(a), when combined with the periods of absence during which a Member does not have Earnings as defined in paragraph 2.30(a) and for which contributions are made by the Participating Employer under Section 14.02 or by the Member under paragraphs 13.02(a) or 13.04(b), exceed the sum of:

- (v) the full-time equivalent of five years; and
- (vi) the periods of parenting, as defined in Revenue 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 of parenting.

#### 4.04 **DB/DC Members**

In respect of a DB/DC Member:

- (a) the DB/DC Member shall cease accruing Credited Service under the DB Provisions on December 31, 2012;
- (b) the DB/DC Member's Credited Service for purposes of determining the Plan Benefit shall exclude Continuous Service on or after January 1, 2013;
- (c) the DB/DC Member's Credited Service for purposes of determining the early retirement percentage in paragraph 24.02(c) shall include Continuous Service on or after January 1, 2013 during which the Participating Employer makes Employer Contributions to the DC Provision on the DB/DC Member's behalf; and
- (d) Final Average Earnings shall be determined in accordance with paragraph 2.36(b).

#### 4.05 **Disabled Members**

- (a) While a Member is Disabled, Continuous Service shall continue to accrue in full. A Member who ceases to be Disabled shall continue to be entitled to the Continuous Service prior to the date of recovery regardless of whether the Member returns to active employment upon the expiry of the period of disability.
- (b) Should a Member cease to be Disabled, and provided the Member is eligible, the Member may elect to retire in accordance with Article 17 and Article 24. If the Member is not eligible or does not elect to retire and if the Member does not return to active employment with a Participating Employer, the Member shall be deemed to terminate employment in accordance with Article 19 and Article 28 on the date the Member ceases to be Disabled.
- (c) In the event of death of a Disabled Member, the death benefits shall be determined in accordance with Article 18 and Article 27.

#### 4.06 **Transfers of Employment**

- (a) *Transfers between Participating Employers*<sup>6</sup>

If a Member, including a Member who is on a Temporary Leave of Absence, terminates his employment with a Participating Employer and, within 90 days thereafter, accepts employment with any other Participating Employer, this transfer shall not constitute a termination of employment for the purposes of Article 19 or Article 28.

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<sup>6</sup> Applicable as modified in Appendix B for Members employed in Manitoba.



The Administrator shall determine the qualifications and criteria in dealing with a transferred Member, shall set administrative rules and shall provide all Participating Employers with these rules.

The Administrator shall apply the criteria and administrative rules in a uniform and non-discriminatory manner.

(b) *Transfers to a Non-Participating Employer*

If a Member, including a Member who is on a Temporary Leave of Absence, terminates his employment with a Participating Employer and, accepts employment with any other Member Congregation or Affiliated Agency that is not a Participating Employer, this transfer shall constitute a termination of employment for the purposes of Article 19 or Article 28.

(c) *Transfers to the Concordia Retirement Plan*

If a Member transfers employment to an employer in the United States that participates in the Concordia Retirement Plan:

- (i) this transfer shall not constitute a termination of employment for the purposes of Article 19 or Article 28;
- (ii) Required Contributions to the DB Provisions and the DC Provisions shall cease;
- (iii) Employer Contributions to the DC Provisions shall cease;
- (iv) Continuous Service shall include continuous service while the Member is an employee of an employer in the United States;
- (v) Credited Service for purposes of determining the Plan Benefits shall exclude continuous service while the Member is an employee of an employer in the United States;
- (vi) Credited Service for purposes of determining the early retirement percentage in paragraph 24.02(c) shall exclude continuous service while the Member is an employee of an employer in the United States; and
- (vii) Final Average Earnings shall be determined in accordance with paragraph 2.36(c), unless the Member returns to employment with a Participating Employer, in which case Final Average Earnings shall be the greater of the amount calculated in accordance with paragraph 2.36(c) or the amount calculated in accordance with paragraph 2.36(a) or (b), whichever is applicable.

Notwithstanding the foregoing, the Member may elect, or may be required by Applicable Pension Laws, to terminate employment and receive benefits in accordance with Article 19 or Article 28.

(d) *Transfers from the Concordia Retirement Plan*

If an Employee transfers employment from an employer in the United States that participates in the Concordia Retirement Plan and if such Employee was a member of the Concordia Retirement Plan immediately preceding the date he becomes an Employee:

- (i) he shall immediately become a Member of the Plan;
- (ii) if the transfer of employment occurs prior to January 1, 2012, he shall become a DB Member in accordance with paragraph 3.05(a) and whether he becomes a DB Member or DB/DC Member on January 1, 2013 shall be determined in accordance with paragraph 3.05(a);
- (iii) if the transfer of employment occurs on or after January 1, 2012, he shall become a DC Member in accordance with paragraph 3.05(b);
- (iv) service with the employer in the United States which occurs immediately preceding the date of transfer shall be included in Continuous Service.

**4.07 Re-Employment**

- (a) In the event that an Employee who terminates employment with a Participating Employer is subsequently re-employed with a Participating Employer prior to the end of the calendar year in which he attains age 71, or such other age as may be permitted by Revenue Rules, his periods of Continuous Service shall be treated separately, and the second period shall be considered to start from the date of said subsequent re-employment.
- (b) Such Employee who is re-employed on or after January 1, 2012 shall accrue benefits under the DC Provisions and shall not accrue additional Credited Service under the DB Provisions in respect of his subsequent period of employment on or after January 1, 2012.
- (c) In the event such Employee is receiving retirement income under the DB Provisions, the Employee's retirement income shall continue, to the extent permitted by Applicable Pension Laws and Revenue Rules.

## **Article 5 – Retirement Dates**

### **5.01 Normal Retirement**

The Normal Retirement Date of a Member is the first day of the month next following or coincident with the day the Member attains age 65.

### **5.02 Early Retirement**

A Member may retire on an Early Retirement Date which shall be the first day of any month following or coincident with the date on which the Member attains age 55.

### **5.03 Postponed Retirement**

If the Member continues in the employ of a Participating Employer beyond Normal Retirement Date, the Member shall retire, or be deemed to have retired for the purposes of the Plan, not later than December 1 of the calendar year in which the Member attains age 71, or such other age as may be permitted by the Revenue Rules.

The date of the Member's actual or deemed retirement in accordance with this paragraph shall be the Postponed Retirement Date.

## **Article 6 – Contributions and Funding**

### **6.01 Employer Contributions**

- (a) With respect to benefits under Part 2 of the Plan and subject to Section 6.02, each Participating Employer shall contribute in accordance with Article 14. Subject to Applicable Pension Laws, the liability of the Participating Employers to contribute under Part 2 of the Plan is limited to those required under Article 14.
- (b) With respect to benefits under Part 3 of the Plan and subject to Section 6.02, each Participating Employer will make contributions to the Fund in accordance with the most recent actuarial valuation of the Plan prepared by the Actuary in accordance with accepted actuarial practice, Applicable Pension Laws and Revenue Rules which will provide funding sufficient to meet the ongoing funding requirements and tests for solvency prescribed by Applicable Pension Laws but, provided that such tests are satisfied, the Participating Employers shall not be required to make further contributions to the Plan. In the event the Plan is terminated, in whole or in part, the Participating Employers shall make the contributions accrued to the date of termination in respect of the benefits under the Plan but shall not be obliged to contribute further, unless and only to the extent otherwise required by Applicable Pension Laws. For greater clarity, in the event the Plan is terminated, in whole or in part, and additional contributions are required under the Employment Pensions Plans Act (Alberta) and Regulation thereto, in respect of any deficit attributable to Members affected by the plan termination, the Participating Employers shall make such contributions. The additional contributions shall be made only in accordance with and to the extent required by the Employment Pension Plans Act (Alberta) and Regulation thereto, as amended.
- (c) With respect to benefits under Part 3 of the Plan, in the event a Participating Employer withdraws from the Plan, the Participating Employer shall make such additional contributions to fund any deficit attributable to Members affected by the withdrawal of such Participating Employer.
- (d) All Employer Contributions shall be paid into the Fund within the time limits specified in Applicable Pension Laws.

### **6.02 Surplus**

At the discretion of the Church and subject to the provisions of Applicable Pension Laws, any surplus determined by the Actuary, or a portion thereof, including, without limitation, the balance in the Forfeiture Account, may be used to reduce the contributions of Participating Employers under the Plan, including, without limitation, Employer Contributions under Part 2 of the Plan, and contributions required under

paragraph 6.01(b), to the extent permitted by the Revenue Rules, or may, to the extent allowed and subject to any conditions or approval procedures under Applicable Pension Laws, be returned to the Participating Employers. The allocation of surplus among Participating Employers shall be determined by the Church after consultation with the Actuary.

### **6.03 Refund of Contributions to Avoid Revocation**

In the event that a Participating Employer or a Member makes a contribution to the Plan which would cause the Plan's registration to be revocable under Revenue Rules then, subject to conditions or approval procedures under Applicable Pension Laws, such contribution shall be returned to the Participating Employer or the Member, as applicable.

### **6.04 Fund**

- (a) A Fund has been established and shall be maintained for the purposes of the Plan under which all contributions and earnings thereon are held to make the payments specified in the Plan.
- (b) The Church shall be responsible for the selection of a Funding Agency. The Fund (or a portion thereof) shall be maintained by a Funding Agency in accordance with the terms of the Funding Agreement entered into between the Church and such Funding Agency. The Church and the Funding Agency may jointly agree to amend the form and the terms of the Funding Agreement at any time and from time to time. The Church may further appoint an advisor and/or an investment manager to advise in respect of or manage the investment of any portion of the Fund. The Church may replace any Funding Agency, advisor or investment manager so appointed at any time, in accordance with the terms of any applicable agreement or contract.
- (c) The Funding Agreement is ancillary to the Plan and is intended to receive contributions made to the Plan and to give effect to the provisions of the Plan relating to the safekeeping and investment of the assets of the Fund and to facilitate the payment of the benefits and other payments properly made under the Plan, in accordance with Applicable Pension Laws and Revenue Rules, and not to create rights to payments from the Fund that are in addition to those payments expressly provided under the Plan. In the case of conflict between the provisions of the Plan and those of the Funding Agreement, the provisions of the Plan shall govern.
- (d) The Church may appoint a Service Provider to maintain records, make payments or transfers from the Member Accounts and the Forfeiture Account and provide investment options for the purposes of Part 2 of the Plan. The Church may replace any Service Provider so appointed at any time, in

accordance with the terms of the Service Provider Agreement with the Service Provider.

- (e) Subject to Applicable Pension Laws, the retirement income, Member Accounts and other benefits provided under the Plan shall only be paid to the extent that they are provided for by the assets held in the Fund, and no liability or obligation to make any contributions thereto or otherwise shall be imposed upon the Funding Agency or a Participating Employer other than in accordance with Section 6.01.
- (f) Subject to paragraph 6.04(g), the fees properly paid and the expenses reasonably incurred in respect of the Plan and the Fund, including but not restricted to:
  - (i) the fees of the Administrator and expenses incurred by the Administrator on behalf of the Plan or the Fund;
  - (ii) the fees of the Funding Agency and the Service Provider;
  - (iii) the fees and disbursements of the agents of the Administrator with respect to the Plan or Fund;
  - (iv) the fees and disbursements of the advisors with respect to the Plan or Fund, including but not limited to actuarial, consulting, legal and accounting;
  - (v) costs related to the investments of the Fund, including brokerage, commissions and transfer taxes, and costs related to investment counsel and investment management services, except investment management fees and expenses related to the Member Accounts under Part 2 of the Plan, which are specifically dealt with in paragraph 6.04(g);
  - (vi) expenses incurred in winding up the Plan; and
  - (vii) costs incurred by the Administrator in connection with the breakdown of a Member's marriage including, but not limited to, the costs of disclosure, calculation and processing;

may, to the extent permitted by Applicable Pension Laws and Revenue Rules, be paid from the Fund, including the Forfeiture Account.

Notwithstanding subparagraph (vii), the costs incurred by the Administrator in connection with the breakdown of a Member's marriage including, but not limited to, the costs of disclosure, calculation and processing may be charged to the Member to the extent permitted under Applicable Pension Laws.

The Administrator or the Participating Employers or any of them may pay any such fees and expenses on behalf of the Plan or Fund, and may be reimbursed

by the Fund, subject to any prohibition against such reimbursement under Applicable Pension Laws. The payer may waive reimbursement.

- (g) The Participating Employers shall pay such fees and expenses related to Part 2 of the Plan (other than investment management fees and expenses related to the Accounts) as the Church agrees to with the Funding Agency from time to time to cover a portion of the cost associated with the custody, recordkeeping and administration of Part 2 of the Plan. The Church reserves the right, in its sole discretion, to modify the amount at any time and from time to time (for greater certainty, the amount may be nil). Any such costs not paid directly by the Participating Employers shall be paid from Member Accounts or, at the sole discretion of the Church, the Forfeiture Account. Notwithstanding the foregoing, all investment management fees and expenses related to the Member Accounts shall be paid, to the extent permitted by Applicable Pension Laws and Revenue Rules, from the Forfeiture Account, from the respective Member Accounts or by the Participating Employers (or a combination of one or more of the aforesaid) as the Church may, in its sole discretion, from time to time determine. Expenses related to investment brokerage, taxes and similar costs, as well as fees arising from the purchase or sale of securities in respect of the Member Accounts or the Forfeiture Account may be included in the unit values of the underlying investment fund. For greater certainty, if a former Member who has terminated Continuous Service does not elect distribution of his Member Accounts in accordance with Section 17.03 or Section 19.03, the investment management fees and expenses, recordkeeping and other administration fees and expenses in respect of such Member Accounts shall be paid out of such Member Accounts while they remain in the Fund.

#### **6.05 Investments**

- (a) The investment of the Fund shall be made in accordance with Applicable Pension Laws and Revenue Rules.
- (b) The Administrator shall establish a written statement of investment policies and procedures for the Plan.

#### **6.06 Borrowing**

Neither the Administrator nor the Funding Agency shall borrow money on behalf of the Plan except as allowed under Applicable Pension Laws and Revenue Rules and provided for in the statement of investment policies and procedures for the Plan.

#### **6.07 Claims on the Fund**

- (a) Contributions made by a Participating Employer shall not constitute an enlargement of the amount of any benefit provided in the Plan, and shall not at any time create for any person other than a Participating Employer the right,

title or interest in the assets of a Participating Employer or the Fund, except as provided under Applicable Pension Laws.

- (b) No Member or any person claiming through a Member shall have any right to, or any interest in any part of the Fund, or to any benefit or other payment from the Fund, except to the extent specifically provided from time to time under the Plan, the Funding Agreement or Applicable Pension Laws.

#### **6.08 Sole Recourse to Fund**

A Member or person claiming through the Member shall have recourse solely to the Fund for any benefit or other payment from the Plan. Under no circumstances shall any liability attach to a Participating Employer, the Administrator, any member of the Board of Managers, or any director, officer or employee of a Participating Employer, for any benefit or other payment hereunder.



## **Article 7 – Protection of Benefits**

### **7.01 Non-Assignability of Benefits**

Except as permitted under Section 7.02 and the portability and commutation provisions of any other Article of the Plan, no benefit, right or interest provided under the Plan shall be:

- (a) capable of anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, seizure, attachment or other legal or equitable process; or
- (b) capable of being given as security or surrendered;

and, for the purposes of this Section:

- (c) assignment does not include assignment by the legal representative of a deceased individual on the distribution of the individual's estate; and
- (d) surrender does not include a reduction in benefits to avoid the revocation of the registration of the Plan under Revenue Rules.

### **7.02 Support and Division of Property**

- (a) Subject to Applicable Pension Laws, a benefit payable under the Plan may be:
  - (i) subject to execution, seizure or attachment in satisfaction of an order for support or maintenance, pursuant to a decree, order or judgement of a competent tribunal or garnishing order; or
  - (ii) assigned, pledged, charged, encumbered or alienated to satisfy a division of matrimonial property, pursuant to a written agreement, decree, order or judgement or a competent tribunal or a written agreement between the two parties, if permitted by applicable legislation.
- (b) The determination of the benefit payable to a person under paragraph (a) and of the Member's remaining benefit entitlements shall be subject to Applicable Pension Laws and Revenue Rules.

## **Article 8 – Amendment or Discontinuance**

### **8.01 Amendment**

The Church shall have the exclusive power to:

- (a) amend the Plan;
- (b) terminate the Plan;
- (c) merge or consolidate the Plan with any other registered pension plan adopted by the Board;

provided that no such action shall adversely affect any benefit accrued immediately prior to the time such action is taken, except as provided in Sections 8.02 or 8.04. The accrued benefits will be computed using as the applicable Date of Determination, the earliest of the date the Member ceases to accrue Continuous Service and the date of the amendment, termination, merger or consolidation of the Plan, as applicable.

Any amendment of the Plan shall be made by:

- (d) the adoption of a resolution by the Board of Directors; or
- (e) the execution of a certificate of amendment by an officer of the Church authorized by resolution of the Board of Directors to amend the Plan.

A copy of each amendment shall be provided forthwith upon adoption to each of the Participating Employers.

### **8.02 Amendment Required to Maintain Registration**

Notwithstanding any other provisions of the Plan, the Church may amend the Plan as is necessary to maintain the registration of the Plan under Applicable Pension Laws and Revenue Rules. Section 8.01 shall not restrict the Church's ability to make an amendment to the Plan, including, but without limiting the generality of the foregoing, an amendment providing for benefits to be reduced, when the purpose of the amendment is to maintain such registration of the Plan. Any such benefit reduction shall be subject to conditions or approval procedures under Applicable Pension Laws.

### **8.03 Certification of Post-1989 Additional Benefits**

An amendment to the Plan which creates additional benefits in respect of a period of employment after 1989 and which must be certified by the Minister of National Revenue in accordance with Revenue Rules shall not be effective in respect of a Member until such certification has been received for that Member, and such additional benefits will not be paid as a result of the amendment prior to certification. The Church shall apply for such certification before the Participating Employers make any contributions to the Plan in respect of such amendment.

#### **8.04 Discontinuance**

In the event the Plan is discontinued at any time in whole or in part with respect to a specified group of Members only, the assets of the Fund (or the interest therein of Members affected by a partial discontinuance) shall be allocated to provide, to the extent of said assets and subject to Applicable Pension Laws, the benefits then accrued under the Plan. Accrued benefits will be computed using the date the Member ceases to accrue Continuous Service as the applicable Date of Determination. Such allocation shall be made in accordance with an allocation schedule then established by the Church in consultation with the Actuary and filed with and approved by the appropriate authorities in accordance with Applicable Pension Laws.

#### **8.05 Settlement on Discontinuance of Plan**

The provision for accrued benefits described in Section 8.04 may be made in the form of cash, the purchase of annuity contracts, the transfer of monies to other registered pension plans or to approved registered vehicles, or the continuation of the Fund or a combination thereof, at the discretion of the Church and as permitted under Applicable Pension Laws and Revenue Rules.

#### **8.06 Surplus upon Discontinuance**

- (a) Upon discontinuance of the Plan in whole, assets remaining in the Fund (including but not limited to, the balance in the Forfeiture Account) after the discharge of all liabilities under the Plan or under Applicable Pension Laws may be paid to the Participating Employers or used as the Church may direct, subject to Applicable Pension Laws and any agreements among Participating Employers.
- (b) Upon discontinuance of the Plan in part, assets of the Plan in respect of the partial discontinuance shall be used to discharge all liabilities under the Plan or under Applicable Pension Laws in respect of the Members affected by the partial discontinuance, the terms of such payment being subject to Applicable Pension Laws. The Church, with the advice of the Actuary, shall allocate the total assets in the Plan between the portion of the Plan that is discontinued and the remaining portion of the Plan. At the option of the Church, the excess of the assets allocated to the discontinued portion of the Plan over the liabilities of the discontinued portion of the Plan in respect of the Members affected by the partial discontinuance, may be paid to the Participating Employers or used as the Church may direct, subject to Applicable Pension Laws and any agreements among Participating Employers.
- (c) The expenses related to the discontinuance of the Plan in whole or in part may be paid from the Plan, at the sole discretion of the Church, and subject to Applicable Pension Laws and Revenue Rules. In the case of a full discontinuance, such expenses may include expenses related to the distribution

of assets remaining in the Plan after payment of the liabilities related to the discontinuance. In the case of a partial discontinuance, such expenses may include expenses related to the allocation of assets to the discontinued portion of the Plan and the distribution of the assets so allocated and remaining after the payment of liabilities related to the partial discontinuance.

#### **8.07 Insufficient Assets upon Discontinuance**

Upon discontinuance of the Plan, in whole or in part, if the assets of the Fund are not sufficient to pay all accrued benefits under the Plan, the accrued benefits of a Member under Part 2 of the Plan shall not be reduced and the balance in the Member Accounts will not be used to fund the benefits of any Member accrued under Part 3 of the Plan.

## **Article 9 – Disclosure**

### **9.01 Plan Explanation**

Within the period prescribed by Applicable Pension Laws, the Administrator shall provide to each Employee who becomes eligible for membership in the Plan, a written description of the Plan. Such description shall explain the terms and conditions of the Plan and amendments thereto applicable to the Employee and the rights and obligations of the Employee in respect of the Plan and shall contain any other information prescribed by Applicable Pension Laws.

Except as otherwise permitted or required under Applicable Pension Laws, the Administrator shall provide a written explanation of an amendment to each Employee affected by the amendment not later than 60 days after registration of any amendment to the Plan.

### **9.02 Inspection**

- (a) The Administrator or the Participating Employer shall permit a Member, or such person as is required to be permitted under Applicable Pension Laws, to inspect, to make extracts from or to copy the Plan text and any other related documents required to be made available under Applicable Pension Laws, at such time and places as may be required by Applicable Pension Laws.
- (b) To the extent required by Applicable Pension Laws, the Administrator shall provide, on request, a Member, or such person as is required to be permitted under Applicable Pension Laws, with copies of any of the documents required to be made available under Applicable Pension Laws upon payment to the Administrator of a reasonable fee.

### **9.03 Benefits Statement**

- (a) Within the period prescribed by Applicable Pension Laws, the Administrator shall provide to each Member a written statement describing the benefits the Member has earned to date and such other information as required under Applicable Pension Laws.
- (b) Upon cessation of employment of a Member or upon termination of the Member's active membership in the Plan, the Administrator shall provide to the Member (or the person entitled to benefits in the event of the Member's death) within the period prescribed by Applicable Pension Laws, a written statement containing the information prescribed under Applicable Pension Laws in respect of the benefits and options to which the Member or other person is entitled.

#### 9.04 **Other Information**

The Administrator or the Church shall provide such other information regarding the Plan, statistical or otherwise, as is required under Applicable Pension Laws and Revenue Rules.

#### 9.05 **Limitation**

Such explanation, statement or right of disclosure of the Plan text and other documents provided shall have no effect on the rights or obligations of any person under the Plan, and shall not be referred to in interpreting or giving effect to the provisions of the Plan. Neither the Administrator, the Participating Employers, nor any employee, officer or director of a Participating Employer who is involved in the administration of the Plan shall be liable for any loss or damage claimed by any person to have been caused by any error or omission in such explanation, statement or other information.

## **Article 10 – Administration**

### **10.01 The Administrator**

- (a) The Church is the Administrator of the Plan for all purposes including, without limitation, for purposes of Applicable Pension Laws. The Administrator shall decide conclusively all matters relating to the operation, interpretation and application of the Plan.
- (b) The Plan and the Fund shall be administered by the Administrator in accordance with the Plan, the Funding Agreement, written statement of investment policies and procedures for the Plan, Applicable Pension Laws and Revenue Rules and any applicable policies adopted by the Church from time to time.
- (c) The Administrator may adopt rules for the administration of the Plan for the conduct of any of its delegates and agents and may amend such rules from time to time, provided such rules do not conflict with any provision of the Plan.

### **10.02 Power to Delegate**

The Administrator may delegate or appoint one or more agents to carry out any act or transaction required for the administration and management of the Plan and the Fund or may retain advisors. Every delegate and agent appointed by the Administrator shall report to and shall be subject to the direction and continuing supervision of the Administrator.

### **10.03 Board of Managers**

The Board of Managers shall have such responsibilities as set-out in the Synodical Bylaws of the Church.

### **10.04 Entitlement to Rely on Statements**

The Administrator, or a member of the Board of Managers, may rely in good faith on the statements or reports of the Funding Agency, the Actuary, the Service Provider, an accountant, an appraiser, a lawyer or other professional advisor retained by the Church, the Board of Managers or the Administrator, subject to Applicable Pension Laws.

### **10.05 No Personal Liability**

Subject to Applicable Pension Laws, neither the Administrator, the Participating Employers, nor any member of the Board of Managers, nor any director, officer or other employee of a Participating Employer shall be liable to any person whatsoever for anything done or omitted to be done in respect of the administration of the Plan.

#### **10.06 Church Liability**

The Church and Participating Employers shall have no liability to make any payments to the Fund except as expressly provided in Section 6.01. Each Employee agrees, and may be required in writing to agree, as a condition precedent to enrolling in the Plan, for himself, his heirs, executors, administrators and legal representatives to be bound by all the terms and conditions of the Plan and expressly to release the Church and Participating Employers, the Administrator, and any officer thereof from any and all liability for any loss or damage whatsoever arising in connection with the administration and management of the Plan and the Fund, except that arising from any breach of Applicable Pension Laws.

#### **10.07 Indemnification**

Subject to applicable legislation, the Church shall indemnify and save harmless the members of the Board of Managers and any other employee, officer or director of a Participating Employer whose responsibilities or duties involve any aspect of the administration of the Plan from personal liability in respect of their respective acts or omissions in respect of the administration of the Plan, except where the act or omission was in breach of Applicable Pension Laws.

#### **10.08 Employer Records**

Whenever the records of a Participating Employer are used for the purposes of the Plan, such records shall be conclusive of the facts with which they are concerned.



## **Article 11 – General Provisions**

### **11.01 Beneficiary Designation**

- (a) A Member shall designate in writing a Beneficiary to receive any benefits that are payable under the Plan to a Beneficiary upon the death of such Member and may change such designation from time to time. Such designation or change must be in accordance with any law applicable to the Member and shall be in such form and executed in such manner as the Administrator may, from time to time, determine. Any designation or change must be filed with the Administrator. A Member may designate in writing separate Beneficiary designations in respect of the Defined Contribution provisions and the Defined Benefit provisions of the Plan.
- (b) Benefits payable as a result of the death of the Member shall be paid in accordance with the most recent designation filed by the Member with the Administrator and, in the absence of an effective designation of a Beneficiary, the Administrator shall instruct the Funding Agency to make payment of any death benefits payable to the Beneficiary under the Plan to the estate of the Member and any such payment shall completely discharge all liability with respect to the amount paid.
- (c) Notwithstanding paragraphs (a) and (b), if the Member has a surviving Spouse at death, the surviving Spouse shall be deemed to be the Beneficiary and shall receive any benefits payable under the Plan unless the Spouse has waived any entitlement under the Plan in the form and manner prescribed by Applicable Pension Legislation.

### **11.02 Information Provided by the Members, Spouses and Beneficiaries**

- (a) The Administrator may require a Member, a Spouse, a Beneficiary and any other person claiming payment under the Plan to provide any information and documents which the Administrator, acting reasonably, considers necessary for such payment and the Member, Spouse, Beneficiary and such other person shall provide the information or documents.
- (b) In the absence of actual notice to the contrary, the Administrator shall make payment in accordance with information provided by the Member, Spouse, Beneficiary or other person claiming payment. If there is a dispute as to whether a person is a Spouse, Beneficiary or other person entitled to payments hereunder, or where two or more persons make adverse claims in respect of a benefit, or where a person makes a claim that is inconsistent with information provided by the Member, the Administrator may obtain court directions and the cost in respect thereof, in the discretion of the Administrator, may be charged to the person entitled to the benefit to be paid.

- (c) Payment of pension benefits or an Account shall not be made until the person entitled to payment of the pension benefit or the Account delivers to the Administrator:
  - (i) satisfactory proof of age of the person and any other person who may become entitled to payment of the pension benefit or the Account and any other information that is required to calculate and pay the pension benefit or the Account;
  - and
  - (ii) if the pension benefit or the Account is payable to a Member or Spouse, a signed declaration of marital status.

### **11.03 Employment Rights**

Nothing herein contained shall be deemed to give any Employee the right to be retained in the service of a Participating Employer or to interfere with the rights of a Participating Employer to discharge or lay off any Employee at any time and to treat such Employee without regard to the effect which such treatment might have under the Plan upon such Employee.

### **11.04 Withdrawal**

Except as expressly provided in the Plan and permitted by Applicable Pension Laws, no Member may withdraw all or part of his benefit entitlement under Part 3 or his Member Accounts while remaining in employment with the Participating Employer.

### **11.05 Purchase of Annuity**

The purchase of an annuity from an Insurer to provide a retirement income that the Member or his Spouse is entitled to under the Plan whether before or after any Date of Determination, shall constitute a complete discharge of the Plan, the Church, the Participating Employers and the Administrator of all liabilities under the Plan to the Member or the Spouse in respect of such retirement income.

### **11.06 Infirmary**

If the Administrator receives evidence, which in its absolute discretion is satisfactory to it, that a person entitled to receive any benefit under the Plan is a minor or is physically or mentally incompetent to receive such a benefit, the Administrator may direct the payment to any representative, trustee, guardian, attorney or other person or persons entitled at law to receive the benefit on the person's behalf. Such payment shall be a complete discharge of the payment obligation under the Plan.

### 11.07 **Commutation of Pensions and Lump Sum Refunds<sup>7</sup>**

- (a) Retirement income under Part 3 and the value of the Member's Employee Account and Employer Account under Part 2 may, before payment has commenced, be commuted and paid in a lump sum at the discretion of the person entitled to the benefit if the lump sum Actuarial Equivalent of the retirement income under Part 3 and the value of the Member's Employee Account and Employer Account under Part 2 does not exceed 20% of the YMPE as at the date the Member or the Member's Spouse, as applicable, makes the application in the prescribed form.

The amount of any such form of benefit settlement shall be the Actuarial Equivalent of the benefit remaining to be paid.

- (b) Retirement income under Part 3 and the value of the Member's Employee Account and Employer Account under Part 2 required to be paid to a Member who has ceased to accrue Continuous Service or to a Spouse, either of whom is a non-resident of Canada for purposes of Revenue Rules, may be commuted and paid in a lump sum at the discretion of the person entitled to the benefit, provided that the prescribed forms are completed and filed as required by Applicable Pension Laws. If the Member has a Spouse, an election to commute and receive a lump sum payment may only be made if the Spouse completes a waiver in the form and manner prescribed by Applicable Pension Laws.
- (c) Subject to Applicable Pension Laws, a benefit required to be paid under the Plan, other than a retirement income already in payment, may be commuted and paid in a lump sum or may be paid as a series of payments for a fixed term to the Member if the Member has an illness or a disability that is certified by a Medical Practitioner licensed to practise in Canada, that he is terminal or has a shortened life expectancy. If the Member has a Spouse, an election to commute and receive a lump sum payment may only be made if the Spouse completes a waiver in the form and manner prescribed by Applicable Pension Laws. The amount of any such form of benefit settlement shall be the Actuarial Equivalent of the benefit remaining to be paid.

### 11.08 **Non-Duplication of Benefits**

There shall be no duplication of benefits payable under one provision of the Plan and benefits payable under any other provision of the Plan.

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<sup>7</sup> Applicable as modified in the Appendices for Members employed in British Columbia, Manitoba, New Brunswick, Ontario, Quebec and Saskatchewan.

## **Part 2 – Defined Contribution Provisions**

### **Article 12 – Application**

12.01 The provisions of this Part 2 shall apply:

- (a) To a DC Member, in respect of Continuous Service on or after January 1, 2012;  
and
- (b) To a DB/DC Member, in respect of Continuous Service on or after  
January 1, 2013.

## **Article 13 – Member Contributions**

### **13.01 Required Contributions**

- (a) Subject to Section 13.02, 13.03 and 15.01, in each pay period or portion thereof, a DC Member or DB/DC Member who is an Employee of a Participating Employer shall contribute to the DC Provision, by regular payroll deduction, Required Contributions equal to 4% of the Member's Earnings received in the pay period.
- (b) Required Contributions made pursuant to paragraph (a) shall cease upon the earliest of:
  - (i) the Member's transfer to a category of employment where the Member ceases to be an Employee;
  - (ii) the Member's termination of employment;
  - (iii) the Member's Retirement Date;
  - (iv) the Member's death;
  - (v) the date the Member commences a Temporary Leave of Absence or Educational Leave;
  - (vi) the date the Member becomes Disabled; or
  - (vii) the date of complete or partial discontinuance of the Plan affecting the Member.
- (c) All Required Contributions shall be paid into the Fund and allocated to the Member Employee Account within the time limits prescribed by Applicable Pension Laws.

### **13.02 Required Contributions During a Temporary Leave of Absence or Educational Leave**

- (a) Notwithstanding Section 13.01 but subject to Section 15.01, if a DC Member or DB/DC Member is:
  - (i) on a Temporary Leave of Absence with pay as described in paragraph 2.70(a), the Member shall continue to make Required Contributions for such period of Temporary Leave of Absence;
  - (ii) on a Temporary Leave of Absence as described in paragraph 2.70(b) during which the Member qualifies for benefits under a Participating Employer's short-term disability income plan, the Member shall continue to make Required Contributions for such period of Temporary Leave of Absence;
  - (iii) on any other Temporary Leave of Absence as described in Section 2.70, the Member shall not be required to contribute to the DC Provisions for such period of Temporary Leave of Absence; or
  - (iv) on an Educational Leave with or without pay as described in Section 2.31, the Member shall not be required to contribute to the DC Provisions for such period of Educational Leave.
- (b) Required Contributions made pursuant to this Section 13.02 shall be paid on such terms and in such manner as may be determined by the Administrator, subject to applicable laws.
- (c) Required Contributions made pursuant to this Section 13.02 shall cease upon the earliest of:
  - (i) the termination of the Member's Temporary Leave of Absence in accordance with subparagraphs (a)(i) and (ii);
  - (ii) the Member's termination of employment;
  - (iii) the Member's Normal Retirement Date;
  - (iv) the Member's death; or
  - (v) the date of complete or partial discontinuance of the Plan affecting the Member.

### **13.03 Required Contributions During a Period of Disability**

Notwithstanding Section 13.01, if a DC Member or DB/DC Member is Disabled, the Member shall not be required to contribute to the DC Provisions.

#### 13.04 **Optional Contributions**

- (a) Subject to Section 15.01 and paragraphs (b) and (c), a DC Member, a DB/DC Member or a DB Member, who is accruing Continuous Service, may contribute Optional Contributions to the Member's Optional Account in the Plan Year by payroll deduction or by lump sum payment or both, up to a maximum of 4% of the Member's Earnings. The Member may change his rate of Optional Contributions at such times and in accordance with such policies and procedures as are adopted by the Administrator. Such contributions are considered additional voluntary contributions, not subject to the locking-in requirements of Applicable Pension Laws.
- (b) Notwithstanding paragraph (a) but subject to Section 15.01 and paragraphs 4.03(b) and 14.02(c), if a DC Member, a DB/DC Member or a DB Member is on Temporary Leave of Absence or Educational Leave, the Member may elect to make Optional Contributions for the Temporary Leave of Absence or Educational Leave.
- (c) Notwithstanding paragraph (a) but subject to Section 15.01 and paragraphs 4.03(b) and 14.02(c), if a DC Member, a DB/DC Member or a DB Member is Disabled, the Member may elect to make Optional Contributions in respect of the period when the Member is Disabled.
- (d) All Optional Contributions shall be paid into the Fund and allocated to the Member's Optional Account within time limits prescribed by Applicable Pension Laws.

## **Article 14 – Participating Employer Contributions**

### **14.01 Participating Employer Contributions**

- (a) Subject to Sections 6.02, 14.02, 14.03, 14.05 and 15.01, in each pay period or portion thereof, the Participating Employer shall contribute on behalf of a DC Member or DB/DC Member, Employer Contributions equal to 6% of the Member's Earnings received in the pay period.
- (b) Employer Contributions made pursuant to paragraph (a) shall cease upon the earliest of:
  - (i) the Member's transfer to a category of employment where the Member ceases to be an Employee;
  - (ii) the Member's termination of employment;
  - (iii) the Member's Retirement Date;
  - (iv) the Member's death;
  - (v) subject to paragraph 14.02(a), the date the Member commences a Temporary Leave of Absence or Educational Leave;
  - (vi) the date the Member becomes Disabled; or
  - (vii) the date of complete or partial discontinuance of the Plan affecting the Member.
- (c) All Employer Contributions shall be paid into the Fund and allocated to the Member's Employer Account within the time limits specified in Applicable Pension Laws. Subject to Applicable Pension Laws, the liability of the Participating Employers at any time is limited to such contributions as should have been made in accordance with Applicable Pension Laws.

### **14.02 Participating Employer Contributions During a Temporary Leave of Absence or Educational Leave**

- (a) Notwithstanding Section 14.01 but subject to Sections 6.02, 14.05 and 15.01, if a DC Member or DB/DC Member is:
  - (i) on a Temporary Leave of Absence with pay as described in paragraph 2.70(a), the Participating Employer shall continue to make Employer Contributions pursuant to paragraph 14.01(a) for such period of Temporary Leave of Absence;
  - (ii) on a Temporary Leave of Absence without pay as described in paragraph 2.70(a), the Participating Employer shall have the option to continue to make Employer Contributions pursuant to paragraph 14.01(a) for such period of Temporary Leave of Absence;



- (iii) on a Temporary Leave of Absence as described in paragraph 2.70(b), the Participating Employer shall continue to make Employer Contributions pursuant to paragraph 14.01(a) for such period of Temporary Leave of Absence;
  - (iv) on a Temporary Leave of Absence as described in paragraph 2.70(c), the Participating Employer shall have the option to continue to make Employer Contributions pursuant to paragraph 14.01(a) for such period of Temporary Leave of Absence;
  - (v) on an Educational Leave with or without pay as described in Section 2.31, the Participating Employer shall continue to make Employer Contributions pursuant to paragraph 14.01(a) for such period of Educational Leave up to a maximum of five years.
- (b) Employer Contributions made pursuant to this Section 14.02 shall be paid on such terms and in such manner as may be determined by the Administrator, subject to applicable laws.
- (c) In no event shall the total periods, during which the DC Member or DB/DC Member does not have Earnings as defined in paragraph 2.30(a) and for which contributions are made by the Participating Employer under this Section 14.02 or by a Member under paragraphs 13.02(a) or 13.04(b), when combined with any period of absence without Earnings as defined in paragraph 2.30(a) during which the Member accrued Credited Service under subparagraphs 4.03(b)(i) and (ii), exceed the sum of:
  - (i) the full-time equivalent of five years; and
  - (ii) the periods of parenting, as defined in Revenue 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 of parenting.
- (d) Employer Contributions made pursuant to this Section 14.02 shall cease upon the earliest of:
  - (i) the date the Participating Employer ceases making Employer Contributions in accordance with paragraph (a);
  - (ii) the termination of the Member's Temporary Leave of Absence or Educational Leave;
  - (iii) the Member's termination of employment;
  - (iv) the Member's Normal Retirement Date;
  - (v) the Member's death; or

- (vi) the date of complete or partial discontinuance of the Plan affecting the Member.

#### **14.03 Participating Employer Contributions During a Period of Disability**

- (a) Notwithstanding Section 14.01 but subject to Sections 6.02, 14.05 and 15.01, if a DC Member or DB/DC Member is Disabled, the Employer Contributions shall continue to be made by the Participating Employers pursuant to paragraph 14.01(a) in respect of the period when the Member is Disabled.
- (b) Employer Contributions made pursuant to this Section 14.03 shall be paid on such terms and in such manner as may be determined by the Administrator, subject to applicable laws.
- (c) Employer Contributions made pursuant to this Section 14.03 shall cease upon the earliest of:
  - (i) the date the Member ceases to be Disabled;
  - (ii) the Member's termination of employment;
  - (iii) the Member's Normal Retirement Date;
  - (iv) the Member's death; or
  - (v) the date of complete or partial discontinuance of the Plan affecting the Member.

#### **14.04 Flex Plan Contributions**

- (a) Subject to 6.02 and Section 15.01, the Participating Employers may, at the discretion of a DC Member, a DB/DC Member or a DB Member, contribute on behalf of such Member by allocating excess funds from the Member's Flex Plan account.
- (b) All Employer Contributions shall be paid into the Fund and allocated to the Member's Employer Account within the time limits specified in Applicable Pension Laws. Subject to Applicable Pension Laws, the liability of the Participating Employers at any time is limited to such contributions as should have been made in accordance with Applicable Pension Laws.

#### **14.05 Allocation of Forfeiture Account**

Without limiting the generality of Section 6.02, at the discretion of the Administrator and subject to the provisions of Applicable Pension Laws, the balance of the Forfeiture Account shall, within the time limits specified in Revenue Rules:

- (a) be used to pay the fees and expenses reasonably incurred in respect of the Plan and the Fund pursuant to paragraphs 6.04(f) and (g);

- (b) be used to reduce the Employer Contributions otherwise required under this Part by means of transfer of monies from the Forfeiture Account to the Member Employer Accounts; or
- (c) be returned to the Participating Employers.

## **Article 15 – Maximum Contributions**

### **15.01 Maximum Contribution Limit**

- (a) For the purpose of Articles 13 and 14, and subject to paragraph (b), the maximum contribution limit in respect of a Member in any calendar year shall be the lesser of 18% of the Member's Earnings in that calendar year and the Money Purchase Limit as is applicable in that calendar year.
- (b) The maximum contribution limit calculated in accordance with paragraph (a) shall be reduced by the amount, if any, of a Member's expected pension adjustment as determined under Revenue Rules for any benefits accrued or contributions made in the calendar year under Part 3 or any other registered pension plan or deferred profit sharing plan of a Participating Employer or Related Employer.

## **Article 16 – Accounts**

### **16.01 Member Accounts**

Individual accounts shall be maintained in the Fund by the Funding Agency with respect to each DC Member, DB Member and DB/DC Member, as follows:

- (a) The Required Contributions made by a DC Member or a DB/DC Member in accordance with Sections 13.01, 13.02 or 13.03 shall be allocated to the Member's Employee Account. The Member's Employee Account shall also include amounts in respect of member contributions made to the defined contribution provisions of the Plan prior to January 1, 2011.
- (b) The Employer Contributions made on behalf of a DC Member or a DB/DC Member in accordance with Sections 14.01, 14.02, 14.03, 14.04 or 14.05 shall be allocated to the Member's Employer Account. The Employer Contribution made on behalf of a DB Member in accordance with Section 14.04 shall be allocated to the Member's Employer Account.
- (c) The Optional Contributions made by a DC Member, a DB/DC Member or a DB Member in accordance with Section 13.04 shall be allocated to the Member's Optional Account. The Member's Optional Account shall also include amounts in respect of contributions made to the Plan by a Member on or after January 1, 2011 that were considered additional voluntary contributions, not subject to the locking-in requirements of Applicable Pension Laws.

### **16.02 Forfeiture Account**

A separate Forfeiture Account representing unvested balances from Member's Employer Accounts shall be maintained for the Participating Employers in the Fund. On each Valuation Date, the Funding Agency shall decrease the Forfeiture Account by the amount of any applications made in accordance with Section 14.05, since the previous Valuation Date.

### **16.03 Investment of Accounts**

- (a) The Member's Accounts shall be invested, pursuant to directions provided by the Member, in the investment options made available by the Funding Agency under the terms of the Funding Agreement. The Administrator must offer a sufficient number of investment options of varying degrees of risk and expected return that would allow a reasonable and prudent person to create a portfolio of investments that is appropriate for retirement savings.
- (b) The Forfeiture Account shall be invested, pursuant to directions provided by the Administrator, in the investment options made available by the Funding Agency under the terms of the Funding Agreement.

- (c) In the event that a Member fails to provide any direction for the investment of his Accounts, the Accounts shall be invested in the default investment option that may be prescribed from time to time by the Church, until the Member files his investment direction with the Administrator. The Administrator must ensure that one of the following default investment options will apply to the Accounts of a Member who fails to provide direction regarding the investments:
  - (i) a balanced fund;
  - (ii) a portfolio of investments that takes into account a Member's age.
- (d) A Member may change the investment options in which his Accounts are invested, in the manner prescribed by the Administrator.
- (e) The Church reserves the right to change the investment options available under this Part 2 at any time.

#### 16.04 Valuation of Accounts

- (a) The value of each Account shall be determined by the Funding Agency or its agent at each Valuation Date to account for the allocation of:
  - (i) net investment income;
  - (ii) net realized and unrealized capital gains and losses; and
  - (iii) fees and expenses paid from the Account, in accordance with paragraphs 6.04(f) and (g).
- (b) Valuation Dates shall occur at such times as may be required or permitted by the Funding Agreement, but not less frequently than monthly. The value of each Account shall be computed on the basis of market values at the Valuation Date concerned, having regard to the terms of the Funding Agreement.

## **Article 17 – Retirement Benefits**

### **17.01 Retirement**

For purposes of the Plan, a DC Member or DB/DC Member shall retire if:

- (a) the Member's employment with a Participating Employer ceases on or after the Member's Normal Retirement Date and in no event later than December 1 of the calendar year in which the Member attains age 71, or such other age as may be permitted under Revenue Rules; or
- (b) the Member's employment with a Participating Employer ceases after becoming eligible for early retirement in accordance with Section 5.02.

### **17.02 Retirement Benefit<sup>8</sup>**

Upon retirement in accordance with Section 17.01, a Member shall be entitled to the distribution of the value of his Accounts in the form elected by the Member in accordance with Section 17.03, determined as of the Valuation Date coincident with or immediately preceding distribution of the Accounts.

### **17.03 Payment of Retirement Benefit**

- (a) Subject to Section 11.07, if a Member retires in accordance with Section 17.01, the Member shall elect distribution of the Member's Employee Account and Employer Account in any one of the following forms:
  - (i) for a Member who is not an Alberta Employee and not a Manitoba Employee as defined in Appendix B, a single premium purchase of an immediate or deferred life annuity contract from an Insurer, commencing not earlier than 10 years prior to Normal Retirement Date; and commencing not later than December 1 of the calendar year in which the Member attains age 71, or such other age as may be permitted by Revenue Rules, in a form acceptable under Applicable Pension Laws and Revenue Rules; or
  - (ii) a lump sum transfer to a Locked-in Retirement Savings Vehicle.
- (b) If, at the date the first installment of the life annuity purchased in accordance with subparagraph (a)(i) or ultimately purchased with the amount transferred in accordance with subparagraph (a)(ii) is due:
  - (i) the former Member has a Spouse; and
  - (ii) the Spouse has not waived, in the prescribed form, his entitlement within the period prescribed by Applicable Pension Laws;

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<sup>8</sup> Applicable as modified in Appendix E for Members employed in Quebec.

the former Member shall receive any retirement income as if the former Member had elected to receive his retirement income with provision for a portion of the former Member's retirement income continuing to be paid to the Spouse after the former Member's death. This portion shall be 60% or such higher percentage elected by the Member.

A Spouse who has waived his entitlement may revoke such a waiver in writing prior to the date the first installment is due to the former Member, if permitted by, and in the manner and form prescribed by Applicable Pension Laws.

A life annuity purchased in accordance with this paragraph shall comply with any other requirements prescribed by Applicable Pension Laws and Revenue Rules.

- (c) The Member shall elect distribution of the Member's Optional Account in accordance with Section 19.04.

#### 17.04 **Phased Retirement**<sup>9</sup>

A Member shall not be permitted to take a phased retirement.

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<sup>9</sup> Applicable as modified in Appendix E for Members employed in Quebec.



## **Article 18 – Death Benefits**

### **18.01 Death Benefits**

If a Member dies prior to the distribution of his Accounts under any other Article of the Plan, the Member's Spouse or, if there is no Spouse or if the Spouse has waived entitlement to the death benefit in the prescribed form and in accordance with Applicable Pension Laws, the Member's Beneficiary shall be entitled, to distribution of the value of the Member Accounts in accordance with Section 18.02.

### **18.02 Payment of Death Benefits<sup>10</sup>**

- (a) In the event a Member dies, distribution of the Member's Employee Account and Employer Account to the Member's Spouse shall, subject to Section 11.07, be made as a transfer to a Locked-in Retirement Savings Vehicle as designated by the Spouse, provided, however, that the administrator of such plan or vehicle agrees in writing to administer such transferred benefit within the conditions of Applicable Pension Laws.
- (b) The Member's Optional Account shall be distributed to the Member's Spouse as:
  - (i) a lump sum cash payment; or
  - (ii) a lump sum transfer to a RRSP;as designated by the Spouse, or if the Spouse fails to make a designation within the time required or permitted under Applicable Pension Laws, as may be determined by the Administrator in its absolute discretion, in such form as may be permitted under Applicable Pension Laws.
- (c) The value of the Accounts shall be determined as of the Valuation Date coincident with or immediately preceding the date of distribution.
- (d) Distribution of the Member's Accounts to a Beneficiary who is not a Spouse shall be made as a lump sum cash payment.
- (e) If the Spouse should die prior to transferring the Accounts pursuant to this Section, the Accounts shall be paid to the Spouse's estate.

### **18.03 Timing of Payment**

Any death benefit payable under this Part shall be paid as soon as practicable after the Member's death and in no event later than the time required under Applicable Pension Laws.

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<sup>10</sup> Applicable as modified in the Appendices for Members employed in British Columbia, Manitoba, New Brunswick, Ontario, Quebec and Saskatchewan.

## **Article 19 – Termination of Employment**

### **19.01 Termination of Employment**

If a Member's employment with a Participating Employer is terminated, the Member shall be entitled to the distribution of the value of his Member's Employee Account and Employer Account in accordance with Section 19.02 and to the distribution of the value of his Optional Account in accordance with Section 19.03.

### **19.02 Payment of Accounts**

Subject to Section 11.07, a Member who is entitled to distribution of his Employee Account and Employer Account in accordance with Section 19.01 shall elect distribution of such Accounts in any one of the following forms:

- (a) a transfer to a Locked-in Retirement Savings Vehicle; or
- (b) for a Member who is not an Alberta Employee and not a Manitoba Employee as defined in Appendix B, a transfer to an Insurer for the purchase a life annuity, commencing no later than December 1 of the calendar year in which the Member attains age 71, or such other age as may be permitted under Revenue Rules, in a form acceptable under Applicable Pension Laws and Revenue Rules; or
- (c) where permitted by Applicable Pension Laws and subject to the approval of the Administrator, retain the balances of such Accounts in the Fund, provided that on or after the Member's Normal Retirement Date and in no event later than December 1 of the calendar year in which the Member attains age 71, or such other age as may be permitted under Revenue Rules, the Administrator shall purchase with such Accounts, if not already transferred out of the Plan, a life annuity contract from an Insurer in a form acceptable under Applicable Pension Laws and Revenue Rules. If the Accounts are retained in the Fund following the Member's termination of employment, the investment management fees and expenses, recordkeeping and other administrative fees and expenses with respect to such Accounts shall be paid out of such Accounts.

The value of such Accounts shall be determined as of the Valuation Date coincident with or immediately preceding the date of distribution.

### **19.03 Transfer Options for Cash Settlements**

A Member who is entitled to distribution of his Optional Account, if applicable, may elect to receive the balances in such Account in one of the following forms:

- (a) a lump sum cash payment; or
- (b) a lump sum transfer to a RRSP;

- (c) a transfer to another registered pension plan, if the administrator of the plan accepts such transfer; or
- (d) a single premium purchase of an immediate or deferred life annuity contract from an Insurer, commencing not earlier than 10 years prior to Normal Retirement Date and commencing not later than December 1 of the calendar year in which the Member attains age 71, or such other age as may be permitted by Revenue Rules, in a form acceptable under Applicable Pension Laws and Revenue Rules.

The value of such Account shall be determined as of the Valuation Date coincident with or immediately preceding the date of distribution.

#### **19.04 Payment in Default of Election**

If a Member who is entitled to elect distribution of all or some of his Accounts under Section 19.02 or Section 19.03 fails to make an election as permitted under Applicable Pension Laws, the Administrator may, in its absolute discretion retain the balance of the Member's Accounts in the Fund, provided that on or after the Member's Normal Retirement Date and in no event later than December 1 of the calendar year in which the Member attains age 71, or such other age as may be permitted under Revenue Rules, the Administrator shall purchase with the Member Accounts, if not already transferred out of the Plan, a life annuity contract from an Insurer in a form acceptable under Applicable Pension Laws and Revenue Rules. If the Accounts are retained in the Fund following the Member's termination of employment, the investment management fees and expenses, recordkeeping and other administrative fees and expenses with respect to such Accounts shall be paid out of such Accounts.

## **Article 20 – Transfers of Benefits**

### **20.01 Transfer from Registered Plan of Previous Employer**

At the sole discretion of the Church, the Church will accept deposits into the Fund to the credit of an Employee under the DC Provisions by way of transfer from the previous employer's registered pension plan or deferred profit sharing plan. Amounts so transferred shall be separately accounted for and invested pursuant to directions provided by the Member, in a number of investment options to be made available by the Funding Agency under the terms of the Funding Agreement. The Transferred Amounts shall only be applied toward the provisions of benefits on a money purchase basis upon the Member ceasing to accrue Continuous Service. Thereupon the Member or, after death in the absence of an election, the Beneficiary, shall receive the Transferred Amounts in accordance with Applicable Pension Laws and Revenue Rules.

## **Part 3 – Defined Benefit Provisions**

### **Article 21 – Application**

21.01 The provisions of this Part 3 shall apply:

- (a) to a DB Member, in respect of all Continuous Service; and
- (b) to a DB/DC Member, in respect of Continuous Service prior to January 1, 2013.

## **Article 22 – Member Contributions**

### **22.01 Required Contributions**

- (a) In each pay period, or portion thereof, commencing January 1, 2013, a DB Member who is an Employee of a Participating Employer shall contribute to the DB Provision, by regular payroll deduction, Required Contributions equal to 4% of the Member's Earnings.
- (b) Required Contributions made pursuant to paragraph (a) shall cease upon the earliest of:
  - (i) the Member's transfer to a category of employment where the Member ceases to be an Employee;
  - (ii) the Member's termination of employment;
  - (iii) the Member's Retirement Date;
  - (iv) the Member's death;
  - (v) the date the Member commences a Temporary Leave of Absence or Educational Leave;
  - (vi) the date the Member becomes Disabled; or
  - (vii) the date of complete or partial discontinuance of the Plan affecting the Member.
- (c) All Required Contributions shall be paid into the Fund within the time limits specified in Applicable Pension Laws.
- (d) In no event shall the Required Contributions made by a DB Member during any calendar year exceed the lesser of:
  - (i) 9% of the Member's total remuneration for such year, as determined under Revenue Rules; and
  - (ii) 70% of the Member's pension credit under the Plan for the calendar year, as determined under Revenue Rules.

### **22.02 Required Contributions During a Temporary Leave of Absence or Educational Leave**

- (a) Notwithstanding Section 22.01 but subject to paragraph 22.01(d), if a DB Member is:
  - (i) on a Temporary Leave of Absence with pay as described in paragraph 2.70(a), the Member shall continue to make Required Contributions for such period of Temporary Leave of Absence;

- (ii) on a Temporary Leave of Absence as described in paragraph 2.70(b) during which the Member qualifies for benefits under a Participating Employer's short-term disability income plan, the Member shall continue to make Required Contributions for such period of Temporary Leave of Absence;
- (iii) on any other Temporary Leave of Absence as described in Section 2.70, the Member shall not be required to contribute to the DB Provisions for such period of Temporary Leave of Absence; or
- (iv) on an Educational Leave with or without pay as described in Section 2.31, the Member shall not be required to contribute to the DB Provisions for such period of Educational Leave.

In computing the amount of Credited Service on or after January 1, 2013 in accordance with Section 4.02, if the periods of absence under paragraphs (iii) and (iv) are included in Credited Service under subparagraph 4.03(b)(ii), the DB Member shall be deemed to have made Required Contributions which would have otherwise been made under Section 22.01.

- (b) Required Contributions made pursuant to this Section 22.02 shall be paid on such terms and in such manner as may be determined by the Administrator, subject to applicable laws.
- (c) Required Contributions made pursuant to this Section shall cease upon the earliest of:
  - (i) the date the Member ceases making Required Contributions in accordance with subparagraphs (a)(i) and (ii);
  - (ii) the termination of the Member's Temporary Leave of Absence;
  - (iii) the Member's termination of employment;
  - (iv) the Member's Normal Retirement Date;
  - (v) the Member's death; or
  - (vi) the date of complete or partial discontinuance of the Plan affecting the Member.

### **22.03 Required Contributions During a Period of Disability**

Notwithstanding Section 22.01, if a DB Member is Disabled, the Member shall not be required to contribute to the DB Provisions in respect of the period when the Member is Disabled. In computing the amount of Credited Service on or after January 1, 2013 in accordance with Section 4.02, the DB Member shall be deemed to have made the Required Contributions which would have otherwise been made under Section 22.01.

#### **22.04 Optional Contributions**

A DB Member is permitted to make Optional Contributions in accordance with Part 2.



## **Article 23 – Retirement Income Formulae**

The formulae shown in this Article are used in the calculation of the retirement income in respect of a Member under this Part 3, and the amount derived therefrom is the basis on which the actual amount of retirement income will be determined in accordance with the applicable provisions of Part 3 of the Plan. The amount of annual retirement income under this Part 3 will be determined as of a Member's Date of Determination.

### **23.01 Plan Formula**

The Plan Formula shall be the greater of (a) and (b), where:

- (a) is the sum of (i) and (ii), where:
  - (i) is 1.25% of the Member's Final Average Earnings not in excess of the Final Average YMPE multiplied by Credited Service; and
  - (ii) is 1.60% of the Member's Final Average Earnings in excess of the Final Average YMPE multiplied by Credited Service; and
- (b) \$48.00 multiplied by Credited Service.

### **23.02 Maximum Formula**

The Maximum Formula shall be the product of (a) and (b), where:

- (a) is the lesser of (i) and (ii), where:
  - (i) is 2% of the average of the Member's highest three years of indexed Earnings at the Date of Determination, which may be used to determine the maximum retirement income under Revenue Rules; and
  - (ii) is \$2,522.22 or such higher amount at the Date of Determination, which may be used to determine the maximum retirement income under Revenue Rules; and
- (b) is the sum of (i) and (ii), where:
  - (i) is the lesser of (A) and (B) as follows:
    - (A) Credited Service prior to January 1, 1992; and
    - (B) 35 years;
  - (ii) is Credited Service after December 31, 1991.

### **23.03 Plan Benefit**

The Plan Benefit shall be the lesser of the amount calculated according to the Plan Formula and the amount calculated according to the Maximum Formula.

## Article 24 – Amount of Retirement Income

### 24.01 Normal Retirement

A DB Member or DB/DC Member who retires at Normal Retirement Date shall receive an amount of retirement income commencing from the Member's Normal Retirement Date that is equal to the Plan Benefit determined using the Member's Normal Retirement Date as the Date of Determination.

### 24.02 Early Retirement<sup>11</sup>

- (a) A DB Member or DB/DC Member who retires on an Early Retirement Date may elect to have retirement income commence on the first day of any month from the Member's Early Retirement Date to his Normal Retirement Date.
- (b) A DB Member or DB/DC Member who is accruing Continuous Service and who retires on an Early Retirement Date shall receive an amount of retirement income commencing from the Member's Pension Commencement Date determined as the lesser of (i) and (ii) as follows:
  - (i) the Plan Formula computed using the Member's Early Retirement Date as the Date of Determination and multiplied by the applicable early retirement factor in accordance with paragraph (c), computed using the Member's Early Retirement Date as the Date of Determination and based on the Pension Commencement Date; and
  - (ii) the Maximum Formula computed using the Member's Early Retirement Date as the Date of Determination and multiplied by the applicable early retirement factor in accordance with paragraph (d), based on the Pension Commencement Date.
- (c) The early retirement factor referred to in subparagraph (b)(i) shall be determined as follows:
  - (i) if at the Member's Date of Determination, as defined in Section 2.22, the Member has attained age 62 and the aggregate of the Member's age plus Credited Service equals or exceeds 85 years, then 100%;
  - (ii) if at the Member's Date of Determination, as defined in Section 2.22, the Member has attained age 62 but the aggregate of the Member's age plus Credited Service is less than 85 years, then 100% less 0.55% for each month by which his Pension Commencement Date precedes the earlier of his Normal Retirement Date and the date at which the

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<sup>11</sup> Applicable as modified in the Appendix D for Members employed in Ontario.

aggregate of the Member's age plus Credited Service equals to 85 years;  
or

- (iii) if at the Member's Date of Determination, as defined in Section 2.22, the Member has not attained age 62, then 100% less 0.55% for each of the first 60 months by which his Pension Commencement Date precedes his Normal Retirement and 0.27% for each month in excess of 60 months by which the Pension Commencement Date precedes his Normal Retirement Date.
- (d) The early retirement factor referred to in subparagraph (b)(ii) shall be 100% less 0.25% for each month, if any, by which the Member's Pension Commencement Date precedes the earliest of:
- (i) the date the DB Member or DB/DC Member attains age 60;
  - (ii) the date the DB Member or DB/DC Member completed, or would have completed had such Member continued in employment after his Early Retirement Date, 30 years of Early Retirement Eligibility Service; and
  - (iii) the date on which the aggregate of the DB Member's or DB/DC Member's age and Early Retirement Eligibility Service is, or would have been had such Member continued in employment after his Early Retirement Date, equal to 80 years.

For the purpose of subparagraphs (ii) and (iii), "Early Retirement Eligibility Service" means the sum of:

- (iv) all periods throughout which the Member was employed by an employer who is or was a Participating Employer or by a predecessor employer to such an employer, within the meaning of Revenue Rules; and
- (v) any period of Credited Service which is not included under subparagraph (iv).

#### 24.03 Postponed Retirement<sup>12</sup>

A DB Member or DB/DC Member who retires on a Postponed Retirement Date shall receive an amount of retirement income commencing from the Member's Postponed Retirement Date that is equal to the Plan Benefit determined using the Member's Postponed Retirement Date as the Date of Determination.

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<sup>12</sup> Applicable as modified in the Appendices for Members employed in Manitoba and Quebec.

**24.04 Retirement Benefits From Excess Member Contributions**

A DB Member who retires in accordance with Section 24.01, 24.02 or 24.03 shall receive an amount equal to his Excess Contributions, if any, determined and payable in accordance with Article 25 using his Retirement Date as the Date of Determination.

**24.05 Phased Retirement<sup>13</sup>**

A Member shall not be permitted to take a phased retirement.

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<sup>13</sup> Applicable as modified in Appendix E for Members employed in Quebec.

## **Article 25 – Excess Contributions**

25.01 The formula set out in Section 25.02 shall be used in the calculation of Excess Contributions in respect of a DB Member. The amount of Excess Contributions shall be based upon the actual amount of retirement income in respect of Credited Contributory Service to which a DB Member is entitled in accordance with applicable DB Provisions. The Excess Contributions shall be paid in accordance with Section 25.03.

### **25.02 Excess Contributions**

A DB Member's Excess Contributions shall be equal to the excess, if any, of (a) over (b) where:

- (a) is the DB Member's Required Contributions accumulated with Interest to the Date of Determination; and
- (b) is fifty percent (50%) of the lump sum Actuarial Equivalent of the amount of retirement income in respect of Credited Contributory Service as of the DB Member's Date of Determination.

### **25.03 Payment of Excess Contributions<sup>14</sup>**

In the event that there are Excess Contributions at the DB Member's Date of Determination, the DB Member or in the case of his death, his Spouse, may elect that such Excess Contributions be:

- (a) paid as a lump sum cash payment to the DB Member (or DB Member's Spouse), if applicable; or
- (b) transferred in accordance with Section 29.03.

Such election must be made within the time permitted and in the manner prescribed by the Administrator and in accordance with Applicable Pension Laws.

If in the event of death of a DB Member who has no Spouse at his date of death, his Excess Contributions shall be paid in a lump sum to his Beneficiary, or to his estate if he has no Beneficiary.

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<sup>14</sup> Applicable as modified in Appendix E for Members employed in Quebec.

## Article 26 – Payment of Retirement Benefits

### 26.01 Normal Form

(a) *Member Who Has No Spouse*

Subject to Sections 26.02 and 26.03, the normal form of payment of retirement income payable under Article 24 or Article 28 to a DB Member or DB/DC Member who does not have a Spouse at his Pension Commencement Date shall be an annual retirement income payable in equal monthly instalments for the life of such Member with the last payment due on the first day of the month in which the death of such Member occurs with a guarantee that if such Member dies before 120 monthly payments are made the remaining payments shall continue to be paid to such Member's Beneficiary.

(b) *Member Who Has a Spouse*

Subject to Sections 26.02 and 26.03, the normal form of payment of retirement income payable under Article 24 or Article 28 to a DB Member or DB/DC Member who has a Spouse at his Pension Commencement Date shall be an annual retirement income payable in equal monthly instalments for the life of such Member with the last payment due on the first day of the month in which the death of the Member occurs and with 66 2/3% of this retirement income continuing to be paid to such Member's Spouse commencing on the first day of the month following the month in which the death of such Member occurs and ending on the first day of the month in which the death of such Member's Spouse occurs.

Notwithstanding the foregoing,

- (i) if such Member should die before 60 monthly payments are made, the initial retirement income shall continue to such Member's Spouse until a total of 60 monthly payments are made to either of such Member or his Spouse, at which point 66 2/3% of the retirement income shall continue to be paid to the Spouse commencing on the first day of the month following the month in which the 60-month guarantee period expires and ending on the first day of the month in which death of the Spouse occurs; and
- (ii) if such Member and Spouse both die before 60 monthly payments of the initial retirement income are made, the remaining payments shall continue to be paid to the beneficiary of the last recipient to survive.

## 26.02 **Statutory Survivor Pension**<sup>15</sup>

Notwithstanding Section 26.01, a DB Member or DB/DC Member who has a Spouse who has not waived, in prescribed form and in accordance with Applicable Pension Laws, her right to a survivor retirement income shall be deemed to have elected to receive his retirement income in accordance with paragraph 26.01(b). A DB Member or DB/DC Member with a Spouse who has waived, in the prescribed manner, her right to 60% of the Member's retirement income following his death, shall receive his retirement income in accordance with paragraph 26.01(a).

A Spouse who has waived, in prescribed form and in accordance with Applicable Pension Laws, her right to 60% of the Member's retirement income following his death, shall be entitled to receive any remaining guaranteed payments under the DB Provisions as described in paragraph 26.01(a), unless such Spouse has further waived her right to such remaining guaranteed payments prior to the commencement of such benefits, in the manner prescribed in Applicable Pension Laws.

## 26.03 **Election of Optional Form**

- (a) In lieu of the retirement income payable pursuant to Sections 26.01 and 26.02, a DB Member or DB/DC Member may, in the written form prescribed by and filed with the Administrator within the 90-day period immediately preceding payment of the first instalment of the benefit, elect to receive the retirement income payable under Article 24 or Article 28 in the form of a life annuity, the annual amount of which is increased or decreased by reason of a variation in the terms of payment.
  - (i) A DB Member or DB/DC Member who does not have a Spouse at his Pension Commencement Date may elect to receive his retirement income in one of the forms specified in paragraph (c), (d) or (e). The benefit payable under this section shall be the Actuarial Equivalent of the benefit payable under paragraph 26.01(a).
  - (ii) A DB Member or DB/DC Member who has a Spouse at his Pension Commencement Date may elect to receive income in the form specified in paragraph (f). The benefit payable under this section shall be the Actuarial Equivalent of the benefit payable under paragraph 26.01(b).
  - (iii) A DB Member or DB/DC Member who has a Spouse at his Pension Commencement Date may elect to receive his retirement income in the normal form of payment specified in paragraph 26.01(a) or in the form specified in paragraph (e). The benefit payable in the form specified in

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<sup>15</sup> Applicable as modified in the Appendices for Members employed in British Columbia, Manitoba, New Brunswick, Ontario, Quebec and Saskatchewan.

paragraph (e) shall be the Actuarial Equivalent of the benefit payable under paragraph 26.01(a).

- (b) An election to receive an optional form of retirement income under this Section may be revoked or changed provided that either:
- (i) written notice of such revocation or change is received from the DB Member or DB/DC Member by the Administrator at least 30 days prior to payment of the first instalment of the benefit; or
  - (ii) the Spouse has died prior to payment of the first instalment of the benefit.
- (c) *Life Annuity – No Guaranteed Term*
- The retirement income is in the form of an annual retirement income payable in equal monthly instalments for the life of the Member with the last payment due on the first day of the month in which the death of the Member occurs. The benefit payable under this Section shall be the Actuarial Equivalent of the benefit payable under paragraph 26.01(a). However, in no event shall any actuarial increase due to the election of an optional form cause the annual amount of the Member's retirement income to exceed the maximum amount of retirement income that is applicable in accordance with the other provisions of the Plan.
- (d) *Life Annuity – 60 Months Guaranteed Term*
- The retirement income is in the form of an annual retirement income payable in equal monthly instalments for the life of the Member with the last payment due on the first day of the month in which the death of the Member occurs and with a guarantee that if the Member dies before 60 payments are made the remaining payments shall continue to be paid to the Member's Beneficiary. The benefit payable under this Section shall be the Actuarial Equivalent of the benefit payable under paragraph 26.01(a). However, in no event shall any actuarial increase due to the election of an optional form cause the annual amount of the Member's retirement income to exceed the maximum amount of retirement income that is applicable in accordance with the other provisions of the Plan.
- (e) *Life Annuity – 180 Months Guaranteed Term*
- The retirement income is in the form of an annual retirement income payable in equal monthly instalments for the life of the Member with the last payment due on the first day of the month in which the death of the Member occurs and with a guarantee that if the Member dies before 180 payments are made the remaining payments shall continue to be paid to the Member's Beneficiary. The



benefit payable under this Section shall be the Actuarial Equivalent of the benefit payable under paragraph 26.01(a).

(f) *Life Annuity Continuing to Spouse*

The retirement income is in the form of an annual retirement income payable in equal monthly instalments for the life of the Member with the last payment due to the Member on the first day of the month in which the death of the Member occurs with 100% of this retirement income continuing to be paid to the Member's Spouse commencing on the first day of the month following the month in which the death of the Member occurs and ending on the first day of the month in which the death of the Member's Spouse occurs. The benefit payable under this Section shall be the Actuarial Equivalent of the benefit payable under paragraph 26.01(b).

(g) *Co-ordination of Pensions with Government Benefits*

In conjunction with the normal form of retirement income or any other optional form of retirement income, as defined in this Section on an Actuarial Equivalent basis, a DB Member or DB/DC Member retiring prior to his Normal Retirement Date may elect to receive retirement income payable in an increased amount until he attains age 65, at which time the amount shall decrease. Notwithstanding the foregoing, the lump-sum Actuarial Equivalent of the lifetime retirement income payable after he attains age 65 shall not be reduced below 20% of the YMPE at his Pension Commencement Date.

Notwithstanding the foregoing, the extent of co-ordination of a DB Member's or DB/DC Member's retirement income with government benefits shall not exceed limits prescribed by Applicable Pension Laws and Revenue Rules.

**26.04 Redetermination of Form of Retirement Income<sup>16</sup>**

A Member shall not be permitted to have his form of retirement income redetermined.

**26.05 Temporary Retirement Income<sup>17</sup>**

A Member shall not be permitted to have a temporary retirement income.

**26.06 Ad Hoc Increases**

- (a) The Church, at its discretion and with written authorization of the Board of Directors, may elect from time to time to provide ad hoc increases to the amounts of retirement income being paid to or in respect of a DB Member or a DB/DC Member who has retired, died or terminated employment.

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<sup>16</sup> Applicable as modified in Appendix E for Members employed in Quebec.

<sup>17</sup> Applicable as modified in Appendix E for Members employed in Quebec.

- (b) Notwithstanding paragraph (a), in no event shall the amount of retirement income payable to a DB Member or a DB/DC Member exceed the amount of retirement income in the year of commencement, adjusted from time to time to reflect increases in the Consumer Price Index.
- (c) The pensions being paid to retired DB Members or a DB Member's Spouse or Beneficiary have been increased, as follows:

<b>Date Increase Granted</b>	<b>Percentage Increase Granted</b>
January 1, 1999	For a DB Member who retired prior to January 1, 1999, 1% per year from the date the Member commenced his pension up to January 1, 1999
January 1, 2001	For a DB Member who retired prior to January 1, 2001, 1% per year from the later of the date the Member commenced his pension and January 1, 1999 to January 1, 2001
January 1, 2002	For a DB Member who retired prior to January 1, 2001, 1%

## Article 27 – Death Benefits

### 27.01 Death – Prior to Pension Commencement Date<sup>18</sup>

- (a) If a DB Member or DB/DC Member who is accruing Continuous Service dies prior to his Pension Commencement Date:
- (i) a death benefit is payable to the Member's Spouse who has not waived, in the prescribed form and in accordance with Applicable Pension Laws, the right to a death benefit, equal to 100% of the lump sum Actuarial Equivalent of the retirement income that the Member would have been eligible to receive, in accordance with Article 24 or Article 28, as applicable, had the Member retired or terminated employment on the date of his death; and
  - (ii) a death benefit is payable to the Member's Spouse or, if there is no Spouse or if the Spouse has waived, in the prescribed form and in accordance with Applicable Pension Laws, the right to a death benefit, the Member's Beneficiary, equal to 100% of the lump sum Actuarial Equivalent of the retirement income that the Member would have been eligible to receive, in accordance with Article 24 or Article 28, as applicable, had the Member retired or terminated employment on the date of his death.

Such DB Member's Spouse, or Beneficiary, as applicable, shall also be entitled to receive the DB Member's Excess Contributions, if any, determined and payable in accordance with Article 25 using the Member's date of death as the Date of Determination.

- (b) If a DB Member or DB/DC Member who has ceased accruing Continuous Service and who has an entitlement to retirement income benefits in accordance with Article 28 dies prior to his Pension Commencement Date:
- (i) a death benefit is payable to the Member's Spouse who has not waived, in the prescribed form and in accordance with Applicable Pension Laws, the right to a death benefit, equal to 100% of the lump sum Actuarial Equivalent of the retirement income that the Member would have been eligible to receive in accordance with Article 28; and
  - (ii) a death benefit is payable to the Member's Spouse or, if there is no Spouse or if the Spouse has waived, in the prescribed form and in accordance with Applicable Pension Laws, the right to a death benefit, the Member's Beneficiary, equal to 100% of the lump sum Actuarial

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<sup>18</sup> Applicable as modified in the Appendices for Members employed in Quebec and Saskatchewan.

Equivalent of the retirement income that the Member would have been eligible to receive in accordance with Article 28.

**27.02 Commutation of Death Benefits<sup>19</sup>**

- (a) If a DB Member or DB/DC Member dies prior to his Pension Commencement Date, a Spouse who is entitled to benefits upon the death of a DB Member or DB/DC Member in accordance with this Article shall direct, subject to Applicable Pension Laws and Section 11.07, that the lump sum Actuarial Equivalent of the benefit be transferred to a Locked-In Retirement Savings Vehicle as designated by the Spouse; provided, however, that the administrator of such plan or vehicle agrees in writing to administer such transferred benefit within the conditions of Applicable Pension Laws.
- (b) The amount of any benefit payable to a DB Member's or DB/DC Member's Beneficiary shall be paid as a lump sum cash payment.
- (c) The amount of any Excess Contributions shall be payable in accordance with Article 25.
- (d) If a Spouse who is entitled to a death benefit dies prior to transferring the amount, the death benefit shall be paid to the Spouse's estate as a lump sum cash payment.

**27.03 Payment of Death Benefits**

Any death benefit payable in a lump sum under the Plan shall be paid as soon as practicable after the DB Member's or DB/DC Member's death and in no event later than the time required under Applicable Pension Laws.

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<sup>19</sup> Applicable as modified in the Appendices for Members employed in British Columbia, Manitoba, New Brunswick, Ontario, Quebec and Saskatchewan.

## **Article 28 – Termination of Employment**

### **28.01 Termination of Employment<sup>20</sup>**

A DB Member or DB/DC Member whose employment with a Participating Employer is terminated, for any reason other than death or retirement, shall receive:

- (a) a monthly retirement income, payable in accordance with Article 26 and commencing at the Member's Normal Retirement Date equal to the Plan Benefit determined using the Member's date of termination of employment as the Date of Determination; and
- (b) the DB Member's Excess Contributions, if any, determined and payable in accordance with Article 25 using the Member's date of termination of employment as the Date of Determination.

### **28.02 Earlier Payment of Pension**

A DB Member or DB/DC Member who is entitled to an amount of retirement income commencing at Normal Retirement Date under paragraph 28.01(a) may elect to receive such retirement income commencing within 10 years of the Member's Normal Retirement Date, equal to the lesser of (a) and (b) as follows:

- (a) the Plan Formula computed using the Member's date of termination of employment as the Date of Determination multiplied by the early retirement factor computed using the Member's date of termination as the Date of Determination and based on the Pension Commencement Date, in accordance with paragraph 24.02(c); and
- (b) the Maximum Formula computed using the Member's date of termination of employment as the Date of Determination multiplied by the applicable early retirement factor based on the Pension Commencement Date in accordance with paragraph 24.02(d).

### **28.03 Lump Sum Transfer**

In lieu of receiving a retirement income provided for in paragraph 28.01(a) or Section 28.02, a DB Member or DB/DC Member whose employment with a Participating Employer is terminated more than 10 years prior to Normal Retirement Date, or prior to the earliest day upon which the Member could retire pursuant to Section 5.02 if later, may elect to transfer the lump sum that is the Actuarial Equivalent of such retirement income, in accordance with Section 29.02.

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<sup>20</sup> Applicable as modified in Appendix E for Members employed in Quebec.

## Article 29 – Transfer of Benefits

### 29.01 Transfer from Registered Plan of Previous Employer

The Church will not accept deposits into the Fund to the credit of an Employee under the DB Provisions by way of transfer from a previous employer's registered pension plan or deferred profit sharing plan. At the sole discretion of the Church, such amounts may be transferred in accordance with paragraph 20.01.

### 29.02 Transfer<sup>21</sup>

Subject to Section 11.07, a DB Member or a DB/DC Member whose employment with a Participating Employer is terminated more than 10 years prior to Normal Retirement Date, for any reason other than death or retirement, and who is entitled to an amount of deferred retirement income under Part 3, may direct that the lump sum Actuarial Equivalent of his benefit be transferred:

- (a) for a Member who is not an Alberta Employee and not a Manitoba Employee as defined in Appendix B, to an Insurer for the purchase of an immediate or deferred life annuity contract, subject to any requirements under Revenue Rules; or
- (b) to a Locked-In Retirement Savings Vehicle, subject to any approval by the Member's Spouse as may be required by Applicable Pension Laws,  
as designated by the Member; provided, however, that the administrator of such plan or vehicle agrees in writing to administer such transferred benefit within the conditions of Applicable Pension Laws. The Member may elect to make such a transfer:
  - (c) as upon termination of employment with the Participating Employer;
  - (d) at any other date as may be specified in Applicable Pension Laws; and
  - (e) at any other date as may be authorized by the Administrator.

A transfer of the Actuarial Equivalent will only be permitted where the Member is otherwise eligible and deposits his election in writing with the administrator prior to attaining age 55 and within 120 days of receipt of the election information from the administrator. If, within 120 days of receipt of the election information from the administrator, the Member has not deposited an election the Member will be deemed to have elected the deferred pension and will not be offered a further opportunity to transfer the value of his benefit from the Plan.

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<sup>21</sup> Applicable as modified in the Appendices for Members employed in British Columbia, Manitoba, New Brunswick, Ontario, Quebec and Saskatchewan.

### 29.03 Transfer Options for Cash Settlements

Notwithstanding 29.02, a DB Member or DB/DC Member who is entitled to receive a cash settlement of benefits under Part 3 in accordance with Section 11.07, Article 25 or Article 28 may elect to have this amount:

- (a) paid into another registered pension plan, if this other plan so permits;
- (b) paid into an RRSP;
- (c) transferred to an Insurer for the purchase of an immediate annuity or a deferred life annuity commencing not later than December 31 of the calendar year during which the Member or Spouse, as applicable, attains the age described in Section 5.03, in a form acceptable under Revenue Rules; or
- (d) paid into such other registered vehicle as may be approved under Revenue Rules.

### 29.04 Limitations on Transfers

- (a) An amount transferred in accordance with Section 29.02, or a cash settlement of benefits under Part 3 payable to a DB Member or DB/DC Member under Section 11.07 and transferred in accordance with Section 29.03, to an RRSP, registered retirement income fund or a money purchase provision of a registered pension plan, shall not exceed the greater of the product of:
  - (i) the annual amount of retirement income equal to the Plan Benefit using the Member's date of termination of employment or Retirement Date, as applicable, as the Date of Determination; and
  - (ii) the appropriate factor from the following table:

Attained Age of Calculation	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

<b>Attained Age of Calculation</b>	<b>Factor</b>
64	12.4
65	12.4
66	12.0
67	11.7
68	11.3
69	11.0
70	10.6
71	10.3

- (b) If the amount to be transferred exceeds the maximum transferable amount in accordance with paragraph (a), the excess shall be paid in cash to the Member.
- (c) The transfers under paragraphs Sections 29.02 or 29.03 shall be:
  - (i) transferred within 60 days, or such other time period as specified by Applicable Pension Laws, after the later of the event giving rise to the transfer and the completion of all forms required for the administration of the Plan in accordance with Article 11; and
  - (ii) subject to any other limitations prescribed by Applicable Pension Laws in respect of the transfer of monies from the Fund.



## **Appendix A – British Columbia Schedule**

Notwithstanding any other provision of the Plan, provisions of this Appendix shall apply to a Member who is a British Columbia Employee.

“British Columbia Employee” means an Employee who works for a Participating Employer in the Province of British Columbia. If the Employee is not required to report to work at an establishment of the Participating Employer or is required to report to more than one establishment of the Participating Employer in different provinces, “British Columbia Employee” means an Employee who is paid from an establishment of the Participating Employer, such establishment being situated in the Province of British Columbia.

### **Part 1 – GENERAL PROVISIONS**

#### **Article 2 – Definitions**

2.68 “Spouse” means, subject to the requirements for registration under Applicable Pension Laws and Revenue Rules, in relation to a Member, the person who, at the earlier of the commencement of a Member’s pension and the date of the Member’s death, meets one of the following eligibility requirements:

- (a) the person who is married to the Member and who, if living separate and apart from the Member at the relevant time, did not live separate and apart from the Member for a continuous period longer than 2 years immediately preceding the relevant time; or
- (b) if there is no person under paragraph (a), the person who is living and cohabiting with such Member in a marriage-like relationship, including a marriage-like relationship between persons of the same gender, and who lived and cohabited in that relationship for a period of at least 2 years immediately preceding the relevant time.

2.73 “Vesting Date” means the date on which the Member completes 2 years of Continuous Service as a Member. Effective September 30, 2015, “Vesting Date” means the date an Employee becomes a Member.

#### **Article 11 – General Provisions**

##### **11.07 Commutation of Pensions and Lump Sum Payments**

- (a) Retirement income under Part 3 and the value of the Member’s Employee Account and Employer Account under Part 2 may be commuted and paid in a lump sum at the discretion of the person entitled to the benefit if the lump sum

Actuarial Equivalent of the retirement income under Part 3 and the value of the Member's Employee Account and Employer Account under Part 2 does not exceed 20% of the YMPE as at the Date of Determination.

The amount of any such form of benefit settlement shall be the Actuarial Equivalent of the benefit remaining to be paid.

- (b) Retirement income under Part 3 and the value of the Member's Employee Account and Employer Account under Part 2 required to be paid to a Member who has ceased to accrue Continuous Service is a non-resident of Canada for purposes of Revenue Rules for more than two years, may be commuted and paid in a lump sum at the discretion of the person entitled to the benefit, provided that the prescribed forms are completed and filed as required by Applicable Pension Laws. If the Member has a Spouse, an election to commute and receive a lump sum payment may only be made if the Spouse completes a waiver in the form and manner prescribed by Applicable Pension Laws.
- (c) The Administrator may, at its sole discretion, require a Member who is entitled to a deferred retirement income under Part 3 and the value of the Member's Employee Account and Employer Account under Part 2 upon termination of employment or termination of the Plan, to transfer, in lieu of any other benefit under the Plan, the lump sum Actuarial Equivalent of such deferred retirement income in accordance with Section 29.02 and Section 19.03, if the lump sum Actuarial Equivalent of such deferred retirement income under Part 3 plus the value of the Member's Employee Account and Employer Account under Part 2 do not exceed 20% of the YMPE in the year the Member ceased to accrue Continuous Service.
- (d) Subject to Applicable Pension Laws, a benefit required to be paid under the Plan may be commuted and paid in a lump sum if the Member establishes, by a written statement from a medical practitioner as defined in the Applicable Pension Laws, that he has a life expectancy considerably shorter than the life expectancy for his age and sex on the then current Canadian Life Tables. If the Member has a Spouse, an election to commute and receive a lump sum payment may only be made if the Spouse completes a waiver in the form and manner prescribed by Applicable Pension Laws. The amount of any such form of benefit settlement shall be the Actuarial Equivalent of the benefit remaining to be paid.
- (e) Any lump sum refund paid from the Plan may, subject to Revenue Rules, be transferred to an RRSP.

## **Part 2 – DEFINED CONTRIBUTION PROVISIONS**

### **Article 18 – Death Benefits**

#### **18.02 Payment of Death Benefits**

- (a) In the event a Member dies, distribution of the Member's Employee Account and Employer Account to the Member's Spouse shall, subject to Section 11.07, be made as:
- (i) a transfer to a Locked-in Retirement Savings Vehicle; or
  - (ii) a transfer to an Insurer for the purchase of a life annuity, commencing no later than December 1 of the calendar year in which the Spouse attains age 71, or such other age as may be permitted by Revenue Rules, or, if later, within one year of the Member's date of death, in a form acceptable under Applicable Pension Laws and Revenue Rules;
- as designated by the Spouse, provided, however, that the administrator of such plan or vehicle agrees in writing to administer such transferred benefit within the conditions of Applicable Pension Laws.
- (b) The Member's Optional Account shall be distributed to the Member's Spouse as:
- (i) a lump sum cash payment; or
  - (ii) a lump sum transfer to a RRSP;
- as designated by the Spouse, or if the Spouse fails to make a designation within the time required or permitted under Applicable Pension Laws, as may be determined by the Administrator in its absolute discretion, in such form as may be permitted under Applicable Pension Laws.
- (c) The value of the Accounts shall be determined as of the Valuation Date coincident with or immediately preceding the date of distribution.
- (d) Distribution of the Member's Accounts to a Beneficiary who is not a Spouse shall be made as a lump sum cash payment.

### **Part 3 – DEFINED BENEFIT PROVISIONS**

#### **Article 26 – Payment of Retirement Benefits**

##### **26.02 Statutory Survivor Pension**

Notwithstanding Section 26.01, a DB Member or DB/DC Member who has a Spouse who has not waived, in prescribed form and in accordance with Applicable Pension Laws, her right to a survivor retirement income shall be deemed to have elected to receive his retirement income in accordance with paragraph 26.01(b). A DB Member or DB/DC Member with a Spouse who has waived, in the prescribed manner, her right to 60% of the Member's retirement income following his death, shall receive his retirement income in accordance with paragraph 26.01(a).

#### **Article 27 – Death Benefits**

##### **27.02 Commutation of Death Benefits**

(a) If a DB Member or DB/DC Member dies prior to his Pension Commencement Date, a Spouse who is entitled to benefits upon the death of a Member in accordance with this Article may direct, subject to Applicable Pension Laws and Section 11.07, that the lump sum Actuarial Equivalent of the benefit be transferred:

- (i) to a Locked-In Retirement Savings Vehicle; or
- (ii) to an Insurer for the purchase of a life annuity, commencing no later than December 1 of the calendar year in which the Spouse attains age 71, or such other age as may be permitted by Revenue Rules, or, if later, within one year of the Member's date of death, in a form acceptable under Applicable Pension Laws and Revenue Rules;

as designated by the Spouse, provided, however, that the administrator of such plan or vehicle agrees in writing to administer such transferred benefit within the conditions of Applicable Pension Laws.

- (b) The amount of any benefit payable to a DB Member's or DB/DC Member's Beneficiary shall be paid as a lump sum cash payment.
- (c) The amount of any Excess Contributions shall be payable in accordance with Article 25.

## **Appendix B – Manitoba Schedule**

Notwithstanding any other provision of the Plan, provisions of this Appendix shall apply to a Member who is a Manitoba Employee.

“Manitoba Employee” means an Employee who works for a Participating Employer in the Province of Manitoba. If the Employee is not required to report to work at an establishment of the Participating Employer or is required to report to more than one establishment of the Participating Employer in different provinces, “Manitoba Employee” means an Employee who is paid from an establishment of the Participating Employer, such establishment being situated in the Province of Manitoba.

### **Part 1 – GENERAL PROVISIONS**

#### **Article 2 – Definitions**

2.44 “Interest” means interest credited on a DB Member’s Required Contributions:

- (a) at the end of each Plan Year, at a rate determined by the Administrator using the average of the yields of 5-year personal fixed term chartered bank deposit rates (CANSIM Series V122515, or such other series as may be prescribed by Applicable Pension Laws) for that Plan Year; plus
- (b) for the portion of the Plan Year in which the Member ceases Continuous Service, at a rate determined by the Administrator using the average of the yields of 5-year personal fixed term chartered bank deposit rates (CANSIM Series V122515, or such other series as may be prescribed by Applicable Pension Laws) for that portion of the Plan Year, until the beginning of the month in which payment is made.

Interest shall be calculated and credited in accordance with the administrative procedures that may be established from time to time by the Administrator and in accordance with the requirements of Applicable Pension Laws and Revenue Rules.

2.68 “Spouse” means, subject to the requirements for registration under Applicable Pension Laws and Revenue Rules, in relation to a Member, the person who, at the earlier of the commencement of a Member’s pension and the date of the Member’s death, meets one of the following eligibility requirements:

- (a) the person who is married to the Member; or
- (b) the common-law partner who, not being married to the Member, meets one of the following eligibility requirements:
  - (i) the person who, with such Member, registered a common-law relationship under section 13.1 of The Vital Statistics Act;

- (ii) the person who has resided with such Member in a conjugal relationship for at least three years if either of them is married; or
- (iii) the person who has resided with such Member in a conjugal relationship for at least one year if neither of them is married.

For greater certainty, a Spouse who satisfies criteria under subparagraph (b) shall only be considered to have survived the Member for the purposes of entitlement to a pre-retirement survivor benefit if such Spouse was cohabiting with the Member at the Member's date of death and such Spouse provides evidence to this effect satisfactory to the Administrator.

- 2.71 "Temporary Suspension of Employment" means any suspension of employment that lasts less than 54 weeks and is expected to be temporary in nature of any period of lay-off.

### **Article 3 – Membership**

#### **3.02 Other Employees**

Subject to Section 4.07, each Employee who was not a Member of the Plan on December 31, 2011 shall become a Member of the Plan on the later of January 1, 2012 and the first day of the month next following the date on which he:

- (a) becomes employed by a Participating Employer on a full-time basis;
- (b) becomes employed by a Participating Employer in other than full-time employment where the Employee is working at least 24 hours per week; or
- (c) becomes employed by a Participating Employer in other than full-time employment where the Employee is working less than 24 hours per week and where such Employee has earned at least 35% of the YMPE in each of two consecutive calendar years or has worked at least 700 hours in each of two consecutive calendar years with a Participating Employer.

#### **3.03 Modified Eligibility Requirements**

The Administrator may not waive or modify any eligibility requirements to permit an Employee to become a Member of the Plan as of any earlier date.

### **Article 4 – Service**

#### **4.06 Transfers of Employment**

- (a) *Transfers between Participating Employers*

If a Member, including a Member who is on a Temporary Leave of Absence, terminates his employment with a Participating Employer and, within 90 days thereafter, accepts employment with any other Participating Employer, this

transfer shall not constitute a termination of employment for the purposes of Article 19 or Article 28.

Notwithstanding the foregoing, the Member may elect to terminate employment and receive benefits in accordance with Article 19 or Article 28.

The Administrator shall determine the qualifications and criteria in dealing with a transferred Member, shall set administrative rules and shall provide all Participating Employers with these rules.

The Administrator shall apply the criteria and administrative rules in a uniform and non-discriminatory manner.

## **Article 11 – General Provisions**

### **11.07 Commutation of Pensions and Lump Sum Refunds**

- (a) Retirement income under Part 3 and the value of the Member's Employee Account and Employer Account under Part 2 shall be commuted and paid in a lump sum if:
  - (i) the annual retirement income that would be payable under Part 3 to the Member and from the value of the Member's Employee Account and Employer Account under Part 2 is less than 4% of the YMPE as at the Date of Determination; or
  - (ii) the lump sum Actuarial Equivalent of the retirement income under Part 3 and the value of the Member's Employee Account and Employer Account under Part 2 is less than 20% of the YMPE as at the Date of Determination.

The amount of any such form of benefit settlement shall be the Actuarial Equivalent of the benefit remaining to be paid.

- (b) Retirement income under Part 3 and the value of the Member's Employee Account and Employer Account under Part 2 required to be paid to a Member who has ceased to accrue Continuous Service is a non-resident of Canada for purposes of Revenue Rules, may be commuted and paid in a lump sum at the discretion of the person entitled to the benefit, provided that the prescribed forms are completed and filed as required by Applicable Pension Laws. If the Member has a Spouse, an election to commute and receive a lump sum payment may only be made if the Spouse completes a waiver in the form and manner prescribed by Applicable Pension Laws.
- (c) Subject to Applicable Pension Laws, a benefit required to be paid under the Plan may be commuted and paid in a lump sum at the discretion of the Member if the Member establishes, by a written statement from a qualified

medical doctor licensed to practise in Canada, that he has a life expectancy considerably shorter than the life expectancy for his age and sex on the then current Canadian Life Tables. If the Member has a Spouse, an election to commute and receive a lump sum payment may only be made if the Spouse completes a waiver in the form and manner prescribed by Applicable Pension Laws. The amount of any such form of benefit settlement shall be the Actuarial Equivalent of the benefit remaining to be paid.

- (d) Any lump sum refund paid from the Plan may, subject to Revenue Rules, be transferred to an RRSP.

## **Part 2 – DEFINED CONTRIBUTION PROVISIONS**

### **Article 18 – Death Benefits**

#### **18.02 Payment of Death Benefits**

- (a) In the event a Member dies, distribution of the Member's Employee Account and Employer Account to the Member's Spouse shall, subject to Section 11.07, be made as a transfer to a Locked-in Retirement Savings Vehicle as designated by the Spouse, provided, however, that the administrator of such plan or vehicle agrees in writing to administer such transferred benefit within the conditions of Applicable Pension Laws.
- (b) The Member's Optional Account shall be distributed to the Member's Spouse as:
  - (i) a lump sum cash payment; or
  - (ii) a lump sum transfer to a RRSP;as designated by the Spouse, or if the Spouse fails to make a designation within the time required or permitted under Applicable Pension Laws, as may be determined by the Administrator in its absolute discretion, in such form as may be permitted under Applicable Pension Laws.
- (c) The value of the Accounts shall be determined as of the Valuation Date coincident with or immediately preceding the date of distribution.
- (d) Distribution of the Member's Accounts to a Beneficiary who is not a Spouse shall be made as a lump sum cash payment.
- (e) If a Spouse should die prior to transferring the Accounts pursuant to this Section, the Accounts shall be paid to the Spouse's estate.



### **Part 3 – DEFINED BENEFIT PROVISIONS**

#### **Article 24 – Amount of Retirement Income**

##### **24.03 Postponed Retirement**

A DB Member or a DB/DC Member retiring on a Postponed Retirement Date shall receive an amount of retirement income commencing from the Member's Postponed Retirement Date equal to the greater of:

- (a) the Plan Benefit determined using the Member's Postponed Retirement Date as the Date of Determination; and
- (b) the Plan Benefit determined using the Member's Normal Retirement Date as the Date of Determination plus the Actuarial Equivalent of the Plan Benefit that would have been payable from the Member's Normal Retirement Date to his Postponed Retirement Date.

#### **Article 26 – Payment of Retirement Benefits**

##### **26.02 Statutory Survivor Pension**

Notwithstanding Section 26.01, a DB Member or DB/DC Member who has a Spouse who has not waived, in prescribed form and in accordance with Applicable Pension Laws, her right to a survivor retirement income shall be deemed to have elected to receive his retirement income in accordance with paragraph 26.01(b). A DB Member or DB/DC Member with a Spouse who has waived, in the prescribed manner, her right to 60% of the Member's retirement income following his death, shall receive his retirement income in accordance with paragraph 26.01(a).

#### **Article 27 – Death Benefits**

##### **27.02 Commutation of Death Benefits**

- (a) If a DB Member or DB/DC Member dies prior to his Pension Commencement Date, a Spouse who is entitled to benefits upon the death of a Member in accordance with this Article may direct, subject to Applicable Pension Laws and Section 11.07, that the lump sum Actuarial Equivalent of the benefit be transferred to a Locked-In Retirement Savings Vehicle as designated by the Spouse, provided, however, that the administrator of such plan or vehicle agrees in writing to administer such transferred benefit within the conditions of Applicable Pension Laws.
- (b) The amount of any benefit payable to a DB Member's or DB/DC Member's Beneficiary shall be paid as a lump sum cash payment.
- (c) The amount of any Excess Contributions shall be payable in accordance with Article 25.

- (d) If a Spouse who is entitled to a death benefit dies prior to commencement of payment of the death benefit as retirement income or prior to transferring the amount, the death benefit shall be paid to the Spouse's estate as a lump sum cash payment.

## **Appendix C – New Brunswick Schedule**

Notwithstanding any other provision of the Plan, provisions of this Appendix shall apply to a Member who is a New Brunswick Employee.

“New Brunswick Employee” means an Employee who works for a Participating Employer in the Province of Manitoba. If the Employee is not required to report to work at an establishment of the Participating Employer or is required to report to more than one establishment of the Participating Employer in different provinces, “New Brunswick Employee” means an Employee who is paid from an establishment of the Participating Employer, such establishment being situated in the Province of New Brunswick.

### **Part 1 – GENERAL PROVISIONS**

#### **Article 2 – Definitions**

2.68 “Spouse” means, subject to the requirements for registration under Applicable Pension Laws and Revenue Rules, in relation to a Member, the person who at the earlier of the commencement of a Member’s pension and the date of the Member’s death, meets one of the following eligibility requirements:

- (a) the person who is married to the Member; or
- (b) the person who is married to the Member by a marriage that is voidable and has not been voided by a declaration of nullity; or
- (c) the person who has gone through a form of marriage with the Member, in good faith, that is void, and has cohabited with the Member within the preceding year; or
- (d) the person who is not married to the Member and:
  - (i) in the case of the death of a Member or former Member, was cohabitating and was in a conjugal relationship at the time of the death of the Member or former Member and for a continuous period of at least two years immediately before the death of the Member or former Member; or
  - (ii) in the case of the breakdown of a common-law partnership, was cohabitating and was in a conjugal relationship for a continuous period of at least two years immediately before the date of the breakdown of the common-law partnership; or
  - (iii) in any other case, was cohabitating and was in a conjugal relationship with the Member or former Member at that time and for a continuous period of at least two years immediately before that time.

Not more than one person shall be a Spouse hereunder and in the event of more than one person having claims to be such, subject to Applicable Pension Laws, the determination of the Church as to which person shall be the Spouse, on the basis of evidence available to it which it considers sufficient for the purposes of such determination, shall be final.

- 2.71 “Temporary Suspension of Employment” means any suspension of employment that lasts less than 2 years and is expected to be temporary in nature or any period of lay-off.
- 2.73 “Vesting Date” means the date on which the Member completes 2 years of Continuous Service as a Member. Effective September 30, 2015, “Vesting Date” means the date on which the Employee becomes a Member.

## **Article 11 – General Provisions**

### **11.07 Commutation of Pensions and Lump Sum Refunds**

- (a) Retirement income under Part 3 and the value of the Member’s Employee Account and Employer Account under Part 2 may be commuted and paid in a lump sum at the discretion of the Member if the lump sum Actuarial Equivalent of the retirement income under Part 3 and the value of the Member’s Employee Account and Employer Account under Part 2, increased by 6% per year that the Member’s age on December 31<sup>st</sup> of the year of the Date of Determination is less than 65, is less than 40% of the YMPE as at the Date of Determination.
- (b) Retirement income required to be paid under Part 3 of the Plan to a Member who has terminated employment, who is neither a Canadian citizen nor a resident of Canada for purposes of Revenue Rules, and whose Spouse, if applicable, is neither a Canadian citizen nor a resident of Canada for purposes of Revenue Rules, and the value of the Member’s Employee Account and Employer Account under Part 2, may be commuted and paid in a lump sum at the Member’s discretion.

The amount of such form of benefit settlement shall be the Actuarial Equivalent of the benefit remaining to be paid. Such commutation is subject to the Member’s Spouse providing the required waiver in accordance with Applicable Pension Laws.

- (c) The Administrator may, at its sole discretion, require a Member who is entitled to a deferred retirement income under Part 3 and the value of the Member’s Employee Account and Employer Account under Part 2 upon termination of

employment or termination of the Plan, to transfer, in lieu of any other benefit under the Plan, the lump sum Actuarial Equivalent of such deferred retirement income in accordance with Section 29.02 and Section 19.02, if the lump sum Actuarial Equivalent of such deferred retirement income under Part 3 plus the value of the Member's Employee Account and Employer Account under Part 2 do not exceed 10% of the YMPE in the year the Member ceased to accrue Continuous Service.

- (d) Any lump sum refund paid from the Plan may, subject to Revenue Rules, be transferred to an RRSP.

## **Part 2 – DEFINED CONTRIBUTION PROVISIONS**

### **Article 18 – Death Benefits**

#### **18.01 Death Benefits**

If a Member dies prior to the distribution of his Accounts under any other Article of the Plan, the Member's Spouse or, if there is no Spouse, the Member's Beneficiary shall be entitled, to distribution of the value of the Member Accounts in accordance with Section 18.03.

#### **18.02 Payment of Death Benefits**

- (a) In the event a Member dies, distribution of the Member's Employee Account and Employer Account to the Member's Spouse shall, subject to Section 11.07, be made as:
  - (i) a lump sum cash payment;
  - (ii) a lump sum transfer to a RRSP;
  - (iii) a transfer to another registered pension plan if the administrator of that plan agrees to accept the transfer; or
  - (iv) a transfer to an Insurer for the purchase of a life annuity, commencing no later than December 1 of the calendar year in which the Spouse attains age 71, or such other age as may be permitted by Revenue Rules, or, if later, within one year of the Member's date of death, in a form acceptable under Applicable Pension Laws and Revenue Rules;

as designated by the Spouse, or if the Spouse fails to make a designation within the time required or permitted under Applicable Pension Laws, as may be determined by the Administrator in its absolute discretion, in such form as may be permitted under Applicable Pension Laws.

- (b) The Member's Optional Account shall be distributed to the Member's Spouse as:

- (i) a lump sum cash payment; or
  - (ii) a lump sum transfer to a RRSP;
- as designated by the Spouse, or if the Spouse fails to make a designation within the time required or permitted under Applicable Pension Laws, as may be determined by the Administrator in its absolute discretion, in such form as may be permitted under Applicable Pension Laws.
- (c) The value of the Accounts shall be determined as of the Valuation Date coincident with or immediately preceding the date of distribution.
  - (d) Distribution of the Member's Accounts to a Beneficiary who is not a Spouse shall be made as a lump sum cash payment.

### **Part 3 – DEFINED BENEFIT PROVISIONS**

#### **Article 26 – Payment of Retirement Benefits**

##### **26.02 Statutory Survivor Pension**

Notwithstanding Section 26.01, a DB Member or DB/DC Member who has a Spouse who has not waived, in prescribed form and in accordance with Applicable Pension Laws, her right to a survivor retirement income shall be deemed to have elected to receive his retirement income in accordance with paragraph 26.01(b). A DB Member or DB/DC Member with a Spouse who has waived, in the prescribed manner, her right to 60% of the Member's retirement income following his death, shall receive his retirement income in accordance with paragraph 26.01(a).

#### **Article 27 – Death Benefits**

##### **27.02 Commutation of Death Benefits**

- (a) If a DB Member or DB/DC Member dies prior to his Pension Commencement Date, a Spouse who is entitled to benefits upon the death of a Member in accordance with this Article may direct, subject to Applicable Pension Laws and Section 11.07, that the lump sum Actuarial Equivalent of the benefit be made as:
  - (i) a lump sum cash payment;
  - (ii) a lump sum transfer to a RRSP;
  - (iii) a transfer to another registered pension plan if the administrator of that plan agrees to accept the transfer; or
  - (iv) a transfer to an Insurer for the purchase of a life annuity, commencing no later than December 1 of the calendar year in which the Spouse attains age 71, or such other age as may be permitted by Revenue Rules,

or, if later, within one year of the Member's date of death, in a form acceptable under Applicable Pension Laws and Revenue Rules;

as designated by the Spouse, or if the Spouse fails to make a designation within the time required or permitted under Applicable Pension Laws, as may be determined by the Administrator in its absolute discretion, in such form as may be permitted under Applicable Pension Laws.

- (b) The amount of any benefit payable to a DB Member's or DB/DC Member's Beneficiary shall be paid as a lump sum cash payment.
- (c) The amount of any Excess Contributions shall be payable in accordance with Article 25.

## **Appendix D – Ontario Schedule**

Notwithstanding any other provision of the Plan, provisions of this Appendix shall apply to a Member who is an Ontario Employee.

“Ontario Employee” means an Employee who works for a Participating Employer in the Province of Ontario. If the Employee is not required to report to work at an establishment of the Participating Employer or is required to report to more than one establishment of the Participating Employer in different provinces, “Ontario Employee” means an Employee who is paid from an establishment of the Participating Employer, such establishment being situated in the Province of Ontario.

### **Part 1 – GENERAL PROVISIONS**

#### **Article 2 – Definitions**

2.68 “Spouse” means, subject to the requirements for registration under Applicable Pension Laws and Revenue Rules, in relation to a Member, the person who, at the earlier of the commencement of a Member’s pension and the date of the Member’s death, meets one of the following eligibility requirements:

- (a) the person who is married to the Member; or
- (b) the person who is not married to the Member and is living with the Member in a conjugal relationship:
  - (i) continuously for a period of at least three years; or
  - (ii) in a relationship of some permanence, if they are the natural or adoptive parent of a child, both as defined in the Family Law Act (Ontario).

2.71 “Temporary Suspension of Employment” means any suspension of employment that lasts less than 2 years and is expected to be temporary in nature or any period of lay-off.

#### **Article 3 – Membership**

##### **3.02 Other Employees**

Subject to Section 4.07, each Employee who was not a Member of the Plan on December 31, 2011 shall become a Member of the Plan on the later of January 1, 2012 and the first day of the month next following the date on which he:

- (a) becomes employed by a Participating Employer on a full-time basis;
- (b) becomes employed by a Participating Employer in other than full-time employment where the Employee is working at least 24 hours per week; or



- (c) becomes employed by a Participating Employer in other than full-time employment where the Employee is working less than 24 hours per week and where such Employee has earned at least 35% of the YMPE in each of two consecutive calendar years or has worked at least 700 hours in each of two consecutive calendar years with a Participating Employer.

## **Article 11 – General Provisions**

### **11.07 Commutation of Pensions and Lump Sum Refunds**

- (a) Retirement income under Part 3 and the value of a Member's Employee Account and Employer Account under Part 2 may be commuted and paid in a lump sum at the discretion of the Administrator if:
  - (i) the annual retirement income that would be payable under Part 3 and from the value of the Member's Employee Account and Employer Account under Part 2 at or after Normal Retirement Date is not more than 4% of the YMPE as at the Date of Determination or,
  - (ii) the lump sum Actuarial Equivalent of the retirement income under Part 3 and the value of the Member's Employee Account and Employer Account under Part 2 is less than 20% of the YMPE as at the Date of Determination.
- (b) Retirement income currently being paid or required to be paid under the Plan may be commuted and paid in a lump sum at the discretion of a former Member if the former Member:
  - (i) establishes that he has an illness or physical disability that is likely to shorten his life expectancy to less than two years, as certified by a written statement from a qualified medical doctor licensed to practice in Canada;
  - (ii) provides an application to the Administrator in the prescribed form; and
  - (iii) satisfies any other conditions prescribed by Applicable Pension Laws.
- (c) Any lump sum cash settlement paid from the Plan may, subject to Revenue Rules, be transferred to an RRSP.

## **Part 2 – DEFINED CONTRIBUTION PROVISIONS**

### **Article 18 – Death Benefits**

#### **18.02 Payment of Death Benefits**

- (a) In the event a Member dies, distribution of the Member's Employee Account and Employer Account to the Member's Spouse shall, subject to Section 11.07, be made as:

- (i) a lump sum cash payment; or
- (ii) a lump sum transfer to a RRSP; or
- (iii) a transfer to another registered pension plan if the administrator of that plan agrees to accept the transfer; or
- (iv) a transfer to an Insurer for the purchase of a life annuity, commencing no later than December 1 of the calendar year in which the Spouse attains age 71, or such other age as may be permitted by Revenue Rules, or, if later, within one year of the Member's date of death, in a form acceptable under Applicable Pension Laws and Revenue Rules;

as designated by the Spouse, or if the Spouse fails to make a designation within the time required or permitted under Applicable Pension Laws, as may be determined by the Administrator in its absolute discretion, in such form as may be permitted under Applicable Pension Laws.

- (b) The Member's Optional Account shall be distributed to the Member's Spouse in accordance with paragraph (a).
- (c) The value of the Accounts shall be determined as of the Valuation Date coincident with or immediately preceding the date of distribution.
- (d) Distribution of the Member's Accounts to a Beneficiary who is not a Spouse shall be made as a lump sum cash payment.

### **Part 3 – DEFINED BENEFIT PROVISIONS**

#### **Article 24 – Amount of Retirement Income**

##### **24.02 Early Retirement**

- (a) A DB Member or DB/DC Member who retires on an Early Retirement Date may elect to have retirement income commence on the first day of any month from the Member's Early Retirement Date to his Normal Retirement Date.
- (b) A DB Member or DB/DC Member who is accruing Continuous Service and who retires on an Early Retirement Date shall receive an amount of retirement income commencing from the Member's Pension Commencement Date determined as the lesser of (i) and (ii) as follows:
  - (i) the Plan Formula computed using the Member's Early Retirement Date as the Date of Determination and multiplied by the early retirement factor in accordance with paragraph (c), computed using the Member's Early Retirement Date as the Date of Determination and based on the Pension Commencement Date; and

- (ii) the Maximum Formula computed using the Member's Early Retirement Date as the Date of Determination and multiplied by the applicable early retirement factor in accordance with paragraph (d), based on the Pension Commencement Date.
- (c) If the conditions in paragraph (e) are not met, the early retirement factor referred to in subparagraph (b)(i) shall be determined as follows:
  - (i) if at the Member's Date of Determination, as defined in Section 2.22, the Member has attained age 62 and the aggregate of the Member's age plus Credited Service equals or exceeds 85 years, then 100%;
  - (ii) if at the Member's Date of Determination, as defined in Section 2.22, the Member has attained age 62 but the aggregate of the Member's age plus Credited Service is less than 85 years, then 100% less 0.55% for each month by which his Pension Commencement Date precedes the earlier of his Normal Retirement Date and the date at which the aggregate of the Member's age plus Credited Service equals to 85 years; or
  - (iii) if at the Member's Date of Determination, as defined in Section 2.22, the Member has not attained age 62, then 100% less 0.55% for each of the first 60 months by which his Pension Commencement Date precedes his Normal Retirement and 0.27% for each month in excess of 60 months by which the Pension Commencement Date precedes his Normal Retirement Date.

For greater certainty, Credited Service for purposes of subparagraph (i) and (ii) includes Continuous Service identified in Section 4.04(c) for a DB/DC Member.

- (d) The early retirement factor referred to in subparagraph (b)(ii) shall be 100% less 0.25% for each month, if any, by which the Member's Pension Commencement Date precedes the earliest of:
  - (i) the date the DB Member or DB/DC Member attains age 60;
  - (ii) the date the DB Member or DB/DC Member completed, or would have completed had such Member continued in employment after his Early Retirement Date, 30 years of Early Retirement Eligibility Service; and
  - (iii) the date on which the aggregate of the DB Member's or DB/DC Member's age and Early Retirement Eligibility Service is, or would have been had such Member continued in employment after his Early Retirement Date, equal to 80 years.

For the purpose of subparagraphs (ii) and (iii), "Early Retirement Eligibility Service" means the sum of:

- (iv) all periods throughout which the Member was employed by an employer who is or was a Participating Employer or by a predecessor employer to such an employer, within the meaning of Revenue Rules; and
  - (v) any period of Credited Service which is not included under subparagraph (iv), including, for greater certainty, the Continuous Service identified in Section 4.04(c) for a DB/DC Member.
- (e) If the employment of a DB Member or DB/DC Member is involuntarily terminated by a Participating Employer and if the conditions in paragraph 4.06(a) do not apply to such Member and if the DB Member's or DB/DC Member's age plus Continuous Service or years and months of membership in the Plan, whichever is great, at his termination of employment date equals 55 or more, the early retirement factor referred to in subparagraph (b)(i) shall be determined as follows:
- (i) if at the Member's Pension Commencement Date, the Member has attained age 62 and the aggregate of the Member's age plus Credited Service equals or exceeds 85 years, or would have been equal to 85 years had such Member not been involuntarily terminated, and if the DB Member's or DB/DC Member's membership continued to that date, then 100%;
  - (ii) if at the Member's Pension Commencement Date, the Member has attained age 62, but has not met the eligibility criteria under subparagraph (i), then 100% less 0.55% for each month by which his Pension Commencement Date precedes the earlier of his Normal Retirement Date and the date at which the aggregate of the Member's age plus Credited Service equals to 85 years, or would have been equal to 85 years had such Member not been involuntarily terminated, and if the DB Member's or DB/DC Member's membership continued to that date; or
  - (iii) if at the Member's Pension Commencement Date, the Member has not attained age 62, then 100% less 0.55% for each of the first 60 months by which his Pension Commencement Date precedes his Normal Retirement Date and 0.27% for each month in excess of 60 months by which the Pension Commencement Date precedes his Normal Retirement Date.

For greater certainty, Credited Service for purposes of subparagraph (i) and (ii) includes Continuous Service identified in Section 4.04(c) for a DB/DC Member.

For greater certainty, this paragraph 24.02(e) shall only apply if the circumstances as of his Date of Determination are an “activating event” for which “grow-in benefits” are mandated under Section 74 of the Ontario Pension Benefits Act.

## **Article 26 – Payment of Retirement Benefits**

### **26.02 Statutory Survivor Pension**

Notwithstanding Section 26.01, a DB Member or DB/DC Member who has a Spouse who has not waived, in prescribed form and in accordance with Applicable Pension Laws, her right to a survivor retirement income shall be deemed to have elected to receive his retirement income in accordance with paragraph 26.01(b). A DB Member or DB/DC Member with a Spouse who has waived, in the prescribed manner, her right to 60% of the Member’s retirement income following his death, shall receive his retirement income in accordance with paragraph 26.01(a).

## **Article 27 – Death Benefits**

### **27.02 Commutation of Death Benefits**

- (a) If a DB Member or DB/DC Member dies prior to his Pension Commencement Date, a Spouse who is entitled to benefits upon the death of a Member in accordance with this Article may direct, subject to Applicable Pension Laws and Section 11.07, that the lump sum Actuarial Equivalent of the benefit be made as:
- (i) a lump sum cash payment;
  - (ii) a lump sum transfer to a RRSP;
  - (iii) a transfer to another registered pension plan if the administrator of that plan agrees to accept the transfer; or
  - (iv) a transfer to an Insurer for the purchase of a life annuity, commencing no later than December 1 of the calendar year in which the Spouse attains age 71, or such other age as may be permitted by Revenue Rules, or, if later, within one year of the Member’s date of death, in a form acceptable under Applicable Pension Laws and Revenue Rules;
- as designated by the Spouse, or if the Spouse fails to make a designation within the time required or permitted under Applicable Pension Laws, as may be determined by the Administrator in its absolute discretion, in such form as may be permitted under Applicable Pension Laws.
- (b) The amount of any benefit payable to a DB Member’s or DB/DC Member’s Beneficiary shall be paid as a lump sum cash payment.

- (c) The amount of any Excess Contributions shall be payable in accordance with Article 25.

## **Appendix E – Quebec Schedule**

Notwithstanding any other provision of the Plan, provisions of this Appendix shall apply to a Member who is a Quebec Employee.

“Quebec Employee” means an Employee who works for a Participating Employer in the Province of Quebec. If the Employee is not required to report to work at an establishment of the Participating Employer or is required to report to more than one establishment of the Participating Employer in different provinces, “Quebec Employee” means an Employee who is paid from an establishment of the Participating Employer, such establishment being situated in the Province of Quebec.

### **Part 1 – GENERAL PROVISIONS**

#### **Article 2 – Definitions**

2.44 “Interest” means interest on a DB Member’s Required Contributions:

- (a) at the end of each Plan Year, at a rate determined by the Administrator using the Fund rate of return for that Plan Year; plus
- (b) for the portion of the Plan Year in which the Member ceases Continuous Service, a pro-rata portion of the rate calculated in accordance with paragraph (a) for the preceding Plan Year, up until the beginning of the month in which payment is made.

Interest shall be calculated and credited in accordance with the administrative procedures that may be established from time to time by the Administrator and in accordance with the requirements of Applicable Pension Laws and Revenue Rules.

2.68 “Spouse” means the person specified below:

- (a) Subject to paragraphs (c) and (d) and to the requirements for registration under Applicable Pension Laws and Revenue Rules, “Spouse” means, in relation to a Member, the person whether the person is of the opposite sex or the same sex who, at the earlier of the commencement of the Member’s pension and the date of the Member’s death, meets one of the following eligibility requirements:
  - (i) the person who is married to or in civil union with the Member; or
  - (ii) where the Member is neither married nor in a civil union, the person who lives together with the Member in a conjugal relationship:
    - (A) continuously for a period of three years or more; or
    - (B) continuously for a period of one year or more if:

- (1) at least one child is born, or to be born, of their union;
- (2) they have adopted, jointly, at least one child while living together in a conjugal relationship; or
- (3) one of them has adopted at least one child who is the child of the other, while living together in a conjugal relationship.

For the purposes of subparagraph (ii), the birth or adoption of a child during a marriage, a civil union or a period of conjugal relationship prior to the period of conjugal relationship existing on the day as of which spousal status is established may qualify a person as a Spouse.

- (b) For the purposes of paragraphs (c), (d) and (e), “Separation” means, in relation to a Member and his Spouse:
  - (i) legal separation from bed and board if the Spouse is married to the Member;
  - (ii) dissolution or annulment of their civil union; or
  - (iii) cessation of conjugal relationship if the Spouse satisfies the eligibility requirement set out in subparagraph (a)(ii).
- (c) If Separation occurs pursuant to subparagraph (b)(i) prior to the date the first pension instalment is due to the Member, the person who is married to the Member shall cease to be the Member’s Spouse for the purposes of Section 17.03 and Section 26.01 except where the Member notified the Administrator in writing to have such person entitled to the contingent pension despite such Separation.
- (d) In the event of Separation, the person who is the Member’s Spouse in accordance with paragraph (a) shall cease to be the Member’s Spouse for the purposes of Article 18 and Article 27.
- (e) If, after the commencement of the Member’s retirement income, Separation occurs or the Spouse ceases to be married to or in a civil union with the Member, the person who was the Spouse of the Member on the commencement of the Member’s pension shall cease to be the Member’s Spouse for the purposes of any contingent pension payable under the form of payment elected by the Member in accordance with Article 17 or Article 26, except where the Member notified the Administrator in writing to have such person entitled to the contingent pension despite such Separation or termination of marriage or civil union.



- 2.71 “Temporary Suspension of Employment” means any suspension of employment that lasts less than two years and is expected to be temporary in nature or any period of lay-off.

### **Article 3 – Membership**

#### **3.02 Other Employees**

Each Employee who was not a Member of the Plan on December 31, 2011 shall be eligible to become a Member of the Plan on the later of January 1, 2012 and the first day of the month next following the date on which he:

- (a) becomes employed by a Participating Employer on a full-time basis;
- (b) becomes employed by a Participating Employer in other than full-time employment where the employee is working at least 24 hours per week; or
- (c) becomes employed or is rehired, if applicable, by a Participating Employer in other than full-time employment where the Employee is working less than 24 hours per week and where such Employee has earned at least 35% of the YMPE in the calendar year with a Participating Employer, or has worked at least 700 hours in the preceding calendar year with a Participating Employer.

### **Article 11 – General Provisions**

#### **11.07 Commutation of Pensions and Lump Sum Refunds**

- (a) Benefits required to be paid under the Plan to a Member who ceased to accrue Continuous Service may be commuted and paid in a lump sum, at the discretion of the Member, if the payment of the Member’s retirement income has not commenced and if the lump sum Actuarial Equivalent of the benefits payable under Part 3, when combined with the balance of the Member’s Accounts payable pursuant to Part 2, is less than 20% of the YMPE as at the Date of Determination. This right may be exercised upon ceasing to accrue Continuous Service, at any other date as may be specified by Applicable Pension Laws and at any other date as may be authorized by the Administrator.
- (b) If the requirements set out in paragraph (a) are met, the Member’s benefits may be commuted and paid in a lump sum, at the discretion of the Administrator, subject to the notification requirements of Applicable Pension Laws.
- (c) The amount of the benefit settlement under paragraph (a) shall be the Actuarial Equivalent of the benefit remaining to be paid.
- (d) The value of the Employee Account and Employer Account and retirement income required to be paid under the DB Provisions to a Member who has ceased to accrue Continuous Service and who has not been residing in Canada

for at least two years, may be commuted and paid in a lump sum at the request of the Member, provided that the prescribed forms are completed and filed as required by Applicable Pension Laws. The amount of the benefit settlement under this paragraph shall be the Actuarial Equivalent of the benefits remaining to be paid.

- (e) A Member or Spouse who is entitled to a deferred retirement income under the DB Provisions or to the value of the Accounts, who has attained age 55 but whose age is less than 65 and who files a duly signed form prescribed by Applicable Pension Laws with the Administrator, may receive, in each calendar year, a lump sum payment equal to the lesser of:
  - (i) the lump sum Actuarial Equivalent of the deferred retirement income; and
  - (ii) 40% of the YMPE, minus the annual amount of any temporary retirement income received from a registered pension plan, under a life annuity contract or under a life income fund during that calendar year.

The benefit entitlements of the Member or Spouse who elects to receive a lump sum payment in accordance with this paragraph shall be reduced in the manner specified in paragraph 17.04(b) or paragraph 24.05(b), as applicable.

- (f) A Member or Spouse who is entitled to a deferred retirement income under the DB Provisions or to the value of the Accounts and who elects to receive a temporary monthly income under a life income fund in accordance with Applicable Pension Laws prior to the calendar year in which this person attains age 55 may, for the purposes of replacing such deferred retirement income by a temporary income, apply for the transfer from the Plan to the life income fund, in each calendar year prior to the calendar year in which this person attains age 55, of an amount equal to the lesser of:
  - (i) the lump sum Actuarial Equivalent of the deferred retirement income; and
  - (ii) the additional amount required for the balance of the life income fund to allow, until the end of the calendar year, the payment of the maximum temporary monthly income under a life income fund as permitted by Applicable Pension Laws.
- (g) Any lump sum refund paid from the Plan may, subject to Revenue Rules, be transferred to an RRSP.

## **Part 2 – DEFINED CONTRIBUTION PROVISIONS**

### **Article 17 – Retirement Benefits**

#### **17.02 Retirement Benefit**

- (a) Upon retirement in accordance with Section 17.01, a Member shall be entitled to the distribution of the value of his Accounts in the form elected by the Member in accordance with Section 17.03, determined as of the Valuation Date coincident with or immediately preceding distribution of the Accounts.
- (b) A Member who continues to be an Employee after his Normal Retirement Date, may request, once every year, a payment of all or a portion of his Employee Account and Employer Account, but only to the extent necessary to offset any permanent reduction in Earnings which occurred during such period. Such Member may not receive payment under this paragraph and payment under Section 17.04 at the same time.

#### **17.04 Phased Retirement**

- (a) A Member whose working time is reduced in accordance with a phased retirement agreement with the Church and who has attained age 55 but is less than age 65, may receive, on request, for each calendar year covered by the agreement, a lump sum payment which shall not exceed the lesser of:
  - (i) 70% of the reduction in the Member's remuneration resulting from the reduction in his working time during that year;
  - (ii) 40% of the YMPE for that year; and
  - (iii) the value of the Member's Employee Account and Employer Account.Such lump sum payment shall also comply with any other requirements prescribed by Applicable Pension Laws.
- (b) In the event that a Member elects to receive a payment in accordance with paragraph (a):
  - (i) subject to the other provisions of the Plan, Required Contributions and Employer Contributions shall continue;
  - (ii) the balance of the Member's Employee Account and Employer Account shall be reduced by the sum of the any amounts paid in accordance with paragraph (a).

## **Article 18 – Death Benefits**

### **18.02 Payment of Death Benefits**

- (a) In the event a Member dies, distribution of the Member's Employee Account and Employer Account to the Member's Spouse shall, subject to Section 11.07, be made as:
- (i) a lump sum cash payment; or
  - (ii) a lump sum transfer to a RRSP; or
  - (iii) a transfer to another registered pension plan if the administrator of that plan agrees to accept the transfer; or
  - (iv) a transfer to an Insurer for the purchase of a life annuity, commencing no later than December 1 of the calendar year in which the Spouse attains age 71, or such other age as may be permitted by Revenue Rules, or, if later, within one year of the Member's date of death, in a form acceptable under Applicable Pension Laws and Revenue Rules;

as designated by the Spouse, or if the Spouse fails to make a designation within the time required or permitted under Applicable Pension Laws, as may be determined by the Administrator in its absolute discretion, in such form as may be permitted under Applicable Pension Laws.

- (b) The Member's Optional Account shall be distributed to the Member's Spouse as:
- (i) a lump sum cash payment; or
  - (ii) a lump sum transfer to a RRSP;

as designated by the Spouse, or if the Spouse fails to make a designation within the time required or permitted under Applicable Pension Laws, as may be determined by the Administrator in its absolute discretion, in such form as may be permitted under Applicable Pension Laws.

- (c) The value of the Accounts shall be determined as of the Valuation Date coincident with or immediately preceding the date of distribution.
- (d) Distribution of the Member's Accounts to a Beneficiary who is not a Spouse shall be made as a lump sum cash payment.

## **Part 3 – DEFINED BENEFIT PROVISIONS**

### **Article 24 – Amount of Retirement Income**

#### **24.03 Postponed Retirement**

- (a) A Member who continues in the employ of a Participating Employer beyond his Normal Retirement Date shall receive an amount of retirement income commencing from the Member's Postponed Retirement Date and that is the sum of:
  - (i) the Plan Benefit determined using the Member's Normal Retirement Date as the Date of Determination; and
  - (ii) the amount of retirement income that is the Actuarial Equivalent of the retirement income under subparagraph (i) above that would have been paid since Normal Retirement Date.
- (b) Notwithstanding paragraph (a) above, a Member who continues in the employ of a Participating Employer beyond Normal Retirement Date may elect to receive payment of all or a portion of such Member's retirement income equal to the Plan Benefit determined using the Member's Normal Retirement Date as the Date of Determination, but only to the extent necessary to compensate for a reduction in salaries or wages, as defined in Applicable Pension Laws, incurred on or after Normal Retirement Date.
- (c) No Member may exercise the right specified in paragraph (b) more than once per 12 month period, except pursuant to an agreement with the Administrator.
- (d) In the event that a Member elects to receive the payment of all or a portion of such Member's retirement income prior to Postponed Retirement Date, the payment of Required Contributions and accrual of Credited Service shall cease, and the retirement income commencing on the Postponed Retirement Date shall be equal to:
  - (i) the retirement income under paragraph (a); less
  - (ii) the Actuarial Equivalent of the retirement income received prior to Postponed Retirement Date with interest thereon.

#### 24.05 Phased Retirement

- (a) A Member whose working time is reduced in accordance with a phased retirement agreement with the Church and who has attained age 55 but not age 65 may receive, on request, for each calendar year covered by the agreement, a lump sum payment which shall not exceed the lesser of:
  - (i) 70% of the reduction in the Member's remuneration resulting from the reduction in his working time during that year;
  - (ii) 40% of the YMPE for that year; and
  - (iii) the sum of the lump sum Actuarial Equivalent of the benefits that the Member would have been eligible to receive in accordance with Section

28.01, had the Member terminated employment on the date the lump sum payment is made and assuming payment of any retirement income entitlement commencing on the Member's Normal Retirement Date.

- (b) In the event that a Member elects to receive a payment in accordance with paragraph (a):
  - (i) subject to the other provisions of the Plan, the accrual of Credited Service shall continue;
  - (ii) a reduced retirement income payable in accordance with Article 26, commencing at Normal Retirement Date and for which the lump sum Actuarial Equivalent is equal to the payment received by the Member is determined as at the date the payment under paragraph (a) is made; and
  - (iii) any benefit subsequently payable under the other provisions of the Plan shall be reduced by the Actuarial Equivalent of the reducing retirement income specified in subparagraph (ii).

#### **Article 25 – Excess Contributions**

##### **25.03 Payment of Excess Contributions**

- (a) In the event that there are Excess Contributions at a DB Member's Date of Determination, the Excess Contributions shall accumulate with Interest until the DB Member's Pension Commencement Date at which time the accumulated amount shall be payable as an additional monthly retirement income on an Actuarial Equivalent basis.
- (b) Notwithstanding paragraph (a), in the event that there are Excess Contributions at a DB Member's date of death, his Spouse, may elect that such Excess Contributions be:
  - (i) paid as a lump sum cash payment to the DB Member's Spouse; or
  - (ii) transferred in accordance with Section 29.03.

If in the event of death of a DB Member who has no Spouse at his date of death, his Excess Contributions shall be paid in a lump sum to his Beneficiary, or to his estate, if he has no Beneficiary.

## **Article 26 – Payment of Retirement Benefits**

### **26.02 Statutory Survivor Pension**

- (a) Notwithstanding Section 26.01, a DB Member or DB/DC Member who has a Spouse who has not waived, in prescribed form and in accordance with Applicable Pension Laws, her right to a contingent retirement income shall be deemed to have elected to receive his retirement income in accordance with paragraph 26.01(b). A DB Member or DB/DC Member with a Spouse who has waived, in the prescribed manner, her right to 60% of the Member's retirement income following his death, shall receive his retirement income in accordance with paragraph 26.01(a).
- (b) Notwithstanding Section 26.01, in addition to the optional forms of payment described in Section 26.03, a DB Member or DB/DC Member who at the date the first instalment is due has a Spouse who has not waived, in prescribed form the right to a contingent retirement income, may elect to receive the retirement income payable under Article 24 or Article 28, as applicable, in the form of an annuity payable as follows:
  - (i) equal monthly instalments are paid for the life of the Member, until the last instalment due on the first day of the month in which the death of the Member occurs;
  - (ii) if the Member dies before 120 monthly instalments are made and the Spouse is still alive, the instalments continue to be paid to the Spouse commencing on the first day of the month following the month in which the death of the Member occurs and ending on the earlier of:
    - (A) the first day of the month in which the death of the Member's Spouse occurs; and
    - (B) the first day of the month in which a total of 120 monthly instalments are paid to the Member and the Spouse;and, if the date under clause (A) occurs prior to the date under clause (B), the instalments continue to be paid to the Spouse's estate commencing on the first day of the month following the month in which the death of the Spouse occurs and ending on the first day of the month in which a total of 120 monthly instalments are paid to the Member, the Spouse and the Spouse's estate;
  - (iii) if the Member dies before 120 monthly instalments are made and the Spouse has predeceased the Member, the instalments continue to be paid to the Member's Beneficiary commencing on the first day of the month following the month in which the death of the Member occurs

- and ending on the first day of the month in which a total of 120 monthly instalments are paid to the Member and the Beneficiary; and
- (iv) after the Member's death and provided the Spouse if still alive, monthly instalments equal to 60% of the retirement income that was payable to the Member continue to be paid to the Spouse commencing on the later of:
    - (A) the first day of the month following the month in which the death of the Member occurs; and
    - (B) the first day of the month that is 120 months later than the date the first instalment was paid to the Member.

The benefit payable under this section shall be the Actuarial Equivalent of the benefit payable under paragraph 26.01(b).

#### **26.04 Redetermination of Form of Retirement Income**

- (a) If the Member receives a retirement income under a form that provides for the continuance of at least 60% of the Member's retirement income to the Spouse after the Member's death and if, after the commencement of the Member's retirement income, the Member's Spouse ceases to be entitled to the contingent retirement income by virtue of paragraph 2.68(e) of Part 1, the Member is entitled, on request to the Administrator, to a redetermination of the retirement income as of the effective date of the judgement granting the separation from bed and board, the divorce or the annulment of the marriage, as of the date of dissolution of the civil union or as of the date of the cessation of the conjugal relationship. The redetermined retirement income shall be in the same amount and have the same characteristics as the retirement income that would be payable to the Member at the date of redetermination had the Member not had a Spouse on the date the payment of the retirement income began.
- (b) Unless the Administrator has received the notice provided for in paragraph 2.68(e) of Part 1, the Administrator shall redetermine the Member's retirement income in accordance with paragraph (a) if the benefits accrued to the Member under the Plan are partitioned, pursuant to Section 7.02, subsequent to the commencement of the Member's retirement income.
- (c) If the Member requests a redetermination in accordance with paragraph (a) and the effective date of the judgment granting the separation from bed and board, the divorce or the annulment of the marriage, or the date of the cessation of the conjugal relationship, is prior to January 1, 2001, the redetermination shall be effective as of the date of the Member's request.

#### **26.05 Temporary Retirement Income Option**



- (a) A Member who elects to receive his retirement income payable under Article 24 or Article 28 prior to his Normal Retirement Date and who files a duly signed form prescribed by Applicable Pension Laws with the Administrator prior to the payment of the first instalment of the benefit, may elect to receive his retirement income in the form of a life annuity plus a temporary annuity ceasing in the month preceding the Member's Normal Retirement Date, both payable in equal monthly instalments. The annual amount of the temporary annuity shall be fixed by the Member before payment begins, but shall not exceed the lesser of:
  - (i) 40% of the YMPE in the year of payment commencement; and
  - (ii) the maximum annual amount of temporary retirement income permitted by Revenue Rules.
- (b) If the Member elects the temporary retirement income option described in this Section, any benefits payable to the Member's Beneficiary or Spouse after the Member's death shall be determined in accordance with such other form of payment elected by the Member in accordance with Article 26, any guarantee or continuance being applied to the annuity payment pattern resulting from the temporary retirement income option.
- (c) The value of the benefits payable under the temporary retirement income option shall be the Actuarial Equivalent of the benefit which would have been otherwise payable had the Member not elected the temporary retirement income option.
- (d) A Spouse who becomes entitled to the payment of a retirement income under the Plan may elect the temporary retirement income option described in the foregoing provisions of this Section, adapted as required.

#### **Article 27 – Death Benefits**

##### **27.01 Death – Prior to Pension Commencement Date**

- (a) If a DB Member or DB/DC Member who is accruing Continuous Service dies prior to his Pension Commencement Date:
  - (i) a death benefit is payable to the Member's Spouse who has not waived, in the prescribed form and in accordance with Applicable Pension Laws, the right to a death benefit, equal to 100% of the lump sum Actuarial Equivalent of the retirement income that the Member would have been eligible to receive, in accordance with Article 24 or Article 28, as applicable, had the Member retired or terminated employment on the date of his death; and

- (ii) a death benefit is payable to the Member's Spouse or, if there is no Spouse or if the Spouse has waived, in the prescribed form and in accordance with Applicable Pension Laws, the right to a death benefit, the Member's Beneficiary, equal to 100% of the lump sum Actuarial Equivalent of the retirement income that the Member would have been eligible to receive, in accordance with Article 24 or Article 28, as applicable, had the Member retired or terminated employment on the date of his death.

Such DB Member's Spouse, or Beneficiary, as applicable, shall also be entitled to receive the DB Member's Excess Contributions, if any, determined and payable in accordance with Article 25 using the Member's date of death as the Date of Determination.

Such Member's Spouse or Beneficiary, as applicable, shall also receive a supplementary benefit equal to the excess, if any, of (i) over (ii), where:

- (i) is 100% of the lump sum Actuarial Equivalent of the retirement income specified in Section 28.02 in respect of Credited Service accrued on or after January 1, 2001 computed assuming annual indexation of such retirement income from the date of termination of employment to the date that is 10 years prior to Normal Retirement Date equal to 50% of the change in the Consumer Price Index for Canada published by Statistics Canada and assuming pension commencement at Normal Retirement Date; and
- (ii) is 100% of the lump sum Actuarial Equivalent of the retirement income specified in Section 28.02 in respect of Credited Service on or after January 1, 2001.

The annualized indexation rate specified in subparagraph (i) shall not be less than 0% nor greater than 2%. The supplementary benefit shall be payable to the Member's Spouse or Beneficiary as a lump sum cash payment.

- (b) If a DB Member or DB/DC Member who has ceased accruing Continuous Service and who has an entitlement to retirement income benefits in accordance with Article 28 dies prior to his Pension Commencement Date:
  - (i) a death benefit is payable to the Member's Spouse who has not waived, in the prescribed form and in accordance with Applicable Pension Laws, the right to a death benefit, equal to 100% of the lump sum Actuarial Equivalent of the retirement income that the Member would have been eligible to receive in accordance with Article 28; and

- (ii) a death benefit is payable to the Member's Spouse or, if there is no Spouse or if the Spouse has waived, in the prescribed form and in accordance with Applicable Pension Laws, the right to a death benefit, the Member's Beneficiary, equal to 100% of the lump sum Actuarial Equivalent of the retirement income that the Member would have been eligible to receive in accordance with Article 28.

#### 27.02 Commutation of Death Benefits

- (a) If a DB Member or DB/DC Member dies prior to his Pension Commencement Date, a Spouse who is entitled to benefits upon the death of a Member in accordance with this Article may direct, subject to Applicable Pension Laws and Section 11.07, that the lump sum Actuarial Equivalent of the benefit be transferred:
  - (i) a lump sum cash payment; or
  - (ii) a lump sum transfer to a RRSP; or
  - (iii) a transfer to another registered pension plan if the administrator of that plan agrees to accept the transfer; or
  - (iv) a transfer to an Insurer for the purchase of a life annuity, commencing no later than December 1 of the calendar year in which the Spouse attains age 71, or such other age as may be permitted by Revenue Rules, or, if later, within one year of the Member's date of death, in a form acceptable under Applicable Pension Laws and Revenue Rules;as designated by the Spouse, or if the Spouse fails to make a designation within the time required or permitted under Applicable Pension Laws, as may be determined by the Administrator in its absolute discretion, in such form as may be permitted under Applicable Pension Laws.
- (b) The amount of any benefit payable to a Member's Beneficiary shall be paid as a lump sum cash payment.
- (c) The amount of any Excess Contributions shall be payable in accordance with Article 25.
- (d) The amount of any supplementary benefit shall be payable to the Member's Spouse or Beneficiaries as a lump sum cash payment.

#### Article 28 – Termination of Employment

##### 28.01

A DB Member or DB/DC Member whose employment with a Participating Employer is terminated, for any reason other than death or retirement, shall receive:

- (a) a monthly retirement income, payable in accordance with Article 26 and commencing at the Member's Normal Retirement Date equal to the Plan Benefit determined using the Member's date of termination of employment as the Date of Determination;
- (b) the DB Member's Excess Contributions, if any, determined and payable in accordance with Article 25 using the Member's date of termination of employment as the Date of Determination, and
- (c) a supplementary benefit equal to the excess, if any, of (i) over (ii), where:
  - (i) is the lump sum Actuarial Equivalent of the retirement income specified in paragraph (a) in respect of Credited Service accrued on or after January 1, 2001 computed assuming annual indexation of such retirement income from the date of termination of employment to the date that is 10 years prior to Normal Retirement Date equal to 50% of the change in the Consumer Price Index for Canada published by Statistics Canada and assuming pension commencement at Normal Retirement Date; and
  - (ii) is the lump sum Actuarial Equivalent of the retirement income specified in paragraph (a) in respect of Credited Service on or after January 1, 2001.

The annualized indexation rate specified in subparagraph (i) shall not be less than 0% nor greater than 2%. The supplementary benefit shall be payable to the Member as a lump sum cash payment.

## **Appendix F – Saskatchewan Schedule**

Notwithstanding any other provision of the Plan, provisions of this Appendix shall apply to a Member who is a Saskatchewan Employee.

“Saskatchewan Employee” means an Employee who reports for work in the Province of Saskatchewan. If the Employee is not required to report to work at an establishment of a Participating Employer or is required to report to more than one establishment of a Participating Employer in different provinces, “Saskatchewan Employee” means an Employee who is paid from an establishment of a Participating Employer, such establishment being situated in the Province of Saskatchewan.

### **PART 1 – GENERAL PROVISIONS**

#### **Article 2 – Definitions**

- 2.68 “Spouse” means, subject to the requirements for registration under Applicable Pension Laws and Revenue Rules, in relation to a Member, the person who, at the earlier of the commencement of the Member’s pension and the date of the Member’s death, meets one of the following eligibility requirements:
- (a) the person who is married to the Member; or
  - (b) if the Member is not married, the person with whom the Member is cohabiting at the relevant time and who has been cohabiting continuously with the Member as his spouse for at least one year prior to the relevant time.
- 2.71 “Temporary Suspension of Employment” means any suspension of employment that is expected to be temporary in nature or any period of lay-off.
- 2.73 “Vesting Date” means the date coincident with the completion of two years of Continuous Service. Effective September 30, 2015, “Vesting Date” means the date an Employee becomes a Member.

#### **Article 3 – Membership**

##### **3.02 Other Employees**

Subject to Section 4.07, each Employee who was not a Member of the Plan on December 31, 2011 shall become a Member of the Plan on the later of January 1, 2012 and the first day of the month next following the date on which he:

- (a) becomes employed by a Participating Employer on a full-time basis;
- (b) becomes employed by a Participating Employer in other than full-time employment where the Employee is working at least 24 hours per week; or

- (c) becomes employed by a Participating Employer in other than full-time employment where the Employee is working less than 24 hours per week and where such Employee has earned at least 35% of the YMPE in each of two consecutive calendar years or has worked at least 700 hours in each of two consecutive calendar years with a Participating Employer.

## **Article 11 – General Provisions**

### **11.07 Commutation of Pensions and Lump Sum Refunds**

- (a) Retirement income under Part 3 and the value of the Member Accounts under Part 2 may be commuted and paid in a lump sum at the discretion of the Administrator if:
  - (i) the annual retirement income under Part 3 and from the value of the Member Accounts under Part 2 does not exceed 4% of the YMPE as at the Date of Determination; or
  - (ii) the lump sum Actuarial Equivalent of the retirement income under Part 3 plus the value of the Member Accounts under Part 2 does not exceed 20% of the YMPE as at the Date of Determination.

The amount of any such form of benefit settlement shall be the Actuarial Equivalent of the benefit remaining to be paid.

- (b) Subject to Applicable Pension Laws, a benefit required to be paid under the Plan may be commuted and paid in a lump sum at the discretion of the Administrator if the Member establishes, by a written statement from a qualified medical doctor licensed to practise in Canada, that he has a life expectancy considerably shorter than the life expectancy for his age and sex on the then current Canadian Life Tables. If the Member has a Spouse, an election to commute and receive a lump sum payment may only be made if the Spouse completes a waiver in the form and manner prescribed by Applicable Pension Laws. The amount of any such form of benefit settlement shall be the Actuarial Equivalent of the benefit remaining to be paid.

## **Part 2 – DEFINED CONTRIBUTION PROVISIONS**

### **Article 18 – Death Benefits**

#### **18.02 Payment of Death Benefits**

- (a) In the event a Member dies, distribution of the Member's Employee Account and Employer Account to the Member's Spouse shall, subject to Section 11.07, be made as:
  - (i) a lump sum cash payment; or

- (ii) a lump sum transfer to a RRSP; or
- (iii) a transfer to another registered pension plan if the administrator of that plan agrees to accept the transfer; or
- (iv) a transfer to an Insurer for the purchase of a life annuity, commencing no later than December 1 of the calendar year in which the Spouse attains age 71, or such other age as may be permitted by Revenue Rules, or, if later, within one year of the Member's date of death, in a form acceptable under Applicable Pension Laws and Revenue Rules;

as designated by the Spouse, or if the Spouse fails to make a designation within the time required or permitted under Applicable Pension Laws, as may be determined by the Administrator in its absolute discretion, in such form as may be permitted under Applicable Pension Laws.

- (b) The Member's Optional Account shall be distributed to the Member's Spouse as:

- (i) a lump sum cash payment; or
- (ii) a lump sum transfer to a RRSP;

as designated by the Spouse, or if the Spouse fails to make a designation within the time required or permitted under Applicable Pension Laws, as may be determined by the Administrator in its absolute discretion, in such form as may be permitted under Applicable Pension Laws.

- (c) The value of the Accounts shall be determined as of the Valuation Date coincident with or immediately preceding the date of distribution.
- (d) Distribution of the Member's Accounts to a Beneficiary who is not a Spouse shall be made as a lump sum cash payment.

### **Part 3 – DEFINED BENEFIT PROVISIONS**

#### **Article 26 – Payment of Retirement Benefits**

##### **26.02 Statutory Survivor Pension**

Notwithstanding Section 26.01, a DB Member or DB/DC Member who has a Spouse who has not waived, in prescribed form and in accordance with Applicable Pension Laws, her right to a survivor retirement income shall be deemed to have elected to receive his retirement income in accordance with paragraph 26.01(b). A DB Member or DB/DC Member with a Spouse who has waived, in the prescribed manner, her right to 60% of the Member's retirement income following his death, shall receive his retirement income in accordance with paragraph 26.01(a).

## **Article 27 – Death Benefits**

### **27.01 Death – Prior to Pension Commencement Date**

- (a) If a DB Member or DB/DC Member who is accruing Continuous Service dies prior to his Pension Commencement Date:
  - (i) a death benefit is payable to the Member's Spouse who has not waived, in the prescribed form and in accordance with Applicable Pension Laws, the right to a death benefit, equal to 100% of the lump sum Actuarial Equivalent of the retirement income that the Member would have been eligible to receive, in accordance with Article 24 or Article 28, as applicable, had the Member retired or terminated employment on the date of his death; and
  - (ii) a death benefit is payable to the Member's Spouse or, if there is no Spouse or if the Spouse has waived, in the prescribed form and in accordance with Applicable Pension Laws, the right to a death benefit, the Member's Beneficiary, equal to 100% of the lump sum Actuarial Equivalent of the retirement income that the Member would have been eligible to receive, in accordance with Article 24 or Article 28, as applicable, had the Member retired or terminated employment on the date of his death.

Such DB Member's Spouse, or Beneficiary, as applicable, shall also be entitled to receive the DB Member's Excess Contributions, if any, determined and payable in accordance with Article 25 using the Member's date of death as the Date of Determination.

- (b) If a DB Member or DB/DC Member who has ceased accruing Continuous Service and who has an entitlement to retirement income benefits in accordance with Article 28 dies prior to his Pension Commencement Date:
  - (i) a death benefit is payable to the Member's Spouse who has not waived, in the prescribed form and in accordance with Applicable Pension Laws, the right to a death benefit, equal to 100% of the lump sum Actuarial Equivalent of the retirement income that the Member would have been eligible to receive in accordance with Article 28; and
  - (ii) a death benefit is payable to the Member's Spouse or, if there is no Spouse or if the Spouse has waived, in the prescribed form and in accordance with Applicable Pension Laws, the right to a death benefit, the Member's Beneficiary, equal to 100% of the lump sum Actuarial Equivalent of the retirement income that the Member would have been eligible to receive in accordance with Article 28.



- (c) If there is no Spouse, or if the Spouse has waived, in the prescribed form and in accordance with Applicable Pension Laws, the right to a death benefit, the Member's Beneficiary shall be entitled to the lump sum Actuarial Equivalent of the benefit that would have been payable to a Spouse in accordance with paragraph (a) or (b) above. In respect of a benefit payable under subparagraph (a)(i) or (b)(i) that would have been payable to a Spouse, the lump sum payable to a Beneficiary shall be equal to the benefit that would have been payable to a Spouse who had attained an age three years less than the age of the Member on the day of the Member's death.

Such DB Member's Beneficiary shall also be entitled to receive the DB Member's Excess Contributions, if any, determined and payable in accordance with Article 25 using the Member's date of death as the Date of Determination.

### 27.03 Commutation of Death Benefits

- (a) A Spouse who is entitled to benefits upon the death of a Member in accordance with this Article may direct, subject to Applicable Pension Laws and Section 11.07, that the lump sum Actuarial Equivalent of the benefit be transferred:
- (i) a lump sum cash payment; or
  - (ii) a lump sum transfer to a RRSP; or
  - (iii) a transfer to another registered pension plan if the administrator of that plan agrees to accept the transfer; or
  - (iv) a transfer to an Insurer for the purchase of a life annuity, commencing no later than December 1 of the calendar year in which the Spouse attains age 71, or such other age as may be permitted by Revenue Rules, or, if later, within one year of the Member's date of death, in a form acceptable under Applicable Pension Laws and Revenue Rules;
- as designated by the Spouse, or if the Spouse fails to make a designation within the time required or permitted under Applicable Pension Laws, as may be determined by the Administrator in its absolute discretion, in such form as may be permitted under Applicable Pension Laws.
- (b) The amount of any benefit payable to a Member's Beneficiary shall be paid as a lump sum cash payment.
- (c) The amount of any Excess Contributions shall be payable in accordance with Article 25.