

# UNIVERSITY OF VICTORIA STAFF PENSION PLAN

## PLAN TEXT

**EFFECTIVE SEPTEMBER 30, 2015**

### UNOFFICIAL CONSOLIDATION

**Prepared September 25, 2024**

This consolidation was prepared using the Plan Text amended and restated effective as of September 30, 2015 as the base document and incorporates the following subsequent amendments:

- Amendment effective as of November 18, 2018 (approved by the Board of Governors on March 26, 2019)
- Amendment effective as of January 1, 2024, March 31, 2024 and September 4, 2024 (approved by the Governance Committee on September 4, 2024)

*While care has been taken in the preparation of this consolidation, if there is a discrepancy between this consolidated plan text and the plan text and amendment documents adopted by the University of Victoria and registered with the BC Financial Services Authority and Canada Revenue Agency, the latter documents shall prevail..*

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# 1 INTRODUCTION

## (1) History

The University of Victoria Staff Pension Plan was effective January 1, 1993 for those eligible employees of the University who are members of the Specialist/ Instructional, Office, Technical and Child Care, Exempt, Maintenance and Other staffs.

## (2) Application of this Plan Text

The Plan was amended and restated effective September 30, 2015. Except as otherwise provided herein, or as is necessary to give effect to the terms of this Plan, this Plan applies to Members who terminate, retire or die on or after September 30, 2015. Except as otherwise provided by law, the benefits of a Member who terminated, retired or died prior to September 30, 2015 must, subject to the foregoing exceptions, be determined by the terms of the Plan in force on the date the Member terminated, retired or died.

## 2 DEFINITIONS

- (1) The following words or phrases shall be as defined herein unless the context clearly indicates otherwise:

**“Actuary”** shall mean a person who is a Fellow of the Canadian Institute of Actuaries appointed by the Investments and Administration Committee for the purposes of the Plan.

**“Actuarial Equivalent”** shall mean a benefit of equivalent value when computed at the rate of interest and on the basis of the mortality or other tables which may from time to time be adopted by the Investments and Administration Committee in consultation with the Actuary. Effective January 1, 1993 the mortality table adopted by the Investments and Administration Committee for the purpose of calculating actuarially equivalent benefits shall be a mortality table that produces factors that do not differentiate on the basis of sex.

**“Additional Voluntary Contribution Account”** shall mean that account for each Member who is making or who has made additional voluntary contributions.

**“Average Annual Basic Salary”** shall mean the arithmetical average of the Member’s annual Basic Salary for the five (5) consecutive years, within the Member’s period of Credited Service, during which the aggregate of Basic Salary for those years was highest.

**“Average YMPE”** shall mean, for a given year, the arithmetic average of the YMPE for such year and for the four immediately preceding years.

**“Basic Salary”** shall mean the amount of regular annual compensation payable to Members of the Plan, excluding overtime pay, extra pay, shift differential pay, etc., but before deduction for income tax, old age security tax and contributions to the Canada Pension Plan, and shall not include contributions which may be made by the University under or by virtue of this Plan or for medical services or group term life insurance.

With respect to periods of leave during which a Member does not actually receive or receives reduced compensation from the University, an amount deemed to be salary based on the compensation the Member would have received if the Member had not taken the leave, provided that required contributions are made on the deemed salary. Deemed salary shall not exceed the amount of compensation that is prescribed for this purpose under the Income Tax Act.

**“Board of Governors”** shall mean the Board of Governors of the University of Victoria.

**“Commutated Value”** means, in relation to benefits that a person has a present or future entitlement to receive, the actuarial present value of those benefits as

determined by the Actuary in accordance with the Pension Benefits Standards Act.

**“Covered Employment”** means, in respect of a Member, employment for which contributions are required to be made to the Plan on the Member’s behalf.

**“Credited Service”** shall mean:

- (a) the length of time a person is employed in Covered Employment and has contributed to this Plan and to any Prior Pension Plan on a continuous basis, but not beyond the date of termination of Covered Employment or Normal Retirement Date or Early Retirement Date whichever first occurs, except that a Member shall not be deemed to have terminated Covered Employment for purposes of this Plan if:
  - (i) the Member is granted leave of absence with pay provided the Member returns to Covered Employment at the expiry of the term of the leave of absence approved, or
  - (ii) the Member is granted a leave of absence without pay provided that the Member returns to Covered Employment at the expiry of the term of the leave of absence approved except that such a period of leave of absence without pay and without contribution shall be subtracted from the Member’s Credited Service, or
  - (iii) the Member is absent due to illness or injury and is in receipt of sick leave or disability benefits other than those payable from the Plan,
- (b) PROVIDED THAT where part of a Member’s total service includes regular part-time employment, such period of regular part-time employment shall be counted as that appropriate fractional period of Credited Service as determined by the Investments and Administration Committee.

**“CUPE 917”** shall mean the Canadian Union of Public Employees, Local 917 or any successor thereof.

**“CUPE 951”** shall mean the Canadian Union of Public Employees, Local 951 or any successor thereof.

**“CUPE 4163”** shall mean the Canadian Union of Public Employees, Local 4163 or any successor thereof.

**“Deferred Retirement Date”** shall have the meaning set out in subsection 7(3).

**“Designated Beneficiary”** shall mean, in respect of a Member or Retired Member, the person designated or deemed to be designated as the Member or Retired Member’s beneficiary in accordance with subsection 18(4).

**“Early Retirement Date”** shall have the meaning set out in subsection 7(2).

**“Family Law Act”** shall mean the Family Law Act, Statutes of BC and the Regulations thereunder as amended or replaced from time to time.

**“Governance Committee”** shall mean the Committee responsible for overseeing the governance of this Plan, as more particularly set forth in Section 14 hereof.

**“Income Tax Act”** shall mean the Income Tax Act of Canada, Statutes of Canada and the Regulations thereunder as amended or replaced from time to time.

**“Interest”** shall mean,

- (a) in respect of a Member’s required contributions, interest at the CANSIM rate, as such rate is defined in subsection 69(1) of the regulations under the Pension Benefits Standards Act, calculated in accordance with section 69 of such regulations; and
- (b) in respect of additional voluntary contributions, interest at the net rate of return earned on the assets of the Fund calculated monthly and credited as set out subsections 21(3) and 21(4) as applicable.

**“Investments and Administration Committee”** shall mean the Committee responsible for the investment of the Trust Fund and the administration of this Plan, as more particularly set forth in Section 14 hereof.

**“Locked-in Transfer”** shall mean, in respect of a lump sum transfer made in respect of an individual’s entitlement under the Plan, a transfer of such lump sum to one of the following, on the terms and conditions specified in the Pension Benefits Standards Act, including the "locking-in" requirements thereof:

- (a) a locked-in retirement account;
- (b) another registered pension plan provided that such plan will accept the transfer and require that the transferred amount be paid out of that plan in the form of a pension that is required or allowed by the Pension Benefits Standards Act;
- (c) an insurance company to purchase an annuity in the form of a pension that is required or allowed by the Pension Benefits Standards Act; or
- (d) a retirement income arrangement.

**“Member”** shall mean a person who is or who has been a contributor to this Plan, who is not receiving benefits under this Plan or has not withdrawn from this Plan.

**“Normal Retirement Date”** shall have the meaning set out in subsection 7(1).

**“Pension Advisory Committee”** shall mean the committee described in subsection 14(5).

**“Pension Benefits Standards Act”** shall mean the Pension Benefits Standards Act, Statutes of British Columbia and the Regulations thereunder, as amended or replaced from time to time.

**“Plan”** shall mean this Pension Plan in its present form or as may be from time to time properly amended.

**“Plan Year”** shall mean the twelve (12) month period from a January 1 to the succeeding December 31 during the continuance of this Plan, the first day of the first Plan Year being January 1, 1972.

**“Prescribed Form”** means the form prescribed from time to time by the Investments and Administration Committee.

**“Prior Pension Plan”** shall mean the pension plan with Teachers Insurance and Annuity Association and College Retirement Equities Fund in effect at the University at January 1, 1972.

**“Retired Member”** shall mean a former Member of this Plan who has retired or become disabled on or after January 1, 1992 and who is receiving benefits under this Plan.

**“Retirement Benefit”** shall mean any payments provided under Sections 9, 10 and 11.

**“Spouse”** shall mean, in relation to another person, a person who at the relevant time:

- (a) is married to that other person and has not been living separate and apart from that other person for a continuous period longer than two years; or
- (b) has been living with that other person in a marriage-like relationship for a period of at least two years immediately preceding the relevant time,

but does not include a person who has been allocated a share of the Member or Retired Member’s benefit under the Family Law Act unless a subsequent spousal relationship has been established by that person and the Member or Retired Member.

**“Trustee”** shall mean the Trust Company appointed by the Investments and Administration Committee from time to time pursuant to the Trust Agreement.

**“Trust Agreement”** shall mean that agreement of which this Plan forms part and as may be amended from time to time.

**“Trust Company”** shall mean any trust company with which any amount of the Pension Fund may be deposited or to which any amount of said Pension Fund may be transferred under an agency agreement, in order to fund benefits under this Plan.

**“Trust Fund”** shall mean the fund established pursuant to the Trust Agreement of which this Plan is a part, and from which benefits to Members and Retired Members are paid.

**“University”** shall mean the Board of Governors of the University of Victoria unless the context indicates otherwise.

**“YMPE”** shall mean, in respect of any Plan Year, the Year’s Maximum Pensionable Earnings as defined under the Canada Pension Plan.

- (2) Whenever the singular pronoun is used the same shall be construed as meaning the plural wherever the circumstances so require.



### **3 ELIGIBILITY FOR MEMBERSHIP**

- (1) Those “regular employees” of the University, as defined in the collective agreements between the University and CUPE 917 and CUPE 951, and Exempt Staff shall become Members of the Plan on the date of appointment as regular employees.
- (2) Eligibility for those employees of the University as defined in the collective agreement between the University and CUPE 4163 for Components I and II is as follows:
  - (a) Component I - Full-time twelve (12) month appointed employees may participate on a voluntary basis after twelve (12) or more months of continuous full-time service. Part-time twelve (12) month appointees working half-time or more on a year-round basis may participate on a voluntary basis after twelve (12) or more months of such continuous service. Employees who choose to enroll are required to remain enrolled until the end of their term or contiguous terms.
  - (b) Component II Regular Sessional Employees - All Regular Sessional Second Language Teachers who are appointed at half-time or more will become Members of the Plan on the first (1st) day of the month coinciding with or following appointment to a Regular Sessional Second Language Teacher position.
- (3) Subject to the preceding subsections of this Section 3 and in such cases as are not herein dealt with the University shall at all times have the right to decide which of its employees are eligible for the Plan or have ceased to be eligible and shall supply the Investments and Administration Committee from time to time, or as may be reasonably requested by the committee, with a list of eligible employees.
- (4) Notwithstanding any other provision of this Section 3, if a Retired Member is re-employed by the University, the Retired Member will continue to receive their Retirement Benefit and shall not be eligible to become a Member of the Plan.

#### **4 ENROLLMENT**

- (1) An employee joining the Plan shall be required to file or have filed with the Investments and Administration Committee an enrollment application in the Prescribed Form authorizing the deduction from the employee's earnings of the required contributions under this Plan.
- (2) Once an eligible employee signs an enrollment application for participation in the Plan, the employee may not thereafter discontinue contributions so long as the Plan is in effect and the employee continues to be employed in Covered Employment and eligible for enrollment under Section 3 and is not a member of the University of Victoria Combination Pension Plan or the University of Victoria Money Purchase Pension Plan.

## **5 MEMBER CONTRIBUTIONS**

### **(1) Minimum Required Basic Contributions**

Each Member shall be required to make basic minimum contributions equal to:

- (a) 4.53% of Basic Salary that does not exceed the YMPE, prorated for the length of the Member's pay period; plus
- (b) 6.28% of Basic Salary which is in excess of the YMPE, prorated for the length of the Member's pay period.

### **(2) Additional Required Contributions**

In addition to the contributions required under subsection (1) above, each Member shall be required to make contributions equal to that percentage of Basic Salary that is equal to the percentage described in subparagraph 6(1)(a)(ii).

### **(3) Contribution Reductions**

- (a) If the University chooses to reduce its contribution rate under paragraph 6(3)(b), the University and CUPE 917 and CUPE 951 will negotiate a Member contribution rate reduction or one-time benefit improvement(s), or a combination thereof that is equivalent in value to the University's contribution rate reduction, provided that the resulting Member contribution rate shall not be less than the minimum under subsection (1) above.
- (b) If the University contribution rate is reduced under subsection 6(5), the University and CUPE 917 and CUPE 951 will negotiate a Member contribution rate reduction or one-time benefit improvement(s), or a combination thereof that is equivalent in value to the University contribution rate reduction. Should the parties be unable to reach agreement before a reduction takes effect under subsection 6(5), an equivalent share of the reduction will be applied as a prospective improvement to the benefit accrual rate until the earlier of the effective date of the next actuarial valuation, or the date when there is no longer a reduction in the University contribution rate under subsection 6(5).

### **(4) Required Supplementary Contributions**

In addition to the above, each Member shall make supplementary contributions as provided for in subsection 2(1) of Appendix I.

### **(5) Required Member contributions shall be by means of payroll deduction and shall be remitted by the University to the Trust Fund within 30 days after the end of the month in which the contributions were deducted.**

(6) Contributions During an Approved Leave of Absence

A Member who is on an approved leave of absence without pay may, with the approval of the University and subject to limits set under the Income Tax Act, elect to make the required contributions described above. The Member shall also be responsible for payment of the University contributions described in Section 6, unless the University portion is paid from some other source.

(7) All contributions shall cease on the earliest of the date of the Member's termination of Covered Employment or death. Contributions may not be made by a Retired Member.

(8) A Member's required contributions under subsections (1) to (5) of this Section 5 shall not exceed the limits in subparagraph 8503(4)(a)(i) of the Income Tax Regulations under the Income Tax Act.

## 6 UNIVERSITY CONTRIBUTIONS

### (1) Basic Normal Actuarial Cost

- (a) If the basic normal actuarial cost, as determined by the most recent actuarial valuation, less Member basic minimum contributions, expressed as a percent of Basic Salary, is at least 11.75%, the University's share of normal actuarial cost is:
  - (i) 11.75%; plus
  - (ii) one half the amount, if any, by which total basic normal actuarial cost less Member minimum required basic contributions determined in subsection 5(1), expressed as a percent of Basic Salary, exceeds 11.75%.
- (b) If the basic normal actuarial cost, as determined by the most recent actuarial valuation, less Member minimum required basic contributions determined in subsection 5(1), expressed as a percent of Basic Salary, is less than 11.75%, the University's share of normal actuarial cost is
  - (i) 11.75%; less
  - (ii) the lesser of 1.5% and one half the amount, if any, by which 11.75% exceeds total basic normal actuarial cost less Member basic minimum contributions, expressed as a percent of Basic Salary.

### (2) Special Contributions

In addition to the contributions determined in subsection (1) above, the University shall be required to contribute:

- (a) the amount required to fund a solvency and/or going concern deficiency, excluding any portion that is secured with a letter of credit; plus
- (b) the transfer deficiency relating to any payments made from the Trust Fund where there are solvency deficiency payments covered by a letter of credit,

as required by and in accordance with the Pension Benefits Standards Act.

### (3) Contribution Reductions

- (a) If the Actuary determines that there is sufficient surplus for contributions to be made at a rate below the basic normal actuarial cost determined in subsection (1) above, the University may choose to reduce its contribution rate to the extent necessary to recover special contributions made under

subsection (2) above, and as permitted under the requirement of the Pension Benefits Standards Act.

- (b) If the Actuary determines that there is sufficient surplus for contributions to be reduced to a rate that is below the basic normal actuarial cost determined in subsection (1) above, the University may choose to reduce its contribution rate by up to 50% of the amount by which the permissible rate reduction, as determined by the Actuary, exceeds unrecovered special contributions.

A reduction under this subsection (3) may not reduce University basic normal contributions determined in subsection (1) of this Section 6 below 10.25% of Members' Basic Salary.

(4) Required Supplementary Contributions

In addition to the above, the University shall make supplementary contributions as provided for in subsection 2(2) of Appendix I.

(5) Maximum Contribution

Notwithstanding the above, University contributions shall not exceed the maximum permitted under the Income Tax Act. If contributions must be reduced to comply with the Income Tax Act, one-half the required reduction shall be applied to the University basic normal actuarial cost contribution rate determined in subsection (1) above and one-half as set out in paragraph 5(3)(b).

- (6) The University shall not make contributions in respect of a Member who is a Retired Member from this Plan.

(7) The University shall keep separate and apart from its own assets:

- (a) all contributions that are due and owing to the Trust Fund by the University;
- (b) all amounts that have been deducted by the University from a Member's Basic Salary and not yet remitted to the Trust Fund; and
- (c) all contributions that the University has received with respect to a Member and not yet remitted to the Trust Fund.

The amounts are deemed to be held in trust for the Members and any other person entitled to pension benefits, refunds or any other payments under the Plan in accordance with their interests under the Plan.

The amounts shall not form any part of the estate of the University.

- (8) University contributions shall be remitted by the University to the Trust Fund within 30 days after the end of the month for which those contributions are payable.

## 7 RETIREMENT DATES

- (1) Normal Retirement Date - The Normal Retirement Date of a Member shall be the final working day of the month in which the Member reaches age 65, which is also the Plan's "pension eligibility date" for the purposes of the Pension Benefits Standards Act.
- (2) Early Retirement Date - A Member who has attained the age of 55 years may elect to retire as of the first day of any calendar month prior to the Member's Normal Retirement Date, which shall not be less than 30 days nor more than 90 days after filing of the application specified in subsection (4).
- (3) Deferred Retirement Date - A Member who postpones retirement from Covered Employment beyond the Member's Normal Retirement Date is eligible, upon written application, to commence the Member's Retirement Benefits on the earlier of the first day of any month subsequent to the Member's actual retirement date from Covered Employment and the latest date allowed by the Income Tax Act. A Member who postpones retirement from Covered Employment shall continue to make contributions to the Plan, have contributions made to the Plan on the Member's behalf and accrue benefits under the Plan and shall have the Member's Retirement Benefit calculated in accordance with subsection 9(3).
- (4) Application for Pension
  - (a) A Member must make application in the Prescribed Form to the Investments and Administration Committee to commence receipt of the Member's Retirement Benefit. In such application, the Member must specify the first day of the calendar month on which the payment of the Retirement Benefit is to commence, which date must not be less than 30 days before the payment or more than 90 days after filing of the application with the Investments and Administration Committee.
  - (b) Following the submission of the application referred to in paragraph (4)(a) and not more than 90 days after the first day of the calendar month in which the payment of the Retirement Benefit is to commence, the Member must elect a form of Retirement Benefit. If the Member does not make this election within such 90 day period and the Member is retiring prior to the Member's Normal Retirement Date:
    - (i) the Member's entitlement to a Retirement Benefit pursuant to paragraph 9(2)(a), if any, will lapse, and the Member will be entitled to a Retirement Benefit in accordance with paragraph 9(2)(b); and
    - (ii) if the Member's Retirement Benefit is payable as a lump sum in accordance with paragraph 18(3)(a), the Commuted Value will be



calculated on the basis of the Member's entitlement under paragraph 9(2)(b).

## **8 NORMAL FORM OF RETIREMENT BENEFIT**

- (1) The normal form of Retirement Benefit payable under the Plan to a Member who has a Spouse on the Member's retirement date shall be monthly payments payable throughout the Member's retired lifetime with monthly payments continuing to the Member's surviving Spouse, during the Spouse's remaining lifetime each equal to one-half of the monthly payments the Member would have received and ceasing with the payment made on the first day of the month in which the last death of the Member or the Spouse occurs (subject to the provisions of Section 10 with respect to the election of an optional form of Retirement Benefit).
  
- (2) The normal form of Retirement Benefit payable under the Plan to a Member who does not have a Spouse on the Member's retirement date shall be monthly payments commencing on the Member's retirement date and terminating with the payment made on the first day of the month in which the death of the Member occurs, except that if the death of the Member occurs before the Member has received one hundred and twenty (120) monthly Retirement Benefit payments, such Retirement Benefit payments shall continue to be paid to the Member's Designated Beneficiary until a total of one hundred and twenty (120) monthly Retirement Benefit payments in all have been paid to the Member and to the Member's Designated Beneficiary.

**9 RETIREMENT BENEFITS**

**(1) Normal Retirement Benefit**

- (a) Upon the retirement of a Member on the Member’s Normal Retirement Date the initial annual Retirement Benefit, payable monthly, shall be equal to:
  - (i) an annual Retirement Benefit, payable monthly, equal to the applicable percentage of the Member’s Average Annual Basic Salary up to the Average YMPE for the year in which the Member retires for each year of Credited Service rendered by the Member, plus
  - (ii) an annual Retirement Benefit, payable monthly, equal to the applicable percentage of the Member’s Average Annual Basic Salary in excess of the Average YMPE for the year in which the Member retires for each year of Credited Service rendered by the Member, less
  - (iii) the annual Retirement Benefit, payable monthly, commencing on the Member’s Normal Retirement Date under any Prior Pension Plan calculated and paid on the basis of the normal form of Retirement Benefit under this Plan with payments commencing on the said Normal Retirement Date to which the Member may be entitled.
- (b) The applicable percentages referred to above shall be determined from the following table:

<b>Period of Credited Service</b>	<b>Percentage applicable to Average Annual Basic Salary up to the Average YMPE</b>	<b>Percentage applicable to Average Annual Basic Salary in excess of the Average YMPE</b>
Prior to January 1, 1966	2.00%	2.00%
From January 1, 1966 to December 31, 1989	1.65%	2.00%
From January 1, 1990 to December 31, 1991	1.30%	2.00%
From January 1, 1992 to December 31, 1999	1.50%	2.00%
From January 1, 2000	1.70%	2.00%

**(2) Early Retirement Benefit**

- (a) Upon retirement at Early Retirement Date of an active Member or a disabled Member, the initial annual Retirement Benefit, payable monthly on the normal form, shall be equal to the percentage set out in Table 1 of paragraph (2)(c) below multiplied by the lesser of:
  - (i) the annual Retirement Benefit on the normal form, payable monthly, which has accrued to the credit of the Member up to the Member's Early Retirement Date in accordance with paragraph (1)(a) above on the basis of the Member's Average Annual Basic Salary and years of Credited Service to the Member's Early Retirement Date; and
  - (ii) the maximum annual Retirement Benefit set out in subsection (6).
- (b) Upon retirement at Early Retirement Date of a Member who had terminated Covered Employment and is entitled to a paid-up deferred Retirement Benefit, the initial annual Retirement Benefit, payable monthly on the normal form, shall be equal to the Actuarial Equivalent of the annual Retirement Benefit payable monthly, which had accrued to the Member's date of termination including any adjustments to the benefit to the Member's Early Retirement Date in accordance with subsections (5) and (6) of Section 12, provided that in no event shall the amount of any reduction in Retirement Benefits be less than that required by Regulation 8503(3)(c) to the Income Tax Act.
- (c) For the purposes of paragraph (2)(a) above, the following percentage factors at the early retirement ages set forth below shall apply:

**Table 1**

<b>Early Retirement Age</b>	<b>Percentage Factor</b>
64	100%
63	100%
62	100%
61	100%
60	100%
59	97%
58	94%
57	91%
56	88%
55	85%

**(3) Deferred Retirement Benefit**

- (a) A Member for whom commencement of Retirement Benefits under this Plan is deferred until a Deferred Retirement Date must also postpone commencement of any benefits payable under a Prior Pension Plan until such Deferred Retirement Date.
- (b) The initial annual Retirement Benefit, payable on the normal form, commencing on the Deferred Retirement Date of a Member shall be calculated in accordance with paragraph (1)(a) above using the Member's Average Annual Basic Salary, the Average YMPE, and the Member's Credited Service at the Member's Deferred Retirement Date.

**(4) Annual adjustment of Retirement Benefit**

- (a) The annual Retirement Benefit, payable monthly, to a Retired Member in accordance with subsections (1) and (2) above, but before deduction of the Retirement Benefit payable under any Prior Pension Plan as described in subparagraph (1)(a)(iii) above, shall be adjusted as at January 1 next following the Retired Member's pension effective date and at each succeeding January 1 until benefits cease to be payable.
- (b) The minimum adjustment in a particular year is zero and the maximum adjustment is 3% of the amount paid immediately prior to the adjustment. If less than 12 months have elapsed since the Retired Member's pension effective date, the maximum adjustment is 0.25% for each month that has elapsed from the Retired Member's pension effective date to the adjustment date.
- (c) The amount of the annual adjustment to benefits in a particular year shall be calculated as the pension eligible for adjustment in paragraph (4)(a) above, that includes all previous annual adjustments and all supplementary retirement benefits granted under subsection (5) below, adjusted by:
  - (i) the percentage change in the average of the Consumer Price Index in the 12-month period ending September 30 in the immediately preceding year, and the average of the Consumer Price Index in the 12-month period ending September 30 in the year immediately prior to that preceding year; plus or minus
  - (ii) any Carry Forward addition or deduction from the immediately preceding year as described in paragraph (4)(e) below, subject to the limits described in paragraph (4)(b) above.
- (d) If less than 12 months have elapsed since the Retired Member's pension effective date, the value of the adjustment calculated in paragraph (4)(c) above will be reduced to the amount obtained by multiplying the

adjustment calculated in paragraph (4)(c) above by 1/12<sup>th</sup> for each month that has elapsed from the Retired Member's Benefit Commencement Date to the adjustment date.

- (e) If the unlimited adjustment calculated in paragraph (4)(c) above exceeds the maximum adjustment described in paragraph (4)(b) above, the amount by which the unlimited adjustment exceeds the maximum, less any supplementary retirement benefit granted in the particular year under subsection (5) below, shall be a Carry Forward addition in the subsequent year's adjustment calculation. If the unlimited adjustment calculated in paragraph (4)(c) above is negative, this negative amount shall be a Carry Forward deduction in the subsequent year's adjustment calculation.

**(5) Supplementary Retirement Benefits**

Supplementary retirement benefits may be paid as provided for in Section 3 of Appendix I.

**(6) Maximum Retirement Benefit**

- (a) The initial annual Retirement Benefit payable under the Plan at retirement, termination of Covered Employment or termination of the Plan may not exceed the aggregate of:
  - (i) In respect of Credited Service prior to January 1, 1992 the lesser of:
    - (A) the defined benefit limit [\$2,818.89 in 2015] for the calendar year in which payment of the Retirement Benefit is to commence times the number of years of Credited Service prior to 1992 not exceeding thirty-five (35) years, or
    - (B) an amount that is the product of:
      - (1) two percent (2%) per year of Credited Service prior to 1992 not exceeding thirty-five (35) years, and
      - (2) the highest average compensation indexed to the calendar year in which payment of the Retirement Benefit is to commence,

- (ii) In respect of Credited Service after December 31, 1991 the lesser of:
  - (A) the defined benefit limit for the calendar year in which payment of the Retirement Benefit is to commence times the number of years of Credited Service after 1991, or
  - (B) an amount that is the product of:
    - (1) two percent (2%) per year of Credited Service after 1991, and
    - (2) the highest average compensation indexed to the calendar year in which payment of the Retirement Benefit is to commence.
- (b) The annual Retirement Benefit including the supplementary retirement benefit payable in a calendar year after the calendar year in which payment of the Retirement Benefit commences shall not exceed the maximum initial annual Retirement Benefit determined as above multiplied by the ratio of the adjusted CPI for such calendar year to the CPI for the calendar year in which payment of Retirement Benefit commenced.

**(7) Maximum Benefit Rules - Application**

- (a) Notwithstanding any other section hereof, the initial annual lifetime Retirement Benefit payable in accordance with this Section 9, whether upon retirement, termination of Covered Employment or termination of the Plan, shall not exceed the amount set out in subsection (6) above.
- (b) In this Section 9 and Section 12 the words and phrases set forth below shall have the following meanings unless a different meaning is plainly required by the context:
  - (i) “highest average compensation indexed to the calendar year in which payment of the Retirement Benefit is to commence” means one-third (1/3) of the aggregate indexed monthly compensation for three (3) non-overlapping periods of twelve (12) consecutive months. Indexed monthly compensation is calculated by multiplying the monthly compensation received from the University by the ratio of the average wage for the calendar year in which the payment of Retirement Benefit is to commence to the average wage for the calendar year in which the compensation was received.

Indexed monthly compensation for a month occurring prior to

January 1986 is calculated by multiplying the monthly compensation received from the University by the ratio of the average wage of the calendar year in which the payment of Retirement Benefit is to commence to the average wage for 1986.

In the event that average wage for one or more calendar years in the period commencing with the later of 1986 and the year in which the compensation was received and ending with the year prior to the calendar year in which payment of the Retirement Benefit is to commence is higher than the average wage for the calendar year in which payment of the Retirement Benefit is to commence then the highest of such values of the average wage shall be used in place of the average wage for the calendar year in which payment of the Retirement Benefit is to commence in calculating the indexed monthly compensation.

In the event that the Member has not been employed in Covered Employment for three (3) non-overlapping periods of twelve (12) consecutive months, the highest average compensation indexed to the calendar year in which payment of the Retirement Benefit is to commence will be determined as twelve (12) times the average indexed monthly compensation over all months for which the Member has been employed in Covered Employment.

- (ii) “defined benefit limit” means in respect of a calendar year prior to 1996, \$1,722 and in respect of a calendar year after 1995 such amount as is determined in accordance with Regulation 8500(1) to the Income Tax Act.
- (iii) “adjusted CPI” for a calendar year means the CPI for such calendar year or, if higher, the highest value of the CPI for a calendar year in the period commencing with the calendar year in which payment of Retirement Benefits commenced and ending with the calendar year prior to the calendar year for which the adjusted CPI is to be determined.
- (iv) “CPI” for a calendar year means the average Consumer Price Index for Canada for the months of July, August, and September of the preceding calendar year.
- (v) “average wage” for a calendar year means the Average Industrial Wage for Canada for September of the preceding calendar year.



## 10 OPTIONAL RETIREMENT BENEFITS

(1) Subject to the approval of the Investments and Administration Committee and subsection 10(2), a Member may, at any time prior to the Member's retirement date, elect one of the following optional Retirement Benefits provided under the Plan in lieu of the normal Retirement Benefits otherwise payable by delivering the Prescribed Form to the Investments and Administration Committee, provided that the Member elects to receive Retirement Benefits payable under a Prior Pension Plan under the same form of optional benefit with the first payment due and payable on the Member's retirement date.

(a) Joint and Last Survivor Option

(i) A Member who has a Spouse on the Member's retirement date may, prior to retirement, elect the Actuarial Equivalent of the Member's normal Retirement Benefit in the form of a smaller monthly benefit with the provision that upon the Member's death after monthly payments begin there shall be payable a Retirement Benefit for life to a surviving designated joint annuitant, in a greater amount than is provided under the normal form but no greater than the amount payable during the Member's lifetime.

(ii) A Member electing to exercise this option must, at the time the election is made:

(A) Specify the name of the person who is to be the joint annuitant,

(B) Specify the portion of the Retirement Benefit to be continued to the joint annuitant, and

(C) Furnish satisfactory proof of age of the joint annuitant.

(iii) A designated joint annuitant shall not be changed and shall be, in all cases, the Spouse of the Member living at the time the optional Retirement Benefit is selected, as herein above provided.

(b) Life Annuity with Minimum Guaranteed Period

(i) A Member who has no Spouse on the Member's retirement date may, prior to retirement, elect to receive the Actuarial Equivalent of the Member's normal Retirement Benefit in the form of a somewhat larger or a somewhat smaller monthly Retirement Benefit by requesting that such monthly Retirement Benefit payments shall be payable for a minimum guaranteed period. The maximum acceptable guarantee period is fifteen years.

- (ii) A Member whose Spouse completes a waiver in the form prescribed in the Pension Benefits Standards Act may, prior to retirement, elect to receive alternative payment where benefits are the Actuarial Equivalent of the normal form of benefit for a Member who does not have a Spouse at retirement date. The maximum acceptable guarantee period is fifteen years.

(2) Spousal Entitlement and Waiver

- (a) If a Member has a Spouse on the Member's retirement date, the Member must elect a joint and survivor optional Retirement Benefit which continues at 60% or more to the Member's Spouse after the Member's death.
- (b) If a Member has a Spouse on the Member's retirement date, the Member may elect to receive a Retirement Benefit that does not comply with paragraph (2)(a) by providing to the Investments and Administration Committee:
  - (i) a statement in the Prescribed Form by the Member's Spouse that states the Spouse is aware of the Spouse's entitlement to a joint and survivor pension under paragraph (2)(a), waives that entitlement, and was signed by the Spouse, not more than 90 days before the Member's retirement date, in the presence of a witness and outside the presence of the Member, or
  - (ii) confirmation, in a form and manner satisfactory to the Investments and Administration Committee, that section 145 of the Family Law Act applies.
- (c) A Spouse who has validly signed a statement under paragraph (2)(b) is deemed to be the sole Designated Beneficiary of the Member despite any actual designation of a Designated Beneficiary under subsection 18(4) or any other law relating to such an actual designation.
- (d) Paragraph (2)(c) does not apply if the Investments and Administration Committee receives:
  - (i) a statement in the Prescribed Form by the Member's Spouse that states the Spouse is aware of the Spouse's entitlement under paragraph (2)(c), waives that entitlement; and was signed by the Spouse, before the Member's death, in the presence of a witness and outside the presence of the Member, or
  - (ii) confirmation, in a form and manner satisfactory to the Investments and Administration Committee, that section 145 of the Family Law Act applies.

- (e) If a Spouse who is deemed to be a Designated Beneficiary pursuant to paragraph (2)(c) does not survive the Member, another person who has actually been designated as the Designated Beneficiary pursuant to subsection 18(4) is the Member's Designated Beneficiary.
- (f) A waiver under paragraph (2)(b) or (2)(d) of an entitlement to a benefit is void if the Member dies before the Member's retirement date.
- (g) Where a Member has elected an optional form of pension that has commenced to be paid, such election shall be final, and in the case of a joint and last survivor form of pension, the joint annuitant may not be changed.

## 11 DEATH BENEFITS

### (1) Before Retirement

- (a) If a Member dies before the Member's retirement date and the Member had a Spouse at the time of the Member's death and the Spouse has not waived the Spouse's entitlement pursuant to subsection (4), the Spouse is entitled to:
  - (i) a Retirement Benefit payable during the Spouse's remaining lifetime, but guaranteed for 120 monthly payments in any event, which will be increased or decreased annually corresponding to changes in the Consumer Price Index as provided under subsection 9(4) and which is the Actuarial Equivalent of the Commuted Value of the Member's Retirement Benefit accrued to the date of death; or
  - (ii) a Locked-in Transfer of the Commuted Value of the Retirement Benefit described in subparagraph (i).

The Spouse must elect one of the above options within 90 days of receiving the statement required by the Pension Benefits Standards Act and if the Spouse does not make such election within this time limit, the Spouse is limited to the option(s) offered at the discretion of the University in accordance with the Pension Benefits Standards Act.

- (b) If a Member dies before the Member's retirement date and:
  - (i) the Member did not have a Spouse at the time of the Member's death;
  - (ii) the Spouse has waived the Spouse's entitlement pursuant to subsection (4); or
  - (iii) the Investments and Administration Committee has received confirmation, in a form and manner satisfactory to the Investments and Administration Committee, that section 145 of the Family Law Act applies,

the Commuted Value of the Member's Retirement Benefit accrued to the date of death must be paid to the Member's Designated Beneficiary as a lump sum.

- (c) Notwithstanding the above, the Commuted Value of the benefit payable under paragraph (1)(a) or (1)(b) above shall not be less than:

- (i) the Member's required contributions to the Plan prior to January 1, 1993 with Interest to date of death; plus
  - (ii) the greater of:
    - (A) the Member's required contributions to the Plan on or after January 1, 1993 with Interest to date of death; or
    - (B) the Commuted Value of the benefit accrued by the Member on or after January 1, 1993.
  - (d) If the deceased Member has made additional voluntary contributions, such additional voluntary contributions are payable in accordance with subsection 21(7).
  - (e) Any transfer made in accordance with this Section 11 shall be subject to the restrictions in the Pension Benefits Standards Act with regard to the solvency of the Plan and shall be subject to the approval of the Minister of Finance as and when required under the Income Tax Act.
- (2) After Retirement or Disability

In the event of the death of a Retired Member the sums payable, if any, shall be in accordance with the form of Retirement Benefit or disability Retirement Benefit payable to such Retired Member.

(3) Proof of Death

Payment arising or conditional upon the death of any Member, Retired Member, beneficiary or joint annuitant or upon the continued life of a Member, Retired Member, beneficiary or joint annuitant or upon the happening of any other event or contingency upon which a payment shall be made only after receipt by the Investments and Administration Committee of satisfactory proof of such death or from time to time of such continued life or the happening of such event or contingency, as the case may be.

(4) Waiver of Spousal Entitlement

- (a) A Member's Spouse may waive the Spouse's entitlement pursuant to this Section 11 by delivering to the Investments and Administration Committee a waiver in the Prescribed Form signed by the Spouse, before the Member's death, in the presence of a witness and outside the presence of the Member.
- (b) If a waiver pursuant to paragraph (4)(a) is in effect, the benefits payable under the Plan as a consequence of the death must be paid as if the deceased Member died leaving no surviving Spouse.

- (c) Despite any other provision of this Plan, if a Spouse waives the Spouse's entitlement under this Section 11, the Spouse is not entitled to receive any benefit by way of lump sum payment as the Member's Designated Beneficiary.

## 12 TERMINATION OF COVERED EMPLOYMENT

- (1) If a Member terminates Covered Employment, such terminating Member may elect:
  - (a) to receive a paid-up deferred Retirement Benefit payable at the Member's Normal Retirement Date equal to the Retirement Benefit accrued to the Member's credit under the Plan up to the date of termination in accordance with subsection 9(1); or
  - (b) subject to subsection 22(2), if the Member has not attained age 55, a Locked-in Transfer of the Commuted Value of the paid-up deferred Retirement Benefit to which the Member is entitled, less any amounts payable to such Member under a Prior Pension Plan,

PROVIDED THAT the amounts transferable shall not be less than the amounts, if any, held in the Trust Fund arising from contributions to a Prior Pension Plan as determined by the Investments and Administration Committee.

- (2) A terminating Member must make the election described in subsection (1) as follows:
  - (a) if the Member wishes to elect the option set out in paragraph (1)(b), the Member must elect such option prior to attaining age 55 and if such election is not made prior to the Member attaining age 55, the Member will be limited to the option set out in paragraph (1)(a);
  - (b) if the Member wishes to elect the option set out in paragraph (1)(a) or has attained the age of 55, the Member must make application for the commencement of such Retirement Benefit payments prior to November 1 in the year in which the Member attains age 71.
- (3) A terminated Member who elects to receive a paid-up deferred Retirement Benefit from the Plan shall be entitled to retire early in accordance with subsection 7(2) and shall be entitled to the benefit set forth in paragraph 9(2)(b).
- (4) The amount of the paid-up deferred Retirement Benefit payable under this Plan to any terminating Member shall be calculated on the basis of the Member's Average Annual Basic Salary and Credited Service.
- (5) Annual Adjustment to paid-up Deferred Retirement Benefit up to December 31, 2011
  - (a) Subject to the provisos hereinafter contained in this subsection 12(5), the annual paid-up deferred Retirement Benefit payable to a Member in accordance with this section shall be adjusted as at the January 1 next following date of termination of Covered Employment and at each

succeeding January 1 during the Member's lifetime prior to commencement of the Member's pension so that the amount payable shall be an amount equal to the product obtained by multiplying:

- (i) For Terminations Prior to January 1, 1993:
  - (A) the amount that would have been payable if no adjustment had been made under this subsection since the Member's termination date, by the ratio that the Consumer Price Index for Canada (referred to herein as the CPI) as published by Statistics Canada as at the September 1 preceding the January 1 of the said succeeding calendar year bears to the Index at the September 1 of the calendar year in which the Member's date of termination occurred,
  - (B) PROVIDED HOWEVER that such ratio may not exceed the ratio of the Average Industrial Wage for Canada (referred to herein as the Average Wage) for the same period,
  - (C) PROVIDED FURTHER that the adjusted amount payable in the said succeeding Plan Year shall not exceed the amount obtained by multiplying the amount payable for the last month of the immediately preceding Plan Year by 1.03 nor be less than the amount obtained by dividing the amount payable for the last month of the immediately preceding Plan Year by 1.03,
  - (D) PROVIDED FURTHER, that the annual paid-up deferred Retirement Benefit payable to a Member shall not be less than the Member's initial annual paid-up deferred Retirement Benefit as herein defined.
- (ii) For Terminations on and after January 1, 1993:
  - (A) the amount that would have been payable if no adjustment had been made under this subsection since the Member's termination date, by the ratio that the CPI, as published by Statistics Canada as at the September 1 preceding the January 1 of the said succeeding calendar year bears to the CPI as of the first day of the fourth month preceding the Member's date of termination,
  - (B) PROVIDED HOWEVER that such ratio may not exceed the ratio of the Average Wage for the same period,



- (C) PROVIDED FURTHER that the adjusted amount payable each month in the said succeeding Plan Year shall not exceed the amount obtained by multiplying the amount payable for the last month of the immediately preceding Plan Year by 1.03 (or one plus .0025 times the number of months since termination, if the Member terminates in such Plan Year) nor be less than the amount obtained by dividing that amount payable for the last month of the immediately preceding Plan Year by 1.03,
  - (D) PROVIDED FURTHER, that the annual Retirement Benefit, payable monthly, to a Member shall not be less than the Member's initial annual, paid-up deferred Retirement Benefit as herein defined.
- (6) Annual Adjustment to paid-up Deferred Retirement Benefit Payable Effective January 1, 2012
  - (a) The annual paid-up deferred Retirement Benefit, including any previous adjustments applied up to January 1, 2011 under subsection (5) above, shall be adjusted as at January 1 next following the Member's termination date and at each succeeding January 1 prior to commencement of the Member's pension.
  - (b) The minimum adjustment in a particular year is zero and the maximum adjustment is 3% of the amount paid immediately prior to the adjustment. If less than 12 months have elapsed since the Member's termination date, the maximum adjustment is 0.25% for each month that has elapsed from the Member's termination date to the adjustment date,
  - (c) PROVIDED HOWEVER that such adjustment may not exceed the ratio of the Average Industrial Wage for Canada (referred to herein as the Average Wage) for the same period.
  - (d) The amount of the annual adjustment to benefits in a particular year shall be calculated as the pension eligible for adjustment in paragraph (6)(a) above, that includes all previous annual adjustments, adjusted:
    - (i) by the percentage change in the average of the Consumer Price Index in the 12-month period ending September 30 in the immediately preceding year, and the average of the Consumer Price Index in the 12-month period ending September 30 in the year immediately prior to that preceding year,
    - (ii) plus or minus any Carry Forward addition or deduction from the immediately preceding year as described in paragraph (6)(f) below, subject to the limits described in paragraph (6)(b) above.

- (e) If less than 12 months have elapsed since the Member's termination date, the value of the adjustment calculated in paragraph (6)(d) above will be reduced to the amount obtained by multiplying the percentage change by 1/12 for each month that has elapsed from the Member's termination date to the adjustment date.
  - (f) If the unlimited adjustment calculated in paragraph (6)(d) above exceeds the maximum adjustment described in paragraph (6)(b) above, the amount by which the unlimited adjustment exceeds the maximum shall be a Carry Forward addition in the subsequent year's adjustment calculation. If the unlimited adjustment calculated in paragraph (6)(d) above is negative, this negative amount shall be a Carry Forward deduction in the subsequent year's adjustment calculation.
- (7) If a terminating Member has made additional voluntary contributions, the Member is entitled to the options set out in subsection 21(8).
- (8) Any transfer of the Commuted Value of a paid-up deferred Retirement Benefit made in accordance with this Section 12 shall be subject to the restrictions in the Pension Benefits Standards Act with regard to the solvency of the Plan.

### 13 DISABILITY RETIREMENT

- (1) Prior to April 1, 2006, a Member who is an employee of the University and who:
  - (a) becomes disabled with a physical or mental condition that is severe and prolonged. "Severe" means the condition prevents the Member from working regularly at any job, and "prolonged" means the condition is long term or may result in death, and
  - (b) is so certified by a medical doctor licensed to practice under the laws of a Province of Canada or of the place where the Member resides, and
  - (c) has commenced receipt of Canada Pension Plan disability, and
  - (d) has exhausted any sick leave benefits, and
  - (e) has exhausted any entitlement to wage loss payments from the Worker's Compensation Board

will be entitled to a disability Retirement Benefit under this Plan. The amount of the disability benefit will be equal to the Retirement Benefit which would be payable to the Member at Normal Retirement Date calculated on the basis of Average Annual Basic Salary preceding date of disability and total service from date of membership in this Plan (including contributory service under any Prior Pension Plan) up to Normal Retirement Date.

- (2) The first payment of the disability Retirement Benefit shall be made on the later of:
  - (a) the date of commencement of Canada Pension Plan disability benefits;
  - (b) the date of exhaustion of sick leave payments; and
  - (c) the date of expiry of Worker's Compensation Board wage loss payments.
- (3) The Retired Member will be required to provide on an annual basis evidence that the Retired Member continues to be disabled with a physical or mental condition that is severe and prolonged and in receipt of Canada Pension Plan disability benefits.
- (4) In the event that a Member becomes entitled to a disability Retirement Benefit prior to January 1, 1992,
  - (a) such benefit will cease on the earliest of the following dates:
    - (i) the Retired Member's date of death;

- (ii) the date the Retired Member is no longer eligible for Canada Pension Plan disability benefits; and
    - (iii) the Retired Member's normal retirement date.
  - (b) On attainment of Normal Retirement Date, the Retired Member would then be eligible to receive a Retirement Benefit calculated in accordance with Section 9 of this Plan based upon the Retired Member's membership service under this Plan including the period when in receipt of a disability benefit.
- (5) In the event that a Member becomes entitled to a disability Retirement Benefit between January 1, 1992 and March 31, 2006,
- (a) Such disability benefit will be payable on the normal form of Retirement Benefit in accordance with Section 8.
  - (b) Should such annual disability Retirement Benefit payable exceed the YMPE in the year in which the effective date of disability occurs, then the Member shall be entitled to a disability Retirement Benefit equal to the greater of the YMPE in the year in which the effective date of disability occurs and the Retirement Benefit which would be payable to the Member at Normal Retirement Date calculated on the basis of the Member's service from membership in this Plan (including contributory service under any Prior Pension Plan) up-to-date of disability.
  - (c) The disabled Member may elect an optional Retirement Benefit in accordance with Section 10 and the disability Retirement Benefit will be increased annually in accordance with subsection 9(4). Such disability Retirement Benefit will cease on the earliest of the following dates:
    - (i) The Retired Member's date of death (unless an optional form providing continuance to the Retired Member's surviving Spouse is elected at date of disability);
    - (ii) the date the Retired Member is no longer eligible for Canada Pension Plan disability benefits.

## 14 GOVERNANCE OF PLAN

### (1) Administrator

For the purposes of the Pension Benefits Standards Act, the University is the “administrator” of the Plan, and has ultimate legal responsibility for the administration of the Plan and the investment of the Trust Fund.

The University shall be responsible for the overall operation and administration of the Plan and shall have the power to decide all matters concerning the operation, administration and interpretation of the Plan. The University may delegate any and all of its authorities and responsibilities under the Plan to such agents, employees or committees as it deems reasonable, including the Governance Committee and the Investments and Administration Committee; provided, however, that the University is satisfied that any parties to whom it delegates have the necessary qualifications to carry out the delegated responsibilities, and the University ensures that the supervision of such parties is prudent and reasonable.

### (2) Governance Committee

The University shall establish a Governance Committee to oversee the governance of the Plan. The composition, powers and responsibilities of the Governance Committee are more particularly set out in the Plan’s governance policy.

### (3) Investments and Administration Committee

The Governance Committee shall establish an Investments and Administration Committee to discharge the University’s obligations relating to the investment of the Trust Fund and the administration of the Plan. The composition, powers and responsibilities of the Investments and Administration Committee are set out in the Plan’s governance policy.

### (4) Limitation of Liability

Neither the establishment of the Plan, nor any modification thereof, nor any action taken hereunder, nor any omission to act, if done honestly and in good faith and not constituting willful misconduct by the Governance Committee, the Investments and Administration Committee or any member of either Committee, or by the University or any employee thereof, shall be construed as giving to any Member, Retired Member or other person, any legal or equitable right against the University, the Governance Committee, the Investments and Administration Committee, any member of either Committee or any employee of the University. No Committee member shall be liable for the act or omission of any other Committee member, or of any agent or employee of the Committee or of the University.

(5) Pension Advisory Committee

The University may establish in its sole discretion a “Pension Advisory Committee” to promote awareness and understanding of the Plan amongst Members and Retired Members of the Plan. The composition, roles and responsibilities of such committee shall be as determined by the University from time to time.

## 15 TRUST FUND

- (1) The duties of the Trustee shall be those specified in the Trust Agreement and shall include the following:
  - (a) It shall receive from the University, the University's contributions to the trust as set forth in Section 6 and the Members' contributions as set forth in Section 5;
  - (b) It shall receive all of the income from the Trust Fund;
  - (c) As directed by the Investments and Administration Committee, it shall pay the funds required for payments under the Plan;
  - (d) As directed by the Investments and Administration Committee or by investment counsel appointed by the Investments and Administration Committee it shall invest and re-invest the corpus and income of the Trust Fund subject to the requirements of the Plan;
  - (e) It shall maintain such records and accounts and shall render such financial statements and reports as may be required from time to time by the University;
  - (f) It shall notify the superintendent within 15 days if contributions have not been paid within 30 days applicable after the end of the remittance period set out in subsection 5(5) or 6(8), whether or not the contributions were subsequently remitted.
- (2) All payments under the Plan, including all administration and investment expenses, shall be made or provided for solely from the Trust Fund and solely to the extent that such Trust Fund shall suffice therefor. If the Trust Fund should be insufficient to provide for any payment or benefit under the Plan whatsoever, none of the University, the Investments and Administration Committee, nor the members, officers or representatives of either of them shall be liable for any such payment in any manner whatsoever, except as set out in the Pension Benefits Standards Act.
- (3) The Trust Fund must be held and invested in accordance with the Pension Benefits Standards Act.
- (4) Solvency Reserve Account

The University may in accordance with the Pension Benefits Standards Act establish a "solvency reserve account" within the Trust Fund, and make contributions to, and withdrawals from, that solvency reserve account in accordance with the Pension Benefits Standards Act. Without limitation, no amounts in the solvency reserve account will be used for the payment of Plan

benefits or Plan expenses, while the Plan is ongoing, unless at the time of such payment or funding the remainder of the Trust Fund is exhausted.



## **16 NON-ALIENATION OF BENEFITS**

- (1) Subject to the Pension Benefits Standards Act, Members, Retired Members and beneficiaries under the Plan are hereby restrained from assigning, charging, anticipating, giving as security or surrendering their Retirement Benefits or other Plan benefits or any other rights or interests under the Plan, except that the entitlement of any person to receive a benefit under the Plan is subject to entitlements arising under a separation agreement or order made under the Family Law Act or a similar order of a court outside British Columbia enforceable in British Columbia, that affects the payment or distribution of a person's benefits and which is filed with the Trustees.
- (2) If any persons who shall be entitled to any benefit under this Plan shall become bankrupt or attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge such benefit, then such benefit shall, in the discretion of the University and in accordance with the Plan, cease and terminate, and in that event the University may cause the same, or any part, to be held or applied to the benefit of such person, Spouse, children or dependents, or any of them, in such manner and in such proportion as the University shall determine.

## 17 AMENDMENT AND TERMINATION OF THE PLAN

### (1) Amendment

- (a) The University may at any time supplement, modify or amend this Plan provided that no such supplementation, modification or amendment of the Plan or any part thereof shall permit any part of the assets of the Trust Fund to revert to or be recoverable by the University or to be used or diverted to purposes other than for the exclusive benefit of Members, Retired Members or their beneficiaries or joint annuitants under the Plan.

### (2) Termination

- (a) The University may terminate the Plan and the Trust Agreement provided that any such termination shall not be retroactive in effect, and provided that written notice of such termination shall be given at least 60 days before the effective date of such termination to the Members, Retired Members and the Designated Beneficiaries of deceased Members and Retired Members if they are entitled to benefits from the Plan, and provided that no such termination of the Plan shall permit any part of the assets of the Trust Fund to revert to or be recoverable by the University or to be used or diverted to purposes other than for the exclusive benefit of Members, Retired Members or their beneficiaries or joint annuitants.
- (b) In the event of the termination of the Plan, the Investments and Administration Committee shall allocate the assets of the Trust Fund as follows:
  - (i) first, to each Member, an amount equal to the value of the Member's Additional Voluntary Contribution Account, if any, with Interest;
  - (ii) second, to each Member, Retired Member and Designated Beneficiary of a deceased Member or Retired Member that is entitled to benefits from the Plan, an amount equal to the Member or Retired Member's required contributions with Interest; and
  - (iii) third, to each Member, Retired Member and Designated Beneficiary of a deceased Member or Retired Member that is entitled to benefits from the Plan, the excess if any of that individual's accrued benefits on the Plan termination date over the amount allocated under subparagraph (ii).
- (c) If, at the Plan termination date, the assets of the Trust Fund are insufficient to provide for all of the benefits contemplated by paragraph (2)(b), the University shall contribute the amounts required to fund those benefits in accordance with the Pension Benefits Standards Act. If despite the

preceding sentence, the Trust Fund remains insufficient to provide for all of the benefits contemplated in paragraph (2)(b), the assets of the Trust Fund shall be allocated and distributed pursuant to section 135 of the regulations under the Pension Benefits Standards Act, as amended or replaced from time to time.

- (d) If, at the Plan termination date, any surplus assets remain after provision for all the benefits that have accrued up to the date of Plan termination, calculated as described in paragraph (2)(b), such surplus assets shall be distributed to Members and Retired Members in accordance with a non-discriminatory formula adopted by the Investments and Administration Committee. Any distribution of excess funds will only be made after appropriate disclosure in accordance with the Pension Benefits Standards Act and written approval of the regulating authority.
- (e) Members who have not commenced receipt of a Retirement Benefit at the Plan termination date, may within 90 days of receiving the statement required by the Pension Benefits Standards Act elect to transfer the amount payable under paragraph (2)(b) or (2)(c), as applicable, in accordance with the options set out in paragraph 12(1)(b). If such individual does not make such an election within such time limit, the individual is limited to the options offered at the discretion of the University in accordance with the Pension Benefits Standards Act.

## 18 MISCELLANEOUS

### (1) Information Disclosure

Each Member and Designated Beneficiary of a deceased Member entitled to benefits under the Plan shall be entitled to receive or request the statements, Plan documents and other information required to be provided or disclosed by the Pension Board in accordance with the Pension Benefits Standards Act.

### (2) Payments

(a) If a person elects a lump sum payment or transfer from the Plan, the payment or transfer shall be made within 60 days after the person completes and files with the Investments and Administration Committee, all documents required to authorize the payment or transfer, including evidence of entitlement. If such payment or transfer occurs more than 180 days after the date on which the Commuted Value of the benefit was determined, the Commuted Value will be redetermined as at a date that is not more than 30 days before the date of payment or transfer. The payment of the entire amount of an individual's entitlement from the Plan shall constitute a complete, final, and binding discharge of all obligations owed by the Plan to an individual and the individual shall thereafter have no right of claim whatsoever against the Plan and, if the individual was a Member, the Member shall for all purposes cease to be a Member of the Plan.

(b) If a payment is in excess of the maximum limit that can be transferred to another plan or to an RRSP under the Income Tax Act, then the amount of that payment that is in excess of that maximum limit is exempt from any lock-in restrictions and must be paid in a lump sum.

(c) Despite any other provision of this Plan, if under the Plan a lump sum cash payment may be payable to a person, and the Income Tax Act permits the entire amount of that cash lump sum to be transferred directly to a registered retirement savings plan or a registered retirement income fund, that lump sum payment may be transferred to a registered retirement savings plan or a registered retirement income fund at the option of the person to whom the lump sum is payable.

### (3) Exceptions to Locking-in of Commuted Value of Benefits

#### (a) Small Benefit

If the Commuted Value of Member or surviving Spouse's entitlement under the Plan is less than 20% of the YMPE for the calendar year in which the Member terminated Covered Employment, retired or died, or any subsequent year in which such Commuted Value is determined prior

to the date on which payment of the Member or Spouse's Retirement Benefit commences,

- (i) the Member or surviving Spouse, as the case may be, may elect to receive the Commuted Value in a lump sum; and
- (ii) notwithstanding subparagraph (a)(i), the Investments and Administration Committee reserves the right to compel a Member or surviving Spouse, as the case may be, to take the Commuted Value in a lump sum.

(b) Non-Resident

- (i) A Member who has terminated Covered Employment pursuant to Section 12 or a surviving Spouse entitled to a benefit under Section 11 may elect to withdraw as a lump sum an amount equal to the Commuted Value of the Member's or Spouse's benefit, as applicable, on providing to the Investments and Administration Committee a statement signed by the Member or Spouse that the Member or Spouse, as applicable, has been absent from Canada for more than two years and written evidence that the Canada Revenue Agency has confirmed the person's status as a "non-resident" of Canada for the purposes of the Income Tax Act.
- (ii) If a Member who wishes to make an election in accordance with subparagraph (b)(i) has a Spouse at the date of such election, no payments will be made unless the Investments and Administration Committee has received:
  - (A) a statement in Prescribed Form by the Spouse that states that the Spouse is aware of the Spouse's entitlement under the Plan, waives that entitlement and was signed by the Spouse, not more than 90 days before the election is made, in the presence of a witness and outside the presence of the Member; or
  - (B) confirmation, in a form and manner satisfactory to the Investments and Administration Committee, that section 145 of the Family Law Act applies.

(c) Shortened Life Expectancy

- (i) Despite any other provision of this Plan, if a person who has a current entitlement to receive a benefit under the Plan, other than a Retired Member or a surviving Spouse of a Member currently in receipt of any form of lifetime pension under the Plan, has an illness or disability that is certified by a medical practitioner to be

terminal or likely to shorten the person's life considerably, that person may elect to:

- (A) convert all or part of the benefits on the basis prescribed in the Pension Benefits Standards Act to a series of payments for a fixed term; or
  - (B) withdraw as a lump sum an amount equal to the commuted value of the benefit, or any lesser amount that the person may select.
- (ii) If a Member who wishes to make an election in accordance with subparagraph (c)(i) has a Spouse on the date of such election, no payments will be made unless the Investments and Administration Committee has received:
- (A) a statement in Prescribed Form by the Spouse that states that the Spouse is aware of the Spouse's entitlement under the Plan, waives that entitlement and was signed by the Spouse, not more than 90 days before the election is made, in the presence of a witness and outside the presence of the Member; or
  - (B) confirmation, in a form and manner satisfactory to the Investments and Administration Committee, that section 145 of the Family Law Act applies.
- (iii) The Commuted Value of a Member's pension entitlement under the Plan will be determined without taking into consideration the Member's shortened life expectancy and on the basis that the Member terminated Covered Employment on the date of the election.
- (iv) After any payment pursuant to this paragraph 18(3)(c), the Member will continue to participate in the Plan. On the Member's subsequent actual termination of Covered Employment, retirement or death, any payments made with respect to such Member will be actuarially reduced to reflect any payments made under this paragraph 18(3)(c).

(4) Designation of Beneficiary

- (a) A Member or Retired Member's Designated Beneficiary is:
  - (i) if the Member or Retired Member has a Spouse who has not waived the Spouse's entitlement in accordance with this Plan and the Pension Benefits Standards Act, the Spouse;

- (ii) if the Member or Retired Member has no Spouse, or the Spouse has waived the Spouse's entitlement in accordance with this Plan and the Pension Benefits Standards Act, the person(s) designated by the Member or Retired Member; or
  - (iii) if the Member or Retired Member has no Spouse, or the Spouse has waived the Spouse's entitlement in accordance with this Plan and the Pension Benefits Standards Act and the Member or Retired Member has not designated a beneficiary pursuant to subparagraph (4)(a)(ii), or no beneficiary designated pursuant to subparagraph (4)(a)(ii) survives the Member or Retired Member, the Member or Retired Member's estate.
- (b) A Designated Beneficiary designation must be filed with the Investments and Administration Committee in the Prescribed Form.
  - (c) A Member who has made a designation in accordance with paragraph (4)(a) may alter or revoke the designation by filing with the Investments and Administration Committee such alteration or revocation in the Prescribed Form, subject to the *Wills, Estates and Succession Act* (British Columbia) in respect of any irrevocable designation.

(5) Entitlement to Ancillary Benefits

The basis upon which "ancillary benefits", as defined in the Pension Benefits Standards Act, will be paid from the Plan is established pursuant to this subsection (5) as follows:

- (a) cost of living adjustments are provided in accordance with subsection 9(4) if:
  - (i) a Member becomes a Retired Member;
  - (ii) the Retired Member is receiving an annual Retirement Benefit under subsection 9(1) or 9(2); and
  - (iii) the Retired Member is alive on the date when the cost of living adjustment is made.
- (b) cost of living adjustments are provided in accordance with subsection 12(4) if:
  - (i) a Member terminates Covered Employment;
  - (ii) the Member has not made a transfer under paragraph 12(1)(b); and
  - (iii) the Member is alive on the date when the cost of living adjustment is made.

- (c) cost of living adjustments are provided in accordance with Section 3 of Appendix I if:
  - (i) in respect of a Retired Member, the Member becomes a Retired Member, is receiving an annual Retirement Benefit under subsection 9(1) or 9(2) and has attained the age of 66 years prior to the January 1<sup>st</sup> on which a cost of living adjustment is made;
  - (ii) in respect of a Spouse of a deceased Member,
    - (A) if the Member was not a Retired Member at the time of the Member's death, the Spouse is receiving a Retirement Benefit under subparagraph 11(1)(a)(i) and the Spouse has attained the age of 66 years; or
    - (B) if the Member was a Retired Member at the time of the Member's death, the Spouse is receiving a Retirement Benefit under subsection 8(1) and the Spouse has attained the age of 66 years;
  - (iii) the Retired Member referred to in subparagraph (i) or the Spouse referred to in subparagraph (ii), as the case may be, is alive on the date a cost of living adjustment is made; and
  - (iv) the financial test specified in subsection 3(5) of Appendix I is satisfied as of the date a cost of living adjustment is made.
- (d) cost of living adjustments are provided in accordance with subsection 3(8) of Appendix I if:
  - (i) the financial test specified in subsection 3(5) of Appendix I is satisfied as of the date a cost of living adjustment is made; and
  - (ii) the Investments and Administration Committee decides, in its discretion and on a non-discriminatory basis, to grant a cost of living adjustment.
- (e) early retirement benefits that exceed the minimum requirements of the Pension Benefits Standards Act are provided in accordance with paragraph 9(2)(c) if:
  - (i) the Member makes the election specified in paragraph 7(4)(b) within the time limit specified in that paragraph;
  - (ii) a Member becomes a Retired Member; and
  - (iii) on the Member's retirement date, the Member satisfies the requirements relating to age in paragraph 9(2)(c).



(f) joint and survivor pensions that exceed the minimum requirements of the Pension Benefits Standards Act are provided in accordance with subsection 8(1) if:

(i) a Member has a Spouse on the Member's retirement date; and

(ii) the Spouse survives the Member.

(6) Annuity Purchases

Provided that the Plan has not been terminated, the University reserves the right to, at any time, enter into a contract with an insurance company in order to transfer assets, relating to the benefits to which (i) a Member who is entitled to a deferred Retirement Benefit under Section 12, (ii) a Retired Member, or (iii) a Spouse in receipt of a Retirement Benefit from the Plan under Section 11 is entitled, from the Trust Fund to an insurance company in order to purchase an annuity in the form of a pension that is required or allowed by the Pension Benefits Standards Act. The purchase of any such annuity shall constitute a full and final settlement of the right of the person or persons in respect of whose benefits the annuity was purchased and the University and the Trust Fund shall be discharged from all further liability to the person in respect of whose benefits the annuity has been purchased.

## **19 MARRIAGE BREAKDOWN**

- (1) The entitlement of any person to receive a benefit under the Plan is subject to the following:
  - (a) entitlements arising under a written separation agreement or an order made under Part 5 of the Family Law Act, or a similar order of a court outside British Columbia enforceable in British Columbia, that affects the payment or distribution of a person's benefits, and
  - (b) entitlements arising under a division of pension under Part 6 of the Family Law Act.
- (2) For greater certainty, a Spouse or former Spouse who is entitled to a division of a Member's benefit under the Plan shall be subject to the same locking-in rules as the Member.
- (3) For greater certainty, once a separated Spouse receives a share of a Member's benefit in accordance with this Section 19, such Spouse shall no longer have any other entitlements under this Plan and the Member's Credited Service shall be reduced to reflect the division.

## 20 RESOLUTION OF DISPUTES

- (1) All disputes arising out of, in connection with or respecting a provision of this Plan relating to:
  - (a) the treatment of surplus assets during the continuation of the Plan;
  - (b) the allocation of any surplus assets on the winding up of this Plan in accordance with section 107 of the Pension Benefits Standards Act;
  - (c) the taking of a contribution holiday if the Plan has surplus assets as provided for in the Plan and as may be prescribed by the Pension Benefits Standards Act;
  - (D) payment or transfer of any surplus assets from the fund to the University;shall be referred to and finally resolved by arbitration.
- (2) The parties entitled to refer a matter to arbitration pursuant to the provisions of this Plan are:
  - (a) the University;
  - (b) a Member or Retired Member;
  - (c) a Designated Beneficiary in receipt of a benefit under the Plan; and
  - (d) CUPE 917, CUPE 951 or CUPE 4163.
- (3) Any arbitration brought under this Plan shall be conducted in accordance with the Commercial Arbitration Act of British Columbia and in accordance with the Rules of the British Columbia International Commercial Arbitration Centre (BCICAC) for Domestic Commercial Arbitrations.
- (4) The arbitration shall be conducted by a single arbitrator; in the absence of agreement between the parties as to the arbitrator, the appointing authority shall be the British Columbia International Commercial Arbitration Centre.
- (5) In the absence of agreement between the parties as to procedure, the case shall be administered by the British Columbia International Commercial Arbitration Centre in accordance with its procedures for cases under the BCICAC rules.
- (6) The place of arbitration shall be Victoria, British Columbia, Canada.
- (7) The outcome of any arbitration shall be subject to the applicable provisions of the Income Tax Act.

## 21 ADDITIONAL VOLUNTARY CONTRIBUTIONS

- (1) After September 29, 2015, Members shall not be permitted to make additional voluntary contributions by a transfer from another registered pension plan. After December 31, 2015, Members shall not be permitted to make additional voluntary contributions to the Trust Fund by payroll deduction. For greater certainty, after December 31, 2015, additional voluntary contributions shall not be permitted to be made to the Trust Fund in any manner.
- (2) Prior to January 1, 2016, Members were permitted to make additional voluntary contributions to the Trust Fund by payroll deduction and prior to October 1, 2015, Members were permitted to make additional voluntary contributions to the Trust Fund by transfer from another registered pension plan, all provided that the additional voluntary contributions did not have the potential to cause the Plan to become a revocable plan under the Income Tax Act.
- (3) Additional voluntary contributions made by a Member shall be credited to an Additional Voluntary Contribution Account established and maintained within the Trust Fund for such Member. Such Additional Voluntary Contribution Accounts shall be updated monthly with Interest as follows:
  - (a) the amount of the Member's Additional Voluntary Contribution Account as of the first day of the month shall be credited with Interest for the full month;
  - (b) the Member's additional voluntary contributions received by the Trust Fund in such month shall be added to the Additional Voluntary Contribution Account balance without an adjustment for Interest.
- (4) The amount of each Additional Voluntary Contribution Account at the date of retirement, date of death, or date of termination, as the case may be, of a Member shall be the sum of:
  - (a) the amount of such Member's account on the last day of the preceding month with Interest thereon for the then expired portion of such month, plus
  - (b) the sum of the Member's additional voluntary contributions received by the Trust Fund in such month without an adjustment for Interest.
- (5) At any time, a Member may elect to receive a lump sum payment or transfer to another registered vehicle of an amount equal to all or a portion of the amount of the Member's Additional Voluntary Contribution Account.
- (6) When a Member makes an application for a Retirement Benefit at retirement as specified in subsection 7(4), the Member may elect that the amount of the Member's Additional Voluntary Contribution Account shall be:

- (a) paid as a lump sum;
- (b) transferred to another registered vehicle; or
- (c) applied to provide an additional retirement benefit to the Member through the purchase of an annuity contract from a life insurance company.

If the Member does not make an election prior to the Member's retirement date, the amount of the Member's Additional Voluntary Contribution Account will be paid to the Member as a lump sum.

- (7) If a Member dies prior to retirement, the amount of the Member's Additional Voluntary Contribution Account is payable to the Member's Designated Beneficiary as a lump sum.
- (8) If a Member who has made additional voluntary contributions terminates Covered Employment for reasons other than death or retirement, the Member is entitled to receive one of the following:
  - (a) if the Member has elected a transfer under paragraph 12(1)(b), a refund of the amount of the Member's Additional Voluntary Contribution Account paid as a lump sum; or
  - (b) if the Member has elected or is deemed to elect to receive a Retirement Benefit under paragraph 12(1)(a), the options set out under subsection (6).

## **22 CHANGE OF MEMBERSHIP TO OTHER UNIVERSITY PLANS**

- (1) A Member of the Plan whose appointment is changed to an appointment which makes the Member eligible for membership in another pension plan sponsored by the University shall be required to cease contributions to this Plan and commence contributions to such other pension plan on the date that the change in appointment is effective.
- (2) While such Member is a member of the other pension plan, the Member is restricted from making a transfer under paragraph 12(1)(b).
- (3) If such Member commenced membership in the other pension plan in accordance with subsection (1):
  - (a) prior to attaining age 55, subsequently attains age 55 and continues the Member's membership in the other pension plan, the Member is eligible to commence a pension under this Plan in accordance with paragraph 9(2)(b);
  - (b) prior to attaining age 55 and subsequently ceases all employment with the University after attaining age 55, the Member is eligible to commence a pension in accordance with subsection 9(1) or paragraph 9(2)(a), as applicable; or
  - (c) after attaining age 55, the Member is eligible to commence a pension under this Plan in accordance with subsection 9(1) or paragraph 9(2)(a), as applicable.

# UNIVERSITY OF VICTORIA STAFF PENSION PLAN

## APPENDIX I: SUPPLEMENTARY RETIREMENT BENEFITS

### 1 Definitions:

- (1) The following words or phrases shall, for the purposes of this Appendix, have the following meanings:
  - (a) **“Supplementary Retirement Benefit”** shall mean any retirement benefit payable in accordance with the provisions of this Appendix.
  - (b) **“Basic Retirement Benefit”** shall mean the retirement benefits payable in accordance with the terms of the Plan including any Prior Pension Plan benefit but excluding any supplementary retirement benefit and excluding any benefits provided through voluntary contributions.
  - (c) **“Total Retirement Benefit”** shall mean the sum of the Basic Retirement and the Supplementary Retirement Benefits.
  - (d) **“Supplementary Retirement Benefit Account”** shall mean the account to which are credited the supplementary contributions provided for in Section 2 of this Appendix I. This account shall be part of the Trust Fund, shall share in the actual investment earnings or losses of the Trust Fund, shall be charged with supplementary retirement benefits paid and shall bear its proportionate share of the expenses of the Plan.

### 2 Supplementary Contributions:

- (1) By Member:

In addition to the contributions required to be made in accordance with subsection 5(1) of the Plan each Member shall be required to make contributions of one-quarter of one per cent (0.25%) of the Member’s Basic Salary for each time period in respect of which required contributions are made under the Plan.
- (2) By University:

In addition to the contributions required to be made in accordance with subsection 6(1) of the Plan, and pursuant to the Actuary’s recommendation, the University shall make matching contributions equal in each month to the contributions made by the Members in accordance with subsection 2(1) above of this Appendix.
- (3) By Member and University:

Effective January 1, 1998, the contributions described in subsections 2(1) and 2(2) above may from time to time and in whole or in part be directed, following consultation with the Actuary and an agreement between the Members and the University, to a fund other than the Supplementary Retirement Benefit Account that is part of the Trust Fund.

### 3 Supplementary Retirement Benefits

The Investments and Administration Committee may authorize payment of Supplementary Retirement Benefits subject to the provisions of this section. The amount of supplementary retirement benefit payable in any year shall be determined as that positive amount which, together with the basic Retirement Benefit payable in such year, is equal to the total Retirement Benefit payable in the preceding year increased by such percentage as the Investments and Administration Committee shall determine. The payment of benefits and the determination of amounts shall be subject to the following conditions:

- (1) The following persons may be eligible to receive supplementary retirement benefits:
  - (a) Retired Members who have attained the age of 66 years prior to the January 1st on which a supplementary retirement benefit becomes effective.
  - (b) Spouses of deceased Retired Members who are receiving retirement benefits from the Plan.
- (2) Supplementary retirement benefits shall be determined annually to become effective on January 1 of each year.
- (3) Supplementary retirement benefits shall be payable on the same form as the basic retirement benefit is paid.
- (4) The percentage increase determined at January 1 of a Plan Year will not exceed the percentage change in the average of the Consumer Price Index in the 12-month period ending September 30 in the immediately preceding year, and the average of the Consumer Price Index in the 12-month period ending September 30 of the year immediately prior to that preceding year.
- (5) The percentage increase shall be limited so that the supplementary retirement benefits determined using such percentage increase can be financed by the then assets of the Supplementary Retirement Benefit Account on a sound actuarial basis as certified by the Actuary, on the assumption that supplementary retirement benefits shall neither increase nor decrease thereafter (except on the death of a Retired Member or Spouse in accordance with the form of benefit elected for the basic Retirement Benefit).
- (6) In the event that a Retired Member who is in receipt of a supplementary retirement benefit dies and is survived by a Spouse who is not at that time aged 66, no further adjustment in supplementary benefit shall be made until such Spouse is aged 66 or more.
- (7) In the event that a Member dies prior to retirement and is survived by a Spouse who is not at that time aged 66, such Spouse shall not be eligible for a supplementary retirement benefit until the attainment of age 66.
- (8) Subject to subsection 3(5) above, the Investments and Administration Committee may, at its discretion and on a non-discriminatory selective basis, grant supplementary retirement benefits which are determined in a different manner than that outlined in this Appendix and which may exceed the limit in subsection 3(4) above, provided that the resulting total Retirement Benefit does not exceed the Retired Member's initial Retirement Benefit adjusted to reflect full increases in the Consumer Price Index since the Member's retirement date.



**APPENDIX II:  
PARTICIPATING EMPLOYERS**

**1 Application**

- (1) Except as otherwise specified in this Appendix, the terms of the Plan shall apply to employees of Participating Employers as though they were employees of the University.
- (2) For greater certainty the references to the “University” as an employer of a Member or other individual in the Plan in the following sections of the Plan shall be deemed to be a reference to the Participating Employer that employs the relevant individual: the definition of “Basic Salary” in subsection 2(1) of the Plan and subsections 3(4), 5(5), 5(6), and 9(7) of the Plan. References to the “University” in respect of the required contributions in Section 6 and Appendix I of the Plan, shall be applicable to Participating Employers as set out in Section 4 below.

**2 Definitions**

- (1) For the purposes of this Appendix, “**Participating Employer**” means:
  - (a) Oceans Network Canada Society;
  - (b) Pacific Climate Impacts Consortium;
  - (c) Western Canadian Universities Marine Sciences Society;
  - (d) The University Club of Victoria; or
  - (e) any other employer acceptable to the University.

**3 Eligibility and Membership**

- (1) A Participating Employer and the University may designate, from time to time, any employee of such Participating Employer as:
  - (a) a Member, as a term of employment, effective the date determined by the University; or
  - (b) eligible to participate in the Plan on a voluntary basis, effective the date determined by the University.
- (2) The University shall at all times have the right to decide which of a Participating Employer’s employees are eligible for the Plan or have ceased to be eligible and shall supply the Investments and Administration Committee from time to time, or as may be reasonably requested by the committee, with a list of eligible employees of Participating Employers.

#### 4 Participating Employer Contributions

- (1) Participating Employers shall make contributions on the same basis as the University as set out in subsections 6(1), 6(2), 6(3), 6(4), 6(5), 6(6), 6(7) and 6(8) of the Plan and Section 2 of Appendix I.
- (2) The amount that a Participating Employer is required to contribute under subsection 6(2) of the Plan shall be determined on the advice of the Actuary, who in giving such advice must pursuant to subparagraph 147.2(2)(a)(vi) of the Income Tax Act apportion in a reasonable manner the Plan's assets and liabilities among the University and the Participating Employers and base the Actuary's funding recommendations for the University and each Participating Employer on such apportionment.
- (3) Notwithstanding subsections 6(7) and 6(8) of the Plan, if the University remits to the Trust Fund amounts that a Participating Employer is required to remit to the Trust Fund pursuant to this Section and Section 6 and Appendix I of the Plan in respect of that Participating Employer's present or former employees, that Participating Employer must promptly reimburse the University for all such amounts.

#### 5 Withdrawal of Participating Employer

- (1) Members that are employees of Participating Employers comprise an immaterial percentage of the Plan's membership and the cessation of participation in the Plan by a Participating Employer will generally not have an adverse impact on the Plan. However, if the University, in its discretion, determines that the cessation of participation in the Plan by a Participating Employer will have an adverse impact on the Plan, then the University will follow the process set out in subsections 5(2) through 5(5).
- (2) If a Participating Employer ceases to make contributions to the Trust Fund in respect of the Members that it employs and consequently ceases its participation in the Plan, the University, with the assistance of the Actuary, will identify as of the effective date that such Participating Employer (the "**Withdrawing Employer**") ceased participation:
  - (a) the Members and Retired Members who were last employed by the Withdrawing Employer or who derive their entitlement under the Plan through such an individual (the "**Withdrawing Employer's Members**");
  - (b) the actuarial liabilities associated with the Withdrawing Employer's Members (the "**Withdrawing Employer's Liabilities**"); and
  - (c) in a manner consistent with the methodology used by the Actuary in apportioning the Plan's assets among Employers when making funding recommendations pursuant to subsection 4(2) above, the portion of the

Trust Fund that is allocable to the Withdrawing Employer (the “**Withdrawing Employer’s Assets**”).

- (3) The Withdrawing Employer’s Assets shall be allocated to the Withdrawing Employer’s Members as set out in paragraph 17(2)(b) of the Plan.
- (4) If the Withdrawing Employer’s Assets are less than the Withdrawing Employer’s Liabilities, the Withdrawing Employer is liable for that solvency deficiency and must remit to the Trust Fund within the time periods and in the manner required by the Pension Benefits Standards Act the amount of that solvency deficiency. In no event shall the University or any other Participating Employer be liable for such solvency deficiency.
- (5) If despite subsection 5(4), the Withdrawing Employer’s Assets remain insufficient to provide for all of the benefits payable to the Withdrawing Employer’s Members, the Withdrawing Employer’s Assets shall be allocated so that there is allocated to each Withdrawing Employer’s Member entitled to benefits from the Plan an amount equal to the product of the Commuted Value of that person’s benefits as of the date the Withdrawing Employer ceased participation in the Plan and the solvency ratio obtained by dividing the Withdrawing Employer’s Assets by the Withdrawing Employer’s Liabilities.

## **6 Termination of the Plan**

- (1) If at the time the Plan is terminated under subsection 17(2) of the Plan there are one or more Participating Employers participating in the Plan and the Trust Fund has insufficient assets as set out in paragraph 17(2)(c) of the Plan, the amount required to be paid under paragraph 17(2)(c) of the Plan shall be paid by the University and the Participating Employers and the amount payable by each such entity shall be determined on the advice of the Actuary, who in giving such advice must pursuant to subparagraph 147.2(2)(a)(vi) of the Income Tax Act apportion in a reasonable manner the Plan’s assets and liabilities among the University and the Participating Employers and base the Actuary’s funding recommendations for the University and each Participating Employer on such apportionment.