

SPONSORSHIP AND TRUST AGREEMENT
Universities Academic Pension Plan

Room 402, Terrace Building, 95-5, 107 Street
Edmonton, Alberta, Canada, T5K 0C1
Telephone: 780-427-8500
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Website: www.finance.alberta.ca

RECEIVED
JUL -7 2008
UAPP

REGISTRATION OF AMENDMENT

Registration Number: 339572

This is to confirm that

Amendment # P-2 : Amendment No. 5

to

Universities Academic Pension Plan

is hereby registered under the *Employment Pension Plans Act*



Superintendent of Pensions

Date of Issue: July 3, 2008

PLEASE ATTACH THIS TO YOUR "CERTIFICATE OF REGISTRATION"



FINANCE

Superintendent of Pensions

REGISTRATION OF AMENDMENT

4402 95th - 107 Street
Edmonton, Alberta
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Telephone: 780/427-8322
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Registration Number
339572



Mr. Virendra Gupta
Executive Director
Universities Academic Pension Plan Board of Trustees
504, 1061st - 98 Avenue
Edmonton, AB T5K 2P7

This is to confirm that Amendment #
P-1 Amendment No. 4 (dated Sept 26, 2007)

to

Universities Academic Pension Plan

is registered under the Employment Pension Plans Act

for
Superintendent of Pensions

Date of Issue:

December 12, 2007

PLEASE ATTACH THIS "NOTICE" TO YOUR "CERTIFICATE OF REGISTRATION"



FINANCE

Superintendent of Pensions

REGISTRATION OF AMENDMENT

#402 9615 - 107 Street
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Registration Number
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Mr. Virendra Gupta
Executive Director
Universities Academic Pension Plan Board of Trustees
504, 10611 - 98 Avenue
Edmonton, AB T5K 2P7



This is to confirm that Amendment #

RP Restated Plan Text (Amended and Consolidated to December 31, 2006)

to

Universities Academic Pension Plan

is registered under the Employment Pension Plans Act



for
Superintendent of Pensions

Date of Issue: December 12, 2007

PLEASE ATTACH THIS "NOTICE" TO YOUR "CERTIFICATE OF REGISTRATION"

Superintendent of Pensions

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Registration Number
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Mr. David Taylor
Director of Finance and Administration
Universities Academic Pension Plan Board of Trustees
504, 10611 - 98 Avenue
Edmonton, AB T5K 2P7

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OCT 30 2006
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This is to confirm that Amendment #
P-2 Amendment No. 3 (dated September 28, 2006)
to
Universities Academic Pension Plan
is registered under the Employment Pension Plans Act


Superintendent of Pensions

Date of Issue: October 27, 2006

PLEASE ATTACH THIS "NOTICE" TO YOUR "CERTIFICATE OF REGISTRATION" -

Superintendent of Pensions

#402, 9515 - 107 Street
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Mr. David Taylor
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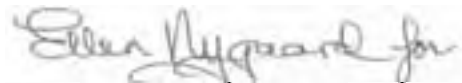
RECEIVED
OCT 30 2006
UAPP

This is to confirm that Amendment #
P-1 Amendment No. 2 (dated August 22, 2006)

to

Universities Academic Pension Plan

is registered under the Employment Pension Plans Act



Superintendent of Pensions

Date of Issue: October 27, 2006

PLEASE ATTACH THIS "NOTICE" TO YOUR "CERTIFICATE OF REGISTRATION" -

Superintendent of Pensions

4402, 9515 - 107 Street
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Telephone: 780-427-6322
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Registration Number
339572

Mr. David Taylor
Director of Finance and Administration
Universities Academic Pension Plan Board of Trustees
504, 10611 - 98 Avenue
Edmonton, AB T5K 2P7



This is to confirm that Amendment #

RP -- Restated Plan Text and Sponsorship and Trust Agreement (dated August 22, 2006)

to

Universities Academic Pension Plan

is registered under the Employment Pension Plans Act

A handwritten signature in cursive script that reads "Ellen Hayward for".

Superintendent of Pensions

Date of Issue: October 27, 2006

PLEASE ATTACH THIS "NOTICE" TO YOUR "CERTIFICATE OF REGISTRATION"

EMPLOYMENT PENSION PLANS ACT

CERTIFICATE OF REGISTRATION

This is to certify that the pension plan known as

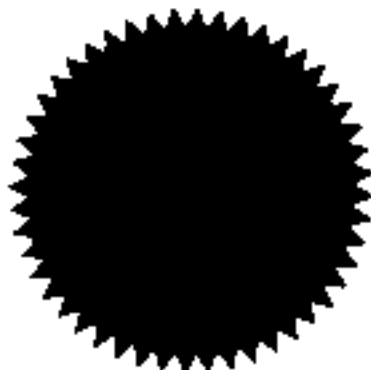
Universities Academic Pension Plan

is hereby accepted for registration under the Act.


Superintendent of Pensions

Date of Issue: December 15, 2000

01819



Universities Academic Pension Plan

SPONSORSHIP AND TRUST AGREEMENT

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This Agreement effective as of the 16th day of October 2000

SPONSORSHIP AND TRUST AGREEMENT

-AMONG-

**THE GOVERNORS OF THE UNIVERSITY OF ALBERTA
THE GOVERNORS OF THE UNIVERSITY OF CALGARY
THE GOVERNORS OF THE UNIVERSITY OF LETHBRIDGE
ATHABASCA UNIVERSITY GOVERNING COUNCIL
THE GOVERNORS OF THE BANFF CENTRE FOR CONTINUING EDUCATION**
(the “Employers”)

Of the First Part

-and-

**ASSOCIATION OF ACADEMIC STAFF: UNIVERSITY OF ALBERTA
THE UNIVERSITY OF CALGARY FACULTY ASSOCIATION
THE UNIVERSITY OF LETHBRIDGE FACULTY ASSOCIATION
ATHABASCA UNIVERSITY FACULTY ASSOCIATION**
(the “Academic Staff Associations”)

Of the Second Part

BACKGROUND

WHEREAS:

- The Employers and the Academic Staff Associations have for some years used the Universities Academic Pension Plan (the “UAPP”) as a joint pension plan;
- The UAPP was formerly governed by the *Universities Academic Pension Act*, S.A. 1978, c. 36, as amended, and the *Universities Academic Pension Plan Act*, S.A. 1985, c. U-6.1, as amended, and is presently governed by Schedule 3 of the *Public Sector Pension Plans Act*, S.A. 1993, c. P.-30.7 as amended;
- The *Public Sector Pension Plans Act* contemplates that the UAPP may be transferred out of the *Public Sector Pension Plans Act* and continued under the *Employment Pension Plans Act*, S.A. 1986, c. E.-10.05;
- The *Public Sector Pension Plans Act* provides that the Government, employers and participants will pay additional contributions to ensure that the UAPP’s unfunded liability in respect of service that was recognized as pensionable service and the benefits that were in place as at December 31, 1991 (the “pre-1992 unfunded liability”) will be eliminated on or before December 31, 2043 (the “additional contributions”), and the *Public Sector Pension Plans Act* further provides that the obligation of the Government, employers and employees to pay additional contributions to eliminate the pre-1992 unfunded liability will continue if the UAPP is continued under the *Employment Pension Plans Act*;
- The Employers and the Academic Staff Associations have agreed that it is desirable for the UAPP to cease to be a statutory plan governed by the *Public Sector Pension Plans Act* on December 31, 2000 and to continue on January 1, 2001 as a pension plan registered under the *Employment Pension Plans Act* with as few changes as possible to the governance structure (making appropriate allowance for the absence of government involvement in governance in the future), and the structure and design of the benefits of the Plan (which has been largely described in Alberta Regulation 370/93 as amended);
- The Employers and the Academic Staff Associations have provided the appropriate notices to withdraw from the *Public Sector Pension Plans Act* on December 31, 2000,

and have arranged for the registration of the UAPP under the *Employment Pension Plans Act* with effect from 1 January 2001; and

- This Agreement provides for the appointment of trustees of the UAPP.

NOW, THEREFORE, THIS AGREEMENT WITNESSES AS FOLLOWS:

PART 1

DEFINITIONS

- 1.1 The following definitions apply to this Agreement (including the attached Schedules), and to any rules, motions, by-laws and other documents adopted hereunder:
- (a) “Academic Staff Association” means an academic staff association which is a party to this Agreement, and includes any academic staff association which subsequently becomes a party to this Agreement.
 - (b) “Actuary” means the person, firm or corporation designated by the Board of Trustees to be an actuarial consultant of the Plan, provided that the designated person (or a member of the staff of the designated firm or corporation) must be a Fellow of the Canadian Institute of Actuaries.
 - (c) “Administrator” means the person, firm or corporation (if any) appointed by the Board of Trustees under this Agreement to be the “Administrator” for the purposes of this Agreement.
 - (d) “Agreement” means this Sponsorship and Trust Agreement and the attached Schedules, but does not include the Plan Document.
 - (e) “Board” or “Board of Trustees” means the Trustees.
 - (f) “Continuation Date” means January 1, 2001.
 - (g) “Contributions” means the payments made, or to be made, to the Fund by Participating Employers and Members in accordance with the provisions of the Plan or its predecessor plans, and includes the additional contributions payable by the Crown, the employers and the participants pursuant to section 9(5) of Schedule 3 of the *Public Sector Pension Plans Act*.

- (h) “Crown” means the Crown in right of the Province of Alberta, as such.
- (i) “*Employment Pension Plans Act*” means the *Employment Pension Plans Act*, S.A. 1986, c. E-10.05, as amended, and the regulations made thereunder, as amended from time to time.
- (j) “Employee” means a person employed by a Participating Employer, and includes the persons referred to in the definition of “Employee” contained in the Plan, but does not include a person to whom the *Teachers’ Retirement Fund Act* applies.
- (k) “Employee Trustee” or “Employee appointee” means a Trustee appointed by one of the Academic Staff Associations.
- (l) “Employer” means an employer which is a party to this Agreement, and includes any employer which subsequently becomes a party to this Agreement.
- (m) “Employer Trustee” or “Employer appointee” means a Trustee appointed by one of the Employers.
- (n) “Fund” or “Trust Fund” means the funds transferred to the Trustees as the result of the UAPP ceasing to be subject to the *Public Sector Pension Plans Act* and becoming subject to the *Employment Pension Plans Act*, plus all subsequent contributions made to the Plan (including all accretions to and all proceeds from the investment of such money, items of value and contributions), less all amounts paid out on account of benefits under the Plan and for the design, operation and administration of the Plan.
- (o) “*Income Tax Act*” means the *Income Tax Act*, R.S.C. 1985 (5th Supp.) c. 1, and the regulations made thereunder, as amended from time to time, and includes any subsequent legislation (whether federal or provincial) which taxes or regulates pension plans for tax purposes.
- (p) ~~“Member” means an Employee who participates in the Plan as a result of being employed by a Participating Employer and who has rights or contingent rights to benefits under the Plan. The term Member includes a former Employee who has retired or otherwise terminated employment with a Participating Employer but who continues to have rights or contingent rights under the Plan. The term Member also includes participants in the Statutory Plan who had a right or contingent right to benefits under the Statutory Plan immediately prior to the Continuation Date. (Amended as below effective March 28, 2008)~~

- (p) “Member” means an Employee who participates in the Plan as a result of being employed by a Participating Employer and who has rights or contingent rights to benefits under the Plan. The term Member includes a former Employee who has retired or otherwise terminated employment with a Participating Employer but who continues to have rights or contingent rights under the Plan. The term Member also includes participants in the Statutory Plan who had a right or contingent right to benefits under the Statutory Plan immediately prior to the Continuation Date for as long as they continue to have rights or contingent rights to benefits under this Plan. (Amended effective March 28, 2008)
- (q) “Minister” means the member of the Executive Council charged by the Lieutenant Governor in Council with the administration of the *Public Sector Pension Plans Act*.
- ~~(r) “Participating Employer” means (a) any Employer, and (b) the Board of Trustees. (Amended as below effective July 1, 2006)~~
- (r) “Participating Employer” means (a) any Employer, (b) the Board of Trustees, and (c) Academic Staff Associations which have made a declaration under Appendix A7. (Amended effective July 1, 2006)
- (s) “Plan” means the continuing non-statutory Universities Academic Pension Plan which is described in the Plan Document, as amended from time to time.
- (t) “Plan Document” means the document describing the provisions of the Plan as it may be amended from time to time, and which is attached to this Agreement as Schedule D.
- (u) “Pre-1992 unfunded liability” means the unfunded liability in respect of service that was recognized as pensionable service, and the benefits that were in place, as at December 31, 1991.
- (v) “*Public Sector Pension Plans Act*” means the *Public Sector Pension Plans Act*, S.A. 1993, c. P-30.7, and the regulations made thereunder, as amended from time to time.
- ~~(w) “Representative” means the person appointed under paragraph 3.7 of this Agreement. (Repealed effective July 1, 2006)~~
- (x) “Sponsor” means the Employers and the Academic Staff Associations which are parties to this Agreement.
- (y) “Statutory Board” means the Board established under section 3(1) of the

Public Sector Pension Plans Act.

- (z) “Statutory Plan” means the UAPP while governed by the *Public Sector Pension Plans Act*, including the plan rules embodied in Alberta Regulation 370/93.
- (aa) “Trust” means the Universities Academic Pension Plan Trust created and governed by Part 3 of this Agreement.
- ~~(bb) “Trustees” means the persons for the time being designated pursuant to this Agreement as Trustees to administer and manage the affairs of the Fund, and includes any Representative appointed pursuant to paragraph 3.7 of this Agreement, until their respective terms of office are terminated subject to the provisions of paragraphs 3.12, 3.13 or 3.15 of this Agreement. (Amended as below effective July 1, 2006)~~
- (bb) “Trustees” means the persons for the time being designated pursuant to this Agreement as Trustees to administer and manage the affairs of the Fund until their respective terms of office are terminated subject to the provisions of paragraphs 3.12, 3.13 or 3.15 of this Agreement. (Amended effective July 1, 2006)
- (cc) “UAPP” means the Universities Academic Pension Plan.

1.2 To the extent that:

- (a) a definition contained in paragraph 1.1 is inconsistent with a definition contained in the Plan Document (as amended from time to time), the definition contained in the Plan Document applies;
- (b) a term is not defined in this Agreement but is defined in the Plan Document (as amended from time to time), the definition contained in the Plan Document applies in this Agreement;
- (c) a definition is specifically provided to apply in a particular context, that specific definition shall apply in that context notwithstanding the definition contained in paragraph 1.1; and
- (d) there is any doubt about the definition or meaning of a term used in this Agreement or in the Plan Document, the Trustees shall determine the matter, and their determination shall be final and binding for all purposes.

PART 2

THE SPONSORS

- 2.1 The Sponsors hereby confirm their agreement that the UAPP will cease to be governed by the *Public Sector Pension Plans Act* on December 31, 2000 and will continue on and after January 1, 2001 as a pension plan registered under the *Employment Pension Plans Act*.
- 2.2 The Sponsors will do everything necessary to give effect to the transition described in the previous paragraph, including (but not limited to):
 - (a) the Employers' giving the appropriate notices confirming the withdrawal to the Minister, the Statutory Board and all of the other Employers;
 - (b) the Academic Staff Associations' confirming their written consents to the withdrawal to the Provincial Treasurer,
 - (c) the appointing of the Trustees by those Sponsors who are from time to time entitled to do so under this Agreement.
- 2.3 The Sponsors are responsible in accordance with paragraph 4.7 for determining the treatment of any surplus which is available for reduction of future contribution rates, and whether the unfunded liabilities and solvency deficiencies should be funded at a faster rate than referred to in paragraph 4.3(a).
- 2.4 The Sponsors may amend this Agreement and the Plan in accordance with the provisions contained in Part 6 of this Agreement.
- 2.5 In accordance with Part 7 of this Agreement, the Sponsors may permit other employers and their corresponding academic staff associations (if any) to become Sponsors and parties to this Agreement.
- 2.6 In accordance with Part 8 of this Agreement, a Participating Employer may withdraw from participation in the Plan.
- 2.7 In order to provide a forum for on-going consideration of the operation, performance, design, possible amendment and all other aspects of the Plan:
 - (a) There shall be a meeting at least once in every calendar year of senior representatives of the Sponsors. Each Employer shall be represented at these meetings by its chief financial officer (or other designate specified by the Employer in question). Each Academic Staff Association shall be represented at

these meetings by its president (or other designate specified by the Academic Staff Association in question). In addition to these representatives, each Sponsor may have a reasonable number of observers at these meetings, and all Trustees may attend as observers.

- (b) The chair of the Board of Trustees shall be responsible for convening the meetings of senior representatives referred to in this paragraph.
- ~~(c) Notwithstanding (b), any three Sponsors may require a meeting of senior representatives of the Sponsors by giving written notice to all other Sponsors of the time and place of such meeting, with at least fourteen (14) days' notice before the date set for such a meeting. (Amended as below effective March 28, 2008)~~
- (c) Notwithstanding (b), any three Sponsors may require a meeting of senior representatives of the Sponsors by giving written notice to all other Sponsors of the time and place of such meeting, with at least two (2) weeks' notice before the date set for such a meeting. (Amended effective March 28, 2008)
- (d) By unanimous agreement in writing, the Sponsors may waive the requirement of an annual meeting of senior representatives of the Sponsors in any particular calendar year.

For greater clarity, where the forum proposes to make any decision which this Agreement requires to be made by the Sponsors (such as the decisions referred to in paragraphs 2.2 to 2.6 inclusive), each Sponsor must make its decision in accordance with its own internal operating requirements; and any collective decision which this Agreement requires the Sponsors to make is subject to the voting requirements set out in this Agreement.

- 2.8 With respect to each educational institution covered by this Agreement, the respective Employer and Academic Staff Association (if any) will ensure that no provision in any collective agreement that applies to a Member will conflict with the provisions of this Agreement (including the Plan Document). Similarly, each Employer will ensure that no provision in any contract of employment that applies to a Member who is not a member of the corresponding Academic Staff Association will conflict with the provisions of this Agreement (including the Plan Document). In the event that a conflict does arise with either a collective agreement or any other contract of employment, this Agreement (including the Plan Document) will govern.
- 2.9 In recognition of the fact that (a) not every Employer has a corresponding Academic Staff Association, and (b) there are Members of the Plan who are not members of an

Academic Staff Association, the Sponsors as a group will devise and implement a strategy for communicating (and, if the Sponsors think appropriate, consulting) with Members of the Plan who are not members of one the Academic Staff Associations with respect to the operation of the Plan and any proposed amendments thereto. In addition, an Employer may at any time communicate or consult with its Employees who are Members of the Plan but who are not members of an Academic Staff Association with respect to the operation of the Plan and any proposed amendments thereto. Nothing in this paragraph derogates from any of the rights or powers of the Sponsors set out in any other provision of this Agreement or the Plan.

- 2.10 In recognition of the fact that each Employer has its own practice about which of its employees are members of the Plan as a result of being designated “academic staff” or “executive”, “management”, “supervisory” or “research/trust funded” employees (as described in Appendices A.1 through A.5 to the Plan Document), each Employer agrees to provide four months’ prior written notice to all of the other Sponsors and the Trustees about any proposed change to its current practice. If no Sponsor objects, the proposed change in practice will come into effect at the end of the four month notice period. If any Sponsor objects within the four month notice period, the proposed change in practice will not come into effect until it has been approved by the Sponsors in accordance with the voting formula provided in paragraph 6.1 for an amendment to the Plan.
- 2.11 No Sponsor, and no person employed by or acting on behalf of any Sponsor, shall be liable for any loss arising out of the operation, performance, design, amendment or any other aspect of the Plan; and no person shall have any legal or equitable right against any Sponsor, or any person employed by or acting on behalf of any Sponsor, in relation to or arising out of the operation, performance, design, amendment or any other aspect of the Plan.

PART 3

THE TRUST

Creation of the Trust

- 3.1 The Sponsors hereby create the Universities Academic Pension Plan Trust (the “Trust”).

Purpose of the Trust

- 3.2 The purpose of the Trust is to hold the Fund so as to provide the benefits set out in the Plan, and to pay the costs of the design, operation and administration of the Plan, Fund and Trust.
- 3.3 For greater certainty, the costs of design, operation and administration referred to in paragraph 3.2 include (but are not limited to):
- (a) the remuneration and expenses of the Trustees; and
 - (b) the costs incurred by the Sponsors with respect to the transfer of the Plan from the *Public Sector Pension Plans Act* to the *Employment Pension Plans Act*.

All funds to be held in the name of the Trustees

- 3.4 All monies received by the Trustees as part of the Fund shall be deposited by them in one or more banks, trust companies, credit unions or other financial institutions which receive deposits, as the Trustees may from time to time designate for that purpose. All such accounts shall be opened in the name of the “Trustees of the Universities Academic Pension Plan”.

Trustees responsible for administration of Plan and Fund

- 3.5 The Trustees are jointly responsible for the operation and administration of the Plan, Fund and Trust.

Composition of the Board of Trustees

- 3.6 The Board of Trustees consists of
- ~~(a) one person appointed by each of The Governors of the University of Alberta, The Governors of the University of Calgary, and The Governors of the University of Lethbridge, (Amended as below effective July 1, 2006)~~
 - (a) one person appointed by each of The Governors of the University of Alberta, The Governors of the University of Calgary, The Governors of the University of Lethbridge, the Athabasca University Governing Council, and the Governors of the Banff Centre for Continuing Education, and (Amended effective July 1, 2006)
 - ~~(b) one person appointed by each of the Association of Academic Staff: University of Alberta, The University of Calgary Faculty Association, and The University~~

~~of Lethbridge Faculty Association, (Amended as below effective July 1, 2006)~~

(b) one person appointed by each of the Association of Academic Staff: University of Alberta, The University of Calgary Faculty Association, The University of Lethbridge Faculty Association, and Athabasca University Faculty Association. (Amended effective July 1, 2006)

~~(c) one person appointed by Athabasca University Faculty Association, and (Repealed effective July 1, 2006)~~

~~(d) one person appointed alternately by the Athabasca University Governing Council and by The Governors of the Banff Centre for Continuing Education. (Repealed effective July 1, 2006)~~

~~3.7 The Board of Governors of the institution which, during a particular time frame, has not appointed a Trustee pursuant to paragraph 3.6(d) may appoint a Representative who shall be treated as a Trustee in every respect except shall not have the right to vote nor be included in the determination of a quorum. (Repealed effective July 1, 2006)~~

~~3.8 The Employer Trustees appointed under paragraph 3.6(a) and 3.6(d) shall serve for a term of four years each. Notwithstanding the previous sentence, in order to achieve continuity, one of the initial trustees appointed under paragraph 3.6(a) will have a term of two years, one will have a term of three years, and one will have a term of four years, to be agreed upon among them (failing which, by drawing lots). (Amended as below effective July 1, 2006)~~

3.8 The Trustees appointed under paragraph 3.6 shall serve for a term of four years each. (Amended effective July 1, 2006)

~~3.9 The Employee Trustees appointed under paragraph 3.6(b) shall serve for a term of four years each. In order to achieve continuity, one of the initial trustees appointed under paragraph 3.6(b) will have a term of one year, one will have a term of two years, and one will have a term of three years, to be agreed upon among them (failing which, by drawing lots). (Repealed effective July 1, 2006)~~

~~3.10 The Trustee appointed under paragraph 3.6(c) shall serve for a term of 4 years. (Repealed effective July 1, 2006)~~

~~3.11 In order to maintain continuity with the practice existing prior to this Agreement, the first Trustee referred to in paragraph 3.6(d) shall be appointed by The Governors of the Banff Centre for Continuing Education for a term ending on December 31,~~

~~2001. Subsequent Trustees appointed under paragraph 3.6(d) shall serve for a term of four years. (Repealed effective July 1, 2006)~~

- 3.12 Notwithstanding anything contained in this Agreement, a person shall immediately cease to be a Trustee upon his or her death, legal incapacity, bankruptcy, resignation as a Trustee, physical or mental inability to serve as a Trustee, removal as a Trustee as provided by paragraph 3.13, or upon the withdrawal from the Plan of the Sponsor who appointed the Trustee. In the event that there is any uncertainty about whether any of the events described in this paragraph has occurred, that question shall be determined by a majority of the other Trustees, whose decision shall be final.
- 3.13 A Trustee may be removed at any time by the Employer or Academic Staff Association which appointed the Trustee, with or without cause. Notice of any such removal of a Trustee shall be provided forthwith to the other Sponsors and to the Trustees.
- 3.14 When a person ceases to be a Trustee on or prior to the expiration of his or her term, the Sponsor who appointed that Trustee shall forthwith appoint a successor Trustee. If the successor Trustee is replacing a Trustee who has a term which has not yet expired, the successor Trustee shall be appointed for the remainder of the unexpired term.
- 3.15 Subject to paragraph 3.12, at the end of a Trustee's term of office, the Trustee shall continue to serve until a replacement Trustee has been appointed.
- 3.16 A Trustee shall be eligible for reappointment.
- 3.17 Prior to taking office, each Trustee shall signify his or her acceptance of the trust established and continued by this Agreement, and undertake to act as a trustee strictly in accordance with the provisions of this Agreement and the Plan, by signing and filing a copy of Schedule A to this Agreement with the other Trustees, a copy of which the Board shall send to each Sponsor.
- 3.18 A Trustee shall, immediately upon appointment as a Trustee and delivery to the other Trustees of a signed copy of Schedule A to this Agreement, become vested with all the property, rights, powers and duties of a Trustee under this Agreement, without the execution of any conveyance, assignment or transfer or other document whatsoever.
- 3.19 In the event that it is ever discovered or determined that some defect existed in the appointment, removal or qualification of any Trustee, all acts and proceedings of the Trustees which were done in good faith at any time while such defect existed, shall nevertheless be valid and effective.

Remuneration of Trustees

- ~~3.20 Each Trustee may be remunerated for his or her services as Trustee on such basis as the Sponsors may from time to time determine (with such determination to be made in accordance with the formula contained in paragraph 6.1 for an amendment to the Plan). Instead of paying remuneration to a particular Trustee, the Board may enter into an arrangement to pay a corresponding amount to an employer or academic staff association which makes time available for a person to serve as Trustee. Until the Sponsors make a determination about Trustee remuneration under this paragraph, the rates of remuneration payable are to be the same as those payable under Part A of Schedule 21 to the Committee Remuneration Order, O.C. 769/93 as it may be amended from time to time. (Amended as below effective March 28, 2008)~~
- 3.20 Each Trustee may be remunerated for his or her services as Trustee on such basis as the Sponsors may from time to time determine (with such determination to be made in accordance with the formula contained in paragraph 6.1 for an amendment to the Plan). Instead of paying remuneration to a particular Trustee, the Board may enter into an arrangement to pay a corresponding amount to an employer or academic staff association which makes time available for a person to serve as Trustee. Until the Sponsors make a determination about Trustee remuneration under this paragraph, the rates of remuneration payable are to be the same as those payable under Part A of Schedule 1 to the Committee Remuneration Order, O.C. 769/93 as it may be amended from time to time. (Amended effective March 28, 2008)
- 3.21 Each Trustee shall be reimbursed by the Fund for all reasonable and necessary expenses incurred by him or her in the performance of his or her duties, and the Board shall determine whether and to what extent any particular expenses were reasonable and necessary in the performance of such duties.
- 3.22 Except as otherwise expressly provided under this Agreement, no Trustee (whether individually or as part of a group) shall take or receive, whether directly or indirectly, any profit, commission, rebate, discount or any benefit whatever in connection with the operation of the Fund or the placing of a contract pursuant to the terms of this Agreement or the Plan. Any such monies received shall be deemed to be received in trust for the purpose of the Fund and the Trustees shall have the right to recover such money, which shall become part of the Fund. This paragraph does not preclude a Trustee from being remunerated for his or her services as a Trustee on the basis referred to in paragraph 3.20, or from being reimbursed for reasonable and necessary expenses pursuant to paragraph 3.21, or from receiving benefits under the Plan in his or her capacity as a member or a dependant or beneficiary of a member in the Plan.

Meetings of Trustees

- 3.23 The Board of Trustees shall meet as promptly as possible after the execution and delivery of this Agreement, and thereafter at least quarterly, and at any greater frequency as the Trustees deem necessary.
- 3.24 Subject to paragraph 3.26, at least two weeks' notice shall be given of any meeting of the Board of Trustees.
- ~~3.25 Any three (3) Trustees may call a meeting of the Board of Trustees by giving written notice to all other Trustees of the time and place of such a meeting, with at least fourteen (14) calendar days' notice before the date set for such a meeting. (Amended as below effective March 28, 2008)~~
- 3.25 Any three (3) Trustees may call a meeting of the Board of Trustees by giving written notice to all other Trustees of the time and place of such a meeting, with at least two (2) weeks' notice before the date set for such a meeting. (Amended effective March 28, 2008)
- 3.26 Notwithstanding the notice requirements in paragraphs 3.24 and 3.25, the Trustees may by unanimous decision waive the notice requirements for a meeting (subject nevertheless to the quorum requirement in paragraph 3.33 and the decision-making requirement in paragraph 3.31).
- 3.27 In lieu of holding a special meeting for a single business item, a motion may be circulated by written notice. In order for the motion to pass, all Trustees must vote and a unanimous affirmative result must occur.
- 3.28 A meeting of the Board of Trustees may take place in person, or by telephone or video conference.

Quorum and Voting

- ~~3.29 Except for meetings described in paragraph 3.31, the quorum for the lawful conduct of business at meetings of the Board of Trustees is six (6) Trustees. (Amended as below effective July 1, 2006)~~
- 3.29 Except for meetings described in paragraph 3.31, the quorum for the lawful conduct of business at meetings of the Board of Trustees is the number of Trustees entitled to cast twelve (12) votes. (Amended effective July 1, 2006)
- ~~3.30 Subject to paragraph 3.31, all decisions of the Board of Trustees must be by majority vote of the Trustees present at the meeting. Each Trustee is entitled to one vote.~~

~~The chair is entitled to vote only once on all motions. If there is a tied vote, the motion fails.~~ (Amended as below effective July 1, 2006)

3.30 Subject to paragraph 3.31, all decisions of the Board of Trustees must be by majority vote of the Trustees present at the meeting. The Trustees are entitled to cast votes as follows:

<u>Trustee Appointed by:</u>	<u>Number of Votes</u>
The Governors of the University of Alberta	Two (2)
The Governors of the University of Calgary	Two (2)
The Governors of the University of Lethbridge	Two (2)
Athabasca University Governing Council	One (1)
The Governors of the Banff Centre for Continuing Education	One (1)
Association of Academic Staff: University of Alberta	Two (2)
The University of Calgary Faculty Association	Two (2)
The University of Lethbridge Faculty Association	Two (2)
Athabasca University Faculty Association	Two (2)

The chair is entitled to exercise his/her vote(s) only once on all motions. If there is a tied vote, the motion fails. (Amended effective July 1, 2006)

~~3.31 If for any reason the number of Trustees falls below six (6), any business conducted by the Trustees must receive unanimous approval until there are at least six Trustees.~~ (Amended as below effective July 1, 2006)

3.31 If for any reason the number of Trustees falls below the number of Trustees entitled to cast 12 votes, any business conducted by the Trustees must receive unanimous approval until the number of Trustees appointed meets the threshold of 12 votes. (Amended effective July 1, 2006)

Chair and Vice-Chair

3.32 The Board of Trustees shall elect a chair and vice-chair for a 2-year term. In the event that the office of chair or vice-chair becomes vacant prior to the end of the prescribed term, the Board of Trustees shall elect a replacement for the remainder of the unexpired term, such replacement to come from the same category of Trustees as the person replaced.

3.33 The offices of chair and vice-chair are to rotate every 2 years between an Employer Trustee on the one hand and an Employee Trustee on the other. In order to maintain continuity with the practice existing prior to this Agreement, the first chair must be an Employee Trustee, and the term of office of the first chair will end on

December 31, 2001.

- 3.34 The vice-chair shall act as chair when the chair is absent or unable to act.
- 3.35 If the chair and the vice-chair are both absent or unable to act at any meeting, the Trustees present shall select another Trustee to chair that meeting or that portion of the meeting.

Secretary and Minutes

- 3.36 The Board of Trustees shall appoint a secretary, who has responsibility for the preparation and safekeeping of the minutes and other documents of the Trustees. The secretary does not need to be a Trustee. If the secretary is not present at any meeting, the Trustees shall appoint another person in his or her place for that meeting.
- ~~3.37 The Trustees shall keep minutes of their meetings, which do not need to be verbatim but shall at least indicate the date and location of the meeting, when it started and ended, which Trustees were present, the approval or amendment of the minutes of the previous or any other meeting, the matters discussed, and the decisions made. As soon as possible after each meeting, draft minutes of that meeting, and final copies of any minutes which were adopted at that meeting shall be provided to each Trustee. In addition, the Board of Trustees shall provide copies of the minutes (edited to remove information relating to identifiable individual members) and any other appropriate reports of the Board's business to the chief financial officer of each Employer and to the president of each Academic Staff Association. (Amended as below effective March 28, 2008)~~
- 3.37 The Trustees shall keep minutes of their meetings, which do not need to be verbatim but shall at least indicate the date and location of the meeting, when it started and ended, which Trustees were present, the approval or amendment of the minutes of the previous or any other meeting, the matters discussed, and the decisions made. As soon as possible after each meeting, draft minutes of that meeting, and final copies of any minutes which were adopted at that meeting shall be provided to each Trustee. In addition, the Board of Trustees shall provide copies of the final minutes (edited to remove information relating to identifiable individual members) and any other appropriate reports of the Board's business to the chief financial officer of each Employer and to the president of each Academic Staff Association. (Amended effective March 28, 2008)

Rules

- 3.38 The Board of Trustees may make rules governing the conduct of their meetings,

provided that any such rules must not be inconsistent with the provisions of this Agreement.

Powers, duties and obligations of trustees

- 3.39 The Trustees are authorized to hire employees and to engage consultants to provide legal, investment, actuarial, accounting, administrative, clerical and any other services as they in their sole discretion find necessary or appropriate in the performance of their duties, and to pay the costs incurred out of the Fund.
- 3.40 In addition to the power referred to in paragraph 1.2(d), the Trustees have the power to interpret the provisions of this Agreement and the Plan Document and to act thereon, and any interpretation adopted by the Trustees in good faith shall be final and binding upon the Participating Employers, the Academic Staff Associations, the members and their families, dependants, beneficiaries and legal representatives.
- 3.41 In addition to all powers necessary to discharge their duties with respect to the Trust, Plan and Fund, the Trustees have the following specific powers:
- (a) to administer the Plan.
 - (b) to authorize and make payments from the Fund for the purposes specified in paragraph 3.2.
 - (c) to enter into any and all contracts and agreements for carrying out the terms of this Agreement and for the administration of the Plan and the Fund in accordance with this Agreement and the Plan.
 - (d) to enter into any reciprocal agreements with other pension plans.
 - (e) to pay out of the Fund all taxes of any and all kinds levied or assessed under existing or future laws upon or in respect of the Fund or any money, property or securities forming part of the Fund.
 - (f) to invest and reinvest the principal and income of the Fund (without distinction between principal and income) in such investments as the Trustees may in their sole discretion select (or may cause to be selected on their behalf) which are permitted under the *Employment Pension Plans Act* (and not limited to investments authorized by the *Trustee Act*, R.S.A. 1980, c. T-10 as amended).
 - (g) to pay from the Fund all reasonable expenses of administering the Fund and the Plan, as may be determined in the sole discretion of the Trustees.

- (h) to purchase any form of insurance (including insurance for Trustees in the execution of their office), and to pay the cost thereof from the Fund.
 - (i) to commence, defend or compromise any legal proceedings or other claims as the Trustees in their sole discretion deem necessary to ensure the preservation of the Fund and the operation of the Plan, and to pay for the expense incurred thereby from the Fund.
 - (j) to delegate any powers and authorities vested in the Trustees to any committee of the Trustees, the Administrator or any other person, firm, corporation or association as the Trustees in their sole discretion deem appropriate, without thereby relieving the Trustees of any of their responsibilities therefore.
 - (k) to establish any system of appeals.
 - (l) to monitor developments in the pension area generally, and to make any reports or recommendations to the Sponsors about the design of the Plan or any other matter of concern.
 - (m) to do any and all acts, whether or not expressly authorized in this Agreement or the Plan Document, which the Trustees in their sole discretion deem necessary or appropriate to fulfill their responsibilities under this Agreement and the Plan Document.
 - (n) pursuant to sections 14(6)(d) and (e) of Schedule 3 of the *Public Sector Pension Plans Act*, as the legal owners of the Fund to (i) accept the terms and conditions of the withdrawal releasing the Crown from all liability with respect to the withdrawing employers' relationship to the Plan while it was governed by that legislation (except with respect to the Crown's obligation to continue to make additional contributions), and (ii) indemnify the Crown for any claims that may be made by any person that arise directly or indirectly from the withdrawal of the Plan from that legislation.
 - (o) to do anything (whether or not otherwise provided for in this Agreement or the Plan Document) which the Trustees in their sole discretion consider necessary and appropriate to correct any administrative error.
- 3.42 In addition to the specific powers set out in paragraph 3.41, the Trustees have all the powers of trustees in accordance with the *Trustee Act*, R.S.A. 1980, c. T-10 and all other laws of the Province of Alberta.
- 3.43 The Trustees shall ensure that they and the Plan comply with all applicable laws.

Accounts

- 3.44 The Trustees shall keep true and accurate accounts and records of all receipts, investments, payments and transactions involving the Fund. The fiscal year end of the Fund shall be December 31st in each calendar year. The accounts and records shall be audited at least annually by or under the direction of a qualified person in good standing in a recognized professional accounting association selected by the Trustees. The Trustees shall provide a copy of the previous year's audited annual statements to each of the Sponsors by May 31st at the latest.

Administrator

- 3.45 The Trustees may, in their sole discretion, appoint an Administrator of the Plan.
- 3.46 The Trustees shall determine the powers and duties of the Administrator, which may include (but are not limited to):
- (a) keeping records to determine each Member's rights to benefits under the Plan and to determine the amount of those benefits.
 - (b) dealing with communications to and from all Members and others with respect to benefits under the Plan.
 - (c) providing each Member with a written explanation of the terms and conditions of benefits under the Plan (including the rights and duties of the Members with respect to such benefits) and any other information which the Trustees are required to send to the Members pursuant to any applicable statute or regulation.
 - (d) attending meetings of the Trustees as required.
 - (e) providing reports and other communications to or for the Trustees as required by the Trustees.
 - (f) providing reports and other communications to the Sponsors as required by the Trustees.
 - (g) communicating with and coordinating the activities of investment counsel, legal counsel and other advisors and agents of the Trustees.
- 3.47 The Administrator shall at all times remain accountable to the Trustees and shall report forthwith to them at any time and on any matter which they have requested.
- 3.48 Notwithstanding the appointment of an Administrator, the Trustees remain

responsible for the administration of the Fund in accordance with this Agreement and the Plan.

Bonding

- 3.49 The Trustees, the employees of the Board, and the Administrator shall each be bonded in such amounts as may be determined from time to time by the Trustees.

Limitations on liability

- 3.50 No Trustee, employee of the Board or member of any committee of the Board shall be liable for any loss arising out of any error of judgment (including acting on the advice of legal counsel, investment counsel or an actuary), or any act or omission in the administration of the Plan and the Fund, nor shall any Trustee, employee or committee member be personally liable for any liability or debt of the Fund contracted by them in pursuance of the powers contained herein or for the non-fulfilment of any contract by another party thereto. Nothing in this paragraph, however, exempts a Trustee, employee or committee member from any liability or obligation for any damages, debt or loss arising out of or through gross negligence or willful misconduct.
- 3.51 The Plan will indemnify all Trustees, employees of the Board and members of any committee of the Board for any cost (including damages or legal and other expenses) incurred in dealing with any claim against any Trustee, employee or committee member for anything done in good faith in the exercise of that person's powers, duties and functions under this Agreement or in relation to the Plan, and the costs of any indemnification under this paragraph are to be paid from the Fund.
- ~~3.52 For greater certainty, the provisions of paragraphs 3.50 and 3.51 apply to any Representative appointed pursuant to paragraph 3.7. (Repealed effective July 1, 2006)~~

PART 4

DECISIONS ABOUT FUNDING

Actuarial valuations

- 4.1 The Trustees may at any time have the Actuary provide any valuation, or other consulting services with respect to the Plan. At least once every three years, the Trustees must have the Actuary prepare an actuarial valuation of the Plan and an actuarial report which will be used for the purpose of setting contributions rates under paragraph 4.3 and filed with the Superintendent of Pensions.

Trustees to approve actuarial assumptions and methods

- 4.2 The Actuary shall prepare actuarial valuations using assumptions and methods acceptable to the Actuary and approved by the Trustees. These assumptions and methods may take account of the need to stabilize funding levels and contribution rates through periods of fluctuating Plan experience and investment volatility.

Trustees to set contribution rates

- 4.3 If an actuarial valuation is used for the purpose of determining contribution rates, the Trustees shall within a reasonable time after receiving the initial results of the valuation and related advice from the Actuary determine contribution rates that:
- (a) comply with the applicable funding requirements of the *Employment Pension Plans Act* and any other applicable legislation, provided that, where there is a choice as to the period over which unfunded liabilities or solvency deficiencies are to be funded, the longest available period is chosen,
 - (b) comply with any registration requirements of the *Income Tax Act* that require the use of excess surplus to finance contributions,
 - (c) are shared by Employers and Employees as jointly specified by the Employer and the Academic Staff Association (if any) at each institution, as described in paragraph 4.9,
 - (d) satisfy the requirements of paragraph 4.10 relating to preservation of the Crown's obligation to make additional contributions and, for this purpose, the Trustees may apply the provisions of this Part 4 to contribution rates, surpluses, unfunded liabilities, and solvency deficiencies in respect of pre-1992 and post-1991 service separately to the extent that they consider it appropriate to do so, and,
 - (e) to the extent surplus is available, use it to prevent any increases in contribution rates that would otherwise be required.

Actuarial report

- 4.4 Within a reasonable time after the Trustees have made a determination about contribution rates pursuant to paragraph 4.3, the Actuary shall prepare the actuarial report and deliver it to the Trustees. The report shall:
- (a) present the results of the valuation,

- (b) identify and deal separately with pre-1992 and post-1991 service, pre-1992 and post-1991 assets, and pre-1992 and post-1991 liabilities,
 - (c) state the contribution rates set by the Trustees and the components of the contribution rates required for calculating Employer and Employee contribution shares under paragraph 4.9, and
 - (d) identify the extent to which the contribution rates may be further varied by application of any unallocated surplus or by acceleration of the funding of any unfunded liabilities or solvency deficiencies.
- 4.5 Upon receipt of the actuarial report, the Trustees shall cause any revisions to the contribution rates to be implemented without undue delay.
- 4.6 The Trustees shall arrange for the actuarial report to be filed on a timely basis with the applicable regulatory authorities and shall at or about the same time provide copies of the actuarial report to (a) the chief financial officer of each Employer and (b) the president of each Academic Staff Association.

***Unallocated surplus and remaining funding decisions
to be dealt with by the Sponsors***

- 4.7 The Sponsors shall determine how any surplus which is available for reduction of future contribution rates, as described in the actuarial report in accordance with paragraph 4.4(d), is to be treated. The methods for dealing with such surplus may include carry-forward, reduction of future contribution rates, and provision of benefit improvements. The Sponsors may also determine that the funding of unfunded liabilities and solvency deficiencies should be accelerated, as described in the actuarial report in accordance with paragraph 4.4(d). These determinations shall be made:
- (a) after having received the recommendations of the Trustees (which recommendations shall not be binding on the Sponsors),
 - (b) in accordance with the requirements of any applicable legislation,
 - (c) subject to the requirements of paragraph 4.10 relating to preservation of the Crown's obligation to make additional contributions, and
 - (d) with the consent of a majority of the Employers, which majority together employs at least 75% of the Employees who are Members in the Plan, as well as by all the Academic Staff Associations (if any) corresponding to those Employers.

- 4.8 Upon receipt of direction from the Sponsors based on determinations made under paragraph 4.7, the Trustees shall implement the decision of the Sponsors without undue delay.

Contribution sharing arrangements

~~4.9 For the purposes of paragraph 4.3(c), the sharing arrangements on the Continuation Date will be those contained in Appendix B to the Plan Document. Thereafter, an Employer and its corresponding Academic Staff Association (if any) may jointly instruct the Board in writing to use a different arrangement for sharing the total contribution rate between that Employer and its Employees. Until the Board receives any new instruction, the previous sharing arrangement remains in effect. The Board and its Employees shall share the total contribution rate equally, and no change shall be made to the sharing arrangement between the Board and its employees. Under all sharing arrangements, there must be equal sharing of all components of the contribution rate other than the current service cost. (Amended as below effective July 1, 2006)~~

4.9 For the purposes of paragraph 4.3(c), the sharing arrangements on the Continuation Date will be those contained in Appendix B to the Plan Document. Thereafter, an Employer and its corresponding Academic Staff Association (if any) may jointly instruct the Board in writing to use a different arrangement for sharing the total contribution rate between that Employer and its Employees. Until the Board receives any new instruction, the previous sharing arrangement remains in effect. The Board and its Employees shall share the total contribution rate equally, and no change shall be made to the sharing arrangement between the Board and its employees. Academic Staff Associations which have made a declaration under Appendix A7 and their employees shall share the total contribution rate equally, and no change shall be made to the sharing agreement between the Academic Staff Associations and their employees. Under all sharing arrangements, there must be equal sharing of all components of the contribution rate other than the current service cost. (Amended effective July 1, 2006)

Preservation of Crown's obligation to pay additional contributions

4.10 If, on the Continuation Date, the Plan has an unfunded liability in respect of service that was recognized as pensionable service, and the benefits that were in place, as at December 31, 1991 (the "Pre-1992 unfunded liability"), the Sponsors and Trustees must comply with sections 9, 14(8)(b) and 15(5)(c) of Schedule 3 of the *Public Sector Pension Plans Act* in order to preserve the obligation of the Crown to continue to pay additional contributions with respect to the Pre-1992 unfunded liability, including (but not limited to):

- (a) meeting the Plan's Pre-1992 unfunded liability by the imposition of additional contributions payable by Employers and Members who are Employees,
- (b) ensuring that a separate accounting is made and maintained in respect of the unfunded liability, including the application of the additional contributions,
- (c) doing everything that the Universities Academic Pension Board was required to do under section 9 of Schedule 3 of the *Public Sector Pension Plans Act* and the plan rules as they applied to the Plan immediately before the Continuation Date, and
- (d) ensuring that any "other plans" within the meaning of Part 8 of this Agreement (dealing with Withdrawals) have a provision equivalent to this paragraph 4.10 if there is a Pre-1992 unfunded liability which still exists at the date of withdrawal from this Plan.

PART 5

PAYMENT OF CONTRIBUTIONS AND PROVISION OF INFORMATION

5.1 Contributions will be made to the Plan in the following manner:

- (a) Each Participating Employer must require a Member, as a term of employment, to authorize the Participating Employer to deduct the contributions which the Member is required to pay to the Plan from their salary payments, and to remit the same to the Trust on their behalf. The Participating Employer will remit the Members' contributions to the Trust so that they are actually received by the Trust on or before the 15th day following the end of the salary period with respect to which the contributions relate. Each Participating Employer hereby acknowledges that it holds the Members' contributions in trust for the Members until actual payment thereof has been made by the Participating Employer to the Trust.
- (b) Each Participating Employer will pay the contributions which it is required to make to the Plan so that these contributions are actually received by the Trust on or before the 15th day following the end of the salary period to which the contributions relate.
- (c) Each Participating Employer and each Member will make any other payments to the Plan on or before the dates specified by the Trustees.
- (d) In the event that a Participating Employer is late in making a required

remittance referred to under paragraph 5.1(a) or (b), the Participating Employer shall in addition be obligated forthwith to pay (i) interest on the arrears calculated at four percentage points above the prime rate charged by the Trust's principal banker, plus (ii) an additional sum equal to ten per cent (10%) of the arrears (which additional sum is agreed to be liquidated damages and not a penalty), plus (iii) all expenses (including legal fees on a solicitor-and-own-client basis) incurred by the Trustees in collecting any arrears. The Trustees may in their absolute discretion reduce or dispense with any amount referred to under (i), (ii) or (iii) hereof.

- (e) In the event that any person is late in making a payment referred to in paragraph 5.1(c), that person shall in addition be obligated forthwith to pay (i) interest on the arrears calculated at four percentage points above the prime rate charged by the Trust's principal banker, plus (ii) an additional sum equal to ten per cent (10%) of the arrears (which additional sum is agreed to be liquidated damages and not a penalty), plus (iii) all expenses (including legal fees on a solicitor-and-own-client basis) incurred by the Trustees in collecting any arrears. The Trustees may in their absolute discretion reduce or dispense with any amount referred to under (i), (ii) or (iii) hereof.
- (f) With each payment, the Participating Employers shall file any report which the Trustees may from time to time prescribe.
- (g) The Trustees (or a person designated by the Trustees) may, in their absolute discretion, at any reasonable time, inspect and audit the employment, payroll and similar records of any Participating Employer which are relevant to the Plan.
- (h) In fulfilling their statutory obligation to see that contributions are made, the Trustees have absolute discretion to take such action (including, but not limited to, proceedings at law or in equity) as they deem necessary to enforce payment of contributions, interest, damages and collection expenses. The Trustees are not obligated to take any or any particular form of collection or enforcement action; and, if any such collection or enforcement action is withheld or taken by the Trustees against or with respect to one or more delinquent Employers, the same shall not require the Trustees to follow the same practice with respect to all other delinquent Participating Employers.

5.2 Each Participating Employer will in a timely manner provide the Trustees with all information that is required by the Trustees to enable them to fulfil their functions under this Agreement, the Plan, the *Employment Pension Plans Act* and regulations, the *Income Tax Act* and regulations, and any other regulatory provision.

PART 6

AMENDMENT

- 6.1 Subject to paragraphs 6.3 and 6.4, the Sponsors may from time to time amend this Agreement and the Plan, provided that any such amendment must have the consent of a majority of the Employers, which majority together employs at least 75% of the employees who are Members in the Plan, as well as by all of the Academic Staff Associations (if any) corresponding to those Employers.
- 6.2 Prior to making any amendment under paragraph 6.1, the Sponsors will invite and consider (but are not bound by) any comments, proposals or recommendations by the Trustees and the Actuary about the proposed amendment.

Exception-Trustees empowered to amend the Agreement and the Plan if necessary to ensure minimum statutory compliance

- 6.3 Notwithstanding paragraph 6.1, the Trustees:
- (a) have the power to and shall amend the Agreement and the Plan from time to time if the Trustees in their sole discretion determine that such an amendment is required to ensure that the Plan remains registered under and complies with the *Employment Pension Plans Act*, the *Income Tax Act*, and any other similar regulatory or taxing statute, including the regulations made under each of these statutes.
 - (b) may from time to time make minor amendments to the Plan to facilitate the administration or operation of the Plan, or amendments which correct any errors in the Plan Document, provided that no amendment may be made under this paragraph if it would constitute a fundamental change to the Plan.

In exercising the powers under this paragraph, the Trustees may take into account and act on any interpretation bulletin, information circular, policy directive or proposed legislation or regulation. Notice of any amendment proposed under this paragraph (including the proposed text thereof) shall be provided to (a) each Trustee, (b) the chief financial officer of each Employer, and (c) the president of each Academic Staff Association at least 60 days prior to any motion to implement such an amendment being adopted by the Trustees (and this notice does not need to be repeated in the event of a subsequent modification in the wording of the proposed amendment), whose decision shall be made in accordance with the voting rules contained in paragraph 3.30 of this Agreement.

Restrictions on amendments reducing accrued benefits

- 6.4 Notwithstanding the amending powers contained in paragraphs 6.1 and 6.3,
- (a) no amendment shall operate to reduce the benefits which have accrued to any Member before the Continuation Date. For greater certainty, no amendment shall reduce a Member's Benefit for Pensionable Service and Combined Pensionable Service (as those terms are defined in the Plan) accrued up to the Continuation Date (including service in the process of being purchased), based on the Member's Salary while an Employee in the Plan, whether before or after the Continuation Date.
 - (b) where an amendment results in a certifiable past service pension adjustment as defined in the *Income Tax Act* in respect of a Member, the amendment shall not apply to such Member prior to certification of the past service pension adjustment in accordance with the *Income Tax Act*.
 - (c) the Plan may be amended to reduce the Benefits for Pensionable Service and Combined Pensionable Service (as those terms are defined in the Plan) recognized for the period after the Continuation Date and prior to the effective date of the amendment, except and to the extent that such an amendment is necessary to avoid the revocation of the Plan's registration under the *Income Tax Act*.
- 6.5 Subject to paragraph 6.4, an amendment under this Part may be retroactive, but any such amendment shall explicitly state that it operates retroactively.
- 6.6 For greater certainty, determinations by the Trustees under paragraph 4.3, and sharing arrangements between an Employer and its corresponding Academic Staff Association under paragraph 4.9, do not constitute amendments to this Agreement or the Plan Document.

PART 7

**NEW SPONSORS, OTHER PARTICIPATING EMPLOYERS
AND AMALGAMATION**

- 7.1 Subject to paragraph 7.2, the Sponsors may agree to:
- (a) permit another employer and its corresponding academic staff association (if any) to participate in the Plan by becoming Sponsors and parties to this

Agreement, or

- (b) amalgamate the Fund and Plan with another pension fund and plan.
- 7.2 The Sponsors may only exercise the powers provided by paragraph 7.1 in accordance with the formula set out in paragraph 6.1 for amendment to this Agreement.
- 7.3 Notwithstanding paragraph 7.2, if an employee organization which bargains the terms and conditions of employment of academic staff is reconstituted at the Banff Centre for Continuing Education, it shall have the right to become a party to this Agreement upon request. In such an event, the Sponsors shall determine (in accordance with the formula set out in paragraph 6.1 for amendment to this Agreement) if and how the composition of the Board of Trustees shall be altered.

PART 8

WITHDRAWAL OF A PARTICIPATING EMPLOYER

- 8.1 In this Part,
- (a) “other pension plan” means one or more registered pension plans, other than the Plan, established by the withdrawing Participating Employer and to which the *Employment Pension Plans Act* applies;
 - (b) “withdrawal” means the withdrawal of a Participating Employer from the Plan under this Part, and includes the consequential transfer of a portion of the liabilities and assets of the Plan under this Part.
- 8.2 A Participating Employer may withdraw from participation in the Plan, and have a portion of the Plan’s liabilities and assets transferred out of the Plan if the conditions and requirements of this Part are met.
- 8.3 Where a withdrawal is proposed,
- (a) the withdrawing Participating Employer must have the written consent of its Academic Staff Association (if any) for the withdrawal, in a form acceptable to the Trustees,
 - (b) the withdrawing Participating Employer must give the Trustees and all the Sponsors (other than itself, if it is a Sponsor) at least 2 years’ written notice of its intention to withdraw, or any lesser period of notice agreed to by the Trustees,

- (c) the liabilities and assets apportioned to the withdrawing Participating Employer may be transferred only to an other pension plan,
 - (d) the benefits of all persons affected by the withdrawal who are currently, prospectively or potentially entitled to benefits under the Plan accrued to the date of withdrawal must be fully protected,
 - (e) all service that counts as pensionable service for the purposes of determining eligibility for benefits under the Plan is to count as pensionable service for those purposes under the other pension plan,
 - (f) if there is a Pre-1992 unfunded liability on the withdrawal date, the other plan must contain a provision that is equivalent to paragraph 4.10 of this Agreement,
 - (g) the withdrawing Participating Employer and the legal owner of the pension fund of the other pension plan must accept the terms and conditions of the withdrawal in a written form acceptable to the Trustees which releases the Trustees and Sponsors from all liability with respect to the withdrawing employer's relationship to the Plan (except its obligation to continue to make the additional contributions referred to in section 4.10), and
 - (h) the withdrawing Participating Employer and the legal owner of the pension fund of the other pension plan must indemnify the Trustees and Sponsors in a written form acceptable to the Trustees with respect to any claims that may be made by any person that arise directly or indirectly from the withdrawal.
- 8.4 In addition to the requirements specified in paragraph 8.3, the provisions of Schedule B to this Agreement apply to any withdrawal or proposed withdrawal.
- 8.5 Where all the requirements for a withdrawal have been complied with, the Trustees will effectuate the withdrawal by transferring to the other pension plan the liabilities and assets apportioned to the withdrawing Participating Employer in accordance with Schedule B to this Agreement.
- 8.6 On withdrawal, all the rights of the withdrawing Participating Employer and its employees in relation to the Plan are extinguished.
- 8.7 In the event that the last of the Employers is withdrawing from the Plan, the Trustees appointed by that Employer and by the corresponding Academic Staff Association (if any) shall remain in office and continue as Trustees after the withdrawal solely for the purpose of winding up the Trust, including arranging for a final audit and report of their transactions for the purpose of terminating their trusteeship, and shall thereafter

declare that the Plan is terminated.

- ~~8.8 In the event that the Plan is terminated in any manner otherwise than contemplated by paragraph 8.7, the termination and consequential transfer of the liabilities and assets of the Plan must be in accordance with the provisions of the *Employment Pension Plans Act*. (Amended as below effective November 26, 2003)~~
- 8.8 In the event that the Plan is terminated in any manner otherwise than contemplated by paragraph 8.7, the termination and consequential payment of any solvency deficiency and transfer of the liabilities and assets of the Plan must be in accordance with the provisions of the *Employment Pension Plans Act*. (Amended effective November 26, 2003)
- 8.9 Where an Academic Staff Association is a Participating Employer and the Employer for the same institution withdraws from the Plan, the Academic Staff Association as a Participating Employer must simultaneously withdraw from the Plan. (Added effective July 1, 2006)

PART 9

DISPUTE RESOLUTION

- 9.1 In the event of any dispute among the Sponsors, or between one or more Sponsors and the Board of Trustees, regarding the interpretation or application of this Agreement (including the attached Schedules and Appendix), the relevant parties will make every effort to resolve the dispute informally. If the dispute cannot be resolved in this way, the relevant parties will give serious consideration to using third-party alternative dispute resolution options prior to commencing any legal action.

PART 10

MISCELLANEOUS

- 10.1 All questions pertaining to the validity, construction and administration of this Agreement and the Plan shall be determined in accordance with the laws in force in the Province of Alberta.
- 10.2 If any provision of this Agreement or the Plan is held to be illegal or invalid for any reason, this illegality or invalidity shall not affect the remaining portions of this Agreement or the Plan. If any act in the administration of the Fund is held to be illegal or invalid for any reason, this illegality or invalidity shall not affect any other act in the administration of the Fund.
- 10.3 This Agreement is binding upon and inures to the benefit of each of the parties to this Agreement and their respective heirs, executors, administrators successors and assigns according to law.
- 10.4 Each of the parties to this Agreement will make, execute and do anything which may reasonably be required for more effectively implementing the intent of this Agreement.
- 10.5 This Agreement and any other document may be signed in counterpart.

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED IN COUNTERPART BY THE PROPERLY AUTHORIZED OFFICERS OF THE EMPLOYERS AND THE ACADEMIC STAFF ASSOCIATIONS:

**THE GOVERNORS OF THE
UNIVERSITY OF ALBERTA**

Per:

Am Deane

Date *October 19*, 2000

**ASSOCIATION OF ACADEMIC STAFF:
UNIVERSITY OF ALBERTA**

Per:

Date _____, 2000

**THE GOVERNORS OF THE
UNIVERSITY OF CALGARY**

Per:

Date _____, 2000

**THE UNIVERSITY OF CALGARY
FACULTY ASSOCIATION**

Per:

Date _____, 2000

**THE GOVERNORS OF THE
UNIVERSITY OF LETHBRIDGE**

Per:

Date _____, 2000

**THE UNIVERSITY OF LETHBRIDGE
FACULTY ASSOCIATION**

Per:

Date _____, 2000

**THE GOVERNORS OF THE
UNIVERSITY OF ALBERTA**

Per:

Date _____, 2000

**ASSOCIATION OF ACADEMIC STAFF:
UNIVERSITY OF ALBERTA**

Per:

Manette Buchanan

Date *October 23*, 2000

**THE GOVERNORS OF THE
UNIVERSITY OF CALGARY**

Per:

Date _____, 2000

**THE UNIVERSITY OF CALGARY
FACULTY ASSOCIATION**

Per:

Date _____, 2000

**THE GOVERNORS OF THE
UNIVERSITY OF LETHBRIDGE**

Per:

Date _____, 2000

**THE UNIVERSITY OF LETHBRIDGE
FACULTY ASSOCIATION**

Per:

Date _____, 2000

**THE GOVERNORS OF THE
UNIVERSITY OF ALBERTA**

Per:

Date, 2000

**ASSOCIATION OF ACADEMIC STAFF:
UNIVERSITY OF ALBERTA**

Per:

Date _____, 2000

**THE GOVERNORS OF THE
UNIVERSITY OF CALGARY**

Per:

Jim Lozon

Date *October 24*, 2000

**THE UNIVERSITY OF CALGARY
FACULTY ASSOCIATION**

Per:

Date _____, 2000

**THE GOVERNORS OF THE
UNIVERSITY OF LETHBRIDGE**

Per:

Date _____, 2000

**THE UNIVERSITY OF LETHBRIDGE
FACULTY ASSOCIATION**

Per:

Date _____, 2000

**THE GOVERNORS OF THE
UNIVERSITY OF ALBERTA**

Per:

Date _____, 2000

**ASSOCIATION OF ACADEMIC STAFF:
UNIVERSITY OF ALBERTA**

Per:

Date _____, 2000

**THE GOVERNORS OF THE
UNIVERSITY OF CALGARY**

Per:

Date _____, 2000

**THE UNIVERSITY OF CALGARY
FACULTY ASSOCIATION**

Per:

John A Baker

Date 24 October, 2000

**THE GOVERNORS OF THE
UNIVERSITY OF LETHBRIDGE**

Per:

Date _____, 2000

**THE UNIVERSITY OF LETHBRIDGE
FACULTY ASSOCIATION**

Per:

Date _____, 2000

**THE GOVERNORS OF THE
UNIVERSITY OF ALBERTA**

Per: _____

Date _____, 2000

**ASSOCIATION OF ACADEMIC STAFF:
UNIVERSITY OF ALBERTA**

Per: _____

Date _____, 2000

**THE GOVERNORS OF THE
UNIVERSITY OF CALGARY**

Per: _____

Date _____, 2000

**THE UNIVERSITY OF CALGARY
FACULTY ASSOCIATION**

Per: _____

Date _____, 2000

**THE GOVERNORS OF THE
UNIVERSITY OF LETHBRIDGE**


Per: _____



Date Oct 20, 2000

**THE UNIVERSITY OF LETHBRIDGE
FACULTY ASSOCIATION**

Per: _____



Date October 20, 2000



**ATHABASCA UNIVERSITY
GOVERNING COUNCIL**

Per: *[Signature]*

Date *Oct 24/00*, 2000

**ATHABASCA UNIVERSITY FACULTY
ASSOCIATION**

Per: *[Signature]*

Date *24 October*, 2000

**THE GOVERNORS OF THE BANFF
CENTRE FOR CONTINUING
EDUCATION**

Per: _____

Date _____, 2000

**ATHABASCA UNIVERSITY
GOVERNING COUNCIL**

Per:

Date _____, 2000

**ATHABASCA UNIVERSITY FACULTY
ASSOCIATION**

Per:

Date _____, 2000

**THE GOVERNORS OF THE BANFF
CENTRE FOR CONTINUING
EDUCATION**

Per:



Date Oct 20/ _____, 2000

Universities Academic Pension Plan

SCHEDULE B

to the Sponsorship and Trust Agreement

[This Schedule deals with withdrawals from the Plan.]

EMPLOYER WITHDRAWALS

Application

B1 This Schedule establishes, in addition to Part 8 of the Sponsorship and Trust Agreement (the “Agreement”), the general bases for the apportionment of the Plan’s liabilities and assets on the withdrawal of employers from the Plan and for the transfer of those apportioned liabilities and assets from the Plan under that section, and related matters.

General Definitions

B2 In this Schedule,

- (a) “actuarial valuation methods and assumptions” means the actuarial cost methods and assumptions used by the Plan’s actuary in the actuarial valuation report for funding purposes, but with assets being valued at market value, that is coincident with or that most recently precedes the time of withdrawal;
- (b) “additional contributions” means additional contributions paid or payable to the other plan under the order made under section 14(8)(b) of Schedule 3

General Definitions

of the Public Sector Pension Plans Act, S.A. 1993, c. P-30.7 as amended;

- (c) “market value” means the amount that the Board, using generally accepted accounting principles, including the accounting recommendations of the Canadian Institute of Chartered Accountants set out in the Handbook published by that Institute, as amended from time to time, determines to represent the value of the assets or investments that would be agreed on in an arm’s length transaction between knowledgeable and willing parties who are under no compulsion to act;
- (d) “other plan” means one of the other pension plans within the meaning of paragraph 8.1(a) of the Agreement;
- (e) “post-1991 assets” means the Plan’s assets in respect of the post-1991 liability;
- (f) “post-1991 liability” means the Plan’s liabilities in respect of all service recognized as pensionable service and all benefits in place, less the pre-1992 liability;
- (g) “pre-1992 assets” means the Plan’s assets in respect of the pre-1992 liability;
- (h) “pre-1992 liability” means the Plan’s liabilities in respect of all service that was recognized as pensionable service, and all the benefits that were in place, as at December 31, 1991;
- (i) “time of withdrawal” means the effective time of a withdrawal specified in the notice referred to in section B6(1) or, if applicable, agreed under section B5(1);

- (j) “withdrawal” has the meaning assigned to it in paragraph 8.1(b) of the Agreement;
- (k) “withdrawing employer” means an employer who has given notice under paragraph 8.3(b) of the Agreement;
- (l) “withdrawing member” means a person who is a member and an employee of the withdrawing employer immediately before the time of withdrawal and who does not terminate or become a member of the related plan with effect as at, or die at, the time of withdrawal;
- (m) “withdrawing person” means a person falling within section B4(1)(a), (b), (c) or (d).

Required characteristics of other plan

B3(1) The other plan must, in addition to meeting the requirements of paragraph 8.1(a) of this Agreement,

- (a) provide for the benefits and entitlements provided by the Plan to withdrawing members or for benefits and entitlements that in the opinion of the Trustees of the Plan are not less favourable for those persons in respect of
 - (i) service performed before the time of withdrawal and
 - (A) that was acquired as pensionable service before then, or
 - (B) which, immediately before the time of withdrawal, was in the course of being purchased over time under the plan rules, on payment for the service,

and

- (ii) pensionable salaries earned during participation in the Plan and in the other plan,
 - (b) provide in effect that all service of or with respect to withdrawing persons that counts as combined pensionable service for the purposes of determining eligibility for benefits under the Plan is to count for the same purposes in effect under the other plan,
 - (c) in the case of withdrawing persons who made arrangements to acquire service as pensionable service before the time of withdrawal and have not fully paid for the service being acquired, the arrangements made by them with the Plan are to continue to have full effect with the other plan as if they had been originally entered into with the other plan, under the same terms and conditions, and
 - (d) put into effect paragraphs 8.3(d) and (e) of the Agreement.
- (2) The other plan must also provide in effect that
- (a) the other plan's trustee is to hold all the assets transferred from the Plan to the other plan, all additional contributions paid and all investment income and capital appreciation derived from those assets and contributions in trust, and to use them, for the sole purposes of providing benefits and entitlements under the other plan and to meet the other plan's administration costs, and
 - (b) those assets, additional contributions, investment income and capital appreciation belong beneficially to the persons entitled to benefits under the other plan.
- (3) To avoid any doubt, benefits and entitlements are not less favourable, for the purposes of subsection (1)(a), by reason only of

their being provided by means of defined contribution provisions within the meaning of the *Employment Pension Plans Act* if

- (a) the arrangements under those defined contribution provisions are agreed to in writing by each withdrawing member who elects to participate in the other plan under those defined contribution arrangements, and
- (b) the benefits and entitlements provided to each such withdrawing member are of equivalent value to those benefits and entitlements to which the member would be entitled if he did not agree to those arrangements.

Employees, etc.
withdrawn

B4(1) Subject to this section, on a withdrawal, the withdrawing employer withdraws from the Plan only in relation to

- (a) persons who were employees of that employer immediately before the time of withdrawal,
- (b) persons who, immediately before the time of withdrawal, were former employees with remaining entitlements to benefits under the Plan and who had been employees of the withdrawing employer immediately before their most recent termination,
- (c) persons who, immediately before the time of withdrawal, were entitled to benefits which had arisen on the death of, or from an assignment under a matrimonial property order relating to, a person who had been an employee of the withdrawing employer immediately before death or his most recent termination, as the case may be, and
- (d) persons currently, prospectively or potentially entitled to benefits under the Plan accrued to the time

of withdrawal through persons referred to in clause (a), (b) or (c).

(2) A person who

(a) falls within subsection (1)(a), and

(b) was immediately before the time of withdrawal, also accruing a pensionable service with another employer who is not a withdrawing employer,

remains a member of the Plan as well as becoming a member of the other plan.

(3) A former employee

(a) who falls within subsection (1)(b) or through whom a person falls within subsection (1)(c) or (d), and

(b) who was, immediately before the most recent termination or death, as the case may be, referred to in that clause, also accruing pensionable service with another employer who is not a withdrawing employer,

is to be treated as having accrued pensionable service with the withdrawing employer and the employer remaining in the Plan to the respective extents decided by the Board.

(4) A person referred to in subsection (2)

(a) withdraws from the Plan in relation to service performed or treated by the Board as performed before the time of withdrawal with the withdrawing employer, and

(b) remains in the Plan in relation to service performed or treated by the Board as performed before the time

of withdrawal with the employer remaining in the Plan.

(5) Where there are 2 or more withdrawing employers involved withdrawing to 2 or more other plans, a person who was an employee of 2 or more of those employers immediately before the time of withdrawal becomes a member or, and that person or a former employee, as regards any such employer, referred to in subsection (3) is to be treated as having accrued pensionable service that counts for the purposes of, both or all of the other plans to the respective extents decided by the Board.

(6) The Board shall make any decisions required by subsection (3), (4) or (5) on the basis which, in its opinion, most closely reflects the overall intent of this Schedule.

Timing

B5(1) The time of withdrawal must occur as at the end of a calendar year unless the Board and the withdrawing employer agree in writing that it is to occur as at the end of another day specified in the agreement.

(2) Subject to section B4, withdrawing members cease to be members immediately before the time of withdrawal and become members of the other plan immediately after that time, and other withdrawing persons cease to have their current, prospective or potential entitlements under this Plan and assume their respective entitlements under the other plan at those respective times.

Information and disclosure

B6(1) A withdrawing employer must, in the notice required by paragraph 8.3(b) of the Agreement, specify when the withdrawal is intended to become effective.

(2) At least 9 months before the time of withdrawal, the Board must report in writing to all employers the Board's estimation, as at the time of withdrawal, of the apportionments between the withdrawing employer and the other employers of

- (a) The pre-1992 and post-1991 assets that will be determined on the basis set out in section 17, and
 - (b) The pre-1992 and post-1991 liabilities.
- (3) At least 3 months before the time of withdrawal, the withdrawing employer must submit to the Board, in writing, confirmation by the employer of the decision to withdraw, certification by the other plan's actuary that the other plan meets the requirements of section B3, copies of the written consent of the academic staff association, if any, required by paragraph 8.3(a) of the Agreement.
- (4) At the earliest practicable time, the Board must
- (a) report in writing to the withdrawing employer and to the other employers the final apportionment of the pre-1992 and post-1991 assets under section B9 and of the pre-1992 and post-1991 liabilities, and
 - (b) provide to them copies of the actuarial valuation referred to in section B8(1),
- and, as soon as practicable thereafter, the withdrawing employer must provide to the Board a certificate agreeing to that apportionment.
- (5) If the withdrawing employer so requires, the Board must forthwith provide to that employer the data and working papers used for calculating the apportionments of assets and liabilities referred to in subsections (2) and (4).
- (6) For the purposes of subsections (2) and (4), the pre-1992 and the post-1991 liabilities following the provisional and final

apportionments are to be taken as the amounts “B” and “D”, as defined in section B8(1)(b) and (d), respectively.

(7) At the earliest practicable time, but before the final transfer of assets, the withdrawing employer must submit to the Board the indemnity given by the legal owner of the pension fund of the other plan for the Trustees and Sponsors under paragraph 8.3(h) of the Agreement, and the acceptances given by the employer and that fund owner under paragraph 8.3(g) of the Agreement.

Withdrawal costs

B7(1) The Board may charge the plan fund for all reasonable costs, excluding any plan costs, incurred by the Board before the completion or cancellation of the withdrawal, with respect to the withdrawal or proposed withdrawal.

(2) The withdrawing employer is liable to the plan fund for any costs charged to the plan fund under subsection (1).

(3) The costs for which the withdrawing employer is liable under subsection (2) are to be deducted from the assets apportioned to the withdrawing employer under section B9 in accordance with section B9(4) and (5).

(4) If the withdrawal is cancelled, instead of the employer having sole liability under subsection (2), the withdrawing employer and the corresponding academic staff association, if any, become liable, on a joint and several basis, to reimburse the plan fund for any costs incurred with respect to the examination of the proposed withdrawal for which the employer is made liable by subsection (2), in which case the withdrawing employer and that association must pay those costs on and within 30 days of being charged for them or for a portion of them by the Board.

(5) Transactions under this section involving the plan fund must be applied to its post-1991 assets.

Definitions for
calculation
purposes

B8(1) The following letters designate the amounts used in the calculations under section B9 as determined in a written actuarial valuation that is prepared for the purposes of the withdrawal as at the time of withdrawal on the basis of the actuarial valuation methods and assumptions and that is approved by the Board:

- (a) “A” means the pre-1992 liability;
 - (b) “B” means the pre-1992 liability, so far as it relates to the withdrawing persons;
 - (c) “C” means the post-1991 liability;
 - (d) “D” means the post-1991 liability, so far as it relates to the withdrawing persons;
 - (e) “E” means the market value of the pre-1992 assets;
 - (f) “F” means the market value of the post-1991 assets;
 - (g) “G” means the decimalized fraction (rounded to 5 decimal places) representing the ratio, determined immediately before the time of withdrawal, of the aggregate annualized salaries of the withdrawing members to those of all withdrawing members and other members who do not terminate or become members of and under the related plan with effect as at, or die at, the time of withdrawal.
- (2) For the purposes of subsection (1),
- (a) a pre-1992 liability includes the amount, if any, by which liabilities in respect of service for which a written application to purchase it was made before 1992 and that is in the course of being purchased over time and that, at the time of withdrawal, has not yet been paid for exceed the present value of the outstanding contributions in respect of that service, and

(b) a post-1991 liability includes the amount, if any, by which liabilities in respect of other service that is in the course of being purchased over time and that, at the time of withdrawal, has not yet been paid for exceed the present value of the outstanding contributions in respect of that service.

(3) To the extent that the actuarial valuation referred to in subsection (1) applies with respect to the Plan’s unfunded liability in respect of service that was recognized as pensionable service, and the benefits that were in place, as at December 31, 1991, that actuarial valuation must be made with the agreement of the Minister.

Formulas for apportionment of assets

B9(1) The assets to be apportioned to the withdrawing employer as at the time of withdrawal are equal to the sum of the results of the apportionments under this section.

(2) If A exceeds E, the pre-1992 assets to be apportioned to the withdrawing employer as at the time of withdrawal are

$$B - [(A - E) \times G],$$

or, if A is less than or equal to E, they are

$$\frac{B}{A} \times E.$$

(3) If C exceeds F, the post-1991 assets to be apportioned to the withdrawing employer as at the time of withdrawal are

$$D - [(C - F) \times G],$$

or, if C is less than or equal to F, they are

$$\frac{D}{C} \times F.$$

(4) The post-1991 assets to be apportioned to the withdrawing employer under subsection (3) are to be reduced by an amount equal to the costs referred to in section B7(2).

(5) If the costs referred to in subsection (4), when finalized, exceed the post-1991 assets to be apportioned to the withdrawing employer under subsection (3), no post-1991 assets are to be apportioned to the withdrawing employer, and the withdrawing employer must pay an amount equal to the excess to the plan fund within 30 days of being charged for them by the Board.

Apportionment
and transfer

B10(1) Before the time of withdrawal, the Board shall estimate the assets to be apportioned to the withdrawing employer as at the time of withdrawal on the basis set out in section B9.

(2) The Board shall make an initial transfer to the pension fund of the other plan, as at the time of withdrawal, of an amount equal to 90% of the estimated apportionment.

(3) At the earliest practicable time after the finalization of data, the Board shall determine the final apportionment of assets to the withdrawing employer, as at the time of withdrawal, on the basis set out in section B9 and, once the withdrawing employer has provided the certificate under section B6(4), the transfer under subsection (4) or the return of excess under subsection (5) shall be made forthwith.

(4) If the amount determined under subsection (3) exceeds the amount transferred under subsection (2), the Board shall transfer the remainder of the apportionment, with interest from the time of withdrawal to the date of payment, from the plan fund to the pension fund of the other plan.

(5) If the amount determined under subsection (3) is less than the amount transferred under subsection (2), the legal owner of the other plan's pension fund shall return the excess, with interest from the time of withdrawal to the date of payment, from the pension fund of the other plan to the plan fund in the form of cash or, with

the consent of the Board, specific assets equal in market value to the amount required, or a combination of both.

(6) Interest under subsection (4) or (5) is payable on the basis of the market rate of return earned by the plan fund, net of those investment costs that are specified by the Board for that purpose, from the time of withdrawal until the latest date up to which that rate is available, and on the basis of the rate of return earned by the Government of Alberta's Consolidated Cash Investment Trust Fund for the remainder of the period to the date of payment.

(7) The transfers from the plan fund under subsections (2) and (4) are to consist of such specific assets and to be in such of the following forms as is decided by the Board, namely

- (a) in cash,
- (b) on the basis of a prorated interest in the investments of the plan fund valued at market value, or
- (c) as a combination of the forms set out in clauses (a) and (b),

and where the transfer would require a significant liquidation of the assets in a pooled fund, the transfer may include securities held by the pooled fund.

(8) Where any assets transferred under subsection (2) and (4) are interests in a pooled fund, the other plan must redeem those interests in accordance with the guidelines established for the pooled fund within one year of the date of the transaction under subsection (4) or (5) or within such longer period as is agreed in writing between the withdrawing employer and the Board.

(9) [*>Not applicable.*]

(10) The assets and liabilities attributable to the withdrawing employer become final when, and may not change after, the transaction described in subsection (4) or (5) is completed.

Application to
withdrawing
persons accruing
multiple service

B11 Where

- (a) subsections (2) and (4) or subsection (3) or (5) of section B4 apply, or
- (b) any other similar circumstances that give rise to doubt as to a person's pension coverage or potential coverage under this Schedule arise,

any apportionment or other separation or division that needs to be done under this Schedule as between the Plan and the other plan or plans or between the other plans must be done on a basis that is approved by the Board and that most closely reflects the overall intent of this Schedule.

Indemnification

B12 The withdrawing employer and the legal owner of the pension fund of the other plan must indemnify

- (a) the Sponsors and the Trustees for any cost (including damages and legal and other expenses) incurred in dealing with any claim against the Sponsors or the Trustees that arises directly or indirectly from the withdrawal, and
- (b) the Plan fund and the Plan's administrator, custodian, and investment advisors for any claim made after completion of the withdrawal.

Agreement to alter
time limits

B13 Notwithstanding anything in this Schedule, where a provision of this Schedule requires anything to be done within a certain period or by a specified time prior to the time of withdrawal, the Board and the withdrawing employer may enter into a written agreement altering the time before which that thing must be done.

Transitional
-predecessor plan
benefits

B14 For the purposes of section B8(1), pre-1992 liabilities must be reduced to reflect benefit reductions described in section 113.1(1) and (2) of the plan rules contained in Alberta Regulation 370/93 as consolidated in Alberta Regulations 107/97.

B15 Any difference arising between the Board and a withdrawing employer under this Schedule shall be settled by arbitration pursuant to the *Arbitration Act*, R.S.A. 1980, c.A-43.1, provided that no arbitrator has any power to alter the terms of the Plan or the Agreement (including this Schedule).

UNIVERSITIES ACADEMIC PENSION PLAN

**Continuing as a Non-Statutory Plan
January 1, 2001**

**Amended and Consolidated
to March 28, 2008
Printed August 2008**

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Section 1 — History of the Plan

1.01 *Establishment of the Plan*

The University of Alberta pension plan was established in 1928 as the Retirement System. It was replaced by the Academic Pension Plan of the University of Alberta in 1964 (the “Alberta Plan”). Faculty at the University of Calgary participated in the Alberta Plan both before and after it became a separate institution after the amendments to the Universities Act in 1966 which contemplated more than one provincial university. The Banff Centre of Continuing Education (as it was then called) was transferred from the University of Alberta to the University of Calgary, and then became independent, and its faculty also participated in the Alberta Plan. The University of Lethbridge had its own Academic Staff Pension Plan from July 1, 1967.

In 1978, the Legislature passed the Universities Academic Pension Act, S.A. 1978, c. 36, to create the Universities Academic Pension Plan (the “UAPP”) for all of the provincial universities (including The Banff Centre). It subsumed the Alberta and Lethbridge Plans. Athabasca University became part of the UAPP when it was created.

In 1985, the Legislature continued the UAPP under the Universities Academic Pension Plan Act, S.A. 1985, c. U-6.1.

In 1993, the Legislature continued the UAPP under Schedule 3 of the Public Sector Pension Plans Act, S.A. 1993, c. P-30.7.

1.02 *Withdrawal from the Public Sector Pension Plans Act*

The Public Sector Pension Plans Act contemplated that the UAPP could cease to be governed by the Public Sector Pension Plans Act, and be continued as a non-statutory plan governed by the Employment Pension Plans Act, S.A., 1986, c. E-10.05. After considerable discussion, the sponsors agreed to take this step, effective January 1, 2001.

Section 1 — History of the Plan *continued*

1.03 *Establishment of Continuing Non-Statutory Plan*

The provisions of this continuing non-statutory plan, the Universities Academic Pension Plan, come into force on January 1, 2001. The Plan provides for the payment of benefits to Members of the Plan, subject to:

- (1) retaining such registration of the Plan under the provisions of the Income Tax Act and any other applicable tax laws now or hereafter in effect; and
- (2) retaining such registration of the Plan as may be necessary under the Employment Pension Plans Act.

1.04 *Transfer of Assets From Statutory Plan*

In accordance with the recognition of the liabilities of the Statutory Plan with respect to benefits and entitlements accrued to the Continuation Date, the assets of the Statutory Plan will be transferred to the Trust Fund as soon as practically possible on or after the Continuation Date and, together with all future investment income and capital appreciation accumulated from those assets, henceforth form part of the assets of this Plan.

Section 2 — Definitions

The following words and phrases, when used in this Plan, unless the context clearly indicates otherwise, shall have the following meanings:

- 2.01 **Academic Staff Association** means an academic staff association that is a party to the Sponsorship and Trust Agreement, and includes any academic staff association that subsequently becomes a party to the Sponsorship and Trust Agreement.
- 2.02 **Actuarial Equivalent** means a pension of an equivalent value computed on the basis of the actuarial methods and assumptions last adopted by the Board of Trustees on the recommendation of the Actuary for the purposes of the Plan, subject to any requirements of the Employment Pension Plans Act and the Income Tax Act, and any other applicable legislation.
- 2.03 **Actuarial Reserve** means the actuarial present value of benefits payable in the future in respect of a period of eligible service, including the portion of those benefits relating to expected future salary and CPI increases, computed on the basis of the actuarial methods and assumptions determined by the Board of Trustees on the recommendation of the Actuary, subject to any requirements of the Employment Pension Plans Act and the Income Tax Act.
- 2.04 **Actuary** means a person, firm or corporation hired by the Board of Trustees to be an actuarial consultant of the Plan, provided that the designated person (or a member of the staff of the designated firm or corporation) shall be a Fellow of the Canadian Institute of Actuaries.
- 2.05 **Additional Contributions** means contributions required under Section 6.04 to eliminate the Plan's Unfunded Liability in respect of pre-1992 service and includes those contributions recognized under the Statutory Plan as additional contributions.
- 2.06 **Beneficiary** means Spouse or, in the absence of a Spouse, the person or persons last designated by a Member pursuant to Section 12, who may be entitled to death benefits payable pursuant to the Plan, and failing a person being designated or if such person or persons are not alive to receive the death benefits, then, Beneficiary means the estate of the Member, including the personal representatives of the estate in their representative capacity.

Section 2 — Definitions *continued*

- 2.07 ***Benefit*** means all pension and related benefits, including disability, death and termination benefits, among others, as may from time to time be provided to Members, their beneficiaries and dependants or estates as set forth in the Plan.
- 2.08 ***Board of Trustees*** has the same meaning as set forth in the Sponsorship and Trust Agreement.
- 2.09 ***Capped Salary For 1992/1993 Service*** means the Member's Salary, provided that for the purpose of calculating a Member's Highest Average Capped Salary For 1992/1993 Service, Salary shall be limited as is necessary to ensure that the benefit accrued in respect of that period of Pensionable Service does not exceed the defined benefit limit fixed by the tax rules. In particular:
- (1) with respect to any Plan Year before 1992 that is included in period used to determine the Member's Highest Average Capped Salary For 1992/1993 Service, the Capped Salary For 1992/1993 Service shall not exceed \$86,111.11; and
 - (2) with respect to any Plan Year after 1991 that is included in the period used to determine the Member's Highest Average Capped Salary For 92/93 Service, the Capped Salary For 1992/1993 Service shall not exceed 50 multiplied by 1/9 of the greater of \$15,500 or the amount defined as the money purchase limit in the Income Tax Act.
- 2.10 ***Capped Salary For Post 1993 Service*** means the Member's Salary, provided that for calculating a Member's Highest Average Capped Salary For Post 1993 Service or for determining certain contributions in accordance with Section 6, Salary shall be limited as is necessary to ensure that the benefit accrued in respect of that period of Pensionable Service does not exceed the defined benefit limit fixed by the tax rules. In particular:
- (1) with respect to any Plan Year before 1992 that is included in the period used to determine the Member's Highest Average Capped Salary For Post 1993 Service, the Capped Salary For Post 1993 Service shall not exceed \$86,111.11 plus 30% of the YMPE for the 1992 Plan Year; and

Section 2 — Definitions *continued*

- (2) with respect to any Plan Year after 1991 that is included in the period used to determine the Member's Highest Average Capped Salary For Post 1993 Service or in respect of which certain contributions are required under Section 6, the Capped Salary For Post 1993 Service shall not exceed the sum of (a) and (b), where
 - (a) is 50 multiplied by 1/9 of the greater of \$15,500 or the amount defined as the money purchase limit in the Income Tax Act, and
 - (b) is 30% of the YMPE for the Plan Year.

2.11 Combined Pensionable Service means

- (1) Pensionable Service, and
- (2) Pensionable service, if any, under and within the meaning assigned to that phrase in the Related Plan (and whether or not continuously performed) provided that:
 - (a) the person became a Member of this Plan immediately after ceasing to be a participant (within that meaning) of the Related Plan, or immediately became a participant of the Related Plan (within that meaning) after ceasing to be an active Member of this Plan.
 - (b) the person was employed by the same employer immediately before and after that event; and
 - (c) the event described in clause (a) occurred after commencement (within that meaning) of the Statutory Plan.
- (3) Notwithstanding Section 2.11(2), if a Member who is in receipt of a pension is re-employed by a Participating Employer and again participates in the Related Plan, Combined Pensionable Service shall exclude any period of service in the Related Plan accrued after the Member's re-employment date.

Section 2 — Definitions *continued*

- 2.12 ***Combined Pensionable Service in the Related Plan*** means Combined Pensionable Service described in Section 2.11 (2) and Section 2.11 (3).
- 2.13 ***Commuted Value*** means, in relation to benefits that a person has a present or future entitlement to receive, a lump sum amount which is the actuarial present value of those benefits computed using rates of interest, the actuarial tables, and other assumptions as may be determined by the Board of Trustees on the recommendation of the Actuary, subject to the requirements of the Employment Pension Plans Act, the Income Tax Act and the recommendations of the Canadian Institute of Actuaries.
- 2.14 ***Continuation Date*** means January 1, 2001.
- 2.15 ***Continuous Basis*** means, in relation to employment, a basis where no date or event, other than by reference to the attainment of the mandatory retirement age, if any, fixed with reference to employment, has been established for the cessation of employment.
- 2.16 ***Continuous Plan Membership*** means a Member's period of Continuous Service after becoming a Member of the Plan.

If an Inactive Member is employed by a Participating Employer and again participates in the Plan under Section 4.04, that Member shall have the previous period of Continuous Plan Membership joined with the most recent period of Continuous Plan Membership for the purpose of calculating highest average salary, vesting and early retirement eligibility, provided that the Member has received no benefit from the Plan in respect of the previous period of Continuous Plan Membership. In no circumstances shall the resulting period of Continuous Plan Membership include any period during which the Member was not employed by a Participating Employer of the Plan, unless the service was transferred in under a Reciprocal Agreement.

- 2.17 ***Continuous Service*** means an uninterrupted period of employment on a Continuous Basis with a Participating Employer since the last date of hire, except where an actual cessation of employment has occurred. Continuous Service shall

Section 2 — Definitions *continued*

not be deemed to have been broken by a transfer of employment to another Participating Employer, provided that employment with the subsequent Participating Employer immediately follows cessation of employment with the previous Participating Employer.

Continuous Service shall also include eligible service transferred in under a Reciprocal Agreement that is approved by the Board of Trustees and meets the requirements of the Income Tax Act. In addition, Continuous Service shall include any periods of leave or lay-off occurring between the Member's date of membership and termination of employment.

Continuous Service shall include Combined Pensionable Service under Section 2.11 (2), subject to Section 2.11(3).

~~2.18 — **Contributing Members** means~~

- ~~(1) — Subject to clause (2), Employees who are Members;~~
- ~~(2) — Notwithstanding clause (1), Contributing Members shall exclude Members who are re-employed under Section 4.04 but not yet eligible to participate in the Plan. Contributing Members shall also exclude Members who are re-employed under Section 4.04(2) who are eligible to again participate in the Plan but who choose to continue to receive a pension with respect to the their previous period of Pensionable Service pursuant to Section 4.04(2)(b).~~
- ~~(3) — Notwithstanding clause (1) and clause (2), Contributing Members shall also exclude Members who no longer are required to contribute under Section 6.02. (Amended as below effective March 28, 2008)~~

2.18 **Contributing Members** means

- (1) Employees who are Members;
- (2) Notwithstanding clause (1), Contributing Members shall exclude Members:

Section 2 — Definitions *continued*

- (a) who are re-employed under Section 4.04 but are not yet eligible to participate in the Plan, or
 - (b) who are re-employed under Section 4.04(2) but who choose to continue to receive a pension from the Plan as provided under Section 4.04(2)(b), or
 - (c) who are no longer required to contribute under Section 6.02.
(Amended effective March 28, 2008)
- 2.19 ***CPI*** means the Consumer Price Index for Alberta as published by Statistics Canada.
- 2.20 ***Credited Interest*** means
- (1) interest on Member contributions compounded annually and calculated:
 - (a) at the end of each Plan Year, on the balance of contributions at the beginning of the Plan Year, at a rate which is the 12 month average of the yields on 5 year personal fixed term deposits as published in the Bank of Canada Review as CANSIM Series B14045, rounded down to the next full one-tenth of one percent (0.10%); plus
 - (b) at the end of each Plan Year, on the balance of contributions made during the Plan Year, at a rate equal to one half of the rate calculated in accordance with clause (a) above prorated for the number of days of the Member's Pensionable Service during the Plan Year over 365; plus
 - (c) on the date that a Member separates from employment with a Participating Employer, on the balance of contributions at the beginning of the Plan Year, and the balance of contributions made during the Plan Year, at the appropriate pro-rata portion of the rate calculated in accordance with clauses (a) and (b) above, for the portion of the Plan Year before the Member separates from employment;

Section 2 — Definitions *continued*

- (2) interest on lump sum payments out of the Trust Fund compounded annually and calculated from the date at which determination is required to the end of the month prior to the month of payment at a rate as follows:
 - (a) if the Member is receiving a refund of contributions with interest, at the rate in accordance with Section 2.20 (1) above, and
 - (b) if the Member is receiving the Commuted Value of the accrued benefit, at the non-indexed rate of interest used for determining the Commuted Value.

- 2.21 ***Current Service Contributions*** means an Employee's contributions under Sections 6.01 and 6.03 and includes those contributions recognized as current service contributions (of and within that meaning) of the Statutory Plan.

- 2.22 ***Custodian*** means any person, firm, corporation, or legal entity as may from time to time be appointed by the Board of Trustees for the purpose of the holding and safekeeping and reporting of all assets and investments whatsoever made by and for the Trust Fund.

- 2.23 ***Disabled or Disability*** means the disability of a Member, provided that a medical doctor licensed in Canada certifies in writing that the Member is physically or mentally impaired to the extent that the Member is prevented from performing the duties of the employment in which the Member was engaged before the commencement of the impairment.

- 2.24 ***Disability Plan*** means a long term disability income continuance plan or program that satisfies the following criteria:
 - (1) all Members employed by a Participating Employer in a group approved by the Board of Trustees in relation to the Participating Employer, except for those ineligible for coverage by reason of not meeting the medical requirements, must be covered by the disability plan;
 - (2) a Member must not be required to apply for a pension as long as the Member qualifies for benefits under the disability plan; and

Section 2 — Definitions *continued*

- (3) the disability plan is filed with the Board of Trustees or consists of compensation for temporary total disability or temporary partial disability referred to in section 51 (7) of the Worker's Compensation Act.
- 2.25 **Early Retirement Date** means, for a Member who has accumulated at least 2 years of Continuous Plan Membership, any day on or after the day the Member attains age 55 and which precedes the Member's Normal Retirement Date.
- 2.26 **Early Retirement Factor** as it applies to Pensionable Service accrued on or after January 1, 1994, means
- (1) 100%, if the sum of the Member's age and Combined Pensionable Service accrued to the Member's Early Retirement Date equals 80 or more, or the Member has attained at least age 60; or
- (2) if clause (1) does not apply, 100% reduced by 0.25% for each month, including completed months and fractions thereof, by which the Member's Early Retirement Date precedes the Member's Unreduced Retirement Date.
- 2.27 **Educational Leave** means a period during which a Member is, with the authority of the Member's Participating Employer, on leave from the regular duties of the Member's employment, carrying out a program of research or study approved by the Participating Employer for the purposes of this clause and is either receiving remuneration that is less than regular Salary or is not receiving any remuneration, provided that, to the extent that the period occurs after 1991, it is an eligible period of reduced pay or an eligible period of temporary absence within the meanings assigned to those expressions under the Income Tax Act.
- 2.28 **Employee** means a person employed by a Participating Employer but does not include a person to whom the Teacher's Retirement Fund Act applies.
- (1) For the purposes of the Plan, an Employee who commences to receive benefits under a Disability Plan remains, while receiving those benefits, an Employee of the Participating Employer who was employing the person immediately before that time;

Section 2 — Definitions *continued*

- (2) For the purposes of the Plan, an Employee who goes on Leave Without Salary, Leave With Full Salary, Leave With Partial Salary or Educational Leave remains, while on that leave, an Employee of the Participating Employer who authorized that leave; and
- (3) A person who has Pensionable Service that becomes Combined Pensionable Service in the Related Plan on joining the Related Plan nevertheless remains an Employee for the purposes of this Plan as well as being an employee for the purposes of the Related Plan as long as the person remains an employee within the meaning of the Related Plan.

2.29 ***Employment Pension Plans Act*** means the Employment Pension Plans Act, S.A. 1986. c. E-10.05, as amended from time to time, and the regulations made thereunder.

2.30 ***Excess Employee Contributions*** means, with respect to a Member who has completed at least 2 years of Continuous Plan Membership, the amount, if any, by which the sum of all contributions made by a Member to the Plan under the provisions of Section 6, together with Credited Interest thereon, exceeds 50% of the Commuted Value of the Member's accrued pension. For the purpose of calculating the Excess Employee Contributions, the following shall be excluded from the calculation:

- (1) Pensionable Service recognized on an Actuarial Reserve basis, and the contributions made in respect of Pensionable Service recognized on an Actuarial Reserve basis; and
- (2) contributions made in respect of a period of Pensionable Service solely paid by Member contributions, and the period of Pensionable Service relating to such contributions.

~~2.31 ***Final Average YMPE*** means the average of the YMPE's during the same period used to determine the Member's Highest Average Capped Salary For Post 1993 Service. For the purposes of this Section 2.31, where there are 2 or more periods or combinations of periods producing the same Highest Average Capped Salary For~~

Section 2 — Definitions *continued*

~~Post 1993 Service, the YMPE's are to be averaged over the period or periods that produce the highest possible pension.~~ (Amended as below effective March 28, 2008)

- 2.31 ***Final Average YMPE*** means the average of the YMPE's during the same period that is used to determine the Member's Highest Average Capped Salary For Post 1993 Service. For the purposes of this Section 2.31, where there are 2 or more periods or combinations of periods producing the same Highest Average Capped Salary For Post 1993 Service, the YMPE's are to be averaged over the period or periods that produce the highest possible pension. (Amended effective March 28, 2008)
- 2.32 ***Financing Rate*** means, in relation to interest, the rate that is equal to the nominal interest rate per annum, compounded annually, used in the calculation of Actuarial Reserve amounts.
- 2.33 ***Fiscal Year*** means, in relation to the fiscal year of the Plan, the calendar year.
- 2.34 ***Full-Time Basis*** means, in relation to an employment, a basis that the Participating Employer treats as being full-time having regard to the type of employment in question.
- 2.35 ***Funding Excess*** means, at any particular point in time, the excess of Plan assets over Plan liabilities, as determined by the Actuary. The assets and liabilities shall be as contained in the most recent going concern valuation report with respect to the determination of Funding Excess on a going concern basis or the Plan solvency valuation report with respect to the determination of Funding Excess on a wind-up basis, filed with and approved by the appropriate regulatory authorities.
- 2.36 ***Highest Average Salary*** means the average of the Member's annual Salary during the 5 consecutive years of service which produce the highest average.

For the purpose of this Section 2.36:

- (1) consecutive years of service means consecutive years of Pensionable Service and Combined Pensionable Service in the Related Plan, and any

Section 2 — Definitions *continued*

further service that would be pensionable but only for its exceeding the 35 year aggregate limit referred to in Section 5.03;

- (2) if the Member has not accumulated 5 consecutive years during which Current Service Contributions have been made, determined at the time the Member ceases employment, then in respect of Pensionable Service that has been transferred into the Plan under a Reciprocal Agreement or periods of leave that have been purchased under Section 6.07, Salary shall include the remuneration on which contributions were paid to establish that service as Pensionable Service;
- (3) if the Member has not accumulated 5 consecutive years during which Current Service Contributions have been made, determined at the time the Member ceases employment, then in respect of Prior Service, Salary shall include the remuneration on which the contributions were paid to establish that service as Pensionable Service under the Prior Plan or the remuneration implicit in the salary basis used in determining the Actuarial Reserve, excluding salary growth assumptions, paid to establish the service as Pensionable Service;
- (4) consecutive years of service means the number of complete years and any fraction of a remaining year of service described in Sections 2.36(1) through (3);
- (5) the Highest Average Salary of a Member who has completed less than 5 years of Combined Pensionable Service shall be the average of the Member's annualized Salary during the Member's actual period of Combined Pensionable Service; and
- (6) subject to clause (1), for the purpose of determining the Member's Highest Average Salary, periods which have not been established as Combined Pensionable Service shall not be counted in the determination, and service before and after such excluded periods shall be considered consecutive.

Section 2 — Definitions *continued*

2.37 ***Highest Average Capped Salary For 1992/1993 Service*** means the average of the Member's Capped Salary For 1992/1993 Service during the 5 consecutive years of service which produce the highest average.

For the purpose of this Section 2.37:

- (1) consecutive years of service means consecutive years of Pensionable Service and Combined Pensionable Service in the Related Plan, and any further service that would be pensionable but only for its exceeding the 35 year aggregate limit referred to in Section 5.03;
- (2) if the Member has not accumulated 5 consecutive years during which Current Service Contributions have been made, determined at the time the Member ceases employment, then in respect of Pensionable Service that has been transferred into the Plan under a Reciprocal Agreement or periods of leave that have been purchased under Section 6.07, Salary shall include the remuneration on which contributions were paid to establish that service as Pensionable Service, capped in accordance with Section 2.09;
- (3) if the Member has not accumulated 5 consecutive years during which Current Service Contributions have been made, determined at the time the Member ceases employment, then in respect of Prior Service, Salary shall include remuneration on which the contributions were paid to establish that service as Pensionable Service under the Statutory Plan or the remuneration implicit in the salary basis used in determining the Actuarial Reserve, excluding salary growth assumptions, paid to establish the service as Pensionable Service. Any such remuneration shall be capped in accordance with Section 2.09;
- (4) consecutive years of service means the number of complete years and any fraction of a remaining year of service described in Sections 2.37(1) through (3);
- (5) the Highest Average Capped Salary For 1992/1993 Service of a Member who has completed less than 5 years of Combined Pensionable Service shall

Section 2 — Definitions *continued*

be the average of the Member's Capped Salary For 1992/1993 Service during the Member's actual period of Combined Pensionable Service; and

- (6) subject to clause (1), for the purpose of determining the Member's Highest Average Capped Salary For 1992/1993 Service, periods which have not been established as Combined Pensionable Service shall not be counted in the determination, and service before and after such excluded periods shall be considered consecutive.

2.38 ***Highest Average Capped Salary For Post 1993 Service*** means the average of the Member's Capped Salary for Post 1993 Service during the 5 consecutive years of service which produce the highest average.

For the purpose of this Section:

- (1) consecutive years of service means consecutive years of Pensionable Service and Combined Pensionable Service in the Related Plan, and any further service that would be pensionable but only for its exceeding the 35 year aggregate limit referred to in Section 5.03;
- (2) if the Member has not accumulated 5 consecutive years during which Current Service Contributions have been made, determined at the time the Member ceases employment, then in respect of Pensionable Service that has been transferred into the Plan under a Reciprocal Agreement or periods of leave that have been purchased under Section 6.07, Salary shall include the remuneration on which contributions were paid to establish that service as Pensionable Service, capped in accordance with Section 2.10;
- (3) if the Member has not accumulated 5 consecutive years during which Current Service Contributions have been made, determined at the time the Member ceases employment, then in respect of Prior Service, Salary shall include the remuneration on which the contributions were paid to establish that service as Pensionable Service under the Statutory Plan or the remuneration implicit in the salary basis used in determining the Actuarial Reserve, excluding salary growth assumptions, paid to establish the service

Section 2 — Definitions *continued*

- as Pensionable Service. Any such remuneration shall be capped in accordance with Section 2.10;
- (4) consecutive years of service means the number of complete years and any fraction of a remaining year of service described in Sections 2.38(1) through (3);
- (5) the Highest Average Capped Salary For Post 1993 Service of a Member who has completed less than 5 years of Combined Pensionable Service shall be the average of the Member's Capped Salary For Post 1993 Service during the Member's actual period of Combined Pensionable Service; and
- (6) subject to clause (1), for the purpose of determining the Member's Highest Average Capped Salary For Post 1993 Service, periods which have not been established as Combined Pensionable Service shall not be counted in the determination, and service before and after such excluded periods shall be considered consecutive.
- 2.39 ***Inactive Member*** means a Member who has retired or otherwise terminated employment with the Participating Employer but who continues to have a right or contingent right to Benefits under the Plan.
- 2.40 ***Income Tax Act*** means the Income Tax Act, R.S.C. 1985 (5th Supp.) c.1, and the regulations made thereunder, as amended from time to time, and includes any subsequent legislation (whether federal or provincial) which taxes or regulates pension plans for tax purposes.
- 2.41 ***Interest*** is determined, in relation to the charging of interest after the Continuation Date where not otherwise expressly provided for in this Plan, at a rate which is the 12 month average of the yields on 5 year personal fixed term deposits as published in the Bank of Canada Review as CANSIM Series B14045, rounded down to the next full one-tenth of one percent (0.10%).
- 2.42 ***Investment Agreement*** means any valid written agreement in force between the Board of Trustees and the Investment Counsel that defines the reciprocal rights and

Section 2 — Definitions *continued*

duties of the parties with respect to the investment and management of the assets of the Trust Fund.

- 2.43 ***Investment Counsel*** means any duly qualified persons, firms or corporations as may, from time to time, be appointed by the Board of Trustees, to act in the capacity of advisors or managers regarding the investment and management of the assets of the Trust Fund.
- 2.44 ***Late Pension Commencement Date*** means the date that a Member elects to commence a pension pursuant to Section 7 and which is a date beyond the Normal Retirement Date but not later than December 31 of the calendar year in which the Member becomes 69 years old.
- 2.45 ***Leave of Absence With Full Salary*** means a period during which a Member is, with the authority of the Member's Participating Employer, on leave from the regular duties of employment and is receiving full remuneration from that Participating Employer.
- 2.46 ***Leave of Absence With Partial Salary*** means a period during which a Member is, with the authority of the Member's Participating Employer, on leave from all or a portion of the regular duties of employment and is receiving remuneration that is less than regular Salary from that Participating Employer, but does not include a period of Educational Leave or a period during which the Member is in receipt of benefits under a Disability Plan or any other period after 1991 that is not an eligible period of reduced pay or eligible period of temporary absence under the Income Tax Act.
- 2.47 ***Leave of Absence Without Salary*** means a period during which a Member is, with the authority of the Member's Participating Employer, on leave from all or a portion of the regular duties of employment and is receiving no remuneration from that Participating Employer and includes leaves without pay under the Statutory Plan, but does not include a period during which the Member is in receipt of benefits under a Disability Plan.

Section 2 — Definitions *continued*

2.48 ***Lethbridge Plan*** means:

- (1) The University of Lethbridge Academic Staff Pension Plan in effect from July 1, 1967 to July 1, 1978, respecting academic staff members of the University of Lethbridge; and
- (2) with respect to academic staff members who transferred from the academic staff of the Lethbridge Community College to the academic staff of the University of Lethbridge on July 1, 1967, the pension plan in effect at the Lethbridge Community College before July 1, 1967.

2.49 ***Matrimonial Property Order*** means a matrimonial property order within the meaning of the Matrimonial Property Act, or a similar order enforceable in Alberta of a court outside Alberta, that affects the payment or distribution of a person's benefits.

2.50 ***Member*** means an Employee who participates in the Plan as a result of being employed by a Participating Employer and who has rights or contingent rights to benefits under the Plan. The term Member includes a former Employee who has retired or otherwise terminated employment with the Participating Employer but who continues to have rights or contingent rights under the Plan. The term Member also includes participants of the Statutory Plan who had a right or contingent right to benefits under the Statutory Plan immediately prior to the Continuation Date, for as long as they continue to have rights or contingent rights to benefits under this Plan.

2.51 ***Nominee*** means any person who is, from time to time, designated by the Plan Member to be eligible for post-retirement survivor benefits subject to the provisions of the Income Tax Act.

~~2.52 ***Normal Retirement Date*** means the date immediately following the Member's 65th birthday, as follows:~~

- ~~(1) June 30th, if the Member's appointment date was later than June 30, 1966,
or~~

Section 2 — Definitions *continued*

~~(2) August 31, if the Member's appointment date was before July 1, 1966.
(Amended as below effective March 28, 2008)~~

2.52 **Normal Retirement Date** means the June 30th immediately following the Member's 65th birthday. (Amended effective March 28, 2008)

~~2.53 **Participating Employer** means:~~

~~(1) An employer which is a party to the Sponsorship and Trust Agreement, including any employer which subsequently becomes a party to the Sponsorship and Trust Agreement; and~~

~~(2) The Board of Trustees. (Amended as below effective July 1, 2006)~~

2.53 **Participating Employer** means:

(1) An employer which is a party to the Sponsorship and Trust Agreement, including any employer which subsequently becomes a party to the Sponsorship and Trust Agreement;

(2) The Board of Trustees; and

(3) Academic Staff Associations which have made a declaration under Appendix A7. (Amended effective July 1, 2006)

2.54 **Part-Time Basis** means, in relation to an employment, any basis which is not a Full-Time Basis.

2.55 **Pensionable Service** means the sum of pensionable service recognized under the Statutory Plan at the Continuation Date, and eligible service recognized by the Plan in accordance with Section 5 in respect of which contributions have been made under Section 6.

~~2.56 **Pension Commencement Date** means the date that the Member elects to commence pension payments, as determined in accordance with the provisions of Section 7. (Amended as below effective March 28, 2008)~~

Section 2 — Definitions *continued*

- 2.56 ***Pension Commencement Date*** means the date on which the Member commences a pension in accordance with the provisions of Section 7. (Amended effective March 28, 2008)
- 2.57 ***Plan*** means the continuing non-statutory Universities Academic Pension Plan as set forth herein, as amended from time to time.
- 2.58 ***Plan Sponsors*** has the same meaning as attributed to the term “Sponsor” in the Sponsorship and Trust Agreement.
- 2.59 ***Plan Year*** means each 12 month period ending December 31.
- 2.60 ***Prior Service*** means service that was prior service under the Statutory Plan or any service for which contributions are made pursuant to Section 6.081.
- 2.61 ***Public Sector Pension Plans Act*** means the Public Sector Pension Plans Act, S.A. 1993, c. P-30.7 and all amendments thereto.
- 2.62 ***Reciprocal Agreement*** means a reciprocal or any other agreement entered into under the conditions of the Statutory Plan or pursuant to Section 14.
- 2.63 ***Related Plan*** means the Public Service Pension Plan, as governed by the Public Sector Pension Plans Act, including the plan rules embodied in Regulation 365/93.
- 2.64 ***Retirement System*** means the Retirement System of the University of Alberta in effect at the University of Alberta before the adoption of the University of Alberta Plan on August 1, 1964.
- 2.65 ***Salary*** means:
- (1) Subject to the remainder of this Section 2.65, an Employee’s gross basic pay for the performance of the regular duties of employment, excluding any expense allowance, overtime payment, special remuneration, or other similar compensation;
 - (2) In the case of an Employee who is receiving remuneration that is other than full remuneration, including benefits under a Disability Plan or no

Section 2 — Definitions *continued*

remuneration, Salary is deemed to be the rate of Salary the Member was receiving immediately preceding the period of reduced remuneration, adjusted in accordance with any subsequent general adjustments in respect of the period in question that are applicable to the class of employees that the Member was then in. However, deemed Salary shall not exceed the amount of compensation that is prescribed for this purpose under the Income Tax Act.

- (3) It is provided however that, for the purpose of calculating the Highest Average Salary, the Highest Average Capped Salary For 1992/1993 Service, the Highest Average Capped Salary For Post 1993 Service, or the Member's pension adjustment (as defined under the Income Tax Act), during a period the Member was employed on a Part-Time Basis, the Salary of a Member be annualized in accordance with the following formula:

$$\frac{\text{actual annual Salary earned}}{\text{decimalized proportion of Pensionable Service to full length of service performed}}$$

- 2.66 ***Salary Period*** means the length of time, related to a recurring salary payment cycle, for which an Employee normally receives a payment of Salary.
- 2.67 ***Solvency Deficiency*** means a solvency deficiency as defined under the Employment Pension Plans Act.
- 2.68 ***Sponsorship and Trust Agreement*** means the Sponsorship and Trust Agreement to which this Plan is attached as Schedule C, and all amendments thereto.
- 2.69 ***Spouse*** means:
- (1) a person who, at the relevant time, was married to a Member and who had not been living separate and apart from that Member for 3 or more consecutive years;

or

Section 2 — Definitions *continued*

(2) if there is no person to whom Section 2.69(1) applies, a person of either sex who

(a) lived with the Member

(i) for the 3-year period immediately preceding the relevant time, or

~~(ii) for the 2-year period immediately preceding the relevant time if that person and the Member are, together, the natural or adoptive parents of a child under the laws of the Province of Alberta, (Amended as below effective June 12, 2003)~~

(ii) in a relationship of some permanence for the period immediately preceding the relevant time if that person and the Member are, together, the natural or adoptive parents of a child under the laws of the Province of Alberta, (Amended effective June 12, 2003)

and

(b) during that period, lived in a marriage-like relationship with that other person;

or

(3) if there is no person to whom Section 2.69(1) or Section 2.69(2) applies, and, if the Member has not filed with the Board a declaration as prescribed by the Board, a person who was married to but separated from the Member for more than 3 consecutive years.

2.70 **Statutory Plan** means the Universities Academic Pension Plan while governed by the Public Sector Pension Plans Act, including the plan rules embodied in Regulation 370/93.

Section 2 — Definitions *continued*

- 2.71 ***Superintendent*** means the Superintendent of Pensions for the Province of Alberta, appointed pursuant to the Employment Pension Plans Act.
- 2.72 ***Terminated (Terminates)*** used in relation to a person, means that person's ceasing to be an Employee, under any circumstances other than
- (1) death; or
 - (2) where the person becomes an Employee again without experiencing any break whatsoever in Pensionable Service from the cessation; or
 - (3) ceasing to be an Employee as a result of the Participating Employer's withdrawal pursuant to Section 19.
- 2.73 ***Totally Disabled or Total Disability*** means the disability of a Member, provided that a medical doctor licensed in Canada (or where the Member resides) certifies in writing that the Member is suffering from a physical or mental impairment that can reasonably be expected to last for the remainder of the person's lifetime and that prevents the Member from engaging in any gainful occupation.
- 2.74 ***Trust Fund*** has the same meaning attributed to the term "Fund" in the Sponsorship and Trust Agreement.
- 2.75 ***Unfunded Liability*** means, at any particular point in time, the excess of Plan liabilities over Plan assets, as determined by the Actuary. The assets and liabilities shall be as contained in the most recent going concern valuation report with respect to the determination of Unfunded Liability on a going concern basis, filed with and approved by the appropriate regulatory authorities.
- 2.76 ***University of Alberta Plan*** means the Academic Pension Plan of the University of Alberta in effect from August 1, 1964 to July 1, 1978 respecting academic staff members of the University of Alberta, the University of Calgary and The Banff Centre for Continuing Education.
- 2.77 ***Unreduced Retirement Date*** means, at the date of determination, the earlier of:

Section 2 — Definitions *continued*

- (1) the date the Member will attain age 60, and
- (2) the later of age 55 and the date the Member will attain 80 points. For the purpose of this Section 2.77, the Member will attain 80 points at a date, either at the date of determination or in the future, when the Member's Combined Pensionable Service (measured at the date of determination) plus age total 80.

2.78 **YMPE** means the Year's Maximum Pensionable Earnings within the meaning of the Canada Pension Plan (Canada).

2.79 In this Plan, reference to the male gender will include the female gender unless the context requires otherwise, and words importing the singular number shall include the plural and vice versa.

Furthermore, the captions, headings, and table of contents of this Plan are included for convenience of reference only and shall not be used in interpreting the provisions of this Plan.

2.80 To the extent that a term is not defined in this Plan but is defined in the Sponsorship and Trust Agreement, and the definition in the Sponsorship and Trust Agreement applies in the particular context, the definition of the term in the Sponsorship and Trust Agreement shall apply in this Plan document.

2.81 The Board of Trustees shall have the power to interpret the provisions of this Plan and act thereon, as is necessary to operate and administer the Plan and Fund.

Section 3 — Plan Governance

3.01 *Minimum Compliance Funding Levels*

On the recommendation of the Actuary, the Board of Trustees shall establish the aggregate contribution rates for the Plan as a whole in order to comply with the funding requirements of the Employment Pension Plans Act and the funding levels permitted under the Income Tax Act. Such aggregate contribution rates shall recognize:

- (1) the ongoing current service requirements of the Plan;
- (2) the level of Additional Contributions required to eliminate the Plan's Unfunded Liability, if any, for pre 1992 service under the terms of the Statutory Plan;
- (3) the level of special payments required to eliminate the Plan's Unfunded Liability, other than that noted in Section 3.01(2), or Solvency Deficiency, if any, under the terms of the Employment Pension Plans Act;
- (4) if any, the level of Funding Excess which exceeds the maximum amount permitted under the Income Tax Act; and
- (5) any funding and surplus policies established by the Plan Sponsors pursuant to the Sponsorship and Trust Agreement.

3.02 *Allocation of Contributions between Participating Employers and Members*

Each Participating Employer and the Academic Staff Association, if any, at that institution shall establish their own arrangement for sharing Current Service Contributions between the Participating Employer and the Contributing Members. In particular, each Participating Employer and the Academic Staff Association, if any, at that institution shall establish the differential, expressed as a percentage of salary, between Current Service Contributions to be paid by the Participating Employer and Current Service Contributions to be paid by the Contributing Members. In no event shall the amount to be paid by Contributing Members exceed 50% of the total cost of the Plan, as determined by the Plan's Actuary.

Section 3 — Plan Governance *continued*

3.03 *Administrative Policy and Plan Amendments*

- (1) The Board of Trustees shall be responsible for the administration of the Plan, including the adoption of any policies, procedures, rules or regulations as the Board of Trustees deems necessary, and the interpretation of this Plan document and the Sponsorship and Trust Agreement;
- (2) The Board of Trustees shall be responsible for amending the Plan to comply with the provisions of the Employment Pension Plans Act and the Income Tax Act; and
- (3) Plan Sponsors may from time to time effect an amendment to the Plan, provided any such amendments are made in accordance with the provisions of the Sponsorship and Trust Agreement.

Section 4 — Eligibility for Plan Membership

4.01 *Eligibility for Members of the Statutory Plan*

A person who had accrued benefits or entitlements under the terms of the Statutory Plan and whose benefits and entitlements remained an obligation of the Statutory Plan immediately before the Continuation Date shall become a Member of this Plan on the Continuation Date.

4.02 *Eligibility on or after the Continuation Date*

- (1) Employees who are not eligible for membership under Section 4.01 are eligible to join the Plan in accordance with the Participating Employer's written policy as outlined in Appendix A;
- (2) With respect to any Participating Employer policies that permit Employees to join the Plan at the option of the Employee, if the Employee does not join the Plan when first eligible to do so, the Employee shall be granted the option of joining the Plan on any January 1 or July 1 following the date when first eligible.

4.03 *Exceptions to Participation*

Section 4.02 does not apply to an Employee:

- (1) after the end of the calendar year in which the Employee attains the age of 69 years;
- (2) who had attained the age of 69 years prior to eligibility for plan membership under Section 4.02; and
- (3) who is employed by a Participating Employer who has withdrawn from the Plan pursuant to Section 19.

Section 4 — Eligibility for Plan Membership *continued*

4.04 *Re-hired Members*

(1) *Non-Pensioners*

Except as otherwise noted below, if an Inactive Member, other than a person described in Section 4.04(2), is again employed by any Participating Employer, the Inactive Member shall be treated as a new Employee for purposes of the Plan and may participate in the Plan if he or she is eligible in accordance with the provisions of Section 4.02, subject to Section 4.03.

Notwithstanding the above, if an Inactive Member who is subsequently again employed by any Participating Employer and again participates in the Plan has not received a payment from the Plan (other than a return of contributions to effect an administrative correction or adjustment) with respect to the Member's previous period of Pensionable Service, the Member shall have that previous period of Pensionable Service joined with the most recent period of Pensionable Service for the purpose of calculating highest average salary, vesting and early retirement eligibility.

(2) *Pensioners*

If an Inactive Member who has commenced to receive a pension from the Plan is re-employed by a Participating Employer, and if the Member again participates in the Plan in accordance with the provisions of Section 4.02 but subject to Section 4.03, the following shall apply:

- (a) The Member can choose either to continue to receive a pension from the Plan or suspend receiving a pension from the Plan.
- (b) If the Member elects to continue to receive a pension from the Plan, the Member shall not be entitled to make any Current Service Contributions nor accrue any Pensionable Service under the Plan while in receipt of pension.
- (c) If the Member elects to suspend the Member's pension, the Member shall be entitled to accrue Pensionable Service for the Member's

Section 4 — Eligibility for Plan Membership *continued*

current period of re-employment. At the Member's subsequent retirement date, the Member's suspended pension shall be recalculated to reflect the Member's new Early Retirement Factor at the Member's subsequent retirement date, if applicable, pursuant to the requirements of the Employment Pension Plans Act, and any cost of living increases granted during the period of suspension. For the purpose of calculating the Member's new Early Retirement Factor that will apply to the recalculation of the suspended pension, the Member's age shall be deemed to be the Member's age at the initial retirement date, plus the period during which the Member's pension was suspended. At the Member's subsequent retirement date, the Member shall be entitled to receive a pension in respect of the Member's current period of re-employment, as determined under Section 8 of the Plan, and the adjusted suspended pension in relation to the Member's previous period of employment in the Plan.

If the Member had initially coordinated the pension with benefits from the Canada Pension Plan or the Old Age Security program pursuant to Section 9.03(3), the Member's suspended pension shall be re-determined as a level pension without any such coordination on an Actuarial Equivalent basis before recalculating the Member's suspended pension at the subsequent retirement date.

4.05 *Suspension of Membership*

A Member who is eligible to participate in accordance with the eligibility provisions outlined in Appendix A may not terminate or suspend membership in the Plan while an Employee of a Participating Employer.

Section 5 — Determination of Pensionable Service

5.01 *Eligible Service*

For the purpose of determining Pensionable Service in accordance with Section 2.55, eligible service means any period recognized as eligible service under the Income Tax Act, and includes, but is not limited to, any period when the person is or was:

- (1) in receipt of benefits under a Disability Plan;
- (2) on parental leave, as that term is used in the Income Tax Act;
- (3) on Leave Without Salary;
- (4) on Leave With Full Salary or on Leave With Partial Salary; or
- (5) on an Educational Leave.

5.02 *Exceptions to Eligible Service*

Notwithstanding Section 5.01, for the purpose of determining Pensionable Service for which contributions are made other than on an Actuarial Reserve basis, eligible service shall not include:

- (1) any period before 1994 of Leave Without Salary during which Current Service Contributions were not made that was in excess of 2 years;
- (2) any period after 1993 of Leave Without Salary or Leave With Partial Salary or Educational Leave where the sum of (a) and (b):
 - (a) the aggregate of all eligible periods of temporary absence (as that term is used in the Income Tax Act), whether before or after January 1, 1994, and
 - (b) all eligible periods of reduced pay (as that term is used in the Income Tax Act) occurring after 1993;

Section 5 — Determination of Pensionable Service *continued*

exceeds the sum of 5 years and the number of years of parental leave (as that term is used in the Income Tax Act) up to a maximum of 3 years;

- (3) any period in respect of which lifetime retirement benefits may not be provided to a member of a pension plan within the meaning of and pursuant to the Income Tax Act.

5.03 *Computation of Pensionable Service*

Subject to Section 5.04, in computing the length of Pensionable Service, measured in years and fractions thereof, that a Member has accumulated, the following periods of service, not exceeding 35 years when combined with Combined Pensionable Service in a Related Plan in aggregate, are the periods to be taken into account:

- (1) eligible service recognized as Pensionable Service in the Statutory Plan at the Continuation Date of the Plan;
- (2) eligible service with a Participating Employer after the Continuation Date in respect of which contributions under Section 6.01, 6.03, 6.07, and 6.081 have been made by on or behalf of a Member; and
- (3) eligible service where payment has been made for such eligible service, whenever accumulated, on an Actuarial Reserve Basis and the conditions in Sections 6.081 and 6.09 have been met.

5.04 *Exceptions to Pensionable Service*

In computing the length of Pensionable Service that a Member has accumulated, the following periods of service may not be taken into account as Pensionable Service:

- (1) eligible service with respect to which contributions have been returned or paid to a person or contributions or pension entitlements transferred out of the Plan on a person's behalf;

Section 5 — Determination of Pensionable Service *continued*

- (2) eligible service for which a Member was making contributions under Section 6.07, 6.081 or 6.09 where those contributions have not been paid in full within 90 days of Termination. In such case, the Pensionable Service credited to a Member shall be pro-rated in accordance with the method prescribed by the Board of Trustees for the portion of the contributions the Member had made at the date of determination; and
- (3) Pensionable Service that exceeds 1 year in respect of service performed in a calendar year, regardless of the nature and extent of the service so performed.

5.05 *Re-Hired Members*

Subject to any conditions imposed under the Income Tax Act, if an Inactive Member is re-employed by a Participating Employer and again participates in the Plan under Section 4.04, that Member shall have the previous period of Pensionable Service joined with the most recent period of Pensionable Service for the purpose of calculating highest average salary, vesting and early retirement eligibility, provided that the Member has received no benefit from the Plan in respect of the previous period of Pensionable Service. In no circumstances shall the resulting period of Pensionable Service include any period during which the Member was not employed by a Participating Employer of the Plan, unless that period of service was transferred in under a Reciprocal Agreement.

Section 6 — Contributions

6.01 *Current Service Contributions*

- (1) Subject to Sections 6.02, 6.03 and 6.06, each Contributing Member shall contribute through payroll deduction to the Plan until Termination, a percentage of Capped Salary For Post 1993 Service.

For the purposes of implementing this Section 6.01(1), the amount of the contributions for current service based on Capped Salary For Post 1993 Service up to the YMPE shall be determined by reference to the Salary Periods in the year, and for any Salary Period shall be based on the YMPE divided by the number of Salary Periods in the year.

- (2) Subject to Sections 6.02, 6.03 and 6.06, each Participating Employer shall contribute to the Plan, in respect of its Contributing Members, a percentage of Capped Salary For Post 1993 Service for each Contributing Member.

For the purposes of implementing this Section 6.01(2), the amount of the contributions for current service based on Capped Salary For Post 1993 Service up to the YMPE shall be determined by reference to the Salary Periods in the year, and for any Salary Period shall be based on the YMPE divided by the number of Salary Periods in the year.

6.02 *Pensionable Service Greater than 35 Years*

Current Service Contributions in Section 6.01 are not to be made by or in respect of a Member once the Member has completed 35 years of Pensionable Service or Combined Pensionable Service.

6.03 *Provision for Adjusting Current Service Contributions*

- (1) The Current Service Contributions in Section 6.01, expressed as a percentage of Capped Salary For Post 1993 Service, are subject to change from time to time.
- (2) The Board of Trustees shall determine the Current Service Contributions required, in aggregate for the Plan as a whole, based on the

Section 6 — Contributions *continued*

recommendation of the Actuary, both in accordance with the Employment Pension Plans Act and the Income Tax Act, after considering all relevant factors.

- (3) Subject to Section 6.03 (4), any increase or decrease in the Current Service Contributions, expressed as a percentage of Capped Salary For Post 1993 Service, shall at each institution be divided equally between the Participating Employer and the Contributing Members, unless a different sharing arrangement has been agreed to by the Participating Employer and the Academic Staff Association, if any, at that institution, pursuant to the terms of the Sponsorship and Trust Agreement.
- (4) In no event shall the Current Service Contributions made by a Member during any Plan Year exceed the maximum level permitted under the Income Tax Act.

6.04 *Pre 1992 Additional Contributions*

- (1) Under the terms of the Statutory Plan, Employees who were Members, certain Participating Employers and the Government of the Province of Alberta had annually contributed amounts necessary to eliminate the Plan's Unfunded Liability relating to pre 1992 Pensionable Service. These amounts were referred to as Additional Contributions under the terms of the Statutory Plan.
- (2) The conditions of the Statutory Plan and the Public Sector Pension Plans Act with respect to the payment of Additional Contributions shall remain in effect on the Continuation Date if Additional Contributions were still being made to the Statutory Plan immediately prior to the Continuation Date. For greater certainty, under Schedule 3, Section 9 of the Public Sector Pension Plans Act, the Additional Contributions shall be determined as follows:
 - (a) By the Government of Alberta, Additional Contributions at the rate of 1.25% of the Salaries of all Contributing Members of the Plan;

Section 6 — Contributions *continued*

- (b) By the Participating Employers, Additional Contributions, based as between different Participating Employers proportionately on the Salaries of all Contributing Members of a particular Participating Employer, in the aggregate amount of 50% of the total required after considering the Government's share of the Unfunded Liability in clause (a);
 - (c) By the Contributing Members, Additional Contributions, based as between individual Members proportionately on each person's Salary, in the aggregate amount of 50% of the total required after considering the Government's share of the Unfunded Liability in clause (a); and
 - (d) The Government of Alberta's liability to pay Additional Contributions under clause (a) expires on December 31, 2043 or the date the Unfunded Liability for pre-1992 service is eliminated, if earlier.
- (3) Section 6.04(2) will cease to be of effect once this original Unfunded Liability for pre 1992 service is eliminated.
 - (4) If, at any time after the Unfunded Liability referred to in Section 6.04 (2) is eliminated, a new Unfunded Liability re-emerges based on the certification of the Actuary, contributions towards this new Unfunded Liability shall be made in accordance with Section 6.05(2).
 - (5) A Member's Additional Contributions shall include those contributions made as Additional Contributions by the Member to the Statutory Plan, together with Credited Interest thereon.

6.05 *Special Payments*

Subject to Sections 6.04 and 6.06, the Board of Trustees shall determine the contributions to the Trust Fund as are required, based on the certification of the Actuary and the provisions of the Sponsorship and Trust Agreement, to provide for the following in accordance with the Employment Pension Plans Act:

Section 6 — Contributions *continued*

- (1) Current Service Contributions pursuant to Sections 6.01, 6.02 and 6.03;
- (2) the amortization of any Unfunded Liability, other than that referred to in Section 6.04;
- (3) the amortization of any Unfunded Liability under Section 6.04;
- (4) the amortization of any Solvency Deficiency with respect to post-1991 Pensionable Service; and
- (5) subject to the following, the amortization of any Solvency Deficiency with respect to pre-1992 Pensionable Service:
 - (a) The Plan is exempt from making any special payments in respect of a pre-1992 Solvency Deficiency until the later of:
 - (i) The date of an actuarial valuation report prepared pursuant to a review referred to in Section 9(3)(c) of the Employment Pension Plans Regulation which reveals that no Solvency Deficiency exists in relation to pre-1992 Pensionable Service, or
 - (ii) January 1, 2011.
 - (b) Once the exemption referred to in clause (a) expires, should an actuarial valuation performed on or after January 1, 2011 reveal a Solvency Deficiency with respect to pre-1992 Pensionable Service, the Solvency Deficiency for pre-1992 Pensionable Service shall be aggregated with any Solvency Deficiency for post-1991 Pensionable Service and amortized in accordance with the Employment Pension Plans Act.
- (6) If special payments are required under this Section 6.05 to eliminate an Unfunded Liability or Solvency Deficiency, the Board of Trustees shall establish a schedule of special payments in order to eliminate the Unfunded

Section 6 — Contributions *continued*

Liability or Solvency Deficiency, in accordance with the requirements of the Employment Pension Plans Act and the following:

- (a) by the Contributing Members, special payments, based proportionately on each individual's Capped Salary For Post 1993 Service, in the aggregate amount of 50% of the total required;
- (b) by the Participating Employers, special payments, based proportionately on the Capped Salary For Post 1993 Service of all Contributing Members of that particular Participating Employer, in the aggregate amount of 50% of the total required.

6.06 Treatment of Funding Excess

- (1) If an actuarial valuation that is performed for the purpose of determining contribution rates reveals a Funding Excess, the Board of Trustees may, to the extent the Funding Excess is available, use the Funding Excess to prevent any increases in contribution rates that would otherwise be required. The Board of Trustees will, in this actuarial valuation, indicate the extent to which the Funding Excess is allocated to prevent contribution increases, and will identify the extent to which the contribution rates may be further varied by application of any unallocated Funding Excess.
- (2) Subject to the provisions of the Sponsorship and Trust Agreement, after receiving the information from the Board of Trustees and any recommendations thereto with respect to unallocated Funding Excess in clause (1), the Plan Sponsors, may direct that such Funding Excess, or any portion thereof, be used by Members and the Participating Employers to meet their contribution obligations under Section 6.01 or 6.03.
- (3) Where the Funding Excess is to be used to reduce, but not eliminate, the contribution requirements of Section 6.01 or 6.03, then the contributions shall be reduced in accordance with the following:

Section 6 — Contributions *continued*

- (a) by the Contributing Members, based proportionately on each individual's Capped Salary For Post 1993 Service, in the aggregate amount of 50% of the total Funding Excess to be utilized;
 - (b) by the Participating Employers, based proportionately on the Capped Salaries For Post 1993 Service of all Members who are Employees of a particular Employer, in the aggregate amount of 50% of the total Funding Excess to be utilized;
- (4) where the Funding Excess is to be used to eliminate the contribution requirements of Section 6.01 or 6.03, then the Plan Sponsors shall establish the period over which all Participating Employers and Employees shall make no contributions to the plan under Section 6.01 and 6.03;
- (5) Once the Unfunded Liability for pre-1992 Pensionable Service described in Section 6.04(2) is eliminated, any Funding Excess for pre-1992 Pensionable Service may be combined with the Funding Excess for post-1991 Pensionable Service and may be used to meet contribution obligations in accordance with this Section 6.06;
- (6) Should the Funding Excess, measured for the Plan as a whole, exceed the maximum amount permitted under the Income Tax Act, the Board of Trustees shall direct that such portion of the surplus assets as required by the Income Tax Act be used to make the Employee and Participating Employer contribution obligations in the manner described in Sections 6.06(3) and 6.06(4), as applicable.

6.07 Contributions In Respect of Leave Periods

- (1) A Member who is on Leave Without Salary, Leave With Partial Salary or Educational Leave may make contributions pursuant to Sections 6.01, 6.03, 6.04, 6.05 and 6.06 with respect to that leave in order to have that period of leave recognized as Pensionable Service.
 - (1.1) Notwithstanding subsections (1) and (3), where a Member, during a period of leave, receives 80% or more of the Member's Salary, the Member and the

Section 6 — Contributions *continued*

Member's employer shall make contributions pursuant to Sections 6.01, 6.03, 6.04, 6.05 and 6.06 as if the Member had not been on leave and was in receipt of full Salary. (Added effective July 1, 2005)

Transitional Clause

- (1.2) Subsection (1.1) does not apply in cases of Members who were on leave on July 1, 2005 and who, prior to commencing the leave, had arranged with their employer not to make contributions to the Plan during the period of leave. (Added effective July 1, 2005)
- (2) A Member who was on Leave Without Salary, Leave With Partial Salary or Educational Leave and who did not make contributions in accordance with Section 6.07(1) may elect to have that service taken into account as Pensionable Service, and if he or she wishes to do so, must make contributions in respect of that period in accordance with Section 6.07(1), together with Credited Interest. If the Member does not make an election to do so in the form and manner prescribed by the Board of Trustees before May 1 of the calendar year following the year in which the leave period terminated, any subsequent elections to make such contributions must be made in accordance with Section 6.081 and will result in a past service pension adjustment, as specified by the Income Tax Act.
 - (2.1) If a Member, as provided in subsection (2), elects to make contributions in respect of a period of leave before May 1 of the calendar year following the year in which the leave ends, the Member shall pay the required amount in full as per the terms and conditions described in the notice advising the Member of the amount. (Added effective July 1, 2005)
- (3) For a Leave Without Salary or a Leave With Partial Salary, the Member may be required to make the Participating Employer's share of the contributions in Section 6.07(1) or (2) as is relevant. For a Leave Without Salary, the Member is responsible for the entire employer contribution. For a Leave With Partial Salary, the Member is responsible for the employer contributions which related to the unsalaried portion of the Leave With

Section 6 — Contributions *continued*

Partial Salary, unless the Participating Employer's established policy on the matter makes the Participating Employer liable for contributions on that unsalaried portion.

- ~~(4) — If the Member does not return to employment at the end of the leave period or returns to employment but then terminates employment before May 1 of the year following the termination of the leave, the Member may apply to the Board of Trustees within 30 days of Termination to have the leave period recognized as Pensionable Service. The Member must then pay the entire required payment of this Section 6.07, with Interest, within 90 days of being requested to do so by the Board of Trustees. (Repealed effective July 1, 2005)~~
- ~~(5) — Other than as noted in Section 6.07(4), if the required payment under this Section 6.07 exceeds \$500, the person may choose to make the payments by instalment pursuant to Section 6.10, together with interest at the Financing Rate. If the Member does not so choose, or the amount is less than \$500, the whole of the required payment, including Interest, must be made before May 1 of the year following the termination of the leave. (Repealed effective July 1, 2005)~~
- (6) Where a Participating Employer notifies the Board of Trustees that the terms and conditions of a Leave Without Salary, a Leave With Partial Salary or Educational Leave have not been met, the Member's contributions shall be returned, with Interest or that person shall not be allowed to make the contributions, as the case may be, in respect of the leave.
- (7) Contributions made under similar provisions of the Statutory Plan with respect to a Leave Without Salary, a Leave With Partial Salary or a Educational Leave shall be treated as being made under the provisions of this Section 6.07, as applicable, for the purpose of determining benefit entitlements under the Plan.

Section 6 — Contributions *continued*

6.08 — ~~Prior Service Contributions~~

- ~~(1) — Notwithstanding anything in this Plan, a person who immediately before the Continuation Date was participating in the Statutory Plan and had previously made arrangements for payment with respect to prior service under and within the meaning of the Statutory Plan is to continue to make payments under those arrangements under the same terms and conditions, including the rate of interest provided for in the Statutory Plan, until the payment is made in full. In such case, the Participating Employer is to continue to take payroll deductions for those contributions in respect of that service, as if the Statutory Plan had still been in force. (Repealed effective July 1, 2005)~~
- ~~(2) — If a person to whom clause (1) applies ceases to make the required payment under the arrangements referred to in that clause, the Pensionable Service credited to a Member shall be pro-rated in accordance with the method prescribed by Board of Trustees for the portion of the contributions the Member had made at the point the payments ceased. Thereafter the person is entitled to purchase the remainder of the service not credited only pursuant to Section 6.08(3). (Repealed effective July 1, 2005)~~
- ~~(3) — With respect to any period of eligible service which is not yet recognized as Pensionable Service under the Plan, the Member may elect to have that period of service recognized as Pensionable Service. In order to do so, the Member must make application to the Board of Trustees in the manner and form prescribed by the Board of Trustees, and must make a payment equal to the Actuarial Reserve for that period of service.
 - ~~(a) — If the required amount is more than \$500, the person may choose to make the payments by instalment pursuant to Section 6.10, together with interest at the Financing Rate. (Repealed effective July 1, 2005)~~
 - ~~(b) — If the Member does not so choose, or the amount is less than \$500, the whole of the required payment, including Interest, must be made~~~~

Section 6 — Contributions *continued*

~~within 90 days of the date of notice advising the person of the required amount. (Repealed effective July 1, 2005)~~

- ~~(4) Contributions made under similar provisions of the Statutory Plan with respect to Prior Service shall be treated as being made under the provisions of this Section 6.08, as applicable, for the purpose of determining benefit entitlements under the Plan. (Repealed effective July 1, 2005)~~
- ~~(5) A Member who is liable to make payments under Section 6.08 and who becomes a participant of the Related Plan nevertheless continues to be liable and entitled to continue to make payments under this Section 6.08. (Repealed effective July 1, 2005)~~

6.081 Prior Service Purchase

- (1) A Member who immediately before July 1, 2005 had made arrangements for payments with respect to a period of eligible service or leave of absence under the Plan can continue to make payments under those arrangements until the payment is made in full. (Added effective July 1, 2005)
- (2) If a Member to whom subsection (1) applies ceases to make payments under the arrangements referred to in that subsection, the Pensionable Service credited to a Member shall be prorated based on the payments the Member had made at the time the payments ceased. (Added effective July 1, 2005)
- (3) With respect to any period of eligible service that is not yet recognized as Pensionable Service under the Plan, a Member may elect to have that period of service recognized as Pensionable Service provided the Member meets the following conditions:
- (a) The Member must apply and supply all necessary information in the manner and the form prescribed by the Board of Trustees and meet the conditions set out in subsection (4) or (5) as applicable for the payment of a sum equal to the Actuarial Reserve plus interest, if any, for the period of service within two years of July 1, 2005 or the date the

Section 6 — Contributions *continued*

Member is employed on a Continuing Basis, whichever is later.

(Added effective July 1, 2005)

- (b) In the case of a Member wishing to establish Pensionable Service for a period of leave of absence that the Member did not purchase before May 1 of the year following the year in which the leave period ended, the two-year timeline stated in clause (a) shall be counted from the day following the day the Member's leave period ends. (Added effective July 1, 2005)
- (4) In cases where the amount required under subsection (3) of this Section or Section 6.07(2) involves a transfer of funds from the Member's registered pension plan or registered retirement savings plan, the Member shall authorize the transfer of funds from the plans as applicable and pay the balance of the amount required with interest within the timelines described in the notice advising the Member of the amount. (Added effective July 1, 2005)
- (5) In cases where the transfer of funds as described in subsection (4) is not involved, the Member shall pay the amount required with interest within the timelines described in the notice advising the Member of the amount. (Added effective July 1, 2005)
- (6) Notwithstanding subsections (4) and (5), a Member who had a period of service with a Participating Employer prior to commencing contributions under the Plan during which the Member did not participate in the Plan may choose to pay the amount required under subsection (3) along with interest at the Financing Rate in respect of that period of service by regular installment payments on terms and conditions set by the Board of Trustees. (Added effective July 1, 2005)
- (7) Notwithstanding subsections (1) through (5) of this Section and Section 6.07(2), a Member is not permitted to purchase a period of eligible service or a period of leave of absence after the Member ceases employment with the Participating Employer. (Added effective July 1, 2005)

Section 6 — Contributions *continued*

Transitional Clause

- (8) Notwithstanding subsections (4) and (5), a person who was a Contributing Member on June 30, 2005 may choose to pay the amount required under subsection (3) along with interest at the Financing Rate by regular installment payments on terms and conditions set by the Board provided the person makes such an arrangement before October 1, 2005. (Added effective July 1, 2005)

6.09 Contributions Pursuant to a Reciprocal Agreement

Notwithstanding anything in this Plan, the contributions required and the Pensionable Service credited pursuant to a Reciprocal Agreement shall be determined by the provisions of Section 14. For the purposes of this Plan, any contributions recognized under the Statutory Plan as Member contributions pursuant to a Reciprocal Agreement, shall be so recognized under the Plan, together with Credited Interest thereon.

~~**6.10 Instalment Payment Provisions**~~

~~Where a Member has made an election under this Section 6 to make contributions by instalment withheld from remuneration or by annual instalments, the provisions of this Section 6.10 shall apply. (Repealed effective July 1, 2005)~~

- ~~(1) In the case of payment by instalments withheld from remuneration, the participant must authorize the withholding and the first payment must be withheld from the Member's remuneration and remitted to the Trust Fund within 90 days of the date of the notice advising of the required amount. The required amount must be paid in full by regular instalments withheld from remuneration in an amount that is not less than \$50 per month and is in any case at least sufficient to ensure full payment, with interest at the Financing Rate, by the earliest of:~~

- ~~(a) the end of the year in which the Member will attain the age of 69 years; (Repealed effective July 1, 2005)~~

Section 6 — Contributions *continued*

- (b) ~~the date when the Member will have 35 years of Combined Pensionable Service, after taking into consideration the Member's Combined Pensionable Service already accumulated, the period of service being acquired, and future Combined Pensionable Service assuming no change in employment, or (Repealed effective July 1, 2005)~~
- (c) ~~10 years. (Repealed effective July 1, 2005)~~
- (2) ~~In the case of payment by annual instalments, the required amount must be paid in full by annual payments each in an amount that is at least equal to \$600 or the amount necessary to fully pay the balance by the date established under Section 6.10(1), with the first instalment being remitted to the Trust Fund within 90 days of the date of the notice advising the person of the required amount and the subsequent annual instalments being payable on or before the anniversary of the due date of the first instalment. (Repealed effective July 1, 2005)~~
- (3) ~~Notwithstanding a person's having entered into arrangements to effect payment under clauses (1) or (2), the Member may thereafter change the basis of instalment payments to that provided for in clause (2) or (1) respectively. (Repealed effective July 1, 2005)~~
- (4) ~~Notwithstanding a person's having entered into arrangements to effect payment under clauses (1) or (2), the Member may at any time prepay the balance of the required amount or any portion of that balance, without penalty. (Repealed effective July 1, 2005)~~
- (5) ~~Notwithstanding any provision of this Section 6.10, where a person Terminates leaving contributions under this instalment option not fully paid, the Member must pay the full balance of the required amount within 90 days after Termination if the Member wishes the remaining service to be taken into account as Pensionable Service. Where the person does not pay the full balance, the Board of Trustees will determine the service for which~~

Section 6 — Contributions *continued*

~~the Member has paid and credit that service as Pensionable Service for the purpose of Section 5.03. (Repealed effective July 1, 2005)~~

- ~~(6) — A person who is liable to make payments under Section 6.10 and who becomes a participant of the Related Plan nevertheless continues to be liable and entitled to make payments under Section 6.10. (Repealed effective July 1, 2005)~~
- ~~(7) — Notwithstanding this Section 6.10, a Member who goes on Leave Without Salary or on Leave With Partial Salary or on Educational Leave and has previously undertaken payments under this Section 6.10 may:~~
- ~~(a) — continue to make these payments, or (Repealed effective July 1, 2005)~~
 - ~~(b) — without affecting the Member's liability to make the payments within the time limits that would have applied had the Member not gone on leave, cease to make these payments during the leave. The Member shall recommence making these payments within 90 days after the end of the leave period and make such further payments as the Board of Trustees considers necessary to ensure that the time limits referred to in this Section 6.10 are met. (Repealed effective July 1, 2005)~~

6.11 Remittance of Contributions

All contributions and payments, unless otherwise noted in this Section 6, shall be deposited into the Trust Fund within 15 days following the end of the Salary Period with respect to which the contributions relate.

Section 6 — Contributions *continued*

6.12 *Return of Contribution to Avoid Revocation*

Any contributions made to the Trust Fund may be refunded at any time to the contributing parties where such action is required to avoid revocation of registration of the Plan under the Income Tax Act, subject to the prior written approval of the Superintendent.

6.13 *Interest on Late Contributions*

When contributions under this Section 6 are not remitted into the Trust Fund on or before the dates required under this Section 6, interest may be charged on these late contributions pursuant to the terms of the Sponsorship and Trust Agreement.

Section 7 — Retirement Dates

~~7.01~~ ~~*Normal Retirement Date*~~

~~A Member who retires on the Normal Retirement Date shall commence a pension on the Normal Retirement Date or postpone commencement of the pension under the provisions of Section 7.03. If the Member commences a pension under this Section 7.01, the Pension Commencement Date in this case is the Normal Retirement Date. A Member retiring on or after the Member's Normal Retirement Date shall be entitled to a pension under Section 8.01, regardless of whether or not the Member has accumulated 2 years of Continuous Plan Membership. (Amended as below effective March 28, 2008)~~

7.01 *Normal Retirement Date*

A Member who retires on the Normal Retirement Date shall commence a pension the day after the Normal Retirement Date or postpone commencement of the pension under the provisions of Section 7.03. If the Member commences a pension under this Section 7.01, the Pension Commencement Date is the day after the Normal Retirement Date. A Member retiring on or after the Member's Normal Retirement Date shall be entitled to a pension under Section 8.01, regardless of whether or not the Member has accumulated 2 years of Continuous Plan Membership. (Amended effective March 28, 2008)

7.02 *Early Retirement Date*

A Member whose employment terminates before the Normal Retirement Date may retire on an Early Retirement Date, provided the Member has then attained age 55 and has 2 years of Continuous Plan Membership. The Member may elect a Pension Commencement Date of any day on or after the Member's Early Retirement Date, but before December 31 of the calendar year in which the Member attains age 69.

7.03 *Late Pension Commencement Date*

A Member whose employment terminates after the Normal Retirement Date or who postpones commencement of pension under Section 7.01 shall commence a pension on the Member's Late Pension Commencement Date, which shall be the day following the day of cessation of employment, or if earlier, December 31 of the

Section 7 — Retirement Benefits *continued*

calendar year in which the Member attains age 69. The Pension Commencement Date in this case is the Late Pension Commencement Date.

Section 8 — Retirement Benefits

8.01 *Normal Retirement Pension*

Each Member who retires on the Normal Retirement Date, pursuant to Section 7.01, shall be entitled to receive an annual pension equal to the sum of:

- (1) 2.0% of the Member's Highest Average Salary, multiplied by Pensionable Service prior to January 1, 1992;

PLUS

- (2) 2.0% of the Member's Highest Average Capped Salary For 1992/1993 Service, multiplied by Pensionable Service on or after January 1, 1992 but prior to January 1, 1994;

PLUS

- (3) 1.4% of the lesser of the Member's Highest Average Capped Salary For Post 1993 Service and the Member's Final Average YMPE, multiplied by Pensionable Service on and after January 1, 1994;

PLUS

- (4) 2.0% of the Member's Highest Average Capped Salary For Post 1993 Service in excess of the Member's Final Average YMPE, multiplied by Pensionable Service on and after January 1, 1994;

AND

- (5) Notwithstanding any other provision of this Section 8.01, where a period was recognized as pensionable service for pension benefit purposes under the Retirement System or the Lethbridge Plan and that service is counted as Pensionable Service under this Plan, the pension payable under this Plan shall be reduced, according to the formula and in the amount determined by the Board of Trustees, by the amount of any pension benefits payable under the Retirement System or the Lethbridge Plan.

Section 8 — Retirement Benefits *continued*

8.02 *Early Retirement Pension*

A Member who retires on an Early Retirement Date, pursuant to Section 7.02, shall be entitled to receive an annual pension accrued to the Early Retirement Date, on the basis of the Salary, Pensionable Service and YMPE to the Member's Early Retirement Date, as follows:

(1) the annual pension calculated in accordance with Section 8.01(1);

PLUS

(2) the annual pension calculated in accordance with Section 8.01(2);

PLUS

(3) the annual pension calculated in accordance with Section 8.01(3), multiplied by the Member's Early Retirement Factor;

PLUS

(4) the annual pension calculated in accordance with Section 8.01(4), multiplied by the Member's Early Retirement Factor;

PLUS

(5) a bridge pension of 0.6% of the lesser of the Member's Highest Average Capped Salary For Post 1993 Service and the Member's Final Average YMPE, multiplied by Pensionable Service on and after January 1, 1994, and further multiplied by the Member's Early Retirement Factor. The bridge pension, including any cost-of-living increases granted on that bridge pension pursuant to Section 8.04, shall cease:

(a) on the first day of the month following the date when the Member attains age 65 years, or

(b) if the Member died before attaining that age, on the first day of the month following the date when the Member would have attained age 65 had he or she continued to live;

AND

(6) Section 8.01(5) applies.

Section 8 — Retirement Benefits *continued*

8.03 *Pension on Late Pension Commencement Date*

Each Member who commences a pension on a Late Pension Commencement Date pursuant to Section 7.03 shall be entitled to receive an annual pension equal to the normal retirement pension accrued to the Member's Late Pension Commencement Date pursuant to Section 8.01, based on Salary, Pensionable Service, and YMPE up to the Late Pension Commencement Date.

8.04 *Cost of Living Increases*

On January 1st of each year, pension benefits payable in accordance with the provisions of the Plan are increased for cost of living increases, as follows:

- (1) The increase applies to:
 - (a) pensions in payment;
 - (b) pensions delayed in accordance with the provisions of Section 8.06; and
 - (c) deferred pensions determined in accordance with the provisions of Section 10.01.
- (2) The increase is equal to 60% of the average of the increases in the CPI in the 12 month period ending on October 31st of the previous year.
- (3) The amount of first increase a Member receives shall be prorated for the number of complete months in the year from the date that the employment ceased to December 31st of that year.
- (4) The cost of living increase does not apply to increases in pension resulting from the application of Section 9.03(3)(a).
- (5) If the result in clause (2) is negative, no cost of living adjustment shall be applied.

Section 8 — Retirement Benefits *continued*

The Plan Sponsors may establish a higher rate of increase, subject to the maximum levels permitted under the Income Tax Act.

8.05 ***Maximum Pension Benefits***

(1) **Maximum Lifetime Benefit**

Notwithstanding any other provision of this Plan to the contrary and excluding benefits payable as a result of any Actuarial Equivalent increase due to deferral of pension commencement pursuant to Section 8.06 or benefits payable in respect of a Member's Excess Employee Contributions, the annual lifetime pension with respect to Pensionable Service accrued after December 31, 1991 payable to a Member under this Plan and any portion of post-1991 pension payable to a Member's Spouse or former Spouse pursuant to Section 18.14, as the case may be, determined at the time of Pension Commencement, shall not exceed the Member's Pensionable Service on and after January 1, 1992 multiplied by the lesser of:

- (a) 2% of the highest average of the Member's indexed compensation (as defined in the Income Tax Act) in any 3 non-overlapping periods of 12 consecutive months; and
- (b) \$1,722.22, or such greater amount permitted in the Income Tax Act

and, in respect of Pensionable Service accrued after December 31, 1993, reduced in accordance with the Income Tax Act if the Pension Commencement Date precedes the date that the Member would be eligible for an unreduced pension under the provisions of the Income Tax Act.

(2) **Maximum Cost of Living Increases**

In the case of benefits payable for service after December 31, 1991 in respect of increases in the cost of living since the time at which the Member's benefit under the Plan was determined, the maximum cost of living increase that may be applied to a Member's pension is:

Section 8 — Retirement Benefits *continued*

- (a) the growth in the wage measure (as defined in the Income Tax Act) after the Member's cessation of employment and prior to retirement; and
 - (b) the growth in the consumer price index (as defined in the Income Tax Act) after the Member's retirement.
- (3) **Restrictions on Pre-1990 Service**

If, after June 7, 1990, a Member has entered into an agreement to make prior service contributions in order to have a period of pre January 1, 1990 eligible service recognized under the Plan as Pensionable Service, and the Member does not fulfil the following terms and conditions set out in Regulation 8504(7) of the Income Tax Act:

- (a) at any time before June 8, 1990, the particular period of eligible service to be purchased was pensionable service of the individual under a defined benefit provision of a registered pension plan;
- (b) at the commencement of the calendar year of the eligible service, a period in the preceding year was pensionable service of the individual under a defined benefit provision of a registered pension plan, and the individual did not, by reason of disability or leave of absence, render services in the year of the eligible service;

then the Member's annual lifetime pension under this plan for that same period of pre January 1, 1990 service will be restricted in accordance with Regulation 8504(6). In such case, Section 8.05(1) will apply to the eligible period of pre January 1, 1990 Pensionable Service, with the limit in Section 8.05(1)(b) replaced with \$1,150.00, or such greater amount permitted in the Income Tax Act.

Section 8 — Retirement Benefits *continued*

8.06 *Deferment of Pension Commencement*

- (1) A Member who is entitled to receive a pension under Section 8.01, 8.02, 8.03, or 10.01 may postpone commencement of the pension to any date up to the end of the year in which the Member attains the age of 69 years.
- (2) Whether or not the Member has taken any active steps to effectuate a postponement, the pension commencement becomes postponed when, and only when, it transpires that pension commencement has not occurred at the date when it would have otherwise occurred under Section 8.01, 8.02, 8.03, or 10.01, as is applicable.
- (3) With respect to pre January 1, 1994 service, when a pension whose commencement was postponed under this Section 8.06 past the date the Member attains age 55, it is to be in an amount that is the Actuarial Equivalent of the pension that the Member would have been entitled to receive on the date the Member had attained age 55, or the Member's Termination Date, if later.
- (4) With respect to post December 31, 1993 service, when a pension whose commencement was postponed under this Section 8.06 past the Member's Normal Retirement Date becomes payable, it is to be in an amount that is the Actuarial Equivalent of the pension that the Member would have been entitled to receive on the Member's Normal Retirement Date, or the Member's Termination Date, if later.

8.07 *Excess Employee Contributions*

On Pension Commencement, the Member's Excess Employee Contributions, if any, shall be paid to the Member as a cash refund.

Such payment shall not reduce the benefit entitlement under this Section.

Section 8 — Retirement Benefits *continued*

8.08 *Pension Adjustment*

In no event shall the benefit accrued by a Member in a Plan Year under Section 8.01 result in a pension adjustment (as defined in the Income Tax Act) in excess of the limits for the year prescribed by the Income Tax Act.

8.09 *Statutory Plan*

Notwithstanding any provision of this Plan to the contrary, pension payments already commenced under the terms of the Statutory Plan shall be payable under this Plan in the same form and under the same terms and conditions of the Statutory Plan. Payments made from this Plan shall be in lieu of any payments that would otherwise have been payable under the Statutory Plan.

8.10 *Commutation*

In the event the Member's annual lifetime retirement benefit that would be payable in the normal form under Section 9.02 without any Early Retirement Reduction is less than 4% of the YMPE, or the Commuted Value of the Member's retirement benefit is less than 20% of the YMPE, for the calendar year in which pension commencement occurs, in lieu of receiving a pension benefit from the Plan, the Member shall be entitled, at the Member's option, to transfer the Commuted Value of the Member's accrued pension to a Registered Retirement Savings Plan, or receive the Commuted Value payment as a cash refund.

8.11 *Members Who Terminated Prior to the Continuation Date*

Notwithstanding any provision of this Section 8, the Benefits of Members who Terminated prior to the Continuation Date shall be paid from the Trust Fund but determined under the provisions of the Statutory Plan immediately preceding the Continuation Date, including the entitlement to and level of Benefits, and the manner and form of payment of such Benefits.

Section 9 — Forms of Pension Payment

9.01 *Pension Calculation According to Normal Form*

- (1) The amount of lifetime pension provided under Section 8 is calculated according to the normal form of pension and is payable pursuant to this Section 9.
- (2) A Member's pension shall be paid on a monthly basis in an amount equal to $\frac{1}{12}$ of the annual amount of the pension. The pension is payable on the second last banking day of each month, with the bridge pension, if applicable, ceasing at the date specified in Section 8.02(5). It is provided, however, that if the Member's Pension Commencement Date is not the first day of the month, the initial amount payable in respect of the remaining days of the month is equal to the Member's annual pension multiplied by the number of days remaining in the month divided by 365.
- (3) Provided that the effect is not to extend the term of any guaranteed term pension, where a person in receipt of a pension dies, the pension is payable to the person for the full month in which the death occurs.
- (4) Where a Member who was in receipt of a pension dies, and a reduced amount of pension continues to a survivor for the survivor's lifetime, the reduction of the pension is to be taken as occurring with effect from the beginning of the month following that in which the death occurred.

9.02 *Normal Form of Payment*

- (1) The normal form of pension for Pensionable Service prior to January 1, 1994 is one which is payable for the lifetime of the Member in monthly instalments for the longer period of 180 months or the remaining lifetime of the Member.
- (2) The normal form of pension for Pensionable Service on and after January 1, 1994 is one which is payable for the lifetime of the Member in monthly instalments.

Section 9 — Forms of Pension Payment *continued*

- (a) If the Member does not have a Spouse at Pension Commencement, the pension is payable for the longer period of 120 months or the remaining lifetime of the Member.
- (b) If the Member has a Spouse at Pension Commencement, the pension is payable for the lifetime of the Member. On the Member's death, 2/3 of the amount that would have been payable to the Member had the Member continued to live shall be payable to the Member's surviving Spouse and shall continue to the Spouse for the Spouse's lifetime.
- (c) Notwithstanding anything in this Section 9 to the contrary, the bridge pension in respect of Pensionable Service on and after January 1, 1994 shall cease at the date specified in Section 8.02(5).

9.03 *Optional Forms of Payment*

(1) *Member With a Spouse Where No Waiver is Filed*

Subject to Sections 9.04 and 9.05 a Member who has a Spouse at Pension Commencement where no valid spousal waiver, as prescribed under the Employment Pension Plans Act, has been filed with the Board of Trustees may elect one of the following forms of pension:

(a) *Single Life With 2/3 Spousal*

Subject to Section 9.02(2)(c), the Member may elect to receive a pension that is payable for the lifetime of the Member. On the Member's death, 2/3 of the amount that would have been payable to the Member had the Member continued to live shall be payable to the Member's surviving Spouse and shall continue to the Spouse for the Spouse's lifetime.

(b) *Single Life With 2/3 Spousal And 10 Year Guarantee*

Subject to Section 9.02(2)(c), the Member may elect to receive a pension which is payable for the lifetime of the Member. On the

Section 9 — Forms of Pension Payment *continued*

Member's death, 2/3 of the amount that would have been payable to the Member had the Member continued to live shall be payable to the Member's surviving Spouse and shall continue to the Spouse for the Spouse's lifetime. Nonetheless, in the event both the Member and Spouse die within 120 months of the Pension Commencement Date, the amount of pension that was payable to the survivor immediately before the survivor's death shall be paid to the survivor's Beneficiary for the remainder of the 120 month period.

(c) ***Joint Life 100%***

Subject to Section 9.02(2)(c), the Member may elect to receive a pension which is payable for the lifetime of the Member. On the Member's death, 100% of the amount that would have been payable to the Member had the Member continued to live shall be payable to the Member's surviving Spouse and shall continue to the Spouse for the Spouse's lifetime.

(d) ***Joint Life 100% With 10 Year Guarantee***

Subject to Section 9.02(2)(c), the Member may elect to receive a pension which is payable for the lifetime of the Member. On the Member's death, 100% of the amount that would have been payable to the Member had the Member continued to live shall be payable to the Member's surviving Spouse and shall continue to the Spouse for the Spouse's lifetime. Nonetheless, in the event both the Member and Spouse die within 120 months of the Pension Commencement Date, the amount of pension that was payable to the survivor immediately before the survivor's death shall be paid to the survivor's Beneficiary for the remainder of the 120 month period.

The Member must make the same pension choice with respect to Pensionable Service before January 1, 1994 as the choice made with respect to Pensionable Service on and after January 1, 1994. The amount of optional pension chosen with respect to Pensionable Service before January 1, 1994 shall be determined as the Actuarial Equivalent of the pension in the normal form under Section 9.02(1). The amount of optional

Section 9 — Forms of Pension Payment *continued*

pension chosen with respect to Pensionable Service on and after January 1, 1994 shall be determined as the Actuarial Equivalent of the pension in the normal form under Section 9.02(2)(b).

(2) ***Member With a Spouse Where Waiver is Filed or Member Without A Spouse***

Subject to Sections 9.04 and 9.05, a Member who has a Spouse at Pension Commencement where a valid spousal waiver, as prescribed under the Employment Pension Plans Act, has been filed with the Board of Trustees not more than 90 days prior to Pension Commencement or a Member who does not have a Spouse, may elect one of the following forms of pension:

(a) ~~***Joint Life 100%***~~

~~Provided the Member has designated a Nominee pursuant to Section 2.51, the pension option described under Section 9.03(1)(c) applies. In this case, Section 9.03(1)(c) is to be interpreted as a joint pension with the Member's Nominee. (Repealed effective October 1, 2005)~~

(b) ~~***Joint Life 100% With 10 Year Guarantee***~~

~~Provided the Member has designated a Nominee pursuant to Section 2.51, the pension option described under Section 9.03(1)(d) applies. Section 9.03(1)(d) is to be interpreted as a joint pension with the Member's Nominee. (Repealed effective October 1, 2005)~~

(c) ~~***Joint Life Reducing By 1/3***~~

~~Subject to Section 9.02(2)(c), the Member may elect to receive a pension that is payable for the lifetime of the Member. On the death of either the Member or the Member's Spouse or Nominee, as applicable, 2/3 of the amount that would have been payable to the Member had the Member continued to live shall be payable to the survivor and shall continue to the survivor for the survivor's lifetime. (Repealed effective October 1, 2005)~~

Section 9 — Forms of Pension Payment *continued*

(d) ~~***Joint Life Reducing By 1/3 With 10 Year Guarantee***~~

~~Subject to Section 9.02(2)(c), the Member may elect to receive a pension that is payable for the lifetime of the Member. On the death of either the Member or the Member's Spouse or Nominee, as applicable, 2/3 of the amount that would have been payable to the Member had the Member continued to live shall be payable to the survivor and shall continue to the survivor for the survivor's lifetime. Nonetheless, in the event both the Member and Nominee die within 120 months of the Pension Commencement Date, the amount of pension that was payable to the survivor immediately before the survivor's death shall be paid to the survivor's Beneficiary for the remainder of the 120 month period. (Repealed effective October 1, 2005)~~

(e) ***Life Only***

Subject to Section 9.02(2)(c), the Member may elect to receive a pension that is payable for the lifetime of the Member. Nothing further is payable after the Member's death.

(f) ***Guaranteed 5 Years***

Subject to Section 9.02(2)(c), the Member may elect to receive a pension that is payable for the lifetime of the Member with the last payment due in the month in which the death of the Member occurs provided that if the Member dies before 60 payments are made, the remainder of the 60 payments shall be paid to the Member's Beneficiary.

(g) ***Guaranteed 10 Years***

Subject to Section 9.02(2)(c), the Member may elect to receive a pension that is payable for the lifetime of the Member with the last payment due in the month in which the death of the Member occurs provided that if the Member dies before 120 payments are made, the

Section 9 — Forms of Pension Payment *continued*

remainder of the 120 payments shall be paid to the Member's Beneficiary.

(h) ***Guaranteed 15 Years***

Subject to Section 9.02(2)(c), the Member may elect to receive a pension that is payable for the lifetime of the Member with the last payment due in the month in which the death of the Member occurs provided that if the Member dies before 180 payments are made, the remainder of the 180 payments shall be paid to the Member's Beneficiary.

~~(i) — ***Combination Pension***~~

~~Subject to Section 9.02(2)(e), in the case of a Member with a Spouse where a valid spousal waiver has been filed, the Member may elect to receive a pension under clause (e) with respect to Pensionable Service prior to January 1, 1994 and a pension under Section 9.03(1)(a) with respect to Pensionable Service on and after January 1, 1994. (Repealed effective October 1, 2005)~~

~~Apart from option (i) above, The Member must make the same pension choice with respect to Pensionable Service before January 1, 1994 as the choice made with respect to Pensionable Service on and after January 1, 1994. The amount of optional pension chosen with respect to Pensionable Service before January 1, 1994 shall be determined as the Actuarial Equivalent of the pension in the normal form under Section 9.02(1). The amount of optional pension chosen with respect to Pensionable Service on and after January 1, 1994 shall be determined as the Actuarial Equivalent of the pension in the normal form under Section 9.02(2)(a). (Amended effective October 1, 2005)~~

~~(3) — ***Pension Coordinated with Canada Pension and Old Age Security***~~

~~If a valid co-ordination waiver completed by the Spouse is filed where required and provided that the Member's pension payable after age 65 does not fall below the minimum level prescribed under the Employment~~

Section 9 — Forms of Pension Payment *continued*

~~Pension Plans Act, a Member who is under age 65 and who elects a pension under clause (1) or (2), as applicable, may further elect a pension that would be payable in monthly instalments in an amount which is~~

- ~~(a) — In order to coordinate with the Canada Pension Plan retirement pension, the Old Age Security Pension, or both, increased in the period from the Pension Commencement Date to the last day of the month in which the Member becomes 65 years of age, provided that the increase is not more than the maximum amount of increase permitted under the Income Tax Act or other such lesser amount as the Board of Trustees may prescribe; and (Repealed effective October 1, 2005)~~
- ~~(b) — Reduced after the Member becomes age 65 years of age to reflect the Actuarial Equivalent of the increased amount payable before age 65, and where (Repealed effective October 1, 2005)~~
- ~~(c) — Section 8.04 does not apply to the amount of the increase in clause (a); (Repealed effective October 1, 2005)~~
- ~~(d) — Notwithstanding clauses (a) through (c), if the pension before application of this Section 9.03(3) ceases before age 65, payment of the amount of the Actuarial Equivalent of the previously estimated Canada Pension Plan retirement pension or Old Age Security benefit or both ceases at the same time; (Repealed effective October 1, 2005)~~
- ~~(e) — Notwithstanding clauses (a) through (c), the amount of pension increase arising from clause (a) payable to a survivor after the Member's death depends on the Board's written policy, as follows:
 - ~~(i) — if the Board's written policy is to provide the increase under clause (a) only during the lifetime of the Member, then the amount of increase payable pursuant to clause (a) shall cease~~~~

Section 9 — Forms of Pension Payment *continued*

~~upon the earlier of the Member's death or attainment of age 65; (Repealed effective October 1, 2005)~~

~~(ii) — if the Board's written policy is to provide the increase under clause (a) in the same form as the pension elected by the Member prior to the application of Section 9.03, then where a person elects a pension in a form where a percentage continues to the Spouse or Nominee after the Member's death, or where a percentage continues to the survivor after the death of either the Member or Spouse or Nominee, as applicable, the amount of the Canada Pension Plan retirement pension or the Old Age Security benefit or both to be received or recovered are subject to reduction in the same manner as the basic pension. (Repealed effective October 1, 2005)~~

~~(iii) — the amount of the Actuarial Equivalent in clause (b) shall reflect the survivor benefits in clause (i) or (ii), as applicable, in accordance with the Board's written policy. (Repealed effective October 1, 2005)~~

~~(f) — If a person elects a combination form under Section 9.03(2)(i), this Section 9.03(3) shall not apply. (Repealed effective October 1, 2005)~~

~~(4) — *Customized Pension Option*~~

~~If a valid spousal waiver, as prescribed under the Employment Pension Plans Act, is filed where required, the Board of Trustees may approve the payment of any other customized optional form provided that the customized optional form meets the requirements of the Income Tax Act and the Employment Pension Plans Act. In such case, the Board of Trustees may charge the Member for the cost of developing the customized option. Such customized optional form shall be determined as the Actuarial~~

Section 9 — Forms of Pension Payment *continued*

~~Equivalent to the normal form pension under Section 9.02.~~ (Repealed effective March 28, 2008)

9.04 *Matrimonial Property Orders*

- (1) If a Matrimonial Property Order that is filed before the Continuation Date restricts the form of pension a Member may elect, Section 9.03 shall not apply to the extent it does not coincide with the Matrimonial Property Order.
- (2) Notwithstanding Section 9.04(1), any filed Matrimonial Property Order must comply with the provisions of the Employment Pension Plans Act in respect of Pensionable Service on and after the Continuation Date.

9.05 *Spouse or Nominee at Pension Commencement*

In order for a Spouse to receive a survivor benefit pursuant to the option elected under Section 9.03, the surviving Spouse must have been the Spouse of the Member at Pension Commencement. Similarly, in order for a Nominee to receive a survivor benefit pursuant to the option elected under Section 9.03, the surviving Nominee must have been the designated Nominee of the Member at Pension Commencement.

9.06 *Additional Benefits*

In the event a Member's Benefit becomes limited by the provisions of Section 8.05(1) as a result of electing an optional form of payment under Section 9.03, the Board of Trustees may provide for the payment of additional ancillary benefits to the Member, including without limitation bridge benefits before age 65 or cost of living increases, as long as:

- (1) together with the Member's Benefit under the Plan, the additional ancillary benefits do not exceed any limits imposed under the Income Tax Act; and
- (2) the Member's Benefit under the Plan after application of Section 8.05(1) and the additional ancillary benefits are determined as the Actuarial

Section 9 — Forms of Pension Payment *continued*

Equivalent of the Member's Benefit under the Plan before the application of Section 8.05(1).

Notwithstanding the above, this Section 9.06 confers no obligation on the Board of Trustees to grant such additional ancillary benefits.

9.07 *Deemed Election*

If a Member fails to make a choice of pension pursuant to this Section 9 within 90 days after the request is sent, the Member is deemed for the purposes of the Plan to have chosen the form of pension in Section 9.03(1)(a) if the Member has a Spouse at Pension Commencement and the form of pension in Section 9.03(2)(g) if the Member does not have a Spouse at Pension Commencement.

9.08 *Advance Against Pension*

Where there is a delay in processing a pension beyond 30 days from the Member's Pension Commencement Date, the Board of Trustees may advance money from the Trust Fund to the pensioner against the pension.

Section 10 — Benefits on Termination of Employment

10.01 *Vested Deferred Pension*

A Member who has accumulated at least 2 years of Continuous Plan Membership at the date of termination of employment is entitled to receive on or after the Member's Early Retirement Date, a deferred pension calculated in accordance with Section 8.02 for the Member's accrued Pensionable Service, Highest Average Salary, Highest Average Capped Salary For 1992/1993 Service, Highest Average Capped Salary for Post 1993 Service, and Final Average YMPE at date of termination, plus Excess Employee Contributions.

10.02 *Vested Transfer*

A Member who is entitled to a deferred pension under Section 10.01 and who Terminates prior to age 55 may choose in lieu of the deferred pension, to have an amount equal to the sum of (1), (2), and (3) transferred from the Plan:

- (1) An amount equal to the greater of (a) and (b):
 - (a) an amount equal to the sum of (i) and (ii):
 - (i) contributions with Credited Interest made by the Member for Pensionable Service prior to January 1, 1994, and
 - (ii) contributions with Credited Interest made by a Participating Employer in respect of the Member for Pensionable Service prior to January 1, 1994; or
 - (b) the Commuted Value of the Member's deferred pension calculated in accordance with Section 10.01, plus any Excess Employee Contributions, both in respect of Pensionable Service prior to January 1, 1994;
- (2) An amount equal to the greater of (a) and (b):
 - (a) an amount equal to the sum of (i) and (ii):

Section 10 — Benefits on Termination of Employment *continued*

- (i) 1.75 times the contributions with Credited Interest made by the Member for Pensionable Service on and after January 1, 1994, excluding contributions made on an Actuarial Reserve basis, and excluding contributions in respect of a period of Pensionable Service solely paid by Member contributions, and
 - (ii) contributions with Credited Interest made by a Member in respect of Pensionable Service on and after January 1, 1994 solely paid by Member contributions; or
- (b) the Commuted Value of the Member's deferred pension calculated in accordance with Section 10.01, plus any Excess Employee Contributions, both in respect of Pensionable Service on and after January 1, 1994. In calculating the Commuted Value of the post 1993 deferred pension, Pensionable Service on and after January 1, 1994 recognized on an Actuarial Reserve basis shall be excluded.
- (3) Contributions with Credited Interest made by the Member in respect of Pensionable Service on and after January 1, 1994 that was recognized on an Actuarial Reserve basis.

10.03 *Transfer Options*

- (1) Subject to Sections 10.06 and 10.10, a transfer made under Section 10.02(1) or Section 10.02(3) may be either:
 - (a) paid as a cash refund, less applicable withholding tax; or
 - (b) transferred to the Member's Registered Retirement Savings Plan, as defined in the Income Tax Act; or
 - (c) transferred to another registered pension plan, as defined in the Income Tax Act, if the other registered pension plan accepts the transfer.

Section 10 — Benefits on Termination of Employment *continued*

- (2) Subject to Sections 10.06 and 10.10, the amount of transfer made under Section 10.02(2) which is equal to the Commuted Value of the Member's deferred pension, excluding Excess Employee Contributions, may be either:
 - (a) transferred to the Member's locked-in retirement account, as defined under the Employment Pension Plans Act; or
 - (b) transferred to another registered pension plan, as defined in the Income Tax Act, if the other registered pension plan accepts the transfer.

- (3) Subject to Sections 10.06 and 10.10, the amount of transfer made under Section 10.02(2) which is in excess of the Commuted Value of the Member's deferred pension, including any Excess Employee Contributions payable under Section 10.02, may be either:
 - (a) paid as a cash refund, less applicable withholding tax; or
 - (b) transferred to the Member's Registered Retirement Savings Plan, as defined in the Income Tax Act.

- (4) Notwithstanding the options outlined in subsections (1), (2) and (3), if an Inactive Member who is under age 55 and is entitled to a deferred pension under Section 10.01 becomes a non-resident of Canada for the purposes of the Income Tax Act as determined by the Canada Revenue Agency, then the Inactive Member may be paid the amount of benefits under Section 10.02 as a cash refund, less any applicable withholding taxes. (Added effective June 30, 2007)

10.04 *Benefits Before Vesting*

A Member who has accumulated less than 2 years of Continuous Plan Membership may choose to receive the Member's contributions with Credited Interest as a cash refund or a transfer to the Member's Registered Retirement Savings Plan, as defined in the Income Tax Act.

Section 10 — Benefits on Termination of Employment *continued*

10.05 *Consistency of Benefits*

Notwithstanding the above, if a Member has both pre and post January 1, 1994 Pensionable Service, the Member must either elect a deferred pension under Section 10.01 for all of the Member's Pensionable Service, or a transfer under Section 10.02 for all of the Member's Pensionable Service.

10.06 *Maximum Transfer Amount*

Notwithstanding the above, amounts transferred to a locked-in retirement account or registered retirement savings plan under Section 10.02 and Section 10.03 shall not exceed the maximum amount prescribed under the Income Tax Act, and the excess of the Member's Benefit over such maximum, if any, shall be paid to the Member as a lump sum cash refund.

10.07 *Change of Election*

If at termination the Member was less than 55 years of age, and the Member elected a deferred pension under Section 10.01 or made no election under the Plan, the Member may at any time prior to Pension Commencement elect a transfer of Commuted Value pursuant to Section 10.02 and Section 10.03. The Commuted Value will be recalculated as of the date the Member elects to transfer the value from the Plan, including a recalculation of Excess Employee Contributions, if the period since the original commuted value was calculated exceeds 180 days.

10.08 *Excess Employee Contributions*

- (1) If a Member elects a deferred pension under Section 10.01, the Member's Excess Employee Contributions shall be determined and paid at the Member's Pension Commencement as a cash refund, less applicable withholding tax;
- (2) If a Member elects a transfer or refund under Section 10.02 or 10.03, any Member's Excess Employee Contributions payable under this Section 10 shall be determined at the date of Termination if Section 10.02 applies or at the date the Member elects a transfer if Section 10.07 applies, and, at the

Section 10 — Benefits on Termination of Employment *continued*

option of the Member, paid as a cash refund or transferred to the Member's Registered Retirement Savings Plan, as defined in the Income Tax Act.

10.09 *Subsequent Employment*

Subject to Section 4.04 and any conditions imposed under the Income Tax Act, an Inactive Member who has not transferred any portion of the Inactive Member's entitlement from the Plan under Section 10, and who subsequently again participates in the Plan shall have the previous period of Pensionable Service joined with the most recent period of Pensionable Service for the purpose of calculating highest average salary, vesting and early retirement eligibility. In such case, the Member's options under this Section 10 shall be suspended until the Member again terminates.

10.10 *Locking In Under Reciprocal Agreements*

~~Notwithstanding any other provision of this Section, where any amount that would otherwise be payable to a person or transferable on a non locked in basis represents money that has been received on a locked in basis, that money must nevertheless be transferred from the Plan on a locked in basis. (Amended as below effective March 28, 2008)~~

Notwithstanding any other provision of this Section, where any amount that would otherwise be payable to a person or transferable on a non-locked-in basis represents money that has been received on a locked-in basis, that money must nevertheless be transferred from the Plan on a locked-in basis. (Amended effective March 28, 2008)

10.11 *Advice and Payment of Benefits Under Plan*

Within 90 days of the date of termination, the Board of Trustees will advise the Member of the Member's benefits under the Plan and, if the Member elects to receive a refund or transfer within 60 days of the Board of Trustees having received the Member's election and other required documents, the benefits will be paid or the transfer made, accordingly.

Section 10 — Benefits on Termination of Employment *continued*

10.12 *Failure to Elect*

Subject to Section 10.07, should a Member fail to advise the Board of Trustees of an election under Section 10 within 90 days of receipt of the election form prescribed under the Plan, the Board of Trustees shall provide that the Member's benefit be payable as a deferred pension or hold of contributions on deposit if the Member was not vested.

10.13 *Commutation*

In the event the Member's annual lifetime deferred pension that would be payable in the normal form under Section 9.02 without any Early Retirement Reduction is less than 4% of the YMPE, or the Commuted Value of the Member's deferred pension is less than 20% of the YMPE, for the calendar year in which termination of employment occurs or when the Member subsequently transfers a termination benefit from the Plan, in lieu of receiving a pension benefit from the Plan, the Member shall be entitled to transfer the termination benefit to a registered retirement savings plan, or receive the termination benefit as a cash refund.

10.14 *Members Who Terminated Prior to the Continuation Date*

Notwithstanding any provision of this Section 10, the Benefits of Members who Terminated prior to the Continuation Date shall be paid from the Trust Fund but determined under the provisions of the Statutory Plan immediately preceding the Continuation Date, including the entitlement to and level of Benefits, and the manner and form of payment of such Benefits.

Section 11 — Benefits on Death

11.01 *Provision of Evidence*

No payment pursuant to this Section 11 shall be made until satisfactory evidence of death has been provided to the Board of Trustees.

11.02 *Death Benefits Before Pension Commencement*

~~(1) — Vested Member With No Spouse~~

~~If a Member or Inactive Member who is entitled to a Plan benefit pursuant to Section 10 dies after completing 2 years of Continuous Plan Membership but before the Pension Commencement Date, and if the deceased Member had no Spouse immediately prior to death, then the designated Beneficiary of the deceased Member shall be entitled to receive as a cash refund the benefit under Section 10.02, calculated as if the Member had terminated immediately prior to death. If there exists no designated Beneficiary at the Member's date of death, the cash refund shall be paid to the estate of the Member, where estate includes the personal representatives of the estate in their representative capacity. (Amended as below effective June 30, 2007)~~

(1) **Vested Member With a Spouse Where a Waiver is Filed or a Vested Member Without a Spouse**

If a Member or Inactive Member who is entitled to a Plan benefit pursuant to Section 10 dies after completing 2 years of Continuous Plan Membership but before the Pension Commencement Date, and if the deceased Member either had no spouse immediately prior to death or had a spouse who had filed a pre-retirement spousal waiver of the death benefit as prescribed under the Employment Pension Plans Act, then the designated Beneficiary of the deceased Member shall be entitled to receive as a cash refund the benefit under Section 10.02, calculated as if the Member had terminated immediately prior to death. If there exists no designated Beneficiary at the Member's date of death, the cash refund shall be paid to the estate of the Member, where estate includes the personal representatives of the estate in their representative capacity. (Amended effective June 30, 2007)

Section 11 — Benefits on Death *continued*

~~(2) — **Vested Member With a Spouse**~~

~~If a Member or Inactive Member who is entitled to a Plan benefit pursuant to Section 10 dies after completing 2 years of Continuous Plan Membership but before the Pension Commencement Date, and if the deceased Member had a Spouse immediately prior to death, then the Spouse of the deceased Member shall be entitled to receive either (a), (b), or (c), as follows:
(Amended as below effective June 30, 2007)~~

(2) **Vested Member With a Spouse Where No Waiver is Filed**

If a Member or Inactive Member who is entitled to a Plan benefit pursuant to Section 10 dies after completing 2 years of Continuous Plan Membership but before the Pension Commencement Date, and if the deceased Member had a Spouse immediately prior to death and no pre-retirement spousal waiver of the death benefit as prescribed under the Employment Pension Plans Act has been filed, then the Spouse of the deceased Member shall be entitled to receive either (a), (b), or (c), as follows: (Amended effective June 30, 2007)

- (a) the benefit under Section 10.02, calculated as if the Member had terminated immediately prior to death, with the same transfer options available to the Member had the Member terminated; or
- (b) excess Employee Contributions plus an annual lifetime pension equal to the amount that the Spouse would have received had the Member become Totally Disabled immediately before death, as if the Member had elected the form of pension in Section 9.03(1)(c) with 100% continuing to the Spouse. This pension would be payable in monthly instalments during the Spouse's lifetime with the last payment due in the month in which the death of the Spouse occurs. The pension calculated pursuant to Section 9.03(1)(c) shall be calculated as the Actuarial Equivalent to Section 9.02(1) for Pensionable Service prior to January 1, 1994 and the Actuarial

Section 11 — Benefits on Death *continued*

Equivalent to Section 9.02(2)(a) for Pensionable Service on and after January 1, 1994; or

- (c) excess Employee Contributions plus, in lieu of the pension under clause (b), an optional form of pension that would be payable in monthly instalments during the Spouse's lifetime with the last payment due in the month in which the death of the Spouse occurs, provided that if the Spouse dies before 60, 120, or 180 payments are paid, as elected by the Spouse, the remaining payments shall continue to be paid to the Spouse's Beneficiary. The amount of this optional form pension would be the Actuarial Equivalent of the amount payable under clause (b); or
- (d) if a Spouse of a Member fails to make a choice of pension pursuant to Section 11.02(2) within 90 days after the request is sent, the Spouse is deemed for the purposes of the Plan to have chosen the form of pension in Section 11.02(2)(b). (Added effective July 1, 2005)

(3) **Non-Vested Member**

If a Member or Inactive Member dies before completing 2 years of Continuous Plan Membership, then the designated Beneficiary of the deceased Member shall be entitled to receive the Member's contributions with Credited Interest as a cash refund.

11.03 ***Death After Commencement of Pension Benefits***

- (1) Subject to clause (2) below, if a Member dies after the commencement of pension benefits hereunder, the remaining benefits, if any, shall be paid in accordance with the form of payment elected by the Member under Section 9;
- (2) If a Member dies after the commencement of pension benefits but before a valid election has been made as to the form of pension under Section 9, the Member is deemed for the purposes of the Plan to have chosen the form of

Section 11 — Benefits on Death *continued*

pension in Section 9.03(1)(c) if the Member has a Spouse at Pension Commencement and the form of pension in Section 9.03(2)(g) if the Member does not have a Spouse at Pension Commencement;

- (3) In the event the death benefit to be paid is the remainder of a guaranteed term pension, the recipient of the death benefit, either the Member's Spouse or Beneficiary as the case may be, may elect to receive the Commuted Value of the remaining guaranteed monthly payments in lieu of a monthly pension.

11.04 *Excess Employee Contributions*

Pursuant to Section 11.02 or Section 11.03, any Member's Excess Employee Contributions shall be determined at date of death and paid to the Spouse as a transfer to the Spouse's Registered Retirement Savings Plan, as defined in the Income Tax Act and provided the Spouse has not elected a pension from the Plan, or as a lump sum cash refund. If the Member has no surviving Spouse, the Member's Beneficiary shall receive the Excess Employee Contributions as a lump sum cash refund.

11.05 *Consistency of Spouses Election*

If the Spouse elects to receive a lifetime pension in respect of Pensionable Service prior to January 1, 1994, the Spouse shall be required to make the same lifetime pension election with the payments commencing at the same time with respect to the portion, if any, of the death Benefit payable with respect to Pensionable Service on or after January 1, 1994.

Section 11 — Benefits on Death *continued*

11.06 *Death Benefit to Spouse's Beneficiary*

If the Member should predecease the Spouse and the Spouse dies without having elected an option under this Section 11 and prior to the commencement of a pension benefit, the death benefit shall be payable to the Spouse's designated beneficiary or, if there is no such person living, the Spouse's estate, in the form of a lump sum payment.

11.07 *Payment of Benefits*

Where a Spouse or a Beneficiary is entitled to a benefit pursuant to this Section 11, the benefits will be paid or the transfer made, accordingly, within 60 days following the completion and filing of all documents prescribed by the Board of Trustees to effect such a payment.

11.08 *Pensionable Service Being Purchased Under Instalment Payment Provisions*

Notwithstanding any provision of this Section 11, where a Member dies leaving contributions under any instalment option pursuant to Section 6 not fully paid, the instalment payments being made by the Member shall cease the month following the date of death. The Benefit payable to the Spouse, Beneficiary, or the Member's estate will be calculated in accordance with the Board's written policy for crediting service in these particular circumstances.

11.09 *Commutation*

In the event the Spouse's annual lifetime pension is less than 4% of the YMPE, or the death benefit eligible for transfer from the Plan is less than 20% of the YMPE, for the calendar year in which death of the Member occurs, in lieu of receiving a pension benefit from the Plan, the Spouse shall be entitled to transfer the death benefit to a Registered Retirement Savings Plan, or receive the death benefit as a cash refund.

Section 11 — Benefits on Death *continued*

11.10 *Members Who Died or Terminated Prior to the Continuation Date*

Notwithstanding any provision of this Section 11, the Benefits of Spouses or Beneficiaries of Members who died or Terminated prior to the Continuation Date, shall be paid from the Trust Fund but determined under the provisions of the Statutory Plan immediately preceding the Continuation Date, including the entitlement to and level of Benefits, and the manner and form of payment of such Benefits.

Section 12 — Beneficiary Designation and Settlement of Death Benefit

12.01 *Beneficiary Designation*

A Member may, by written notice delivered to the Board of Trustees, designate a Beneficiary to receive any benefits payable after the Member's death.

The written notice shall be in such form and executed in such manner as the Board of Trustees in its discretion may determine. The Member may alter or revoke any such designation in the same manner at any time, subject always to the provisions of any annuity, insurance or other contract, or any applicable law governing the designation of beneficiaries.

12.02 *No Beneficiary*

If a Member fails to validly designate a Beneficiary, or if the Beneficiary predeceases the Member, any benefits payable to the Member's Beneficiary shall be paid as a lump sum settlement to the estate of the Member.

12.03 *Death of Beneficiary*

If a Beneficiary, as a result of a Member's death, is entitled to payments under the Plan and if the Beneficiary dies before receiving any or all of the payments due to the Beneficiary, the Commuted Value of the remainder of the payments will be paid as a lump sum settlement to the estate of the Beneficiary.

12.04 *Member With a Spouse*

Notwithstanding the above, if a Member has a Spouse at the date of the Member's death before pension commencement, the Spouse is deemed to be the Member's Beneficiary for the purposes of the Plan.

Section 12 — Beneficiary Designation and Settlement of Death Benefit *continued*

12.05 *Revocation of Beneficiary*

Notwithstanding the above, if there is filed with the Board of Trustees a valid revocation before any payment is made, and no valid designation of Beneficiary is filed with the Board of Trustees before any payment is made, the person entitled to receive any Benefit payable on the Member's death is the deceased Member's Spouse, if the Member is survived by a Spouse, or the personal representative of the deceased Member's estate, if there is no surviving Spouse.

Section 13 — Disability

13.01 *Member in Receipt of Benefit From Disability Plan*

If a Disabled Member is receiving benefits under a Disability Plan or has received a lump sum payment from a Disability Plan, then, for the purposes of the Plan, the Member shall continue to accrue Pensionable Service provided that both Employee and Participating Employer contributions continue to be made by or on behalf of the Disabled Member pursuant to Sections 6.01, 6.03, 6.04, 6.05 and 6.06, up until the Member's Pension Commencement Date.

13.02 *Member Not in Receipt of Benefit from Disability Plan*

- (1) If a Member who before attaining the age of 55 becomes Totally Disabled and:
 - (a) is not receiving any benefits under a Disability Plan,
 - (b) has not received a lump sum payment from a Disability Plan,
 - (c) has at least 2 years of Continuous Plan Membership, and
 - (d) either terminates as a result of that disability or had previously terminated and elected a deferred pension under Section 10.01,

then, for the purposes of the Plan, the Member shall be entitled to receive an annual pension pursuant to Section 8.01, based on the Member's Highest Average Salary, Highest Average Capped Salary For 1992/1993 Service, Highest Average Capped Salary For Post 1993 Service, Final Average YMPE, and Pensionable Service accrued to the date of Disability. The Member shall be entitled to receive such disability pension regardless of the age of the Member at the date of Disability.

Section 13 — Disability *continued*

- (2) If a Member who before age 55 becomes incapable of effectively performing the regular duties of the Member's work as a result of a mental or physical impairment and who is not Totally Disabled, and
- (a) is not receiving any benefits under a Disability Plan,
 - (b) has not received a lump sum payment from a Disability Plan,
 - (c) has at least 2 years of Continuous Plan Membership, and
 - (d) either terminates as a result of that disability or had previously terminated and elected a deferred pension under Section 10.01,
- then, for the purposes of the Plan, the Member shall be entitled to receive an annual pension pursuant to Section 8.02, based on the Member's Highest Average Salary, Highest Average Capped Salary For 1992/1993 Service, Highest Average Capped Salary For Post 1993 Service, Final Average YMPE, and Pensionable Service accrued to the Date of Disability. The Member's Early Retirement Date shall be deemed to be the Member's Date of Pension Commencement for the purpose of calculating the Early Retirement Factor. The Member shall be entitled to receive such disability pension regardless of the age of the Member at the date of Disability.
- (3) The Member is entitled to receive the pension under clause (1) or (2) in the form and manner described in Section 9, ~~except that the Member will not be permitted to elect an optional form under Section 9.03(3).~~ (Amended effective March 28, 2008)
- (4) The pension under this Section 13.02 will be subject to submitting the evidence required by the Board of Trustees pursuant to Section 15.03.
- (5) If, at any time, the Board of Trustees determines that the Member in receipt of a pension under clause (1) no longer meets the conditions for Total Disability or the Member does not submit the evidence required under clause (4), the Board of Trustees may have the pension reduced to the amount provided for by clause (2).

Section 13 — Disability *continued*

- (6) Where a person who has not yet attained age 55 years of age is in receipt of a pension under clause (2) or (5), and the Board of Trustees is no longer satisfied that he or she is eligible for the pension, the Board of Trustees may eliminate payment of that disability pension.

- (7) Where a person who is not yet entitled to a pension under clause (1) is in receipt of a pension under clause (2) and satisfies the Board of Trustees that he or she is Totally Disabled, the Board of Trustees may upgrade the Member's pension to a pension in the amount provided under clause (1) with effect from the date of application for upgrading.

Section 14 — Reciprocal Agreements

14.01 *Authority for Entering into Reciprocal Agreements*

The Board of Trustees may enter into a Reciprocal Agreement with any other university, college, government, public, or private body for the purposes of enabling the transfer of pension entitlements between the Plan and any pension plan of such body.

14.02 *Recognition of Reciprocal Agreements Under the Statutory Plan*

The Board of Trustees acknowledges and shall abide by the terms of any Reciprocal Agreements in effect immediately prior to the Continuation Date under the terms of the Statutory Plan.

14.03 *Reciprocal Transfers from the Plan*

A Reciprocal Agreement entered into, made or amended after the Continuation Date must be consistent with the terms of the Plan and provide that:

- (1) the amount transferred from the Plan with respect to a Member based on all Pensionable Service shall not exceed the greater of:
 - (a) the Commuted Value, based on all such Pensionable Service, and
 - (b) the sum of the Member's contributions made to the Plan pursuant to Section 6,
- (2) the amount transferred from the Plan and the service recognized under the transferee plan shall comply with the requirements of the Income Tax Act and the Employment Pension Plans Act; and
- (3) at the option of the Member, the Member shall, in lieu of the transfer in clause (1) above, be entitled to a termination benefit determined in accordance with Section 10 if the Member has not yet attained age 55 at the time of termination of employment. If the Member does not choose a deferred pension from this Plan, the Member may transfer the termination

Section 14 — Reciprocal Agreements *continued*

value to the transferee plan, pursuant to any requirements of Section 10.02 or 10.03.

14.04 *Reciprocal Transfers into the Plan*

A Reciprocal Agreement entered into, made or amended after the Continuation Date must be consistent with the terms of the Plan and provide that:

- (1) service that is eligible to be recognized as Pensionable Service shall be credited only on an Actuarial Reserve Basis;
- (2) where the amount transferred into the Plan is less than the amount required by applying 14.04 (1), Pensionable Service shall be calculated by pro-rating the eligible service by the ratio of the transferred amount over the Actuarial Reserve;
- (3) where 14.04 (2) applies, the person shall be entitled to have the eligible service not recognized under 14.04 (2) subsequently recognized as Pensionable Service by making contributions under Section 6.081 equal to the amount by which the Actuarial Reserve exceeds the transferred amount; and
- (4) the amount transferred into the Plan and the service recognized under the Plan shall comply with the requirements of the Income Tax Act and the Employment Pension Plans Act.

14.05 *Locking In*

Any money that is locked-in under the transferring plan will continue to be locked-in under the transferee plan even if it would not be locked-in under the transferee plan but for this requirement.

14.06 *Prohibitions Against Certain Reciprocal Transfers of Service*

A person who ceases to be a Member and immediately becomes a participant of and within the meaning of the Related Plan under circumstances whereby the

Section 14 — Reciprocal Agreements *continued*

Pensionable Service will become Combined Pensionable Service in the Related Plan is not entitled to have any Pensionable Service transferred to the Related Plan under a Reciprocal Agreement.

14.07 *Filing of Reciprocal Agreements*

The Board of Trustees shall file with the Superintendent a copy of any Reciprocal Agreement entered into pursuant to this Section 14 in the manner and within the time period prescribed under the Employment Pension Plans Act.

Section 15 — Payment of Benefits

15.01 *Application For Benefits*

A pension or other benefit under the Plan shall be granted by the Board of Trustees and payment thereof shall be made only upon application therefore in the manner prescribed by the Board of Trustees, and upon submission of such relevant information and supporting documentation as the Board of Trustees in its discretion may request.

15.02 *Proof of Age and Marital Status*

Without limiting the generality of Section 15.01, each Member shall be required to file with the Board of Trustees at the times and in the manner prescribed by the Board satisfactory proof of age and marital status and the age of the Member's Spouse. Benefits will not be paid until such proof of age or marital status has been received and admitted by the Board of Trustees. If pension benefits are delayed because proof has been delayed, retroactive payments will be made once satisfactory proof has been received.

15.03 *Proof of Disability*

With respect to a person who applies for a pension under Section 13, there must be provided to the Board of Trustees before any Benefit will be paid:

- (1) a medical statement from a medical doctor licensed in Canada outlining the findings of a medical examination and assessing the degree of the person's disability or mental or physical impairment, and
- (2) any other documents evidencing that incapacity that the Board of Trustees may specify from time to time.

15.04 *Payments to Minors and Incompetents*

If the Board of Trustees receives satisfactory evidence that a Member, Spouse, or other Beneficiary who is entitled to payment of a Benefit under the Plan is:

Section 15 — Payment of Benefits *continued*

- (1) physically or mentally incompetent to receive such payment or make such election and to give valid receipt therefore; or
- (2) is a minor, and another person or an institution is then maintaining or has custody of the person and no guardian, committee or other representative of the person has been duly and legally appointed;

then the Board of Trustees may, at its sole discretion, authorize payment of that Benefit to be made to another person on behalf of and for the sole benefit of such Member, Spouse or Beneficiary, as the case may be.

The payment to such other person or institution and the release of the other person or institution shall be a valid and complete discharge of the liabilities of the Plan.

15.05 *Evidence of Survival*

The Board of Trustees shall have the right to require satisfactory evidence that a retired Member, Spouse, or other Beneficiary under the Plan is living on any date a pension benefit is due. In the absence of such evidence when required by the Board of Trustees, the benefits otherwise due shall not be paid until the evidence has been received.

15.06 *Miscalculation of Pension Benefit*

If a Member either knowingly or unknowingly has submitted any information to the Board of Trustees relevant to the amount of benefits the Member is to receive from the Plan which is incorrect or the Board of Trustees determines that an error has been made in the calculation of the Member's Benefit, the amount of Benefit payable from the Plan may be adjusted, including an adjustment to correct amounts owed to the Plan by the Member. In the case of underpayment, the Board of Trustees shall make adjustments by making additional payments from the Plan to the Member. In the case of overpayment, the Board of Trustees may require repayment from the Member, including interest thereon.

Section 15 — Payment of Benefits *continued*

15.07 *Exercise of Benefit Choice*

- (1) A person wishing to exercise a benefit choice in relation to a benefit must do so by giving written notice to the Board of Trustees indicating the choice.
- (2) A choice made, including a choice deemed to be made, in relation to a benefit is irrevocable when, and is not irrevocable until, the benefit is received or commences to be paid.

15.08 *Restrictions for Transfer*

The Board of Trustees shall not permit a transfer under any provision of this Plan unless the Board of Trustees is satisfied that:

- (1) the transfer is in accordance with the Employment Pension Plans Act; and
- (2) any restrictions in the Employment Pension Plans Act with regard to the solvency of the Plan have been met.

Section 16 — Funding of the Plan

16.01 *Appointment of Investment Counsel*

The Board of Trustees may appoint from time to time one or more Investment Counsel with such powers as to invest, reinvest, control and disburse the Trust Fund as the Board of Trustees shall approve and shall deem to be in accordance with the Plan and Sponsorship and Trust Agreement. The Board of Trustees may remove any Investment Counsel at any time and upon such removal or upon the resignation of the last remaining Investment Counsel, the Board of Trustees may designate a successor Investment Counsel.

16.02 *Statement of Investment Policies and Goals*

The Board of Trustees shall establish and adopt a written statement of investment policies and goals for the Plan and Trust Fund and shall confirm or amend the statement annually thereafter.

16.03 *Investment*

All investments and reinvestments of the Trust Fund shall conform to the investment requirements of the Employment Pension Plans Act and Income Tax Act. The Board of Trustees shall be responsible for determining that all investments and reinvestment of the Trust Fund so conform.

16.04 *Administration of Trust Fund*

Subject to the terms of the Plan, the provisions of the Employment Pension Plans Act, the Income Tax Act and any other applicable legislation governing the administration, investment or maintenance of the Trust Fund eligible for registration under the Income Tax Act, the Trust Fund shall be administered by the Board of Trustees in accordance with the Sponsorship and Trust Agreement.

16.05 *Rights to Fund Assets*

No person shall have any interest in or rights in, or to, or under the Trust Fund or any part of the assets thereof, except as and to the extent expressly provided in the Plan and the Sponsorship and Trust Agreement.

Section 16 — Funding of the Plan *continued*

16.06 *Expenses*

All reasonable expenses incurred in the design, operation, and administration of the Plan and Trust Fund shall be paid from the Trust Fund, pursuant to the terms and conditions of the Sponsorship and Trust Agreement.

For greater certainty, the costs of design, operation and administration shall include, but are not limited to:

- (1) the remuneration and expenses of the Trustees; and
- (2) the costs incurred by the parties to the Sponsorship and Trust Agreement with respect to the transfer of the Plan from the Public Sector Pension Plans Act to the Employment Pension Plans Act.

16.07 *Actuarial Valuation*

The Actuary shall conduct actuarial valuations of the Trust Fund at such times as the Board of Trustees may decide but not less frequently than that prescribed in the Employment Pension Plans Act.

16.08 *Transfer to Related Plan*

If the Related Plan requires this Plan to cover the cost to the Related Plan of applying the Combined Pensionable Service provisions of Section 2.11, the Board of Trustees may provide for a transfer of an amount to the Related Plan representing such cost.

Section 17 — Administration of the Plan

17.01 *Administrator*

- (1) The Board of Trustees shall be responsible for all matters relating to the administration, interpretation and application of the Plan.
- (2) The Board of Trustees shall ensure that the Plan and the Trust Fund are administered in accordance with the Employment Pension Plans Act and the Income Tax Act.
- (3) The Board of Trustees may hire from time to time one or more administrative service providers. The Board of Trustees may remove any administrative service provider at any time and upon such removal or upon the resignation of such provider, the Board of Trustees may hire a successor administrative service provider.
- (4) The Board of Trustees may authorize a person to exercise any of the powers conferred hereunder, in accordance with the terms and conditions of the Sponsorship and Trust Agreement.
- ~~(5) Where any documentation or information is to be provided to the Board of Trustees pursuant to the terms of this Plan, the Employment Pension Plans Act, or the Income Tax Act, such documentation shall be provided through the person, firm or corporation designated by the Board of Trustees to act as the Plan's administrator. (Amended as below effective March 28, 2008)~~
- (5) Where any documentation or information is to be provided to the Board of Trustees pursuant to the terms of this Plan, the Employment Pension Plans Act, or the Income Tax Act, such documentation shall be provided through the person, firm or corporation designated by the Board of Trustees to act on their behalf for this purpose. (Amended effective March 28, 2008)
- (6) The Board of Trustees may charge a reasonable service fee to reflect the costs associated with providing cost estimates for purchase of prior service or leaves of absence effective July 1, 2005. No fees shall be charged for the

Section 17 — Administration of the Plan *continued*

first request for costing or for transacting the purchase itself. (Added effective July 1, 2005)

17.02 *Rules for Administration*

The Board of Trustees may enact rules and regulations relating to the administration of the Plan that are necessary to properly carry out the terms hereof and may amend such rules and regulations from time to time. Such rules and regulations shall not conflict with any provision of this Plan.

17.03 *Plan Summary*

The Board of Trustees, through the Participating Employer, shall provide each Employee with a written explanation of the terms and conditions of the Plan and amendments thereto applicable to that Employee, together with an explanation of the rights and duties of the Employee with reference to the benefits available under the terms of the Plan.

17.04 *Notice of Amendment*

The Board of Trustees shall provide a notice and written explanation of an amendment to the Plan to each Member, or other person entitled to payment from the Trust Fund who is affected by the amendment, within the time period prescribed under the Employment Pension Plans Act. The notice and written explanation shall be provided through the Participating Employer or in a manner established by the Board of Trustees for such purposes.

17.05 *Annual Statement*

The Board of Trustees, through the Participating Employer, shall provide annually to each active Member a written statement containing the information prescribed under the Employment Pension Plans Act in respect of the Plan, the Member's pension benefits and any ancillary benefits.

Section 17 — Administration of the Plan *continued*

17.06 *Statement on Termination of Employment or Membership*

When a Member of the Plan terminates employment or otherwise ceases to be a Member, the Board of Trustees, through the Participating Employer, shall give to the Member, or to any other person who as a result becomes entitled to a payment under the Plan, a written statement setting out the information prescribed under the Employment Pension Plans Act in respect of the benefits, rights and obligations of the Member or other person.

17.07 *Inspection of Documents*

The Board of Trustees shall make available the documents and information concerning the Plan and the Trust Fund as prescribed under the Employment Pension Plans Act.

Section 18 — General Provisions

18.01 *Non Alienation*

Except as specified in Section 18.02 and Section 18.14, benefits payable under the Plan are subject to the following restrictions in accordance with the Employment Pension Plans Act:

- (1) **Non-Enforceable Transactions** – Any transaction that purports to assign, charge, anticipate, surrender or give as security any right of a person under the Plan or benefits payable under the Plan shall not be enforceable against the Plan; and
- (2) **Exemption from Seizure** – Benefits payable under the Plan are exempt from execution, seizure or attachment.

18.02 *Non-Commutation of Pensions*

A pension or deferred pension payable under this Plan shall not be capable of being commuted except as otherwise noted in this Plan.

18.03 *No Right to Employment*

The Plan shall not be construed to create or enlarge any right of any person to remain in the employment of the Participating Employer, nor shall it interfere in any manner with the right of the Participating Employer to discharge any person.

18.04 *Notices and Elections*

Any notice or election to be given, made or communicated pursuant to or for any purpose of the Plan shall be given, made or communicated as the case may be, in such manner as the Board of Trustees shall determine from time to time.

18.05 *Member's Mailing Address*

Without limiting the generality of Section 18.04 above, any person entitled to any benefit under this Plan shall be responsible for notifying the Board of Trustees in writing of the person's mailing address and subsequent changes of mailing address.

Section 18 — General Provisions *continued*

18.06 *Deemed Delivery*

All notices, statements, reports and other communications from the Board of Trustees to any Employee, Member, Beneficiary or other person, required or permitted under the Plan shall be deemed to have been given when delivered to, or when mailed by first class mail, postage prepaid and addressed to the Employee, Member, Beneficiary or other person at the address last appearing on the records of the Board of Trustees.

18.07 *Member Information*

Each Member shall file with the Board of Trustees all pertinent information concerning the Member, the Member's Spouse, Beneficiary or any other person as the Board of Trustees may reasonably specify, and no Member, surviving Spouse or Beneficiary, or other person shall have any rights or be entitled to any benefits under the Plan unless this information is filed by or with respect to the Member.

18.08 *Administration Records*

Wherever the records of the Board of Trustees are used for the purposes of the Plan, such records shall be conclusive of the facts with which they are concerned, unless and until they are proven to be in error.

18.09 *Benefits Provided by Insurance Company*

If the payment of any benefit under the Plan is provided for by a contract with an insurance company, the payment of the benefit shall be subject to all the provisions of the insurance contract.

18.10 *Forms*

All elections, designations, requests, notices, instructions and other communications from a Member, Beneficiary, Spouse or other person to the Board of Trustees required or permitted under the Plan shall be:

- (1) in the form prescribed from time to time by the Board of Trustees;

Section 18 — General Provisions *continued*

- (2) mailed by first class mail or delivered to a location specified by the Board of Trustees; and
- (3) deemed to have been given and delivered only upon actual receipt thereof by the Board of Trustees at the specified location.

18.11 *No Duplication of Benefits*

There shall be no duplication of benefits under any one Section of this Plan and the benefits under any other Section of the Plan.

18.12 *Severability*

If any provision of the Plan is held to be invalid or unenforceable by a court of competent jurisdiction, its invalidity or unenforceability shall not affect any other provision of the Plan and the Plan shall be construed and enforced as if such provision had not been included therein.

18.13 *Construction*

- (1) The Plan is intended to constitute an employees' pension plan qualified for registration under the Employment Pension Plans Act and the Income Tax Act.
- (2) This Plan shall be governed and construed in accordance with the laws of the Province of Alberta and with the laws of Canada applicable therein.

18.14 *Division of Pension Benefits on Marriage Breakdown*

Subject to the Employment Pension Plans Act, the entitlement of a Member to receive a benefit under this Plan for service on and after the Continuation Date is subject to entitlements arising under a Matrimonial Property Order or a Matrimonial Property Agreement, as defined in the regulations under the EPPA. The aggregate of payments in respect of service on and after the Continuation Date made from the Plan to a Member and the Member's Spouse or former Spouse pursuant to such an order or agreement shall not exceed the amount that would

Section 18 — General Provisions *continued*

have been payable under the Plan to the Member in the absence of such an order or agreement.

18.15 *Administrative Errors and Interpretations*

In the event of an administrative error, the Board may do anything (whether or not otherwise provided for in the Plan) which the Board of Trustees in their sole discretion consider necessary and appropriate to correct the error, subject to any requirements of the Employment Pension Plans Act or the Income Tax Act.

Section 19 — Provision for Employer Withdrawal

19.01 *General Provision for Withdrawal*

A Participating Employer and the Academic Staff Association, if any, at that institution may withdraw from the Plan provided that the conditions outlined in the Sponsorship and Trust Agreement are met, and provided the withdrawal is made in accordance with the Employment Pension Plans Act.

19.02 *Withdrawing Persons*

In general, a Participating Employer withdraws from the Plan with respect to the Employees of that Participating Employer who are Members, and with respect to Inactive Members who had been employed with that Participating Employer immediately before their date of termination.

19.03 *Apportionment of Assets and Liabilities*

Assets and liabilities will be apportioned to the Participating Employer and transferred to a pension plan of the Participating Employer, as determined in the Sponsorship and Trust Agreement, and provided that all of the terms and conditions in the Sponsorship and Trust Agreement are met.

19.04 *Withdrawing Persons*

Once a Participating Employer withdraws from the Plan, the Employees of that Participating Employer who are Members and Inactive Members who had been employed with that Participating Employer immediately before their termination shall have no further entitlement to any benefits under this Plan.

Section 20 — Future of the Plan

20.01 *Amendment to the Plan*

- (1) No amendment shall operate to reduce the Benefits that have accrued to any Member before the Continuation Date. For greater certainty, no amendment shall reduce the Member's Benefit for Pensionable Service and Combined Pensionable Service accrued up to the Continuation Date (including service in the process of being purchased), based on the Member's Salary while an Employee in the Plan, whether before or after the Continuation Date;
- (2) Where an amendment results in a certifiable past service pension adjustment, as defined in the Income Tax Act, in respect of a Member, the amendment shall not apply to such Member prior to certification of the past service pension adjustment in accordance with the Income Tax Act.
- (3) The Plan may be amended to reduce the Benefits for Pensionable Service and Combined Pensionable Service recognized after the Continuation Date up to the date of Plan amendment, but only if and to the extent that such an amendment is necessary to avoid the revocation of the Plan's registration under the Income Tax Act as a result of an administrative error.
- (4) The Plan may be amended to reduce the Benefits for Pensionable Service and Combined Pensionable Service accruing after the date of Plan amendment.

APPENDIX A – ELIGIBILITY BY PARTICIPATING EMPLOYER

Appendix A.1 – Athabasca University

- A.1.01 Employees of Athabasca University who were participants of the Statutory Plan (under and within the meaning assigned to that phrase in the Statutory Plan) immediately prior to the Continuation Date shall remain Members of the Plan on the Continuation Date.
- A.1.02 Academic staff (as that term is defined in the Universities Act), executive, management, and supervisory employees of Athabasca University (as those terms are defined by Athabasca University and filed with the Plan Sponsors) who were hired before the Continuation Date but who were not participants of the Statutory Plan (under and within the meaning assigned to that phrase in the Statutory Plan) immediately prior to the Continuation Date, shall become eligible for membership in the Plan in accordance with the following:
- ~~(1) — An Employee who is employed on a permanent Full-Time Basis or a temporary basis where the term of appointment is more than one year shall become a Member of the Plan on the Continuation Date; (Amended as below effective September 25, 2006)~~
 - (1) An Employee who is employed on a permanent Full-Time Basis, permanent Part-Time Basis where the Part-Time Basis is at least 50% of the Full-Time Basis, temporary Full-Time Basis where the term of appointment is more than one year, or temporary Part-Time Basis where the term of appointment is more than one year and where the Part-Time Basis is at least 50% of the Full-Time Basis, shall become a Member of the Plan on the Employee's date of hire; (Amended effective September 25, 2006)
 - ~~(2) — An Employee who is employed on a permanent Part-Time Basis or a temporary basis where the term of appointment is one year or less shall become a Member of the Plan when; (Amended as below effective September 25, 2006)~~
 - (2) An Employee who is employed on a permanent Part-Time Basis where the Part-Time Basis is less than 50% of the Full-Time Basis, temporary Full-Time Basis where the term of appointment is less than or equal to

Appendix A.1 — Athabasca University *continued*

one year, or temporary Part-Time Basis where the term of appointment is less than or equal to one year, shall become a Member of the Plan when:
(Amended effective September 25, 2006)

- (a) the Employee has at least two years of Continuous Service, if in a permanent position, or the Employee in a temporary position has contiguous terms of appointments (without any break between the appointments) which total at least two years at the start of any new contract period on or after the Continuation Date; and
- (b) the Employee has earned in respect of the Employee's employment with Athabasca University at least 35% of the YMPE in each of the two consecutive calendar years immediately prior to the date the Employee has met the condition in clause (a) above.

A.1.03 Academic staff (as that term is defined in the Universities Act), executive, management, and supervisory employees of Athabasca University (as those terms are defined by Athabasca University and filed with the Plan Sponsors) who were hired on or after the Continuation Date, shall become eligible for membership in the Plan in accordance with the following:

- ~~(1) — An Employee who is employed on a permanent Full-Time Basis or a temporary basis where the term of appointment is more than one year shall become a Member of the Plan on the Employee's date of hire;~~
(Amended as below effective September 25, 2006)
- (1) An Employee who is employed on a permanent Full-Time Basis, permanent Part-Time Basis where the Part-Time Basis is at least 50% of the Full-Time Basis, temporary Full-Time Basis where the term of appointment is more than one year, or temporary Part-Time Basis where the term of appointment is more than one year and where the Part-Time Basis is at least 50% of the Full-Time Basis, shall become a Member of the Plan on the Employee's date of hire; (Amended effective September 25, 2006)

Appendix A.1 — Athabasca University *continued*

- ~~(2) — An Employee who is employed on a permanent Part-Time Basis or a temporary basis where the term of appointment is one year or less shall become a Member of the Plan when: (Amended as below effective September 25, 2006)~~
- (2) An Employee who is employed on a permanent Part-Time Basis where the Part-Time Basis is less than 50% of the Full-Time Basis, temporary Full-Time Basis where the term of appointment is less than or equal to one year, or temporary Part-Time Basis where the term of appointment is less than or equal to one year, shall become a Member of the Plan when: (Amended effective September 25, 2006)
- (a) the Employee has at least two years of Continuous Service, if in a permanent position, or the Employee has contiguous terms of appointments (without any break between the appointments) which total at least two years, if in a temporary position; and
 - (b) the Employee has earned in respect of the Employee's employment with Athabasca University at least 35% of the YMPE in each of the two consecutive calendar years immediately prior to the date the Employee has met the condition in clause (a) above.

Appendix A.2 – The Banff Centre for Continuing Education

- A.2.01 Employees of The Banff Centre for Continuing Education who were participants of the Statutory Plan (under and within the meaning assigned to that phrase in the Statutory Plan) immediately prior to the Continuation Date shall remain Members of the Plan on the Continuation Date.
- A.2.02 Executive, management and supervisory employees of The Banff Centre for Continuing Education (as those terms are defined by The Banff Centre for Continuing Education and filed with the Plan Sponsors) who were hired before the Continuation Date but who were not participants of the Statutory Plan (under and within the meaning assigned to that phrase in the Statutory Plan) immediately prior to the Continuation Date, shall become eligible for membership in the Plan in accordance with the following:
- (1) An Employee who is employed on a permanent Full-Time Basis or a temporary basis where the term of appointment is more than one year shall become a Member of the Plan on the Continuation Date;
 - (2) An Employee who is employed on a permanent Part-Time Basis or a temporary basis where the term of appointment is one year or less shall become a Member of the Plan when:
 - (a) the Employee has at least two years of Continuous Service, if in a permanent position, or the Employee in a temporary position has contiguous terms of appointments (without any break between the appointments) which total at least two years at the start of any new contract period on or after the Continuation Date; and
 - (b) the Employee has earned in respect of the Employee's employment with The Banff Centre for Continuing Education at least 35% of the YMPE in each of the two consecutive calendar years immediately prior to the date the Employee has met the condition in clause (a) above.
- A.2.03 Executive, management and supervisory employees of The Banff Centre for Continuing Education (as those terms are defined by The Banff Centre for

Appendix A.2 — The Banff Centre for Continuing Education *continued*

Continuing Education and filed with the Plan Sponsors) who were hired on or after the Continuation Date shall become eligible for membership in the Plan in accordance with the following:

- (1) An Employee who is employed on a permanent Full-Time Basis or a temporary basis where the term of appointment is more than one year shall become a Member of the Plan on the Employee's date of hire;
- (2) An Employee who is employed on a permanent Part-Time Basis or a temporary basis where the term of appointment is one year or less shall become a Member of the Plan when:
 - (a) the Employee has at least two years of Continuous Service, if in a permanent position, or the Employee in a temporary position has contiguous terms of appointments (without any break between the appointments) which total at least two years; and
 - (b) the Employee has earned in respect of the Employee's employment with The Banff Centre for Continuing Education at least 35% of the YMPE in each of the two consecutive calendar years immediately prior to the date the Employee has met the condition in clause (a) above.

Appendix A.3 – University of Alberta

- A.3.01 Employees of the University of Alberta who were participants of the Statutory Plan (under and within the meaning assigned to that phrase in the Statutory Plan) immediately prior to the Continuation Date shall remain Members of the Plan on the Continuation Date.
- A.3.02 Employees of the University of Alberta who were hired before the Continuation Date and who are not participants of the Statutory Plan (under and within the meaning assigned to that phrase in the Statutory Plan) immediately prior to the Continuation Date shall become eligible for membership in the Plan in accordance with the following:
- (1) With respect to academic staff (as that term is defined in the Universities Act), research/trust funded, executive and management employees (as those terms are defined by the University of Alberta and filed with the Plan Sponsors) employed on a permanent Full-Time Basis or a permanent Part-Time Basis, or a temporary Full-Time Basis or temporary Part-Time Basis where the term of employment is at least one year, the Employee shall become a Member of the Plan when:
 - (a) the Employee has at least two years of Continuous Service at the start of any new contract period on or after the Continuation Date; and
 - (b) the Employee has earned in respect of the Employee's employment with the University of Alberta at least 35% of the YMPE in each of the two consecutive calendar years immediately prior to the date the Employee has met the condition in clause (a) above;
 - (2) With respect to academic staff (as that term is defined in the Universities Act), research/trust funded, executive and management employees (as those terms are defined by the University of Alberta and filed with the Plan Sponsors) employed on a temporary Full-Time Basis or temporary Part-Time Basis where the term of employment is less than one year, the Employee shall become a Member of the Plan when:

Appendix A.3 – University of Alberta *continued*

- (a) the Employee has contiguous terms of appointments (without any break between the appointments) which total at least two years at the start of any new contract period on or after the Continuation Date; and
- (b) the Employee has earned in respect of the Employee's employment with the University of Alberta at least 35% of the YMPE in each of the two consecutive calendar years immediately prior to the date the Employee has met the condition in clause (a) above.

A.3.03 Employees of the University of Alberta who were hired on or after the Continuation Date shall become eligible for membership in the Plan in accordance with the following:

- (1) With respect to academic staff (as that term is defined in the Universities Act), research/trust funded, executive, and management employees (as those terms are defined by the University of Alberta and filed with the Plan Sponsors) employed on a permanent Full-Time Basis or permanent Part-Time Basis, the Employee shall become a Member of the Plan on the Employee's date of hire;
- (2) With respect to academic staff (as that term is defined in the Universities Act), research/trust funded, executive, and management employees (as those terms are defined by the University of Alberta and filed with the Plan Sponsors) employed on a temporary Full-Time Basis or temporary Part-Time Basis where the term of appointment is at least one year, the Employee shall become Member of the Plan on the Employee's date of hire;
- (3) With respect to academic staff (as that term is defined in the Universities Act), research/trust funded, executive, and management employees (as those terms are defined by the University of Alberta and filed with the Plan Sponsors) employed on a temporary Full-Time Basis or temporary Part-Time Basis where the term of appointment is less than one year, the Employee shall become a Member of the Plan when:

Appendix A.3 – University of Alberta *continued*

- (a) the Employee has contiguous terms of appointments (without any break between the appointments) which total at least two years; and
- (b) the Employee has earned in respect of the Employee's employment with the University of Alberta at least 35% of the YMPE in each of the two consecutive calendar years immediately prior to the date the Employee has met the condition in clause (a) above.

Appendix A.4 – University of Calgary

- A.4.01 Employees of the University of Calgary who were participants of the Statutory Plan (under and within the meaning assigned to that phrase in the Statutory Plan) immediately prior to the Continuation Date shall remain Members of the Plan on the Continuation Date.
- A.4.02 Employees of the University of Calgary who were hired before the Continuation Date but who were not participants of the Statutory Plan (under and within the meaning assigned to that phrase in the Statutory Plan) immediately prior to the Continuation Date, shall become eligible for membership in the Plan in accordance with the following:
- (1) With respect to academic staff employees (as that term is defined in the Universities Act):
 - (a) An Employee who is employed on a regular basis shall become a Member of the Plan on the Continuation Date;
 - (b) An Employee who is employed on a temporary basis shall become a Member of the Plan when:
 - (i) the Employee has contiguous terms of appointments (without any break between the appointments) which total at least two years at the start of any new contract period on or after the Continuation Date; and
 - (ii) the Employee has earned in respect of the Employee's employment with the University of Calgary at least 35% of the YMPE in each of the two consecutive calendar years immediately prior to the date the Employee has met the condition in clause (i) above;
 - (2) With respect to executive employees (as that term is defined by the University of Calgary and filed with the Plan Sponsors), an employee shall become a Member of the Plan on the Continuation Date;

Appendix A.4 – University of Calgary *continued*

- (3) With respect to management employees (as that term is defined by the University of Calgary and filed with the Plan Sponsors):
 - (a) An Employee who is employed on a regular basis, or on a temporary basis where the term of appointment is at least one year, shall become a Member of the Plan on the Continuation Date;
 - (b) An Employee who is employed on a temporary basis where the term of appointment is less than one year, shall become a Member of the Plan when:
 - (i) the Employee has contiguous terms of appointments (without any break between the appointments) which total at least two years at the start of any new contract period on or after the Continuation Date; and
 - (ii) the Employee has earned in respect of the Employee's employment with the University of Calgary at least 35% of the YMPE in each of the two consecutive calendar years immediately prior to the date the Employee has met the condition in clause (i) above.

A.4.03 Employees of the University of Calgary who were hired on or after the Continuation Date shall become eligible for membership in the Plan in accordance with the following:

- (1) With respect to academic staff employees (as that term is defined in the Universities Act):
 - (a) An Employee who is employed on a regular basis shall become a Member of the Plan on the Employee's date of hire;
 - (b) An Employee who is employed on a temporary basis shall become a Member of the Plan when:

Appendix A.4 – University of Calgary *continued*

- (i) the Employee has contiguous terms of appointments (without any break between the appointments) which total at least two years; and
 - (ii) the Employee has earned in respect of the Employee's employment with the University of Calgary at least 35% of the YMPE in each of the two consecutive calendar years immediately prior to the date the Employee has met the condition in clause (i) above;
- (2) With respect to executive employees (as that term is defined by the University of Calgary and filed with the Plan Sponsors), an employee shall become a Member of the Plan on the Employee's date of hire;
- (3) With respect to management employees (as that term is defined by the University of Calgary and filed with the Plan Sponsors):
 - (a) An Employee who is employed on a regular basis, or on a temporary basis where the term of appointment is at least one year, shall become a Member of the Plan on the Employee's date of hire;
 - (b) An Employee who is employed on a temporary basis where the term of appointment is less than one year, shall become a Member of the Plan when:
 - (i) the Employee has contiguous terms of appointments (without any break between the appointments) which total at least two years; and
 - (ii) the Employee has earned in respect of the Employee's employment with the University of Calgary at least 35% of the YMPE in each of the two consecutive calendar years immediately prior to the date the Employee has met the condition in clause (i) above.

Appendix A.5 – University of Lethbridge

- A.5.01 Employees of the University of Lethbridge who were participants of the Statutory Plan (under and within the meaning assigned to that phrase in the Statutory Plan) immediately prior the Continuation Date shall remain Members of the Plan on the Continuation Date.
- A.5.02 Academic staff (as that term is defined in the Universities Act), executive, and management employees of the University of Lethbridge (as those terms are defined by the University of Lethbridge and filed with the Plan Sponsors) who were hired before the Continuation Date but who were not participants of the Statutory Plan (under and within the meaning assigned to that phrase in the Statutory Plan) immediately prior to the Continuation Date, shall become eligible for membership in the Plan in accordance with the following:
- (1) An Employee who is employed on a permanent Full-Time Basis, or a temporary Full-Time Basis where the term of appointment is more than one year, shall become a Member of the Plan on the Continuation Date;
 - (2) An Employee who is employed on a permanent Part-Time basis where the Part-Time Basis is at least half of a corresponding Full-Time Basis, or a temporary Part-Time Basis where the term of appointment is more than one year, may become a Member of the Plan on the Continuation Date;
 - (3) An Employee who is employed on a Part-Time Basis where the Part-Time Basis is less than half of a corresponding Full-Time Basis, or a Full-Time temporary basis where the term of appointment is one year or less may become a Member of the Plan when:
 - (a) the Employee has at least two years of Continuous Service, if in a permanent position, or the Employee in a temporary position has contiguous terms of appointments (without any break between the appointments) which total at least two at the start of any new contract on or after the Continuation Date; and
 - (b) the Employee has earned in respect of the Employee's employment with the University of Lethbridge at least 35% of the YMPE in each

Appendix A.5 – University of Lethbridge *continued*

of the two consecutive calendar years immediately prior to the date the Employee has met the condition in clause (a) above, or

- (c) the Employee has left contributions on deposit with a reciprocal plan.

A.5.03 Academic staff (as that term is defined in the Universities Act), executive, and management employees of the University of Lethbridge (as those terms are defined by the University of Lethbridge and filed with the Plan Sponsors) who were hired on or after the Continuation Date shall become eligible for membership in the Plan in accordance with the following:

- (1) An Employee who is employed on a permanent Full-Time Basis, or a temporary Full-Time Basis where the term of appointment is more than one year, shall become a Member of the Plan on the Employee's date of hire;
- (2) An Employee who is employed on a permanent Part-Time basis where the Part-Time Basis is at least half of a corresponding Full-Time Basis, or a temporary Part-Time Basis where the term of appointment is more than one year, may become a Member of the Plan on the Employee's date of hire;
- (3) An Employee who is employed on a Part-Time Basis where the Part-Time Basis is less than half of a corresponding Full-Time Basis, or a Full-Time temporary basis where the term of appointment is one year or less may become a Member of the Plan when:
 - (a) the Employee has at least two years of Continuous Service, if in a permanent position, or the Employee in a temporary position has contiguous terms of appointments (without any break between the appointments) which total at least two years; and
 - (b) the Employee has earned in respect of the Employee's employment with the University of Lethbridge at least 35% of the YMPE in each

Appendix A.5 – University of Lethbridge *continued*

of the two consecutive calendar years immediately prior to the date the Employee has met the condition in clause (a) above, or

- (c) the Employee has left contributions on deposit with a reciprocal plan.

Appendix A.6 – The Board of Trustees

- A.6.01 Employees of the Board of Trustees shall become eligible for membership in the Plan in accordance with the following:
- (1) An Employee whose term of appointment is more than one year shall become a Member of the Plan on the Employee's date of hire;
 - (2) An Employee whose term of appointment is one year or less shall become a Member of the Plan when:
 - (a) the Employee has at least two years of Continuous Service, if in a permanent position, or the Employee in a temporary position has contiguous terms of appointments (without any break between the appointments) which total at least two years; and
 - (b) the Employee has earned in respect of the Employee's employment with the Board of Trustees at least 35% of the YMPE in each of the two consecutive calendar years immediately prior to the date the Employee has met the condition in clause (a) above.

Appendix A.7 – Faculty Associations (Added effective July 1, 2006)

A.7.01 If a Faculty Association determines that it wishes to have its professional staff included in the Plan, it may do so in accordance with this provision by making a declaration to the Executive Director of the UAPP of their intention to enact this provision.

Professional employees of the Faculty Associations (as defined by the individual Faculty Association and filed with the Plan Sponsors) shall be eligible for membership in the Plan in accordance with the following:

- (1) A professional employee who is employed on a regular basis the day before the Faculty Association enacts this provision shall become a member of the Plan as of the date it is enacted,
- (2) After this provision is enacted, a professional employee who is employed on a regular basis, or a temporary basis of 12 months or greater shall become a Member of the Plan on the employee's date of hire,
- (3) A professional employee who is employed on a temporary basis of less than 12 months, shall become a Member of the Plan when:
 - a) The Employee has contiguous terms of appointment which total at least two years; and
 - b) The Employee has earned in respect of the Employee's employment with the Faculty Association at least 35% of the YMPE in each of the two consecutive calendar years immediately prior to the date the Employee has met the condition in clause (a) above.

ATTACHMENT B – CONTRIBUTION RATES

Attachment B.1 – Current Service Contributions

B.1.01 At January 1, 2008, each Contributing Member is contributing through payroll deduction to the Plan, in accordance with the following:

Employees of:	% of Capped Salary Up to the YMPE	% of Capped Salary Above the YMPE
Universities of Alberta, Calgary, and Lethbridge, and the Board of Trustees	6.86%	9.80%
Athabasca University and The Banff Centre for Continuing Education	6.36%	9.30%

For the purposes of implementing this clause, Capped Salary shall have the same meaning as assigned to Capped Salary For Post 1993 Service, for the period of Pensionable Service accrued in the year.

B.1.02 At January 1, 2008, each Participating Employer is contributing to the Plan in respect of its Contributing Members, in accordance with the following:

	% of Capped Salary Up to the YMPE	% of Capped Salary Above the YMPE
Universities of Alberta, Calgary, and Lethbridge, and the Board of Trustees	6.86%	9.80%
Athabasca University and The Banff Centre for Continuing Education	7.36%	10.30%

For the purposes of implementing this clause, Capped Salary shall have the same meaning as assigned to Capped Salary For Post 1993 Service, for the period of Pensionable Service accrued in the year.

Attachment B.1 – Current Service Contributions *continued*

B.1.03 Since January 1, 2001, the cost sharing arrangements for Current Service Contributions between Participating Employers and Contributing Members are as follows:

Employees of:	Current Service Cost Sharing Cost Sharing Differential
Universities of Alberta, Calgary, and Lethbridge, and the Board of Trustees	Participating Employers and Contributing Members contribute equal amounts, expressed as a percentage of Capped Salary For Post 1993 Service
Athabasca University and The Banff Centre for Continuing Education	Participating Employers contribute 1% more of Capped Salary For Post 1993 Service than Contributing Members

Attachment B.2 – Additional Contributions

- B.2.01 As at January 1, 2008, the rate of Additional Contributions being made to eliminate an Unfunded Liability in respect of pre-1992 service for each of the Contributing Members and their Participating Employers was equal to 0.87% of Salary, and by the Government of Alberta at a rate of 1.25% of total Salary, for a total contribution rate of 2.99% of total Salary.

Attachment B.3 – Post-1991 Special Payments

- B.3.01 As at January 1, 2008, the rate of special payments being made to eliminate the Plan's Unfunded Liability in respect of post-1991 service for each of the Contributing Members and their Participating Employers was equal to 0.54% of Capped Salary For Post 1993 Service, for a total contribution rate of 1.08%.

ATTACHMENT C – AMENDMENTS TO THE PLAN DOCUMENT

Amendment No. 5

Sponsorship and Trust Agreement

Page	Section	Action	Effective Date
05	1.1	Amended (p) to match the definition of “Member” in the Plan Text	Mar 28, 2008
09	2.7	Replaced “fourteen (14) days” with “two (2) weeks” in (c) to be consistent with the rest of the document	Mar 28, 2008
14	3.20	Corrected a typo – “Schedule 21” should be “Schedule 1”	Mar 28, 2008
15	3.25	Replaced “fourteen (14) days” with “two (2) weeks” to be consistent with the rest of the document	Mar 28, 2008
17	3.37	Amended to clarify that “final” minutes be provided to the Sponsors	Mar 28, 2008

Plan Text

Page	Section	Action	Effective Date
07	2.18	Reworded to clarify the definition of “Contributing Member”	Mar 28, 2008
11	2.31	Made small editorial change to clarify the definition of “Final Average YMPE”	Mar 28, 2008
18	2.52	Updated the definition of “Normal Retirement Date”	Mar 28, 2008
19	2.56	Reworded to correct the definition of “Pension Commencement Date”	Mar 28, 2008
48	7.01	Amended to correct the pension commencement date for a person who retires on the “Normal Retirement Date”	Mar 28, 2008
64	9.03	Deleted (4) to repeal the “Customized Pension Option”	Mar 28, 2008
71	10.10	Corrected typo – “by” should be “be”	Mar 28, 2008
82	13.02	Amended (3) by deleting reference to repealed optional form	Mar 28, 2008
92	17.01	Amended (5) to clarify potential confusion over the word “administrator”	Mar 28, 2008

ATTACHMENT C – AMENDMENTS TO THE PLAN DOCUMENT *contd.*

Amendment No. 5 contd.

Page	Section	Action	Effective Date
119	B.1	Revised contribution rates	Jan 1, 2008
121	B.2	Revised additional contributions	Jan 1, 2008
122	B.3	Revised post-1991 special payments	Jan 1, 2008

Amendment No. 4

Plan Text			
Page	Section	Action	Effective Date
69	10.03	Added (4) to comply with changes required by the Employment Pension Plans Act regarding pre-retirement spousal waiver	Jun 30, 2007
73	11.02	Revised (1) and (2) to comply with changes required by the Employment Pension Plans Act regarding deferred vested members who become non-residents of Canada	Jun 30, 2007

Amendment No. 3

Plan Text			
Page	Section	Action	Effective Date
102	A.1	Amended participation rules for Athabasca University	Sep 25, 2006

Amendment No. 2

Sponsorship and Trust Agreement			
Page	Section	Action	Effective Date
06	1.1	Amended (r) by adding Academic Staff Associations to the definition of “Participating Employer”.	Jul 1, 2006
06	1.1	Deleted (w) as definition of “Representative” no longer required.	Jul 1, 2006
07	1.1	Amended (bb) as definition of “Trustee” no longer includes a Representative.	Jul 1, 2006
11	3.6	Amended the composition of the Board of Trustees to eliminate the Representative.	Jul 1, 2006

ATTACHMENT C – AMENDMENTS TO THE PLAN DOCUMENT *contd.*

Amendment No. 2 contd.

Page	Section	Action	Effective Date
12	3.7	Deleted reference to the Representative.	Jul 1, 2006
12	3.8	Amended as the issue of continuity of initial Trustees is no longer applicable.	Jul 1, 2006
12	3.9	Deleted as the issue of continuity of initial Trustees is no longer applicable.	Jul 1, 2006
12	3.10	Deleted as the issue of continuity of initial Trustees is no longer applicable.	Jul 1, 2006
12	3.11	Deleted as the issue of continuity of initial Trustees is no longer applicable.	Jul 1, 2006
15	3.29	Amended to reflect change in voting structure of the Board.	Jul 1, 2006
15	3.30	Amended to reflect change in voting structure of the Board.	Jul 1, 2006
16	3.31	Amended to reflect change in voting structure of the Board.	Jul 1, 2006
21	3.52	Deleted reference to the Representative.	Jul 1, 2006
24	4.9	Amended to include contribution sharing arrangements for Academic Staff Associations.	Jul 1, 2006
31	8.9	Added withdrawal rules for Academic Staff Associations.	Jul 1, 2006

Plan Text

Page	Section	Action	Effective Date
19	2.53	Amended the definition of “Participating Employer” to include Academic Staff Associations.	Jul 1, 2006
117	A.7	Added Faculty Associations as eligible participating employees	Jul 1, 2006

ATTACHMENT C – AMENDMENTS TO THE PLAN DOCUMENT *contd.*

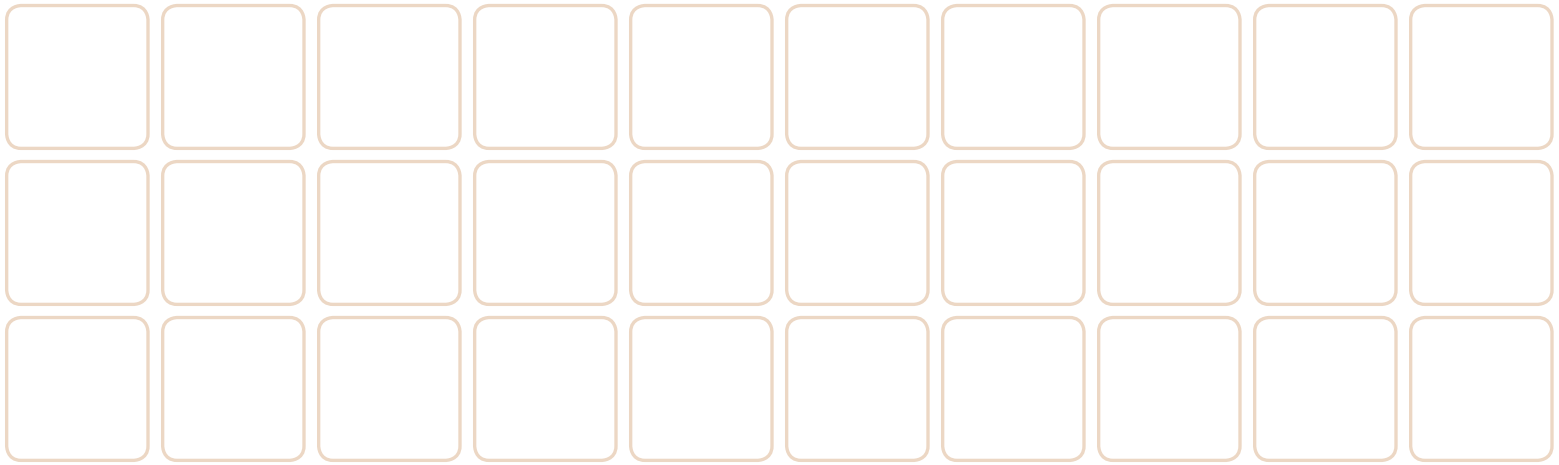
Amendment No. 1

Sponsorship and Trust Agreement

Page	Section	Action	Effective Date
31	8.8	Added the words “payment of any solvency deficiency and...”	Nov 26, 2003

Plan Text

Page	Section	Action	Effective Date
22	2.69	Amended the definition of “Spouse” under subsection (2)(a)(ii) by replacing the words “for the 2-year...” with “in a relationship of some permanence for the...”	Jun 12, 2003
38	6.07	Added subsections (1.1) and (1.2) after subsection (1)	Jul 1, 2005
39	6.07	Added a new subsection (2.1)	Jul 1, 2005
40	6.07	Repealed subsections (4) and (5)	Jul 1, 2005
41	6.08	Repealed	Jul 1, 2005
42	6.081	Added	Jul 1, 2005
44	6.10	Repealed	Jul 1, 2005
60	9.03	Repealed subsection (2), clauses (a), (b), (c), (d) and (i), and deleted the words “Apart from option (i) above,...”	Oct 1, 2005
62	9.03	Repealed subsection (3)	Oct 1, 2005
75	11.02	Added clause (d) in subsection (2)	Jul 1, 2005
92	17.01	Added subsection (6)	Jul 1, 2005
119	B.1	Revised contribution rates	Jul 1, 2005
121	B.2	Revised additional contributions	Jul 1, 2005
122	B.3	Revised post-1991 special payments	Jul 1, 2005



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