THE CONTRIBUTORY PENSION PLAN FOR TUFA EMPLOYEES OF TRENT UNIVERSITY

(Amended Effective July 1, 2005)

AMENDMENTS

SIGNED IN PETERBOROUGH, APRIL 28th, 2006

1. The undersigned representatives of the Board of Governors on behalf of Trent University ("University") and of the Trent University Faculty Association ("TUFA"), hereby agree to the amendments proposed below to *The Contributory Pension Plan for TUFA Employees of Trent University* (hereafter the "RPP"), which shall have effect July 1, 2005 and which shall be filed with the appropriate regulatory authorities. The University and TUFA hereby agree that these amendments shall be incorporated in the RPP.

2. The following amendments are agreed, as set out below:

(a) Add: Section 1.05 (Amendment), displayed below

(b) Delete: Section 2.24 (Increase in Average Industrial Wage)
Section 2.25 (Increase in Consumer Price Index)
Section 2.26 (Matching Amount of University Contribution)

(c) Amend, by deleting the current language and replacing with the language displayed below:
Section 2.04 (Average Industrial Wage)
Section 2.09 (Consumer Price Index)
Section 2.28 (Memorandum on Actuarial Assumptions)
Section 2.46 (Retire or Retirement)
Section 2.48 (Spouse)
Section 2.49 (SRA)
Section 4.01 (Members' Required Contributions)
Section 4.05 (University Contributions)
Section 5.03 (Postponed Retirement)
Section 6.05 (a)(ii) (Maximum Retirement Pension Limits Under the *ITA*)
Section 7 (Indexation)
Section 10.01 (Disability)
Section 15.06 (e) (Communication: Information for TUFA)

(d) Renumber Section 2.27 through Section 2.53 as Section 2.24 through Section 2.50. Change the internal references in other Sections accordingly, as follows: in Section 2.21, change the reference from 2.43 to 2.40; and in Section 10.03 change the reference from 2.36 to 2.33.

1.05 Amendment

Pursuant to Section 17.01 (Continuation of the Plan), the Plan has been duly amended effective July 1, 2005.

2.04 Average Industrial Wage

"Average Industrial Wage" means the average Canadian weekly wages and salaries, defined as the Industrial Aggregate, as published by Statistics Canada under the Statistics Act or, in the event the Industrial Aggregate ceases to be published, such other measurement as prescribed under the Canada Pension Plan. The annual percentage increase in the Average Industrial Wage shall be calculated to the nearest second decimal place, subject to a minimum of 0.00%.

2.09 Consumer Price Index (or "CPI")

"Consumer Price Index" (or "CPI") means the Consumer Price Index (All Items, Canada) published by Statistics Canada (CANSIM II), with a time base conversion to 1992 equal to 100, or such other time base conversion as may be published by Statistics Canada from time to time. The annual percentage increase in the Consumer Price Index shall be calculated to the nearest second decimal place, subject to a minimum of 0.00%.

2.28 Memorandum on Actuarial Assumptions

"Memorandum on Actuarial Assumptions" means the memorandum on "Actuarial Assumptions and Methods" prepared by the Actuary for the Agreement on Retirement Benefit Issues Comprising an Amendment of the Collective Agreement dated November 29, 2005, as amended from time to time in accordance with the provisions of Section 14.02 (Actuarial Valuation) hereof, provided that actuarial assumptions and methods shall be in accordance with generally accepted actuarial principles. The Memorandum on Actuarial Assumptions shall be attached to the Collective Agreement for information purposes only but shall not form part of the Collective Agreement.

2.46 Retire or Retirement

"Retire" or "Retirement" means, with respect to a Member, a termination of employment for any reason other than death, on or after becoming eligible to retire pursuant to Section 5.02 (Early Retirement), subject to provisions under Section 5.03 (Postponed Retirement).

2.48 Spouse

"Spouse" of a Member means a person who, on the date of determination of spousal status, is:

(a) legally married to the Member and is not living separate and apart from the Member;

(b) not legally married to the Member but who has been living with the Member in a conjugal relationship continuously for a period of at least 3 years; or

(c) not legally married to the Member but who is living with the Member in a conjugal relationship of some permanence, where the said person and the Member are the natural parents or adoptive parents of a child, both as defined in the Ontario *Family Law Act*,

provided, however, that a person described in (b) or (c) above shall not be considered the Spouse of the Member for purposes of this Plan if there is also a legal Spouse as described in (a) above.

2.49 SRA

"SRA" means the Supplemental Retirement Arrangement for Members of the Contributory Pension Plan for TUFA Employees of Trent University that is comprised of all the provisions of the SRA as amended and restated by agreement of the University and TUFA effective July 1, 2005, and from time to time. “SRA Fund” means the special purpose fund in which the University sets aside operating funds in respect of its obligations under the SRA.

4.01 Members’ Required Contributions

(a) Rate

Effective July 1, 2006, each Member shall pay Required Contributions to the Plan during each Plan Year at the rate of 6.50% of the Member’s Nominal Earnings or, in the case of a Member employed on a less than full-time basis, 6.50% of the Member’s Normal Earnings.

(b) Transition Payment Schedule

During the Plan Year starting July 1, 2005, for the period July 1, 2005 to December 31, 2005, the rate shall be 5.25% of the Member’s Nominal Earnings or, in the case of a Member employed on a less than full-time basis, 5.25% of the Member’s Normal Earnings. For the period January 1, 2006 to June 30, 2006, the rate shall be 5.75%.

(c) Manner of Payment

The manner of payment of a Member’s Required Contributions shall be either:

(i) payment directly by the Member through payroll deduction; and/or

(ii) payment on behalf of the Member, in whole or in part, by the University, pursuant to Sections 10.01, 10.02, 10.03, 10.04 (respectively, Disability, Approved Leave, Reduced-Time Appointment, and Partially-Retired Appointment) herein.

(d) Contribution Holiday

The University and TUFA may agree in writing, from time to time, to a contribution holiday, in whole or in part, for Members in respect of a Plan Year. In such event, this Section 4.01 shall be amended to document the terms of such contribution holiday.

4.05 University Contributions

(a) Contributions

In each Plan Year, the University shall pay by deposits into the Plan on a monthly basis the following amounts which together constitute the Full Amount of University Contribution:

(i) The amount necessary for the proper amortization of all unfunded liabilities and solvency deficiencies (if any); and

(ii) The amount equal to the University’s current service cost which is defined as the balance of the cost of benefits earned in that Plan Year after allowing for the Members’ Required Contributions paid pursuant to Section 4.01 above;

for clarity, Members' Required Contributions includes the amounts paid in accordance with the manner of payment described in both subparagraphs (i) and (ii) of paragraph (c) of Section 4.01 (Members' Required Contributions).

(b) Further Provisions Respecting University Contributions

(i) The actuarial calculation of University contributions in paragraph (a) above shall be based on the latest Valuation prepared pursuant to Section 14.02 (Actuarial Valuation) and filed with the Canada Revenue Agency and the Financial Services Commission of Ontario.

(ii) The actuarial calculation of the portion of the Full Amount of University Contribution defined in paragraph (a)(ii) above and any actuarial recommendations respecting paragraph (a)(ii) above shall be prepared without any regard to Plan Surplus, if any.

(iii) The University shall not be entitled to apply Plan Surplus as a credit against the University contributions otherwise required to be paid by the University to the Plan under paragraph (a) above except as provided, and only to the extent and in the form and manner provided, in this paragraph (b)(iii) of this Section 4.05. If any Valuation should disclose Plan Surplus, then,

(1) in any Plan Year in which unfunded liability exists in the Plan, the University shall apply Plan Surplus to eliminate the unfunded liability to the extent possible; and

(2) in any Plan Year in which there is no unfunded liability in the Plan, the University is permitted to apply Plan Surplus as a credit against the University contributions otherwise required to be paid by the University to the Plan under paragraph (a) (ii) above only in accordance with and as prescribed under the terms of Article VIII.4.2 of the Collective Agreement as amended April 28, 2006 (including the documents and agreements referred to therein), and only provided that such application of Plan Surplus as a credit against the University contributions does not create or increase a solvency deficiency in that Plan Year.

(iv) Any Plan Surplus remaining in the Plan in a Plan Year after the University funding obligations under paragraphs (b)(iii)(1) and (b)(iii)(2) above, as applicable, have been satisfied shall be used only in accordance with and as prescribed under the terms of Article VIII.4.2 of the Collective Agreement as amended April 28, 2006 (including the documents and agreements referred to therein), and such use of Plan Surplus may include, as applicable,

(1) leaving Plan Surplus in the Pension Fund as a contingency reserve, and

(2) using Plan Surplus to improve Members' benefits under the Plan by amendment of the Plan.

(v) Notwithstanding any other provisions in Section 4.05 (University Contributions), University contributions paid to the Plan in a Plan Year shall not exceed the maximum amounts permissible in accordance with subsection 147.2(2) of the *Income Tax Act*, subject to the provisions of Regulation 8516(8) or any other provision under the *Income Tax Act* permitting the University in the event of solvency deficiency to continue contributions to the extent required by the *Pension Benefits Act*. It is further provided, however, that in the event that the University is precluded by subsection 147.2(2) of the *Income Tax Act* from depositing any or all of the payments to be paid by the University under Section 4 (Contributions) hereof into the Plan in a Plan Year and the University and TUFA have not agreed to provide additional pension benefit improvements under the Plan which would permit the University to make such payments to the Plan, then the amount equal to the payments that the University is so precluded from making to the Plan shall be, as applicable, allocated by the University to the SRA Fund or retained in a separate account, as required under the terms of Article VIII.4.2 of the Collective Agreement as amended April 28, 2006 (including the documents and agreements referred to therein).

(c) Refunds

In the event the University makes an overpayment to the Pension Fund or makes a payment that should have been paid from the Pension Fund, the University may, upon prior notification to TUFA and subject to obtaining the approvals of the appropriate regulatory authorities, direct the Financial Carrier to refund the amount of such payment to the University, but only to the extent that such refund is necessary to avoid revocation of the registration of the Plan, subject to the *Pension Benefits Act* and the *Income Tax Act*.

5.03 Postponed Retirement

A Member who continues as an Employee beyond the Normal Retirement Date (which shall require University consent up to July 2, 2006) shall continue to contribute to the Plan pursuant to Section 4.01 (Members' Required Contributions) and Section 4.02 (Members' Special Past Service Contributions) and to accrue pension benefits hereunder up to the Postponed Retirement Date, which shall be the Member's Pension Commencement Date, and which shall occur on the first day of any month following the Member's Normal Retirement Date, provided that a Member's Postponed Retirement Date for purposes of the Plan shall not occur later than the December 1 of the year in which the Member's 69th birthday occurs. Upon the Postponed Retirement Date, the Member shall be entitled and required to receive a postponed retirement pension under the Plan, determined and payable in accordance with Section 6.03 (Postponed Retirement Pension). A Member whose Normal Retirement Date is July 1, 2007 or thereafter, and who continues to be an Employee beyond December 1 of the year in which the Member's 69th birthday occurs, will be deemed to Retire solely for the purposes of the Plan on the Postponed Retirement Date. The University and TUFA agree that, whenever the *Income Tax Act* is amended to permit members of registered pension plans to postpone the commencement of their pensions to a date later than December 1 in the year in which the Member's 69th birthday occurs, this Section 5.03 (Postponed Retirement) shall be deemed to be amended to replace the reference to Postponed Retirement Date occurring no later than December 1 of the year in which the Member's 69th birthday occurs with a requirement that the Postponed Retirement Date must occur no later than such later date which may be permitted under the *Income Tax Act*.

6.05 Maximum Retirement Pension Limits Under the *Income Tax Act*

(a) Maximum Retirement Pension

Notwithstanding any other provision of this Plan, the annual pension payable to a Member under the Plan on the date of the Member's Retirement or termination of employment, or upon termination of the Plan, including any benefits paid to a Spouse of the Member pursuant to Section 16.02 (Division of Pension Benefits on Marriage Breakdown), shall not exceed the maximum amount permitted from time to time by the *Income Tax Act*, currently, on July 1, 2005, the lesser of:

(i) 2% of the Member's "highest average compensation", indexed to the year of pension commencement in the manner described in the *Income Tax Act* (Regulation 8504(2)), multiplied by the Member's years (and fractions of a year) of "pensionable service" with the University; and

(ii) the "defined benefit limit" on such date (currently, on July 1, 2005, $2000.00) multiplied by the Member's years (and fractions of a year) of "pensionable service" with the University.

For purposes of this Section 6.05, a Member's "pensionable service" prior to 1992 shall not exceed 35 years. The terms "defined benefit limit", "highest average compensation" and "pensionable service" shall have the meanings given in the *Income Tax Act* (Regulations 8500(1) and 8504(2)).

Section 7 — Indexation

7.01 Indexation for Retirements and Terminations Prior to July 1, 2006

Excess Investment Earnings shall be used under Section 7.01 through 7.05 to increase Members' deferred pensions and pensions in payment. In Sections 7.01 through 7.05 below, the term Member shall be deemed to be restricted to those Members who Retired or terminated employment with the University prior to July 1, 2006. The increases applied to such pensions shall be subject to the *Income Tax Act*.

Excess Investment Earnings shall be determined and reported by the Actuary as of each April 1, commencing April 1, 1998, in respect of the indexation on the immediately following July 1, and shall equal the amount by which the average annualized rate of return, net of expenses, over the four-year period ending on the immediately preceding March 31, on the market value of the Pension Fund exceeds 6.00%. In no event, however, shall this amount be less than 0.00%. The first such determination and report on Excess Investment Earnings shall be provided as of April 1, 1998 for the four-year period ending March 31, 1998.

7.02 Amount of Indexation

Members' deferred pensions and pensions in payment shall be increased each July 1 by the amount of indexing that can be provided by the Excess Investment Earnings determined as of the immediately preceding April 1 pursuant to Section 7.01 above. The amount of the increase applied on a July 1 to Members' pensions in payment shall not exceed the annual percentage increase in the Consumer Price Index determined as of the immediately preceding March 31. The amount of indexing applied on a July 1 to Members' deferred pensions not yet in payment shall not exceed the lesser of the annual percentage increase in the Consumer Price Index and the annual percentage increase in the Average Industrial Wage, both determined as of the immediately preceding March 31.

7.03 First Indexing Adjustment

The increase of Members' deferred pensions not yet in payment and pensions in payment, as described in Section 7.02 above, shall be determined and paid on the basis of entire years. However, the first indexing adjustment to be applied in respect of a Member who terminates employment or Retires after July 1 in any Plan Year shall be equal to the increase for the entire Plan Year, but prorated according to the number of days remaining to the following July 1.

7.04 Insufficient Excess Investment Earnings

In the event the Plan's Excess Investment Earnings are insufficient to provide indexation in a Plan Year equal to the lesser of the annual percentage increase in the Consumer Price Index and the annual percentage increase in the Average Industrial Wage for such year, as applicable in Section 7.02 above, the Actuary shall report such insufficiency, pursuant to Section 7.01 above, and the University and TUFA may negotiate, on an ad hoc basis, additional indexation for deferred pensions and pensions in payment, up to the limits specified in Section 7.02 above, to be funded from Plan Surplus.

7.05 Additional Excess Investment Earnings

In the event the Plan's Excess Investment Earnings are more than sufficient to provide indexation in a Plan Year equal to the annual percentage increase in the Consumer Price Index or the annual percentage increase in the Average Industrial Wage for such year, as applicable, such additional Excess Investment Earnings shall be used, to the extent possible, to increase Members' deferred pensions and pensions in payment in respect of prior Plan Years in which the indexation was less than the annual percentage increase in the Consumer Price Index or the annual percentage increase in the Average Industrial Wage for such year, as applicable. The application of the catch-up to previously unindexed or partially indexed years will proceed in reverse chronological order, from the most recent Plan Year backward.

7.06 Indexation for Retirements and Terminations On and After July 1, 2006

For Retirements and terminations on and after July 1, 2006, excess-investment-earnings-based indexation on each July 1, starting with July 1, 2007, shall be determined as follows, subject to the provisions of the *Income Tax Act*:

(a) Determination

Excess Investment Earnings under this Section 7.06 means the percentage value that is the cumulative excess/deficiency of the annualized average rate of return, net of expenses, on the market value of the Pension Fund, above/below 6.50% for the four-year period ending on the immediately preceding March 31, with the starting measurement date for the rate of return and the cumulative excess/deficiency being April 1, 2006. Transitionally, for the four 12-month periods from April 1, 2006 to March 31, 2010, the rate of return shall be the one-year, two-year, three-year and four-year averages respectively. Thereafter, a four-year average rate of return shall be used.

(b) Cumulative Excess

If there is a cumulative excess as of March 31, the amount of the increase applied on a July 1 to Members' pensions in payment shall not exceed the lesser of the cumulative excess and 50% of the annual percentage increase in the Consumer Price Index determined as of the immediately preceding March 31. The amount of indexing applied on a July 1 to Members' deferred pensions not yet in payment shall not exceed the lesser of the cumulative excess and 50% of the lesser of the annual percentage increase in the Consumer Price Index and the annual percentage increase in the Average Industrial Wage, both determined as of the immediately preceding March 31. The percentage expended on indexation will be deducted from the cumulative excess.

(c) Cumulative Deficiency

If there is a cumulative deficiency as of March 31, there will be no indexation on the subsequent July 1; however, there will be no reduction in pension benefits.

(d) Catch-up

(i) If there is any remaining cumulative excess after the indexation in paragraph (b), 50% of that excess will be used for catch-up in respect of any one or more of the prior five Plan Years when the indexing was less than 50% of the annual percentage increase in the Consumer Price Index or 50% of the annual percentage increase in the Average Industrial Wage, as applicable. The percentage expended on catch-up will be deducted from the cumulative excess. Any cumulative excess not expended will be carried forward.

(ii) The application of the catch-up to previously unindexed or partially indexed years will proceed in reverse chronological order, from the most recent Plan Year backward.

(e) First Indexing Adjustment

The increase of Members' deferred pensions not yet in payment and pensions in payment, as described in paragraph (b) above, shall be determined and paid on the basis of entire years. However, the first indexing adjustment to be applied in respect of a Member who terminates employment or Retires after July 1 in any Plan Year shall be equal to the increase for the entire Plan Year, but prorated according to the number of days remaining to the following July 1.

7.07 Further Indexation

For Retirements but not for terminations on and after July 1, 2006, in addition to the excess-investment-earnings-based indexation provisions under Section 7.06 above, the University shall from time to time increase pensions in payment in accordance with and as prescribed under the terms of Article VIII.4.2 of the Collective Agreement as amended April 28, 2006 (including the documents and agreements referred to therein). The increases applied shall be subject to the *Income Tax Act.*

10.01 Disability

(a) Continued Accrual of Benefits

Subject to paragraph (d) below, a Member who becomes Disabled shall continue to accrue Normal Pensionable Service until the earliest of the Member's date of termination of Continuous Service, Normal Retirement Date and date of death. The Member's Earnings during the period of Disability shall be deemed to be at the annual rate in effect on the date the Member became Disabled but increased on each July 1 after becoming Disabled by the amount by which the Member's Earnings would have increased in the position held by the Member immediately prior to becoming Disabled had the Member remained actively employed in such position. However, the amount of increase applied to the Member's Earnings shall not exceed the rate of indexation that would have been applied under Section 7 (Indexation) to the Member's pension had the Member terminated Continuous Service on the date the Member became Disabled and elected a deferred pension, except that the indexation rate applicable to the earnings of Members who are Disabled on or after July 1, 2006 will be the greater of the rates applicable to Retirements and terminations on and after July 1, 2006 and Retirements and terminations prior to July 1, 2006.

15.06 Communication

(e) Information for TUFA

The University shall provide to TUFA in a timely fashion in each Plan Year, in both hard copy and where possible electronically readable form, information and documentation related to the Plan, specifically including a copy of all materials provided to the Pension Subcommittee pursuant to subparagraph (c)(ii) of Section 15.01 above, plus, in accordance with Section 4.06 (Remittance to Pension Fund), a list of the aggregate monthly payroll deductions directly from Members and deposits paid into the Pension Fund therefrom as well as a list of aggregate deposits paid into the Pension Fund by the University on behalf of Members, pursuant to both subparagraphs (i) and (ii) of paragraph (c) of Section 4.01 (Members' Required Contributions), and such other information as may be required under the Collective Agreement.

DATED at Peterborough, this 28th day of April, 2006.

Signed: **For the University** **For TUFA**

For the University	For TUFA
David Mahy, Chief Negotiator	Dr. John Fekete, Chief Pension Negotiator
Don O'Leary, Vice-President (Administration)	Dr. Graham Cogley, Pension Negotiator
Garth Brownscombe, Director of Finance	Dr. Douglas Curtis, Pension Negotiator
Sharon Stover, Pension Co-ordinator	Dr. George Nader, Pension Negotiator