

**THE CONTRIBUTORY PENSION PLAN  
FOR TUFA EMPLOYEES  
OF TRENT UNIVERSITY**

**(Amended and Restated Effective January 1, 2021)**



**ON BEHALF OF THE UNIVERSITY**

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**SIGNED IN PETERBOROUGH, MAY 17, 2021**

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## **Section 1. Establishment of the Plan**

### **1.01 Establishment**

The Plan was established with effect from July 1, 1998 pursuant to a collective agreement between the University and TUFA, effective July 1, 1996 to June 30, 1999, and a "Framework Agreement" between the University and TUFA, dated January 30, 1998, to provide pension benefits for Employees and Former Employees of the University who are or were members of the TUFA bargaining unit or who have or had the right to enter or return to the TUFA bargaining unit. The Plan is a continuation of the Prior Plan as described in Section 1.02 below with respect to members described therein except for purposes of registration.

### **1.02 Prior Plan**

Effective July 1, 1998, all persons who were members of the Prior Plan as of June 30, 1998 and who were Employees and Former Employees of the University and who are or were members of the TUFA bargaining unit or who had the right as of June 30, 1998 to enter or return to the TUFA bargaining unit were Members of the Plan. Such members of the Prior Plan include active members, inactive members, members who had previously terminated employment with the University but who remain entitled to pension benefits under the Plan, and pensioners in receipt of pension benefits under the Prior Plan.

The assets and liabilities in respect of pension benefits of such members of the Prior Plan, including Plan Surplus in respect of such liabilities, were segregated in the Prior Plan since July 1, 1991 and separately identified in the actuarial valuations of the Prior Plan since such date filed with Revenue Canada and the Financial Services Commission of Ontario. The assets and liabilities in respect of the pension benefits of such members of the Prior Plan as of June 30, 1998, including Plan Surplus in respect of such liabilities, were transferred to the Plan with effect from July 1, 1998. The amount of such assets and liabilities, including Plan Surplus, were identified in a spin-off valuation report, prepared by the Actuary and approved by the University and TUFA and filed with Revenue Canada and the Financial Services Commission of Ontario.

In respect of all the provisions of the Plan, the pension benefits, contributions with interest, Pensionable Service, and other rights of the Members of the Plan who were members of the Prior Plan shall include all pension benefits, contributions with interest, Pensionable Service, and other rights of such Members earned under the Prior Plan up to June 30, 1998, notwithstanding the absence of specific reference to the Prior Plan under any particular provision herein. The generality of the foregoing shall not be limited by the presence of specific reference to the Prior Plan in some but not all particular provisions herein.

**1.03 No Adverse Effect on Prior Rights**

A Member's rights or benefits under the Prior Plan shall not be reduced or otherwise adversely affected under the Plan.

**1.04 Registered Status**

The Plan shall be registered as a pension plan under the *Income Tax Act* and the *Pension Benefits Act*.

**1.05 Amendment**

The Plan is amended and restated effective January 1, 2021, as set out herein, to, among others things, incorporate all prior amendments. Unless stated otherwise the terms of the Plan as set out herein shall apply to Members who retire, terminate employment or die on or after January 1, 2021.



## Section 2. Definitions

The following words and phrases, when capitalized and used in this Plan, shall have the following meanings:

### **2.01 Actuarial Equivalent**

"Actuarial Equivalent" means, with respect to a specified benefit, the equivalent value in a different form of payment, computed on the basis of actuarial assumptions as set out in the Memorandum on Actuarial Assumptions.

### **2.02 Actuary**

"Actuary" means the actuary or firm of actuaries retained by the University for purposes of the Plan on the recommendation of the Pension Subcommittee who is, or in the case of a firm of actuaries at least one of whom is, a Fellow of the Canadian Institute of Actuaries. The Actuary is professionally independent and is a resource for both the University and TUFA in respect of the Plan.

### **2.03 Approved Leave**

"Approved Leave" means, with respect to a Member, a period of absence of the Member from some or all of the Member's prescribed University duties, as defined under the Collective Agreement.

### **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%.

### **2.05 Beneficiary**

"Beneficiary" means the person last designated by a Member, by written notice filed with the University pursuant to Section 13 (Designation of Beneficiary), to receive benefits payable from the Plan upon the Member's death. If any payment is to be made to a Beneficiary but there is no Beneficiary designated or no Beneficiary living, "Beneficiary" shall mean the Member's estate.

### **2.06 Board of Governors**

"Board of Governors" means the Board of Governors of the University.

### **2.07 Collective Agreement**

"Collective Agreement" means the collective agreement entered into from time to time between the University and TUFA, pursuant to the Ontario *Labour Relations Act*.

**2.08 Commuted Value**

"Commuted Value" means the present lump sum actuarial value of a pension benefit under the Plan, as determined by the Actuary in accordance with the Section 3500 of the Canadian Institute of Actuaries Standards of Practice or such other basis as may be permitted or required from time to time under the *Pension Benefits Act* and the *Income Tax Act*.

**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 2002 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%.

**2.10 Continuous Service**

"Continuous Service" means a period of unbroken employment with the University as an Employee, calculated from the date of last entry into the employ of the University. A Member's period of Continuous Service is not interrupted during public holidays, periods of vacation, Approved Leaves (except political leave as specifically provided in paragraph (d) of Section 10.02 (Approved Leave) hereof), Disability, periods of layoff, or notice periods required by provincial employment standards legislation upon termination of employment.

**2.11 Credited Interest**

"Credited Interest" means interest credited on a Member's Required Contributions paid to the Plan pursuant to Section 4.01 (Members' Required Contributions) hereof, compounded monthly and computed from the last day of the month in which such contributions were paid to the first day of the calendar month in which a determination thereof is to be made, at a monthly rate at least equal to the "bank deposit rate" as defined under the *Pension Benefits Act*. In the Plan Year of a Member's termination of employment, Retirement or death, the average monthly rate in the preceding Plan Year shall be used.

Whenever a lump sum amount is to be paid as a result of the Retirement, termination of employment or death of a Member, interest shall be credited on the lump sum amount at the rate prescribed in the *Pension Benefits Act* from the date the lump sum payment is due until the first day of the month in which it is paid.

**2.12 Disabled or Disability**

"Disability" means, in respect of a Member, a physical or mental impairment certified by a qualified medical doctor that qualifies the Member to receive benefits under the long-term disability insurance policy sponsored by the University. "Disabled" means suffering such a Disability.

**2.13 Early Retirement Date**

"Early Retirement Date" means the date of a Member's early retirement as set out in Section 5.02 (Early Retirement).

**2.14 Earnings**

"Earnings" means the gross annual salary paid to a Member by the University, excluding living allowances, additional payments for research, stipends, grants-in-aid, and additional remuneration for part-time teaching, as determined by the payroll records of the University. During a period of Disability, a Member shall be deemed to have Earnings on the basis described in paragraph (a) of Section 10.01 (Disability) hereof.

**2.15 Effective Date**

"Effective Date" means July 1, 1998.

**2.16 Employee**

"Employee" means a person who is employed by the University who is a member of the TUFA bargaining unit as defined by Labour Relations Board Certificate 1594-79-R dated December 18, 1979 and amended on June 6, 1980 or who has a right to enter or return to the TUFA bargaining unit and who belongs to one of the following categories:

- (a) "Full-Time Employee" means an Employee who is employed by the University on a full-time basis (as defined under the Collective Agreement);
- (b) "Limited-Term Employee" means an Employee who is employed by the University for a limited term (as defined under the Collective Agreement);
- (c) "Part-Time Employee" means an Employee, other than a Limited-Term Employee, who is employed by the University on less than a full-time basis (as defined under the Collective Agreement).
- (d) "Reduced-Time Appointment" means an Employee who is employed by the University on a Reduced-Time basis (as defined under the Collective Agreement).
- (e) "Partially-Retired Appointment" means an Employee who is employed by the University on a Partially-Retired basis (as defined under the Collective Agreement).

**2.17 Excess Contributions**

"Excess Contributions" means the amount (if any) by which a Member's accumulated Required Contributions paid on or after January 1, 1987 pursuant to Section 4.01 (Members' Required Contributions), plus Credited Interest thereon:

- (a) to the month in which the Member terminates employment and elects a deferred pension under Section 9.01 (Deferred Pension), Retires or dies, exceed 50% of the Commuted Value of the deferred pension to which a Member is entitled under the Plan in respect of Pensionable Service on and after January 1, 1987;

or

- (b) to the month in which the Member terminates employment for any reason other than Retirement or death and elects a locked-in transfer under Section 9.02 (Locked-In Transfer),

exceed 50% of the greater of:

- (i) the Commuted Value of the deferred pension to which a Member is entitled under the Plan in respect of Pensionable Service on and after January 1, 1987; and

- (ii) the sum of:

a. two times the Member's accumulated Required Contributions paid pursuant to Section 4.01 (Member's Required Contribution) or paid by and/or on behalf of the Member pursuant to Section 10 (Benefits on Disability, Approved Leave, Reduced-Time Appointment and Partially-Retired appointment) on and after January 1, 1987 and prior to July 1, 2010, with Credited Interest thereon;

and

b. the Commuted Value of the deferred pension to which the Member is entitled under the Plan in respect of Pensionable Service on and after July 1, 2010.

## **2.18 Excess Investment Earnings**

"Excess Investment Earnings" means the excess investment earnings in the Pension Fund, for purposes of determining the indexation applied to deferred pensions and pensions in payment, as described in Section 7 (Indexation), provided that Excess Investment Earnings calculations in respect of Plan Years ending prior to the Effective Date shall be based on the pension fund of the Prior Plan.

## **2.19 Final Average Earnings**

"Final Average Earnings" means the highest average annual Nominal Earnings paid to a Member by the University during any five consecutive years of the 10 years immediately preceding Retirement, termination of employment or death. For a Member who terminates, Retires or dies before having completed 10 years of Continuous Service, Final Average Earnings shall be the highest average annual Nominal Earnings paid to the Member by the University during any five consecutive years, or the Member's annual Nominal Earnings during the Member's Continuous Service if less than five years.

Notwithstanding the above, a Member's Final Average Earnings shall in no event be less than the Member's Final Average Earnings calculated as at July 1, 2014 with "Final

Average Earnings" defined as the highest average annual Nominal Earnings paid to a Member by the University during any three consecutive years of the 10 years immediately preceding the earlier of July 1, 2014, Retirement, termination of employment or death, or for a Member who terminated, Retired or died before having completed 10 years of Continuous Service, the highest average annual Nominal Earning paid to the Member by the University during any three consecutive years prior to July 1, 2014 or during the Member's Continuous Service prior to July 1, 2014 if it was less than three years

For purposes of determining Final Average Earnings in respect of a period that includes an Approved Leave with partial pay or without pay, a Reduced-Time Appointment, or Partially-Retired Appointment, and for a period Disability, the Earnings rate shall be as described in paragraph (a) of Section 10.01 (Disability).

**2.20 Financial Carrier**

"Financial Carrier" means the trust company and/or insurance company appointed by the University on the recommendation of the Pension Subcommittee from time to time to receive and hold funds, securities and other assets pursuant to this Plan. The Financial Carrier shall operate according to a trust agreement and/or an insurance contract, as appropriate, between itself and the University.

**2.21 Former Employee**

"Former Employee" means a person who was but is no longer an Employee employed by the University. For greater certainty, Former Employee shall include a Former Employee who was a member of the Prior Plan as defined below in Section 2.43 (Prior Plan) on June 30, 1998.

**2.22 Full Amount of University Contribution**

"Full Amount of University Contribution" means the amount of the contributions required to be paid by the University to the Plan in a Plan Year pursuant to paragraph (a) of Section 4.05 (University Contributions) hereof.

**2.23 Income Tax Act**

"Income Tax Act" means the *Income Tax Act (Canada)*, Statutes of Canada, 1970-71-72 and *Regulations*, as amended from time to time.

**2.24 Member**

"Member" means an Employee or Former Employee as defined above in Section 2.16 (Employee) and Section 2.21 (Former Employee) who has been enrolled in this Plan pursuant to Section 3 (Eligibility and Participation) and who continues to have rights or contingent rights to benefits under the Plan.

**2.25 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.

**2.26 Nominal Earnings**

"Nominal Earnings" means the gross annual salary that would be paid to a Member by the University if the Member worked for the University full-time for a full year, as determined by the payroll records of the University. Nominal Earnings do not include living allowances, additional payments for research, stipends, grants-in-aid, and additional remuneration for part-time teaching.

**2.27 Normal Earnings**

"Normal Earnings" means the Nominal Earnings of a Member multiplied by the Member's Percentage of Appointment.

**2.28 Normal Retirement Date**

"Normal Retirement Date" means the date of a Member's normal Retirement as set out in Section 5.01 (Normal Retirement)

**2.29 Pension Benefits Act**

"*Pension Benefits Act*" means the Ontario *Pension Benefits Act*, R.S.O. 1990 c. P8 and Regulations, as amended from time to time.

**2.30 Pension Commencement Date**

"Pension Commencement Date" means the date upon which payment of a Member's pension benefit under the Plan is due to commence, and shall be the Member's Normal Retirement Date. However, if a Member elects to Retire and commence receiving a pension benefit prior to his or her Normal Retirement Date, "Pension Commencement Date" shall mean the first day of the month in which the Member's pension benefit is due to commence, and if the Member Retires after the Normal Retirement Date "Pension Commencement Date" shall mean the Member's Postponed Retirement Date.

**2.31 Pension Fund**

"Pension Fund" means the fund established pursuant to the terms of the Plan to which all contributions under the Plan are paid and from which the benefits under the Plan are paid and which includes the funds, securities and other assets held by the Financial Carrier in respect of this Plan.

### **2.32 Pensionable Service and Normal Pensionable Service**

"Pensionable Service" means a Member's years and fractions of years of Continuous Service during which the Member, or the University on behalf of the Member, contributed to the Plan pursuant to Section 4.01 (Members' Required Contributions) or Section 4.02 (Members' Special Past Service Contributions) hereof and/or contributed to the Prior Plan pursuant to Article 4.1 or Article 4.8 thereof, and/or contributed to the predecessors of the Prior Plan. Pensionable Service shall in addition include any period of service in respect of a transfer of assets into the Pension Fund pursuant to Section 12.02 (Transfer of Assets) hereof or Article 13 of the Prior Plan.

The Pensionable Service of Members to whom Section 10 (Benefits on Disability, Approved Leave, Reduced-Time Appointment and Partially-Retired Appointment) applies shall be as described in Section 10, and for the purposes of Section 10 "Normal Pensionable Service" shall mean the accrual of Pensionable Service on the same basis as if the Member were not Disabled, on Approved Leave, or holding a Reduced-Time Appointment or Partially-Retired Appointment, as applicable.

Except in the case of Reduced-Time Appointment and Partially-Retired Appointment as described in Section 10, the Pensionable Service of a Member who is a Part-Time Employee shall be negotiated by the University and TUFA on a case-by-case basis in accordance with Article III.3.3.2 of the 1996-1999 Collective Agreement or as it may be amended, until there is agreement on a general formula to be incorporated by amendment into the Plan and the Collective Agreement.

Periods of unpaid Approved Leave shall be limited as described in paragraph (f) of Section 10.02 hereof (Pensionable Service during Periods of Unpaid Approved Leave).

### **2.33 Pension Subcommittee**

"Pension Subcommittee" means the Pension Subcommittee as described in Section 15.01 (Plan Administration and the Pension Subcommittee).

### **2.34 Percentage of Appointment**

"Percentage of Appointment" means the percentage that at any one time a Member's regularly scheduled appointment by the University is of the regularly scheduled appointment by the University of a full-time Member in the same or similar category of employment, calculated to the nearest second decimal place, to a maximum of 100.00%

### **2.35 Plan**

"Plan" means The Contributory Pension Plan for TUFA Employees of Trent University, as set forth herein, as amended from time to time.

### **2.36 Plan Surplus**

"Plan Surplus" means, at any particular point in time, the excess of assets of the Plan over the liabilities in the Plan, as determined by the Actuary on an annual basis. The assets and

liabilities shall be as contained in the most recent going-concern Valuation report with respect to the determination of Plan Surplus on a going-concern basis or the most recent solvency Valuation report with respect to the determination of Plan Surplus on a windup basis.

**2.37 Plan Year**

"Plan Year" means a 12-month period commencing on July 1 and ending on the following June 30.

**2.38 Postponed Retirement Date**

"Postponed Retirement Date" means the date of a Member's postponed retirement as set out in Section 5.03 (Postponed Retirement).

**2.39 Prior Plan**

"Prior Plan" means The Contributory Pension Plan for Employees of Trent University, as in effect on June 30, 1998, including the terms of and the benefits payable under the "Previous Plan" as defined in the Prior Plan.

**2.40 Reduced-Time Appointment**

"Reduced-Time Appointment" means, with respect to a Member, a period during which the Member is employed by the University on a reduced-time appointment pursuant to the Collective Agreement.

**2.41 Required Contributions**

"Required Contributions" shall have the meaning described in Section 4.01 (Members' Required Contributions).

**2.42 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).

**2.43 Special Past Service Contributions**

"Special Past Service Contributions" means the past service contributions of a Member, as described in Section 4.02 (Members' Special Past Service Contributions).

**2.44 Spouse**

"Spouse" means, in relation to a Member, at the time a determination of marital status is required, a person who:

- (a) is legally married to a Member, provided the Member is not living separate and apart from that person; or



- (b) is not legally married to the Member but who has been living with the Member continuously in a conjugal relationship for a period of at least three years and is not living separate and apart from the Member at the date marital status is determined; or
- (c) is not legally married to the Member, but who is living with the Member in a relationship of some permanence and who, together with the Member, is the natural or adoptive parent of a child, both as defined in section 4 of the *Children's Law Reform Act (Ontario)*.

A person described in (b) or (c) above shall not be considered the Spouse of the Member for the purposes of the Plan if there is also a person described in (a) above, unless the Member has submitted a written election to the contrary to the University. In no event shall a Member have more than one spouse for the purposes of the Plan.

**2.45 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.

**2.46 TUFA**

"TUFA" means the Trent University Faculty Association.

**2.47 University**

"University" means Trent University as defined by *Trent University Act*, S.O. 1962-1963, as amended from time to time.

**2.48 Valuation**

"Valuation" means a valuation prepared by the Actuary in accordance with generally accepted actuarial principles and in accordance with the provisions of the Memorandum on Actuarial Assumptions.

**2.49 YMPE**

"YMPE" means the Year's Maximum Pensionable Earnings as defined in the Canada Pension Plan.

Words importing the singular number shall include the plural and vice versa unless the context requires otherwise.

## **Section 3. Eligibility and Participation**

### **3.01 Employees Who Were Members of the Prior Plan**

Each Employee on the Effective Date who was a member of the Prior Plan on June 30, 1998 shall be a Member of this Plan as of the Effective Date.

### **3.02 Former Employees Who Were Members of the Prior Plan**

Each Former Employee on the Effective Date who was a member of the Prior Plan on June 30, 1998 and who was entitled to benefits thereunder shall be a Member of this Plan as of the Effective Date and shall continue to be entitled to benefits hereunder,

### **3.03 Full-Time Employees**

Each Full-Time Employee, other than an Employee described in Sections 3.01 or 3.02 above, shall become a Member upon becoming a Full-Time Employee.

### **3.04 Limited-Term Employees**

Each Limited-Term Employee, other than an Employee described in Sections 3.01 or 3.02 above, shall be eligible to become a Member on the earliest date at which the Employee commences employment with the University pursuant to an appointment for a limited term, the duration of which, when added to the terms of previous limited term appointments, if any, exceeds two years.

### **3.05 Part-Time Employees**

Each Part-Time Employee, other than an Employee described in Sections 3.01 or 3.02 above, shall become a Member upon the completion of three months of Continuous Service, provided that no Member shall suffer any interruption of Continuous Service upon changing from Full-Time to Part-Time employment under the terms of the Collective Agreement

### **3.06 Enrollment Form**

Each Full-Time Employee and each Part-Time Employee who, pursuant to Section 3.03 or Section 3.05 above, is required to become a Member, shall complete an enrollment form prescribed by the University and shall file such form with the University. Each Limited-Term Employee who, pursuant to Section 3.04 above, desires to become a Member, shall complete an enrollment form prescribed by the University and shall file such form with the University.

### **3.07 No Opt Out**

A Member shall not be permitted to opt out of the Plan.

### **3.08 Participation in Other Registered Pension Plans**

Notwithstanding the above, and for greater certainty, an Employee will not be eligible to become a Member if the Employee is an active participant of the Ontario Teachers' Pension Plan pursuant to Section 8(1) or (2) of Schedule 1 of the Teachers' Pension Act.

### **3.09 Re-Employment**

If a Member of the Plan who has retired and is in receipt of a pension is re-employed by the University prior to the end of the calendar year in which the Employee attains age 71, the Employee shall immediately cease to receive the pension and shall re-join the Plan. Upon the Member's subsequent retirement, the annual pension shall be recalculated based upon the Member's Final Average Earnings and Pensionable Service and Required Contributions made to the Member's subsequent Retirement date. The Commuted Value of the annual pension shall be reduced by the Commuted Value of the amount of the annual pension received by the Member after their initial Retirement date and prior to their re-employment date. For greater certainty, a Member shall not be permitted to receive a pension under the Plan while accruing pension benefits under the Plan.

## Section 4. Contributions

### 4.01 Members' Required Contributions

- (a) Each Member shall pay Required Contributions to the Plan during each Plan Year at the rate of 9.2% of the Member's Nominal Earnings up to the YMPE plus 11.5% of Nominal Earnings in excess of the YMPE.

Notwithstanding the above, for a Member employed on a less than full-time basis, such Member shall pay Required Contributions equal to 9.2% of the Member's Nominal Earnings up to the YMPE plus 11.5% of Nominal Earnings in excess of the YMPE multiplied by the Member's Percentage of Appointment.

- (b) **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.

- (c) **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 in the terms of such contribution holiday.

### 4.02 Members' Special Past Service Contributions

- (a) **Pre-1990 Past Service**

A Member may make Special Past Service Contributions to the Plan for the purchase of benefits in respect of periods of employment recognized by the University prior to 1990 for which the Member did not accrue Pensionable Service under the terms of the Prior Plan. The maximum amount of such contributions shall be:

- (i) \$3,500 for each year of Continuous Service during which the Member did not contribute to any registered pension plan, provided that contributions paid under this paragraph shall not exceed the amount permitted under subsection 147.2(4)(b) of the *Income Tax Act*; and

- (ii) \$3,500 for each year of Continuous Service during which the Member contributed to any registered pension plan minus the amounts contributed to such registered pension plan in each such year, provided that contributions paid under this paragraph shall not exceed the amount permitted under subsection 147.2(4)(c) of the *Income Tax Act*.

**(b) Post-1989 Past Service**

A Member may make Special Past Service Contributions to the Plan for the purchase of benefits in respect of periods of employment recognized by the University after 1989 for which the Member did not accrue Pensionable Service under the terms of the Plan or Prior Plan, provided that the period of employment is eligible service as defined under Regulation 8503(3)(a) of the *Income Tax Act* and that the contributions do not exceed the amount reasonably necessary to fund the past service benefits, pursuant to subsection 147.2(4)(a) of the *Income Tax Act* and Regulation 8503(4)(a) of the *Income Tax Act* or whatever other maximum may be permitted or required from time to time under the *Income Tax Act*.

**(c) Method of Contribution**

Contributions made pursuant to this Section 4.02 shall be remitted by the contributing Member directly to the University, or shall be deducted from the Member's pay by specific arrangement in writing between the Member and the University.

**4.03 Maximum Members' Contributions**

Notwithstanding any other provision, in no event shall a Member's contributions to the Plan paid pursuant to Section 4.01 above in respect of a calendar year exceed \$1,000 plus 70% of the Member's "pension credits" for such calendar year in respect of the University, provided that during a period in which the Member is Disabled or during an "eligible period of reduced pay" a Member, or the University on behalf of a Member as provided in Section 10 hereof, may contribute to the Plan what is reasonably necessary to fund the benefits earned by the Member for such periods.

The term "pension credit" and "eligible period of reduced pay" shall have the meanings as defined under the *Income Tax Act*.

**4.04 Pension Commencement Date**

A Member shall not be permitted to contribute to the Plan on and after the Member's Pension Commencement Date.

**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 the University Contribution:

- (i) the amount necessary for the proper amortization of all going concern unfunded liabilities and solvency deficiencies (if any); and
- (ii) the amount equal to the University's current service cost, defined as the balance of the cost of benefits earned in that Plan Year after allowing for Member's Required Contributions paid pursuant to Section 4.01 (Member's Required Contributions) above. For clarity, Member's Required Contributions include the amounts paid in accordance with the manner of payment described in paragraphs (a) and (b) of Section 4.01 (Member's Required Contributions).

For greater certainty, upon submission to the applicable regulatory authorities of an actuarial valuation report with an effective date on or after December 31, 2017, the University is obligated to make contributions in respect of the provision for adverse deviations in respect of the normal cost, any amendment that increases going concern liabilities and any reduced solvency deficiency under the Plan.

**(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 Regulatory Authority;
- (ii) The actuarial calculation of the portion of the Full Amount of University Contribution defined in paragraph (a)(ii) above 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 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*.

**4.06 Remittance to Pension Fund**

The University shall deposit into the Pension Fund any sums received from a Member or deducted from a Member's pay or payable by the University on behalf of a Member as the Member's Required Contributions to the Plan pursuant to Section 4.01 (Members' Required Contributions) above or as the Member's Special Past Service Contributions to the Plan pursuant to Section 4.02 (Members' Special Past Service Contributions) above within the calendar month following the month the sum was received or deducted or deemed payable. The University shall deposit into the Pension Fund the sums it is required to contribute in accordance with Section 4.05 (University Contributions) within the calendar month following the month such contributions are due.



## **Section 5. Retirement Dates**

### **5.01 Normal Retirement**

The Normal Retirement Date of a Member for purposes of the Plan shall be the July 1 coincident with or next following the date the Member attains age 65. Except as otherwise provided herein, a Member shall Retire upon the Normal Retirement Date and shall thereupon be entitled to receive a normal retirement pension under the Plan, determined and payable in accordance with Section 6.01 (Normal Retirement Pension).

### **5.02 Early Retirement**

A Member may elect to Retire from the employ of the University on an Early Retirement Date, which shall be on the first day of any month within the 10 years immediately preceding the Member's Normal Retirement Date. Upon the Early Retirement Date, the Member shall be entitled to receive an early retirement pension under the Plan, determined and payable in accordance with Section 6.02 (Early Retirement Pension).

### **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 71<sup>st</sup> 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 71<sup>st</sup> 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 71<sup>st</sup> 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 71<sup>st</sup> 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*.

### **5.04 Application for Commencement of Benefits**

Each Member who Retires shall complete a retirement option form prescribed by the University and shall file such form with the University at least 60 days prior to the

Member's Normal Retirement Date or Early Retirement Date or Postponed Retirement Date, as applicable.

## **Section 6. Retirement Benefits**

### **6.01 Normal Retirement Pension**

Each Member who retires on the Normal Retirement Date pursuant to Section 5.01 (Normal Retirement) shall be entitled to receive an annual pension payable in equal monthly installments commencing on the Member's Normal Retirement Date and continuing on the first day of each month thereafter, equal to 2% of the Member's Final Average Earnings multiplied by the Member's Pensionable Service, subject to paragraph (a) of Section 6.05 below.

### **6.02 Early Retirement Pension**

#### **(a) Regular Early Retirement**

Each Member who elects to Retire on an Early Retirement Day pursuant to Section 5.02 (Early Retirement) shall be entitled to receive an annual pension payable immediately or may elect to have payment of the pension deferred to commence at a later date, but no later than the Member's Normal Retirement Date. The pension shall be paid in equal monthly installments commencing on the date the Member Retires or on such later date as the Member may elect and continuing on the first day of each month thereafter. The pension shall be the pension accrued by the Member up to the Member's Early Retirement Date, computed pursuant to Section 6.01 above, based upon the Member's Final Average Earnings and Pensionable Service up to the Member's Early Retirement Date, but reduced by 0.5% for each complete month by which the Member's Pension Commencement Date precedes the Member's Normal Retirement Date. However, the reduction for early commencement will not be more than the reduction determined on an actuarially equivalent basis.

#### **(b) Voluntary Early Full Retirement**

##### **(i) Eligibility**

A Member who has completed at least 10 years of Pensionable Service and whose Normal Retirement Date is not later than July 1, 2005 may apply to Retire under this paragraph (b). The Member must have notified their Dean (or the University Librarian, as applicable) in writing no later than September 1, 1997 and the Member's proposed Pension Commencement Date must be on any July 1 within the five-year period immediately preceding the Member's Normal Retirement Date. Upon written acknowledgement by the Dean (or University Librarian, as applicable), the arrangements are final and binding upon the Member and the University. The University shall send a copy of each such notification and acknowledgement to TUFA.

(ii) **Benefit**

Each Member described in paragraph (i) above shall receive an annual pension payable in equal monthly installments commencing on the Member's Pension Commencement Date referred to in paragraph (i) above and continuing on the first day of each month thereafter, equal to the pension calculated pursuant to paragraph (a) above, but without any reduction on account of Retirement prior to the Member's Normal Retirement Date.

(iii) **Reemployment**

A Member who Retires under this paragraph (b) (Voluntary Early Full Retirement) shall not be entitled to return to full-time or part-time employment with the University as a member of the TUFA bargaining unit.

(iv) **Pre-July 1,1998 Retirements**

Each Member who Retired under a voluntary early retirement program prior to July 1, 1998 and who, as of July 1, 1998, had not attained his or her Normal Retirement Date, shall be entitled to a pension payable in the normal form applicable to the Member under the terms of the Plan as of July 1,1998, provided that the increase, if any, applied to a Member's future pension payments shall be considered an additional lifetime retirement benefit

**6.03 Postponed Retirement Pension**

Each Member who retires on a Postponed Retirement Date pursuant to Section 5.03 (Postponed Retirement) shall be entitled to receive an annual pension payable in equal monthly installments commencing on the Member's Postponed Retirement Date and continuing on the first day of each month thereafter, equal to the pension accrued by the Member up to the Member's Postponed Retirement Date, computed pursuant to Section 6.01 above, based upon the Member's Final Average Earnings and Pensionable Service up to the Member's Postponed Retirement Date.

**6.04 Refund of Excess Contributions on Retirement**

A Member who Retires on a Normal, Early or Postponed Retirement Date pursuant to Section 5 (Retirement Dates) and who is entitled to Excess Contributions shall be paid such Excess Contributions in a single lump sum cash payment, or at the Member's election, he or she shall be permitted to transfer such amount to his or her registered retirement savings plan or registered retirement income fund on his or her Pension Commencement Date.

## **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)).

### **(b) Maximum Early Retirement Pension**

The annual pension payable to a Member under the Plan upon the Member's Early Retirement Date shall be the lesser of the amount payable under Section 6.02 above and the amount payable under Section 6.01 above reduced by 1/4 of 1% for each month by which the Member's Pension Commencement Date precedes the earliest of:

- (i) the Member's attainment of age 60;
- (ii) the date the Member would have attained 30 years of "early retirement eligibility service" had he or she remained in the Plan; or
- (iii) the date the Member would have attained a combined total of 80 years of age and "early retirement eligibility service".

The term "early retirement eligibility service" shall have the meaning given in the *Income Tax Act* (Regulation 8503(3)(c)).

### **(c) Maximum Pension Adjustment**

In no event shall a Member's "pension adjustment" in respect of the University, or an employer that does not deal at arm's length with the University, for a calendar year exceed the lesser of:

- (i) the "money purchase limit" for the calendar year; and
- (ii) 18% of the Member's "compensation" for the calendar year.

The terms "compensation", "money purchase limit" and "pension adjustment" shall have the meanings given in the *Income Tax Act*.

**6.06 Retirements on or after January 1, 1992**

Each Member who Retired on or after January 1, 1992 who is in receipt of a pension under the Plan or Prior Plan and whose pension was limited to the previous defined benefit limit of \$1,715.00 shall be paid an additional lifetime retirement benefit equal to the difference between the Member's benefit calculated in accordance with such limit and with the current defined benefit limit of \$1,722.22 on the Effective Date, retroactive to the Member's retirement date. Such additional benefit shall be paid as soon as possible after the Effective Date in a lump sum. From the Effective Date, such Members shall be entitled to a pension benefit calculated in accordance with the current defined benefit limit (\$1,722.22 on the Effective Date).

**6.07 Payment of Small Pensions on Retirement**

A Member who Retires on a Normal, Early or Postponed Retirement Date and whose annual pension payable under the Plan upon the Member's Normal Retirement Date is not greater than 4% of the YMPE in the year of Retirement, or the Commuted Value of the pension is less than 20% of the YMPE in the year of Retirement, the University shall pay the Commuted Value of the Member's pension to the Member in a lump-sum cash payment in lieu of the benefits otherwise payable pursuant to the foregoing provisions of this Section 6. Alternatively, at the written election of the Member on a form prescribed by the University, the Member may elect to transfer such amount to his or her registered retirement savings plan or registered retirement income fund in the prescribed manner.

## **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.

- (f) In no event shall the commuted value of the accrued pension as of July 1, 2006 calculated taking into account Section 7.06 be less than the commuted value of the accrued pension as of July 1, 2006 taking into account Sections 7.01 and 7.02, such comparison being made at the time of termination or Retirement of a Member.

**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*.

## **Section 8. Manner and Forms of Payment**

### **8.01 Normal Form of Payment for a Member Without a Spouse**

The normal form of pension payment under the Plan for a Member without a Spouse on the Member's Pension Commencement Date shall be an annual pension payable in equal monthly installments for the remaining lifetime of the retired Member, with the last payment to the Member being made on the first day of the month in which the Member dies. If, however, the Member dies before receiving 120 monthly payments, the Member's Beneficiary or, if none, the Member's estate, shall receive the remaining monthly payments until 120 payments in total have been made; alternatively, the Beneficiary or personal representative of the Member's estate may direct the University in writing, on a form prescribed by the University, to pay the Commuted Value of the remaining payments in a single lump sum cash payment.

### **8.02 Normal Form of Payment for a Member With a Spouse**

The normal form of pension payment under the Plan for a Member who has a Spouse on the Member's Pension Commencement Date shall be an annual pension payable in equal monthly installments for the remaining lifetime of the retired Member, with the last payment to the Member being made on the first day of the month in which the Member dies, and with 60% of such monthly pension continuing and payable to such Spouse (if surviving) from the first day of the month following the Member's death until the first day of the month in which the Spouse dies. There shall be no reduction to the Member's pension if the Member's Spouse is no more than five years younger than the Member. If the Spouse is more than five years younger than the Member, however, the monthly pension payable to the Member shall be reduced by 0.5% for each complete year in excess of five by which the Spouse is younger than the Member. However, the reduction will not be more than the reduction determined on an actuarially equivalent basis.

### **8.03 Optional Forms of Payment**

#### **(a) Actuarial Equivalent Benefits**

The value of the pensions payable in any of the optional forms of payment set out in this Section 8.03 shall be the Actuarial Equivalent of the normal form of pension applicable to the Member and described in Sections 8.01 and 8.02 above. The election of an optional form of pension shall be made on a form prescribed by the University and must be made at least 60 days prior to the Member's Pension Commencement Date.

#### **(b) Member Without a Spouse**

In lieu of the normal form of pension described in Section 8.01 above, a Member without a Spouse on the Member's Pension Commencement Date may elect to receive

- (i) an increased amount of monthly pension payable during the Member's remaining lifetime, with the last payment to the Member being made on the first day of the month in which the Member dies; or
  - (ii) an increased amount of monthly pension payable during the Member's remaining lifetime with a guarantee of 60 monthly payments.
- (c) Member With a Spouse

In lieu of the normal form of pension described in Section 8.02 above, a Member with a Spouse on the Member's Pension Commencement Date may elect, subject to paragraph (d) below, to receive

- (i) an amount of monthly pension payable pursuant to Section 8.01 above, which shall not be greater than the amount of monthly pension otherwise payable to the Member pursuant to Section 8.02; or
  - (ii) a reduced amount of monthly pension payable during the Member's remaining lifetime with greater than 60% but no more than 100% of such monthly pension continued after the Member's death for the remaining lifetime of such Spouse, if the Spouse survives the Member.
- (d) Waiver for a Member With a Spouse

In order for a Member who has a Spouse on the Member's Pension Commencement Date to elect a monthly pension payable pursuant to Section 8.01 or paragraph (c) of this Section 8.03 above, the Member and the Member's Spouse must jointly waive the normal form of payment described in Section 8.02 above by signing and filing a prescribed waiver form with the University within one year prior to the Member's Pension Commencement Date. The waiver may be revoked by the Member and the Spouse acting jointly at any time prior to the Pension Commencement Date or within such other time period as may be prescribed by the *Pension Benefits Act*.

#### **8.04 Revocation or Change of Option**

An election under Section 8.03 above will be revoked or automatically cancelled and the Member will receive the normal form of retirement benefit described in Section 8.01 or 8.02 above if:

- (a) notification of such revocation is received by the University from the Member in accordance with paragraph (d) of Section 8.03 above no later than 60 days prior to the Member's Pension Commencement Date; or
- (b) the Member elected a pension under Section 8.03 (c)(ii) and the Member's Spouse dies prior to the Member's Pension Commencement Date.

In such cases, however, the Member may make another election under the terms of this Section 8.

**8.05 Deferred Pensions Under the Prior Plan**

The terms of Article 8 of the Prior Plan apply to Former Employees as of July 1, 1998 who elected deferred pensions under the Prior Plan.

## Section 9. Benefits on Termination of Employment

### 9.01 Deferred Pension

If a Member's Continuous Service is terminated prior to the Member's Normal or Early Retirement Date for any reason other than death, the Member shall be entitled to receive an annual deferred pension from the Plan. The pension shall be payable in equal monthly installments in accordance with the appropriate form of pension payment in Section 8 (Manner and Forms of Payment), commencing on the Member's Normal or Early Retirement Date. The pension shall be equal to the amount of the pension accrued by the Member up to the date of the Member's termination of employment, computed pursuant to Section 6 (Retirement Benefits). However, if the Member elects to have his or her pension commence prior to the Normal Retirement Date, the pension shall not be reduced pursuant to paragraph (a) of Section 6.02 (Early Retirement Pension), but rather shall be the Actuarial Equivalent of the pension that would have been payable upon the Member's Normal Retirement Date, subject to paragraph (b) of Section 6.05 (Maximum Retirement Limits Under the *Income Tax Act*).

### 9.02 Locked-In Transfer

In lieu of the deferred pension described in Section 9.01 above, a Member whose Continuous Service is terminated prior to the Member's Normal or Early Retirement Date for any reason other than death may elect in writing, on a form prescribed by the University, within 60 days following termination of employment or within such other period as may be prescribed by the *Pension Benefits Act*, to transfer the greater of:

- (a) the Commuted Value of the deferred pension to which the Member is entitled as described in Section 9.01 above; and
- (b) the sum of:
  - (i) two times the Member's accumulated Required Contributions paid prior to July 1, 2010 pursuant to Section 4.01 (Members' Required Contributions) or paid prior to July 1, 2010 by and/or on behalf of the Member pursuant to Section 10 (Benefits on Disability, Approved Leave, Reduced-Time Appointment, and Partially-Retired Appointment), plus Credited Interest thereon; and
  - (ii) the Commuted Value of the deferred pension to which the Member is entitled as described in Section 9.01 above in respect of Pensionable Service on and after July 1, 2010

to one of the following retirement vehicles:

- (i) the pension fund related to another pension plan; provided that the administrator of the other pension plan agrees to accept the payment;

- (ii) a life income fund, locked-in retirement account or other retirement savings arrangement as prescribed by the *Pension Benefits Act*; or
- (iii) a life insurance company licensed to transact business in Canada.

Any transfer under this Section 9.02 shall be on a locked-in basis and the transferred amount shall be used to provide a life annuity that will not commence before the earliest date that the Member would have been entitled to receive pension benefits under the Plan, or under another pension plan to which the Member has elected to make a transfer. The amount of the transfer shall be subject to the limits prescribed in the *Income Tax Act* (Regulation 8517).

### **9.03 Cash Payment of Small Deferred Pensions on Termination of Employment**

If a Member's Continuous Service is terminated prior to the Member's Normal or Early Retirement Date for any reason other than death and the amount of annual deferred pension described in Section 9.01 above payable upon the Member's Normal Retirement Date is not greater than 4% of the YMPE in the year of termination of Continuous Service, or the commuted value of the pension is less than 20% of the YMPE in the year of termination of Continuous Service, the University shall pay the commuted value of the former Member's pension to the former Member in a lump-sum cash payment. Alternatively, at the written election of the Member on a form prescribed by the University, the Member may transfer the payment directly to his or her registered retirement savings plan or registered retirement income fund in the prescribed manner.

### **9.04 Refund of Excess Contributions on Termination of Employment**

A Member whose Continuous Service is terminated for any reason other than Retirement or death and who is entitled to benefits pursuant to one or more of the foregoing provisions of this Section 9 and who has Excess Contributions to his or her credit shall be paid such Excess Contributions in a single lump sum cash payment.

Alternatively, at the written election of the Member on a form prescribed by the University, the Member, except for a Member who has elected to receive a deferred pension, may transfer the refund directly to his or her registered retirement savings plan or registered retirement income fund.

### **9.05 Grow-in Benefits on Termination of Employment**

Notwithstanding any other provision in the Plan, a Member whose employment is involuntarily terminated, as defined in the *Pension Benefits Act*, on or after July 1, 2012 and whose age plus Service equal at least fifty-five (55), may be entitled to additional early retirement enhancements pursuant to Section 74 of the *Pension Benefits Act*, and such Member's benefits shall be adjusted accordingly.

## **Section 10. Benefits on Disability, Approved Leave, Reduced-Time Appointment and Partially-Retired Appointment**

### **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.

#### **(b) Members' Contributions During Disability**

A Member who is Disabled shall not be permitted to pay contributions directly pursuant to Section 4.01 (Members' Required Contributions) for the duration of the Disability. Such contributions shall be paid on behalf of the Member by the University pursuant to Section 4.01 (Members' Required Contributions). A Member who is Disabled shall be permitted to make special past service contributions pursuant to Section 4.02 (Members' Special Past Service Contributions).

#### **(c) Determination of Benefit**

The pension benefit of a Member who is Disabled shall be determined and paid in accordance with the applicable provisions of the Plan upon the earliest of the Member's date of termination of Continuous Service, Normal Retirement Date and date of death, based upon the Member's Pensionable Service and Final Average Earnings as of such date.

(d) **Cessation of Disability**

In the event a Disabled Member ceases to be Disabled and returns to part-time or full-time employment, the Member shall recommence active participation in the Plan and shall contribute directly to the Plan in accordance with Section 4.01 (Members' Required Contributions). If a Disabled Member terminates Continuous Service or Retires, the Member's benefits shall be determined in accordance with the applicable provisions of the Plan.

**10.02 Approved Leave**

(a) **Unreduced Earnings**

A Member who is on an Approved Leave, including pregnancy leave, maternity leave, paternity leave, adoption leave, full sick leave, partial sick leave, court leave, paid leave for political campaign periods, and any period of voluntary retraining, as defined in the Collective Agreement, and who is receiving Earnings from the University at the same rate of Earnings as in effect for the Member immediately prior to the Approved Leave, shall contribute to the Plan directly pursuant to Section 4.01 (Members' Required Contributions) and also pursuant to Section 4.02 (Members' Special Past Service Contributions), if applicable, and shall accrue Pensionable Service hereunder as though not on Approved Leave.

(b) **Sabbatical Leave**

A Member who is on a sabbatical leave, as defined in the Collective Agreement, shall contribute to the Plan directly pursuant to Section 4.01 (Members' Required Contributions) based upon the Member's Earnings. The Member shall accrue benefits during such leave based upon Normal Pensionable Service and upon Nominal Earnings or, where less, Normal Earnings. Pursuant to Section 4.01 (Members' Required Contributions), the University shall contribute to the Plan on behalf of the Member the difference between the Member's direct contributions based on the Member's Earnings and what would be the Member's contributions based on the Member's Nominal Earnings or, where less, the Member's Normal Earnings.

(c) **Unpaid Leave and Parental Leave**

A Member who is on an unpaid leave or a parental leave or a leave without pay for a political campaign period, as defined in the Collective Agreement, shall not contribute to the Plan directly pursuant to Section 4.01 (Members' Required Contributions). The Member's contributions pursuant to Section 4.01 shall be paid on behalf of the Member by the University. The Member shall accrue benefits during such leave based upon Normal Pensionable Service and upon Nominal Earnings or, where less, Normal Earnings. However, when an Approved Leave is an extension pursuant to the terms of the Collective Agreement of a previous unpaid leave which has lasted for two consecutive years, benefits may accrue based upon a lesser amount of Pensionable Service and lesser earnings as provided in the Collective Agreement.



(d) **Political Leave Longer than One Month**

A Member who is on a political leave longer than one month and who is receiving Earnings from the University shall contribute directly to the Plan pursuant to Section 4.01 (Members' Required Contributions) based upon the Member's Earnings. During the political leave, the Normal Pensionable Service of the Member shall be prorated by the ratio of the Member's Earnings to the Member's Nominal Earnings or, where less, Normal Earnings. Alternatively, the Member may elect in writing on a form prescribed by the University to contribute directly to the Plan based upon an amount higher than the Member's Earnings but not higher than the Member's Nominal Earnings or, where less, Normal Earnings. In such case the Member's Normal Pensionable Service shall be prorated by the ratio of the amount upon which the Member has elected to contribute to the Member's Nominal Earnings or, where less, Normal Earnings.

A Member who is on a political leave longer than one month and who is not receiving Earnings from the University shall not contribute to the Plan directly pursuant to Section 4.01 (Members' Required Contributions) and shall not accrue Pensionable Service hereunder, unless permitted by the University, in which case the amount of contributions and the Pensionable Service to be credited shall be determined by the University, consistent with the terms of the Plan, on the advice of the Actuary.

(e) **Eligible Periods of Reduced Pay**

Periods of Approved Leave of a Member, as described in one of the foregoing paragraphs of this Section 10.02 and under which a Member's Earnings are reduced, shall not be recognized as Pensionable Service of the Member unless the period of Approved Leave Qualifies as an eligible period of reduced pay" or "eligible period of temporary absence" as defined in the Regulations to the *Income Tax Act*.

(f) **Pensionable Service during Periods of Unpaid Approved Leave**

With respect to the accrual of Pensionable Service, periods of unpaid Approved Leave shall be limited to 5 years, plus up to an additional 3 years for "periods of parenting" as defined in the *Income Tax Act* (Regulation 8507(3)(b)), or to such other limit as may be prescribed under the *Income Tax Act*.

**10.03 Reduced-Time Appointment**

A Member who is on a Reduced-Time Appointment shall contribute to the Plan directly pursuant to Section 4.01 (Members' Required Contributions) based upon the Member's Earnings. The Member shall accrue benefits during such Reduced-Time Appointment based upon Normal Pensionable Service and upon the Member's Nominal Earnings or, where less, Normal Earnings. Pursuant to Section 4.01 (Members' Required Contributions), the University shall contribute to the Plan on the Member's behalf the difference between the Member's direct contribution based on the Member's Earnings and what would be the Member's contribution based on the Member's Nominal Earnings or, where less, Normal Earnings. The Pensionable Service of a Member who revises his or

her category of appointment from Reduced-Time to that of a Part-Time Employee shall be determined in accordance with Section 2.32 (Pensionable Service and Normal Pensionable Service) hereof as that section applies to Part-Time Employees.

#### **10.04 Partially-Retired Appointment**

(a) **Eligibility**

A Member who has completed at least 10 years of Pensionable Service and whose Normal Retirement Date is not later than July 1, 2009 may apply under the Voluntary Early Retirement program provided according to the terms of the Collective Agreement to revise his or her category of employment with the University from Full-Time to Partially-Retired or from Part-Time or Reduced- Time to Partially-Retired, provided that the Member's Percentage of Appointment shall not be less than 50%. The Member must have submitted a written application to the Dean of Arts and Science (or the University Librarian, as applicable) not later than September 1, 1997 and the period of the Member's proposed partial retirement shall not extend beyond the Member's Normal Retirement Date. The application is subject to written confirmation by the President of the University or his or her designate. The arrangements are final and binding upon the Member and the University upon written acceptance by the Member of the terms contained in the above written confirmation on or before October 15, 1997, provided that a Member who is Partially-Retired may at any time after becoming eligible for voluntary early full retirement elect to Retire pursuant to paragraph (a) of Section 6.02 (Regular Early Retirement) above or to apply for voluntary early full retirement pursuant to paragraph (b) of Section 6.02 (Voluntary Early Full Retirement) above. The University shall send a copy of each such application, confirmation and acceptance to TUFA.

(b) **Accrual of Benefits**

Each Member described in paragraph (a) above shall contribute directly to the Plan pursuant to Section 4.01 (Members' Required Contributions), based upon the Member's Earnings. The Member shall continue to accrue benefits during such Partially-Retired appointment based upon Normal Pensionable Service and upon the Member's Nominal Earnings or, where less, Normal Earnings prior to partial retirement, until the earliest of the Member's termination of Continuous Service, Retirement and date of death. Pursuant to Section 4.01 (Members' Required Contributions), the University shall contribute to the Plan on behalf of the Member the difference between the Member's direct contributions based upon the Member's Earnings and what would be the Member's contributions based upon the Member's Nominal Earnings or, where less, Normal Earnings, prior to partial retirement.

## **Section 11. Benefits on Death**

### **11.01 Benefits on Death of Member**

If a Member dies while in the employ of the University or after termination of Continuous Service but prior to payment of pension benefits hereunder, the Member's Spouse, the Member's Beneficiary, or the Member's estate shall be entitled to the following benefits in respect of contributions paid directly by the Member or on behalf of the Member by the University:

- (a) A benefit equal to the Commuted Value of the portion of the pension benefit to which the Member would have been entitled under Section 9.01 (Deferred Pension) had the Member terminated Continuous Service immediately prior to death, including any past service benefits.
- (b) A refund of the Member's Excess Contributions.

If the Member is survived by a Spouse, the benefit described in paragraph (a) above shall be paid to the Spouse in the form of an immediate pension payable monthly for the Spouse's lifetime, unless the Spouse elects in writing on a form prescribed by the University to receive the benefit in the form of a deferred pension or as a single lump sum cash payment. Alternatively, at the written election of the Spouse on a form prescribed by the University, the Spouse may transfer the refund directly to his or her registered retirement savings plan or registered retirement income fund.

If the Member is not survived by a Spouse, the benefit described in paragraph (a) above shall be paid to the Member's Beneficiary, or if none to the Member's estate, in a single lump sum cash payment.

The benefit described in paragraph (b) above shall be paid to the Member's Spouse, or if none to the Member's Beneficiary, or if none to the Member's estate, in a single lump sum cash payment. Alternatively, at the written election of the Spouse on a form prescribed by the University, the Spouse may transfer the refund referred to in paragraph (b) above directly to his or her registered retirement savings plan or registered retirement income fund.

### **11.02 Spousal Waiver of Benefits**

The Spouse of a Member may waive his or her entitlement to the benefits described in Section 11.01 (Benefits on Death of Member) above by completing a form prescribed by the University, in which event the benefit shall be paid to the Member's Beneficiary, or if none, to the Member's estate in a single lump-sum cash payment. Nevertheless, the Spouse may revoke such waiver, in which event the benefit shall be paid as described in Section 11.01 (Benefits on Death of Member) above.

### **11.03 Death After Normal Retirement Date**

In the event a Member dies while in the employ of the University after his or her Normal Retirement Date but prior to the commencement of pension benefits hereunder, the Member shall be deemed to have retired immediately prior to his or her date of death. The survivor benefits payable from the Plan shall be determined in accordance with the form of payment applicable to the Member pursuant to Section 8 (Manner and Forms of Payment). However, the Commuted Value of the survivor benefits shall be no less than the Commuted Value of the benefits that would otherwise have been payable pursuant to Section 11.01 (Benefits on Death of Member) above.

### **11.04 Death After Pension Commencement Date**

In the event a Member dies after the commencement of pension benefits hereunder, the remaining benefits, if any, shall be payable in accordance with the form of payment applicable to or elected by the Member under Section 8 (Manner and Forms of Payment). Any changes in the Member's spousal status after commencement of the pension benefits shall not affect the form of payment elected by the Member.

## **Section 12. Transfers In**

### **12.01 Transfers In**

A Member who was an active member of a registered pension plan of another employer immediately prior to being employed by the University, within six months of starting at Trent University, may request a transfer of funds from the other employer's pension plan to the Plan in respect of the Member's period of service recognized and pension benefits earned under the other employer's pension plan. The transfer is subject to the terms of the other employer's pension plan and the Plan, the approval of the other employer and the University, and any requirements in the *Income Tax Act* and the *Pension Benefits Act*.

The funds transferred to the Plan shall be used to credit additional Pensionable Service under the Plan for the Member, as calculated by the University, on the recommendation of the Actuary, whether the amount is transferred in from a defined benefit provision or a defined contribution provision. The amount of additional Pensionable Service shall not exceed the Member's period of service recognized under the other employer's pension plan.

## **Section 13. Designation of Beneficiary**

### **13.01 Procedure**

A Member may, by written notice communicated to the University, designate a Beneficiary to receive the benefits payable pursuant to Section 8 (Manner and Forms of Payment) or Section 11 (Benefits on Death) in the event of the Member's death. The Member may alter or revoke any such designation from time to time, subject always to the provisions of any annuity, insurance contract or other contract or law governing designation of beneficiaries, from time to time in force, which may apply to the Member.

### **13.02 Death of Beneficiary Prior to Full Settlement of Benefits**

In the event the Member's Beneficiary is entitled to pension benefits under the Plan as a result of the Member's death, and dies before the end of any applicable guarantee period for the continuation of the pension payments, then the Commuted Value of the remaining pension payments shall be paid in the form of a single lump sum cash payment to the estate of the Beneficiary.

## **Section 14. Pension Fund**

### **14.01 General**

The University has established, and will maintain, a Pension Fund for the purposes of receiving the contributions under the Plan, investing the assets of the Plan, and providing the benefits under the Plan. The Pension Fund shall be administered in accordance with the terms of the trust agreement and/or insurance contract with the Financial Carrier, and in compliance with the provisions of the *Pension Benefits Act*, the *Income Tax Act* and any other applicable legislation governing the custody and investment of pension funds.

### **14.02 Actuarial Valuation**

#### **(a) Actuarial Assumptions**

The actuarial assumptions and methods in respect of the Plan shall be as set out in the Memorandum on Actuarial Assumptions, and actuarial Valuations shall be in accordance with the Memorandum on Actuarial Assumptions. The actuarial assumptions and methods used in the actuarial Valuations may be changed but only upon the recommendation of the Actuary and only after notification of TUFA and, if requested by TUFA, after consultation by the Actuary with an actuary designated by TUFA.

#### **(b) Annual Actuarial Valuations**

The University shall cause the Actuary to conduct annual actuarial Valuations of the assets and liabilities of the Plan. The University shall file Valuations with the Financial Services Regulatory Authority as required by the *Pension Benefits Act* and with Canada Revenue Agency as required by the *Income Tax Act*.

### **14.03 Statement of Investment Policies and Goals**

The University has adopted a written statement of investment policies and goals for the Plan. The University shall confirm or amend the statement annually, shall consult with the Pension Subcommittee before making any amendments, and shall file any amendments with the Financial Services Regulatory Authority, as required by the *Pension Benefits Act*. The Pension Fund shall at all times be invested or loaned in accordance with the *Income Tax Act* and the *Pension Benefits Act*.

### **14.04 Provision of Benefits**

#### **(a) Use of the Pension Fund**

All benefits under this Plan, and expenses associated with this Plan at the discretion of the University, shall be paid from the Pension Fund, provided that no part of the Pension Fund shall be used for or diverted to purposes other than for the exclusive benefit of Members or their Spouses, Beneficiaries or estates prior to the satisfaction of all liabilities with respect to such persons, and no person shall have any interest in or right to any part of the earnings or the assets of the Pension Fund except as and to the extent expressly provided in the Plan.

(b) **Benefits Through a Life Insurance Company**

Except where contrary to the terms of the trust agreement or insurance contract described in Section 2.20, or where such action would result in the Plan ceasing to be approved or registered for purposes of the *Pension Benefits Act* or the *Income Tax Act*, if the University finds that the benefits and the conditions of payment prescribed in this Plan can be provided with equal or better security to the Members or their Spouses, Beneficiaries, or estates through the purchase of immediate and deferred annuities from any insurance company or companies registered in Ontario, the University is authorized and empowered to provide for the payment of such benefits by purchase of such annuities from such company or companies.



## **Section 15. Administration of the Plan**

### **15.01 Plan Administration and the Pension Subcommittee**

#### **(a) Plan Administrator and Pension Subcommittee**

The University through its Board of Governors shall be the administrator of the Plan. The Plan administrator shall have all such powers as may be necessary to carry out the provisions hereof, subject in any event to the terms of the Plan and the Collective Agreement, and subject to the powers and obligations provided to the Pension Subcommittee. The Pension Subcommittee, which is described below in paragraph (b), is hereby established jointly by agreement between the Board of Governors and TUFA in order to carry out certain functions with respect to the Plan more particularly described in paragraph (c) below. The Plan administrator may, from time to time, establish rules for the administration of the Plan and the transaction of the Plan's business. The Plan administrator shall exercise its powers and carry out its duties hereunder in good faith and in an even-handed and reasonable manner. In particular, the Plan administrator shall have the obligations required under the *Pension Benefits Act* and the *Income Tax Act* and by virtue of its fiduciary duty at common law.

#### **(b) Status and Composition of the Pension Subcommittee**

The Pension Subcommittee shall be a subcommittee of the Joint Committee on the Administration of the Collective Agreement with six members, not necessarily drawn from among the members of the Joint Committee. The Pension Subcommittee shall be comprised of an equal number of representatives of TUFA chosen by TUFA and representatives of the Board of Governors, but it shall include among the representatives of the Board of Governors the senior administrative official responsible to the Board for the Plan.

#### **(c) Powers and Obligations of the Pension Subcommittee**

The Pension Subcommittee shall:

- (i) establish its own bylaws for the carrying out of its business;
- (ii) receive copies of the audited financial statements, the excess investment earnings report and other reports and Valuations by the Actuary, quarterly reports on the investment performance of the Pension Fund, and any modifications or amendments proposed or made to the Memorandum on Actuarial Assumptions or the Statement of Investment Policies and Goals;
- (iii) recommend to the Board of Governors the appointment of the Actuary;
- (iv) recommend to the Board of Governors the appointment of the Financial Carrier;

- (v) annually report to the Board of Governors and to TUFA;
- (vi) monitor the Plan and consider and recommend to the Board of Governors and to TUFA amendments to the Plan;
- (vii) discuss as required, with the Board of Governors' committee responsible for Plan investments, matters relating to the Plan and the investment portfolio;
- (viii) be consulted before the University amends its statement of investment policies and goals for the Plan; and
- (ix) meet at least once each Plan Year with the Actuary and with the investment managers of the Pension Fund to review their Valuations and reports.

#### **15.02 Findings of Fact**

The Plan administrator shall determine the Earnings, Nominal Earnings, Normal Earnings, Final Average. Earnings, Continuous Service and Pensionable Service of each Member and make any findings of fact necessary for the determination of any benefit payable hereunder, in accordance with the terms of the Plan and the Collective Agreement and subject to the Pension Subcommittee's duty to monitor the Plan. Such determination shall be presumed conclusive unless shown to be in error or inconsistent with the terms of the Collective Agreement.

#### **15.03 Records**

The Plan administrator shall maintain adequate records for accounting and actuarial Valuation purposes and for the proper exercise of its administrative duties hereunder.

#### **15.04 Proof of Age and Spousal Status**

Each Member shall be required to file with the University satisfactory proof of age and spousal status and the age of his or her Spouse, if applicable, and pension benefits shall not commence to be paid until such proof of age and spousal status has been received by the University. The records of the University shall be presumed conclusive unless shown to be in error. In the event that payment of pension benefits is delayed pending receipt of satisfactory proof of age and spousal status, retroactive adjustments will be made once satisfactory proof of age and spousal status has been received.

#### **15.05 Payment to Minors and Incompetents**

If the University receives evidence satisfactory to it that a person entitled to receive any payment under the Plan is physically or mentally incompetent to receive such payment and to give valid receipt therefor, or is a minor, that another person or an institution is then maintaining or has custody of the person, and that no guardian, committee or other representative of the person has been duly and legally appointed, the University may then authorize payment of the benefit to be made 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 for such payment,

## **15.06 Communication**

### **(a) Information for Members and Prospective Members**

The University shall provide to each Member and each Employee who is to become a Member a written explanation of the terms and conditions of the Plan and amendments thereto applicable to him or her, together with an explanation of the rights and duties of the Member with reference to the benefits available to him or her under the terms of the Plan and such other information as may be required under the *Pension Benefits Act*. Such explanation shall be provided to each Employee upon joining the University, if the Employee is immediately eligible to join the Plan, otherwise the explanation shall be provided at least 60 days before the Employee is eligible to join the Plan. The University shall also provide to each such Member or Employee, upon request, a copy of the text of the Plan and any amendments to the Plan and a copy of the text of the Statement of Investment Policies and Goals as amended from time to time described in Section 14.03 (Statement of Investment Policies and Goals). The written explanation described above shall advise such Members and Employees of their entitlement to request such copies.

### **(b) Information about Amendments**

Subject to the *Pension Benefits Act*, the University shall provide each Member affected by an amendment to the Plan with a written explanation of the amendment, within 60 days after the University receives notice from the Financial Services Commission of Ontario that the amendment has been registered; alternatively, the University may provide such explanation in the annual benefit statement provided to Members pursuant to paragraph (c) below, if permissible under the *Pension Benefits Act*.

### **(c) Statements**

The University shall provide each Member with an annual benefit statement and shall provide a statement of benefits and options available to the Member, the Member's Spouse, or other person as appropriate in the circumstances upon a Member's termination of Continuous Service, Retirement or death, in accordance with the terms and time limits and any other requirements prescribed under the *Pension Benefits Act*.

### **(d) Inquiries by Members**

A Member, a Member's Spouse or the agent of a Member or a Member's Spouse shall be entitled to attend at the Member's place of employment, or such other place as may be agreed upon by the Member and the University, to examine those documents constituting and supporting the Plan as are stipulated in the *Pension Benefits Act*, once each Plan Year. The Member or other person shall make a request to review such documents in writing to the University.

(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 (b) of Section 4.01 (Members' Required Contributions), and such other information as may be required under the Collective Agreement.

**15.07 Collective Bargaining**

Unless the University and TUFA agree otherwise, expenses incurred in the course of collective bargaining shall not be paid from the Pension Fund.

## **Section 16. General Provisions**

### **16.01 Non-Assignability and Non-Commutability of Benefits**

Any benefit payable under the terms of this Plan shall be considered to be for the personal use of the person receiving such benefit, and shall not be given as security or be subject to anticipation, alienation, sale, surrender, commutation, transfer, assignment, pledge, encumbrance or charge, or to attachment or legal process for debts of the person receiving such benefits, except in the case of the distribution of an estate by a legal representative, as specifically provided by statute, or in circumstances of marriage breakdown in a manner that complies with the *Pension Benefits Act*, or as provided in Section 16.02 below.

### **16.02 Access to Pension Benefits on Marriage Breakdown**

The pensions and deferred pensions provided under the terms of this Plan are provided for the Member's own use and benefit and are not subject to execution, seizure or attachment except in satisfaction of an order for support or maintenance enforceable in Ontario to a maximum of 50% of the pension payable to the Member (or such other limitation as may be established by legislation that is in effect at the time the contract is entered into or the court order is made).

### **16.03 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 University shall determine from time to time, provided that the notice or election shall be given, made or communicated so as to afford reasonable time and opportunity for any response. No right or contingent right of any person or authorised agent shall be nullified by failure of such person or authorised agent to respond to such notice or election. Without limiting the generality of the foregoing, any person entitled to any benefit under this Plan shall be responsible to notify the University in writing of his or her mailing address and subsequent changes of mailing address.

### **16.04 No Duplication of Benefits**

There shall be no duplication of the benefits under any one Section of this Plan and the benefits under any other Section of the Plan, nor of the benefits under this Plan and the benefits under the retirement plan of any other associated organization with respect to the same period of service.

### **16.05 Construction**

The Plan, and all rights thereunder, shall be governed in accordance with the laws applicable in the Province of Ontario.

### **16.06 Currency**

The benefits payable under the Plan shall be paid in lawful currency of Canada.

**16.07 Tax Withholding**

The benefits payable under the Plan shall be paid subject to tax withholding required under the *Income Tax Act* and other applicable tax legislation.

**16.08 Successors and Assigns**

This Plan shall be binding on the successors and assigns of the University.

**16.09 Collective Agreement**

This Plan forms part of the Collective Agreement.

## **Section 17. Future of the Plan**

### **17.01 Continuation of the Plan**

The Plan shall remain in force subject to the terms of the Collective Agreement. The Plan shall not be amended or terminated other than by the mutual written consent of the University and TUFA. The University shall be responsible to file any duly agreed amendments with the appropriate regulatory authorities. In no event, however, shall any amendment to the Plan operate to reduce the benefits which have accrued to any Member or other person entitled to benefits under the Plan prior to the date of such amendment.

### **17.02 Allocation of the Pension Fund in the Event of Plan Termination**

Should the Plan be terminated at any time, in whole or in part, that portion of the assets held in the Pension Fund pursuant to or for the benefits provided under the Plan in respect of the Members affected by such termination shall be equitably applied to provide benefits as outlined in the Plan for such Members and their respective Spouses, Beneficiaries and estates, in accordance with their respective interests in the Plan, as determined by the University on the advice of the Actuary in a manner permitted by the *Pension Benefits Act*. Such benefits shall be provided, as agreed by the University and TUFA, through the purchase of immediate or deferred annuity contracts from an insurance company licensed to do business in Canada, or by the transfer of the benefits to which the respective Members are entitled to the pension plans of subsequent employers or to registered retirement savings plans or to such other tax-deferred vehicles as may be permitted under applicable legislation, or by the continuation of the Pension Fund for the provision of deferred pensions or pensions in payment, or by the payment of cash settlements, subject to the requirements of the *Pension Benefits Act* and the *Income Tax Act* and any necessary approval of the appropriate regulatory authorities.

In the event of the termination of the Plan, the University shall not be obligated to make any further contributions to the Plan after the date of such termination, except as may be specifically required under the Collective Agreement or by the *Pension Benefits Act* or other applicable legislation.

### **17.03 Cessation of Operation of the University**

In the event the University ceases operations, the Plan, unless continued by another employer, shall be deemed terminated and the provisions of Section 17.02 above shall apply.

### **17.04 Treatment of Plan Surplus in the Event of Plan Termination**

If the Plan is terminated, and if, after all pension benefit liabilities under the Plan have been satisfied, there should remain Plan Surplus in the Pension Fund, one half of such Plan Surplus shall revert to the University and the other half of such Plan Surplus shall be apportioned in an equitable manner to increase Members' pension benefits (or, if applicable, benefits to their respective Spouses or other Beneficiaries or estates) up to but

not in excess of the maximum limits prescribed under the *Income Tax Act* and referred to in Section 6.05 (Maximum Retirement Pension Limits Under the *Income Tax Act*), with any amount remaining from the Members' half of the Plan Surplus to be equitably apportioned and paid to such Members (or their respective Spouses or other Beneficiaries or estates) in single lump sum cash settlements. Any such distribution of Plan Surplus shall be subject to the provisions of the Collective Agreement, the *Pension Benefits Act* and the *Income Tax Act* and the prior approval of the appropriate regulatory authorities.



## Appendix A

### Prior Indexing Adjustments

Up to and including the Effective Date, the following indexing adjustments were applied as of the adjustment dates below to Members' pensions in payment and deferred pensions in respect of the Plan Years ending immediately prior thereto:

Adjustment Dates	Percentage Adjustment
July 1, 1980	7.60%
July 1, 1981	8.00%
July 1, 1982	10.52%
July 1, 1983	5.60%*
July 1, 1984	3.70%
July 1, 1985	3.80%*
July 1, 1986	3.04%
July 1, 1987	4.78%
July 1, 1988	3.03%
July 1, 1989	5.40%
July 1, 1990	4.36%
July 1, 1991	6.27%
July 1, 1992	1.10%
July 1, 1993	1.65%
July 1, 1994	0.00%
July 1, 1995	2.67%
July 1, 1996	1.41%
July 1, 1997	1.70%
July 1, 1998	0.93%

\*Additional increases were given to Members who commenced receiving their pensions prior to January 1, 1979 on July 1, 1983; prior to July 1, 1977 on July 1, 1985.