

# **OC *Transpo***

**Ottawa-Carleton Regional Transit Commission**

**Restatement of the Employees' Pension Plan**

**Effective: January 1, 1994**

**Office Consolidation:**

(Amendments: 1997-1, 1998-1, 2;  
1999-1, 2, 3, 4, 5; 2000-1; 2006-1; 2012-1, 2023-10)

Date of consolidation: **October 17, 2023**

Signed: \_\_\_\_\_  
Isabelle Jasmin  
Deputy City Treasurer Corporate Finance

Date: \_\_\_\_\_

The Ottawa-Carleton Regional Transit Commission established the *Plan* on September 1, 1951.

The amended and restated version of the *Plan*, as set forth herein, includes all amendments up to and including Amendment 1994-2 and is applicable only to *members* who terminate their employment with the *Commission* on or after January 1, 1994.

*Pension benefits* in the course of payment and *deferred pension benefits* resulting from termination of employment prior to January 1, 1994 will continue to be governed by the terms of the *Plan* in effect prior to that date, unless specific provision to the contrary is made herein.

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**1.1 Definitions**

In this *Plan*

“*active member*” means a *member* who has not *retired*, terminated employment with the *Commission* or died;

“*actuarially equivalent*” means of equal value as determined by the *actuary* pursuant to subsection 13.2 and as approved by the *Administrator*;

“*actuary*” means a Fellow of the Canadian Institute of Actuaries appointed by, but independent of the *Board*;

“*Administrator*” has the meaning assigned by subsection 13.1;

“*average YMPE*” means, in respect of a member with pensionable service after 1998, the average of the *Year's Maximum Pensionable Earnings* for the calendar year in which a *member* ceases to be an *active member* and for each of the four preceding calendar years; (Amendment 1999-3, Effective January 1, 1999)

“*Board*” means the Commissioners acting in the capacity as the Board of the *Commission* prior to January 1, 2001, and on and after January 1, 2001 means the Council of the City of Ottawa;

“*bridge*”, in relation to a *pension benefit*, means

- (a) a *pension benefit* which once the periodic payments commence to be paid to a *member* will continue to be paid until the *member* attains age sixty-five years or dies, whichever occurs first, or
- (b) a *pension benefit* which, once the periodic payments commence to be paid to a *member's spouse* or *child*, will continue to be paid until the earlier of
  - (i) the date the *member* would have attained age sixty-five years, and
  - (ii) the date of death of the *spouse* or *child* or the date the *child* ceases to be a *child*, whichever is applicable;

“*child*” means a natural child, stepchild, or adopted child of a *member* who at the date of death of the *member* is dependent on the *member* and is

- (a) less than nineteen years of age throughout the calendar year in which the *member* dies,
- (b) in full-time attendance at an educational institution and less than age twenty-one years, or
- (c) totally disabled on account of mental or physical infirmity, as certified in writing by a medical doctor licensed to practice in Canada,

and such person shall be deemed to remain a child until the later of

- (d) the end of the calendar year in which age eighteen years is attained,
- (e) the date the person ceases to be a full-time student at an educational institution, but not later than the date age twenty-five years is attained, and
- (f) the end of the period of mental or physical infirmity;

“*Commission*” means the Ottawa-Carleton Regional Transit Commission prior to Jan1 , 2001, and on and after January 1, 2002, means the OCTranspo Pension Plan;

“*compensation*” has the meaning assigned by Section 147.1 of the *Income Tax Act*;

“*continuous*”, in relation to membership in the *Plan* or to employment, means unbroken membership or employment and such membership or employment shall be deemed not to be broken by

- (a) a lay-off from employment or a leave of absence for any reason where the *Commission* has authorized such leave and either before or after the commencement of such leave has agreed that it shall be deemed not to be a break in membership or employment, or
- (b) in the case of re-employment by the *Commission*, a break in employment not exceeding ninety consecutive days, provided the person remains a *member* throughout such period;

“*credited service*” has the meaning assigned by subsection 1.3 and shall be used for the purpose of calculating a *pension benefit*;

“*deferred*”, in relation to a *pension benefit*, means a *pension benefit* that is to commence later than one month after a *member, member’s spouse* or *child* is entitled to it;

“*disabled*” means suffering from a mental or physical impairment that prevents a *member* from performing the duties of employment in which the *member* was engaged before the start of the impairment, as certified in writing by a medical doctor licensed to practice in Canada;

“*full-time*”, in relation to employment, means, except as provided for in subsection 1.5, being engaged to work for the normally scheduled hours of work established for persons in that class of employment;

“*Fund*” means the fund established pursuant to subsection 12.1 to provide for the benefits and expenses of the *Plan*;

“*immediate*”, in relation to a *pension benefit*, means a *pension benefit* that is to commence within one month after a *member, member’s spouse* or *child* is entitled to it;

“*Income Tax Act*” means the *Income Tax Act*, S.C. 1970-71-72, c.63, and the Regulations thereunder, each as amended;

“*interest*” has the meaning assigned by subsection 4.3;

“*joint and survivor*”, in relation to a *pension benefit*, means a *pension benefit* which once the periodic payments commence to a *member* will continue to be paid until the death of the *member* or the death of the *member’s spouse*, whichever occurs last;

“*lifetime*”, in relation to a *pension benefit*, means a *pension benefit* which, once the periodic payments commence to be paid to a *member* or *member’s spouse*, will continue to be paid until the death of such person unless the benefit is suspended or commuted prior to that time;

“*Long Term Disability Plan*” means the Long Term Disability Plan or such other similar plan, other than this *Plan*, as may be established by the *Commission* for the purposes of providing long term disability benefits;

“*LSERP contribution account*” has the meaning assigned by subsection 4.2;

“*LSERP*” means long service early retirement pension;

“*member*” means a person who has a right to receive a benefit under the *Plan* other than a person whose right to a benefit exists

- (a) by virtue of the *pensionable service* of another person, or
- (b) solely by virtue of a period of *pensionable service* prior to January 1, 1994;

“*net contribution account*” has the meaning assigned by subsection 4.1;

“*normal form*”, in relation to a *member's pension benefit*, has the meaning assigned by paragraph 7.2.1 to “normal married form” or “normal single form”, as applicable;

“*part-time*”, in relation to employment, means, except as provided for in subsection 1.5, being engaged to work for less than the normally scheduled hours of work established for persons in that class of employment;

“*PBSA*” means the *Pension Benefits Standards Act, 1985*, R.S.C. 1987, c.90, and the Regulations and Directives made thereunder, each as amended;

“*pension benefit*” means a periodic amount to which a *member* or the *member's spouse* or *child* is or may become entitled under the *Plan*;

“*pension benefit credit*” means the aggregate value at the date of calculation of a person's *pension benefits* and other benefits under the *Plan*, calculated as *prescribed* under the *PBSA* or similar provincial legislation;

“*pensionable age*” means the earliest age at which a *member* is entitled to an unreduced *immediate pension benefit*, namely the lesser of

- (a) age sixty-five years, and
- (b) age sixty years or greater having attained twenty-five years of employment with the *Commission* or its predecessor, and
- (c) age fifty-five years or greater having attained a total of age and employment with the *Commission* or its predecessor equal to ninety years;

“*pensionable service*” means the period or periods described under subsection 1.2 recognized for the purpose of providing a *pension benefit* and for calculating the maximum permissible *pension benefits*;

“*pensioner*” means a person who is in receipt of a *pension benefit*;

“*period of disability*” means a period throughout which a *member* is *disabled* and either

- (a) receiving or eligible to receive benefits under the *Long Term Disability Plan*, or
- (b) in receipt of a full award from the Worker's Compensation Board, but excluding the first seventeen weeks following the date the *member* becomes *disabled*;

“*period of parenting*” means the portion of a period of absence or period of reduced pay that is within the twelve month period following the birth or adoption of a *child*;

“*permanent employee*” means a person employed by the *Commission* for an indeterminate period on either a *full-time* or *part-time* basis;

“*Plan*” means the Ottawa-Carleton Regional Transit Commission Employees' Pension Plan as described herein and as may be amended from time to time;

“*prescribed*” means prescribed by regulation under the *PBSA* or the *Income Tax Act*;

“*retire*”, “*retirement*” mean, in respect of a *member*,

- (a) termination of employment with the *Commission* on or after attaining *pensionable age*, and
- (b) otherwise, shall be deemed to occur on the date the *member's pension benefit* becomes payable;

“*spouse*” means, except in subsection 11.2,

- (a) if there is no person described in subparagraph (b), the lawful husband or wife of a *member*, or a person who is party to a void marriage with the *member*, or
- (b) a person (Amendment 2012-1, Effective July 31, 2000) who establishes to the satisfaction of the *Administrator* that at the relevant date, not later than the date the *member retires*, such person is cohabiting with the *member* in a conjugal relationship having so cohabited with the *member* for at least one year;

“*Superintendent*” means the Office of the Superintendent of Financial Institutions;

“*temporary employee*” means a person employed by the *Commission* for a fixed period on either a *full-time* or *part-time* basis;

“*temporary period of reduced pay or services*” means a period, other than a *period of disability* or a *period of parenting*, throughout which a *member's compensation* is less, in the opinion of the *Commission*, than it is reasonable to expect the *member* would have received had services been rendered to the *Commission* throughout the period on a basis and a rate of pay consistent with the *member's compensation* immediately before the period;

“*Union*” means a bargaining agent authorized by its members who are employees of the *Commission*;

“*wage index*”, with respect to a calendar year, means one-twelfth of the aggregate of the wage measures for each month in the twelve month period ending on the thirtieth day of June of the preceding calendar year and for this purpose, the wage measure for a month is the average weekly wages and salaries of the Industrial Aggregate for Canada for that month as published by Statistics Canada;

“*Year's Maximum Pensionable Earnings*” has the same meaning assigned to that term under the Canada Pension Plan.

## **1.2 Pensionable Service**

### **1.2.1 CURRENT PERIOD (AMENDMENT 1999-4, EFFECTIVE JANUARY 1, 1996)**

In respect of periods since last becoming a *member*, *pensionable service* includes:

- (a) any period of paid employment with the *Commission* not included in subparagraph (b), (c), (d), (e) or (f),
- (b) any *period of disability*,
- (c) any period of maternity leave of absence approved by the *Commission* for which the *member* elects to remit contributions to the *Plan* by notifying the *Administrator* in writing before such period commences,
- (d) any period of sabbatical leave approved by the *Commission* for which the *member* elects to remit contributions to the *Plan* equal to twice the amount

of contributions payable pursuant to subparagraph 3.2.1 (a) by notifying the *Administrator* in writing before such period commences;

- (e) the whole or any part of a *temporary period of reduced pay or services* of the *member* as described under paragraph 1.2.4.
- (f) any period of absence approved by the *Commission* and not included in subparagraph (b), (c), (d) or (e).

#### **1.2.2 PRIOR PERIODS (AMENDMENT 1998-2, EFFECTIVE JANUARY 1, 1994)**

- (a) In respect of periods prior to last becoming a *member*, *pensionable service* includes
  - (i) the whole or any part of the period or periods of employment with the *Commission* for which *pension benefits* are surrendered or suspended pursuant to subsection 2.5,
  - (ii) the whole or any part of the period or periods of employment with the *Commission* not included in clause (i) for which *member* contributions, determined according to paragraph 3.2.2, are made to the *Plan*,
  - (iii) the whole or any part of the *member's* pensionable service under another registered pension plan, determined in accordance with a reciprocal transfer agreement described in subsection 15.9, for which the *Plan* receives an amount equal to the going concern actuarial liability in respect of such pensionable service, and
  - (iv) the whole or any part of the *member's* pensionable service under a registered pension plan of a prior employer, other than a pension plan for which pensionable service is recognized under clause (iii), for which *member* contributions, determined according to paragraph 3.2.2, are made to the *Plan*.
- (b) For the purposes of the *Plan*, the period of employment with the *Commission* and membership in the *Plan* shall be deemed to include any *pensionable service* included under clause 1.2.2(a)(iii) or (iv).

### 1.2.3 LIMITATIONS

Notwithstanding paragraph 1.2.1 and 1.2.2, no period will be included in a *member's pensionable service*

- (a) after a *member* has attained thirty-five years of *credited service* in respect of *pensionable service* after December 31, 1980,
- (b) after the date the *member* ceases to be an *active member*, except as provided for in subsection 2.5, or
- (c) either directly or indirectly more than once, or
- (d) after December 31, 1998. (Amendment 1999-5, Effective January 1, 1999)

and no period or part thereof after 1989 described in paragraph 1.2.2 will be included in a *member's pensionable service* until the relevant certification, in writing, has been made by the Minister of National Revenue.

### 1.2.4 TEMPORARY PERIOD OF REDUCED PAY OR SERVICES (AMENDMENT 1999-4, EFFECTIVE JANUARY 1, 1996)

The *pensionable service* of a *member* in respect of a *temporary period of reduced pay or services* shall equal the sum of:

- a) the portion of such period which is a period of reduced pay,
- b) all or part, as determined by the *Administrator*, of the portion of such period which is a temporary period of reduced or nil services throughout which the *earnings* is nil.

## 1.3 Credited Service

The *credited service* for any period equals the *pensionable service* in respect of such period multiplied by the ratio of a *member's pensionable earnings* for the period to the *member's full-time earnings* for the period, except that

- (a) in relation to an unpaid period of absence approved by the *Commission*, other than a *period of parenting*, (Amendment 1999-1, Effective January 1, 1994) leave of absence or a *period of disability*, the *credited service* is nil, and



- (b) in relation to a *period of parenting* or part thereof, the aggregate of the *credited service* resulting from the *member's deemed earnings* shall not exceed three years.
- (c) in relation to a *temporary period of reduced pay or services*, or part thereof, the aggregate of the *credited service* resulting from the *member's deemed earnings* shall not exceed five years. (Amendment 1999-4, Effective January 1, 1996)

#### 1.4 Earnings and Related Terms

In this *Plan*, in relation to a period of since last becoming a *member*,

“*average earnings*” means

- (a) one-fifth of the aggregate of a *member's full-time earnings* for any *continuous* five year period of membership in the *Plan*, or
- (b) if a *member* for less than a *continuous* five year period, the average annual *full-time earnings* for the period of membership in the *Plan*;

“*deemed earnings*” means,

- (a) in relation to a *period of parenting*, the amount that in the opinion of the *Commission* would reasonably be the *earnings* of an individual performing similar duties as the *member's* position with the *Commission* immediately prior to the start of such period, and
- (b) in relation to a *period of disability*, a *member's earnings* immediately prior to the start of such period
- (c) in relation to a period of absence approved by the *Commission* to allow the *member* to serve on the executive of the *Union*, the amount paid to the *member* by the *Union* for his services on and after January 1, 1995 on the executive of the *Union* (Amendment 1999-2, Effective January 1, 1998)
- (d) in relation to a *temporary period of reduced pay or services* of a *member*, the amount that, in the opinion of the *Administrator*, would reasonably be the *earnings* of an individual performing similar duties as the *member's* position with the *Commission* immediately prior to the start of such period. (Amendment 1999-4, Effective January 1, 1996)

less the *member's earnings* in respect of services rendered to the *Commission* during such period;

“*earnings*” means,

- (a) in respect of a *member* paid on an hourly basis by the *Commission*, an amount equal to the basic hourly rate of pay multiplied by
  - (i) forty for each week or part thereof as a *full-time permanent employee*,
  - (ii) the number of hours normally scheduled for each week or part thereof as a *part-time permanent employee*, and
  - (iii) the actual number of hours of service, not exceeding forty, for each week or part thereof as a *temporary employee*, and
- (b) in any other case, the salary from the *Commission* that is required under the *Income Tax Act* to be included in income for such period, but excluding temporary assignment pay and any payments for overtime or other premiums and allowances;

“*full-time earnings*” means the amount, at least equal to a *member's earnings*, that in the opinion of the *Commission* would reasonably be,

- (a) in relation to a *period of disability*, the *earnings* immediately prior to the start of such period of an individual employed *full-time* and performing similar duties as the *member's* position immediately prior to the start of such period, and
- (b) in relation to any other period, the *earnings* of an individual employed *full-time* and performing similar duties as the *member's* position for such period;

“*pensionable earnings*”, in relation to any period, means the sum of

- (a) the *member's earnings*, and
- (b) the *member's deemed earnings*, if the period is a *period of disability*, a period of maternity leave of absence included in *pensionable service* according to subparagraph 1.2.1(c) or *deemed earnings* as described in subparagraphs (c) and (d) of the definition in subsection 1.4. (Amendment 1999-4, Effective January 1, 1996)

## **1.5 Disabled Members**

### **1.5.1 EMPLOYMENT STATUS**

During a *period of disability* a *member* shall be deemed, for purposes of the *Plan*, to be

- (a) employed *full-time*, if the member was employed *full-time* immediately prior to becoming *disabled*, or
- (b) employed part-time, if the member was employed part-time immediately prior to becoming *disabled*

except that if the *member* became *disabled* during a *temporary period of reduced pay or services* that commenced not more than twenty-four months prior to the date of disability, then the *member* may be deemed by the *Commission* to be employed *full-time* for the purposes of the *Plan*.

### **1.5.2 CESSATION OF PERIOD OF DISABILITY**

A *member* who is not employed by the *Commission* upon the cessation of a *period of disability* shall be deemed to have *retired* or terminated employment with the *Commission* as of the date of cessation of the *period of disability* and shall be entitled to a benefit under Section Five or Six, as applicable.

**2.1 Eligibility****2.1.1 FULL-TIME EMPLOYEES**

A person employed *full-time* by the *Commission* who has not attained age sixty-five years is eligible to become a *member*

- (a) in the case of a *permanent employee*, immediately from the date of becoming a *permanent employee*, and
- (b) in the case of a *temporary employee*, on the first day of any month coincident with or after the completion of twelve months *continuous full-time* employment by the *Commission*.

**2.1.2 PART-TIME EMPLOYEES**

A person employed *part-time* by the *Commission* who has not attained age sixty-five years is eligible to become a *member* on the first day of any month coincident with or following the date that the person completes twenty-four *continuous* months of employment with the *Commission*, of which at least a portion is *part-time*, if during each of the two calendar years immediately prior to being eligible to join the *Plan*

- (a) such person's hours of employment by the *Commission* exceeds seven hundred hours, or
- (b) such person's *compensation* from the *Commission* equals at least thirty-five per cent of the *Year's Maximum Pensionable Earnings*.

**2.1.3 CONTINUATION OF ELIGIBILITY**

Once eligible to become a *member* and if employed by the *Commission* on a *continuous* basis from the date first eligible to join the *Plan*, a person remains eligible to become a *member* on the first day of any month thereafter but prior to attaining age sixty-five years.

**2.2 Compulsory Membership**

Membership in the *Plan* is compulsory from the date of becoming a *full-time permanent employee*, except if

- (a) membership in the *Plan* would be contrary to the person's religious beliefs, or
- (b) the *member* has previously *retired* under the *Plan*.

## **2.3 Enrollment**

### **2.3.1 APPLICATION FORM**

Each person required to become a *member* and any other person eligible to become a *member* who wishes to join the *Plan* shall complete an application form, as a condition of employment, which authorizes the payroll deduction of the contributions described in sub-section 4.1 and provides information required for the administration of the *Plan*.

### **2.3.2 EFFECTIVE DATE OF MEMBERSHIP**

A person eligible to be a *member* shall become a *member*

- (a) in the case of a *full-time permanent employee*, from the date of becoming a *full-time permanent employee*, or
- (b) in any other case, on the first of the month coincident with or next following the date the application to join the *Plan* is delivered to the *Administrator*.

## **2.4 Cessation of Membership**

### **2.4.1 DATE**

A *member* shall cease to be a *member* on the earlier of the date of death of the *member* and the date the last payment of any benefit in respect of the *member's credited service* is made to the *member*.

### **2.4.2 PROHIBITED WHILE AN EMPLOYEE**

A *member* shall not cease to be a *member* during a *continuous* period of employment by the *Commission*.

## **2.5 Re-Employed Member**

### **2.5.1 SURRENDER OF DEFERRED PENSION BENEFITS**

A person entitled to a *deferred pension benefit* under the *Plan* who

- (a) is re-employed by the *Commission*, and
- (b) becomes an *active member* pursuant to subsection 2.1

shall forfeit the entitlement to such benefit upon becoming an *active member*.

The *pensionable service* and *credited service* upon which the *pension benefit* is based shall be included with the *pensionable service* and *credited service* of the *member* accrued after again becoming an *active member*.

#### **2.5.2 SUSPENSION OF IMMEDIATE PENSION BENEFITS**

A person in receipt of an *immediate pension benefit* under the *Plan* who

- (a) is re-employed by the *Commission*, and
- (b) elects, by notice in writing to the *Administrator*, to suspend payment of such *pension benefit*

shall be deemed not to have *retired*. The *pensionable service* and *credited service* upon which the *pension benefit* is based shall be included with the *pensionable service* and *credited service* of the *member* accrued after again becoming an *active member*.

#### **2.5.3 NO REDUCTION IN BENEFITS OR RIGHTS**

- (a) In no event shall the *pension benefits* in respect of the *credited service* of a *member* prior to the date of re-employment by the *Commission* be less than the *pension benefits* that would be payable if the *member* had not been re-employed.
- (b) If a *member* suspends *immediate pension benefits* pursuant to paragraph 2.5.2, the *member's spouse* at the date such *pension benefits* commenced to be paid shall have the same rights as if the suspension of benefits had not occurred.

### **2.6 Deemed Membership**

A *member* shall be deemed to have been a *member* for any period or periods of the *member's pensionable service*, as recognized under paragraph 1.2.2, prior to last becoming a *member*.

**2.7 Eligibility Limitation (Amendment 1999-5, Effective January 1, 1999)**

Notwithstanding subsections 2.1 through 2.6, effective January 1, 1999, no person may become a *member* of the *Plan*.

### 3.1 Permissible Contributions

No contribution or gift may be made to the *Plan* except pursuant to

- (a) this Section,
- (b) an agreement with another employer as described under subsection 15.9, or
- (c) subsection 15.10.

### 3.2 Member Required Contributions

#### 3.2.1 CURRENT SERVICE

- (a) Each *active member*, other than a person who has attained thirty-five years *credited service* after January 1, 1981, shall contribute to the *Plan*, by deduction from *compensation*, the sum of
  - (i) six per cent of the portion of *pensionable earnings*, expressed in terms of an annual rate, that is less than the *Year's Maximum Pensionable Earnings*, and
  - (ii) seven and one-half per cent of the portion of *pensionable earnings*, expressed in terms of an annual rate, that is greater than the *Year's Maximum Pensionable Earnings*.
- (b) Notwithstanding (a),
  - (i) *member* contributions shall be waived during a *period of disability*,
  - (ii) a *member* may irrevocably elect prior to the start of a period of maternity leave of absence to not contribute in respect of the *member's deemed earnings* for such period, and
  - (iii) the amount of *member* contributions on the *member's deemed earnings* and the manner of payment shall be determined by the *Commission*.



### 3.2.2 PAST SERVICE

(a) A person may elect by written notice to the *Administrator* upon becoming a *member* to contribute to the *Plan* in respect of the whole of the *member's* prior *pensionable service* with the *Commission* described in clause 1.2.2(a)(ii) (Amendment 1998-2, Effective January 1, 1994). In this case, the *member* shall be required to contribute to the *Plan* the sum of

- (i) the *member* contributions that were required to be paid into the *Plan* for the relevant period, and
- (ii) accrued *interest* on such contributions from the date they would have been paid into the *Plan*

and if the member elects to contribute for part only of such *pensionable service*, it shall be that part which is most recent.

(b) Notwithstanding subparagraph (a), if

- (i) the person does not become a *member* within ninety days of first being eligible to do so, or
- (ii) the *pensionable service* was previously included as *pensionable service* under the *Plan* in respect of which a lump sum was paid from the *Plan*

the *member* shall be required to contribute to the *Plan* the greater of

- (iii) the amount described in subparagraph (a),
- (iv) the lump sum previously paid from the *Plan* plus *interest*, and
- (v) the going-concern actuarial liability at the date of election in respect of the *pension benefits* attributable to such *pensionable service*.

subject to the limitations set out in the *Income Tax Act* and further subject to the condition that contributions for pre-1992 *pensionable service* must be transferred directly from a registered retirement savings plan, a deferred profit sharing plan or another registered pension plan. (Amendment 1999-1, Effective January 1, 1994)

(c) An *active member* may elect to contribute to the *Plan* according to a reciprocal transfer agreement, if any, entered into between the

*Commission* and the *member's* prior employer pursuant to subsection 15.9.

- (d) An *active member* may elect by written notice to the *Administrator* to transfer to the *Plan* the entire *pension benefit credit* in respect of the *member's pensionable service* with a prior employer, as described in clause 1.2.2(a)(iv). (Amendment 1998-2, Effective January 1, 1994) In this case
  - (i) the amount of *pensionable service* shall be determined by the *Administrator* based on the going concern actuarial liability at the date of election for the *pension benefits* attributable under the *Plan* to such *pensionable service* and the amount of funds transferred to the *Plan*, but shall not exceed the *pensionable service* with the prior employer, and
  - (ii) if the *pensionable service* under clause (i) is less than the *pensionable service* with the prior employer, the *member* may elect at any time while employed by the *Commission* to contribute to the *Plan* in respect of such period. The amount required shall be determined by the *Administrator* but shall not exceed an amount that is, in the opinion of the *Administrator*, reasonably necessary to fund the benefits in respect of such period.
- (e) No contributions may be made to the *Plan* in respect of *pensionable service* after 1989 that is included under paragraph 1.2.2 until the relevant certification, in writing, has been made by the Minister of National Revenue.
- (f) Past service contributions described in subparagraphs (a) to (d) may be made
  - (i) in a single payment at the date of election, or
  - (ii) in periodic payments for an amount and period as the *Administrator* may determine.

### **3.2.3 MAXIMUM MEMBER CONTRIBUTIONS**

- (a) Notwithstanding paragraph 3.2.1, a *member* is not required to contribute any amount in respect of *pensionable earnings* at an annual rate of *full-time earnings* that is in excess of the sum of

- (i) \$86,111, if the year is prior to 1996, and for any year thereafter, \$86,111 multiplied by the ratio of the wage index for such year to the wage index for 1995, and
  - (ii) the *Year's Maximum Pensionable Earnings* multiplied by seven-twentieths.
- (b) *Member* current service contributions in respect of a year that does not include a *temporary period of reduced pay or services* shall not exceed the lesser of
- (i) nine percent of the *member's compensation* from the *Commission*, and
  - (ii) one thousand dollars plus seventy percent of the aggregate of the *member's* pension credits, as determined under the *Income Tax Act*.
- (c) *Member* current service contributions in respect of a year that includes a *temporary period of reduced pay or services* shall be determined using a method consistent with that used to determine current service contributions in respect of other years, except that a *member* may be required to make larger contributions in respect of such periods, if such contributions do not exceed the amount that is, in the opinion of the *Administrator*, reasonably necessary to fund the benefits provided in respect of such periods.

#### **3.2.4 Limitation (Amendment 1999-5, Effective January 1, 1999)**

Notwithstanding paragraph 3.2.1, effective January 1, 1999 no further contributions shall be made to the *Plan* by any *member*.

Notwithstanding paragraph 3.2.2, effective January 1, 1999 a person shall not make an election to contribute to the *Plan*.

### **3.3 No Withdrawal of Member Contributions**

An *active member* shall not withdraw any part of the *member's net contribution account* except if

- (a) required to avoid revocation of the registration of the *Plan* under the *Income Tax Act*, or
- (b) the *Plan* is terminated or wound-up.

### **3.4 Commission Contributions**

#### **3.4.1 AMOUNT**

The *Commission* shall make contributions to the *Plan* at least equal to an amount required to comply with the tests and standards for funding and solvency pursuant to the *PBSA* but not greater than permitted pursuant to subsection 147.2(2) of the *Income Tax Act*, as amended.

#### **3.4.2 ACTUARY'S ADVICE**

Subject to paragraph 3.4.1, the *Commission* shall contribute to the *Plan* amounts which, in the opinion of the *actuary*, shall be sufficient together with the aggregate of the *members'* contributions to the *Plan* and the income of the *Fund* to provide for

- (a) the benefits under the *Plan* which accrue or have accrued to *members*,
- (b) special payments to liquidate any unfunded liabilities, as *prescribed*, and
- (c) reasonable expenses of the *Commission*, *Administrator* or other person that are incurred in the operation of the *Plan* or *Fund* and which are paid from the *Fund*.

#### **3.4.3 MATCHING OF MEMBERS' CONTRIBUTIONS (AMENDMENT 1999-1, EFFECTIVE JANUARY 1, 1994)**

Subject to paragraph 3.4.1 and the recommendation of the *actuary*, the total of the *Commissions'* contributions each year shall equal or exceed the total of *members'* contributions pursuant to paragraph 3.2.1 for such period.

## Section Four

## MEMBER'S CONTRIBUTION ACCOUNT

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### 4.1 Net Contribution Account

- (a) The *net contribution account* of a *member* is equal to the sum of
- (i) all contributions made to the *Plan* by the *member*,
  - (ii) amounts transferred to the *Plan* on behalf of the *member* from a registered retirement savings plan, deferred profit sharing plan or registered pension plan in respect of the *pensionable service* of a *member* prior to last becoming a *member*, and
  - (iii) *interest* on the outstanding positive balance of the *member's net contribution account* from time to time
- less the sum of
- (iv) all payments under the *Plan* that are in respect of the *pensionable service* of the *member*, whether single or periodic amounts, and
  - (v) *interest* on the outstanding negative balance of the *member's net contribution account* from time to time.
- (b) The amount included in a *member's net contribution account* in respect of a transfer from a registered pension plan shall not exceed the greater of
- (i) the *member's* contributions and interest under such plan, and
  - (ii) the locked-in *pension benefit credit* to the extent that the amounts are derived from contributions (including interest) made by the *member* under such plan. (Amendment 1999-1, Effective January 1, 1994)
- in respect of the *pensionable service* for which the funds are transferred to the *Plan*.

## **4.2 LSERP Contribution Account**

For each *member* who became a *member* prior to 1992, there is included in their *net contribution account* an *LSERP contribution account* equal to one-half percent of the *member's earnings* between January 1, 1972, or date of joining the *Plan* if later, and December 31, 1991, plus or minus interest and disbursements as described for the *net contribution account* in clause 4.1(a) (iii), (iv) and (v).

## **4.3 Interest**

### **4.3.1 RATE**

- (a) Subject to subparagraph (b), *interest* shall be computed on the balance in a *member's net contribution account* at a rate determined from time to time by the *Commission*.
- (b) The rate applicable for a calendar year after 1986 shall not be less than the average of the twelve monthly values of CANSIM Series B14045 for the preceding year, or such greater rate fixed in advance by the *Superintendent*; where "CANSIM Series B14045" means the average of the yields of five year fixed-term chartered bank deposit rates, published monthly in the Bank of Canada Review.

### **4.3.2 ACCRUAL**

*Interest* shall accrue daily from

- (a) the preceding thirty-first day of December in respect of the *member's net contribution account* at that date,
- (b) the first day of the month following the month in which a *member's* contributions pursuant to subsection 3.2 are deducted from *earnings*, and
- (c) the date on which any other addition or reduction in the *member's net contribution account* is made

until credited to a *member's net contribution account*.

### **4.3.3 CREDITING**

Accrued *interest* shall be credited to a *member's net contribution account* annually on the thirty-first day of December and on the date the *member* ceases to be a *member*.

## Section Five

## RETIREMENT BENEFITS

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### 5.1. Retirement On or After Pensionable Age

#### 5.1.1 ELIGIBILITY

An *active member* may elect to *retire* on or after the *member's pensionable age* and prior to the date on which the *member* attains age sixty-five years and will be entitled upon *retirement* at such age, or at the *member's* age sixty-five years if the *member* fails to make an election, to the aggregate of the *immediate pension benefits* computed according to paragraph 5.1.2, 5.1.3 and 5.1.4.

#### 5.1.2 Amount of LIFETIME PENSION BENEFIT (AMENDMENT 1997-1, EFFECTIVE JANUARY 1, 1997)

Subject to the limits imposed by Section Nine, an annual *lifetime pension benefit* shall be payable pursuant to paragraph 5.1.1 equal to,

- (a) effective January 1, 1997 to December 31, 1997 in respect of pre-1981 *pensionable service*, the difference between
  - (i) two percent of the *member's average earnings* for the period ending December 31, 1996, and
  - (ii) 0.675 percent of the lesser of (Amendment 2000-1, Effective January 1, 1999)
    - A. the *member's average earnings* for the period ending December 31, 1996 and
    - B. the *average YMPE* for 1996

multiplied by the *member's* years and part years of *credited service* in respect of *pensionable service* prior to 1981;

- (a.1) effective January 1, 1998 to December 31, 1998 in respect of pre-1981 *pensionable service*, the difference between
  - (i) two percent of the *member's average earnings* for the period ending December 31, 1997, and
  - (ii) 0.675 percent of the lesser of (Amendment 2000-1, Effective January 1, 1999)

- A. the *member's average earnings* for the period ending December 31, 1997 and
- B. the *average YMPE* for 1997

multiplied by the *member's* years and part years of *credited service* in respect of *pensionable service* prior to 1981;

(a.2) effective January 1, 1999 in respect of pre-1981 *pensionable service*, the difference between

- (i) two percent of the *member's average earnings* for the period ending December 31, 1998, and
- (ii) 0.675 percent of the lesser of (**Amendment 2000-1, Effective January 1, 1999**)
  - A. the *member's average earnings* for the period ending December 31, 1998 and
  - B. the *average YMPE* for 1998

multiplied by the *member's* years and part years of *credited service* in respect of *pensionable service* prior to 1981;

Note: Items (a.3) and (a.4) have been outdated and are replaced by (

(a.5) effective January 1, 2006 in respect of pre-1981 *pensionable service*, the difference between

- (i) two percent of the *member's highest average earnings*, and
- (ii) 0.675 percent of the lesser of
  - A. the *member's highest average earnings*, and
  - B. the *average YMPE*

Multiplied by the *member's* years and part years of *credited service* in respect of *pensionable service* prior to 1981; (**Amendment 2006-1, Effective January 1, 2006**)

(b) in respect of post-1980 *pensionable service*, the difference between

- (i) two per cent of the *member's highest average earnings*, and



(ii) 0.675 percent of the lesser of (Amendment 2000-1, Effective January 1, 1999)

A. the member's highest *average earnings*, and

B. the *average YMPE*

multiplied by the *member's* years and part years of *credited service* in respect of *pensionable service* after 1980.

(c) Subject to the limits imposed by Section Nine, the annual *lifetime pension benefit* in respect of pre-1981 service pursuant to paragraph 5.1.1 payable from January 1, 2006 to *active members* for whom *retirement* occurred between January 1, 2001 and December 31, 2005 shall be determined in accordance with subparagraph 5.1.2 (a.5). (Amendment 2006-1, Effective January 1, 2006)

**5.1.3 AMOUNT OF BRIDGE PENSION BENEFIT (AMENDMENT 1997-1, EFFECTIVE JANUARY 1, 1997)**

An annual *bridge pension benefit* shall be payable pursuant to paragraph 5.1.1 to a *member* who has not attained age sixty-five years at retirement, equal to

Note: Items (a) and (a.1) have been outdated and are replaced by (a.2)

(a.2) effective January 1, 1999 in respect of pre-1981 *pensionable service*, 0.675 percent of the lesser of (Amendment 2000-1, Effective January 1, 1999)

(i) the *member's average earnings* for the period ending December 31, 1998 and

(ii) the *average YMPE* for 1998

multiplied by the *member's* years and part years of *credited service* in respect of *pensionable service* prior to 1981;

Note: Items (a.3) and (a.4) have been outdated and are replaced by (a.5)

(a.5) effective January 1, 2006 in respect of pre-1981 *pensionable service*, 0.675 percent of the lesser of

(i) the *member's* highest *average earnings*, and

(ii) the *average YMPE*

Multiplied by the *member's* years and part years of *credited service* in respect of pensionable service prior to 1981; (Amendment 2006-1, Effective January 1, 2006)

(b) in respect of post-1980 *pensionable service*, seven-tenths of one per cent of the lesser of

(i) the *member's* highest *average earnings*, and

(ii) the *average YMPE*

multiplied by the *member's* years and part years of *credited service* in respect of *pensionable service* after 1980.

(c) The annual *bridge pension benefit* in respect of pre-1981 service payable pursuant to paragraph 5.1.1 payable from January 1, 2006 to *active members* for whom *retirement* occurred between January 1, 2001 and December 31, 2005 shall be determined in accordance with subparagraph 5.1.3 (a.5). (Amendment 2006-1, Effective January 1, 2006)

#### **5.1.4 AMOUNT OF LSERP PENSION BENEFIT**

A *lifetime pension benefit* of the *normal form* that is *actuarially equivalent* to a *member's LSERP contribution account* at the *member's date of retirement* shall be payable pursuant to paragraph 5.1.1 to a *member* who *retires* with less than twenty-five years of employment by the *Commission*.

## **5.2 Retirement Before Pensionable Age**

### **5.2.1 ELIGIBILITY**

A *member* may elect to *retire* at any time on or after age fifty years or, if earlier, in the ten year period preceding the *member's pensionable age*, where such *pensionable age* is determined at the date of *retirement*, and will be entitled upon *retirement* at such date to the aggregate of the *immediate pension benefits* computed according to

(a) in the case of a *member* who has not attained twenty-five years of employment with the *Commission* prior to *retirement*, paragraph 5.2.2 and 5.2.4, or

(b) in the case of a *member* who has attained twenty-five years of employment with the *Commission* prior to *retirement*, paragraph 5.2.3 and 5.2.4.

## 5.2.2 LESS THAN TWENTY-FIVE YEARS SERVICE

### (a) Amount of Lifetime Pension Benefit

The *annual lifetime pension benefit* payable to a *member* pursuant to paragraph 5.2.1 shall equal the amounts computed according to paragraph 5.1.2 multiplied by an early retirement adjustment factor described in subparagraph (c).

### (b) Amount of Bridge Pension Benefit

The *annual bridge pension benefit* payable to a *member* pursuant to paragraph 5.2.1 shall equal the amounts computed according to subparagraph 5.1.3(b) but based on the *member's credited service* attributable to *pensionable service* after 1991, multiplied by an early retirement adjustment factor described in subparagraph (c).

### (c) Early Retirement Factor

The early retirement adjustment factor shall be determined by the *Administrator* on the advice of the *actuary*, such that the *immediate lifetime pension benefit* payable upon *early retirement* described in subparagraph (a) is *actuarially equivalent* to a *deferred lifetime pension benefit*, computed according to paragraph 5.1.1, commencing at the *member's* age sixty-five years.

### (d) LSERP Pension Benefit

A *lifetime pension benefit* of the *normal form* that is *actuarially equivalent* to the *member's LSERP contribution account* at the *member's* date of *retirement* shall be payable pursuant to paragraph 5.2.1.

## 5.2.3 AT LEAST TWENTY-FIVE YEARS SERVICE

### (a) Amount

The *annual lifetime and bridge pension benefit* payable to a *member* pursuant to paragraph 5.2.1 shall equal the amounts computed according to paragraph 5.1.2 and 5.1.3 multiplied by an early retirement adjustment factor described in subparagraph (b).

### (b) Early Retirement Factor

The early retirement adjustment factor equals,

- (i) in the case of *member* who has attained fifty-five years, the greater of A and B where
  - A. equals one minus one-twelfth of two per cent for each complete month by which the *member's* age at *retirement* is less than age sixty years, and
  - B. shall be determined by the *Administrator*, on the advice of the *actuary*, such that the *immediate lifetime* and *bridge pension benefit* payable upon early *retirement* described in subparagraph (a) is *actuarially equivalent* to a *deferred lifetime* and *bridge pension benefit*, computed according to paragraph 5.1.1 and 5.1.2, commencing at the *member's pensionable age*.
- (ii) in the case of a *member* who has not attained age fifty-five years, a factor determined by the *Administrator*, on the advice of the *actuary*, such that the *immediate lifetime* and *bridge pension benefit* payable upon early *retirement* described in subparagraph (a) is *actuarially equivalent* to the *deferred lifetime* and *bridge pension benefit*, computed according to clause (i), commencing at the *member's* age fifty-five years.

#### **5.2.4 MINIMUM EARLY RETIREMENT REDUCTION**

Notwithstanding paragraph 5.2.2 and 5.2.3, the *lifetime* and *bridge pension benefit* payable to a *member* upon *retirement* pursuant to paragraph 5.2.1 shall not exceed the *member's lifetime* and *bridge pension benefit* computed according to paragraph 5.1.2 and 5.1.3 reduced by an amount equal to the minimum early *retirement* reduction *prescribed* under the *Income Tax Act*.

#### **5.3 Integration with C/QPP Disability Pension**

In the case of a *member* in receipt of a disability pension from the Canada Pension Plan or the Quebec Pension Plan, the amount of *bridge pension benefit* otherwise payable pursuant to subsection 5.1 or 5.2 shall be reduced by the initial amount of such disability pension, or the amount at the date of *retirement* if in payment prior to *retirement*.

#### **5.4 Member Excess Contributions**

The *lifetime pension benefit* computed according to subsection 5.1 or 5.2, as applicable, shall be increased by an amount which is *actuarially equivalent* to A minus B, if positive, where

- A. equals the portion of the *member's net contribution account* attributable to the *member's pensionable service* since last becoming a *member*, and
- B. equals fifty percent of the *pension benefit credit* in respect of the *member's pensionable service* since last becoming a *member*.

**BENEFITS ON TERMINATION OF EMPLOYMENT  
FOR ANY REASON OTHER  
THAN RETIREMENT OR DEATH**

**Section Six**

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**6.1 Deferred Pension Benefit**

**6.1.1 ELIGIBILITY**

Upon the termination of employment with the *Commission* for reasons other than *retirement* or death, a *member* will be entitled to the *deferred pension benefits* computed according to paragraph 6.1.2 and payable at the *member's pensionable age*.

**6.1.2 AMOUNT OF PENSION BENEFITS**

The annual *deferred lifetime pension benefit* and *deferred bridge pension benefit* to which a *member* is entitled pursuant to paragraph 6.1.1 shall equal the aggregate of the amounts computed at the *member's* termination date according to paragraph 5.1.2, 5.1.3 and 5.1.4.

**6.1.3 EARLY COMMENCEMENT**

A *member* entitled to a *deferred pension benefit* pursuant to paragraph 6.1.1 may elect, in lieu of the *pension benefits* otherwise payable at *pensionable age*, that the *pension benefits* commence to be paid on the first day of any month in the ten year period preceding the *member's pensionable age*, or after age fifty years if earlier. In such case, the *pension benefits* payable to the *member* shall be computed according to paragraph 5.2.2 or 5.2.3, as applicable, and paragraph 5.2.4.

**6.2 Transfer of a Pension Benefit Credit**

**6.2.1 OPTIONAL TRANSFER**

A *member* entitled to a *deferred pension benefit* pursuant to subsection 6.1 who has not attained *pensionable age* may elect, in lieu of the benefits otherwise payable, that the *member's pension benefit credit* be transferred (subject, if the *member* is eligible to retire at the date he ceases membership in the *Plan*, to his or her *spouse's* written agreement in the form *prescribed* and to the extent *prescribed*) (Amendment 2012-1, Effective January 1, 2012) to

- (a) the pension fund of another registered pension plan for the benefit of the *member*, if the other plan accepts such payment,
- (b) a locked-in registered retirement savings arrangement for the *member* of the kind *prescribed*, or
- (c) a corporation authorized to undertake life insurance in Canada to purchase for the *member* a *lifetime pension benefit* of the kind *prescribed* that will commence to be paid prior to the end of the calendar year in which the *member* attains age sixty-nine years or such later date as permitted under the *Income Tax Act*. (Amendment 1999-1, Effective January 1, 1994)

**6.2.2 MANDATORY TRANSFER** (Deleted: Amendment 2012-1, Effective December 15, 2010)

**6.2.3 SOLVENCY RESTRICTION**

No transfer will be made out of the *Fund* under subsection 6.2 without the consent of the *Superintendent* if the transfer would impair the solvency of the *Plan*.

**6.3 Transfer of Member Excess Contributions** (Amendment 1999-1, Effective January 1, 1994)

In the case of a *member* entitled to *pension benefits* pursuant to paragraph 6.1.1, (Amendment 2012-1, Effective July 1, 2011) an amount, if positive, equal to A minus B, where

- A. equals, as at the date of termination, the portion of the *member's net contribution account* attributable to the *member's pensionable service* since last becoming a *member*, and
- B. equals, as at the date of termination, fifty percent of the *pension benefit credit* in respect of the *member's pensionable service* since last becoming a *member*,

shall be transferred from the *Plan* according to the options described in paragraph 6.2.1 subject to the transfer limits imposed under the *Income Tax Act*.

**6.4 Refund of Contributions**

**6.4.1 LESS THAN TWO YEARS OF MEMBERSHIP**

A *member* entitled to a *deferred pension benefit* pursuant to subsection 6.1 who has not been a *member* of the *Plan* for at least two years at the date of

termination of employment may elect, in lieu of the benefits otherwise payable under the *Plan*, to receive a single payment equal to the *member's pension benefit credit*. (Amendment 2012-1, Effective July 1, 2011)

**6.4.2 PRE-1987 PENSIONABLE SERVICE (Deleted: Amendment 2012-1, Effective July 1, 2011)**

**6.5 Time Limit for Benefit Election**

An election pursuant to subsection 6.2, 6.3 or 6.4 must be made in writing to the *Administrator* in the form *prescribed* within ninety days of termination of employment, or later at the discretion of the *Administrator*.



### 7.1 Pre-Retirement Survivor Benefits

#### 7.1.1 ELIGIBILITY

Upon the death of a *member* prior to date the *member* retires

- (a) the *member's spouse* shall be entitled to benefits according to paragraph 7.1.2 or 7.1.3, provided that such death benefit shall not be less than the *member's pension benefit credit* under the Plan had he terminated his employment immediately preceding the date of his death, and (Amendment 2012-1, Effective July 1, 2011)
- (b) each *child* of the *member* shall be entitled to the benefits according to paragraph 7.1.4.

Where there is no *spouse* on the death of the *member*, the *member's pension benefit credit* under the Plan, had he terminated his employment immediately preceding the date of his death, is to be paid to the *member's* beneficiary or estates, as a lump sum. (Amendment 2012-1, Effective July 1, 2011)

#### 7.1.2 SPOUSE'S LUMP SUM BENEFIT

- (a) If the *member* is not eligible at the *member's* date of death to *retire* pursuant to Section Five or paragraph 6.1.3, the *member's spouse* shall be entitled to the lump-sum benefits that would be available for transfer or refund from the *Plan* according to subsection 6.2, 6.3 or 6.4 if the *member* had terminated employment at the *member's* date of death and had not died.
- (b) For the purpose of determining the amount available for transfer or refund in subparagraph (a), the *member's spouse* shall be deemed to be the *member* and shall make any necessary elections.
- (c) The *member's spouse* must elect to transfer the portion of the lump sum entitlement under subparagraph (a) that is a *pension benefit credit* or a refund of *member* excess contributions, to either:
  - (i) the pension fund of another registered pension plan for the benefit of the *spouse*, if the other plan accepts such payment,

- (ii) a locked-in registered retirement savings plan for the *spouse* of the kind *prescribed*, or
- (iii) a corporation authorized to undertake life insurance in Canada to purchase for the *spouse* a *lifetime pension benefit* of the kind *prescribed* that will commence to be prior to the end of the calendar year in which the *spouse* attains age sixty-nine years or such later date as permitted under the *Income Tax Act*. (Amendment 1999-1, Effective January 1, 1994)

### 7.1.3 SPOUSE'S PENSION BENEFITS

- (a) If the *member* is eligible at the *member's* date of death to *retire* pursuant to Section Five or paragraph 6.1.3, the *member's spouse* shall be entitled to a *bridge and lifetime pension benefit* described in subparagraph (b).
- (b) The amount of *spouse's bridge and lifetime pension benefit* equals sixty-six and two-thirds percent of the amount of *bridge and lifetime pension benefit*, respectively, that would be payable to the *member*, if alive; where such amounts are computed as if the *member* had *retired* immediately prior to the *member's* date of death. (Amendment 1999-3, Effective January 1, 1999)

### 7.1.4 CHILD'S PENSION BENEFIT

- (a) Subject to subparagraph (b) and (c), the amount of *pension benefit* payable to each *child* pursuant to paragraph 7.1.1 equals ten percent of the amount of *bridge and lifetime pension benefit*, respectively, that would be payable to the *member*, if alive, where such amounts are computed as if
  - (i) the *member* had *retired* immediately prior to the *member's* date of death; and
  - (ii) the *member pension benefits* are payable according to the normal married form, as described in paragraph 7.2.2.
- (b) Subject to subparagraph (c), if at any time more than two *children* of the *member* are entitled to benefits pursuant to paragraph 7.1.1, the amount of each *child's pension benefit* shall equal the amount computed according to subparagraph (a) multiplied by the ratio obtained by dividing two and one-half by the number of such *children*.
- (c) If no *spouse* survives the *member*, or the *spouse* survives the *member* and then dies, the aggregate of the *pension benefits* payable to the *member's*

*children* pursuant to paragraph 7.1.1 equals five times the amount computed according to subparagraph (a). The aggregate amount shall be divided equally among the surviving *children* who remain entitled on the payment date to a *pension benefit*.

- (d) The *pension benefit* payable to a *child* shall cease on the earlier of
  - (i) the date of death of the *child*, and
  - (ii) the date on which the *child* ceases to be a *child*.

## **7.2 Post-Retirement Death Benefits**

### **7.2.1 INTERPRETATION**

In this subsection

“normal married form” means, in relation to a *pension benefit*, a *joint and survivor pension benefit* under which the *member's spouse* is entitled upon the *member's* death to receive a *pension benefit* equal to sixty-six and two-thirds (Amendment 1999-3, Effective January 1, 1999) percent of the *pension benefit* that would be payable to the *member* if the *member* had not died;

"normal single form" means, in relation to a *pension benefit*, a *pension benefit* payable for at least sixty months, but not past the *member's* sixty-fifth birthday in the case of a *bridge pension benefit*;

"optional single form" means, in relation to a *pension benefit*,

- (a) a *pension benefit* which ceases upon the *member's* death,
- (b) a *pension benefit* payable for at least one hundred and twenty months, but not past the *member's* sixty-fifth birthday in the case of a *bridge pension benefit*, or
- (c) a *pension benefit* payable for at least one hundred and eighty months, but not past the *member's* sixty-fifth birthday in the case of a *bridge pension benefit*;

“statutory married form” (Deleted: Amendment 1999-3, Effective January 1, 1999)

## 7.2.2 ELIGIBILITY

Upon the death of a *member* after the *member's pension benefits* commence to be paid

- (a) the *member's surviving spouse*, if any, shall be entitled to an *immediate pension benefit* computed according to subparagraph 7.2.3(a) if such person was the *member's spouse* on the date the *member retired*;
- (b) the *member's surviving spouse*, if any, shall be entitled to an *immediate pension benefit* computed according to subparagraph 7.2.3(b) if
  - (i) such person was not the *member's spouse* on the date *member retired*,
  - (ii) the *member* last became a member prior to 1987,
  - (iii) no person is entitled to benefits pursuant to subparagraph (a), and
  - (iv) the *member's pension benefits* were not payable in an optional single form;
- (c) the *member's* beneficiary or estate shall be entitled to the benefits according to paragraph 7.2.8 if no benefit is payable according to subparagraph (a) or (b); and
- (d) each *child* of the *member* shall be entitled to an *immediate pension benefit* computed according to paragraph 7.1.4. if
  - (i) such person was the *member's child* upon the *member's* termination of employment with the *Commission*, or
  - (ii) the *member* last became a *member* prior to 1987.

## 7.2.3 AMOUNT OF SPOUSE'S PENSION BENEFITS

- (a) Subject to paragraph 7.2.4, the *pension benefits* payable to a *member's spouse* pursuant to subparagraph 7.2.2(a) shall equal sixty-six and two-thirds (Amendment 1999-3, Effective January 1, 1999) percent of the *pension benefit* that would be payable to the *member* if the *member* had not died.
- (b) The *pension benefits* payable to a *member's spouse* pursuant to subparagraph 7.2.2(b) shall equal fifty percent of the *pension benefit* that would be payable to the *member* if the *member* had not died.

#### **7.2.4 STATUTORY MARRIED FORM**

(a) Entitlement

If a *member* has a *spouse* on the date the *member retires*, the *pension benefits* payable in respect of the *member* shall be payable according to the normal married form (Amendment 1999-3, Effective January 1, 1999).

(b) Waiver

The *member's spouse* may waive the right to a *pension benefits* payable according to the statutory normal form by delivering to the *Administrator*, prior to the date the *member retires*, a written waiver in the *prescribed* form.

The *spouse* may revoke a waiver by written and signed notice delivered to the *Administrator* at anytime prior to the date the *member retires*.

(c) Deemed Single

If a waiver is effective on the date a *member retires*, the *member* shall be deemed not to have a *spouse* and the *member's pension benefits* shall be paid according to a normal single form or an optional single form.

#### **7.2.5 STATUTORY MARRIED FORM (DELETED – AMENDMENT 1999-3, EFFECTIVE JANUARY 1, 1999)**

#### **7.2.6 OPTIONAL SINGLE FORM**

(a) A *member* who does not have a *spouse* at *retirement* may elect, by a written notice signed by the *member* and delivered to the *Administrator* before the *member's pension benefit* commences to be paid, to have the *pension benefits* otherwise payable converted to an optional single form.

(b) The election of an optional single form of pension may be rescinded if the *Administrator* is notified in writing at any time prior to the date *pension benefits* commence to be paid but may not be rescinded thereafter.

#### **7.2.7 OPTIONAL SINGLE FORM - ADJUSTMENT TO MEMBER'S PENSION BENEFITS**

If the *member's pension benefits* are payable according to an optional single form, the *pension benefits* otherwise payable to the *member* shall be adjusted such that the *pension benefits* payable to the *member* and *member's beneficiary* or estate, as applicable, according to the optional single form are *actuarially*

*equivalent to the pension benefits payable to the member and member's beneficiary or estate according to the normal single form.*

#### **7.2.8 BENEFICIARY AND ESTATE PAYMENTS**

- (a) The *member's* beneficiary entitled to benefits pursuant to subparagraph 7.2.2(c) shall be paid monthly the *pension benefits* for the balance of any guarantee period according to the normal single form or optional single form, as applicable.
- (b) If there is no beneficiary and benefits are payable pursuant to subparagraph 7.2.2(c), the *member's* estate shall be paid a lump sum equal to the commuted value of the *pension benefits* for the balance of the guaranteed period according to the normal single form or optional single form, as applicable.

#### **7.3 Residual Payment**

If all *pension benefits* (Amendment 2012-1, Effective July 1, 2011) which have been or could become payable arising out of the *pensionable service* of a deceased *member* have ceased, a single payment will be made as soon as practicable to the *member's beneficiary* or estate, as applicable, equal to the balance, if positive, of the *member's net contribution account*.

#### **7.4 Enhanced Spouse's Survivor Benefits (Amendment 1999-3, Effective January 1, 1999)**

A *member's spouse* who becomes eligible for a *pension benefit* pursuant to paragraph 7.2.2 after 1998, shall be entitled to sixty-six and two-thirds percent of the *pension benefit* that would be payable to the member if the member had not died.

A *member's spouse* who was in receipt of *pension benefits* prior to 1999 shall continue to receive such *pension benefits* according to the terms of the *Plan* at the member's date of death.

**8.1 Application**

The *pension benefits* payable as a result of the *retirement*, termination of employment or death of a *member*, all provided pursuant to Section Five, Six or Seven shall be adjusted as described in this Section.

**8.2 Rate of Adjustment****8.2.1 CPI ADJUSTMENT**

The *pension benefits* payable under the *Plan* shall be increased on January 1 of each year following the date of a *member's retirement* by the percentage change, if positive, in the Consumer Price Index for Canada for the twelve month period ending with September 30 of the prior calendar year.

**8.2.2 MAXIMUM ADJUSTMENT**

Notwithstanding paragraph 8.2.1, the maximum increase in *pension benefits* for any January 1 on or after 1980 is three percent. Any increase in excess of three percent that would otherwise apply to the *Plan* shall be carried forward to a January 1 for which the increase in *pension benefits* pursuant to paragraph 8.2.1 is less than three percent.

**8.2.3 NO REDUCTION**

Notwithstanding paragraph 8.2.1, if the percentage change in the Consumer Price Index for Canada for the twelve month period ending with September 30 of any year on or after 1979 is negative, the *pension benefits* shall not be reduced; however, the percentage decrease in the Consumer Price Index for Canada shall be carried forward to reduce the increase in *pension benefits* that would otherwise apply to the *Plan* pursuant to paragraph 8.2.1.

**8.3 Initial Adjustment**

Notwithstanding subsection 8.2, the adjustment applicable on the January 1 first following the date of death or *retirement* of a *member*, whichever occurs first, shall be multiplied by the ratio obtained by dividing the number of complete months remaining in the year following such date by twelve.

## Section Nine

## MAXIMUM PENSION BENEFIT

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### 9.1 Interpretation

In this Section,

- (a) the *pension benefits* to which a *member* is entitled upon *retirement*, death or other termination of employment shall be determined as if the *member* retired at age sixty-five years.
- (b) “defined benefit limit” has the meaning given to that term under the *Income Tax Act*. (Amendment 1999-1, Effective January 1, 1994).
- (c) "highest average indexed compensation" shall be calculated as *prescribed* under the *Income Tax Act*, pro rating calendar year *compensation* where applicable.

### 9.2 Maximum Lifetime Pension

The annual amount of *lifetime pension benefit* computed according to paragraph 5.1.2 and 5.1.4 shall not exceed the amount determined by the formula  
(Amendment 1999-1, Effective January 1, 1994)  $A \times B$

where

A is the lesser of

- (i) two percent of the member's highest average indexed compensation on the date the *member* retires or dies, whichever is first, and
- (ii) the defined benefit limit or such higher amount as permitted from time to time under the *Income Tax Act*, and

B equals the sum of

- (i) the *member's credited service* prior to 1990, but not exceeding thirty-five years, and (Amendment 1999-1, Effective January 1, 1994)
- (ii) the *member's credited service* after 1989. (Amendment 1999-1, Effective January 1, 1994)



**9.3 Maximum Bridge Pension Benefits** (Amendment 1999-1, Effective January 1, 1994)

Notwithstanding the provisions of Section Five, the amount of the *member's bridge pension benefit* in a calendar year shall not exceed an amount equal to:

$$(A \times B) + A \times (1 - 0.0025 \times C) \times (1 - B) \times D / 10$$

where:

A is the sum of:

- (i) the maximum Old Age Security benefit payable to a person aged 65 on the *member's* date of *retirement*; and
- (ii) the maximum Canada Pension Plan/Quebec Pension Plan retirement benefit that would be payable to a person aged 65 on the *member's* date of *retirement* multiplied by a fraction (not exceeding one) the numerator of which is the sum of the *member's earnings* for the three calendar years which produce the highest total and the denominator of which is the *YMPE* for the same three calendar years;

B is a fraction the numerator of which is the *member's credited service* accrued prior to January 1, 1992 and the denominator of which is the *member's total credited service*;

C is the number of months by which the retirement date of the *member* precedes the date the *member* would attain age 60;

D is the *member's credited service* not exceeding 10 years.

**9.4 Maximum Combined Lifetime and Bridge Pension Benefits** (Amendment 1999-1, Effective January 1, 1994)

Notwithstanding any other provision of the *Plan*, the sum of the annual *lifetime pension benefit* and any *bridge pension benefit* payable to a *member* under the terms of the *Plan* shall not, in the year of commencement, exceed the sum of:

- (i) the defined benefit limit (as defined under *Income Tax Act*) for the year of commencement multiplied by the *member's credited service*; and

- (ii) 25% of the average of the *YMPE* for the year of commencement and the two immediately preceding years multiplied by a fraction the numerator of which is the *member's credited service* (not exceeding 35 years) accrued after December 31, 1991 and the denominator of which is 35.

For the purposes of this paragraph:

- (iii) the amounts of *lifetime pension benefits* and *bridge pension benefit* payable to a *member* under the terms of the *Plan* shall be determined only in respect of *credited service* on and after January 1, 1992.

**10.1 Pension Benefits in Monthly Installments**

- (a) *Pension benefits* equal to one-twelfth of the annual amount payable will be paid in monthly installments
  - (i) on the first day of the month following the month in which a *member retires* or dies, as applicable, and
  - (ii) on the first day of each calendar month thereafter provided that the *pensioner* is alive and continues to be entitled to the *pension benefit* at the beginning of such month;
- (b) A *spouse* or *dependant* of a retired *member* shall not be entitled to a *pension benefit* payment for the month in which the *member* dies.

**10.2 Commutation of Small Pensions**

If the *pension benefit credit* payable to a *member* is less than twenty per cent of the *Year's Maximum Pensionable Earnings* for the calendar year in which the *member* ceases to be an *active member*, the *pension benefit credit* may be paid to the *member*, or surviving *spouse* and *dependants* in the event of death, in lieu of any other benefits under the *Plan*. (Amendment 2012-1, Effective December 15, 2010)

**10.3 Optional Integrated Benefit****10.3.1 ELECTION**

- (a) A *member* with less than twenty-five years *pensionable service* may elect, by a written notice signed by the *member* and delivered to the *Administrator* before the *member's pension benefit* commences to be paid, to have the *member's lifetime pension benefit* in respect of *pensionable service* prior to 1992 that are otherwise payable converted to an optional integrated benefit described in this subsection.
- (b) The election of an optional integrated benefit may be rescinded if the *Administrator* is so notified by the *member* in writing at any time prior to the date *pension benefits* commence to be paid but may not be rescinded thereafter.

- (b) An election pursuant to (a) shall be void if the *member* dies prior to date the *member's pension benefits* commence to be paid.

**10.3.2 AMOUNT**

The optional integrated benefit shall be comprised of a *bridge* and *lifetime pension benefit* that are

- (a) in the same proportion as the *member's bridge* and *lifetime pension benefits* in respect of *pensionable service* after 1991, and
- (b) in aggregate, *actuarially equivalent* to the *lifetime pension benefits* otherwise payable in respect of the *member's pensionable service* prior to 1992.

**11.1 Assignment of Rights**

Unless permitted in this Section, a person's rights under the *Plan* are not capable of being assigned, charged, anticipated, given as security or surrendered. Such rights may be

- (a) assigned pursuant to paragraph 11.2.2,
- (b) assigned by the legal representative of a deceased person on the distribution of the person's estate, or
- (c) surrendered if the surrender consists of a reduction in benefits or a refund of contributions to avoid the revocation of the registration of the *Plan* by the Minister of National Revenue.

A commutation of a *pension benefit* as permitted under the *Plan* shall not be considered a surrender of benefits.

**11.2 Marriage Breakdown**

**11.2.1 APPLICATION**

In this subsection, "*spouse*" has

- (a) in relation to a court order, the same meaning that it has in the applicable provincial property law, regardless of whether such law uses the word "spouse" or another expression, except if such meaning is inconsistent with the definition "spouse" in the *Income Tax Act*, or
- (b) in relation to an assignment or agreement referred to in this subsection, the same meaning as in the definition "*spouse*" in subsection 1.1.

### **11.2.2 DISTRIBUTION OR ASSIGNMENT TO SPOUSE**

A *member* may, pursuant to a decree, order or judgement of a competent tribunal or in accordance with a written separation agreement relating to a division of property between the *member* and his or her *spouse*, distribute or assign all or part of the *member's pension benefit, pension benefit credit* or other benefits under the *Plan* to that person's *spouse*, effective as of divorce, annulment or separation. In the event of an assignment, the *spouse* will, in respect of the assigned portion of the *pension benefit, pension benefit credit* or other benefit, be deemed to have been a *member* and to have ceased to be a *member* as of the effective date of the assignment, but a subsequent *spouse* of that *spouse* is not entitled to a *pension benefit, pension benefit credit* or other benefit under the *Plan* in respect of that assigned portion.

In the event of a distribution under a court order or agreement, the *Administrator* shall determine and administer the *pension benefit, pension benefit credit* or other benefit, in *prescribed* manner and in accordance with the court order or agreement.

### **11.2.3 NON-APPLICATION OF PBSA**

If *pension benefits, pension benefit credits* or other benefits under the *Plan* have accrued to a *member* at the effective date of assignment under this subsection, the distribution of such credits or benefits is

- (a) subject to the applicable provincial property law, and
- (b) the *joint and survivor pension benefits* otherwise payable may be split into a *pension benefit* for each of the *member* and *member's spouse* provided that the aggregate of the benefits payable to the *member* and the *member's former spouse* is *actuarially equivalent* to the benefits that would be payable had marriage breakdown not occurred.

### **11.2.4 ADJUSTMENT OF MEMBER'S PENSION BENEFITS**

Subsequent to a distribution or assignment pursuant to this subsection, the *member's pension benefits* shall be adjusted such that the aggregate of the benefits payable to the *member* and the *member's former spouse* is *actuarially equivalent* to the benefits that would be payable had marriage breakdown not occurred.

**12.1 Establishment of Fund**

While the *Plan* remains in force, the *Administrator* shall establish and maintain a *Fund* under the terms of an agreement of which this *Plan* forms a part, to be held and administered by the funding agency appointed by the *Board*.

**12.2 Investment of the Fund****12.2.1 STATEMENT OF INVESTMENT POLICIES AND GOALS**

The *Administrator*, subject to the approval of the *Board*, shall

- (a) establish a statement of investment policies and goals, and
- (b) confirm or modify the statement of investment policies and goals at least once each year.

The funding agency appointed by the *Board* shall invest and keep invested the *Fund* in accordance with such statement and as *prescribed*.

**12.2.2 INVESTMENT ADVISOR**

The *Board* may appoint one or more investment advisors to direct the investment of all or any portion of the *Fund* in accordance with the statement of investment policies and goals adopted from time to time by the *Administrator*.

**12.3 Payments Into and Out of the Fund****12.3.1 CONTRIBUTIONS**

- (a) *Member* contributions pursuant to subsection 3.2, other than contributions paid directly to the *Plan*, shall be paid by the *Commission* into the *Fund* within thirty days following the period for which they are deducted from the *member's salary* or received from the *member*.
- (b) *Commission* contributions pursuant to subsection 3.4 shall be paid into the *Fund* coincident with the *payment* into the *Fund* of the *member* contributions.

- (c) The funding agency shall have no responsibility for the collection of contributions required to be made into the *Fund*.

**12.3.2 DISTRIBUTIONS**

The *Administrator* shall direct the funding agency to pay from the *Fund*

- (a) the benefits under the *Plan*,
- (b) all reasonable expenses incurred in the operation of the *Plan* and *Fund*, unless payment of such expenses is assumed by the *Commission*, and
- (c) other payments authorized by the terms of the *Plan* and authorized as permissible distributions under the *Income Tax Act*. (Amendment 1999-1, Effective January 1, 1994)



**13.1 Administrator****13.1.1 INTERPRETATION**

For the purposes of the *Income Tax Act* and the *PBSA*, the *Board* is the *Administrator* of the *Plan*.

**13.1.2 RESPONSIBILITIES**

The *Administrator* shall

- (a) conclusively decide all matters relating to the interpretation and application of the *Plan*'s provisions,
- (b) provide for the keeping of records necessary for the administration of the *Plan*,
- (c) develop a Governance plan that outlines roles and responsibilities of the Board and its Delegates, and
- (d) perform any other act required of it according to the *Plan* or as *prescribed*.

**13.1.3 DELEGATION**

The *Board* shall act as *Administrator* through such of its agents, officers and employees as it may designate and empower so to act.

**13.2 Determination of Amounts**

Except as specifically provided for under the *Plan*, amounts determined in connection with the administration of the *Plan* shall be determined using such reasonable assumptions as are acceptable to the *Superintendent* and the Minister of National Revenue and, if actuarial principles are applicable to the determination, in accordance with generally accepted actuarial principles.

Actuarial factors used to calculate *pension benefit credits* and other entitlements under the *Plan* shall be neutral as to gender.

The *Administrator* may, from time to time, adopt directives regarding the assumed indexing of pension benefits prior to the date of payment (pursuant to

Income Tax Regulation 8503(2)(m), as amended) to be used for calculating *pension benefit credits* under the *Plan*. (Amendment 1998-1, Effective January 24, 1998)

### **13.3 Information to Members**

#### **13.3.1 EXPLANATION TO MEMBERS AND TO THEIR SPOUSES**

The *Administrator* will provide to *members* and their *spouses*, and to each employee who is eligible to join the *Plan*, a written explanation of the provisions of the *Plan*. and any applicable amendments thereto, delivered within sixty (60) days of the adoption of such amendment. The *Administrator* will also provide such other information as *prescribed*. (Amendment 2012-1, Effective December 15, 2010)

Any such written explanation required to be provided to the *member* and to the *member's spouse* shall be addressed to both of them and delivered to the *member*.

#### **13.3.2 STATEMENTS**

Within six months of the end of each calendar year the *Administrator* will provide each *member* and each *member's spouse* a written statement showing

- (a) the *pension benefits* to which the person is entitled,
- (b) the balance of the *member's net contribution account*,
- (c) the funded ratio of the *Plan*, calculated as *prescribed*, and
- (d) such other information as *prescribed*.

If a *member* ceases to be an *active member* or if the *Plan* is terminated in whole or in part, the *Administrator* will give to that *member* (or in the case of *Plan* termination, to each *member*) and to the *member's spouse* (and, in the case of the *member's* death, to the *member's* legal representative) a written statement in the form *prescribed* under the *PBSA* and such statement shall be delivered within thirty days after the date of ceasing to be an *active member* or *Plan* termination, or such longer period as the *Superintendent* may allow.

Any statement required to be provided to the *member* and to the *member's spouse* shall be addressed to both of them and delivered to the *member*.

### **13.3.3 RIGHTS TO EXAMINE DOCUMENTS**

Each *member* and each *member's spouse* may, once in each calendar year, either personally or by an agent authorized in writing for that purpose, examine at the *Commission's* head office, or such other place as is agreed to by the *Administrator* and the person concerned,

- (a) a copy of the *Plan* or of any amendment thereto, or
- (b) a copy of any report filed with the *Superintendent* at any time after December 31, 1986, including
  - (i) information returns,
  - (ii) information on the source of funds and application of gains,
  - (iii) actuarial reports,
  - (iv) financial statements, and
  - (v) any other report or statement as *prescribed*

and may order, in writing, a photocopy of any such documents, on condition of payment of such reasonable fee as the *Administrator* may fix.

## **13.4 Pension Advisory Committee (PAC)**

### **13.4.1 MANDATE**

The *Administrator* shall establish a Corporate Pension Advisory Committee with the following duties:

- (a) to initiate studies in respect to all *Plan* matters including such subjects as design, funding, investment management, etc.;
- (b) to recommend to the *Board or its delegates*, the appointment of:
  - (i) the Investment Fund Managers(s),
  - (ii) the Trustees/Custodians,
  - (iii) the *actuary*, and
  - (iv) a professional performance measurement service;

- (c) to receive and consider recommendations and reports from all of the above professional services;
- (d) to make appropriate recommendations to the *Board or its delegate* and to keep the *Board or its Delegates* informed on all aspects of the *Plan*;
- (e) to ensure that all changes, additions, or amendments to the *Plan* authorized by the *Board or its Delegates* are enacted and that legislative and regulatory requirements are met;
- (f) to ensure that the administration of the *Plan* is in accordance with the *Plan* text approved by the *Board or its Delegates*, and meets the needs of the employees and *pensioners*;
- (g) to receive and consider concerns and recommendations from any sub-committee of the Corporate Pension Committee;
- (h) to recommend to the *Administrator* that it enter into a reciprocal transfer agreement pursuant to subsection 15.9; and
- (i) any other duties as *prescribed*.

#### **13.4.2 MEMBERSHIP**

The Corporate Pension Committee established pursuant to paragraph 13.4.1 shall include the

- (a) Manager, Treasury,
- (b) Director, Payroll, Pensions, and Benefits,
- (c) A legal representative from the Clerks Office
- (d) Deputy City Treasurer and Corporate Finance
- (e) four employees appointed by ATU, Local 279,
- (f) one employee appointed by CUPE Local5500, and
- (g) one employee representing salaried employees.

and the Deputy City Treasury, Corporate Finance shall appoint a chairperson from among the persons comprising the Pension Advisory Committee.

#### **13.4.3 INFORMATION**

The *Administrator* shall provide the Pension Advisory Committee with the information necessary to perform its duties.

#### **13.5 Confidential Information**

No person involved in any manner whatsoever in the administration of the *Plan* or the administration or investment of the *Fund* shall be permitted or required, in carrying out the administration of the *Plan* or the administration or investment of the *Fund*, to use information in his or her possession which was acquired in a confidential capacity, which information was not intended for the use of the *Plan* or *Fund*, even though the use of such information may be beneficial to the *Plan* beneficiaries or the *Fund*. Furthermore, no such person shall be permitted to use in his or her personal or any other capacity any information in his or her possession which was acquired in a confidential capacity on behalf of the *Plan* or the *Fund* and which information is not generally available to the public.

**14.1 Right to Amend or Wind-Up**

The *Board* intends to continue the *Plan* indefinitely but reserves the right to amend or wind-up the *Plan*, in whole or in part, should future conditions, in the opinion of the *Board*, warrant such action.

The wind-up of the *Plan*, either in whole or in part, constitutes an amendment to the *Plan*.

Replacement of the *Plan* by another registered pension plan constitutes an amendment to the *Plan* but does not constitute a wind-up of the *Plan*.

**14.2 No Reduction in Benefits**

If the *Plan* is amended, the benefits provided in respect of remuneration and employment prior to the date of amendment shall not be adversely affected.

**14.3 Distribution of Assets on Wind-Up of Plan**

If the *Plan* is wound-up, the *Fund* shall be first allocated to *members* of the *Plan* to provide *pension benefits* and other benefits according to their entitlements under the terms of the *Plan*. Such allocations shall be made as *prescribed* under the *PBSA*.

No part of the *Fund* shall revert to the benefit of the *Commission* until provision has been made for all accrued or payable benefits in respect of membership up to the date of wind-up, and for the purposes of this paragraph, all benefits are fully vested.

**14.4 Disposition of Surplus on Wind-Up of Plan****14.4.1 ALLOCATION**

In the event of termination or wind-up of the *Plan*, the assets remaining after the liabilities for all benefits accrued under the *Plan* have been met, herein the wind-up surplus, shall be allocated between the *Commission* and the *members* in the same proportion as the total of the *Commission* contributions to the *Plan* on and after January 1, 1981 is of the total of the *members'* contributions to the *Plan* on and after January 1, 1981.

#### **14.4.2 COMMISSION'S SHARE**

Subject to subsection 14.8, the portion of the wind-up surplus allocated to the *Commission* pursuant to paragraph 14.4.1 shall be returned to the *Commission* or shall be used as the *Board* may direct.

#### **14.4.3 MEMBER'S SHARE**

Subject to subsection 14.8, the portion of the wind-up surplus allocated to the *members* pursuant to paragraph 14.4.1 shall be applied to increase *pension benefits* to *members*, not exceeding the maximum permitted under the *Income Tax Act*; the balance of such portion shall be paid to *members* in lump sum payments.

#### **14.5 Withdrawal of Surplus While Plan Remains in Force**

If a surplus should occur in the *Fund* at any time while the *Plan* remains in force, the *Commission* may withdraw such portion of the surplus as is permitted under the *Income Tax Act* and approved by the *Superintendent*.

#### **14.6 Payments to Meet Solvency**

Upon wind-up of the *Plan*, the *Commission* shall pay into the *Plan* all amounts that would otherwise be required to meet the *prescribed* tests and standards for the solvency of the *Plan*.

#### **14.7 Partial Termination of the Plan**

Where the *Plan* is wound-up in part, the rights of the *members* affected shall not be less than what they would be if the whole of the *Plan* were wound-up at the same time.

#### **14.8 Report to Superintendent**

Upon wind-up of the *Plan*, in whole or in part, a report shall be prepared by the *actuary* setting out the *prescribed* information.

Assets of the *Fund* may not be applied toward the provision of any benefit until the *Superintendent* has approved the report except that *pension benefits* and refunds of contributions may be paid as they fall due.

**15.1 Beneficiary Appointments**

A *member* may designate a beneficiary to receive after the *member's* death any benefits due under the *Plan* which are not otherwise payable to the *member's* spouse or children. A *member* may alter or revoke such designation, within the limits set by law, by notification in writing to the *Administrator*, or by Will. If a beneficiary has not been designated or if the designated beneficiary predeceases the *member*, any such payments due under the *Plan* shall be made to the *member's* estate.

**15.2 Liability for Acts**

The *Commission*, its employees, officers and directors, and members of the Pension Committee establish pursuant to subsection 13.4 shall use ordinary care and diligence in the performance of their duties and responsibilities in connection with the administration of the *Plan*. Such persons shall not be liable for any loss, harm or damage arising out of or relating to any act done or omitted to be done by them in the administration of the *Plan* unless and to the extent that such loss, harm or damage arises out of or is related to their own willful misconduct.

**15.3 Indemnification**

The *Commission* may indemnify any person, their heirs, executors, administrators and other personal representatives, involved in the administration of the *Plan* or the administration or investment of the *Fund* as it determines advisable.

**15.4 Proof of Age**

Evidence of age, if requested by the *Commission*, must be produced by a *member* or *member's* spouse who becomes entitled to a *pension benefit* or a *child* entitled to an allowance.



### **15.5 Incapacity to Receive**

In the event that an individual who becomes entitled to receive a payment under the *Plan* is a minor or is physically or mentally incapable of giving a valid receipt, payment may be made to the person having the legal care or custody of the said individual and such payment shall be a complete discharge of payment and no further claim may be made in this respect against the *Plan* or the *Commission*.

### **15.6 No Employment Guarantee**

Nothing contained herein shall prevent or restrict the *Commission* from terminating the *service* of any employee. In any legal or other proceedings in respect of the termination of *service* of any employee or the dismissal from the *service* of the *Commission*, no damages shall be recoverable in respect of any loss of any benefit to which he may claim to be entitled under the *Plan*.

### **15.7 Entitlement Based on Plan Terms**

No individual shall have any right, title or interest upon or in respect of the *Fund* or upon or against the *Commission* except under or in accordance with provisions of the *Plan* set out herein.

### **15.8 Additional Voluntary Contributions**

A *member* is not permitted to make additional voluntary contributions after January 1, 1985.

Any additional voluntary contributions made under the *Plan* prior to January 1, 1985 may not be withdrawn by an *active member*.

Upon a *member's retirement* pursuant to Section Five, the *member* shall receive a *pension benefit* purchased by the *member's* additional voluntary contributions in accordance with Group Annuity Policy No. Gr. P.W. 10253 issued by the Standard Life Assurance Company.

Upon a *member's* termination of employment with the *Commission* before the *member* attains age sixty-five years, other than by *retirement* or death, the *member* shall receive either the cash surrender value of the *member's* additional voluntary contributions or a *deferred pension benefit* purchased by such contributions and payable from the *member's* age sixty-five years in accordance with Group Annuity Policy No. Gr. P.W. 10253 issued by the Standard Life Assurance Company.

## **15.9 Reciprocal Agreements**

The *Administrator*, subject to the approval of the *Board*, may enter into a reciprocal transfer agreement with any authority responsible for the administration of a registered pension plan for the purpose of preserving some or all of the *pension benefits* to which an individual who transfers to or from employment with the *Commission* is entitled. Such reciprocal transfer agreement shall constitute a part of the *Plan*.

## **15.10 Union Activities**

### **15.10.1 MEMBER RIGHTS AND OBLIGATIONS**

An *active member* who is elected to a *full-time* office or position in the *Union* or any other body with which the *Union* is affiliated who is on an unpaid leave of absence from the *Commission* shall be deemed for the purposes of the *Plan*

- (a) not to be on leave of absence,
- (b) to have *earnings* equal to the lesser of
  - (i) the amount that in the opinion of the *Commission* would reasonably be the *earnings* of an individual performing similar duties as the *member's* position with the *Commission*, and
  - (ii) the *member's compensation* from the *Union*.

### **15.10.2 UNION CONTRIBUTIONS**

In respect of the *members* described in paragraph 15.10.1,

- (a) the *Union* shall contribute to the *Plan* on the same basis as and terms as described in subsection 3.4 and paragraph 12.3.1, and
- (b) such *Union* contributions shall be constitute a portion of the *Commission* contributions for the purpose of paragraph 3.4.3.

## **15.11 Construction**

### **15.11.1 CAPTIONS AND HEADINGS**

The captions, headings and table of contents of the *Plan* are inserted for convenience only and are not to be construed as part of the *Plan*.

### **15.11.2 COMPLIANCE WITH ACTS**

Notwithstanding any provision of this *Plan*, the *Plan* shall be administered in accordance with the Acts and Regulations to which this *Plan* is subject as a condition of registration.

### **15.11.3 ONTARIO LAW**

The *Plan* shall be governed and construed in accordance with the laws of province of Ontario and Canada.

### **15.11.4 SEVERABILITY**

If any provision of the *Plan* is found to be invalid or unenforceable by a court of competent jurisdiction, such finding shall not affect any other provision of the *Plan* and the *Plan* shall be construed and enforced as if such provision had not been included in the *Plan*.

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