

## **LOCAL AUTHORITIES PENSION PLAN**

(Effective March 1, 2019)

(Consolidated and Restated as at January 1, 2026)

Canada Revenue Agency Registration No. 0216556

Employment Pension Plans Act Registration No. 0216556

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## Article 1 – History of the Plan

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### 1.01 Establishment of the Plan

The Local Authorities Pension Plan, as the Statutory Plan, was originally established in 1962 to provide pension benefits to employees of cities, towns, municipalities, colleges, hospitals, school boards, and other local authorities. Prior to the Continuation Date, the Statutory Plan was governed under the Public Sector Pension Plans Act and its predecessor legislation.

### 1.02 Withdrawal from the Public Sector Pension Plans Act

Pursuant to the Joint Governance Act, the Statutory Plan is continued by this Plan, with effect from the Continuation Date.

### 1.03 Continuation of the Plan

The provisions of the Plan, as set forth herein, come into force on the Continuation Date. The Plan provides for the payment of benefits to Members of the Plan, subject to:

- a) the Employment Pension Plans Act, as modified by the Joint Governance Act and the EPPA Exemptions Regulation;
- b) the Income Tax Act; and
- c) any other applicable tax laws now or hereafter in effect.

### 1.04 Employment Pension Plans Act Exemptions

The provisions of the Plan on the Continuation Date reflect certain exemptions granted to the Plan pursuant to the Joint Governance Act and the EPPA Exemptions Regulation, where such exemptions exempt the Plan from application of certain provisions of the Employment Pension Plans Act, including, but not limited to:

- a) solvency funding requirements;
- b) vesting requirements;
- c) mandatory participation eligibility requirements; and
- d) the ability to reduce accrued benefits.

## **Article 1 – History of the Plan**

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### **1.05 Recognition of Benefits Earned Under Statutory Plan**

The Plan continues to provide for benefits and entitlements accrued while the Plan was governed as the Statutory Plan. Unless otherwise stated, where a Date of Determination is on or after the Continuation Date, the provisions of the Plan shall apply to:

- a) any determination of benefits and eligibility criteria, including any contingent benefits of Pension Partners and Beneficiaries; and
- b) the payment or transfer of any lump sum entitlements from the Plan.

### **1.06 Transfer of Assets**

Pursuant to the Joint Governance Act, all assets of the Plan held by the President of Treasury Board and Minister of Finance as trustee of the Statutory Plan are to be transferred to the Trust Fund on the Continuation Date and, together with all future contributions, investment income and capital appreciation, henceforth form the assets of the Plan.

### **1.07 Temporary Improvements**

The Plan is amended effective January 1, 2026 by adding Appendix F (Temporary Contribution Reductions), Appendix G (Temporary Formula Pension Enhancements), and Appendix H (Cost-of-Living Enhancements) granted after the Continuance Date.

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

- 2.01 **Active Member** means an Employee who joined the Plan pursuant to Sections 4.01 or 4.02.
- 2.02 **Actuarial(ly) Equivalent** means a pension of an equivalent value computed on the basis of the actuarial methods and assumptions last adopted by the Administrator on the recommendation of the Actuary, subject to any requirements of Applicable Pension Legislation and the Income Tax Act.
- 2.03 **Actuarial Reserve** means, in relation to a Member, the present value of pension benefits payable in the future in respect of a period of Eligible Service, considering the Member's past and future Pensionable Service and including the portion of those benefits relating to expected future earnings and cost of living increases, computed on the basis of the actuarial methods and assumptions last adopted by the Administrator on the recommendation of the Actuary, subject to any requirements of Applicable Pension Legislation and the Income Tax Act, and including interest thereon determined using the nominal interest rate adopted for the purpose of the Actuarial Reserve calculation.
- 2.04 **Actuarial Reserve Service** means, in relation to a Member, service determined in accordance with Section 5.01(a).
- 2.05 **Actuary** means the actuary or firm of actuaries retained by the Administrator who is, or in the case of a firm of actuaries at least one member of which is, a Fellow of the Canadian Institute of Actuaries.
- 2.06 **Additional Contributions** means contributions required under the Statutory Plan from 1993 to 1997 to eliminate the Statutory Plan's unfunded liability in respect of pre-January 1, 1992 service and includes all contributions recognized under the Statutory Plan as additional contributions, plus Credited Interest thereon.
- 2.07 **Administrator** means LAPP Corporation.

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- 2.08 ***Applicable Contributory Earnings*** means, for any Plan Year or Pay Period, in relation to a Member who is an Active Member for any portion of such period, the aggregate of:
- a) the Member's Pensionable Lump Sum Earnings for the period; and
  - b) the Member's Pensionable Periodic Earnings for the period;
- with such aggregate earnings subject to the Income Tax Act Earnings Limit for the Plan Year.
- 2.09 ***Applicable Pension Legislation*** means the Employment Pension Plans Act, the Joint Governance Act, the EPPA Exemptions Regulation and any future legislation amending, supplementing, superseding or incorporating such legislation, and any regulations issued pursuant to them and such other pension benefits legislation, which is applicable, as amended from time to time.
- 2.10 ***Applicable Pensionable Earnings*** means, for any Plan Year or Pay Period, in relation to a member who is an Active Member for any portion of such period:
- a) for a Member who is employed on a full-time basis for all or a portion of the period, the total of the Member's related Pensionable Periodic Earnings, Pensionable Lump Sum Earnings and Auxiliary Earnings for such portion of the period; and
  - b) for a Member who is not employed on a full-time basis for all or a portion of the period, the total of the Member's related Pensionable Periodic Earnings, Pensionable Lump Sum Earnings and Auxiliary Earnings for such period divided by the Member's Pensionable Service for the period.
- 2.11 ***Auxiliary Earnings*** means, in relation to a Member, the pensionable earnings of the Member recognized by the Plan related to periods of Pensionable Service that are not Current Service, including periods related to Old Act Purchased Service, Prior Service, Portability Service and Transfer Service.
- 2.12 ***Average Capped YMPE*** means the weighted average (based on calendar days) of the YMPEs during the same Earnings Averaging Period as is used in the determination of the Member's Highest Average Capped Pensionable Earnings.



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- 2.13 **Average Uncapped YMPE** means the weighted average (based on calendar days) of the YMPs during the same Earnings Averaging Period as is used in the determination of the Member's Highest Average Uncapped Pensionable Earnings.
- 2.14 **Bargaining Agent** means a certified bargaining agent serving Employees of a Participating Employer.
- 2.15 **Beneficiary**, in relation to a Member, shall be determined in accordance with and subject to the provisions of Article 13.
- 2.16 **CANSIM Rate**, in relation to a period of not more than 12 months for which interest is payable, means the rate of interest calculated on the basis of the average of the yields of 5-year personal fixed term chartered bank deposit rates, determined by reference to the last weekly Wednesday rate of each month as published by the Canadian Socio-Economic Information Management System (CANSIM) Series V80691336 compiled by Statistics Canada and available on the website maintained by the Bank of Canada, which average is determined in relation to the most recent period of that length for which the rates are available, rounded down to the first full 1/10<sup>th</sup> of 1%.
- 2.17 **Capped Pensionable Earnings** means, for any Plan Year or Pay Period, in relation to a Member who is an Active Member for any portion of such period, the lesser of:
- a) the Member's Applicable Pensionable Earnings for that period; and
  - b) the Income Tax Act Earnings Limit for that period.
- 2.18 **Certifiable Past Service Event** means a *certifiable past service event*, as that term is defined in subsection 8300(1) of the regulations under the Income Tax Act, however, it shall exclude any event where the resulting PSPA is less than \$50.
- 2.19 **Commutated Value** means, at a time determined by the Plan in relation to a pension that a person has a present or future entitlement to receive, subject to the requirements of Applicable Pension Legislation and the Income Tax Act, a lump sum amount which is the actuarial present value of the person's pension and ancillary benefits, computed in accordance with the following requirements:

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- a) where the Date of Determination is prior to April 1, 2020, the calculation of actuarial present value shall be consistent with Section 3500 of the standards of practice issued by the Canadian Institute of Actuaries, as amended from time to time; and
  - b) where the Date of Determination is on or after April 1, 2020, the calculation of actuarial present value shall be consistent with the going concern funding assumptions adopted for the purposes of the most recent or penultimate actuarial valuation report filed with the Alberta pension regulator.
- 2.20 **Commuted Value Transfer** means a transfer or payment from the Plan, comprised of one or more lump sum payments, which is effected pursuant to Section 11.03 (Termination Benefits), Section 12.02(b)(2) (Death Benefits), Section 19.02(a.1) (Small Benefit Commutation), Section 19.02(a.2) (Small Pension Commutation), Section 19.02(b) (Non-Residency Unlocking), Section 19.02(c) (Shortened Life Expectancy), Section 19.02(d) (Maintenance Enforcement Order), Section 19.11 (Spousal Relationship Breakdown) or Article 20 (Employer Withdrawal).
- 2.21 **Continuation Date** means March 1, 2019.
- 2.22 **Continuous Basis** means, in relation to employment, a basis where no date or event, if any, fixed with reference to employment, has been established for the cessation of employment. Where an Employee is employed on a Continuous Basis, the identification of an end date to such employment does not change the nature of the employment basis until such end date is attained.
- 2.23 **Cost-Shared Benefit** means the amount of pension calculated in accordance with Sections 8.01 and 8.04, but excluding all periods of Wholly Member-Funded Service and Portability Service from the determination of Pensionable Service.
- 2.24 **Cost-Shared Contributions** means the aggregate of all contributions made by such Member to the Statutory Plan prior to the Continuation Date and to this Plan under the provisions of Article 6 for Current Service, Probationary Service, Old Act Purchased Service, and Leave Service, except for any Leave Service that is also Wholly Member-Funded Service, and shall include the eligible contributions made by the Member to any originating pension plan associated with a Member's Transfer Service as provided for in Section 15.04(g), but shall exclude any Additional Contributions, Wholly Member-Funded

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Contributions and any contributions made by the Member to any originating pension plan associated with the Member's Portability Service, together with Credited Interest thereon.

2.25 **CPI** means the Consumer Price Index for Alberta as published by Statistics Canada.

2.26 **Credited Interest** means,

- a) in respect of interest on Member contributions accruing prior to the Continuation Date, the *interest allowance* (as that term was defined by the Statutory Plan immediately prior to the Continuation Date) determined as of the Continuation Date; and
- b) in respect of interest on Member contributions accruing on and after the Continuation Date and the interest allowance referenced in Section 2.26(a), interest on that sum compounded annually and calculated:
  - 1) at the end of each Plan Year, on the balance of the Member's contributions and interest allowance at the beginning of the Plan Year, at the Required Contribution Rate; and
  - 2) at the end of each Plan Year, on each of the Member's contributions made during the Plan Year
    - a. for Current Service, at a proportion of the Required Contribution Rate, where the proportion represents the percentage of the Plan Year encompassed in the period starting from the mid-point of all the contribution dates and ending on the last day of the Plan Year;
    - b. for service other than Current Service, at a proportion of the Required Contribution Rate, where the proportion represents the percentage of the Plan Year encompassed in the period starting from the date the contribution was received and ending on the last day of the Plan Year; and
  - 3) on a Date of Determination, on the balance of the Member's contributions and interest allowance at the beginning of the Plan Year, at a proportion of the Required Contribution Rate, where the proportion represents the percentage of the Plan Year encompassed in the period starting from the beginning of the Plan Year and ending on the Date of Determination; and
  - 4) on a Date of Determination, on each of the Member's contributions made during the Plan Year

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- a. for Current Service, at a proportion of the Required Contribution Rate, where the proportion represents the percentage of the Plan Year encompassed in the period starting from the mid-point of all the contribution dates and ending on the Date of Determination;
  - b. for service other than Current Service, at a proportion of the Required Contribution Rate, where the proportion represents the percentage of the Plan Year encompassed in the period starting from the date the contribution was received and ending on the Date of Determination; and
  - c) in respect of lump sum payments out of the Trust Fund, interest compounded annually and calculated from the Date of Determination to the date of payment at a rate as follows:
    - 1) in the case of a refund of contributions or Excess Employee Contributions, at the Required Contribution Rate;
    - 2) in the case of a transfer of a Commuted Value under a Portability Agreement or a Transfer Agreement, in accordance with the rate specified in the applicable agreement; and
    - 3) in the case of any transfer or payment of a Commuted Value to which Section 2.26(c)(2) does not apply, at the non-indexed select rate of interest used in the determination of the Commuted Value.
- 2.27 **Current Service** means, in relation to a Member, service determined in accordance with Section 5.01(b).
- 2.28 **Custodian** means any person, firm, or corporation as may from time to time be appointed by the Administrator for the purpose of holding, safekeeping, and reporting all assets and investments whatsoever made by and for the Trust Fund, where such Custodian must hold the assets of the Trust Fund:
- a) in a name that clearly indicates that the investment is held in trust for the Plan and, where the investment is capable of being registered, registered in that name;
  - b) in the name of a financial institution or insurance company, or a nominee of the financial institution or insurance company, in accordance with an insurance contract, custodial agreement or trust agreement, entered into on behalf of the Plan with the financial

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institution or insurance company, that clearly indicates that the investment is held for the Plan;

- c) in the name of a *clearing agency* (as defined in the *Securities Transfer Act*), or a nominee of it, in accordance with an insurance agreement, custodial agreement or trust agreement, entered into on behalf of the Plan with a financial institution or insurance company, that clearly indicates that the investment is held for the Plan; or
- d) in the name of an Investment Manager, where the Investment Manager is holding the assets as bare trustee.

2.29 **Date of Determination** means, as specified in each relevant Article or Section, and being as the context requires:

- a) the date as of which a benefit is to be calculated under the Plan, including:
  - 1) the Member's Pension Commencement Date, date of Termination or date of death;
  - 2) the date of an assignment of benefits in accordance with the requirements of a Spousal Pension Division Instruction;
  - 3) the effective date of a Plan amendment;
  - 4) the effective date of withdrawal of a Participating Employer; or
  - 5) the effective date of termination of the Plan as a whole;
- or
- b) the date specified in a Portability Agreement or Transfer Agreement where a transfer is being effected pursuant to the terms of such an agreement;

and where a recalculation is required, Date of Determination also means a subsequent date of redetermination.

2.30 **Defined Benefit Limit** means *defined benefit limit*, as that term is defined in subsection 8500(1) of the regulations under the Income Tax Act.

2.31 **Disabled or Disability** means the disability of a Member, provided that a medical doctor licensed in Canada certifies in writing that the Member is physically or mentally impaired to the extent that the Member is effectively incapable of performing the regular duties of the employment in which the Member was engaged before the commencement of the impairment, and provided that the medical certification meets all requirements established by the Administrator. In circumstances to be determined by the Administrator the Administrator may accept the opinion of a medical doctor licensed outside of Canada.

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- 2.32 **Early Retirement Date** means, in relation to a Member, a date before the Member's Normal Retirement Date on which the Member elects to commence receipt of a pension pursuant to Section 7.05.
- 2.33 **Early Retirement Factor** means, in relation to a Member who elects a Pension Commencement Date earlier than their Normal Retirement Date, the factor calculated in Section 8.02.
- 2.34 **Earnings Averaging Period** means any cumulative five-year period of employment comprised of, in whole or in part, consecutive periods of employment, and shall be determined in accordance with, and subject to, all of the following provisions.
- a) Any single period of continuous employment must represent:
    - 1) Pensionable Service, or
    - 2) Eligible Service, other than a period of Leave of Absence Without Pay, that would have been credited as Pensionable Service were it not for the Member having attained the 35-year aggregate limit on Pensionable Service referred to in Section 5.03.
  - b) For the purpose of any Commuted Value calculation in respect of the Member's Cost-Shared Benefit, any periods of employment that represent Wholly Member-Funded Service or Portability Service, which are not periods of Pensionable Service for the purposes of the calculation of the Commuted Value of the Member's Cost-Shared Benefit, shall be excluded from the determination of the averaging period.
  - c) Breaks in Pensionable Service shall be excluded from the determination of the averaging period.
  - d) Subject to Section 2.34(i), periods of employment that represent Actuarial Reserve Service, including Shortfall Service, shall be excluded from the determination of the averaging period.
  - e) Subject to Section 2.34(i), periods of employment that represent Old Act Purchased Service shall be excluded from the determination of the averaging period.
  - f) Where periods are being excluded from the determination of the averaging period pursuant to Sections 2.34(b) through (e), the employment periods before and after the excluded period are deemed to be consecutive for the purposes of this Section 2.34. For greater certainty, the Earnings Averaging Period can span across a period that is longer than five calendar years.

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- g) Where an Employee is not working on a full-time basis for any given period of employment, the period to be included within the Earnings Averaging Period shall reflect the number of calendar days within the period (as measured in fractions of a year) excluding any days of Leave of Absence Without Pay that are not Pensionable Service.
  - h) The length of an Earnings Averaging Period shall be measured in years and fraction of any remaining year.
  - i) If the length of the Earnings Averaging Period determined without reference to this Section 2.34(i) aggregates to less than five years, Sections 2.34(d) and (e) cease to have application and, for greater certainty, the period referenced in Sections 2.34(d) and (e) shall only be included to the extent that it is necessary for attaining the five-year period, using the periods with the highest Applicable Pensionable Earnings which can be consecutive or non-consecutive.
- 2.35 ***Elective Participation Basis*** means, in relation to an employee's employment, any employment basis which is not a Mandatory Participation Basis where the aggregate of the regularly scheduled hours of work for a Participating Employer, under one or more contracts of employment, is not fewer than 14 hours per week or 728 hours per year.
- 2.36 ***Eligible Period of Leave*** means, in relation to a Member, any period of Leave of Absence With Partial Pay or period of Leave of Absence Without Pay, in whole or in part, where the cumulative periods of Leave of Absence Without Pay and Leave of Absence With Partial Pay after 1991 credited as Pensionable Service do not exceed in aggregate five years related to any type of leave, plus an additional three years related to maternity and parental leaves, where no single period of maternity or parental leave exceeds 18 months in duration. In no event shall an Eligible Period of Leave encompass a period where compensation cannot be prescribed in accordance with section 8507 of the regulations under the Income Tax Act.
- 2.37 ***Eligible Period of Reduced Pay*** means an *eligible period of reduced pay*, as that term is defined in subsection 8500(1) of the regulations under the Income Tax Act.
- 2.38 ***Eligible Period of Temporary Absence*** means an *eligible period of temporary absence*, as that term is defined in subsection 8500(1) of the regulations under the Income Tax Act.
- 2.39 ***Eligible Service*** means, in relation to a Member, service determined in accordance with Section 5.01(c).

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- 2.40 **Employee** means a person employed by a Participating Employer on a Mandatory Participation Basis or Elective Participation Basis, and includes:
- a) a person who is in receipt of benefits under a Qualifying Disability Plan or a Non-Qualifying Disability Plan who remains, while receiving those benefits, an employee of the Participating Employer who was employing the employee immediately before that time;
  - b) a person who is an Active Member on a Leave of Absence Without Pay or Leave of Absence With Partial Pay who remains, while on that leave, an employee of the Participating Employer who authorized that leave;
  - c) a person who is an Active Member on a Leave of Absence With a Bargaining Agent who remains, while loaned to the Bargaining Agent, an employee of the Participating Employer who employed such employee immediately before that leave commenced;
  - d) a person who was an *employee* (as defined in the Statutory Plan Rules) immediately prior to the Continuation Date, for as long as they remain in the continuous employ of the entity with which they were employed on the Continuation Date; and
  - e) a person employed by a Successor Employer to which Section 4.02(c) applies;

but excludes a person employed by a Participating Employer who has withdrawn from the Plan pursuant to Article 20.

Where a person is engaged to work concurrently for two or more Participating Employers, the person is considered an Employee of each Participating Employer for which they independently fulfil the criteria listed in this Section 2.40.

- 2.41 **Employment Pension Plans Act** means the *Employment Pension Plans Act*, S.A. 2012, Chapter E-8.1, as amended from time to time, and the regulations made thereunder.
- 2.42 **EPPA Exemptions Regulation** means the Exemption (Public Sector Pension) Regulation AR 3/2019 under the Employment Pension Plans Act.
- 2.43 **Excess Employee Contributions** used in relation to a Member, where the Date of Determination is:
- a) prior to the Member's Vesting Date, means nil;
  - b) prior to January 1, 2022 but on or after the Member's Vesting Date, means the amount, if any, calculated on the Date of Determination, by which the



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Member's Cost-Shared Contributions exceed 50% of the Commuted Value of the Member's Cost-Shared Benefit;

- c) prior to July 1, 2024 but on or after the later of January 1, 2022 and the Member's Vesting Date, means the amount, if any, calculated on the Date of Determination, by which the Member's Cost-Shared Contributions exceed 100% of the Commuted Value of the Member's Cost-Shared Benefit; and
- d) on or after the later of July 1, 2024 and the Member's Vesting Date, means the amount, if any, calculated on the Date of Determination, by which the Member's Cost-Shared Contributions exceed 100% of the Commuted Value of the Member's Cost-Shared Benefit **plus** the amount, if any, calculated on the Date of Determination, by which the Wholly Member-Funded Contributions exceed the greater of the difference between (1) and (2) and zero, where:
  - 1) equals the Commuted Value of the Member's Vested Benefit, and
  - 2) equals the Commuted Value of the Member's Cost-Shared Benefit.

The determination of Excess Employee Contributions is effected at the relevant time when any such Excess Employee Contributions are being refunded to a Member, Pension Partner or Beneficiary. Where the determination is related to a Commuted Value Transfer and the Commuted Value is recalculated in accordance with Applicable Pension Legislation or the Administrator's recalculation policy, the Excess Employee Contributions shall also be recalculated.

- 2.44 **Exporting Transfer** means the transfer of a Member's accrued entitlement from the Plan to another Registered Pension Plan pursuant to Section 11.01(b)(3) or 11.03(a)(2) in accordance with the terms of a Portability Agreement or Transfer Agreement.
- 2.45 **Fixed-Rate Contribution Basis** means a basis of determining Employee or Participating Employer contribution requirements in relation to an Employee's employment with a Participating Employer that is tied to a fixed schedule of contribution rates as specified in Article 6, where such schedule is applied uniformly to all Employees and Participating Employers at any relevant point in time.
- 2.46 **Fundholder** means LAPP Corporation.

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- 2.47 **Funding Agreement** means an agreement between the Administrator and a Custodian pursuant to Section 17.01.
- 2.48 **Funding Excess** means, at any particular point in time, the excess of Plan assets over Plan liabilities, if any, as determined by the Actuary. The assets and liabilities shall be:
- a) for the purpose of determining the Funding Excess on a going concern basis, as disclosed in the most recent actuarial valuation report,
  - b) for the purpose of determining the Funding Excess on a hypothetical wind-up basis, as disclosed in the most recent actuarial valuation report, and
  - c) for the purpose of determining the Funding Excess on an actual Plan wind-up, as disclosed in the Plan wind-up valuation report,
- as such valuation reports are filed with any relevant regulatory authority or authorities.
- 2.49 **Governing Documents** means the Joint Governance Act, any Sponsor Board rules made pursuant to Sections 8 and 9 of the Joint Governance Act and any other agreements between the Administrator and the Sponsor Board.
- 2.50 **Highest Average Capped Pensionable Earnings** means, in relation to a Member, the weighted average (based on calendar days) of the Member's Capped Pensionable Earnings over the Earnings Averaging Period that produces the highest average of Capped Pensionable Earnings, and where two Earnings Averaging Periods result in the same average, the earlier of the two periods shall apply and shall also be used in the determination of the Average Capped YMPE.
- 2.51 **Highest Average Uncapped Pensionable Earnings** means, in relation to a Member, the weighted average (based on calendar days) of the Member's Applicable Pensionable Earnings over the Earnings Averaging Period that produces the highest average of Applicable Pensionable Earnings, and where two Earnings Averaging Periods result in the same average, the earlier of the two periods shall apply and shall also be used in the determination of the Average Uncapped YMPE.
- 2.52 **Income Tax Act** means the *Income Tax Act*, R.S.C., 1985, c. 1 (5<sup>th</sup> Supp.), as amended from time to time, and the regulations made thereunder.
- 2.53 **Income Tax Act Earnings Limit** means, in relation to a Member,:
- a) for any Plan Year before 1992, \$86,111.11 plus 30% of the YMPE for the Plan Year;

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- b) for any Plan Year after 1991, the aggregate of (1) and (2) where:
- 1) is equal to 50 multiplied by the Defined Benefit Limit for the Plan Year, and
  - 2) is equal to 30% of the YMPE for the Plan Year.
- 2.54 ***Income Tax Act Employee Contribution Limit*** means, in relation to a Member for any Plan Year, the result of the application of the formula specified in Section 6.02(a), determined on the basis that the Employee's Applicable Contributory Earnings are equal to the Income Tax Act Earnings Limit for such Plan Year, with such result then multiplied by the Member's Current Service for the Plan Year.
- 2.55 ***Income Tax Act Maximum Transfer Limit*** means the maximum permissible tax-sheltered transfer from a Registered Pension Plan to a Registered Savings Arrangement, as established in section 8517 of the regulations under the Income Tax Act.
- 2.56 ***Income Tax Act Post-1991 Pension Limit*** means the maximum permissible lifetime pension amount, for Pensionable Service accrued on and after January 1, 1992, prescribed in section 8504 of the regulations under the Income Tax Act, as described in Section 8.05(a).
- 2.57 ***Income Tax Act Pre-1990 Pension Restriction*** means the restriction on lifetime pension amounts, for Pensionable Service prior to January 1, 1990, prescribed in section 8504 of the regulations under the Income Tax Act, as described in Section 8.05(b).
- 2.58 ***Income Tax Act COLA Limit*** means the maximum permissible cost-of-living adjustments prescribed in the regulations under the Income Tax Act, as described in Section 8.05(c).
- 2.59 ***Interest*** is determined, in relation to the charging of an annual rate of interest after the Continuation Date on unremitted contributions payable to the Plan, where not otherwise expressly provided for in this Plan, at the rate specified within the Administrator's policy.
- 2.60 ***Investment Manager*** means any person, firm or corporation as may, from time to time, be appointed by the Administrator, to act in the capacity of advisor or manager regarding the investment and management of the assets of the Trust Fund.
- 2.61 ***Joint Governance Act*** means the *Joint Governance of Public Sector Pension Plans Act* as amended from time to time.

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- 2.62 **LAPP Corporation** means the LAPP Corporation established by Section 11 of Schedule 1 to the Joint Governance Act.
- 2.63 **Latest Pensionable Service Date** means, in relation to a Member, December 30<sup>th</sup> of the year in which the Member attains 71 years of age.
- 2.64 **Leave of Absence With a Bargaining Agent** means a period during which an Employee is, with the permission of their Participating Employer, on leave from the regular duties of employment in order to be loaned to employment with a Bargaining Agent.
- 2.65 **Leave of Absence With Partial Pay** means a period during which an Employee is, with the permission of their Participating Employer, on leave from all or a portion of their regular duties of employment and is receiving remuneration from a Participating Employer that is less than their regular remuneration, which includes a period during which the Employee is in receipt of benefits from a Non-Qualifying Disability Plan, but does not include a period during which the Employee is in receipt of benefits under a Qualifying Disability Plan, or on a Leave of Absence with a Bargaining Agent, or any other period after 1991 that is not an Eligible Period of Reduced Pay or Eligible Period of Temporary Absence. Subject to the foregoing limitations under the Income Tax Act, Leave of Absence With Partial Pay includes all periods of suspensions (not exceeding three months), layoffs, strikes and lock-outs previously approved by Participating Employers prior to the Continuation Date and any future periods of suspensions (not exceeding three months), layoffs, strikes and lock-outs approved by a Participating Employer. For the purposes of this Section 2.65, remuneration shall not include or consider any payments to the Employee from a supplementary unemployment benefit plan.

Notwithstanding the foregoing, an Employee fulfilling the criteria above shall only be considered to be on a Leave of Absence With Partial Pay if the Employee has been employed by the Participating Employer for a minimum of three months prior to the commencement of the period of leave and only to the extent that compensation can be prescribed for this purpose pursuant to section 8507 of the regulations under the Income Tax Act.

- 2.66 **Leave of Absence Without Pay** means a period during which an Employee is, with the permission of their Participating Employer, on leave from all or a portion of their regular

## Article 2 – Definitions

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duties of employment and is receiving no remuneration from such Participating Employer, which includes periods during which the Employee is in receipt of benefits from a Non-Qualifying Disability Plan, but does not include a period during which the person is in receipt of benefits under a Qualifying Disability Plan or on a Leave of Absence with a Bargaining Agent. Subject to any limitations under the Income Tax Act, Leave of Absence Without Pay includes all periods of suspensions (not exceeding three months), layoffs, strikes and lock-outs previously approved by Participating Employers prior to the Continuation Date and any future periods of suspensions (not exceeding three months), layoffs, strikes and lock-outs approved by a Participating Employer.

- 2.67 **Leave Service** means, in relation to a Member, service determined in accordance with Section 5.01(d).
- 2.68 **LIRA** means a *locked-in retirement account*, as that term is defined in section 106 of the regulations under the Employment Pension Plans Act. Notwithstanding the foregoing, where a transfer is being made from the Plan to a person after December 31<sup>st</sup> of the year in which the person attains 71 years of age, LIRA means a *life income fund* as that term is defined in section 1(1)(ee) of the Employment Pension Plans Act.
- 2.69 **Mandatory Participation Basis** means, in relation to an employee's employment with a Participating Employer, a basis where the aggregate of the regularly scheduled hours of work to be provided by the employee on a Continuous Basis, whether under one or more contracts of employment, are not fewer than 30 hours per week.
- 2.70 **Member** means:
- a) an Employee who participates in the Plan as a result of being employed by a Participating Employer and who continues to have rights or contingent rights to benefits under the Plan;
  - b) a former Employee who has retired or otherwise had a Termination of employment with a Participating Employer but who retains a right to benefits under the Plan; or
  - c) a current or former Employee who does not satisfy the requirements of Section 2.70(a) or (b) who had a right or contingent right to benefits or entitlements under the terms of the Statutory Plan and whose benefits or entitlements remained an obligation of the Statutory Plan immediately before the Continuation Date.

## Article 2 – Definitions

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- 2.71 ***Non-Designated Leave*** means any Eligible Period of Temporary Absence that does not qualify as a Leave of Absence Without Pay or a Leave of Absence With Partial Pay.
- 2.72 ***Non-Qualifying Disability Plan*** means a long term disability income continuance plan or program that is not a Qualifying Disability Plan.
- 2.73 ***Normal Retirement Date*** means, in relation to a Member, at the Date of Determination, the earlier of the dates where the Member attains:
- a) age 65, or
  - b) 85 points,
- but no earlier than the date the Member attains age 55.

For the purpose of this Section, the Member attains 85 points at a date, either at the Date of Determination or in the future, when the Member's Pensionable Service (measured at the Date of Determination) plus the Member's age total 85.

- 2.74 ***Old Act Purchased Service*** means, in relation to a Member, service determined in accordance with Section 5.01(e).
- 2.75 ***PA*** means a *pension adjustment*, as that term is defined in section 8301 of the regulations under the Income Tax Act.
- 2.76 ***Participating Employer*** means:
- a) an employer listed in Appendix A;
  - b) an employer listed in Appendix B who, in accordance with the criteria set forth by the Sponsor Board, enters into a participation agreement with the Administrator after the Continuation Date; and
  - c) subject to any rules made by the Sponsor Board in respect of the admission of new Participating Employers into the Plan, any prior contrary determination by the Sponsor Board or any revocation of the Successor Employer's status as a Participating Employer pursuant to Section 18.10, a Successor Employer.
- 2.77 ***Pay Period*** means, in relation to an Employee, the recurring earnings payment cycle for which an Employee normally receives a payment of Pensionable Periodic Earnings.

## Article 2 – Definitions

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- 2.78 **Pension Commencement Date** means, subject to the requirements of Article 16:
- a) in relation to a Member, the date that pension payments commence, as determined in accordance with the provisions of Article 7; and
  - b) in relation to a Pension Partner who has elected to receive a survivor pension pursuant to Section 12.02(b)(1), the day elected by the Pension Partner, subject to it being no earlier than the day following the Member's death and no later than the latest age permissible under the Income Tax Act.
- 2.79 **Pension Partner** means the Member's *pension partner*, as that term is defined in the Employment Pension Plans Act, where two persons are considered Pension Partners on any date on which one of the following applies:
- a) they
    - 1) are married to each other, and
    - 2) have not been living separate and apart from each other for a continuous period longer than three years; or
  - b) if Section 2.79(a) does not apply, they have been living with each other in a marriage-like relationship
    - 1) for a continuous period of at least three years preceding the date, or
    - 2) of some permanence, if there is a child of the relationship by birth or adoption.
- 2.80 **Pension Policies** means, in relation to a Participating Employer and subject to the Income Tax Act and Applicable Pension Legislation, the established written policies or agreements related to the Plan addressing:
- a) pension eligibility and participation of its employees or classes of employees employed by such Participating Employer;
  - b) Probationary Service requirements pursuant to Section 5.01(i);
  - c) the remuneration to be included as Pensionable Periodic Earnings and Pensionable Lump Sum Earnings;
  - c.1) whether earnings under Section 2.81 are pensionable and the limit applied to Pensionable Lump Sum Earnings as a percentage of gross basic remuneration, provided that the limit does not exceed 40%, and shall be 20% if not specified in the Pension Policies;
  - d) the full-time hours base(s) applied in the determination of Pensionable Service credit; and
  - e) if applicable, the date specified in Section 2(b) of Appendix C
- as such policies or agreements are amended from time to time.

## Article 2 – Definitions

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2.81 ***Pensionable Lump Sum Earnings*** means, in respect of any Pay Period, any component of an Employee's remuneration from a Participating Employer that relates to service while the Employee was a Member of the Plan, where the remuneration is not Pensionable Periodic Earnings and is instead a lump sum payment, whether variable or constant in amount from year-to-year, that:

- a) was paid as part of the Participating Employer's variable pay program whose terms are contained in the Participating Employer's Pension Policies, and
- b) forms an ongoing part of the Employee's compensation package and is payable to all employees in the program on an ongoing basis,

to the extent that it does not exceed the percentage of the Employee's gross basic remuneration set in the Participating Employer's Pension Policies and provided that the Employee did not commence in the program in the last 12 months of employment before Termination.

Where a Member receives retroactive pay and such pay would have been included in the determination of Pensionable Periodic Earnings of a prior Pay Period had it been paid at the time of such prior Pay Period(s), the pay shall not constitute Pensionable Lump Sum Earnings and shall instead be allocated and attributed as Pensionable Periodic Earnings to the Pay Period(s) to which the service was rendered.

2.82 ***Pensionable Periodic Earnings*** means, subject to the remainder of this Section 2.82, an Employee's gross basic remuneration for the performance of such Employee's regular duties of employment with a Participating Employer while an Active Member of the Plan, where such remuneration is paid in accordance with the Participating Employer's Pension Policies on a uniform and consistent basis in each Pay Period and for which the remuneration results in the crediting of Current Service on behalf of the Employee, or would have resulted in the crediting of Current Service were it not for the 35-year limit on Pensionable Service in Section 5.03.

a) **Discretionary Remuneration Policy**

Pursuant to the Participating Employer's established earnings policy for pension purposes as contained in the Participating Employer's Pension Policies, Pensionable Periodic Earnings may, but are not required to, include:

- 1) remuneration paid especially for shift work;



## Article 2 – Definitions

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- 2) remuneration paid for working on weekends;
- 3) acting pay, where the Employee receives extra pay on a temporary basis in recognition of performing duties at a higher level than the Employee's regular duties of employment;
- 4) the value of the provision of an automobile for personal use, up to the lesser of \$3,000 per annum and the amount reported as the taxable benefit for that usage for income tax purposes; and
- 5) any other type of remuneration that was previously reported as *salary*, as that term was defined in the Statutory Plan, where:
  - i) such remuneration was paid no less frequently than annually,
  - ii) the remuneration was paid and reported to the Statutory Plan as salary consistently over a number of Plan Years in accordance with an established practice of the Participating Employer, and
  - iii) the required Plan contributions related to the salary were consistently and duly remitted to the Statutory Plan;

provided that, if it constitutes special remuneration or other similar compensation, it is a documented and fixed component of the Participating Employer's compensation package.

### b) **Vacation Pay**

Pensionable Periodic Earnings shall include vacation pay, but only to the extent it is in respect of paid time off while the Member remains an Employee and receives Current Service credit for the service, and shall not include any lump sum payouts of accumulated vacation time.

### c) **Deemed Remuneration**

In the case of an Employee who is:

- 1) receiving benefits under a Qualifying Disability Plan,
- 2) on a Leave of Absence Without Pay, or
- 3) on a Leave of Absence With Partial Pay,

Pensionable Periodic Earnings are deemed to be received at the rate of Pensionable Periodic Earnings the Employee was receiving immediately preceding the period of disability or leave, adjusted in accordance with any subsequent general adjustments in respect of the period in question that are applicable to the class of employees that the Employee was then in. However, the aggregate of all deemed Pensionable Periodic

## Article 2 – Definitions

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Earnings under Sections 2.82(c)(2) and (3) shall not exceed the amount of compensation that is prescribed for this purpose under section 8507 of the regulations under the Income Tax Act.

d) **Remuneration During Period of Loan**

In the case of an Employee on a Leave of Absence with a Bargaining Agent, Pensionable Periodic Earnings shall mean the Employee's gross basic pay for the performance of duties while in the employment of the Bargaining Agent, not exceeding 110% of the highest pay under the Bargaining Agent's collective agreement applicable to persons employed by a Participating Employer.

e) **Excluded Remuneration**

Pensionable Periodic Earnings shall not include any expense allowance, overtime payments, or any other special remuneration that is not referred to in Section 2.82(a), (b), (c) or (d).

2.83 **Pensionable Service** means, in relation to a Member, service determined in accordance with Sections 5.01(f) and 5.02.

2.84 **Period YMPE** means, for any Pay Period, the YMPE applicable to that period divided by the number of Pay Periods in the Plan Year.

2.85 **Plan** means the Local Authorities Pension Plan as set forth herein, as amended from time to time.

2.86 **Plan Year** means a full calendar year, including the 2019 calendar year encompassing a partial year as the Statutory Plan and a partial year as the Plan. Notwithstanding the foregoing, for any Participating Employer that has established a Pay Period based policy applied consistently from year-to-year, a Plan Year means the aggregate of all the Pay Periods where the payment dates for such Pay Periods fall within the same calendar year.

2.87 **Portability Agreement** means a *reciprocal agreement* entered into after 1993 ( as provided for in Sections 84.1 and 97.1 of the Statutory Plan Rules) or a new portability agreement entered into pursuant to Article 15, where such agreement:

a) provides for portability of pension benefits between the Plan and any other pension plan;

## Article 2 – Definitions

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- b) provides that the available transfer amount calculated by the exporting pension plan is determined by reference to such pension plan's termination provisions, without any actuarial reserve considerations; and
  - c) provides that the required transfer amount calculated by the importing pension plan is determined on an actuarial reserve basis.
- 2.88 **Portability Service** means, in relation to a Member, service determined in accordance with Section 5.01(g).
- 2.89 **Post-1991 Formula Pension** means, in relation to a Member, the annual amount of pension calculated in accordance with Section 8.01(b).
- 2.90 **Post-1991 Postponed Retirement Factor** means, in relation to a Member whose Pension Commencement Date is after their Normal Retirement Date, the factor calculated in Section 8.03(b).
- 2.91 **Postponed Retirement Date** means, in relation to a Member, a date after the Member's Normal Retirement Date on which the Member elects to commence receipt of a pension pursuant to Article 7.
- 2.92 **Pre-1992 Formula Pension** means, in relation to a Member, the annual amount of pension calculated in accordance with Section 8.01(a).
- 2.93 **Pre-1992 Postponed Retirement Factor** means, in relation to a Member whose Pension Commencement Date is after their Normal Retirement Date, the factor calculated in Section 8.03(a).
- 2.94 **Predecessor Employer** means *predecessor employer*, as that term is defined in subsection 8500(1) of the regulations under the Income Tax Act.
- 2.95 **Prior Service** means, in relation to an Employee, service determined in accordance with Section 5.01(h).
- 2.96 **Probationary Service** means, in relation to an Employee, service determined in accordance with Section 5.01(i).

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- 2.97 **PSPA** means a *past service pension adjustment*, as that term is defined in section 8303 of the regulations under the Income Tax Act.
- 2.98 **PSPPA Legislative Provisions** means the *Public Sector Pension Plans Act (Legislative Provisions) Regulation*, AR 365/93 as amended and in effect immediately prior to the Continuation Date and notwithstanding any subsequent legislative repeal of those provisions.
- 2.99 **Public Sector Pension Plans Act** means the *Public Sector Pension Plans Act*, R.S.A., 2000, c. P-41, as amended from time to time and the regulations made thereunder.
- 2.100 **Qualifying Disability Plan** means a long term disability income continuance plan or program that:
- a) is filed with the Administrator and satisfies the following criteria:
    - 1) all Active Members employed by a Participating Employer, who are in a group approved by the Administrator in relation to that Participating Employer, must be covered by such disability plan or program, except for those ineligible for coverage by reason of not meeting the medical requirements; and
    - 2) a Member who is covered by such disability plan or program must not be required to apply for a pension as long as the Member qualifies for benefits under the disability plan or program, unless such Member has attained their Latest Pensionable Service Date; or
  - b) consists of compensation for temporary total disability or temporary partial disability under applicable workers' compensation legislation.

Subject to the requirements and limitations under Section 2.100(a) and any applicable legislation, the sponsor of a Qualifying Disability Plan may amend the terms of the Qualifying Disability Plan or otherwise terminate the plan in its entirety.

- 2.101 **Registered Pension Plan** means a *registered pension plan*, as that term is defined in Section 248(1) of the Income Tax Act.
- 2.102 **Registered Savings Arrangement** means an RRSP or LIRA.

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- 2.103 **Required Contribution Rate** means, in relation to any Plan Year:
- a) prior to 2022, the CANSIM Rate, and
  - b) after 2021, the going concern discount rate, as was adopted for the purposes of the most recently filed actuarial funding valuation having an effective date no later than December 31<sup>st</sup> of the calendar year preceding the prior Plan Year.
- 2.104 **RRSP** means a *registered retirement savings plan*, as that term is defined in Section 146(1) of the Income Tax Act.
- 2.105 **Shortfall Service** means, in relation to a Member, service determined in accordance with Section 5.01(j).
- 2.106 **Sponsor Board** means the LAPP Sponsor Board established by Section 3 of Schedule 1 to the Joint Governance Act.
- 2.107 **Spousal Pension Division Instruction** means a family property order or agreement within the meaning of the *Family Property Act*, Chapter F-4.7, as amended and the regulations made thereunder, or a similar order enforceable in Alberta of a court outside Alberta, that affects the payment or distribution of a person's benefits under the Plan.
- 2.108 **Statutory Plan** means the Local Authorities Pension Plan established or continued pursuant to the provisions of the Public Sector Pension Plans Act and its predecessor legislation, including the PSPPA Legislative Provisions and the Statutory Plan Rules.
- 2.109 **Statutory Plan Rules** means the *Local Authorities Pension Plan*, AR 366/93 as amended and in effect immediately prior to the Continuation Date and notwithstanding any subsequent legislative repeal of those provisions.
- 2.110 **Succession Event** means an occurrence of an event in Section 2.112(a).
- 2.111 **Successor Employee** means an Employee described in Section 2.40(e).
- 2.112 **Successor Employer** means a legal entity that:
- a) due to, or in connection with, one of the following events becomes the employer of one or more Employees who were Active Members of the Plan immediately prior to such event;

## Article 2 – Definitions

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- 1) the merger of a Participating Employer with another legal entity;
  - 2) the continuation of a Participating Employer as the legal entity;
  - 3) the transfer or assignment of all or a divisible part of the activities or undertakings of a Participating Employer to the legal entity; and
- b) was not a Participating Employer prior to the event described in Section 2.112 (a).

2.113 **Superintendent** means the Superintendent of Pensions for the Province of Alberta, appointed pursuant to the Employment Pension Plans Act.

2.114 **Termination or Terminated or Terminates** used in relation to a person who is or was an Active Member, means that person ceasing to be employed by a Participating Employer or moving to a position where they are no longer eligible or no longer elect to participate in the Plan, under any circumstances other than

- a) death;
- b) where the person becomes an Active Member again, with the same or different Participating Employer, without experiencing any break in Pensionable Service from the cessation; or
- c) ceasing to be an Active Member as a result of a Participating Employer's withdrawal pursuant to Article 20.

Notwithstanding, a Succession Event shall not cause or result in a Termination for any Active Member that continues in employment with a Successor Employer following the Succession Event.

Where a Member is an Employee on their Latest Pensionable Service Date, the Member will be deemed to have Terminated on their Latest Pensionable Service Date.

2.115 **Totally Disabled or Total Disability** means the disability of a Member, provided that a medical doctor licensed in Canada certifies in writing that the Member is suffering from a physical or mental impairment that can reasonably be expected to last for the remainder of the Member's lifetime and that prevents such Member from engaging in any gainful occupation. In circumstances to be determined by the Administrator, the Administrator may accept the opinion of a medical doctor licensed outside of Canada.

2.116 **Transfer Agreement** means a *reciprocal agreement* entered prior to 1994 (as provided for in Sections 84.1 and 97.1 of the Statutory Plan Rules), a *portability arrangement* (as provided for in Section 16.15 of the PSPPA Legislative Provisions), a *special portability*

## Article 2 – Definitions

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*arrangement* (as provided for in Sections 85.1 and 98.1 of the Statutory Plan Rules), or any other portability arrangement, other than a Portability Agreement, entered into under the conditions of the Statutory Plan or pursuant to Article 15, where such agreement:

- a) provides for portability of pension benefits between the Plan and any other Registered Pension Plan;
- b) provides that the available transfer amount calculated by the exporting pension plan is determined on an actuarial reserve basis, with potential reference to such pension plan's termination provisions; and
- c) provides that the required transfer amount calculated by the importing pension plan is determined on an actuarial reserve basis.

2.117 **Transfer Service** means, in relation to a Member, service determined in accordance with Section 5.01(k).

2.118 **Trust Fund** means the fund established for all the assets of the Plan held by the Administrator as trustee pursuant to the terms of the Joint Governance Act including, without restricting the generality of the foregoing, all of the assets of the Plan that are transferred pursuant to Section 1.06 by the Minister of Finance of Alberta as trustee of the Statutory Plan, all funds and assets received from time to time by way of contributions, and all increments, earnings and profits accruing from the administration of the said Trust Fund to be known as the "Local Authorities Pension Plan Trust Fund".

2.119 **Unfunded Liability** means, at any particular point in time, the excess of Plan liabilities over Plan assets, if any, as determined by the Actuary. The assets and liabilities shall be, for the purpose of determining the Unfunded Liability on a going concern basis, as disclosed in the most recent actuarial valuation report, as such valuation report is filed with any relevant regulatory authority or authorities.

2.120 **Vested Benefit** used in relation to a Member, where the Date of Determination is:

- a) prior to the Member's Vesting Date, means nil, and
- b) on or after the Member's Vesting Date, means, subject to the Income Tax Act limitations described Section 8.05,
  - 1) for a determination related to a Commuted Value where the Date of Determination is prior to January 1, 2022, the Member's Cost-Shared Benefit; and
  - 2) for any other determination, the amount of pension calculated in accordance with Sections 8.01 and 8.04.

## Article 2 – Definitions

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2.121 ***Vesting Date*** means:

- a) in relation to a Member whose membership in the Plan was continued pursuant to Section 4.01(a), other than an Active Member on the Continuation Date, the date the Member was *vested* under the terms of the Statutory Plan; and
- b) for any Member to which Section 2.121(a) does not apply, the earliest of:
  - 1) the date the Member has accumulated two years of Vesting Service;
  - 2) the date the Member has accumulated two years of Pensionable Service;
  - 3) the date the Member, in the case of an Active Member on the Continuation Date, was, or would have been, vested under the terms of the Statutory Plan as it existed on the Continuation Date;
  - 4) i) where the Member is an Active Member on January 1, 2022, January 1, 2022;  
ii) where the Member becomes an Active Member after January 1, 2022, the date they become an Active Member; and
  - 5) where applicable, the date an Active Member attains 65 years of age.

Where a Member to which Section 2.121(a) applies was not *vested* under the terms of the Statutory Plan on the Continuation Date, such Member shall be considered as not having attained their Vesting Date.

2.122 ***Vesting Service*** means, in relation to a Member, service determined in accordance with Section 5.01(l).

2.123 ***Wholly Member-Funded Contributions*** means the aggregate of the contributions remitted to the Plan by the Member in respect of Wholly Member-Funded Service, which includes all contributions for such service remitted pursuant to Section 6.06 or jointly remitted pursuant to Sections 6.04(b) and (d), as well as contributions referred to in Section 15.04(g). For greater certainty, Wholly Member-Funded Contributions does not include any Member contributions remitted to purchase Old Act Purchased Service, whether such purchase was wholly funded by the Member or not, nor does it include contributions remitted pursuant to Section 6.04(b) where the Member was not required to make a related contribution under Section 6.04(d). For the purposes of the Employment Pension Plans Act and the EPPA Exemptions Regulation, Wholly Member-Funded Contributions are not considered *member-required contributions*, as that term is defined in the regulations to the Employment Pension Plans Act.



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2.124 ***Wholly Member-Funded Service*** means, in relation to a Member, service determined in accordance with Section 5.01(m).

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

In this Plan, words importing the singular number shall include the plural and vice versa.

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

## Article 3 – Plan Governance

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### 3.01 Application of this Article

The provisions of this Article 3 are provided for ease of reference and to document the pertinent sections of Applicable Pension Legislation, which includes the Joint Governance Act. In the event of any discrepancies between the provisions of this Article 3 and Applicable Pension Legislation, the terms of Applicable Pension Legislation prevail.

### 3.02 Application of Governing Documents

The Plan and the Trust Fund shall be administered by the Administrator for the purpose of providing benefits in accordance with the terms of this Plan and the Governing Documents.

### 3.03 Plan Registration

In accordance with the Joint Governance Act, the Plan:

- a) is designated to be a *jointly sponsored plan*,
- b) is designated to be a *non-collectively bargained multi-employer plan*, and
- c) is defined as not constituting a *publicly funded plan*,

as those three terms are defined in the Employment Pension Plans Act on the Continuation Date, noting however that the Joint Governance Act and EPPA Exemptions Regulation modify how various Employment Pension Plan Act provisions associated with those terms have application to the Plan.

### 3.04 Governance Structure

The Plan operates under a bi-cameral governance structure. The Sponsor Board consists of six voting employee representatives and six voting employer representatives. The Joint Governance Act specifies the organizations entitled to appoint the voting members of the Sponsor Board. The Joint Governance Act allocates decision-making responsibility on certain issues to the Sponsor Board, including:

- a) making and amending the Plan text in accordance with the Employment Pension Plans Act;
- b) setting contribution rates in accordance with the funding requirements under the Employment Pension Plans Act that are applicable to the Plan;
- c) making any decision, in accordance with the Employment Pension Plans Act, to terminate or modify the nature of the Plan;
- d) establishing a funding policy for the Plan in accordance with the Employment Pension Plans Act, including in relation to the frequency of actuarial valuations of the Plan, and in relation to investment risk and other risks; and

## Article 3 – Plan Governance

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- e) making rules, amongst other matters, (i) respecting the costs, expenses and charges that may be charged to the Trust Fund, (ii) governing the withdrawal of a Participating Employer from the Plan, and (iii) respecting the entering into by the Administrator of any agreements for the reciprocal transfer or portability of pension benefits between the Plan and any other pension plan.

The Joint Governance Act specifies that LAPP Corporation is the administrator of the Plan for purposes of the Employment Pension Plans Act. LAPP Corporation is responsible for carrying out and performing all of the duties, functions and responsibilities of an administrator under the Employment Pension Plans Act and, except to the extent that responsibility has been expressly assigned to the Sponsor Board, all other actions required for the proper administration of the Plan.

The Joint Governance Act specifies that the same organizations entitled to appoint the voting members of the Sponsor Board are entitled to appoint the same number of directors of the board of directors of LAPP Corporation.

### 3.05 Decision Making Process

The Joint Governance Act provides that the Sponsor Board may make rules governing the internal practice and procedures of the Sponsor Board, including governing the selection of a chair and a vice-chair, the calling of meetings, quorum, procedures at meetings, voting procedures and the majority required to make or amend this Plan text or Sponsor Board rules or to pass other resolutions. The Joint Governance Act also sets out default provisions that will govern the internal procedures of the Sponsor Board to the extent the Sponsor Board has not made such rules that are applicable.

The Joint Governance Act provides that the board of directors of LAPP Corporation may make bylaws governing the business and affairs of LAPP Corporation, including respecting the designation of a chair and a vice-chair of the board of directors, the calling of meetings of the board of directors and the conduct of business at them, notice of meetings of the board of directors, participation at meetings by any electronic means, quorum, the majority required for passing resolutions of the board of directors, processes (which may include mediation or arbitration) in the event of a tie vote of the board of directors, committees of directors and the general conduct and operation of the business of LAPP Corporation. The

## Article 3 – Plan Governance

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Joint Governance Act also sets out default provisions that will govern to the extent the board of directors has not made such bylaws that are applicable.

### 3.06 **Plan Amendment Authority and Responsibility**

As described in Section 3.04, the Sponsor Board is responsible for making and amending the Plan text in accordance with the Employment Pension Plans Act.

The Administrator shall be responsible for establishing and maintaining the provisions of the Plan in accordance with the terms of the Governing Documents. Subject to the provisions of Applicable Pension Legislation and the Income Tax Act, the Administrator may amend the Plan:

- a) in accordance with a resolution of the Sponsor Board;
- b) for reasons of maintaining registration under the Employment Pension Plans Act and the Income Tax Act, or for reasons of maintaining compliance with the Joint Governance Act; and
- c) to effect inconsequential changes to the Plan terms to achieve compliance with the Employment Pension Plans Act or the Joint Governance Act and Schedule 1 to the Joint Governance Act or any other applicable law.

The Administrator shall provide the Sponsor Board with notice and a description of all Plan amendments within 30 days of the date such amendments are filed with the Superintendent or the Canada Revenue Agency, as applicable.

### 3.07 **Contribution Requirements**

On the advice of the Actuary and subject to the terms of Applicable Pension Legislation and the Income Tax Act, the Sponsor Board is responsible for the contribution rates for Participating Employers and Members. Such contribution rates shall recognize:

- a) the ongoing current service cost requirements of the Plan, including administration expenses;
- b) the level of special payments required to eliminate the Plan's Unfunded Liability, if any, under the terms of Applicable Pension Legislation; and
- c) the utilization of any Funding Excess in accordance with the provisions of Applicable Pension Legislation and the Income Tax Act.

## **Article 3 – Plan Governance**

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In accordance with Section 3.06(b), where the contribution rates must increase for reasons of compliance with Applicable Pension Legislation, the Administrator shall increase the contribution rates in Section 6.02 to achieve compliance, but only to the extent required to achieve compliance.

### **3.08 Determinations upon Employer Withdrawal**

Pursuant to Article 20, the Sponsor Board shall be responsible for establishing the Plan's rules, regulations and policies with respect to the withdrawal of a Participating Employer, subject to the requirements of Applicable Pension Legislation.

## **Article 4 – Eligibility for Plan Membership**

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### **4.01 Automatic Continuation of Membership for Members of the Statutory Plan**

- a) A person who has accrued benefits or entitlements under the terms of the Statutory Plan and whose benefits and entitlements remain an obligation of the Statutory Plan immediately prior to the Continuation Date, whether the person is vested or not at that time, shall qualify as a Member of this Plan on the Continuation Date.
- b) All provisions of the Statutory Plan immediately before the Continuation Date regarding mandatory, optional, or exemptions from participation, both in respect of individual members and participating employers as a whole, shall continue to apply indefinitely unless explicitly stated otherwise herein.

### **4.02 Eligibility to Join on or after the Continuation Date**

Employees hired by a Participating Employer after the Continuation Date, Employees employed by a Participating Employer on the date such employer commences participating in the Plan after the Continuation Date, or Employees who otherwise were not enrolled in the Plan on the Continuation Date pursuant to Section 4.01, are eligible or required to commence participation in the Plan in accordance with the following requirements.

#### **a) Mandatory Enrolment**

Subject to Section 4.03, an Employee, other than a Successor Employee, who has completed any stipulated period of Probationary Service shall become a Member on the day immediately after the Employee has completed such Probationary Service if the Employee's employment is on:

- 1) a Mandatory Participation Basis, or
- 2) an Elective Participation Basis where the Participating Employer's Pension Policies mandate participation in the Plan for the group or class of employees to which the Employee belongs.

#### **b) Voluntary Enrolment**

Subject to Section 4.03, an Employee, other than a Successor Employee, employed by a Participating Employer on an Elective Participation Basis, shall have the option to commence participation in the Plan at any time the Employee is eligible under such Participating Employer's Pension Policies and shall become a Member of the Plan if they exercise their option to participate in the Plan. In no event shall the participation commencement date of an Employee joining the Plan pursuant to this Section 4.02(b) precede the first day of a Pay Period for which contributions were remitted to the Plan pursuant to Section 6.03 unless the enrolment delay is attributable to a Participating Employer error.

## **Article 4 – Eligibility for Plan Membership**

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### **c) Employees of a Successor Employer**

- 1) Subject to Section 4.03, a Successor Employee, whether employed on a Mandatory Participation Basis or an Elective Participation Basis immediately prior to a Succession Event, shall continue to be an Active Member.
- 2) Subject to Section 4.03, all employees of a Successor Employer, other than a Successor Employee, shall commence or be eligible to commence participation in the Plan subject to the following:
  - i) the Sponsor Board's approval of the Successor Employer's application for admission in relation to employees who are not Successor Employees; and
  - ii) the Successor Employer's Pension Policies.

For the purposes of defining eligibility for Plan participation in this Section 4.02, where an Employee works under one or more contracts of employment for a single Participating Employer, the employment terms of all contracts shall be considered in their totality in determining an Employee's eligibility to join the Plan.

### **4.03 Employee Exceptions to Participation**

- a) Sections 4.02(a), (b) and (c) do not apply to an Employee:
  - 1) who has surpassed their Latest Pensionable Service Date;
  - 2) who is in receipt of a pension from the Plan in respect of their own Pensionable Service, as described in Section 4.04(b);
  - 3) who is employed by a Participating Employer listed in Part 3 of Schedule 2 of the Statutory Plan Rules or a Participating Employer who has otherwise withdrawn from the Plan pursuant to Article 20, as such Participating Employers are listed in Appendix C;
  - 4) who falls within any class of employees excepted or withdrawn from the Plan by virtue of being referred to in Part 2 of Schedule 2 of the Statutory Plan Rules, as such classes are listed in Appendix C;
  - 5) who is employed by Capital Power Corporation, The Good Samaritan Society (A Lutheran Social Service Organization), or the Red Deer and District Museum Society, except to the extent such Employee is part of a group of employees who:
    - i) was participating in the Plan immediately prior to the Continuation Date pursuant to Section 10(j), (k) or (l) of the Statutory Plan Rules, but only for so long as the Employee remains continuously employed by their employer, or
    - ii) are employed at the Dr. Gerald Zetter Care Centre, as such groups of employees are listed in Appendix C;

## **Article 4 – Eligibility for Plan Membership**

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- 6) who is employed by DynaLIFE<sub>DX</sub> except to the extent where such Employee:
    - i) participates in the Plan in accordance with a collective agreement; and
    - ii) was a Member of the Plan immediately prior to their transition of employment from Alberta Precision Laboratories Ltd. to DynaLIFE<sub>DX</sub> on or after December 5, 2022 and prior to December 18, 2023.
  - 7) who is employed by St. Thomas Aquinas Roman Catholic School Division No. 38 except to the extent such Employee is part of a group of employees who participates in the Plan in accordance with the participation agreement between St. Thomas Aquinas Roman Catholic School Division No. 38 and the Administrator.
  - b) The mandatory participation provisions of Section 4.02 do not apply to an Employee:
    - 1) being an academic staff member of a college, who notifies the college board that they wish to continue participation in another Registered Pension Plan of the Employee's Participating Employer;
    - 2) who, as part of the consolidation of laboratory services in Alberta to Alberta Precision Laboratories Ltd. (formerly known as Alberta Public Laboratories Ltd.):
      - i) was part of a group of Employees that in the absence of this Section 4.03(b)(2) would have been eligible or required to participate in the Plan pursuant to Section 4.02(a) or (b) as of a specified date that is not related to a commencement of employment,
      - ii) was not an Active Member of the Plan immediately preceding the specified date, and
      - iii) had prior to the specified date provided Alberta Precision Laboratories Ltd. with a signed declaration in the form set by that corporation opting not to become a Member of the Plan and opting instead to become or remain an active participant of that corporation's group RRSP or defined contribution Registered Pension Plan as of the specified date,
- for so long as that Employee either:
- iv) remains continuously employed by that corporation, or
  - v) if having transitioned employment from Alberta Precision Laboratories Ltd. to DynaLIFE<sub>DX</sub> on or after December 5, 2022, following a subsequent consolidation of laboratory services in Alberta transitioned employment to Alberta Precision Laboratories Ltd. or Alberta Health Services, remains continuously employed by Alberta Precision Laboratories Ltd. or Alberta Health Services after December 17, 2023; or



## **Article 4 – Eligibility for Plan Membership**

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- 3) who was an Employee of:
  - i) the Municipal District of Ranchland No. 66 immediately before January 1, 2024;
  - ii) the Town of Nanton immediately before February 1, 2024;
  - iii) Alberta Recycling Management Authority immediately before August 1, 2024;
  - iv) Alberta Lung Association immediately before September 1, 2024;
  - v) Village of Hughenden immediately before March 1, 2025;
  - vi) Mount Royal Faculty Association immediately before April 1, 2025;
  - vii) the Town of High Level immediately before April 1, 2025;
  - viii) Civic Service Union 52 immediately before June 29, 2025; or
  - ix) Willow Creek Regional Waste Management Services Commission immediately before November 1, 2025and submitted a declaration in the form and by the deadline set by that employer opting not to become a Member of the Plan for so long as that Employee remains continuously employed by that same employer.
- 4) who was otherwise exempted from participation in the Statutory Plan as the terms of the Statutory Plan read on the Continuation Date, however, unless expressly stated otherwise, such exemption is limited to the original period of employment applicable at the time the Statutory Plan exemption was granted, and shall not apply to subsequent periods of employment with the same or a different Participating Employer.

### **4.04 Re-hired Members**

#### **a) Non-Pensioners**

- 1) If a former Employee, who has yet to commence receipt of a pension from the Plan in respect of their own Pensionable Service, is again employed by a Participating Employer, the Employee shall be eligible or required to recommence Plan participation in accordance with Section 4.02.
- 2) If, at a Date of Determination of a Member who has yet to commence receipt of a pension from the Plan in respect of their own Pensionable Service, such Member is entitled to benefits from the Plan arising from two or more periods of participation separated by a Termination, the Member's periods of participation shall be joined and a single determination of Plan benefits shall apply.

#### **b) Pensioners**

## **Article 4 – Eligibility for Plan Membership**

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If a Member, who is in receipt of a pension from the Plan in respect of their own Pensionable Service, is again employed by a Participating Employer, the Member is not permitted to recommence participation in the Plan pursuant to Section 4.02, the Member shall continue to receive their pension and shall not be eligible to accrue further benefits during the new period of employment.

### **4.05 Enrolment Information**

Upon an Employee becoming a Member of the Plan, the Employee or Participating Employer shall provide the required enrolment information in the form and manner established by the Administrator.

### **4.06 Suspension of Participation**

- a) A Member may not terminate or suspend their own participation in the Plan while an Employee of a Participating Employer, unless the Member has surpassed their Latest Pensionable Service Date.
- b) Where an Active Member ceases to satisfy the conditions to participate on either a Mandatory Participation Basis, or an Elective Participation Basis in accordance with their Participating Employer's Pension Policies, the Active Member shall Terminate or continue to participate in accordance with the terms of the Employer's Pension Policies. Notwithstanding, an Active Member's participation in the Plan shall not Terminate as a result of a Succession Event where the Active Member continues in employment with a Successor Employer following the Succession Event.

## Article 5 – Service

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### 5.01 Service Definitions

In addition to the definitions listed in Article 2, the following words and phrases, when used in this Plan, unless the context clearly indicates otherwise, shall have the following meanings:

- a) **Actuarial Reserve Service** means, in relation to a Member, Eligible Service for which the associated contributions remitted by the Member to the Plan or Statutory Plan were determined on an Actuarial Reserve basis pursuant to Section 20(1.1)(b), (c) or (d) of the Statutory Plan Rules or Section 6.06 of this Plan, except to the extent it is Portability Service or Transfer Service.
- b) **Current Service** means, in relation to a Member, Eligible Service for which the associated contributions remitted by the Member to the Plan or Statutory Plan were determined on a Fixed-Rate Contribution Basis pursuant to Section 13(1) of the Statutory Plan Rules or Section 6.03(a) of this Plan.
- c) **Eligible Service** means, in relation to a person, a period where the person is or was:
  - 1) an Active Member receiving their regular remuneration from a Participating Employer;
  - 2) an Active Member in receipt of benefits under a Qualifying Disability Plan;
  - 3) an Active Member, other than an Active Member in receipt of benefits under a Qualifying Disability Plan, receiving no remuneration or partial remuneration from a Participating Employer;
  - 4) employed by a Participating Employer, or a Predecessor Employer of a Participating Employer prior to the date the person most recently became a Member of the Plan; or
  - 5) actively participating in a Registered Pension Plan of a prior employer who is not a Participating Employer, including any required waiting period before eligibility for participation, but only to the extent such period is not credited to the Member as pensionable service in such other Registered Pension Plan.

For the purposes of Section 5.01(c)(3), such periods of Eligible Service shall include a period where the Member is or was on a Leave of Absence Without Pay, a Leave of Absence With Partial Pay, or a Leave of Absence with a Bargaining Agent, but shall

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exclude any periods, in whole or in part, of Leave of Absence Without Pay or Leave of Absence With Partial Pay after 1991 that are not an Eligible Period of Leave.

Notwithstanding anything to the contrary in this Section 5.01(c), other than in respect of Leave of Absence Without Pay that are maternity, paternity or adoption leaves, Eligible Service shall not include any period before 1992 of Leave of Absence Without Pay during which Current Service contributions were not made that was in excess of three years, or any other periods of service that do not otherwise meet the requirements for *eligible service* (as prescribed in paragraph 8503(3)(a) of the regulations under the Income Tax Act).

- d) **Leave Service** means, in relation to a Member, Eligible Service that was purchased and credited to the Member pursuant to Section 14 of the Statutory Plan Rules or any other Eligible Service of such Member for which contributions are remitted to the Plan pursuant to Sections 6.04(a) and (b).
- e) **Old Act Purchased Service** means, in relation to a Member, Eligible Service that was purchased and credited to the Member pursuant to Section 16(1)(c) of the *Local Authorities Pension Plan Act*, SA 1985, where the Member's election to purchase the service was made prior to 1994.
- f) **Pensionable Service** means, in relation to a Member and subject to Section 5.03, the aggregate of Current Service, Leave Service, Probationary Service that has been purchased pursuant to Section 6.05, Old Act Purchased Service, Prior Service (including, for greater certainty, Shortfall Service), Portability Service, and Transfer Service. In no event can a Member's credited Pensionable Service for any single Plan Year exceed one.

Notwithstanding the foregoing, for the purpose of determining a Member's Vested Benefit in relation to a Commuted Value Transfer where the Date of Determination is prior to January 1, 2022, Pensionable Service shall exclude all periods of Wholly Member-Funded Service and Portability Service

- g) **Portability Service** means, in relation to a Member, Eligible Service that was transferred to the Plan or Statutory Plan pursuant to a Portability Agreement, including

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any Eligible Service credited prior to May 30, 2016 that was purchased by the Member in accordance with Section 15.04(d), but excluding any Shortfall Service that was purchased by the Member in relation to a transfer.

- h) **Prior Service** means, in relation to a Member, Eligible Service that was the Member's pensionable service under the Statutory Plan, except to the extent it is otherwise included as Current Service, Leave Service, Probationary Service, Old Act Purchased Service, Portability Service or Transfer Service within this Section 5.01, and includes any Eligible Service of such Member for which contributions are remitted pursuant to Section 6.06.
- i) **Probationary Service** means, in relation to an Employee, any period of Eligible Service that is required by a Participating Employer to be completed prior to eligibility for participation in the Plan, not exceeding one year, less the aggregate of:
  - 1) any previous period of service of such Employee with the Participating Employer, and
  - 2) a period of service of such Employee with another Participating Employer immediately preceding the service with the Participating Employer.

Notwithstanding the foregoing provisions of this Section 5.01(i), an Employee who is eligible to transfer service of any duration into the Plan under a Portability Agreement or Transfer Agreement shall be deemed to have met any Probationary Service requirements and shall be eligible to become an Active Member of the Plan immediately pursuant to Section 4.02.

- j) **Shortfall Service** means, in relation to a Member who had pensionable service transferred to the Plan or Statutory Plan pursuant to the terms of a Portability Agreement or Transfer Agreement, in cases where the assets transferred by the exporting plan to the Plan or Statutory Plan were less than the amount determined by the Plan or Statutory Plan as being necessary to credit the Member with the full amount of service eligible for transfer from the exporting plan, any Eligible Service that was purchased by the Member under Section 6.06 in accordance with Section 15.04(d), but only to the extent such service is not otherwise recognized as Portability Service or Transfer Service. Notwithstanding the foregoing, service that would otherwise be

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considered Shortfall Service that was purchased under the terms of a Portability Arrangement before May 30, 2016, is Portability Service and not Shortfall Service.

- k) **Transfer Service** means, in relation to a Member, Eligible Service that was transferred to the Plan or Statutory Plan pursuant to a Transfer Agreement.
- l) **Vesting Service** means, in relation to a Member, the number of years of participation as a Member of the Plan, including:
  - 1) any Probationary Service for which the required contributions have been remitted pursuant to Section 6.05; and
  - 2) for a Member who was eligible to opt out of Plan participation pursuant to Section 4.03(b)(2) as of a specified date, but instead commenced participating in the Plan as of that specified date, such Member's accumulated years of participation in a defined contribution Registered Pension Plan or group RRSP sponsored by the corporation employing the Member immediately prior to the specified date, but only to the extent such prior years of participation fall within the period commencing from the Member's most recent date of hire with the corporation and ending with the specified date.
- m) **Wholly Member-Funded Service** means, in relation to a Member, Eligible Service for which the cost of such service was wholly funded by the Member, including all Actuarial Reserve Service and any periods of Leave of Absence Without Pay where the Member remitted contributions pursuant to Section 6.04(d), but excluding all Old Act Purchased Service, Portability Service and Transfer Service.

All references to service within the Plan are to be measured in terms of years of service, unless the context requires otherwise, with service being represented by the number of complete and fractional years of service determined to four decimal places.

Notwithstanding any other provisions of this Plan text, Pensionable Service and each of its components, shall only be considered to the extent the required contributions in respect of the service in question, including any Interest thereon, have been received by the Plan.

## Article 5 – Service

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### 5.02 Computation of Service

- a) In computing a Member's Current Service, Leave Service or Probationary Service credit for any Plan Year, such service credit is determined as the ratio of (A + B) over C, where:
- A is the Member's actual paid hours of work and paid vacation time taken by the Employee over the Plan Year, other than overtime hours or any other type of hours worked that did not factor into the Member's Pensionable Periodic Earnings;
- B is the number of deemed hours of work that correspond to the deemed compensation included as Pensionable Periodic Earnings for the Plan Year pursuant to Sections 2.82(c) and (d);
- C is the hours that would be regularly scheduled to be worked over a Plan Year, including vacation time, by a full-time employee.
- b) Where a Member has purchased a period of Eligible Service pursuant to Section 6.05 or 6.06 and the Member was not employed on a full-time basis in respect of that period, the Pensionable Service granted shall be reduced as appropriate to reflect the actual amount of hours worked by the Member over the period.
- c) Where a Member is employed in more than one employment position with one or more Participating Employers within a Plan Year, the Member's Pensionable Service shall be determined independently for each position, and where the aggregate of the Member's Pensionable Service for a Plan Year exceeds one, the excess Pensionable Service (including the associated contributions) shall be retracted in accordance with the Administrator's written policy.
- d) In computing a Member's Pensionable Service credit, the following periods of service, subject to Sections 5.02(e) and 5.03, are the periods to be taken into account:
- 1) service recognized as pensionable service in the Statutory Plan at the Continuation Date of the Plan;
  - 2) Eligible Service with a Participating Employer after the Continuation Date that is Current Service, Leave Service or Probationary Service in respect of which all required contributions under Sections 6.03, 6.04, and 6.05 have been made by or on behalf of a Member;

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- 3) Eligible Service credited to a Member as Portability Service or Transfer Service, whenever credited, under the terms of a Portability Agreement or Transfer Agreement;
  - 4) Eligible Service credited to a Member as Prior Service, whenever credited, where the required payment has been made for such service on an Actuarial Reserve basis and the conditions in Section 6.06 have been met; and
  - 5) Eligible Service credited to the Member as Old Act Purchased Service, where the required payment has been made for such service and the conditions applicable to the purchase have been met.
- e) In computing a Member's Pensionable Service credit, the following periods of service may not be taken into account:
- 1) Eligible Service with respect to which contributions have been returned or paid to an Employee;
  - 2) Contributions or pension entitlements transferred out of the Plan on an Employee's behalf, except in the case of a transfers pursuant to Section 19.02(c) (Shortened Life Expectancy) or Section 19.11 (Spousal Relationship Breakdown) where an offset to the Member's benefit entitlement is being applied to reflect the amount transferred;
  - 3) Eligible Service for which a Member was making contributions under Section 6.04(d), 6.05, or 6.06, where those contributions have not been paid in full within 90 days of the Termination of such Member. In such case, the Pensionable Service credited to a Member shall be prorated in accordance with the policy prescribed by the Administrator for the portion of the contributions the Member had made at the date the Pensionable Service is determined; and
  - 4) Pensionable Service which exceeds one year in respect of service performed in a single Plan Year, regardless of the nature and extent of the service so performed.

### 5.03 35-Year Maximum Pensionable Service Limit

Notwithstanding anything in the Plan to the contrary, a Member may not accrue or be credited with more 35 years of Pensionable Service credit.



## Article 6 – Contributions

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### 6.01 Joint Funding Model

- a) The Fixed-Rate Contribution Basis rates constituted in Section 6.02 for both Members and Participating Employers, expressed as a percentage of Applicable Pension Earnings, are subject to change from time to time. Where the contribution rates are revised as of a specified effective date, unless explicitly noted to the contrary, the historical rates continue to apply to periods of service preceding such specified effective date.
- b) The Administrator shall advise the Sponsor Board, based on the last actuarial valuation report filed with both the Superintendent and the Canada Revenue Agency, the total Current Service Contributions required, in aggregate for the Plan as a whole, based on the recommendation of the Actuary, both in accordance with Applicable Pension Legislation and the Income Tax Act, after considering all relevant factors, including the funding policy adopted by the Sponsor Board.
- c) The Fixed-Rate Contribution Basis rates established for Members and Participating Employers by the Sponsor Board under Section 6.02 shall:
  - 1) in their totality, be sufficient to meet all applicable prescribed funding requirements under Applicable Pension Legislation, including but not limited to the requirements noted in Section 3.07, subject to any adjustments duly authorized by the Superintendent; and
  - 2) comply with the funding limitations prescribed under the Income Tax Act, both as a whole and in respect of individual contribution limits, subject to any adjustments duly authorized by the Canada Revenue Agency.
- d) To the extent required under Section 6.01(c)(1) and subject to Section 6.01(c)(2), the contribution rates established in Section 6.02 shall require Participating Employers to contribute 1.00% of Capped Pensionable Earnings for each of their Employees who are Active Members of the Plan, and thereafter all additional funding of the Plan shall be split equally between Active Members and Participating Employers.
- e) A limited number of exceptions to the Current Service Contribution requirements are addressed in Section 6.15.

### 6.02 Fixed-Rate Contribution Basis

For any Pay Period in which a Member is credited with Pensionable Service, other than in respect of Pensionable Service that is Prior Service, Portability Service or Transfer Service, contributions shall be remitted to the Plan on a Fixed-Rate Contribution Basis in accordance with the following formulas:

## Article 6 – Contributions

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### a) Employee Portion

Until constituted otherwise, the Employee's portion of the contribution requirement is determined as  $A + B$ , where:

- A equals 6.52% of the Employee's Applicable Contributory Earnings up to the Period YMPE; and
- B equals 9.32% of the amount, if any, by which the Employee's Applicable Contributory Earnings are in excess of the Period YMPE.

### b) Participating Employer Portion

Until constituted otherwise, the Participating Employer's portion of the contribution requirement is determined as  $C + D$ , where:

- C equals 7.52% of the Employee's Applicable Contributory Earnings up to the Period YMPE; and
- D equals 10.32% of the amount, if any, by which the Employee's Applicable Contributory Earnings are in excess of the Period YMPE.

## 6.03 Current Service Contributions

### a) Employee Current Service Contributions

- 1) Subject to Sections 6.07, 6.08 and 6.15, each Employee who joined the Plan pursuant to Section 4.01 or 4.02, who has not Terminated and who is for any Pay Period:
  - i) an Active Member, other than a Member on a Leave of Absence Without Pay or a Non-Designated Leave,
  - ii) a Member on a Leave of Absence With Partial Pay,
  - iii) a Member on a Leave of Absence with a Bargaining Agent, or
  - iv) a Member receiving benefits from a Qualifying Disability Plan,shall, for all Pensionable Service in the Pay Period, other than in respect of Pensionable Service that is Prior Service, Portability Service or Transfer Service, contribute to the Plan for Current Service through payroll deduction.
- 2) All contributions required pursuant to Section 6.03(a)(1) shall be determined on a Fixed-Rate Contribution Basis in accordance with Section 6.02(a).

## **Article 6 – Contributions**

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### **b) Participating Employer Current Service Contributions**

- 1) Subject to Sections 6.07, 6.08 and 6.15, a Participating Employer whose Employee contributed to the Plan for any Pay Period pursuant to Section 6.03(a)(1) or in whose respect Section 6.15(a)(2)(i) or (ii) have application, shall contribute to the Plan for Current Service for such Pay Period.
- 2) All contributions required pursuant to Section 6.03(b)(1) shall be determined on a Fixed-Rate Contribution Basis in accordance with Section 6.02(b).

### **c) Maximum Annual Employee Current Service Contributions**

- 1) For any Plan Year ending on or after the Continuation Date, the cumulative contributions remitted by an Employee pursuant to Section 6.03(a) shall not exceed the Income Tax Act Employee Contribution Limit for the Plan Year.
- 2) In the event any excess Employee contributions arise in a Plan Year pursuant to Section 6.03(c)(1), such excess contributions shall be refunded to the Employee within two months of the end of the Plan Year.

### **6.04 Contributions In Respect of Leave Periods**

- a) A Member who is on a Leave of Absence Without Pay may, for each Pay Period encompassed within the period of leave, in order to have that period of leave recognized as Pensionable Service, subject to Sections 6.07 and 6.08 and only to the extent the Leave of Absence Without Pay is an Eligible Period of Leave, remit the contributions that would otherwise have been contributed by the Member on a Fixed-Rate Contribution Basis through payroll deduction pursuant to Section 6.03(a)(1)(i) were it not for the period of leave.
- b) A Member who was on a Leave of Absence Without Pay and who did not make contributions in accordance with Section 6.04(a), may nonetheless elect to have that service taken into account as Pensionable Service to the extent it is an Eligible Period of Leave, subject to Section 6.07 and the following requirements.
  - 1) To be valid, the Member's election must be made in the form and manner prescribed by the Administrator upon returning to employment after the conclusion of the period of leave and prior to December 31<sup>st</sup> of the calendar year following the year in which the leave period concluded.
  - 2) The Member must make contributions in respect of that period of leave on a Fixed-Rate Contribution Basis in accordance with Section 6.02(a), together with Interest where applicable.

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- 3) All contributions payable by the Member pursuant to Section 6.04(b)(2) must be paid, with Interest, within 90 days of being requested to do so by the Administrator, or as otherwise agreed to by the Administrator in accordance with the Administrator's contribution financing policy.
- c) Where a Member remits contributions pursuant to Section 6.04(a) or (b) and the aggregate of all periods of Leave of Absence Without Pay so purchased by the Member is one year or less, the Participating Employer of the Member must remit the Participating Employer's portion of the contributions that would otherwise have been contributed by the Participating Employer on a Fixed-Rate Contribution Basis through payroll deduction pursuant to Section 6.03(b) were it not for the period of leave, together with Interest where applicable. The Participating Employer contributions required pursuant to this Section 6.04(c) shall be remitted at the same time as the Member contributions in Section 6.04(a) or (b) as applicable.
- d) Where a Member remits contributions pursuant to Section 6.04(a) or (b) and the aggregate of all periods of Leave of Absence Without Pay so purchased by the Member exceeds one year, the Member must remit the Participating Employer's portion of the contributions that would otherwise have been contributed by the Participating Employer on a Fixed-Rate Contribution Basis through payroll deduction pursuant to Section 6.03(b) were it not for the period of leave, together with Interest where applicable. The Member contributions required pursuant to this Section 6.04(d) shall be remitted at the same time as the Member contributions in Section 6.04(a) or (b) as applicable.
- e) Where, as a consequence of the Administrator receiving the Member's election under Section 6.04(b)(1) after April 30<sup>th</sup> of the calendar year following the year in which the leave period terminated, the service purchase is determined to be a Certifiable Past Service Event, the Administrator will file a PSPA with the Canada Revenue Agency, and where such PSPA is not certified by the Canada Revenue Agency, the election shall be void, in which case all amounts remitted to the Plan pursuant to Sections 6.04(b), (c) and (d) shall be refunded to the Member and Participating Employer as applicable.
- f) If the Member Terminates without making an election under Section 6.04(b)(1) and prior to the election deadline defined in Section 6.04(b)(1), the election deadline is revised to be the earlier of the original deadline noted in such Section and 30 days from the Member's date of Termination. The Member must pay the whole of the required payment, with Interest, within 90 days of being requested to do so by the Administrator,

## **Article 6 – Contributions**

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or as otherwise agreed to by the Administrator in accordance with the Administrator's employee contribution financing policy.

- g) Contributions in respect of leave periods shall include any contributions made and recognized under the provisions of the Statutory Plan as contributions in respect of leave periods, together with Credited Interest thereon.

### **6.05 Contributions In Respect of Probationary Periods**

- a) A Member who has completed a period of Probationary Service and who remains an Employee of the Participating Employer may elect to have that service taken into account as Pensionable Service, subject to Section 6.07 and the following requirements.
  - 1) To be valid, the Member's election must be made in the form and manner prescribed by the Administrator while the Member remains an Employee of the Participating Employer and within five years of becoming a Member of the Plan after the completion of the Probationary Service.
  - 2) The required contributions in respect of that Probationary Service must be remitted on a Fixed-Rate Contribution Basis in accordance with Section 6.02(a), together with Interest.
  - 3) All contributions payable by the Member pursuant to Section 6.05(a)(2) must be paid, with Interest, within 90 days of being requested to do so by the Administrator, or as otherwise agreed to by the Administrator in accordance with the Administrator's contribution financing policy.
- b) Where a Member remits contributions pursuant to Section 6.05(a), the Participating Employer of the Member must remit contributions in respect of that period of service on a Fixed-Rate Contribution Basis in accordance with Section 6.02(b), together with Interest. The Participating Employer contributions required pursuant to this Section 6.05(b) shall be remitted in accordance with the Administrator's contribution financing policy.
- c) Where an election under Section 6.05(a) is determined to be a Certifiable Past Service Event, the Administrator will file a PSPA with the Canada Revenue Agency, and where such PSPA is not certified by the Canada Revenue Agency, the election shall be void, in which case all amounts remitted to the Plan pursuant to Sections 6.05(a) and (b) shall be refunded to the Member and Participating Employer respectively.
- d) Contributions for Probationary Service shall include any contributions made for probationary service under the provisions of the Statutory Plan, together with Credited Interest thereon.

## **Article 6 – Contributions**

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### **6.06 Prior Service Contributions**

- a) A Member who has periods of Eligible Service that are not recognized as Pensionable Service, including periods of Non-Designated Leave, may elect to have that service taken into account as Pensionable Service, subject to Section 6.07 and the following requirements.
  - 1) To be valid, the Member's election must be made in the form and manner prescribed by the Administrator.
  - 2) For the purposes of this Section 6.06, Eligible Service does not include any periods of Leave of Absence With Partial Pay, Leaves of Absence Without Pay or Probationary Service where such periods of Eligible Service have been, or can be, purchased by the Member pursuant to Section 6.04 or 6.05.
  - 3) The required contributions in respect of that period of Eligible Service, as determined on an Actuarial Reserve basis, must be remitted to the Plan together with Interest thereon.
  - 4) All contributions payable by the Member pursuant to Section 6.06(a)(3) must be paid, with Interest, within 90 days of being requested to do so by the Administrator, or as otherwise agreed to by the Administrator in accordance with the Administrator's contribution financing policy.
- b) Where applicable, if a Member to whom Section 6.06(a) or Section 6.14 applies ceases to make the required payment under the applicable terms of the Administrator's contribution financing policy, the related Pensionable Service credited to such Member shall be prorated in accordance with the method prescribed by the Administrator for the portion of the contributions the Member had made at the point the payments ceased.
- c) Contributions under this Section 6.06 shall include contributions made for Shortfall Service under Section 15.04(d), together with Credited Interest thereon.
- d) Contributions under this Section 6.06 shall include contributions made for prior service under the provisions of the Statutory Plan, excluding any contributions related to the purchase of Old Act Purchased Service, together with Credited Interest thereon.
- e) Where an election under Section 6.06(a) is determined to be a Certifiable Past Service Event, the Administrator will file a PSPA with the Canada Revenue Agency, and where such PSPA is not certified by the Canada Revenue Agency, the election shall be void, in which case all amounts remitted to the Plan pursuant to Section 6.06(a) shall be refunded to the Member.

## **Article 6 – Contributions**

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- f) Where an election under Section 6.06(a) relates to a period of Non-Designated Leave, service may only be included to the extent that compensation can be prescribed in accordance with section 8507 of the regulations under the Income Tax Act.

### **6.07 No Contributions Permissible After 35 Years of Pensionable Service**

In accordance with Section 5.03, to the extent any contributions remitted by Members or Participating Employers pursuant to Sections 6.03, 6.04, 6.05 and 6.06 would result in the Member's total years of Pensionable Service exceeding 35, such contributions shall not be permissible and to the extent any such contributions are remitted in error, they shall be refunded to the Member and Participating Employer, as applicable.

### **6.08 Treatment of Funding Excess**

- a) If at any time the Actuary certifies that a Funding Excess exists, the Sponsor Board may direct that such Funding Excess, or any portion thereof, be used to reduce or eliminate Employee and Participating Employer Current Service contribution obligations under Section 6.03.

Where the Funding Excess is to be used to reduce, but not eliminate, the contribution obligations of the Employees and Participating Employers under Section 6.03, then the contribution rates noted in Section 6.02 shall be reduced equally by the same nominal percentage for both Employees and Participating Employers.

Where the Funding Excess is to be used to eliminate the Current Service contribution obligations of the Employees and Participating Employers under Section 6.03 in their entirety, the Sponsor Board shall establish the period(s) over which the Participating Employers or the Employees (or both) shall make no contributions under Section 6.03.

- b) Alternatively, or in combination with Section 6.08(a), the Sponsor Board may apply the Funding Excess towards improved Plan benefits.
- c) After consideration of any decisions of the Sponsor Board under Sections 6.08(a) and (b), should the Funding Excess referred to in Section 6.08(a) exceed the threshold defined in paragraph 147.2(2)(d) of the Income Tax Act, the Sponsor Board shall direct that such portion of the Funding Excess as is required by the Income Tax Act be used to fulfil the Employee and Participating Employer contribution obligations in the manner described in Section 6.08(a).

## **Article 6 – Contributions**

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### **6.09 Contributions Pursuant to a Portability or Transfer Agreement**

Notwithstanding anything to the contrary in this Plan, the contributions required and the Pensionable Service credited pursuant to a Portability Agreement or Transfer Agreement shall be determined in accordance with the provisions of Article 15 and the applicable Portability Agreement or Transfer Agreement. Any contributions recognized under the Statutory Plan as Member contributions pursuant to a Portability Agreement or Transfer Agreement shall be so recognized under the Plan, together with Credited Interest thereon.

### **6.10 Remittance of Contributions**

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

### **6.11 Contributions Transferable From Other Registered Vehicles**

Where a Member is required to make contributions to the Plan pursuant to Section 6.04(b), 6.05 or 6.06, the Member may, at their option but in accordance with any requirements and limitations under the Income Tax Act, fulfil all or a portion of their contribution requirement by transferring monies directly from a Registered Savings Arrangement or a Registered Pension Plan.

### **6.12 Return of Contributions to Avoid Revocation**

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

### **6.13 Failure to Remit Contributions**

- a) Should a Participating Employer fail to meet its contribution obligations under the Plan, the Administrator shall take all reasonable actions against the Participating Employer in order to recover any contributions due but unpaid, and to enforce the continued contribution obligations of the Participating Employer in order for Pensionable Service to be granted under the Plan with respect to the Employees of that Participating Employer. In accordance with the Administrator's policy on delinquent contributions, the Administrator shall notify the affected Employees of the contributions due but unpaid, and of the actions the Administrator intends to take to recover such contributions.



## **Article 6 – Contributions**

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- b) Pensionable Service for Employees affected by Section 6.13(a) shall only be granted credit for periods of Eligible Service for which all contributions have been made pursuant to the requirements of Article 6.
- c) Should the actions taken by the Administrator under Section 6.13(a) fail to enforce the contribution obligations of the Participating Employer, the Administrator may terminate the participation of the Employees of that Participating Employer under the conditions of Article 9 or Article 11, as applicable, on such date the Administrator establishes for that purpose.

### **6.14 Preservation of Existing Financing Arrangements**

An Active Member, who immediately before the Continuation Date was participating in the Statutory Plan and had previously made financing arrangements for the payment of contributions required pursuant to Sections 6.04, 6.05 and 6.06, shall continue to make payments under those arrangements under the same terms and conditions (except that payments shall be made to the Trust Fund), including the rate of interest provided for in the Statutory Plan, until the payment is made in full. In such case, the remitting of required contributions shall continue as if the Statutory Plan had still been in force.

### **6.15 Current Service Contribution Exceptions**

#### **a) Administrative Corrections**

Where an error or oversight on the part of a Participating Employer is discovered, and such error relates to the underreporting of either a Member's Pensionable Service or Applicable Pensionable Earnings in respect of a prior Plan Year for which a PA has already been filed with the Canada Revenue Agency or would have been filed in the absence of the error or oversight, and where the rectification of the error or oversight will result in the filing of a PSPA or an amended PA in respect of the affected Member, the following shall apply:

- 1) For each Plan Year involved, there shall be a redetermination of:
  - i) the Member's Applicable Pensionable Earnings,
  - ii) the Member's Pensionable Service,
  - iii) the Employee contribution requirements pursuant to Section 6.03(a), based on the contribution rates applicable to that Plan Year; and
  - iv) the Participating Employer contribution requirements pursuant to Section 6.03(b), based on the contribution rates applicable to that Plan Year.

## Article 6 – Contributions

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- 2) The Member shall, in their sole discretion but subject to Section 6.15(a)(6), elect one of the following three remedies:
  - i) Full credit – Subject to Section 6.15(a)(4), the Member may elect to remit the full incremental Employee contributions determined under Section 6.15(a)(1)(iii), in which case:
    - A) the Participating Employer shall remit the full incremental Participating Employer contributions determined under Section 6.15(a)(1)(iv) with Interest thereon,
    - B) the Participating Employer shall also remit the Interest accrued in respect of the Employee contributions determined under Section 6.15(a)(1)(iii),
    - C) the Member's Applicable Pensionable Earnings shall be adjusted in accordance with Section 6.15(a)(1)(i), and
    - D) the Member's Pensionable Service shall be adjusted to reflect 100% of the incremental Pensionable Service determined under Section 6.15(a)(1)(ii).
  - ii) Half credit – Subject to Sections 6.15(a)(4) and (6), the Member may elect not to remit the incremental contributions determined under Section 6.15(a)(1)(iii) without waiving the Participating Employer contributions requirements, in which case:
    - A) the Participating Employer shall remit the full incremental Participating Employer contributions determined under Section 6.15(a)(1)(iv) with Interest thereon,
    - B) the Member's Applicable Pensionable Earnings shall be adjusted to reflect 50% of the incremental Applicable Pensionable Earnings determined under Section 6.15(a)(1)(i), and
    - C) the Member's Pensionable Service shall be adjusted to reflect 50% of the incremental Pensionable Service determined under Section 6.15(a)(1)(ii).
  - iii) No Credit – The Member may, subject to Section 6.15(a)(6), elect to not to remit the incremental contributions determined under Section 6.15(a)(1)(iii) while also waiving the incremental Participating Employer contributions requirements determined under Section 6.15(a)(1)(iv), in which case no adjustments to the Member's Applicable Pensionable Earnings and Pensionable Service shall be effected.
- 3) In the event the Administrator fails to receive a valid election from a Member under Section 6.15(a)(2) within the timelines established by the Administrator, the Member

## Article 6 – Contributions

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shall, subject to Section 6.15(a)(4), be deemed to have made an election pursuant to Section 6.15(a)(2)(ii).

- 4) Where the application of Sections 6.15(a)(2)(i) or (ii) give rise to a Certifiable Past Service Event, the resulting events described shall not apply until the PSPA is certified by the Canada Revenue Agency, and in the event the PSPA is not certified, the Member shall instead be deemed to have made an election pursuant to Section 6.15(a)(2)(iii).
- 5) Where permissible, incremental Employee contributions determined under Section 6.15(a)(1)(iii) may be remitted in accordance with the Administrator's contribution financing policy.
- 6) Before Sections 6.15(a)(2)(ii) and (iii) shall have application or be made available to Members, the Administrator shall review the context of the error or oversight to assess if the potential elections defined in those sections are appropriate in the circumstances. Where the application of Sections 6.15(a)(2)(ii) and (iii) is not approved by the Administrator, the error or oversight shall be remedied in accordance with Sections 6.15(a)(2)(i) or 6.15(a)(4) as applicable.

## **Article 7 – Pension Commencement Dates**

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### **7.01 Pension Commencement Dates**

A Member's Pension Commencement Date shall be the latest of:

- a) the date indicated in the Member's application;
- b) the date the Administrator received the Member's application; and
- c) the day following the earlier of the date of a Member's Termination and Latest Pensionable Service Date;

and where the Pension Commencement Date so determined precedes the date the Administrator grants the pension pursuant to Section 16.01, the Pension Commencement Date shall be subject to Section 7.02 and the Administrator's policy on retroactive pension commencement dates.

### **7.02 Canada Revenue Agency Approval**

Where the Administrator grants a pension with a retroactive commencement date, such retroactive date shall not precede the date deemed permissible or otherwise authorized by the Canada Revenue Agency.

### **7.03 Termination of Employment Required**

Subject to Section 7.07, a Member who is an Employee may not commence receipt of a retirement pension until such time as a Termination from all Participating Employers occurs.

### **7.04 Normal Retirement**

A Member with a Vested Benefit may elect to commence receipt of a retirement pension on their Normal Retirement Date if the Member is not an Employee of any Participating Employer on that date.

If a Member so elects and subject to Section 7.01, the Member's Pension Commencement Date is their Normal Retirement Date.

### **7.05 Early Retirement**

A Member with a Vested Benefit may elect to commence receipt of a retirement pension at any date prior to their Normal Retirement Date, but no earlier than:

- a) the day the Member attains age 55; and
- b) the day following the date the Member Terminates with all Participating Employers.

If a Member so elects and subject to Section 7.01, the Member's Pension Commencement Date is their Early Retirement Date.

## **Article 7 – Pension Commencement Dates**

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### **7.06 Postponed Retirement**

Subject to Section 7.07, a Member with a Vested Benefit may elect to commence receipt of a retirement pension at any date after their Normal Retirement Date, but no earlier than the day following the date the Member Terminates with all Participating Employers.

If a Member so elects and subject to Section 7.01, the Member's Pension Commencement Date is their Postponed Retirement Date.

### **7.07 Latest Retirement Date**

Regardless of a Member's employment status, for reasons of compliance with the Income Tax Act, a Member's Pension Commencement Date can be no later than the day following the Member's Latest Pensionable Service Date.

## Article 8 – Pension Determination

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### 8.01 Formula Pensions

- a) A Member's Pre-1992 Formula Pension is equal to the aggregate of:
  - 1) 2.0% of the Member's Highest Average Uncapped Pensionable Earnings multiplied by the Member's Pensionable Service prior to January 1, 1966;
  - 2) 1.4% of the Member's Highest Average Uncapped Pensionable Earnings up to the Average Uncapped YMPE, multiplied by the Member's Pensionable Service on and after January 1, 1966 and prior to January 1, 1992; and
  - 3) 2.0% of the Member's Highest Average Uncapped Pensionable Earnings in excess of the Average Uncapped YMPE multiplied by the Member's Pensionable Service on and after January 1, 1966 and prior to January 1, 1992.
- b) Subject to Appendix G, a Member's Post-1991 Formula Pension is equal to the aggregate of:
  - 1) 1.4% of the Member's Highest Average Capped Pensionable Earnings up to the Average Capped YMPE, multiplied by the Member's Pensionable Service on and after January 1, 1992; and
  - 2) 2.0% of the Member's Highest Average Capped Pensionable Earnings in excess of the Average Capped YMPE multiplied by the Member's Pensionable Service on and after January 1, 1992.

### 8.02 Early Retirement Factor

The Early Retirement Factor applicable to a Member is equal to 100% reduced by 3.00% per year (prorated for partial years) by which the Member's Pension Commencement Date precedes their Normal Retirement Date.

### 8.03 Postponed Retirement Factors

The postponed retirement factors applicable to a Member whose Pension Commencement Date is after their Normal Retirement Date are determined in accordance with the following.

- a) The Member's Pre-1992 Postponed Retirement Factor is equal to the factor applied to increase the pension payable at the Member's Pension Commencement Date such that it be Actuarially Equivalent to the pension that would have been payable had pension payments commenced from the later of:
  - 1) the Member's Normal Retirement Date, and
  - 2) the day following the Member's date of Termination.

## Article 8 – Pension Determination

---

- b) The Member's Post-1991 Postponed Retirement Factor is equal to the factor applied to increase the pension payable at the Member's Commencement Date such that it be Actuarially Equivalent to the pension that would have been payable had pension payments commenced from the later of:
  - 1) the date the Member attains 65 years of age, and
  - 2) the day following the earlier of the Member's date of Termination and Latest Pensionable Service Date.

### 8.04 Cost-of-living Increases

On January 1<sup>st</sup> of each year, pension benefits payable in accordance with the provisions of the Plan are increased for cost-of-living increases, as herein described:

- a) The increase applies to:
  - 1) pensions in payment; and
  - 2) deferred pensions determined in accordance with the provisions of Section 11.02.
- b) For the purposes of this Section 8.04:
  - 1) *pension index* means:
    - i) the quotient obtained by dividing the aggregate of the CPI for each month in the 12-month period ending on October 31 in the previous year by the aggregate of the corresponding indices for the 12-month period immediately preceding that period, rounded to three decimal places, or
    - ii) 1.000, if the quotient so obtained is less than 1.000;
  - 2) *period factor*, in relation to a Member, means:
    - i) the quotient obtained by dividing the number of complete calendar months that elapsed between the Member's Termination date and the January 1<sup>st</sup> date on which the cost-of-living increase is being granted by 12, rounded to four decimal places, or
    - ii) 1.000, if the quotient so obtained is greater than 1.000;
  - 3) *pension adjustment factor*, in relation to a Member, is calculated using the formula
$$1 + 60\% \times (\text{pension index} - 1.000) \times \text{period factor}$$
rounded to four decimal places; and
  - 4) *basic pension amount*, in relation to a Member, Pension Partner or Beneficiary, means the amount of pension that would otherwise be payable for any particular month in the absence of the Member's election to receive an integrated pension pursuant to Section 10.04(g).

## Article 8 – Pension Determination

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- c) Subject to Sections 8.04(d), 8.04(e) and the Income Tax Act COLA Limit, the monthly basic pension amount shall be increased annually with effect from January 1<sup>st</sup> of each year, so that the monthly amount which would otherwise be payable for such year is multiplied by the Member's pension adjustment factor (rounded to two decimal places).
- d) The cost-of-living increase does not apply to changes in pension resulting from the application of Section 10.04(g).
- e) The Administrator may, on the recommendation of the Actuary, establish a higher rate of increase in respect of any single Plan Year on an ad hoc basis, subject to the Income Tax Act COLA Limit and the funding policy adopted by the Sponsor Board.

### 8.05 Income Tax Act Limitations

#### a) Income Tax Act Post-1991 Pension Limit

Notwithstanding any other provision of this Plan to the contrary, with respect to Pensionable Service accrued after December 31, 1991, the annual lifetime pension payable to a Member under this Plan and any portion of pension payable to a Member's Pension Partner or former Pension Partner pursuant to Section 19.11 that relates to Pensionable Service after December 31, 1991, determined on the Pension Commencement Date, shall not exceed the Income Tax Act Post-1991 Pension Limit, which is established as the Member's Pensionable Service on and after January 1, 1992 multiplied by the lesser of:

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

reduced, if the Member's Pension Commencement Date precedes the earliest of the dates on which:

- 3) the Member will attain age 60;
- 4) the Member's age plus *pensionable service* (as defined in the Income Tax Act) would have equalled 80 had the Member continued in employment;
- 5) the Member would have completed 30 years of *pensionable service* (as defined in the Income Tax Act) had the Member continued in employment; and
- 6) the Member becomes *totally and permanently disabled* (as defined in the Income Tax Act),

by 0.25% for each month by which the Pension Commencement date precedes that date.



## **Article 8 – Pension Determination**

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This Section 8.05(a) shall not apply to benefits payable as a result of any increases due to the application of postponed retirement factors pursuant to Section 9.03 or benefits payable in respect of a Member's Excess Employee Contributions.

**b) Income Tax Act Pre-1990 Pension Restriction**

If, after June 6, 1990, a Member has entered into an agreement to make prior service contributions in order to have a period of pre-January 1, 1990 Pensionable Service recognized under the Plan, and the Member does not fulfil the terms and conditions set out in subsection 8504(7) of the regulations under the Income Tax Act, then the Member's annual lifetime pension under this Plan for that same period of pre-January 1, 1990 service will be restricted in accordance with the Income Tax Act Pre-1990 Pension Restriction, as established in subsection 8504(6) of the regulations under the Income Tax Act.

**c) Income Tax Act COLA Limit**

In the case of benefits payable in respect of increases in the cost of living since the time at which the Member's benefit under the Plan was determined, a Member's cost-of-living increases, expressed as a percentage of the original pension amount at Termination shall not exceed the Income Tax Act COLA Limit, which is established as:

- 1) the growth in the *consumer price index* (as defined in the Income Tax Act) after the Member's cessation of employment and prior to pension commencement; and
- 2) the growth in the *consumer price index* (as defined in the Income Tax Act) after the Member's pension commencement.

**8.06 Pension Adjustment**

Notwithstanding anything in this Plan, in no event shall the benefit accrued by a Member in a Plan Year be such as to result in a PA in excess of the PA limits for the year prescribed by the Income Tax Act.

## Article 9 – Retirement Benefits

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### 9.01 Normal Retirement Pension

A Member who commences receipt of a retirement pension on their Normal Retirement Date, or is approved to receive a disability pension pursuant to Section 14.02(a), shall receive both (a) and (b) as follows.

- a) A monthly pension equal to  $1/12^{\text{th}}$  of the aggregate of their Pre-1992 Formula Pension and Post-1991 Formula Pension, subject to the following sequential adjustments.
  - 1) Where an optional form of pension applies pursuant to Section 10.03 or 10.04, the Pre-1992 Formula Pension and Post-1991 Formula Pension amounts are adjusted such that the total pension payable is Actuarially Equivalent to the pension that would have been payable in the normal form as described in Section 10.02.
  - 2) The Post-1991 Formula Pension, after consideration of Section 9.01(a)(1), is subject to the Income Tax Act Post-1991 Pension Limit.
  - 3) The Pre-1992 Formula Pension, after consideration of Section 9.01(a)(1), is subject to the Income Tax Act Pre-1990 Pension Restriction.
  - 4) Where the Member's Termination of employment occurred prior to the Member's Normal Retirement Date, the Pre-1992 Formula Pension and Post-1991 Formula Pension amounts, after consideration of Sections 9.01(a)(1), (2) and (3), are increased for prior cost-of-living adjustments pursuant to Section 8.04, subject to the Income Tax Act COLA Limit.
- b) The Member's Excess Employee Contributions, if any, in the form of:
  - 1) a lump sum payment,
  - 2) a transfer to a RRSP, or
  - 3) a transfer to another Registered Pension Plan willing to accept the transfer.

Following pension commencement, all future monthly pension payments are contingent upon the form of pension elected by the Member pursuant to Article 10, and subject to the Income Tax Act COLA Limit, all such future pension payments will be adjusted for cost-of-living increases in accordance with Section 8.04.

### 9.02 Early Retirement Pension

A Member who commences receipt of a retirement pension on their Early Retirement Date, or is approved to receive a disability pension pursuant to Section 14.02(b), shall receive both (a) and (b) as follows.

- a) A monthly pension equal to  $1/12^{\text{th}}$  of the aggregate of their Pre-1992 Formula Pension and Post-1991 Formula Pension, subject to the following sequential adjustments.

## **Article 9 – Retirement Benefits**

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- 1) The Pre-1992 Formula Pension and Post-1991 Formula Pension amounts are multiplied by the Member's Early Retirement Factor.
  - 2) Where an optional form of pension applies pursuant to Section 10.03 or 10.04, the Pre-1992 Formula Pension and Post-1991 Formula Pension amounts, after consideration of Section 9.02(a)(1), are adjusted such that the total pension payable is Actuarially Equivalent to the pension that would have been payable in the normal form as described in Section 10.02.
  - 3) The Post-1991 Formula Pension, after consideration of Sections 9.02(a)(1) and (2), is subject to the Income Tax Act Post-1991 Pension Limit.
  - 4) The Pre-1992 Formula Pension, after consideration of Sections 9.02(a)(1) and (2), is subject to the Income Tax Act Pre-1990 Pension Restriction.
  - 5) Where the Member's Termination of employment occurred prior to the Member's Early Retirement Date, the Pre-1992 Formula Pension and Post-1991 Formula Pension amounts, after consideration of Sections 9.02(a)(1), (2), (3) and (4), are increased for prior cost-of-living adjustments pursuant to Section 8.04, subject to the Income Tax Act COLA Limit.
- b) The Member's Excess Employee Contributions, if any, in the form of:
- 1) a lump sum payment,
  - 2) a transfer to a RRSP, or
  - 3) a transfer to another Registered Pension Plan willing to accept the transfer.

Following pension commencement, all future monthly pension payments are contingent upon the form of pension elected by the Member pursuant to Article 10, and subject to the Income Tax Act COLA Limit, all such future pension payments will be adjusted for cost-of-living increases in accordance with Section 8.04.

### **9.03 Postponed Retirement Pension**

Each Member who commences their pension on a Postponed Retirement Date shall receive both (a) and (b) as follows.

- a) A monthly pension equal to 1/12th of the aggregate of their Pre-1992 Formula Pension and Post-1991 Formula Pension, subject to the following sequential adjustments.
  - 1) Where an optional form of pension applies pursuant to Section 10.03 or 10.04, the Pre-1992 Formula Pension and Post-1991 Formula Pension amounts are adjusted such that the total pension payable is Actuarially Equivalent to the pension that would have been payable in the normal form as described in Section 10.02.

## **Article 9 – Retirement Benefits**

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- 2) The Post-1991 Formula Pension, after consideration of Section 9.03(a)(1), is subject to the Income Tax Act Post-1991 Pension Limit.
  - 3) The Pre-1992 Formula Pension, after consideration of Section 9.03(a)(1), is subject to the Income Tax Act Pre-1990 Pension Restriction.
  - 4) Where the Member's Termination of employment occurred prior to the Member's Postponed Retirement Date the Pre-1992 Formula Pension and Post-1991 Formula Pension amounts, after consideration of Sections 9.03(a)(1), (2) and (3), are increased for prior cost-of-living adjustments pursuant to Section 8.04, subject to the Income Tax Act COLA Limit.
  - 5) The Pre-1992 Formula Pension amount, after consideration of Sections 9.03(a)(1), (2), (3) and (4), is multiplied by the Member's Pre-1992 Postponed Retirement Factor.
  - 6) The Post-1991 Formula Pension amount, after consideration of Sections 9.03(a)(1), (2), (3) and (4), is multiplied by the Member's Post-1991 Postponed Retirement Factor.
- b) The Member's Excess Employee Contributions, if any, in the form of:
- 1) a lump sum payment,
  - 2) a transfer to a RRSP, or
  - 3) a transfer to another Registered Pension Plan willing to accept the transfer.

Following pension commencement, all future monthly pension payments are contingent upon the form of pension elected by the Member pursuant to Article 10, and subject to the Income Tax Act COLA Limit, all such future pension payments will be adjusted for cost-of-living increases in accordance with Section 8.04.

### **9.04 Enhanced Early Retirement Pension**

Where a Member is retiring prior to their Normal Retirement Date, such Member may pay to receive an additional enhanced retirement pension in accordance with the provisions of this Section 9.04.

- a) A Member may only make an election under this Section 9.04 where:
- 1) the Member is retiring on an Early Retirement Date pursuant to Section 9.02;
  - 2) the Early Retirement Date is within six months of the Member's date of Termination;
  - 3) the Member has accrued a Pre-1992 Formula Pension greater than nil;
  - 4) the Member is subject to the application of an Early Retirement Factor that is less than 100.00%;

## **Article 9 – Retirement Benefits**

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- 5) as part of the Member's Termination, the Member is receiving a retiring allowance within the meaning of Section 248(1) of the Income Tax Act; and
- 6) the Member's Participating Employer has certified in writing to the Administrator that the retiring allowance in Section 9.04(a)(5) constitutes a valid retiring allowance which is eligible for tax deferral under the Income Tax Act.
- b) Where eligible under Section 9.04(a), the Member may, subject to the limits imposed by subparagraph 60(j.1)(ii) of the Income Tax Act, use all, or a portion of, their retiring allowance (but no other monies) to pay for the cost of having the Early Retirement Factor applicable to their Pre-1992 Formula Pension re-determined using a monthly reduction factor of 0.125% instead of the 0.250% factor that otherwise applies.
- c) On application in the manner and form prescribed by the Administrator, the Administrator shall notify the Member in writing of the cost of the pension enhancement described in Section 9.04(b).
- d) Upon receipt of the pension enhancement cost from the Administrator, the Member will determine what portion, if any, of the pension enhancement the Member wishes to purchase and that portion of the cost must be paid or transferred from the Member's retiring allowance within 90 days after the Member was advised by the Administrator of the enhancement cost.
- e) After the Administrator receives a payment or transfer from the Member's retiring allowance, but no more than is required to pay for the cost of the full pension enhancement, the Member's monthly pension shall be increased by the proportion of the pension enhancement described in Section 9.04(b) that was funded through the payment or transfer of the retiring allowance.

## **Article 10 – Forms of Pension Payment**

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### **10.01 Pension Calculation According to Normal Form**

The amount of pension provided under Article 9 is payable in the form specified in Section 10.02, which form shall be the normal form of pension under the Plan.

### **10.02 Normal Form of Pension for a Member Without a Pension Partner**

The normal form of pension is one which is payable for the lifetime of the Member in equal monthly instalments commencing on the Member's Pension Commencement Date and payable for the longer period of 60 months or the lifetime of the retired Member. If the Member dies before the equivalent of 60 payments are made, the remaining payments shall continue to be paid to the Member's Beneficiary.

### **10.03 Automatic Form of Pension for a Member with a Pension Partner**

- a) Notwithstanding Section 10.02, the automatic form of pension under the Plan for a Member who has a Pension Partner at their Pension Commencement Date shall be a pension payable during the joint lifetime of the Member and the Pension Partner, which provides that after the death of the Member:
  - 1) 100% of the amount payable during their joint lifetime shall be paid to the Pension Partner for the remainder of the 60-month guarantee period; and then,
  - 2) 2/3<sup>rd</sup>s of the amount payable during their joint lifetime shall be paid to the Pension Partner for life.
- b) In the event the Pension Partner dies before the Member, 100% of the amount payable during their joint lifetime shall be paid to the Member for life.
- c) In the event both the Member and Pension Partner die within 60 months of the Member's Pension Commencement Date, the amount of pension that was payable to the survivor immediately before the survivor's death shall be paid to the survivor's estate or, if applicable, the survivor's designated beneficiary for the remainder of the 60-month period.
- d) The monthly amount of the pension payable under the automatic form of pension in accordance with this Section 10.03 shall be increased or decreased such that it is the Actuarial Equivalent of the pension payable in the normal form described in Section 10.02.

## **Article 10 – Forms of Pension Payment**

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### **10.04 Optional Forms of Payment**

In lieu of the normal or automatic forms of pension described in Sections 10.02 and 10.03, a Member may elect, in the form and manner prescribed by the Administrator, one of the optional forms of pension described in this Section.

If the Member has a Pension Partner at their Pension Commencement Date, the optional forms described in Sections 10.04(a), (b), and (c) are not available to the Member unless a completed waiver is on file with the Administrator pursuant to Section 10.05.

The monthly amount of the pension payable in any of the optional forms of payment described below shall be increased or decreased such that the resulting pension payable is the Actuarial Equivalent of the pension payable in the normal form of pension described in Section 10.02.

#### **a) Life Only Pension**

A pension which is payable in equal monthly instalments during the Member's lifetime, with the last payment due in the month in which the death of the Member occurs.

#### **b) Life Pension with a Guaranteed Period of 120 Months**

A pension which is payable in equal monthly instalments during the Member's lifetime, with the last payment due in the month in which the death of the Member occurs, provided that if the Member dies before the equivalent of 120 payments are paid, the remaining payments shall continue to be paid to the Member's Beneficiary.

#### **c) Life Pension with a Guaranteed Period of 180 Months**

A pension which is payable in equal monthly instalments during the Member's lifetime, with the last payment due in the month in which the death of the Member occurs, provided that if the Member dies before the equivalent of 180 payments are paid, the remaining payments shall continue to be paid to the Member's Beneficiary.

#### **d) Joint and 100% Survivorship Pension – With 60 Month Guarantee**

A pension which is payable in equal monthly instalments during the joint lifetime of the Member and the Member's Pension Partner, which provides that after the death of either the Member or the Member's Pension Partner, 100% of the amount payable during the joint lifetime shall be paid to the survivor for life. In the event the survivor dies within 60

## **Article 10 – Forms of Pension Payment**

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months of the Member's Pension Commencement Date, the amount that was payable to the survivor immediately before the survivor's death shall be paid to the survivor's estate or, if applicable, the survivor's designated beneficiary for the remainder of the 60-month period.

**e) Joint and 2/3<sup>rds</sup> Survivorship Pension – With 60 Month Guarantee**

- 1) A pension which is payable in equal monthly instalments during the joint lifetime of the Member and the Pension Partner, which provides that after the death of either the Member or the Pension Partner, 2/3<sup>rds</sup> of the amount payable during their joint lifetime shall be paid to the survivor for life.
- 2) In the event both the Member and Pension Partner die within 60 months of the Member's Pension Commencement Date, the amount of pension that was payable to the survivor immediately before the survivor's death shall be paid to the survivor's estate or, if applicable, the survivor's designated beneficiary for the remainder of the 60-month period.

**f) Joint and Survivor Nominee Pension – With 60 Month Guarantee**

- 1) A pension payable during the joint lifetime of the Member and the Member's nominee, which provides a survivor benefit in accordance with Sections 10.03, 10.04(d), or 10.04(e) shall be paid to the survivor for life.
- 2) Nominee designations are limited to current and former Pension Partners as well as current and former common-law partners as defined in the Income Tax Act, subject to the applicable subparagraphs under paragraph 8503(2)(d) of the regulations under the Income Tax Act.
- 3) In the event the survivor dies within 60 months of the Member's Pension Commencement Date, the amount that was payable to the survivor immediately before the survivor's death shall be paid to the survivor's estate or, if applicable, the survivor's designated beneficiary for the remainder of the 60-month period.

**g) Integrated Pension**

A Member with a Pension Commencement Date prior to January 1, 2021 who is entitled to a normal form pension pursuant to Section 10.02, or an automatic form pension pursuant to Section 10.03 (as that Section read immediately prior to January 1, 2024) or an optional form pension pursuant to Sections 10.04(a) through



## **Article 10 – Forms of Pension Payment**

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(f), can further elect a pension which is payable in monthly instalments in an amount which is:

- 1) increased in the period from the Pension Commencement Date to the last day of the month in which the Member attains 65 years of age, provided that the increase is not more than the maximum amount of increase permitted under Applicable Pension Legislation or the Income Tax Act, or such other lesser amount as the Sponsor Board may prescribe; and
- 2) reduced permanently after the Member attains 65 years of age, such that the reduction in pension after age 65 is the Actuarial Equivalent of the increase in pension payable before age 65;

as long as the amount payable after age 65 does not fall below the minimum level prescribed under Applicable Pension Legislation.

The cost-of-living increases described in Section 8.04 do not apply to the amount of the increase or decrease in Section 10.04(g)(1) or (2).

### **10.05 Pension Partner Survivor Pension Waiver**

- a) A Member's Pension Partner has a statutory right to a survivor pension payable in the event the Member predeceases the Pension Partner, in an amount that is not less than 60% of the pension payable when the Member and Pension Partner are both alive. The Pension Partner may, in the form and manner prescribed by the Administrator and Applicable Pension Legislation, waive their right to such survivor pension during the 90-day period preceding the Member's Pension Commencement Date.
- b) Where the Member's Pension Partner has completed a survivor pension waiver that has been filed with the Administrator and not validly revoked prior to the Member's Pension Commencement Date, the Member is permitted to elect the normal form of pension in Section 10.02 or the optional forms described in Sections 10.04(a), (b) and (c) in addition to the other forms of pension described in Section 10.04.

### **10.06 Failure to Select Form of Pension**

If a Member fails to elect a form of pension pursuant to this Article 10 within 90 days after their Pension Commencement Date, other than in the event of the Member's death, the Member shall be deemed to have made an election in one of the following forms:

- a) if the Member did not have a Pension Partner at their Pension Commencement Date or did have a Pension Partner where the Pension Partner had filed a survivor pension

## **Article 10 – Forms of Pension Payment**

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- waiver in accordance with Section 10.05, in the form of pension described in Section 10.04(b); or
- b) if the Member had a Pension Partner at their Pension Commencement Date and no survivor pension waiver was filed in accordance with Section 10.05, or if the Member's relationship status has not been ascertained to the Administrator's satisfaction, in the form of pension described in Section 10.03.

### **10.07 Death Prior to Form of Pension Selection**

If a Member dies after their Pension Commencement Date and before electing the form of pension pursuant to this Article 10, the Member shall be considered to have made their election immediately prior to death in one of the following forms:

- a) if the Member did not have a Pension Partner on their Pension Commencement Date or did have a Pension Partner where the Pension Partner had filed a survivor pension waiver in accordance with Section 10.05, in the form of pension described in Section 10.04(b);
- b) if,
- 1) the Member had a Pension Partner on their Pension Commencement Date,
  - 2) no survivor pension waiver was filed in accordance with Section 10.05, and
  - 3) the Member was eligible to elect an optional form of pension on the date of their death,
- in the form of pension described in Section 10.04(d); or
- c) in any other circumstances to which Sections 10.07(a) and (b) do not apply, in the form of pension described in Section 10.03.

### **10.08 Application of Maximum Pension**

With respect to a Member's Pensionable Service accrued on or after January 1, 1992, in no event shall any actuarial increase due to the election of an optional form of pension, excluding any increase resulting from an election under Section 10.04(g), cause a transgression of the Income Tax Act Post-1990 Pension Limit or Income Tax Act Pre-1990 Pension Restriction.

## **Article 11 – Benefits on Termination of Employment**

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### **11.01 Non-Vested Entitlement**

- a) A Member who joined the Plan pursuant to Section 4.01 and whose employment with a Participating Employer Terminated prior to the Continuation Date for any reason other than death prior to their Normal Retirement Date and before their Vesting Date, or a Member who otherwise Terminates after the Continuation Date and prior to their Vesting Date, is entitled to receive a payment of all of the Member's contributions made to the Plan pursuant to Sections 6.03, 6.04, 6.05 and 6.06, together with Credited Interest thereon.
- b) A Member who is entitled to a payment from the Plan under Section 11.01(a) shall have the option of receiving the payment as:
  - 1) a lump sum payment;
  - 2) a transfer to a RRSP;
  - 3) pursuant to Section 11.03(c), a transfer to a Registered Pension Plan that is party to a Portability Agreement or Transfer Agreement with the Plan; or
  - 4) a transfer to another Registered Pension Plan willing to accept the transfer.
- c) If a Member entitled to a payment from the Plan under Section 11.01(a) does not make an election under Section 11.02(b) within 90 days, the Member shall be deemed to have elected the lump sum payment option provided for in Section 11.01(b)(1) unless the Member has recommenced participation in the Plan pursuant to Section 4.02.
- d) Where a Member entitled to a payment from the Plan under Section 11.01(a) has not received a payment pursuant Section 11.01(b), the lump sum entitlement under Section 11.01(b) shall remain in the Plan and receive Credited Interest thereon until a payment or transfer is made.
- e) Upon the completion of a payment or transfer under this Section 11.01, the Member will cease to be a Member and will have no further entitlement under the Plan.

### **11.02 Deferred Pension**

A Member who:

- a) joined the Plan pursuant to Section 4.01 and whose employment with a Participating Employer Terminated prior to the Continuation Date for any reason other than death, other than a Member described in Section 11.01(a), or
  - b) Terminates employment with a Participating Employer, on or after their Vesting Date, and on or after the Continuation Date, for any reason other than death,
- shall be entitled to receive a deferred pension and shall be permitted to retire and receive benefits in accordance with Articles 7, 8, 9 and 10.

## **Article 11 – Benefits on Termination of Employment**

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### **11.03 Portability Option**

#### **a) Voluntary Elections**

A Member entitled to receive a deferred pension under Section 11.02 who has not elected a Pension Commencement Date may, in lieu of their entitlement under Section 11.02, instead elect:

- 1) pursuant to Section 11.03(b), where a Member's date of Termination occurred prior to age 55, to assume control and responsibility of their entitlement by transferring their entitlement from the Plan; or
- 2) pursuant to Section 11.03(c), to transfer their entitlement to a Registered Pension Plan that is party to a Portability Agreement or Transfer Agreement with the Plan.

#### **b) Commuted Value Transfer to Member**

All transfers and payments made in respect of a Commuted Value Transfer under Section 11.03(a)(1) are subject to the following provisions.

##### **1) Total Lump Sum Value**

The total of all amounts paid or transferred pursuant to this Section 11.03(b) shall be calculated as the aggregate of:

- i) the Commuted Value of the Member's Vested Benefit;
- ii) the Member's Excess Employee Contributions, if any; and
- iii) where the Date of Determination is prior to January 1, 2022, the Member's Wholly Member-Funded Contributions, if any, with Credited Interest thereon.

##### **2) Locked-In Portion of Transfer**

At the option of the Member, the Commuted Value in Section 11.03(b)(1)(i), with Credited Interest thereon, shall, subject to the Income Tax Act Maximum Transfer Limit, be transferred to one of the following:

- i) another Registered Pension Plan willing to accept the transfer; or
- ii) a LIRA.

##### **3) Non-Locked-In Portion of Transfer**

At the option of the Member:

- i) the Wholly Member-Funded Contributions in Section 11.03(b)(1)(iii), with Credited Interest thereon, shall:
  - A) be transferred to another Registered Pension Plan willing to accept the transfer;

## **Article 11 – Benefits on Termination of Employment**

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- B) be paid to the Member as a lump sum payment; or
- C) subject to the Income Tax Act Maximum Transfer Limit, be transferred to a RRSP;

and

- ii) the Excess Employee Contributions in Section 11.03(b)(1)(ii), with Credited Interest thereon, shall:
  - A) be transferred to another Registered Pension Plan willing to accept the transfer;
  - B) be paid to the Member as a lump sum payment; or
  - C) subject to the Income Tax Act Maximum Transfer Limit, be transferred to a RRSP.

### **c) Exporting Transfer to Another Pension Plan**

All transfers and payments made in respect of an Exporting Transfer under Sections 11.01(b)(3) and 11.03(a)(2) are subject to the following provisions.

#### **1) Transfer to Other Pension Plan**

- i) The amount to be transferred to the importing Registered Pension Plan shall be determined in accordance with the terms of the applicable Portability Agreement or Transfer Agreement.
- ii) No transfers are permissible after a Member has attained their Normal Retirement Date.

#### **2) Payment of Excess Employee Contributions**

If at the time of an Exporting Transfer the Member has any Excess Employee Contributions, such Excess Employee Contributions shall be paid to the Member with Credited Interest thereon.

### **d) End of Membership**

Upon the completion of such payment and/or transfers under this Section 11.03, the Member will cease to be a Member and will have no further entitlement under the Plan. Where contributions are received in respect of a person who has ceased to be a Member and the person has not recommenced participation pursuant to Section 4.02, such contributions shall be refunded to the person or Participating Employer as applicable.

## **Article 11 – Benefits on Termination of Employment**

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### **e) Transfer Restrictions and Requirements**

Notwithstanding any other provision of this Section 11.03:

- 1) the total of all amounts transferred to Registered Savings Arrangements in accordance with Sections 11.03(b)(2) and (3) shall not exceed the Income Tax Act Maximum Transfer Limit, and the excess of the Member's benefit over the Income Tax Act Maximum Transfer Limit, if any, shall be paid to the Member as a lump sum payment;
- 2) where any amount that would otherwise be payable to a Member or transferable on a non-locked-in basis represents money that has been received on a locked-in basis, that money must nevertheless be transferred from the Plan on a locked-in basis pursuant to the requirements of Applicable Pension Legislation; and
- 3) the Administrator shall not permit a payment or transfer under this Section 11.03 unless the Administrator is satisfied that the transfer is in accordance with Applicable Pension Legislation and the Income Tax Act.

### **11.04 Change of Election**

If at the Termination of a Member under the age of 55 after their Vesting Date, the Member elected a deferred pension under Section 11.02 or made no election under the Plan, the Member may, at any time prior to their Pension Commencement Date, elect portability pursuant to Section 11.03. In such an event, if the period since the original Commuted Value was calculated under Section 11.03 exceeds the redetermination period set by the Administrator for such purposes, all entitlements referred to in Section 11.03(b) will be redetermined as of the later of the date requested by the Member and the date the Administrator receives the request from the Member.

### **11.05 Subsequent Employment**

Where a Member entitled to benefits pursuant to this Article 11 is again employed by a Participating Employer, the provisions of Section 4.04(a) apply.

### **11.06 Advice and Payment of Benefits Under Plan**

Within 60 days of the date of Termination of a Member, the Administrator will advise the Member of their benefits under the Plan and, if the Member elects to receive a payment or transfer, within 60 days of the Administrator having received the Member's election, the payment will be paid or the transfer made, accordingly.

## Article 12 – Benefits on Death

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### 12.01 Provision of Evidence

- a) No payment pursuant to this Article 12 shall be made until evidence of death satisfactory to the Administrator has been provided.
- b) Where satisfactory proof is provided under Section 12.01(a) for a Member who had yet to commence receipt of a pension at the time of their death, the Administrator shall provide a pre-retirement death benefit statement to the Member's Pension Partner or Beneficiary, as applicable, within 60 days in accordance with the requirements of Applicable Pension Legislation.

### 12.02 Death Benefits Before Pension Commencement

#### a) Non-Vested Death

- 1) If a Member dies before their Pension Commencement Date and the deceased Member had not attained their Vesting Date, a death benefit shall be payable equal to the aggregate of the amounts that would have been payable or transferable to the Member under Section 11.01 if the Member had Terminated, instead of died, on the date of their death.
- 2) Where a death benefit is payable pursuant to Section 12.02(a)(1) and the deceased Member had a Pension Partner at the time of death and no pre-retirement death waiver of the Pension Partner's statutory entitlement applied at that time, the Pension Partner may, at their option, elect to have the death benefit:
  - i) paid as a lump sum payment;
  - ii) transferred to a RRSP; or
  - iii) transferred to another Registered Pension Plan willing to accept the transfer.
- 3) Where a death benefit is payable pursuant to Section 12.02(a)(1) and no death benefit is payable or transferable pursuant to Section 12.02(a)(2), the death benefit shall be paid as a lump sum payment to the Member's Beneficiary, or in the absence of a Beneficiary, to the Member's estate.

#### b) Vested Death With a Pension Partner Benefit Payable

If a Member, with a Vested Benefit and a Pension Partner immediately prior to death, dies before their Pension Commencement Date and no completed pre-retirement death benefit waiver is on file with the Administrator, then the Pension Partner shall be entitled to elect one of the following death benefits.

## Article 12 – Benefits on Death

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### 1) Survivor Pension

A Pension Partner entitled to a benefit pursuant to Section 12.02(b) may elect to receive both:

i) an annual lifetime pension equal to the amount that the Pension Partner would have received pursuant to Section 14.02(a), had the Member become Totally Disabled immediately before death and elected the form of pension in Section 10.04(d); and

ii) either

A) where the Date of Determination is prior to January 1, 2022, a lump sum payment equal to the amount, if any, by which the Member's Cost-Shared Contributions exceed 50% of the Commuted Value of the survivor pension payable pursuant to Section 12.02(b)(1)(i);

B) where the Date of Determination is prior to July 1, 2024 but on or after January 1, 2022, a lump sum payment equal to the amount, if any, by which the Member's Cost-Shared Contributions exceed 100% of the Commuted Value of the survivor pension payable pursuant to Section 12.02(b)(1)(i); or

C) where the Date of Determination is on or after July 1, 2024, a lump sum payment equal to the amount, if any, by which the Member's Cost Shared Contributions exceed 100% of the Commuted Value of the survivor pension payable in respect of the Member's Cost-Shared Benefit and pursuant to Section 12.02(b)(1)(i) plus the amount, if any, by which the Wholly Member -Funded Contributions exceed the greater of the difference between (1) and (2) and zero, where:

1) equals the Commuted Value of the survivor pension payable in respect of the Member's Vested Benefit and pursuant to Section 12.02(b)(1)(i), and

2) equals the Commuted Value of the survivor pension payable in respect of the Member's Cost-Shared Benefit and pursuant to Section 12.02(b)(1)(i).

The Pension Partner's pension under Section 12.02(b)(1)(i) is payable in equal monthly instalments during the Pension Partner's lifetime, with the last payment due in the month in which the death of the Pension Partner occurs, which provides that in the event the Pension Partner dies before the equivalent of 60 payments have



## **Article 12 – Benefits on Death**

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been made, the remaining payments would continue to be paid to the Pension Partner's estate or, if applicable, the Pension Partner's designated beneficiary. Alternatively, the Pension Partner may elect an optional form of pension, Actuarially Equivalent to the guaranteed 60 payment life form, which provides either 120 or 180 guaranteed payments or no guaranteed payments at all.

If the Commuted Value of the pension described under Section 12.02(b)(1)(i) is less than the Commuted Value described under Section 12.02(b)(2)(i)(A), the pension described under Section 12.02(b)(1)(i) shall be increased such that its Commuted Value is equal to the Commuted Value described under Section 12.02(b)(2)(i)(A). Further, in such event, the lump sum payment described under Section 12.02(b)(1)(ii) shall be redetermined using the Commuted Value of the increased survivor pension payable.

Where the Date of Determination is prior to January 1, 2022, the Member's Wholly Member-Funded Contributions, if any, with Credited Interest described in Section 12.02(b)(2)(i)(C) shall be added to the Commuted Value described under Section 12.02(b)(2)(i)(A) solely for the purpose of determining whether the pension described under this Section 12.02(b)(1)(i) must be increased, as set out in the first sentence of the preceding paragraph.

### **2) Portability Option**

- i) A Pension Partner entitled to a benefit pursuant to Section 12.02(b) may elect to receive the aggregate value of:
  - A) the Commuted Value of the Member's Vested Benefit;
  - B) the Member's Excess Employee Contributions, if any; and
  - C) where the Date of Determination is prior to January 1, 2022, the Member's Wholly Member-Funded Contributions, if any, with Credited Interest thereon.
- ii) Where a Pension Partner makes an election under Section 12.02(b)(2)(i), then subject to Section 12.04:
  - A) the Pension Partner must transfer the Commuted Value under Section 12.02(b)(2)(i)(A), with Credited Interest thereon, to a LIRA or transferred to another Registered Pension Plan willing to accept the transfer; and

## **Article 12 – Benefits on Death**

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B) the Pension Partner may elect to have the Wholly Member-Funded Contributions and Excess Employee Contributions under Sections 12.02(b)(2)(i)(B) and (C), with Credited Interest thereon, paid as a lump sum payment, transferred to a RRSP or transferred to another Registered Pension Plan willing to accept the transfer.

**c) Vested Death With No Pension Partner Benefit Payable**

- 1) If a Member, with a Vested Benefit, dies before their Pension Commencement Date and the deceased Member:
  - i) had no Pension Partner immediately prior to their death, or
  - ii) had a Pension Partner immediately prior to death but such Pension Partner had completed and not validly revoked a pre-retirement death benefit waiver, as prescribed under Applicable Pension Legislation, waiving their statutory entitlement to the death benefits payable from the Plan,a death benefit shall be payable to the Member's Beneficiary, or in the absence of a Beneficiary to the Member's estate, equal to the aggregate of the amounts that would have been payable or transferable to the Member under Section 11.03(b) if the Member had Terminated, instead of died, on the date of their death.

### **12.03 Death After Commencement of Pension Benefits**

If a Member dies after the commencement of pension benefits from the Plan, the remaining benefits, if any, shall be payable in accordance with the form of pension elected by the Member under Article 10.

### **12.04 Restrictions for Transfer**

Notwithstanding anything herein:

- a) where any amount that would otherwise be payable or transferable to a Pension Partner on a non-locked-in basis represents money that has been received on a locked-in basis, that money must nevertheless be transferred from the Plan on a locked-in basis pursuant to the requirements of Applicable Pension Legislation; and
- b) the Administrator shall not permit a payment or transfer under this Article 12 unless the Administrator is satisfied that the payment or transfer is in accordance with Applicable Pension Legislation and the Income Tax Act.

## **Article 12 – Benefits on Death**

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### **12.05 Failure to Make Election**

If the Pension Partner fails to make an election within 90 days of being advised of the entitlement under Section 12.02(b), the Pension Partner will be deemed to have elected a survivor pension in accordance with the provisions of Section 12.02(b)(1).

### **12.06 Death Benefit to Pension Partner's Beneficiary**

If a Pension Partner having an entitlement pursuant to Section 12.02(b) dies without having elected an option and prior to the commencement of a survivor pension, the aggregate value of the benefits payable pursuant to Section 12.02(b)(2) shall be payable to the Pension Partner's designated beneficiary or, if there is no such person living, the Pension Partner's estate, in the form of a lump sum payment.

### **12.07 Payment of Benefits**

- a) Where a Pension Partner or a Beneficiary is entitled to a benefit pursuant to this Article 12, the benefits will be paid or the transfer made, accordingly, within 60 days following the completion and filing of all documents prescribed by the Administrator to effect such a payment.
- b) Where a Pension Partner has elected to receive a survivor pension pursuant to Section 12.02(b)(1), the pension commencement date may be backdated in accordance with the Administrator's policies, but only to the extent permissible under the Income Tax Act. In no event can the Pension Partner's pension commencement date precede the day following the Member's death.

## Article 13 – Beneficiary Designation

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### 13.01 Pension Partner's Statutory Rights

- a) Subject to Section 13.01(b), where death benefits are payable by the Plan following the death of a Member, any such death benefits will be paid to the Member's Pension Partner.
- b) Where a Member does not have a Pension Partner at the time of death, or the Pension Partner has filed and not validly revoked a waiver of their statutory rights to any death benefits payable by the Plan, the death benefits shall be paid to the Member's designated Beneficiary.

### 13.02 Beneficiary Designation

A Member may, in a manner provided for by the Administrator and in accordance with Section 71(2) of the *Wills and Succession Act* (Alberta), designate a Beneficiary, other than their Pension Partner, to receive any benefits payable in accordance with Section 13.01(b) in the event of the death of the Member for the following reasons:

- a) death while accruing Pensionable Service;
- b) death after Termination and prior to the Member's Pension Commencement Date; and
- c) death after the Member's Pension Commencement Date.

The designation of Beneficiary shall be subject to the requirements of Applicable Pension Legislation and be in such form and executed in such manner as the Administrator may determine. The Member may alter or revoke any such designation in the same manner at any time, subject to the provisions of any annuity, insurance or other contract, or any applicable law governing the designation of beneficiaries.

### 13.03 No Beneficiary

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

### 13.04 Death of Beneficiary

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

## **Article 14 – Disability**

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### **14.01 Member in Receipt of Benefits From Qualifying Disability Plan**

If an Active Member is receiving benefits under a Qualifying Disability Plan, then, for the purposes of the Plan, the Member shall continue to accrue Pensionable Service while in receipt of such payments provided that both Employee and Participating Employer contributions are made by, or on behalf of, the Member pursuant to Section 6.03, for those periods.

### **14.02 Member Not in Receipt of Benefits From Qualifying Disability Plan**

#### **a) Total and Permanent Disability**

If a Terminated Member:

- 1) has attained their Vesting Date,
- 2) has not attained their Normal Retirement Date,
- 3) is not receiving any benefits under a Qualifying Disability Plan,
- 4) has yet to commence receipt of a pension from the Plan in respect of their own Pensionable Service, and
- 5) is Totally Disabled,

then, for the purposes of the Plan, the Member shall be entitled to receive a pension and a refund of any Excess Employee Contributions, both determined in accordance with Section 9.01.

#### **b) Other Disability**

If a Disabled Terminated Member:

- 1) has attained their Vesting Date,
- 2) has not attained their Normal Retirement Date,
- 3) is not receiving any benefits under a Qualifying Disability Plan,
- 4) has yet to commence receipt of a pension from the Plan in respect of their own Pensionable Service, and
- 5) is not Totally Disabled,

then, for the purposes of the Plan, the Member shall be entitled to receive a pension and a refund of any Excess Employee Contributions, both determined in accordance with Section 9.02.

## **Article 14 – Disability**

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**c) Form of Pension**

A Disabled Member entitled to receive a disability pension under Section 14.02(a) or (b) may elect to receive such pension in the form and manner described in Article 10.

**d) Medical Evidence**

Prior to the Member's Normal Retirement Date, the granting and ongoing payment of disability pensions provided under this Section 14.02 are subject to submitting the evidence required by the Administrator pursuant to Section 16.03 and where a Member does not submit proof of ongoing disability as requested, the Administrator may reduce or terminate payment of the disability pension in accordance with Section 14.02(e).

**e) Change in Health**

- 1) With respect to a Member in receipt of a pension under Section 14.02(a), if, at any time on or after age 55 and prior to the Member's Normal Retirement Date, the Administrator determines that the Member no longer meets the conditions for Total Disability, or the Member does not submit the evidence required under Section 14.02(d), the Administrator may have the Member's pension reduced to the amount provided for by Section 14.02(b), pursuant to the established policy of the Administrator for such purpose.
- 2) Where a Member who has not yet attained 55 years of age is in receipt of a pension under Section 14.02(a) or (b), and the Administrator is no longer satisfied that the Member is Disabled, the Administrator may eliminate payment of the disability pension, pursuant to the established policy of the Administrator for such purpose, in which case the Member shall be entitled to a deferred pension in accordance with Article 11 determined as of their date of Termination.
- 3) Where a Member, who is in receipt of a pension under Section 14.02(b), satisfies the Administrator that they are Totally Disabled prior to their Normal Retirement Date, the Administrator may upgrade the Member's pension to a pension in the amount provided under Section 9.01(a) with effect from the date of the Member's application for upgrading, pursuant to the established policy of the Administrator for such purpose.

## **Article 14 – Disability**

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**f) Non-Duplication of Benefits**

A Member who:

- 1) is accruing Pensionable Service pursuant to Section 14.01, or
  - 2) is in receipt of a disability pension pursuant to Section 14.02(a) or (b),
- is not permitted to also receive a retirement pension in accordance with Article 7.

## **Article 15 – Portability and Transfer Agreements**

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### **15.01 Authority for Entering into Portability and Transfer Agreements**

The Administrator may, subject to any criteria set forth by the Sponsor Board, enter into a Portability Agreement or Transfer Agreement with any body for the purposes of enabling the transfer of pension entitlements between the Plan and any Registered Pension Plan of such body.

### **15.02 Recognition of Portability and Transfer Agreements under the Statutory Plan**

The Administrator acknowledges and shall abide by the terms of any Portability Agreements or Transfer Agreements in effect immediately prior to the Continuation Date under the terms of the Statutory Plan, provided that the provisions of such Portability Agreements or Transfer Agreements are consistent with the provisions of the Plan and meet the requirements of Applicable Pension Legislation and the Income Tax Act. A listing of all in-force Portability Agreements and Transfer Agreements is included in Appendix D. Pursuant to the Joint Governance Act, the Plan will be withdrawing from all Portability Agreements and Transfer Agreements effective two years from the Continuation Date unless otherwise extended by the parties to those agreements.

### **15.03 Exporting Transfers**

- a) Subject to Section 15.06, a Portability Agreement or Transfer Agreement entered into, made or amended after the Continuation Date must be consistent with the terms of the Plan and provide that the amount transferred from the Plan and the service recognized under the importing Registered Pension Plan shall comply with the requirements of Applicable Pension Legislation and the Income Tax Act.
- b) The amount transferred from the Plan to an importing Registered Pension Plan in respect of an Exporting Transfer under a Portability Agreement shall not exceed the aggregate of the Member's Commuted Value and Excess Employee Contributions determined for the purpose of an Exporting Transfer, or such higher amount as may be transferable pursuant to Section 15.03(d).
- c) The amount transferred from the Plan to an importing Registered Pension Plan in respect of an Exporting Transfer under a Transfer Agreement shall not exceed the Actuarial Reserve of the Member's accrued benefit determined as though the Member remains an Active Member, or such higher amount as may be transferable pursuant to Section 15.03(d).



## **Article 15 – Portability and Transfer Agreements**

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- d) If, at the time a Member is transferring their entitlement to another Registered Pension Plan pursuant to a Portability Agreement or Transfer Agreement, the Member is otherwise eligible for portability under Section 11.01 or 11.03, where the aggregate of the amounts payable or transferable under Section 11.01 or 11.03 exceeds the amount transferable under Section 15.03(b) or (c), the maximum amount transferable shall be increased to the aggregate amount payable or transferable under Section 11.01 or 11.03 as applicable.
- e) Upon the completion of a transfer and any payments pursuant to the terms of a Portability Agreement or Transfer Agreement, the Member will cease to be a Member and will have no further entitlement under the Plan.

### **15.04 Transfers into the Plan**

Subject to Section 15.06, a Portability Agreement or Transfer Agreement entered into, made or amended after the Continuation Date must be consistent with the terms of the Plan and provide that:

- a) subject to Section 15.04(b), service that is eligible to be recognized as Pensionable Service shall be credited as Portability Service or Transfer Service to the extent it is funded on an Actuarial Reserve basis;
- b) where the originating pension plan under a Transfer Agreement is either the Public Service Pension Plan or the Management Employees Pension Plan, any pensionable service transferring from those plans that was previously purchased by the Member under terms which are analogous to purchases of Actuarial Reserve Service in this Plan, shall be recognized as Actuarial Reserve Service in this Plan;
- c) where the amount transferred into the Plan is less than the amount required by applying the provisions of Section 15.04(a), a Member's Portability Service, Transfer Service or Actuarial Reserve Service shall be calculated by prorating their Eligible Service by the ratio of the transferred amount over the Actuarial Reserve in accordance with the Administrator's policy;
- d) where Section 15.04(c) applies, the Member in question shall be entitled to have the Eligible Service not recognized under Section 15.04(c) subsequently recognized as Shortfall Service by making contributions under Section 6.06 equal to the amount by which the Actuarial Reserve exceeds the transferred amount;
- e) the amount transferred into the Plan and the Portability Service, Transfer Service or Actuarial Reserve Service recognized under the Plan shall not result in the Member's total Pensionable Service exceeding 35 years, as determined at the time of transfer;

## **Article 15 – Portability and Transfer Agreements**

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- f) the amount transferred into the Plan and the Portability Service, Transfer Service or Actuarial Reserve Service recognized under the Plan shall comply with the requirements of Applicable Pension Legislation and the Income Tax Act;
- g) the Member's contributions to an originating pension plan related to any Transfer Service recognized under the Plan shall form part of the Member's Cost-Shared Contributions for the purposes of determining the Member's Excess Employee Contributions, except to the extent Section 15.04(b) applies, in which case all contributions related to the Actuarial Reserve Service shall instead form part of the Member's Wholly Member-Funded Contributions.

### **15.05 Locking-In**

Locking-in of transfer amounts under this Article 15 shall be determined in accordance with Applicable Pension Legislation.

### **15.06 Ability to Amend Terms of Portability and Transfer Agreements**

Notwithstanding any provisions of this Article 15 to the contrary, and subject to the requirements of Applicable Pension Legislation and the Income Tax Act, the provisions for recognizing Pensionable Service and transferring amounts under Sections 15.03 and 15.04 in no way prevent the Administrator from entering into any Portability Agreements or Transfer Agreements that recognize Pensionable Service and provide for the transfer of individual entitlements on a basis other than that noted in Sections 15.03 and 15.04.

### **15.07 Ability to Withdraw From Portability and Transfer Agreements**

Notwithstanding any provisions of this Article 15 to the contrary, but subject to the Joint Governance Act and any criteria set forth by the Sponsor Board, the Administrator may withdraw from any Portability Agreement or Transfer Agreement in accordance with the requirements and provisions of the applicable Portability Agreement or Transfer Agreement.

## **Article 16 – Payment of Benefits**

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### **16.01 Application for Benefits**

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

### **16.02 Proof of Age and Spousal Relationship Status**

Without limiting the generality of Section 16.01, each Member shall be required to provide the Administrator (or, if in accordance with the policy established by the Administrator, the Participating Employer in the form and manner prescribed by the Administrator) with satisfactory proof of the Member's age and spousal relationship status and the age of the Member's Pension Partner or Beneficiary. Pension benefits shall not commence to be paid and contributions for establishing service on an Actuarial Reserve basis shall not be determined until such proof of age or spousal relationship status has been received in the form and manner acceptable to the Administrator. If pension benefits are delayed because proof has not been submitted, retroactive payments will be made once satisfactory proof has been received, subject to any limitations or required approvals under the Income Tax Act.

### **16.03 Proof of Disability**

- a) Where a Member applies for a pension under Article 14, notwithstanding anything else herein, there must be provided to the Administrator before any benefit will be paid, the results of any medical examination requested by the Administrator, and any documents evidencing the Disability of the Member that the Administrator specifies.
- b) After a Disabled Member commences receipt of a disability pension, and prior to the Disabled Member's attainment of their Normal Retirement Date, the Administrator shall have the right to require satisfactory evidence that the Member remains either Disabled or Totally Disabled.

### **16.04 Payments to Minors and Represented Individuals**

The Administrator may authorize payment of a benefit to be made to a person other than a Member, the Member's Pension Partner or other Beneficiary if the Administrator receives satisfactory evidence that such Member, Member's Pension Partner or other Beneficiary is:

- a) physically or mentally incompetent to receive such payment or make such election and to give valid receipt therefore; or

## Article 16 – Payment of Benefits

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- b) is a minor, and another person or an institution is then maintaining or has custody of the person and no guardian, committee or other representative of the person has been duly and legally appointed.

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

In the absence of the appointment of a legal guardian, any benefit payable to a minor may:

- 1) in the event the amount payable is less than the threshold prescribed in the *Minors' Property Act*, be paid to such adult or adults as have, in the absolute discretion of the Administrator, assumed the custody and principal financial support of such minor; or
- 2) in the event the amount payable is equal or greater to the threshold prescribed in the *Minors' Property Act*, be paid to the Office of the Public Guardian and Trustee or to a court appointed trustee.

### 16.05 Payment Terms

- a) All pension payments are made on the second last business day of the month, commencing on the second last business day of the month of the Member's Pension Commencement Date, except for December payments, which are made on the second last business day preceding December 25<sup>th</sup>.
- b) Where a Pension Commencement Date is not the first day of a month, the pension payment in respect of the first month shall be prorated and shall be determined in accordance with the following formula:

$$\text{Initial pension payment} = \text{Monthly pension payment} \times 12 \times \frac{\text{Number of days remaining in month}}{365}$$

- c) Where a person in receipt of a pension dies, the full amount of the pension that would otherwise have been paid to the person for the month in which the death occurred, shall still be paid.
- d) Where a pension is being paid based on the joint lifetimes of a Member and their Pension Partner, and either the Member or Pension Partner dies, any consequential change in the amount of monthly pension to be paid shall first have effect for the month following the month in which the death occurred.

## **Article 16 – Payment of Benefits**

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- e) Where a pension is being paid based on the single lifetime of a person and such person dies before the expiry of an applicable guaranteed term, a Beneficiary who is not a minor may apply to receive, in lieu of the remaining guaranteed monthly payments, a single lump sum payment equal to the Commuted Value of the remaining guaranteed monthly payments.
- f) Once a pension is in pay, the recipient may not cancel or suspend receipt of the pension for any reason.

### **16.06 Evidence of Survival**

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

### **16.07 Miscalculation of Contributions**

If any Member or Participating Employer, either knowingly or unknowingly, has not remitted contributions in accordance with the Plan's terms, subject to the requirements of Applicable Pension Legislation and the Income Tax Act, any excess contribution shall be refunded to the Member or Participating Employer as applicable and any contribution deficiency shall be paid by the Member or Participating Employer as required, whichever is appropriate in the circumstances, including any Interest applicable under the Administrator's policy.

### **16.08 Miscalculation of Pension Benefits**

If any person, either knowingly or unknowingly, has submitted any information to the Administrator relevant to the amount of benefits the person is to receive from the Plan which is incorrect or the Administrator determines that an error has been made in the calculation of the person's benefit, the amount of benefit payable from the Plan shall be adjusted as determined by the Administrator. Adjustments shall be made, in the case of underpayment, by making additional payments from the Plan or, in the case of overpayments, by requiring repayment from the individual who received the overpayment or the individual's estate, or any other appropriate individual or entity as determined by the Administrator, including any Interest applicable under the Administrator's policy, whichever is appropriate in the circumstances. In the event the overpayment cannot be recovered, it will be subject to the Administrator's policy on non-recoverable payments.

## **Article 16 – Payment of Benefits**

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### **16.09 Currency**

All contributions to and benefits paid from the Plan shall be made in the lawful currency of Canada.

### **16.10 Income Tax Withholding**

All benefits and payments paid from the Plan shall be subject to tax withholdings, as required by the Income Tax Act.

## **Article 17 – Funding of the Plan**

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### **17.01 Trust Fund**

- a) For the purposes of funding the benefits of this Plan:
  - 1) the Administrator is the trustee and Fundholder of the Trust Fund; and
  - 2) the Trust Fund shall be held by one or more Custodians under one or more Funding Agreements.
- b) Subject to the terms of the Plan, the Joint Governance Act and Applicable Pension Legislation, the Administrator may:
  - 1) amend or revoke any Funding Agreement,
  - 2) remove any Custodian, and
  - 3) appoint additional or successor Custodians as it may deem appropriate.

### **17.02 Appointment of Investment Manager**

The Administrator shall appoint from time to time one or more Investment Managers in accordance with the provisions of the Joint Governance Act.

### **17.03 Administration of Trust Fund**

Subject to the terms of the Plan, the provisions of Applicable Pension Legislation, the Income Tax Act and any other applicable legislation governing the administration, investment or maintenance of the Trust Fund in a manner that will maintain its eligibility for registration under the Income Tax Act, the Trust Fund shall be administered by the Administrator and invested by the Investment Managers in accordance with the Joint Governance Act.

### **17.04 Rights to Fund Assets**

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

### **17.05 Expenses**

All normal and reasonable fees and expenses incurred by the Sponsor Board and the Administrator in the administration, management, and investment of the Plan and Trust Fund shall be paid from the Trust Fund as set forth in the Governing Documents.

## **Article 17 – Funding of the Plan**

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### **17.06 Investments**

All investments and reinvestments of the Trust Fund shall conform to the investment requirements of Applicable Pension Legislation and Income Tax Act. The Administrator shall be responsible for determining that all investments and reinvestments of the Trust Fund so conform.

### **17.07 Actuarial Valuation**

The Actuary shall conduct actuarial valuations of the Trust Fund at such times as the Sponsor Board may decide but not less frequently than that prescribed under Applicable Pension Legislation.

### **17.08 Statement of Investment Policies and Procedures**

The Administrator shall, after consideration of any risk tolerance guidelines set forth by the Sponsor Board and the funding policy adopted by the Sponsor Board, establish and adopt a written statement of investment policies and procedures for the Plan and shall confirm or amend the statement annually thereafter.



## **Article 18 – Administration of the Plan**

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### **18.01 Administrator**

- a) The Administrator shall ensure that the Plan and the Trust Fund are administered in accordance with Applicable Pension Legislation and the Income Tax Act. The Administrator may authorize a person or entity to exercise any of the powers conferred hereunder on the Administrator.
- b) With respect to information, whether written or unwritten, to be provided to Employees and Members pursuant to this Article 18, the information may be provided through the Member's Participating Employer, or in the case of a former Member through the Member's former Participating Employer, or in a manner established by the Administrator for such purposes.

### **18.02 Rules for Administration**

The Administrator may establish rules relating to the administration of the Plan pursuant to the provisions of the Governing Documents.

### **18.03 Participating Employer Roles and Responsibilities**

- a) A Participating Employer shall comply with the terms of the Plan and shall fulfil its roles and responsibilities in accordance with the Governing Documents and any rules established pursuant to Section 18.02.
- b) A Participating Employer shall provide notice to the Administrator on becoming aware that an anticipated event or course of action involving the Participating Employer may constitute a Succession Event.

### **18.04 Plan Summary**

The Administrator shall provide each Member with an explanation of the terms and conditions of the Plan and amendments thereto applicable to them, together with an explanation of the rights and duties of the Member with reference to the benefits available to them under the terms of the Plan. Such material shall be provided to Members in accordance with the timelines, form and manner prescribed under Applicable Pension Legislation

### **18.05 Notice of Amendment**

The Administrator shall provide a notice and written explanation of an amendment to the Plan to each Member, or other person entitled to payment from the Trust Fund who is affected by the amendment, in accordance with the requirements and within the time periods prescribed under Applicable Pension Legislation.

## **Article 18 – Administration of the Plan**

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### **18.06 Annual Statement**

The Administrator shall provide annually to each Active Member and each Member in receipt of a monthly pension, a written statement containing the information prescribed under Applicable Pension Legislation in respect of the Plan, the Member's pension benefits and any ancillary benefits, within the time periods prescribed under Applicable Pension Legislation.

### **18.07 Statement on Termination of Employment or Participation**

When a Member of the Plan Terminates or otherwise ceases to be a Member, the Administrator, shall give to the Member within 60 days, or to any other person who as a result becomes entitled to a payment under the Plan, a written statement setting out the information prescribed under Applicable Pension Legislation in respect of the benefits, rights and obligations of the Member or such other person.

### **18.08 Inspection of Documents**

The Administrator shall make available, for inspection, the documents and information concerning the Plan and the Trust Fund as prescribed under Applicable Pension Legislation.

### **18.09 Collection and Review of Pension Policies**

Each Participating Employer shall provide the Administrator with a copy of their Pension Policies, as amended from time to time. The Administrator shall review the Pension Policies to ensure they comply with the Plan terms and Applicable Pension Legislation.

### **18.10 Revocation of Successor Employer's Status as a Participating Employer**

The Sponsor Board may, subject to Applicable Pension Legislation, retroactively revoke a Successor Employer's status as a Participating Employer if, in the determination of the Sponsor Board:

- a) Neither the Sponsor Board nor the Administrator received reasonable prior notice of the Succession Event, and
- b) notice of revocation is given to the Successor Employer within a reasonable period of time following the later of:
  - 1) the Sponsor Board or the Administrator receiving notice of the Succession Event, and
  - 2) the Succession Event.

## Article 19 – General Provisions

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### 19.01 Non-Alienation of Entitlements

Except as specified in Sections 19.02 and 19.11, the payment of benefits are subject to the following restrictions as specified in Applicable Pension Legislation:

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

### 19.02 Non-Commutation of Pensions

A pension or deferred pension payable under this Plan shall not be capable of being commuted except in the following circumstances.

- a.1) **Small Benefit Commutation** – Where the payment or transfer of a Commuted Value does not exceed 20% of the YMPE in the calendar year of the date the Commuted Value was determined, the Member or Pension Partner, as applicable, may elect to receive the Commuted Value of the benefit as a lump sum payment. In lieu of a lump sum payment, the Member or Pension Partner, as applicable, may elect to transfer the Commuted Value to a RRSP, but only to the extent such transfer is permissible under the Income Tax Act Maximum Transfer Limit.
- a.2) **Small Pension Commutation** – Where the monthly amount of pension, in the form specified in Section 10.02, that would or will be or that would have been payable to a Member, as the case may be:
  - 1) on reaching the age of 65 years, in the case of a Member who terminated or died, as the case may be, before reaching that age, or
  - 2) at termination or death, as the case may be, in the case of a Member who terminated or died having already reached the age of 65 years,does not exceed 1/12 of 4% of the YMPE in the calendar year in which the amount occurred was determined, the Member or Pension Partner, as applicable, may elect to receive the Commuted Value of the benefit as a lump sum payment. In lieu of a lump sum payment, the Member or Pension Partner, as applicable, may elect to transfer the

## Article 19 – General Provisions

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Commuted Value to a RRSP, but only to the extent such transfer is permissible under the Income Tax Act Maximum Transfer Limit.

**b) Non-Residency Unlocking – Where:**

- 1) a Terminated Member has an entitlement to a benefit from the Plan and payment of a monthly pension has yet to commence, and
- 2) written evidence is provided that the Canada Revenue Agency has confirmed the Member to be a non-resident for the purposes of the Income Tax Act, and
- 3) any applicable and necessary waivers for the unlocking of locked-in funds, as prescribed by Applicable Pension Legislation, have been duly completed and filed with the Administrator,

the Member may elect to receive a lump sum payment equal to the aggregate of:

- i) the Commuted Value of the Member's Vested Benefit,
- ii) the Member's Excess Employee Contributions, if any; and
- iii) where the Date of Determination is prior to January 1, 2022, the Member's Wholly Member-Funded Contributions, if any.

In the case of a deceased Member who would have been eligible to unlock their benefit entitlement pursuant to this Section 19.02(b) at the time of their death, where the required written evidence of non-residency is provided to the Administrator by the Member's Pension Partner, the Member's death benefits, to the extent they would have been locked-in if paid to the Pension Partner, can be paid to the Pension Partner as a lump sum payment.

**c) Shortened Life Expectancy – Where:**

- 1) a Member, who has not commenced receipt of a pension from the Plan, has an illness or a disability that is certified by a medical practitioner to be terminal or to likely shorten the Member's life considerably, and
- 2) any applicable and necessary waivers for the unlocking of locked-in funds, as prescribed by Applicable Pension Legislation, have been duly completed and filed with the Administrator,

the Member may elect to receive a lump sum payment equal to or lesser than the aggregate of:

- i) the Commuted Value of the Member's Vested Benefit,
- ii) the Member's Excess Employee Contributions, if any; and

## Article 19 – General Provisions

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- iii) where the Date of Determination is prior to January 1, 2022, the Member's Wholly Member-Funded Contributions, if any.

In lieu of a lump sum payment, a Member may instead elect to:

- A) divide the single payment into a series of payments payable at fixed intervals, with the balance of the payments being paid in a lump sum should the Member die prior to receipt of all the scheduled payments, or
  - B) transfer the lump sum to a RRSP, subject to the Income Tax Act Maximum Transfer Limit.
- d) **Maintenance Enforcement Order** – A Member's entitlement can be seized or attached, in whole or in part, in accordance with the provisions of the *Maintenance Enforcement Act* (Alberta).
- e) **LIRA Transfers Not Permitted** – Where a transfer to a *life income fund* (as that term is defined in section 1(1)(ee) of the Employment Pension Plans Act) is being made from the Plan to a person after December 31<sup>st</sup> of the year in which the person attains 71 years of age, up to 50% of the transferable amount may instead be paid as a lump sum.

### 19.03 No Right to Employment

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

### 19.04 Notices and Elections

- a) Any person entitled to any benefits under the Plan shall be responsible for notifying the Administrator of their mailing address and subsequent change of mailing address, in such manner as is deemed acceptable by the Administrator.
- b) Except as otherwise stated, all notices, requests, demands, or other communications to be given, made or communicated to or for any purpose of the Plan to any Employee, Member, Beneficiary, Pension Partner, or other person or to the Administrator shall be effectively given:
  - 1) to any Employee, Member, Pension Partner or Beneficiary or other person if delivered or mailed by prepaid post to the last known address of such individual as appears on the Plan records from time to time;

## **Article 19 – General Provisions**

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- 2) to the Administrator if:
  - i) delivered or mailed by prepaid registered post to LAPP Corporation or the Administrator's designated benefits administration provider, or
  - ii) received by Administrator's designated benefits administration provider via a secure electronic transmission tool established for Plan Members that authenticates the sender as the Plan Member;
- c) Such notices, requests, demands and other communications shall be in such form(s) as specified from time to time by the Administrator pursuant to the provisions set forth in the Governing Documents.
- d) Any election made, including an election deemed to be made, in relation to a benefit is irrevocable when, and is not irrevocable until, the benefit is received or commences to be paid.

### **19.05 Member Information**

Each Member shall file with the Administrator any and all pertinent information and satisfactory evidence as the Administrator may reasonably specify, and no Member, surviving Pension Partner or Beneficiary, or other person shall have any rights or be entitled to any benefits under the Plan unless this information is filed by, or with respect to, themselves.

### **19.06 Administration Records**

Notwithstanding anything herein, wherever the records of the Administrator are used for the purposes of the Plan, such records shall be accepted as proof of the facts with which they are concerned, unless and until they are proven to be in error.

### **19.07 Benefits Provided by Insurance Company**

If the payment of any benefit under the Plan is provided for by a contract with an insurance company, the payment of the benefit shall be subject to all the provisions of the insurance contract and the Plan shall have no further liability for the payment of such benefits.

## **Article 19 – General Provisions**

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### **19.08 No Duplication of Benefits**

With the exception of the early retirement pension enhancement provided under Section 9.04, there shall be no duplication of benefits under any one Section of this Plan and the benefits under any other Section of the Plan, and this Plan shall be interpreted in such manner as is necessary to prevent such duplication of benefits.

### **19.09 Severability**

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

### **19.10 Construction**

- a) This document, as it may be amended from time to time, constitutes the Plan. No statement in any other document or communication, whether or not such document or communication is required by Applicable Pension Legislation or the Income Tax Act, shall create or confer any right or obligation other than as set out in this document or otherwise as required by Applicable Pension Legislation or the Income Tax Act, nor may any such document or communication be used or relied upon to interpret or vary any terms or provisions of the Plan.
- b) The Plan is intended to constitute a Registered Pension Plan qualified for registration under the Employment Pension Plans Act and the Income Tax Act. To the extent any inconsistencies exist between the Plan and the requirements of Applicable Pension Legislation, whether temporary or permanent in nature, such inconsistencies are by design and permissible pursuant to the Joint Governance Act and the EPPA Exemptions Regulation.
- c) This Plan shall be governed and construed in accordance with the laws of the Province of Alberta.

### **19.11 Division of Pension Benefits on Spousal Relationship Breakdown**

#### **a) Applicable Legislation**

Spousal Pension Division Instructions made or entered into prior to the Continuation Date pursuant to the requirements of the Public Sector Pension Plans Act remain valid and in force. All Spousal Pension Division Instructions made or entered into on or after

## **Article 19 – General Provisions**

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the Continuation Date are subject to the requirements of the Employment Pension Plans Act.

**b) Pension Partner Right to Share of Pension Entitlement**

Subject to Applicable Pension Legislation, the entitlement of a Member to receive a benefit under this Plan is subject to entitlements arising under a Spousal Pension Division Instruction.

**c) Spousal Pension Division Instruction Requirements**

To be valid, all Spousal Pension Division Instructions must specify:

- 1) the date the joint accrual period began;
- 2) the date the joint accrual period ended; and
- 3) subject to Section 19.11(f)(1), how the Member's benefit entitlement attributable to the joint accrual period is to be allocated between the Member and the Pension Partner.

**d) Information Disclosures to Member and Pension Partner**

- 1) Within 90 days of receipt of a written request from either the Member or the Member's Pension Partner, the Administrator shall provide to both parties a written statement on spousal relationship breakdown in accordance with the requirements of Applicable Pension Legislation.
- 2) Within 60 days of receipt of a Spousal Pension Division Instruction from either the Member or the Member's Pension Partner, the Administrator shall provide to both parties the information statement prescribed by Applicable Pension Legislation.

**e) Assignment of Pension**

**1) Non-Pensioners**

If an assignment to a Pension Partner on divorce, annulment or separation is made pursuant to a Spousal Pension Division Instruction in respect of a Member who has yet to commence receipt of a monthly pension and is less than age 55 on the joint accrual end date, the Pension Partner shall be required to transfer the Commuted Value of the assigned portion of the benefit from the Plan.

If an assignment to a Pension Partner on divorce, annulment or separation is made pursuant to a Spousal Pension Division Instruction in respect of a Member who has



## Article 19 – General Provisions

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yet to commence receipt of a monthly pension and is 55 years of age or older on the joint accrual end date, the Pension Partner may elect either:

- i) an immediate transfer of the Commuted Value of the assigned portion of the assigned portion of the benefit from the Plan;
- ii) a delayed transfer of the Commuted Value of the assigned portion of the benefit from the Plan, with that transfer delayed until the earliest date at which the Member Terminates employment from all Participating Employers, dies, or the Plan as a whole is terminated; or
- iii) a deferred or immediate pension paid to the Pension Partner which is Actuarially Equivalent to the Commuted Value of the assigned portion of the benefit from the Plan.

Once such assignment occurs, the Member's benefit and contributions shall be adjusted accordingly.

### 2) Pensioners

If an assignment to a Pension Partner on divorce, annulment or separation is made pursuant to a Spousal Pension Division Instruction in respect of a Member who is in receipt of a monthly pension, where such pension is being paid in a joint life form of pension, the entitlements for each of the Member and Pension Partner shall be re-determined such that each individual's entitlement shall no longer be dependent on the other individual's survivorship.

The Pension Partner's assigned benefit shall be paid as a lifetime pension and cannot be commuted unless the Commuted Value of the assigned benefit is eligible for a small benefit commutation pursuant to Section 19.02(a.1).

### f) **Assignment Protocols**

#### 1) Maximum Assignment

No more than 50% of the Member's benefit entitlement earned over the joint accrual period may be assigned to the Pension Partner.

#### 2) Non-Vested Members

Where the joint accrual end date precedes the Member's Vesting Date, the Member's total benefit entitlement is their contribution balance with Credited Interest.

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3) Wholly Member-Funded Contributions

Other than where the joint accrual end date precedes the Member's Vesting Date, the Member benefit entitlement subject to division shall be determined assuming the Member ultimately retires and receives a pension from the Plan. For greater certainty, the benefit entitlement subject to division shall not consider or reflect the portability provisions in Article 11.

4) Excess Contributions

In all cases of assignment pursuant to Section 19.11(e)(1), other than a delayed division under Section 19.11(e)(1)(ii) where the member ultimately retires, no Excess Employee Contributions shall form part of the benefit entitlement subject to division and assignment.

5) Pensionable Service Considered

All Pensionable Service shall be considered in calculating the benefit entitlement subject to assignment, including without limitation, Transfer Service, Portability Service and Wholly Member-Funded Service, even where such service periods pre-date the date when the Member first joined the Plan. The determination of whether or not the Pensionable Service forms part of the joint accrual period is based on the actual service periods themselves and does not consider the date(s) when the related contributions were received by the Plan.

**g) Pension Re-Determinations**

1) Where an assignment of a Member's pension entitlement is effected pursuant to Section 19.11(d)(1), then notwithstanding anything to the contrary in the Plan:

- i) the Member's pension entitlement shall be reduced to reflect the assignment of pension to the former Pension Partner, and
- ii) the Member's accumulated contribution balances shall be reduced, as appropriate, to reflect the assignment of pension to the former Pension Partner.

2) Where an assignment of a Member's pension entitlement is effected pursuant to Section 19.11(d)(2), the re-determined single life pension entitlements:

- i) shall be the Actuarial Equivalent of the joint life pension entitlements assigned to the Member and Pension Partner, and
- ii) shall reflect any remaining guarantee period applicable to the original Member pension.

3) Where an assignment of a Member's pension entitlement is effected pursuant to Section 19.11(d)(1) or (2), then:

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- i) in no event shall the aggregate of the re-determined pension entitlements result in a transgression of the Income Tax Act Post-1990 Pension Limit or Income Tax Act Pre-1990 Pension Restriction, and
- ii) the aggregate of payments made from the Plan to a Member and the Member's Pension Partner or former Pension Partner pursuant to such Spousal Pension Division Instruction shall not exceed the Actuarial Equivalent of the benefits that would have been payable under the Plan to the Member and Pension Partner in the absence thereof.

### **19.12 Enduring EPPA Exemptions**

#### **a) Joint Governance Act Exemptions**

The Joint Governance Act modifies the application of the Employment Pension Plans Act to the Plan by removing:

- 1) the authority of the Administrator under Section 20(2)(a) of the Employment Pension Plans Act to amend the Plan to reduce benefits; and
- 2) all solvency funding requirements under the Employment Pension Plans Act.

#### **b) EPPA Exemptions Regulation**

The EPPA Exemptions Regulation eliminates or modifies the application of certain aspects of the Employment Pension Plans Act to the Plan, the most apparent of which relate the minimum vesting and participation eligibility provisions that would otherwise apply. While some of the exemptions relate to unique aspects of the Plan not previously contemplated within the legislation, the majority of the exemptions simply permit the preservation of the Plan's design and cost structure on the Continuation Date. In cases where the Plan rules on the Continuation Date represent lower thresholds for compliance than would otherwise apply under the Employment Pension Plans Act, some of the exemptions are conditional on the Plan maintaining the thresholds in place on the Continuation Date.

### **19.13 Extension of Timelines and Other Transitional Exemptions**

Notwithstanding any other provision of this Plan to the contrary and as provided for by the EPPA Exemptions Regulation, the minimum standards applicable to Member, Pension Partner and Beneficiary required disclosures, as prescribed by the Employment Pension Plans Act in the absence of the EPPA Exemptions Regulation, both in terms of content and disclosure timelines, shall not have effect until two years following the Continuation Date.

## **Article 20 – Provision For Employer Withdrawal**

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### **20.01 Moratorium on Withdrawals**

Pursuant to the Joint Governance Act, no Participating Employer may withdraw from the Plan prior to March 1, 2024 unless authorized to do so by the Sponsor Board pursuant to Section 20.02.

### **20.02 Moratorium Exemption**

The Sponsor Board may, in its sole and absolute discretion, permit a Participating Employer to withdraw from the Plan prior to March 1, 2024 on terms to be established by the Sponsor Board, which may or may not be consistent with the provisions of Section 20.04 as it read prior to March 1, 2024.

### **20.03 Withdrawal Requirements**

A Participating Employer may withdraw from the Plan on or after March 1, 2024 only in accordance with the requirements of Section 20.04. Notwithstanding the foregoing, the Sponsor Board may, in its sole discretion, elect to waive some or all of the requirements of Section 20.04 where it is of the view that such requirements are not necessary to safeguard the Plan in view of the size of the Participating Employer and the anticipated number of Withdrawing Persons.

### **20.04 Default Participating Employer Withdrawal Provisions**

#### **a) Withdrawal of Participating Employer from Plan**

- 1) A Participating Employer may withdraw from participation in, and cease to be a Participating Employer for the purposes of, the Plan and have a portion of the Plan's Liabilities and Assets transferred to a Receiving Plan if the conditions set out in and the requirements of Section 20.04 are met.
- 2) Before any assets are transferred under Section 20.04, the Withdrawing Employer and the Receiving Plan Sponsors must indemnify the Administrator, the Sponsor Board and the Plan in a written form acceptable to the Administrator with respect to any claims that may be made by any person that arise directly or indirectly from the Withdrawal.
- 3) Any liability under an indemnity given under Section 20.04(a)(2) by the Receiving Plan Sponsors is only required to be met from the Receiving Plan itself.

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- 4) The Administrator, the Sponsor Board and the Plan are to have no liability in respect of benefits to be provided by the Receiving Plan, and the Receiving Plan is to assume all such liability.
- 5) On the transfer of the assets and liabilities, all the rights of the Withdrawing Employer and any Withdrawing Person in relation to the Plan are extinguished.

### **b) Withdrawal of Ineligible Participating Employers**

- 1) Notwithstanding anything in Section 20.04(a) to the contrary, the Sponsor Board may make rules, which need not comply with Section 20.04(a), providing in effect for the Withdrawal of Participating Employers referred to in Section 20.04(b)(2) from the Plan to another Registered Pension Plan to which the Employment Pension Plans Act applies.
- 2) A Participating Employer referred to in Section 20.04(b)(1) is one that the Administrator, after consulting with the Sponsor Board, determines will become ineligible to continue to participate in the Plan as a Participating Employer.
- 3) The rules made under Section 20.04(b)(1) must provide for
  - i) the Participating Employer's Withdrawal from participation in, and their ceasing to be a Participating Employer for the purposes of, the Plan,
  - ii) the transfer to the Receiving Plan of a portion of the Plan's Liabilities and Assets, and
  - iii) the basis for the Withdrawal, the method by which it is to be made and the terms and conditions for it.
- 4) Sections 20.04(a)(2) to (5) apply with respect to the Withdrawal.
- 5) Notwithstanding Section 20.04(b)(4), the rules may provide that a corporation or other business entity that is related to a Participating Employer referred to in Section 20.04(b)(2) and that is approved for the purposes of this Section by the Administrator may give the indemnity referred to in Section 20.04(a)(2), instead of that Participating Employer.

### **c) General Definitions**

Within and restricted to Section 20.04,

- 1) **Actuarial Valuation Methods and Assumptions** means the actuarial cost methods and assumptions which are appropriate in the circumstances and may vary from those used in preparing the actuarial valuation for funding purposes subject to Applicable Pension Legislation, with assets being valued at Market Value;

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- 2) **Market Value** means the amount that the Administrator, using generally accepted accounting principles, including the accounting recommendations set out in the Chartered Professional Accountants Canada Handbook, as amended from time to time, determines to represent the value of the assets or investments that would be agreed on in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act;
- 3) **Plan's Assets** means the assets of the Plan, as determined and reflected in the Plan's most recent audited financial statements coincident with or preceding the Time of Withdrawal and updated, if necessary, to the Time of Withdrawal;
- 4) **Plan's Liabilities** means the Plan's liabilities in respect of all service recognized as Pensionable Service and all benefits in place at the Time of Withdrawal;
- 5) **Receiving Plan** means a Registered Pension Plan, other than the Plan, established or designated by the Withdrawing Employer and to which the Employment Pension Plans Act applies, and which must contain a defined benefit formula provision (as defined in the Employment Pension Plans Act) for Pensionable Service accumulated to the Time of Withdrawal. For certainty, the Receiving Plan can provide benefits on a defined benefit, target benefit, or defined contribution basis in respect of service accumulated on or after the Time of Withdrawal;
- 6) **Receiving Plan Sponsors** means the parties who legally sponsor the Receiving Plan;
- 7) **Time of Withdrawal** means the effective time of a Withdrawal specified in the notice given under Section 20.04(g)(1);
- 8) **Withdrawal** means the withdrawal of a Participating Employer from the Plan under Section 20.04(a) and includes the consequential transfer of a portion of the liabilities and assets of the Plan under that Section;
- 9) **Withdrawing Employer** means a Participating Employer who has given notice under Section 20.04(g)(1), and includes any successor to that Participating Employer;
- 10) **Withdrawing Member** means a Withdrawing Person described in Section 20.04(e)(1)(i) and, to the extent not excluded from the withdrawal by the Sponsor Board, Section 20.04(e)(1) (ii); and

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- 11) **Withdrawing Person** means a Withdrawing Member and any person falling within Section 20.04(e)(1)(iii) or (iv), to the extent not excluded from the withdrawal by the Sponsor Board.

**d) Required Characteristics of Receiving Plan**

- 1) Except as otherwise determined by the Sponsor Board in its sole discretion, the Receiving Plan must:
  - i) provide for the benefits and entitlements provided for by the Plan to Withdrawing Persons or for benefits and entitlements that are not less favourable for those persons in respect of Pensionable Service accumulated to the Time of Withdrawal, and Pensionable Periodic Earnings and Pensionable Lump Sum Earnings earned during participation in the Plan and in the Receiving Plan, and
  - ii) provide that all service with respect to Withdrawing Persons under the Receiving Plan will be recognized for purposes of determining eligibility for early retirement benefits.
- 2) The Receiving Plan must also provide in effect that:
  - i) the Receiving Plan Sponsors are to hold all the assets transferred from the Plan to the Receiving Plan and all investment income and capital appreciation derived from those assets in trust, and to use them, for the sole purposes of providing benefits and entitlements under the Receiving Plan to Withdrawing Persons and to meet the Receiving Plan's administration costs that relate to those benefits and entitlements and any payments payable from the pension fund of the Receiving Plan under any indemnity provided for in Section 20.04, until all of those benefits, entitlements and costs have been discharged or satisfied in their entirety, and
  - ii) subject to Section 20.04(d)(2)(i), those assets, investment income and capital appreciation belong beneficially to the Withdrawing Persons.

**e) Employees, etc. Withdrawn**

- 1) Subject to this Section, on a Withdrawal, the Withdrawing Employer withdraws from the Plan in relation to:
  - i) all persons who are Members and who are Employees of that Participating Employer immediately before the Time of Withdrawal, whether or not represented by a Bargaining Agent,
  - ii) all persons who are Members and who have retired or otherwise had a Termination of employment with that Participating Employer (and who

## **Article 20 – Provision For Employer Withdrawal**

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immediately prior to such retirement or Termination of employment were Employees of that Participating Employer), but who retain a right to benefits under the Plan and was not immediately before the Time of Withdrawal accruing Pensionable Service with another Participating Employer who is not a Withdrawing Employer,

- iii) current and former spouses, including current and former common-law spouses, of persons referred to in Section 20.04(e)(1)(i) and (ii) who, immediately before the Time of Withdrawal, have entitlements to benefits arising under Spousal Pension Division Instructions filed with the Administrator with respect to those persons, and
- iv) persons prospectively or potentially entitled to benefits under the Plan accrued to the Time of Withdrawal through persons referred to in Section 20.04(e)(1)(i), (ii) or (iii).

The Sponsor Board may, in its sole discretion, allow Members identified in Section 20.04(e)(1)(ii) and corresponding persons identified in Section 20.04(e)(1)(iii) and (iv) to remain in the Plan if it is satisfied that excluding such individuals from the withdrawal will not impose any undue funding risk to the Plan, its remaining Members and Participating Employers.

2) A person who:

- i) falls within Section 20.04(e)(1)(i), and
- ii) was, immediately before the Time of Withdrawal, also accruing Pensionable Service with another Participating Employer who is not a Withdrawing Employer, remains a Member of the Plan as well as becoming a member of the Receiving Plan.

3) A person referred to in Section 20.04(e)(2):

- i) withdraws from the Plan in relation to service performed or treated by the Administrator as performed before the Time of Withdrawal with the Withdrawing Employer, and
- ii) remains in the Plan in relation to service performed or treated by the Administrator as performed before the Time of Withdrawal with the Participating Employer remaining in the Plan.



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- 4) Where there are two or more Withdrawing Employers involved withdrawing to two or more Receiving Plans, a person referred to in Section 20.04(e)(1)(i) becomes a member of both or all of the Receiving Plans to the respective extent decided by the Administrator.
- 5) The Administrator shall make any decisions required by Section 20.04(e)(3) or (4) on the basis which, in its opinion, most closely reflects the overall intent of Section 20.04.

### **f) Timing**

- 1) The Time of Withdrawal must occur as at the end of a Plan Year unless the Administrator and the Withdrawing Employer agree in writing that it is to occur as at the end of another day specified in the agreement.
- 2) Subject to Section 20.04(e), Withdrawing Members cease to be Members immediately before the Time of Withdrawal and become members of the Receiving Plan immediately after that time, and other Withdrawing Persons cease to have their current, prospective or potential entitlements under this Plan and assume their respective entitlements, if any, under the Receiving Plan at those respective times.

### **g) Information, Disclosure and Consent**

- 1) A Participating Employer who wishes to withdraw from the Plan must give written notice of the intention to withdraw, specifying the Plan Year in which the Withdrawal is intended to become effective,
  - i) to the Administrator and the Sponsor Board at least 18 months in advance,
  - ii) to each potential Withdrawing Member at least nine months in advance, and
  - iii) to each Bargaining Agent representing the potential Withdrawing Members no later than the notice provided under Section 20.04(g)(1)(ii).
- 2) Notices to potential Withdrawing Members and each Bargaining Agent must contain information regarding the Plan and the Receiving Plan as required by the Administrator, which shall include but not be limited to:
  - i) a summary of the Receiving Plan, including the relevant benefits and entitlements that will be provided to Withdrawing Members on and after the Time of Withdrawal under that plan,
  - ii) a description of the conditions that the Receiving Plan is required by Section 20.04(d) to meet and a certification by the Withdrawing Employer that the Receiving Plan meets those requirements, and

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- iii) the name of the Withdrawing Employer's representative who can provide more information to potential Withdrawing Members on request.
- 3) Notices shall also include forms by which Withdrawing Members may register their consent or objection to the withdrawal proposal, and shall provide Withdrawing Persons with a minimum of 90 days to submit their consent or objection to the withdrawal proposal. A Participating Employer who wishes to withdraw from the Plan must obtain the consent to such withdrawal of at least two-thirds of Withdrawing Members from each of the following groups of individuals:
  - i) Active Members who are Employees of the Participating Employer;
  - ii) Members who have retired and who, immediately prior to retirement, were Employees of the Participating Employer; and
  - iii) Members who, having had a Termination of employment with a Participating Employer but retain a right to benefits under the Plan, and who immediately prior to such Termination of employment were Employees of the Participating Employer.
- 4) The consent of Members identified in Section 20.04(g)(3)(i) and (ii) above must be obtained in writing and must not be withdrawn prior to the date on which certification is made to the Administrator by the Participating Employer. The consent of Members identified in Section 20.04(g)(3)(iii) above shall be deemed to be provided if not more than one-third of such Members, in aggregate, submit notices objecting to the withdrawal proposal.
- 5) Where Active Members who are Employees of the Participating Employer are represented by one or more Bargaining Agents, the consent of such Bargaining Agent(s) to the withdrawal must also be obtained in writing.
- 6) The Sponsor Board shall waive the requirement to obtain consent of individuals other than Active Members if the Sponsor Board determines that the Participating Employer can withdraw from the Plan in respect of Active Members only. The consent of Bargaining Agents, if any, will continue to be required in such circumstances.
- 7) The Participating Employer will be required to conduct and certify the results of the vote to the satisfaction of the Sponsor Board, and the Sponsor Board shall have the right to audit the results of a certification vote in order to satisfy itself that the requisite consent levels among each applicable class of Members have been met. The Sponsor Board may also require that all materials to be distributed to Members in

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connection with obtaining Member consent be submitted to and reviewed by the Administrator prior to distribution to Members, and that the Participating Employer make any such revisions to the materials reasonably requested by the Administrator or the Sponsor Board.

- 8) At least nine months before the Time of Withdrawal, the Administrator must report in writing to the Withdrawing Employer the Administrator's estimation, as at the Time of Withdrawal and with respect to that Participating Employer, of:
  - i) the apportionment of the Plan's Assets that will be determined on the basis set out in Section 20.04(k), and
  - ii) the apportionment of the Plan's Liabilities.
- 9) At least three months before the Time of Withdrawal, the Withdrawing Employer must submit to the Administrator and the Sponsor Board, in writing,
  - i) confirmation by the Participating Employer of the decision to withdraw,
  - ii) certification by the Receiving Plan's actuary that the Receiving Plan meets the requirements of Section 20.04(d)(1),
  - iii) unless the requirement for which is otherwise waived by the Sponsor Board, a copy of the indemnity for the Administrator, Sponsor Board and Plan given by that Participating Employer under Section 20.04(a)(2),
  - iv) a written opinion of the legal adviser of the Withdrawing Employer to the effect that the Receiving Plan meets the requirements of Section 20.04(d)(2),
  - v) certification by the Participating Employer that the disclosure required by Section 20.04(g)(3) has been made,
  - vi) a copy of the notice given under Section 20.04(g)(3), and
  - vii) certification by the Participating Employer that the proposed Withdrawal has been consented to by the Withdrawing Members pursuant to Sections 20.04(g)(3) and (4), and if applicable, Bargaining Agents from whom consent is required pursuant to Sections 20.04(g)(5) and (6).
- 10) At the earliest practicable time, the Administrator must:
  - i) report in writing to the Withdrawing Employer, with respect to that Participating Employer, the final apportionment of the Plan's Assets under Section 20.04(k) and of the Plan's Liabilities, and
  - ii) provide to the Withdrawing Employer a copy of the actuarial valuation referred to in Section 20.04(j)(1), and, as soon as practicable thereafter, the Withdrawing

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Employer must provide to the Administrator and the Sponsor Board a certificate agreeing to that apportionment.

- 11) If the Withdrawing Employer so requests, the Administrator must forthwith provide to that Participating Employer the data and working papers used for calculating the apportionments of assets and liabilities referred to in Sections 20.04(g)(8) and (10).
- 12) For the purposes of Sections 20.04(g)(8) and (10), the Plan's Liabilities following the provisional and final apportionments are to be taken as the amount "PLWP" as defined in Section 20.04(j)(1)(i).
- 13) At the earliest practicable time, the Withdrawing Employer must submit to the Administrator a copy of the indemnity for the Administrator, Sponsor Board and Plan given by the Receiving Plan Sponsors under Section 20.04(a)(2).

### **h) Completion of Purchases of Service**

- 1) Where a Withdrawing Member made arrangements to acquire service as Pensionable Service before the Time of Withdrawal, has not fully paid for the service being acquired and wishes to transfer the service not yet paid for to the Receiving Plan, payment must be made for that unacquired service before the Time of Withdrawal.
- 2) No service that has not been paid for may be transferred to the Receiving Plan.
- 3) At least six months before the Time of Withdrawal, the Administrator must give written notice to each potential Withdrawing Member who has made arrangements to acquire service as Pensionable Service and has not fully paid for the service being acquired, of the obligation to pay outstanding amounts for that service prior to the Time of Withdrawal in order to receive appropriate credit as a result of such payment.

### **i) Withdrawal Costs**

- 1) The Administrator may charge the Trust Fund for all reasonable costs, including the cost referred to in Section 20.04(q) incurred by the Administrator before the completion or Withdrawal of the Withdrawal, with respect to the Withdrawal or proposed Withdrawal.
- 2) The Withdrawing Employer is liable to the Trust Fund for any costs charged to the Trust Fund under Section 20.04(i)(1).
- 3) Subject to Section 20.04(i)(5), the costs for which the Withdrawing Employer is liable under Section 20.04(i)(2) are to be deducted from the assets apportioned to the

## **Article 20 – Provision For Employer Withdrawal**

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Withdrawing Employer under Section 20.04(k) in accordance with Section 20.04(k)(2).

- 4) If the Withdrawal is withdrawn, the Withdrawing Employer must reimburse the Trust Fund for any costs incurred with respect to the examination of the proposed Withdrawal for which the Participating Employer is liable under Section 20.04(i)(2), in which case the Withdrawing Employer must pay those costs within 30 days of being charged for them by the Administrator.
- 5) As an alternative to having assets reduced as referred to in Section 20.04(i)(3), the Withdrawing Employer may elect in writing to the Administrator, at least three months before the Time of Withdrawal, to reimburse the Trust Fund directly for the costs for which the Participating Employer is liable under Section 20.04(i)(2), in which case the Participating Employer must pay those costs within 30 days of being charged for them by the Administrator.

### **j) Definitions for Calculation Purposes**

- 1) The following letters designate the amounts used in the calculations under Section 20.04(k) as determined in a written actuarial valuation that is prepared for the purposes of the Withdrawal as at the Time of Withdrawal on the basis of the Actuarial Valuation Methods and Assumptions and that is approved by the Administrator:
  - i) “PL” means the Plan’s Liabilities including Withdrawing Persons;
  - ii) “PLWP” means the Plan’s Liabilities, so far as they relate to the Withdrawing Persons;
  - iii) “MVA” means the Market Value of the Plan’s Assets;
  - iv) “RATIO” means the decimalized fraction (rounded to 8 decimal places) representing the ratio, determined immediately before the Time of Withdrawal, of the aggregate annualized Pensionable Periodic Earnings and Pensionable Lump Sum Earnings of the Withdrawing Members to those of all Withdrawing Members and other Members who do not terminate with effect as at, or die at, the Time of Withdrawal.

## **Article 20 – Provision For Employer Withdrawal**

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The Administrator may, in lieu of a formal actuarial valuation of the Plan at the Time of Withdrawal, direct the Plan actuary to perform an informal valuation of the Plan's Liabilities based on the last formal valuation of the Plan.

- 2) For the purposes of Section 20.04(j)(1), except so far as they relate to the Withdrawing Persons, the Plan's Liabilities include the amount, if any, by which liabilities in respect of service that is in the course of being purchased over time and that, at the Time of Withdrawal, has not yet been paid for exceed the present value of the outstanding contributions in respect of that service.
- k) Formulas for Apportionment of Assets**
- 1) Subject to Section 20.04(k)(2), the Plan's Assets that are to be apportioned to the Withdrawing Employer as at the Time of Withdrawal are as follows:
    - i) if MVA is less than or equal to PL,
$$PLWP - [(PL - MVA) \times \text{RATIO}], \text{ or}$$
    - ii) if MVA exceeds PL, the PLWP.
  - 2) Unless Section 20.04(i)(5) applies, the assets to be apportioned to the Withdrawing Employer under Section 20.04(k)(1) are to be reduced by an amount equal to the costs referred to in Section 20.04(i)(2).
  - 3) If, after the apportionment calculated in accordance with Section 20.04(m)(3) is completed, the value of the assets to be apportioned to the Withdrawing Employer is negative in value, the Withdrawing Employer will be required to make to the Trust Fund a single lump-sum payment in an amount equal to the amount by which zero exceeds such apportioned assets, with interest from the Time of Withdrawal to the date of payment calculated in accordance with Section 20.04(m)(6).
- l) Approval of Withdrawal**
- The Administrator may, if satisfied that the requirements of Section 20.04 have been met, approve the Withdrawal with effect as at the Time of Withdrawal.
- m) Apportionment and Transfer**
- 1) Before the Time of Withdrawal, the Administrator shall estimate the assets to be apportioned to the Withdrawing Employer as at the Time of Withdrawal on the basis set out in Section 20.04(k).

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- 2) At and as at the Time of Withdrawal, if the estimated apportionment is a positive value, the Administrator shall make an initial transfer to the pension fund of the Receiving Plan of an amount equal to the lesser of 80% of the estimated apportionment and 5% of the Market Value of Plan Assets. The initial transfer may be subject to adjustment or paid in multiple instalments based on liquidity constraints applicable to the Plan assets, as reasonably determined by the Administrator in consultation with the Investment Manager.
- 3) At the earliest practicable time after the finalization of data, the Administrator shall determine the final apportionment of assets to the Withdrawing Employer, as at the Time of Withdrawal, on the basis set out in Section 20.04(k) and, once the Withdrawing Employer has provided the certificate under Section 20.04(g)(10), the return of excess under Section 20.04(m)(5) shall be made forthwith.
- 4) If the amount determined under Section 20.04(m)(3) exceeds the amount transferred under Section 20.04(m)(2), the Administrator shall transfer the remainder of the apportionment, with interest from the Time of Withdrawal to the date of payment, from the Trust Fund to the pension fund of the Receiving Plan. The Administrator shall consult with the Investment Manager and make a reasonable determination as to the timing of the transfer and whether such transfer is to be made in multiple instalments, in consideration of the size of the apportionment remaining, the liquidity of Plan assets and any material impairment to the value of the Trust Fund, and shall advise the Receiving Plan Sponsors accordingly.
- 5) If the amount determined under Section 20.04(m)(3) is less than the amount transferred under Section 20.04(m)(2), the Receiving Plan Sponsors shall return the excess, with interest from the Time of Withdrawal to the date of payment, from the pension fund of the Receiving Plan to the Trust Fund in the form of cash or, with the consent of the Administrator, specific assets equal in Market Value to the amount required, or a combination of both. For certainty, if the amount determined under Section 20.04(m)(3) is a negative value, the Receiving Plan Sponsors shall only be responsible to return the amount transferred under Section 20.04(m)(2), with interest from the Time of Withdrawal to the date of payment, in accordance with the above, and the Withdrawing Employer shall be responsible for remitting to the Trust Fund any remaining excess in accordance with the requirements of Section 20.04(k)(3), including the full amount of any deficiency calculated in accordance with Section 20.04(k)(3).

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- 6) Interest under Section 20.04(m)(4) or (5) is payable on the basis of the rate of return earned by the Trust Fund, net of those investment costs that are specified by the Administrator for that purpose, from the Time of Withdrawal until the latest date up to which that rate is available, and on the basis of the discount rate used to calculate the PLWP in Section 20.04(k) for the remainder of the period to the date of payment.
- 7) The transfers from the Trust Fund under Sections 20.04(m)(2) and (4) are to consist of such specific assets and to be in such of the following forms as is decided by the Administrator (in consultation with the Investment Manager, to the extent necessary), namely:
  - i) in cash,
  - ii) on the basis of a prorated interest in the investments of the Trust Fund valued at Market Value at the Time of Withdrawal, if permitted by the Investment Manager, or
  - iii) as a combination of the forms set out in Sections 20.04(m)(7)(i) and (ii), and where the transfer would require a significant liquidation of the assets in a Trust Fund, the transfer may include securities held by the Trust Fund.
- 8) Where any assets transferred under Section 20.04(m)(2) or (4) are interests in the Trust Fund, the Receiving Plan must redeem those interests in accordance with the guidelines established for the Trust Fund within one year of the date of the transaction under Section 20.04(m)(4) or (5) or within such longer period as is agreed in writing between the Withdrawing Employer and the Administrator.
- 9) The assets and liabilities attributable to the Withdrawing Employer as at the Time of Withdrawal become final when, and may not change after, the transaction described in Section 20.04(m)(4) or (5) is completed.

### **n) Application to Withdrawing Persons Accruing Multiple Service**

Where

- 1) Sections 20.04(e)(2), (3) or (4) apply, or
- 2) any other similar circumstances that give rise to doubt as to a person's pension coverage or potential coverage under Section 20.04 arise, any apportionment or other separation or division that needs to be done under Section 20.04 as between the Plan and the Receiving Plan or Receiving Plans or between the Receiving Plans must be done on a basis that is approved by the Administrator and that most closely reflects the overall intent of Section 20.04.



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**o) Indemnification**

- 1) The Withdrawing Employer and Receiving Plan Sponsors indemnify
  - i) the Administrator, the Sponsor Board and the LAPP Corporation directors for any damages or legal and other expenses incurred in defending any claim against the Administrator, the Sponsor Board or any directors of LAPP Corporation that arises directly or indirectly from the Withdrawal, and
  - ii) the Trust Fund, the Administrator, the Sponsor Board and the LAPP Corporation directors for any claims made by any person that arise directly or indirectly from the Withdrawal.
- 2) Subject to Section 20.04(o)(1), an indemnification by Section 20.04(o)(1)(i) covers anything done by the Administrator, the Sponsor Board or the directors of LAPP Corporation, as the case may be, in good faith in the exercise of powers, duties and functions under Section 20.04.
- 3) To the extent permissible by law, any liability under an indemnity under this Section by the Receiving Plan Sponsors is to be met from the Receiving Plan itself.
- 4) To the extent permissible by law, all indemnities provided by Withdrawing Employers prior to the Continuation Date are extended to the Administrator.

**p) Agreement to Alter Time Limits**

Notwithstanding anything in Section 20.04, where a provision of Section 20.04 requires anything to be done within a certain period or by a specified time prior to the Time of Withdrawal, the Administrator and the Withdrawing Employer may enter into a written agreement altering the time before which that thing must be done.

**q) Transfer of records and documents**

As soon as is practicable, the Administrator shall transfer to the administrator of the Receiving Plan, at the Withdrawing Employer's cost, those documents and records that the Administrator holds as the administrator of the Plan, that pertain to Withdrawing Persons and that are needed for the administration of the Receiving Plan.

## **Article 20 – Provision For Employer Withdrawal**

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**r) References in Spousal Pension Division Instructions**

Where there is a reference to the Plan in a Spousal Pension Division Instruction in respect of a Withdrawing Person, that reference is to be treated, with effect from the Time of Withdrawal, as a reference to the Receiving Plan.

## **Article 21 – Future of the Plan**

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### **21.01 Termination of the Plan**

This Plan is intended to remain in force indefinitely. Nevertheless, the Sponsor Board may, pursuant to a unanimous vote of the Sponsor Board, terminate the Plan in accordance with terms to be adopted by the Sponsor Board.

### **21.02 Plan Amendment Limitations**

- a) Subject to Section 21.02(d), no amendment shall operate to reduce the pension benefits which have accrued to any Member before the date of such amendment, based on the Member's Capped Pensionable Earnings and Pensionable Service up to the date of the amendment.
- b) The Sponsor Board may, at any time and in its sole and absolute discretion, resolve to have the Administrator amend the Plan to permanently eliminate or reduce the effect or scope of Employment Pension Plans Act exemptions authorized by the EPPA Exemptions Regulation. No amendment may increase the effect or scope of such an Employment Pension Plans Act exemption.
- c) Where an amendment results in a Certifiable Past Service Event in respect of a Member, the amendment shall not apply to such Member prior to the certification of the associated PSPA in accordance with the requirement of the Income Tax Act.
- d) The Plan may be amended at any time to reduce the accrued benefits provided hereunder, but only if and to the extent that such an amendment is necessary to avoid the revocation of the Plan's registration under the Income Tax Act.

## **APPENDIX A – Participating Employer Listing on Continuation Date**

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ABC Benefits Corporation  
The Alberta Catholic School Trustees' Association  
Alberta Health Services  
Alberta Irrigation Districts Association  
The Alberta Library  
Alberta Precision Laboratories Ltd.  
Alberta School Boards Association  
Alberta Urban Municipalities Association  
Alberta's Industrial Heartland Association  
ARROW Utilities: A Capital Region Commission  
Aquafera Utilities Inc.  
Aspen Regional Water Services Commission  
Aspire Child Development Centre  
Athabasca County  
Athabasca Regional Multiplex Society  
Athabasca Regional Waste Management Services Commission  
Attainable Homes Calgary Corporation  
Barons Eureka Warner Family and Community Support Services  
Beaver County  
Beaver Foundation  
Bethany Care Society - Calgary  
Bethany Nursing Home of Camrose, Alberta  
(also known as The Bethany Group)  
Big Country Waste Management Services Commission  
Big Lakes County  
Birch Hills County  
The Board of Governors of Alberta University of the Arts  
(also known as Alberta University of the Arts)  
The Board of Governors of Grant MacEwan University  
(also known as Grant MacEwan University)  
The Board of Governors of Keyano College  
(also known as Keyano College)  
The Board of Governors of Lakeland College  
(also known as Lakeland College)  
The Board of Governors of Lethbridge Polytechnic  
(also known as Lethbridge Polytechnic)  
The Board of Governors of Medicine Hat College  
(also known as Medicine Hat College)  
The Board of Governors of Mount Royal University  
(also known as Mount Royal University)  
The Board of Governors of Northwestern Polytechnic  
(also known as Northwestern Polytechnic)  
The Board of Governors of Olds College  
(also known as Olds College)  
The Board of Governors of Red Deer Polytechnic  
(also known as Red Deer Polytechnic)  
Board of Governors of the Northern Alberta Institute of Technology

## **APPENDIX A – Participating Employer Listing on Continuation Date**

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(also known as Northern Alberta Institute of Technology)  
Board of Governors of the Southern Alberta Institute of Technology  
(also known as Southern Alberta Institute of Technology)  
The Board of Trustees of Aspen View School Division  
(also known as Aspen View Public School Division No. 78)  
The Board of Trustees of Battle River School Division  
(also known as Battle River School Division)  
The Board of Trustees of Black Gold School Division  
(also known as Black Gold Regional Schools)  
The Board of Trustees of Buffalo Trail School Division  
(also known as Buffalo Trail Public Schools)  
The Board of Trustees of Calgary Roman Catholic Separate School Division  
(also known as Calgary Catholic School Division)  
The Board of Trustees of Calgary School Division  
(also known as Calgary Board of Education)  
The Board of Trustees of Canadian Rockies School Division  
(also known as Canadian Rockies Public Schools)  
The Board of Trustees of Chinook's Edge School Division  
(also known as Chinook's Edge School Division)  
The Board of Trustees of Christ the Redeemer Catholic Separate School  
Division (also known as Christ the Redeemer Catholic Schools)  
The Board of Trustees of Clearview School Division  
(also known as Clearview Public Schools)  
The Board of Trustees of East Central Roman Catholic Separate  
School Division (also known as East Central Alberta Catholic Schools)  
The Board of Trustees of Edmonton Catholic Separate School Division  
(also known as Edmonton Catholic Schools)  
The Board of Trustees of Edmonton School Division  
(also known as Edmonton Public Schools)  
The Board of Trustees of Elk Island Catholic Separate School Division  
(also known as Elk Island Catholic Schools)  
The Board of Trustees of Elk Island School Division  
(also known as Elk Island Public Schools)  
The Board of Trustees of Evergreen Catholic Separate School Division  
(also known as Evergreen Catholic Schools)  
The Board of Trustees of Foothills School Division  
(also known as Foothills School Division)  
The Board of Trustees of Fort McMurray School Division  
(also known as Fort McMurray Public Schools)  
The Board of Trustees of Fort McMurray Roman Catholic Separate  
School Division (also known as Fort McMurray Catholic Schools)  
The Board of Trustees of Fort Vermilion School Division  
(also known as Fort Vermilion School Division)  
The Board of Trustees of Golden Hills School Division  
(also known as Golden Hills School Division)  
The Board of Trustees of Grande Prairie Roman Catholic Separate School

## **APPENDIX A – Participating Employer Listing on Continuation Date**

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Division (also known as Grande Prairie Catholic School District)  
The Board of Trustees of Grande Prairie School Division  
(also known as Grande Prairie Public School District)  
The Board of Trustees of Grande Yellowhead School Division  
(also known as Grande Yellowhead Public School Division)  
The Board of Trustees of Grasslands School Division  
(also known as Grasslands Public Schools)  
The Board of Trustees of The Greater St. Albert Roman Catholic Separate  
School Division (also known as Greater St. Albert Catholic Schools)  
The Board of Trustees of High Prairie School Division  
(also known as High Prairie School Division)  
The Board of Trustees of Holy Family Catholic Separate School Division  
(also known as Holy Family Catholic Regional Division)  
The Board of Trustees of Holy Spirit Roman Catholic Separate  
School Division (also known as Holy Spirit Catholic Schools)  
The Board of Trustees of Horizon School Division  
(also known as Horizon School Division)  
The Board of Trustees of Lethbridge School Division  
(also known as Lethbridge School District No. 51)  
The Board of Trustees of Living Waters Catholic Separate School Division  
(also known as Living Waters Catholic Schools)  
The Board of Trustees of Livingstone Range School Division  
(also known as Livingstone Range School Division)  
The Board of Trustees of Medicine Hat Roman Catholic Separate School Division  
(also known as Medicine Hat Catholic Board of Education)  
The Board of Trustees of Medicine Hat School Division  
(also known as Medicine Hat Public School Division)  
The Board of Trustees of Northern Gateway School Division  
(also known as Northern Gateway Public Schools)  
The Board of Trustees of Northern Lights School Division  
(also known as Northern Lights Public Schools)  
The Board of Trustees of Northland School Division  
(also known as Northland School Division No. 61)  
The Board of Trustees of Palliser School Division  
(also known as Palliser Regional Schools)  
The Board of Trustees of Parkland School Division  
(also known as Parkland School Division)  
The Board of Trustees of Peace River School Division  
(also known as Peace River School Division)  
The Board of Trustees of Peace Wapiti School Division  
(also known as Peace Wapiti Public School Division)  
The Board of Trustees of Pembina Hills School Division  
(also known as Pembina Hills Public Schools)  
The Board of Trustees of Prairie Land School Division  
(also known as Prairie Land Regional Division No. 25)  
The Board of Trustees of Prairie Rose School Division

## **APPENDIX A – Participating Employer Listing on Continuation Date**

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(also known as Prairie Rose School Division)  
The Board of Trustees of Red Deer Catholic Separate School Division  
(also known as Red Deer Catholic Regional Schools)  
The Board of Trustees of Red Deer School Division  
(also known as Red Deer Public School District)  
The Board of Trustees of Rocky View School Division  
(also known as Rocky View Schools)  
The Board of Trustees of St. Albert School Division  
(also known as St. Albert Public Schools)  
The Board of Trustees of St. Paul School Division  
(also known as St. Paul Education Regional Division No. 1)  
The Board of Trustees of Sturgeon School Division  
(also known as Sturgeon Public School Division)  
The Board of Trustees of Westwind School Division  
(also known as Westwind School Division)  
The Board of Trustees of Wetaskiwin School Division  
(also known as Wetaskiwin Regional Public Schools)  
The Board of Trustees of Wild Rose School Division  
(also known as Wild Rose School Division)  
The Board of Trustees of Wolf Creek School Division  
(also known as Wolf Creek Public Schools)  
Bow River Irrigation District  
Bow Valley Regional Transit Services Commission  
Brazeau County  
Brazeau Seniors Foundation  
The Business Link Business Service Centre  
The Calgary Convention Centre Authority  
Camrose & District Support Services  
Camrose County  
Capital Care Group Inc.  
Capital Power Corporation  
Cardston County  
Carewest  
Central Peace Fire and Rescue Commission  
Chief Mountain Regional Solid Waste Services Commission  
(successor to Chief Mountain Regional Solid Waste Authority)  
The Chinook Arch Library Board  
(also known as Chinook Arch Regional Library System)  
Chinook Foundation  
Chinook Regional Hospital Foundation  
City of Airdrie  
City of Airdrie Library Board  
City of Beaumont  
City of Brooks  
The City of Brooks Library Board  
(also known as Brooks Public Library)

## **APPENDIX A – Participating Employer Listing on Continuation Date**

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City of Calgary  
The City of Calgary Library Board  
(also known as Calgary Public Library)  
City of Camrose  
The City of Camrose Library Board  
(also known as Camrose Public Library)  
City of Chestermere  
City of Chestermere Library Board  
City of Cold Lake  
The City of Cold Lake Library Board  
(also known as Cold Lake Public Library)  
City of Edmonton  
City of Fort Saskatchewan  
The City of Fort Saskatchewan Library Board  
(also known as Fort Saskatchewan Public Library)  
City of Grande Prairie  
The City of Grande Prairie Library Board  
(also known as Grande Prairie Public Library)  
City of Lacombe  
City of Lacombe Library Board  
City of Leduc  
The City of Leduc Library Board  
(also known as Leduc Public Library)  
City of Lethbridge  
City of Medicine Hat  
City of Red Deer  
The City of Red Deer Library Board  
(also known as Red Deer Public Library)  
City of Spruce Grove  
City of Spruce Grove Library Board  
City of St. Albert  
City of St. Albert Library Board  
City of Wetaskiwin  
The City of Wetaskiwin Library Board  
(also known as Wetaskiwin Public Library)  
Civida  
Clear Hills County  
Clearwater County  
Community Futures Elk Island Region  
Connect Charter School Society  
(also known as Connect Charter School)  
County of Barrhead No. 11  
County of Grande Prairie No. 1  
The County of Forty Mile No. 8  
County of Minburn No. 27  
County of Newell



## **APPENDIX A – Participating Employer Listing on Continuation Date**

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County of Northern Lights  
County of Paintearth No. 18  
County of St. Paul No. 19  
County of Stettler Housing Authority  
The County of Stettler No. 6  
County of Two Hills No. 21  
County of Vermilion River  
The County of Warner No. 5  
County of Wetaskiwin No. 10  
Covenant Foundation  
Covenant Health  
Crowsnest Pass Housing Corporation  
Cypress County  
Cypress View Foundation  
Drumheller & District Solid Waste Management Association  
East Central Ambulance Association  
Eastern Irrigation District  
Edmonton Economic Development Corporation  
Epcor Utilities Inc.  
Evergreen Regional Waste Management Services Commission  
Evergreens Foundation  
The FFCA Charter School Society  
(also known as Foundations For The Future Charter Academy)  
Flagstaff County  
Flagstaff Family and Community Services Board  
Flagstaff Regional Solid Waste Management Association  
Foothills County  
Fort McMurray Airport Authority  
Forty Mile Foundation  
GEF Seniors Housing  
Glenrose Rehabilitation Hospital Foundation  
The Good Samaritan Society (A Lutheran Social Service Organization)  
Grande Prairie Airport Commission  
Grande Prairie Regional Hospital Foundation  
The Gray House Guild  
Greenview Regional Waste Management Commission  
Health Quality Council of Alberta  
Heartland Housing Foundation  
Henry Kroeger Regional Water Services Commission  
Highway 3 Regional Water Services Commission  
Highway 14 Regional Water Services Commission  
Kneehill County  
Lac La Biche County  
The Lac La Biche County Library Board  
(also known as Lac La Biche County Libraries)  
Lac Ste. Anne County

**APPENDIX A – Participating Employer Listing on Continuation Date**

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Lacombe County  
Lacombe Regional Waste Services Commission  
Lamont County  
Lamont Health Care Centre  
Leduc County  
Leduc Foundation  
Lethbridge County  
Lethbridge Housing Authority  
Lethbridge Northern Irrigation District  
Lethbridge Regional Waste Management Services Commission  
Lethbridge Regional Water Services Commission  
MD of St. Paul Foundation  
Mackenzie County  
Mackenzie Municipal Services Agency  
Mackenzie Regional Waste Management Commission  
Magrath and District Regional Water Services Commission  
Marquis Foundation  
Meridian Foundation  
(also known as Meridian Housing Foundation)  
Mountain View County  
Mountain View Regional Waste Management Commission  
Mountain View Regional Water Services Commission  
Municipal District of Acadia No. 34  
Municipal District of Bighorn No. 8  
Municipal District of Bonnyville No. 87  
Municipal District of Fairview No. 136  
Municipal District of Greenview No. 16  
Municipal District of Lesser Slave River No. 124  
Municipal District of Opportunity No. 17  
Municipal District of Peace No. 135  
Municipal District of Pincher Creek No. 9  
Municipal District of Provost No. 52  
Municipal District of Smoky River No. 130  
Municipal District of Spirit River No. 133  
Municipal District of Taber  
Municipal District of Wainwright No. 61  
Municipal District of Willow Creek No. 26  
Municipality of Crowsnest Pass  
Municipality of Jasper  
Newell Regional Services Corporation  
North Peace Regional Landfill Commission  
North Red Deer Regional Wastewater Services Commission  
North Red Deer River Water Services Commission  
Northern Lights Regional Health Foundation  
Northern Sunrise County

## **APPENDIX A – Participating Employer Listing on Continuation Date**

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Oldman River Regional Services Commission  
Palliser Regional Municipal Services Company Limited  
Parkland Community Planning Services  
Parkland County  
The Parkland County Library Board  
(also known as Parkland County Libraries)  
The Parkland Library Board  
(also known as Parkland Regional Library)  
Peace Regional Waste Management Company  
Ponoka County  
Provost Senior Citizens Home Foundation  
Public School Boards' Association of Alberta  
Raymond Irrigation District  
Red Deer County  
The Regional authority of Greater North Central Francophone Education  
Region No. 2 (also known as Conseil scolaire Centre-Nord)  
The Regional authority of the Southern Francophone Education  
Region No. 4 (also known as Conseil scolaire FrancoSud)  
Regional Municipality of Wood Buffalo  
The Regional Municipality of Wood Buffalo Library Board  
(also known as Wood Buffalo Regional Library)  
Ridge Regional Public Safety Services Commission  
Ridge Water Services Commission  
Rocky View County  
Rocky View Foundation  
The Royal Alexandra Hospital Foundation  
Rural Municipalities of Alberta  
Saddle Hills County  
Saskatchewan Health Authority  
Shepherd's Care Foundation - Millwoods  
The Shortgrass Library Board  
(also known as the Shortgrass Library System)  
Silvera for Seniors  
Slave Lake Airport Services Commission  
Smoky Lake County  
Society of Friends of Chinook Regional Hospital  
St. Mary River Irrigation District  
St. Michael's Extended Care Centre Society  
Starland County  
Stettler District Ambulance Association  
Stettler Waste Management Authority  
Stollery Children's Hospital Foundation  
Strathcona County  
Sturgeon County  
Summer Village of Grandview  
Summer Village of Silver Beach

## **APPENDIX A – Participating Employer Listing on Continuation Date**

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Teachers' Pension Plan Board of Trustees  
(also known as Alberta Teachers' Retirement Fund Board)  
Thorhild County  
Town of Athabasca  
Town of Banff  
Town of Barrhead  
Town of Bashaw  
Town of Beaverlodge  
Town of Blackfalds  
The Town of Blackfalds Library Board  
(also known as Blackfalds Public Library)  
Town of Bonnyville  
Town of Bow Island  
Town of Bowden  
Town of Cardston  
Town of Carstairs  
Town of Castor  
Town of Claresholm  
Town of Coaldale  
Town of Coalhurst  
Town of Cochrane  
Town of Coronation  
Town of Crossfield  
Town of Daysland  
Town of Devon  
Town of Didsbury  
Town of Drumheller  
Town of Eckville  
Town of Edson  
The Town of Edson Library Board  
(also known as Edson & District Public Library)  
Town of Elk Point  
Town of Fairview  
Town of Fort Macleod  
Town of Fox Creek  
Town of Grimshaw  
Town of Hanna  
Town of Hardisty  
Town of High River  
Town of Hinton  
Town of Innisfail  
Town of Killam  
The Town of Lamont  
Town of Legal  
Town of Magrath  
Town of Manning

## **APPENDIX A – Participating Employer Listing on Continuation Date**

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Town of Mayerthorpe  
Town of McLennan  
Town of Millet  
Town of Morinville  
Town of Nobleford  
Town of Okotoks  
Town of Olds  
Town of Oyen  
Town of Peace River  
Town of Penhold  
Town of Picture Butte  
Town of Pincher Creek  
Town of Ponoka  
Town of Provost  
Town of Rainbow Lake  
Town of Raymond  
Town of Redcliff  
Town of Redwater  
Town of Rimbey  
Town of Rocky Mountain House  
The Town of Rocky Mountain House Library Board  
(also known as Rocky Mountain House Public Library)  
Town of Sedgewick  
Town of Sexsmith  
Town of Slave Lake  
Town of Smoky Lake  
Town of St. Paul  
Town of Stavely  
Town of Stettler  
Town of Stony Plain  
Town of Strathmore  
The Town of Strathmore Library Board  
(also known as Strathmore Library)  
Town of Sundre  
The Town of Sundre Library Board  
(also known as Sundre Municipal Library)  
Town of Swan Hills  
Town of Sylvan Lake  
The Town of Sylvan Lake Library Board  
(also known as Sylvan Lake Municipal Library)  
Town of Taber  
Town of Thorsby  
Town of Three Hills  
Town of Tofield  
Town of Trochu  
Town of Two Hills

## **APPENDIX A – Participating Employer Listing on Continuation Date**

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Town of Valleyview  
Town of Vauxhall  
Town of Vegreville  
Town of Vermilion  
Town of Viking  
Town of Vulcan  
Town of Wainwright  
Town of Wembley  
Town of Westlock  
Town of Whitecourt  
The Town of Whitecourt Library Board  
(also known as Whitecourt & District Public Library)  
Tri-Municipal Leisure Facility Corporation  
Trustees of the Alberta School Employee Benefit Plan  
(also known as Alberta School Employee Benefit Plan)  
University Hospital Foundation  
Vauxhall and District Regional Water Services Commission  
Village of Acme  
The Village of Alberta Beach Library Board  
(also known as Alberta Beach Municipal Library)  
Village of Alix  
Village of Andrew  
Village of Barons  
Village of Berwyn  
Village of Boyle  
Village of Carmangay  
Village of Champion  
Village of Clyde  
Village of Consort  
Village of Cremona  
Village of Delia  
Village of Donalda  
Village of Elnora  
Village of Empress  
Village of Forestburg  
Village of Glendon  
Village of Holden  
Village of Hussar  
Village of Irma  
Village of Kitscoty  
Village of Linden  
Village of Lomond  
Village of Lougheed  
Village of Mannville  
Village of Nampa  
Village of Rycroft

**APPENDIX A – Participating Employer Listing on Continuation Date**

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Village of Ryley  
Village of Stirling  
Village of Warburg  
Village of Youngstown  
Vulcan County  
Vulcan District Waste Commission  
Wainwright & District Family & Community Services  
Waskasoo Environmental Education Society  
Western Irrigation District  
Westlock County  
Westlock Regional Waste Management Commission  
Westwinds Communities  
Wheatland and Adjacent Districts Emergency Medical Services Association  
Wheatland County  
Wood Buffalo Housing & Development Corporation  
Woodlands County  
Yellowhead County  
The Yellowhead County Library Board  
The Yellowhead Library Board  
(also known as Yellowhead Regional Library)

## APPENDIX B – Participating Employers (Including Successor Employers) Joining After Continuation Date

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Town of Gibbons	Effective January 1, 2020
Town of Morinville Library Board	Effective January 1, 2020
Alberta Children's Hospital Foundation	Effective April 1, 2020
Alberta Municipal Health and Safety Association	Effective November 22, 2020
Claystone Waste Ltd.	Effective December 21, 2020
Town of Falher	Effective January 1, 2021
Flagstaff Regional Emergency Services Society	Effective July 5, 2021
Summer Village of Parkland Beach	Effective October 1, 2021
Wabasca Desmarais Housing Authority	Effective January 1, 2022
Holden Rural Academy	Effective September 1, 2022
Mental Health Foundation	Effective September 1, 2022
Alberta Federation of Labour	Effective December 5, 2022
Summer Village of Gull Lake	Effective January 1, 2023
Town of Vermilion Library Board	Effective January 1, 2023
Alberta Water & Wastewater Operators Association	Effective April 1, 2023
Beaver Ambulance Society	Effective June 1, 2023
Beaver Emergency Services Commission	Effective January 1, 2024
Marigold Library Board	Effective January 1, 2024
Municipal District of Ranchland No.66	Effective January 1, 2024
Town of Nanton	Effective February 1, 2024
Alberta Recycling Management Authority	Effective August 1, 2024
Town of High Prairie	Effective June 1, 2024
Amalgamated Transit Union Local 569	Effective July 14, 2024
Centre of Recovery Excellence	Effective September 1, 2024
St. Thomas Aquinas Roman Catholic School Division No. 38	Effective September 1, 2024
Alberta Lung Association	Effective September 1, 2024
Recovery Alberta: Mental Health and Addiction Services	Effective September 1, 2024
City of Beaumont Library Board	Effective December 16, 2024
Primary Care Alberta	Effective February 1, 2025
Village of Hughenden	Effective March 1, 2025
Acute Care Alberta	Effective April 1, 2025
Mount Royal Faculty Association	Effective April 1, 2025
Town of High Level	Effective April 1, 2025
Civic Service Union 52	Effective June 29, 2025
The Faculty Association of Grant MacEwan University	Effective August 15, 2025
Willow Creek Regional Waste Management Services Commission	Effective November 1, 2025



## **APPENDIX C – Participation Exceptions**

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1. For the purposes of Section 4.03(a)(3), the following employers are exempted from further participation in the Plan.
  - a) Medley School District No. 5029
  - b) Southeast Alberta Regional Planning Commission
  - c) Sylvan Lake Foundation
2. For the purposes of Section 4.03(a)(4),
  - a) The following classes of employees are exempted from further participation in the Plan:
    - 1) All occupational groups who withdrew from participation in the Plan between November 1, 1985 and January 1, 1994, in accordance with the terms and subject to the conditions applicable under the *Local Authorities Pension Plan Act* S.A. 1985, c. L-28.1) at the time of the withdrawals.
    - 2) The administrative group of the Consort Municipal Hospital.
    - 3) The accounting and clerical, administrative, inspection, police, supervisory and technical groups of the Municipal District of Brazeau No. 77.
    - 4) The administrative group of the Town of Bruderheim.
  - b) A Participating Employer may remove the class exemption described in (a) for all employees who commence employment at that Participating Employer on or after a date set in the Participating Employer's Pension Policies (the "Exemption Removal Date"). If permitted by that Participating Employer, any eligible employee who was employed by that Participating Employer prior to the Exemption Removal Date can submit a declaration in the form set by that employer opting to become a Member of the Plan at the latter of the date of declaration or the Transition Date.
3. For the purposes of Section 4.03(a)(5), the following employees, or groups of employees, are exempted from participation in the Plan.
  - a) All employees of The Good Samaritan Society (A Lutheran Social Service Organization) ("Good Sam"), other than Good Sam employees:
    - 1) who, immediately preceding the filing under the *Regulations Act* of the *Local Authorities Pension Plan (Definitions and "Good Sam" Employees, 2007) Amendment Regulation*, opted to participate in the Plan and remained Active Members of the Plan up to the Continuation Date, and who have remained continuously employed by Good Sam since the Continuation Date;
    - 2) who, prior to the date that is 90 days after the filing under the *Regulations Act* of the *Local Authorities Pension Plan ("Good Sam" Employees, 2009) Amendment Regulation*, sent the Minister a signed opting-in declaration in the form set by the Minister and remained Active Members of the Plan up to the Continuation Date, and who have remained continuously employed by Good Sam since the Continuation Date; or

## **APPENDIX C – Participation Exceptions**

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- 3) who are working at the Dr. Gerald Zetter Care Centre (formerly The Good Samaritan Auxiliary Hospital), but only to the extent the employment relates to the Dr. Gerald Zetter Care Centre.
- b) All employees of the Red Deer and District Museum Society, other than the employees who transferred to such entity from the Normandeau Cultural and Natural History Society prior to 2009, where such employees remained Active Members of the Plan up to the Continuation Date.
- c) All employees of Capital Power Corporation, other than employees who directly joined such entity in 2009 from EPCOR Utilities Inc., where such employees remained Active Members of the Plan up to the Continuation Date.
- d) All employees of the Saskatchewan Health Authority, other than employees who were Active Members of the Plan on the Continuation Date.

## APPENDIX D – Portability and Transfer Agreements

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The information noted within this Appendix D is provided strictly for general reference purposes and has no application in the determination of Member entitlements within the Plan. In all cases, the terms of the Plan and the actual Transfer Agreements shall prevail in establishing Member rights, entitlements and requirements.

Type	Parties to Agreement
Transfer	<ul style="list-style-type: none"> <li>Plans administered by the Alberta Teachers' Retirement Fund Board</li> </ul>
Transfer	<ul style="list-style-type: none"> <li>Any retirement savings arrangement governed by the federal <i>Public Service Superannuation Act</i></li> </ul>
Transfer	<ul style="list-style-type: none"> <li>All plans party to the National Public Service Pension Transfer Agreement</li> </ul>

## **APPENDIX F – Temporary Contribution Rate Reductions**

In accordance with Section 6.08(a), the Sponsor Board may apply a Funding Excess to reduce Employee and Participating Employer Current Service contribution obligations under Section 6.03.

The table below summarizes both Employee and Participating Employer contribution rates after the Continuation Date and for periods where a Funding Excess was applied to reduce contribution rates. The table includes contribution rates before and after the application of a Funding Excess. For clarity, Plan Years that are not shown in the table below do not have temporary contribution rate reductions. A reduction in contribution rates for a particular period does not mean that such reduction will be granted in subsequent periods.

<b>Applicable Plan Year</b>	<b>Contribution Rates Before Application of Funding Excess</b>	<b>Contribution Rates After Application of Funding Excess</b>	<b>Sponsor Board Motion</b>
2026	<p><b>Employee Portion:</b></p> <ul style="list-style-type: none"> <li>• 7.41% of the Employee's Applicable Contributory Earnings up to the Period YMPE; and</li> <li>• 10.60% of the amount, if any, by which the Employee's Applicable Contributory Earnings are in excess of the Period YMPE.</li> </ul> <p><b>Participating Employer Portion:</b></p> <ul style="list-style-type: none"> <li>• 8.41% of the Employee's Applicable Contributory Earnings up to the Period YMPE; and</li> <li>• 11.60% of the amount, if any, by which the Employee's Applicable Contributory Earnings are in excess of the Period YMPE.</li> </ul>	<p><b>Employee Portion:</b></p> <ul style="list-style-type: none"> <li>• 6.52% of the Employee's Applicable Contributory Earnings up to the Period YMPE; and</li> <li>• 9.32% of the amount, if any, by which the Employee's Applicable Contributory Earnings are in excess of the Period YMPE.</li> </ul> <p><b>Participating Employer Portion:</b></p> <ul style="list-style-type: none"> <li>• 7.52% of the Employee's Applicable Contributory Earnings up to the Period YMPE; and</li> <li>• 10.32% of the amount, if any, by which the Employee's Applicable Contributory Earnings are in excess of the Period YMPE.</li> </ul>	SB25:09:05

## **APPENDIX G – Temporary Formula Pension Enhancements**

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In accordance with Section 6.08(b), the Sponsor Board may apply any Funding Excess towards improved Plan benefits.

The Post-1991 Formula Pension under Section 8.01(b)(1) is replaced with the following enhancement for Pensionable Service in each period shown in the table below which is after the Continuation Date. For clarity, the Post-1991 Pension Formula that is not shown in the table below is calculated under the existing provisions of Section 8.01(b)(1). A benefit enhancement for a particular period does not mean that such enhancement will be granted in subsequent periods.

<b>Applicable Dates</b>	<b>Benefit Enhancements Which Replace Section 8.01(b)(1)</b>	<b>Sponsor Board Motion</b>
January 1, 2027 to December 31, 2027	1.8% of the Member's Highest Average Capped Pensionable Earnings up to the Average Capped YMPE, multiplied by the Member's Pensionable Service accrued from January 1, 2027 to December 31, 2027	SB25:09:05

## APPENDIX H – Cost-of-Living Enhancements

In accordance with Section 6.08(b), the Sponsor Board may apply any Funding Excess towards improved Plan benefits.

Pursuant to Section 8.04(e), the Administrator may establish a higher rate of increase than the 60% in the *pension adjustment factor* formula in Section 8.04(b)(3). The table below summarizes cost-of-living increases after the Continuation Date where the rate of increase is greater than 60%. For clarity, for dates not listed in the table below, the cost-of-living increase uses 60% in the *pension adjustment factor* formula in Section 8.04(b)(3). A cost-of-living increase greater than set out in Section 8.04(b) does not mean that such an increase will be granted at a subsequent date.

Applicable Dates	Rate of Increase	Cost-of-Living Increase	Sponsor Board Motion
January 1, 2024	100%	3.90%	SB23:09:04
January 1, 2026	90%	1.80%	SB25:09:05