

CANADIAN UNION OF PUBLIC EMPLOYEES
EMPLOYEES' PENSION PLAN

**This text is amended, consolidated and restated at December 31, 2019
and INCLUDES all amendments up to and including Amendment No. 79.**

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1.1 Title

These Provisions may be cited as the Canadian Union of Public Employees Employees' Pension Plan Provisions, hereinafter referred to as the "Provisions".

1.2 Application

1.2.1 ACTIVE MEMBERS

The amended version of the Provisions as set forth herein is applicable in respect of an *active member* on, or after, January 1, 1992.

1.2.2 DEFERRED MEMBERS

An *active member* who terminates employment and who is entitled to a *deferred pension* under the *Plan* shall be subject to Section 11 and 13 of these Provisions provided the first *pension* payment is not made prior to January 1, 1988.

1.2.3 FORMER PROVISIONS

Except as provided for in these amended Provisions, the former Provisions as registered under *government pension legislation* prior to January 1, 1992 are applicable in respect of *credited service* prior to such date.

1.2.4 PENSION PLAN FOR EMPLOYEES OF CANADIAN UNION OF PUBLIC EMPLOYEES (LOCALS)

Effective January 1, 1988, the Pension Plan for Employees of *CUPE* (Locals) shall be co-mingled with this *Plan* and Employees participating in that plan on December 31, 1987 shall become *members* of this *Plan* with effect from January 1, 1988. The benefits applicable to such *members* for *credited service* prior to January 1, 1988 shall be determined by the provisions of this *Plan*, provided that in no event shall the benefits provided for such *credited service* be less than the benefits otherwise provided by the Pension Plan for Employees of Designated Locals of the Canadian Union of Public Employees. Unless specific provision to the contrary is made herein, benefits payable to persons who retired prior to January 1, 1988 under that plan shall be governed by the provisions of that plan as in effect prior to that date.

1.2.5 JOINT TRUSTEESHIP

Effective January 1, 1998, *CUPE* in its capacity as *employer*, and the Canadian Staff Union, Administrative and Technical Staff Union, Office and Professional Employees International Union Local 491 and the *Trustees* of the *CUPE Pension Trust Fund* entered into the *Trust Agreement*. The *Trust Fund* is now administered by a Joint Board of Trustees, one half of whose members are appointed by *CUPE* and the other half of whose members are appointed or elected by the *unions*, Unifor Local Union 2013 and Unifor Local Union 2023, and the *CUPE* retirees, all in accordance with the *Trust Agreement*. The Board of Trustees is the *Administrator* of the *Plan*.

1.2.6 Where there is any conflict between the provisions of the *Trust Agreement* and this Pension Plan text in matters pertaining to the administration, governance and investment of the Pension *Plan* and *Fund*, the *Trust Agreement* shall govern.

1.3 Liability**1.3.1 COMPLIANCE WITH ACTS**

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

1.3.2 SEVERABILITY

If any provision of the *Plan* is found to be invalid or ineffective, this finding shall not affect the validity of the *Plan*.

1.3.3 PLAN NOT A CONTRACT OF EMPLOYMENT

The *CUPE* intends and contemplates that the *Plan* shall embody its pension plan for the eligible *employees* of the *employer* and that the *Plan* will continue indefinitely into the future, but neither the terms of the *Plan* nor the benefits hereunder nor the continuance hereof shall constitute a contract between the *employer* and any *employee* or be considered to be consideration for the employment of any *employee*. All *employees* shall remain subject to discharge, discipline or lay-off to the same extent as if the *Plan* had not been put into effect.

1.3.4 NO ENLARGEMENT OR DIMINUTION OF RIGHTS

The establishment and implementation of the *Plan* shall not constitute an enlargement of any rights which a *member* has apart from this *Plan*. The benefits conferred herein shall not be used to decrease damages in respect of the dismissal or termination of employment of any *member*.

1.3.5 LIABILITY FOR ACTS

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

2.1 In these Provisions

- 2.1.1 "**active member**" means a *member* who is an *employee*.
- 2.1.2 "**actuarially equivalent**" means an actuarially equal value computed at the rate of *interest* and using the actuarial tables last adopted by the *Administrator*.
- 2.1.3 "**Actuary**" means a person who is a Fellow of the Canadian Institute of Actuaries and who has been duly appointed by the *Administrator* to deal with matters which, in accordance with these Provisions, are required to be referred to the *Actuary*.
- 2.1.4 "**Administrative Agent**" shall mean such person, firm or corporation as may, from time to time, be appointed, hired or retained by the *Trustees* for the purpose of the administration of the *Trust Fund* and *Plan* in accordance with the provisions of the *Trust Agreement*. *CUPE* shall serve as the initial *Administrative Agent* for a period of at least one year after the inception of the *Trust Agreement* in accordance with the terms of the *Trust Agreement* and may continue to serve as *Administrative Agent* thereafter.
- 2.1.5 "**Administrator**" means the *Trustees* as defined herein.
- 2.1.6 "**beneficiary**" means the person for the time being designated as such by a *member* in accordance with these Provisions.
- 2.1.7 "**Cansim Series B14045**" means the average of the yields of five (5) year personal fixed-term chartered bank deposit rates published monthly in the *Bank of Canada Review*.
- 2.1.8 "**commuted value**" means the value of a *pension*, *deferred pension* or ancillary benefit determined on a consistently applied basis established by the *Administrator*, provided the *commuted value* thus determined is not less than that determined in accordance with relevant *government pension legislation*.
- 2.1.9 "**continuous**" means, in relation to membership in the *Plan* or to employment, without regard to periods of *temporary interruption* of membership or employment; and subject to *government pension legislation*, shall include any period of paid or unpaid absence from work if consented to by the *CUPE*, and shall include any periods while an *employee* is in receipt of benefits under the Long Term Disability program provided by the *CUPE*.
- 2.1.10 "**credited service**" is as defined by Provision 3.5, but subject to a maximum of thirty-five (35) years.

- 2.1.11 "**Custodian**" means a Trust Company (as defined in the *Trust Agreement*) or any other person, firm or corporation as may from time to time be appointed by the *Trustees* for the purpose of the holding for safe-keeping and reporting of all or some of the assets and investments whatsoever made by and for the *Trust Fund*.
- 2.1.12 "**CUPE**" and "**employer**" means the National Office of the Canadian Union of Public Employees and those Locals of the Canadian Union of Public Employees which commenced to participate in the *Plan* effective from January 1, 1988, or which may commence to participate at a later date, provided that any reference in the *Plan* to any action to be taken, consent, approval or opinion to be given or discretion or decision to be exercise or made by the *employer* shall refer to the National Office of the Canadian Union of Public Employees acting through its Executive or any person or persons designated by such Executive for purposes of the *Plan*.
- Such Locals of *CUPE* that participate in this *Plan* shall be deemed to be a division of *CUPE* for purposes of this Agreement, and shall not constitute a separate employer.
- 2.1.13 "**deferred pension**" means a *pension benefit*, payment of which is deferred until the first of the month following the sixtieth (60th) birthday of the person entitled to the *pension benefit*, or such earlier date at which the *member* would have been entitled to a non-reduced *pension* on *retirement* prior to age sixty (60), based on service to the date of termination of employment.
- 2.1.14 "**employee**" means a person employed by the *CUPE*.
- 2.1.15 "**Employment Standards Act**" means the *Employment Standards Act* of the Province of Ontario as amended from time to time and includes any other applicable legislation of a substantially similar nature adopted by any other Province or by the Government of Canada.
- 2.1.16 "**Family Law Act**" means the *Family Law Act, 1986*, of the Province of Ontario as amended from time to time and includes any other applicable legislation of a substantially similar nature adopted by any other Province or by the Government of Canada.
- 2.1.17 "**Fund**" or "**Trust Fund**" means the *Fund* established for purposes of the *Plan* and held in trust by the *Trustees*.
- 2.1.18 "**fund rate**" means, in respect of any *plan year*, the gross rate of return on investments reasonably attributable to the operation of the *Fund* in that *plan year*, less the rate attributable to the expenses of administration of the *Plan* for the same period that are not required to be paid by the *employer*.

- 2.1.19 "**going concern assets**" means the value of the assets of the *Fund* including accrued and receivable income determined on the basis of a *going concern valuation*.
- 2.1.19.1 "**going concern funded ratio**" means the ratio of the *going concern assets* to the *going concern liability*.
- 2.1.20 "**going concern liability**" means the present value of accrued benefits under the *Plan* determined on the basis of a *going concern valuation*.
- 2.1.20.1 "**going concern unfunded liability**" has the meaning ascribed to that term under Ontario Regulation 909, R.R.O. 1990, as amended from time to time.
- 2.1.21 "**going concern valuation**" means a valuation of the assets and liabilities of the *Plan* using methods and assumptions considered by the *Actuary* to be in accordance with generally accepted actuarial principles and practices for the valuation of a continuing pension plan.
- 2.1.22 "**government pension legislation**" means the *Ontario Pension Benefits Act*, R.S.O. 1990, as amended, and the similar legislation of other provinces, the *Income Tax Act*, and any *regulations* issued thereto.
- 2.1.23 "**highest average salary**" means one-third (1/3rd) of the *member's* highest total *pensionable salary* during any three (3) non-overlapping *continuous* years of employment by the *employer*. If the *member* has been employed for less than three (3) *continuous* years, the *highest average salary* shall mean the average annual *pensionable salary* during such period of employment.
- For greater certainty, *highest average salary* may be calculated with reference to the *member's pensionable salary* for employment after he or she has attained the thirty-five (35) year maximum for *credited service* to the date of the *member's retirement*, termination or death.
- 2.1.24 "**insurer**" means any corporation authorized to undertake life insurance business in Canada.
- 2.1.25 "**interest**" has the meaning assigned by Provision 5.2.
- 2.1.26 "**lifetime**", in relation to a *pension benefit*, means a *pension benefit* which, once the periodic payments commence to be paid to a *member* or *member's spouse*, will continue to be paid until the death of such person unless the benefit is suspended or commuted prior to that time.
- 2.1.27 "**member**" means:
- (a) an *employee* who is eligible to join the *Plan* and who has signed an application form provided by the *Administrator*; and

- (b) a former *employee*, or *spouse* of such former *employee*, entitled to a *pension benefit* under the *Plan*.
- 2.1.27.1 "***normal cost***" has the meaning ascribed to that term under Ontario Regulation 909, R.R.O. 1990, as amended from time to time.
- 2.1.27.2 "***normal cost PfAD***" means the amount equal to the *provision for adverse deviations* in respect of the *normal cost* determined on the basis of a *going concern valuation* by the *Actuary* in accordance with Ontario Regulation 909, R.R.O. 1990, as amended from time to time.
- 2.1.28 "***normal form***" includes, regarding a *pension benefit* payable to a *member*, the post-*retirement* death benefits pursuant to Section 11 of these Provisions.
- 2.1.29 "***normal retirement date***" means the first day of the month coinciding with or next following the attainment of age sixty-five (65).
- 2.1.30 "***optional contributions***" means a contribution to the *Fund* by a *member* beyond any amount that the *member* is required to contribute.
- 2.1.31 "***part-time employee***" means an *employee* who is regularly employed by the *CUPE* on less than a full-time basis.
- 2.1.32 "***pension***" means a life annuity payable in monthly instalments and calculated in accordance with these Provisions.
- 2.1.33 "***pension benefit***" means the aggregate monthly, annual or other periodic amounts payable to a *member*, or former *member*, during the *lifetime* of the *member*, or former *member*, to which such person is entitled under the *Plan* or to which any other person is entitled upon the death of the *member*.
- 2.1.34 "***pensionable salary***" means:
- (a) while a full-time *employee*, the *salary* paid to the *member*; and
 - (b) while a *part-time employee*, the *salary* that would be paid to the *member* calculated as if the *member* is a full-time *employee*.
- For greater certainty, *pensionable salary* may be calculated with reference to the *member's salary*, or the *salary* that would be paid to the *member* in the case of a *part-time employee*, for employment after he or she has attained the thirty-five (35) year maximum for *credited service* to the date of the *member's retirement*, termination or death.
- 2.1.35 "***pensioner***" means a person to whom a *pension* has become payable hereunder.

- 2.1.36 "***period of disability***" means a period throughout which a *member* is:
- (a) totally and permanently disabled and unable, as certified in writing by a medical doctor licensed to practice under the laws of a Province of Canada, to perform the duties associated with the *member's* usual form of remunerated employment with the *employer* and is likely to remain so unable; and
 - (b) is entitled to, or during a qualifying disability period leading to entitlement to, disability benefits under the Long Term Disability Plan provided by the *CUPE* for its *employees*.
- 2.1.37 "***period of parenting***" means the portion of a leave of absence or period of reduced pay that commences within the eighteen-month period following the birth or adoption of a child.
- 2.1.38 "***Plan***" means the Canadian Union of Public Employees Employees' Pension Plan, the effective date of which is January 1, 1971 and to which these Provisions apply.
- 2.1.39 "***plan year***" means the calendar year.
- 2.1.40 "***preferred beneficiary***" means, where the *member* has no *spouse*, either of a man or a woman of the opposite or, with effect from April 23, 1998, the same sex to the *member* who, on the date the *member retires*, is not married to the *member*, but has lived with the *member* in a conjugal relationship for a period of at least 1 year immediately preceding the relevant date or time and who has been designated by the *member* as such.
- 2.1.41 "***prescribed***" means pursuant to the requirements for *registration* of the *Plan* under any *government pension legislation*.
- 2.1.41.1 "***provision for adverse deviations***" means the amount equal to the *provision for adverse deviations* in respect of the *going concern liability* determined on the basis of a *going concern valuation* by the *Actuary* in accordance with Ontario Regulation 909, R.R.O. 1990, as amended from time to time.
- 2.1.41.2 "***reduced solvency deficiency***" has the meaning ascribed to that term under Ontario Regulation 909, R.R.O. 1990, as amended from time to time.
- 2.1.42 "***registration***" means *registration* under the *Income Tax Act* and the *Pension Benefits Act*, R.S.O. 1990, as amended from time to time.
- 2.1.43 "***required contributions***" means *member* contributions made to the *Plan* pursuant to Provision 4.2.

- 2.1.44 "**retire**", "**retirement**" means:
- (a) termination of employment with the *employer* on or after the *normal retirement date* or after the earliest date at which a *member* is entitled to a *pension benefit* under Provision 7.1, and
 - (b) in Sections 10 and 11, shall be deemed to occur on the date *pension benefits* commence to be paid to a *member*.
- 2.1.45 "**retirement savings plan**" means a *retirement savings plan* registered under Section 146 of the *Income Tax Act*.
- 2.1.46 "**salary**" means the rate of annual remuneration of an *employee* in respect of service rendered to the *CUPE*, inclusive of vacation bonus, but exclusive of expense allowances, or commissions, as determined by the *CUPE*.
- 2.1.46.1 "**solvency deficiency**" has the meaning ascribed to that term under Ontario Regulation 909, R.R.O. 1990, as amended from time to time.
- 2.1.47 "**spouse**" of a *member* means either a man or a woman of the opposite or, with effect from April 23, 1998, the same sex to the *member* who, at the relevant date or time, but not later than the date the *member* retires:

Alberta employees

- (a) is married to the *member* and who has not been living separate and apart from the *member* for 3 or more consecutive years, or
- (b) if there is no person to whom sub clause (a) applies, a person who had lived with that other person in a conjugal relationship,
 - (i) for a continuous period of at least 3 years, or
 - (ii) of some permanence, if there is a child of the relationship by birth or adoption.

British Columbia employees

- (a) is married to the *member*, and who has not been living separate and apart from the *member* for longer than the 2 year period immediately preceding the relevant date or time, or
- (b) if paragraph (a) does not apply, was living and cohabiting with the *member* in a marriage-like relationship, and who had been living and cohabiting in that relationship for a period of at least 2 years immediately preceding the relevant date or time.

Manitoba employees

- (a) is married to the *member* or has registered a common law relationship with the *member* under Section 13.1 of the *Vital Statistics Act*, or
- (b) is not married to the *member*, but cohabited with the *member* in a conjugal relationship
 - (i) for a period of at least three years, if either of them is married, or
 - (ii) for a period of at least one-year, if neither of them is married.

New Brunswick employees

- (a) is married to the *member*, or
- (b) is married to the *member* by a marriage that is voidable and has not been avoided by declaration of nullity, or
- (c) has, with the *member*, gone through a form of marriage in good faith that is void and has cohabited with the *member* within the preceding year, or
- (d) is not married to the *member*, and
 - (i) in the case of the death of a *member* or former *member*, was cohabiting in a conjugal relationship with the *member* or former *member* at the time of the death of the *member* or former *member* and was cohabiting in a conjugal relationship with the *member* or former *member* for a continuous period of at least two years immediately before the death of the *member* or former *member*,
 - (ii) in the case of the breakdown of a common-law partnership, was cohabiting in a conjugal relationship with the *member* or former *member* for a continuous period of at least two years immediately before the date of the breakdown of the common-law partnership,
 - (iii) in any other case, at the particular time under consideration, is cohabiting in a conjugal relationship with the *member* or former *member* at that time and has so cohabited for a continuous period of at least two years immediately before that time.

“common-law partnership” means the relationship between a *member* or former *member* and his or her common-law partner.

Newfoundland employees

- (a) is married to the *member*, or
- (b) is married to the *member* by a marriage that is voidable and has not been voided by a judgment of nullity, or
- (c) has gone through a form of marriage with the *member*, in good faith, that is void and was cohabiting or had cohabited with the *member* within the preceding year, or
- (d) if the *member* had a *spouse* within the meaning of paragraphs (a), (b) or (c) above, a person who is not the *spouse* within the meaning of paragraphs (a), (b) or (c) above who has cohabited continuously with the *member* in a conjugal relationship for not less than 3 years and has cohabited with the *member* within the preceding year, or
- (e) if the *member* did not have a *spouse* within the meaning of paragraphs (a), (b) or (c) above, a person who has cohabited continuously with the *member* in a conjugal relationship for not less than 1 year and has cohabited with the *member* within the preceding year.

Northwest Territories, Yukon Territory and Nunavut employees

- (a) is married to the *member*, or
- (b) is married to the *member* by a marriage that is void and that has not been voided by a declaration of nullity, or,
- (c) is not married to the *member* but has cohabited with the *member* in a conjugal relationship for a period of at least one year.

Nova Scotia employees

- (a) is married to the *member*, or
- (b) is married to the *member* by a marriage that is voidable and has not been annulled by declaration of nullity, or
- (c) has gone through a form of marriage with the *member*, in good faith, that is void and has been cohabiting with the *member* within the twelve-month period immediately preceding the date of entitlement, or
- (d) is a party with the *member* to a domestic-partner declaration which was registered under the Vital Statistics Act, and which has not been terminated, or

- (e) if paragraphs (a) to (d) do not apply to either the person or the *member*, has cohabited with the *member* in a conjugal relationship for at least:
 - (i) One year, provided that neither of them is married to another person, or
 - (ii) Three years, provided that either of them is married to another person.

Ontario employees

- (a) is married to the *member*, or
- (b) is not married to the *member* but has been living with the *member* in a conjugal relationship,
 - (i) continuously for a period of not less than three years, or
 - (ii) in a relationship of some permanence, if they are the natural or adoptive parents of a child, both as defined in the *Family Law Act*.

If the *member* is living separate and apart from a legally married *spouse*, as defined in paragraph (a) above, and also has a common-law *spouse*, as defined in paragraph (b) above, at the relevant time, the common-law *spouse* under paragraph (b) is considered the *member's spouse* for the purposes of any pre-retirement death benefits or post-retirement death benefits payable to a *spouse* under this *Plan*.

Prince Edward Island employees

- (a) is married to the *member*, or
- (b) has, with the *member*, entered into a marriage in good faith that is void or voidable and that has not been voided by a declaration of nullity, or
- (c) is not married to the *member* but has cohabited with the *member*
 - (i) continuously for a period of not less than three years, or
 - (ii) in a relationship of some permanence if they are the natural or adoptive parent of a child.

Quebec employees

- (a) is married to or in a civil union with the *member*,
- (b) has been living in a conjugal relationship with the *member* who is neither married nor in a civil union, for a period of not less than three years, or for a period of not less than one year if

- at least one child is born, or to be born, of their union;
- they have adopted, jointly, at least one child while living together in a conjugal relationship; or
- one of them has adopted at least one child who is the child of the other, while living together in a conjugal relationship.

Saskatchewan employees

- (a) is married to the *member*; or
 - (b) if the *member* is not married, is cohabiting with the *member* as *spouses* at the relevant time and who has been cohabiting continuously with the *member* as his or her *spouse* for at least one year prior to the relevant time.
- 2.1.48 **"temporary interruption"** means a period of lay-off not exceeding fifty-two (52) consecutive weeks, or 104 consecutive weeks in the case of an *employee* employed in Quebec, or such longer period as may be required by any collective agreement that applies to the *employee*, or a period of temporary suspension of employment or membership provided that the *member* is an *employee* immediately prior to and following the period of lay-off or temporary suspension of employment or membership.
- 2.1.49 **"Trust Agreement"** means the Agreement and Declaration of Trust made as of the first day of January, 1998 entered into between *CUPE*, various *unions* and the *Trustees* for the purposes of the governance, administration and investment of the Canadian Union of Public Employees' Pension Plan and Trust.
- 2.1.50 **"Trustees"** means all persons designated from time to time as *Trustees* pursuant to the *Trust Agreement*.
- 2.1.51 **"Trust Fund"** or **"Fund"** shall mean all of the assets of the *Plan's Trust Fund* consolidated with all funds and assets received from time to time by way of contributions, together with all increments, earnings and profits accruing from the administration of the said *Trust Fund*.
- 2.1.52 **"Year's Maximum Pensionable Earnings"**, **"YMPE"** has the same meaning as in the *Canada Pension Plan*.
- 2.1.53 **"unions"** shall mean the Canadian Staff Union, Administrative and Technical Staff Union, Office and Professional Employees International Union Local 491, or their successors, and any other union as may be party from time to time to the *Trust Agreement*.
- 2.1.54 **"shortened life expectancy"** means a life expectancy of less than two years pursuant to circumstances described in Provision 18.3.

2.2 Reference in the Provisions to the singular shall include the plural wherever appropriate. Reference in the Provisions to the masculine shall include the feminine.

2.3 Words and terms which are:

(a) defined in this Section; or

(b) references to:

(i) an *Act* or *Regulation* of a provincial or federal government; or

(ii) other public documents,

are indicated by the use of italics throughout these Provisions.

3.1 Eligibility

3.1.1 PERMANENT AND TERM EMPLOYEES

A full-time permanent *employee* or a *part-time* permanent *employee* or a term *employee* is required to become a *member* of the *Plan* on the first day of employment.

3.1.2 TEMPORARY EMPLOYEES

(a) A full-time temporary *employee* or a *part-time* temporary *employee* is entitled to become a *member* of the *Plan* if in the calendar year immediately preceding his application for membership:

- (i) the person has at least seven hundred (700) hours of employment with the *employer*; or
- (ii) the person's *salary* is at least 35% of the *Year's Maximum Pensionable Earnings*.

Such *employee's* membership shall be effective as of the first day of the calendar year next following the calendar year in which either of the foregoing requirements has been met.

Should such an *employee* not be actively at work on the first day of the calendar year next following the calendar year in which he satisfies either of the foregoing requirements, then his membership shall be effective on the first day of the month coincident with or next following the day on which he is next actively at work.

(b) Notwithstanding Subsection 3.1.2(a), a full-time temporary *employee* or a *part-time* temporary *employee* employed in Manitoba is required to join the *Plan* on the first day of the month coincident with or next following the date of completion of twenty-four (24) months of employment if during each of the two (2) calendar years immediately before becoming eligible to join the *Plan* the person's *salary* was at least 35% of the *Year's Maximum Pensionable Earnings*.

3.2 No Withdrawal

3.2.1 Each *employee* who was a *member* of the *Plan* on January 1, 1992 shall continue to be a *member* of the *Plan* subject to these Provisions after such date.

3.2.2 A *member* shall remain a *member* while employed by the *employer*.

- 3.2.3 Termination of employment with one *employer* participating in the *Plan* for the purpose of taking employment with another *employer* participating in the *Plan*, shall not constitute a termination of employment under these Provisions.

3.3 Application to Join

Each *employee* upon becoming a *member* shall complete and file with the *Administrator* an enrollment form, an appointment of *beneficiary* form and such other forms as the *Administrator* deems necessary for the purposes of the *Plan*.

3.4 Pensionable Service

3.4.1 CREDITS

The pensionable service of each *member* shall be the period while a contributing *member* of this *Plan* or of any previous plan provided by the *CUPE* or any of its predecessor organizations for the benefit of *employees* and such period which may be specifically recognized of contributory membership in any other plan which is recognized by the *CUPE* as being reciprocal in accordance with Section 17.

3.4.2 PRIOR SERVICE

- (a) If a *member* terminates employment with the *CUPE* and as a result receives a lump-sum payment or transfer from the *Fund* in full settlement of the entitlements under the *Plan*, and at a subsequent date is re-employed by the *CUPE*, such period of prior service shall be deemed not to exist for the purposes of these Provisions.
- (b) If a *member* terminates service with the *CUPE* and is entitled to and elects to receive a *deferred pension* under the *Plan* in lieu of a lump sum payment or transfer from the *Fund* and at a subsequent date is re-employed by the *CUPE*, the periods of pensionable service upon which the *deferred pension* was based shall be re-credited to the *member* and included in the calculation of any future benefits of the *member*, in lieu of the *deferred pension* otherwise payable to the *member* with respect to those prior periods of pensionable service.
- (c) *Members* who participated in the Pension Plan for Employees of Designated Locals of the Canadian Union of Public Employees prior to January 1, 1988, terminated employment with the participating Local and immediately became an *employee* of the National Office of *CUPE* and who on December 31, 1987 had an entitlement under that plan to a deferred vested *pension*, shall have, in lieu of such deferred vested *pension*, the period of service for which the deferred vested *pension* is provided reinstated as pensionable *credited service* under this *Plan*.

- (d) In no event shall the application of clauses (b) and (c) of this Provision 3.4.2 reduce the benefits otherwise payable with respect to the period of prior service.

3.4.3 PERIOD OF DISABILITY

Pensionable service of a *member* shall include any *period of disability* during which said *member* is in receipt of benefits under the Long Term Disability Plan for *CUPE employees* and the *member required contributions* in accordance with Provision 4.2 are made to this *Plan* through the provisions of that Long Term Disability Plan.

3.4.4 ELECTIVE SERVICE

Pensionable service of a *member* shall include a period of service:

- (i) during which the *member* chose not to join the *Plan* when first eligible to do so;
- (ii) during which the *member* was a temporary *employee* and such service is *continuous* to commencement of permanent employment with a break in service of no more than thirty one days or as otherwise allowed by the *CUPE* and provided the *employee* did not participate in a pension plan of his former employer during the period of temporary service; or
- (iii) during which the *member* was an *employee* but did not join the *Plan*, including such a period before a break in service of more than thirty one days;

which the *member* has elected to have counted as pensionable service under the *Plan* and for which the *member* has undertaken to make the *required contributions* specified in Provision 4.2. To the extent the *required contributions* pursuant to Provision 4.2.3 have not been made at the time a benefit becomes payable to the *member* under the *Plan*, the benefit in respect of the period of service to be counted shall be pro-rated on the basis of the contributions actually made. A *member* whose participation in the *Plan* commences on or after January 1, 1986 shall have three (3) months from such date of commencement in which to elect to have recognized as pensionable service any eligible periods of prior service with the *employer*, unless the three (3) month period is waived by *CUPE*.

3.4.5 PERIOD OF PARENTING

Subject to Provision 3.4.6, any *period of parenting* or other period of maternity leave of absence during which the *active member* is eligible, pursuant to the *Employment Standards Act*, to elect to remit contributions to the *Plan* and effectively elects to do so by notifying the *Administrator* in writing before such *period of parenting* commences.

3.4.5.1 LEAVE OF ABSENCE

The pensionable service of a *member* shall include a period during which the *member* is on a leave of absence, which qualifies as an eligible period of temporary absence under the *Income Tax Regulations*, and during which contributions are made to the *Plan* by or with respect to the *member*. The *member's salary* for such period shall be deemed to be not more than that which is reasonable to expect that the *member* would have earned during the leave had it been a regular period of employment. Contributions shall be determined based on this deemed *salary*.

Notwithstanding anything to the contrary in this *Plan*, contributions shall not be made and pensionable service shall not accrue during any periods which are not permitted to be *prescribed* in accordance with section 8507 of the *Income Tax Regulations*.

3.4.6 LIMITATION

Notwithstanding the above, pensionable service in respect of periods after 1989 described in Provisions, 3.4.3, 3.4.5, and 3.4.5.1 shall be limited to an aggregate of five (5) years plus an additional three (3) years in respect of periods under Provision 3.4.5 after 1989.

3.5 Credited Service

The *credited service* for any period equals the pensionable service in respect of such period multiplied by the ratio of the *member's* hours worked for the period to the hours the *member* would have worked on a full-time basis during the same period with such ratio not to exceed one. If a *member* is accruing pensionable service for a period under Provision 3.4.3, 3.4.4, 3.4.5, or 3.4.5.1, the *member's* hours worked for the period shall be determined on the basis of the regular number of hours worked by the *member* immediately prior to the leave period referred to under Provision 3.4.3, 3.4.4, 3.4.5, or 3.4.5.1. *Credited service* shall only be for service rendered in Canada.

3.6 Loaned Employees

A *member* shall be considered to be a Loaned Employee if, pursuant to an arrangement between the *employer* (referred to in this Section as the "Lending Employer") and an organization to which a *member* is rendering services (referred to in this Section as the "Borrowing Employer"):

- (a) the *member* of the Lending Employer renders services to the Borrowing Employer for which the *member* receives remuneration from the Borrowing Employer, and

- (b) while the *member* renders services to the Borrowing Employer, benefits continue to accrue under the *Plan* to the *member*.

If a *member* qualifies as a Loaned Employee, then the Borrowing Employer shall be deemed to be a participating employer, as such term is defined in the *Income Tax Act*, in the *Plan*. In addition, if the *member* qualifies as a Loaned Employee, the determination of the portion of the *employee's* benefit accrual under the *Plan* in respect of a year that can be considered to be attributable to the *employee's* employment with the Lending Employer and the Borrowing Employer shall be made with regard to the remuneration received by the *employee* for the year from each employer.

For greater certainty, the pensionable service of a *member* shall include all periods during which the *member* qualifies as a Loaned Employee and during which contributions are made to the *Plan* by or on behalf of the *member*. The *member's salary* and *highest average salary* while he or she qualifies as a Loaned Employee shall include amounts received from a Borrowing Employer. Contributions shall be determined based on the *member's salary*, which, for the purposes of this Section, shall include compensation received from a Borrowing Employer.

4.1 Permissible Contributions

No contribution or gift may be made to the *Plan* except as provided for in this Section.

4.2 Member Required Contributions

4.2.1 MEMBER CONTRIBUTION RATE

A *member* shall contribute to the *Plan* by regular payroll deductions nine and seven-tenths percent (9.7%) of *salary*, including any retroactive increases.

4.2.2 WHILE ON LONG TERM DISABILITY

Where a *member* becomes a recipient of benefits under the Long Term Disability Plan for *employees* of *CUPE*, the *member required contributions* which otherwise would be made by such *member* shall be made from the benefits payable under the Long Term Disability Plan.

4.2.3 FOR ELECTIVE SERVICE

Where a *member* elects in accordance with Provision 3.4.4 to have a period of eligible prior service with the *employer* recognized as pensionable service under the *Plan*, the *member* shall be required to contribute an amount determined as:

- (a) where the period is a period of temporary service, an amount equal to nine and seven-tenths percent (9.7%) of *salary* received during the period of past service years to be recognized, accumulated with credited *interest* from the middle of each year or part year to which the contributions relates up to the date such election is approved by the *CUPE*;
- (b) where the period is a period of past service other than that in clause (a) above: the actuarial value of the projected *pension benefits* generated by the period of service determined on the basis of the rules, procedures and actuarial assumptions and methods approved by the *Administrator*, in its discretion, for this purpose.

The total contribution thus required may be made by a transfer of funds from a registered *retirement savings plan* of which the *member* is the beneficiary, by the reallocation of *optional contributions* made under the *Plan* or surplus allocation amounts, pursuant to Provisions 4.8 and 4.9, to the status of *member required contributions*, or by other lump sum or periodic payments.

Where payment is to be made by installments, the total contribution can be amortized over a specific period, as elected by the *member*, provided that full payment is made prior to the date of *retirement* of the *member*. Any contributions required under this Provision 4.2.3 shall be considered as *member required contributions* except for purposes of clause 10.1(a)(ii), in which case

50% of the contributions required under clause (b) shall be considered as *member required contributions*.

4.2.4 MAXIMUM MEMBER REQUIRED CONTRIBUTIONS

Notwithstanding Provision 4.2, *members* shall not be required to contribute on that part of their *pensionable salary* that is not recognized for benefit calculation purposes under this *Plan* by virtue of the application of Provision 6.3.2(b).

Further, *member* contributions shall not exceed the maximum amount eligible as regular *member* contributions specified under the *Income Tax Act*, as amended from time to time.

4.3 Member Optional Contributions

4.3.1 OPTIONAL CONTRIBUTIONS

- (a) A *member* may make additional *optional contributions* in respect of current service.
- (b) A *member* may increase, decrease, suspend or recommence *optional contributions* at any time.
- (c) A *member* shall not be permitted to withdraw any part of these *optional contributions* while the *member* remains employed by the *employer* during the continued lifetime of the *Plan*.

4.3.2 BENEFITS

An *active member*, or such person's *spouse*, *beneficiary* or estate, in the case of death, shall upon termination of employment receive a lump-sum payment equal to the total of the *member's optional contributions*, with *interest*.

Alternatively, an additional *pension benefit* may be purchased for the *member*, or the *member's spouse* in the case of death, in the form as elected by the *member* or the *member's spouse*; the *commuted value* of the additional *pension benefit* shall equal the total of the *member's optional contributions*, with *interest*.

4.4 No Withdrawal

Provided the *Plan* is not wound-up, contributions of an *active member* may not be withdrawn.

4.5 Employer Contributions

- (a) The *employer* shall pay into the *Trust Fund* the contributions as may be required to provide the benefits payable hereunder to, or with respect to, each *member*, subject to Provision 4.6.
- (b) In addition to the contributions under paragraph (a) above during any *plan year* in which the *Plan's going concern funded ratio* (before taking into account the *provision for adverse deviations*) is not greater than 130%, the *employer* will contribute one percent (1%) of *members' salary*.
- (c) Notwithstanding paragraphs (a) and (b), the *employer* contributions shall be at least equal to:
 - (i) during any *plan year* in which the *Plan's going concern funded ratio* (before taking into account the *provision for adverse deviations*) is not greater than 130%, thirteen and two-tenths percent (13.2%) of *members' salary*, less any amount stipulated as a reduction to *employer* contributions under the applicable collective agreements between *CUPE* and the *unions*; or
 - (ii) during any *plan year* in which the *Plan's going concern funded ratio* (before taking into account the *provision for adverse deviations*) is greater than 130%, twelve and two-tenths percent (12.2%) of *members' salary*, less any amount stipulated as a reduction to *employer* contributions under the applicable collective agreements between *CUPE* and the *unions*.

4.6 Actuary's Advice

The amount of each contribution to be made by the *employer* shall be sufficient together with *member required contributions* to provide

- (a) the *normal cost*,
- (b) the *normal cost PfAD*,
- (c) for the liquidation in accordance with Ontario Regulation 909, R.R.O. 1990, as amended from time to time, of any *going concern unfunded liability*, any increase in the *going concern liability* as a result of an amendment to this *Plan*, any *solvency deficiency*, and any *reduced solvency deficiency*, and
- (d) may include provision for reasonable administrative and investment expenses of the *Plan*, and

shall be determined on the *Actuary's* advice acceptable to the *Administrator*, the Minister of National Revenue and the Superintendent of Financial Services,

Ontario, with due regard to the funded status of the *Plan* and the provisions of Provision 15.5.2.

4.7 Timing of Contributions

The *Administrator* shall remit to the *Fund* at intervals not less frequently than monthly the *member* and *employer* contributions, as required.

4.8 Reallocated Contributions

Members who were actively contributing to this *Plan* on January 1, 1987, shall have, as at January 1, 1987, an amount equal to 41.796% of their *member required contributions* accumulated with *interest* as at December 31, 1985 reclassified as special contributions referred to as surplus allocation amounts. Such reallocation shall constitute a distribution of excess funding disclosed under the *Plan* as at January 1, 1987.

Except with respect to amounts applied pursuant to Provision 4.2.3, the surplus allocation amounts shall remain in the *Fund* and accumulate with *interest* until the *member* terminates employment, dies or *retires*, at which time the benefits payable with respect to such amounts shall be the same as those applicable to *optional contributions*. The reallocation described above shall not alter the termination, death or *retirement* benefits which otherwise would have been payable to or with respect to the *member* had such reallocation not been made.

Members who terminated employment with the *employer*, and on January 1, 1987 had a deferred vested *pension* entitlement under the *Plan*, shall have, as at January 1, 1987, a reallocation of their accumulated *required contributions* made as described above. The surplus allocation amounts with respect to such *members* will be applied, subject to election by the *member*, as:

- (a) a single sum cash refund to the *member*;
- (b) a transfer to a registered *retirement savings plan* of which the *member* is a beneficiary;
- (c) purchase of an immediate or deferred annuity outside of the *Plan*;
- (d) retention of such surplus allocation amounts in the *Fund*.

This reallocation shall not affect the benefit entitlements otherwise available to the *member* had the reallocation not been made.

Members who retired under the *Plan* prior to January 1, 1987 and who were in receipt of *pension* payments on that date, shall have the same percentage of their accumulated *required contributions* as at their date of *retirement* or December 31, 1985, if earlier, reallocated as described above as at January 1, 1987. The

surplus allocation amounts with respect to such *members* will be paid, as elected by the *member*, in accordance with option (a), (b) or (c) in the preceding paragraph; except that where the *member* will be age seventy-two (72) or older in 1987, settlement will be made only in accordance with option (a) or (c). This reallocation shall not affect the amount of *pension* paid to the *member* at January 1, 1987.

Effective on January 1, 1988, an allocation on the same basis as described above will be made with respect to *members* and former *members* who participated in the Pension Plan for Employees of Designated Locals of the Canadian Union of Public Employees. This reallocation shall be a distribution of surplus funds under that plan as disclosed by the actuarial valuation of that plan conducted as at January 1, 1988. Amounts so reallocated shall be subject to the same terms and conditions as applicable to the reallocation made effective January 1, 1987, as set out above in this Provision 4.8.

4.9 Reallocated Contributions (1989)

A further reallocation of *member required contributions* shall be made effective January 1, 1989 on a basis similar to that set out in Provision 4.8. Such allocation shall apply to:

- (a) *active members* who were contributing to this *Plan* on January 1, 1989;
- (b) former *members* who terminated employment with the *employer* and on January 1, 1989 had a *deferred pension* entitlement under the *Plan*; and
- (c) former *members* who *retired* under the *Plan* prior to January 1, 1989 and who were in receipt of *pension* payments on that date.

The reallocation provided under this Provision 4.9 shall constitute a distribution of excess funding disclosed under the *Plan* as at January 1, 1988.

With respect to *members* and former *members* in categories (a) and (b) above, the reallocation percentage shall be applied to the *member required contributions* accumulated with *interest* to December 31, 1987 without regard to the reallocation made under Provision 4.8. With respect to former *members* in category (c), the reallocation percentage shall be applied to the *member required contributions* accumulated with *interest* to the earlier of the former *member's* date of *retirement* or December 31, 1987, without regard to the reallocation made under Provision 4.8.

For purposes of the reallocation under this Provision 4.9, the percentage applied to the *members'* and former *members'* applicable accumulated contributions shall be 9.36%.

The surplus allocation amounts determined as at January 1, 1989 and pursuant to the Provision 4.9 shall remain in the pension *Fund* and accumulate with *interest* from January 1, 1989 or shall be distributed with respect to each category of *member* or former *member* referred to above in the same manner as is applicable to that category according to the provisions of Provision 4.8.

5.1 Contribution Record

A record shall be maintained for each *member* which shall show the credited *interest*, as described in this Section, and all of the *member's* contributions.

5.2 Interest

5.2.1 CREDITING

The amount of *interest* shall be credited annually at the end of each *plan year* at an annual rate determined by the *Administrator*, pursuant to Provision 5.2.2.

5.2.2 RATE

Commencing January 1, 1988 the rate shall not be less than:

- (a) with respect to Provision 4.2, the greater of:
 - (i) the average of the rates of *CANSIM Series B 14045*, for the last three months of the *plan year*, immediately prior to the *plan year* for which *interest* is to be credited; and
 - (ii) the *fund rate* for the *plan year*,

provided that the rate applied shall not be less than *prescribed* by any applicable *government pension legislation*.

- (b) with respect to Provision 4.3 - a rate approximating the *fund rate* for the *plan year*;
- (c) with respect to credits arising from the reallocation of *member required contributions* pursuant to Provision 4.8 and Provision 4.9, the rate of *interest* to be applied with respect to a year shall be the average on January 1 of that year of the rates on one-year Guaranteed Investment Certificates issued by Canada Trust, Montreal Trust and Royal Trust.

5.3 Accrual

Interest at the rate established from time to time pursuant to Provision 5.2 shall accrue

- (a) from the first of the month following the date of deduction by the *employer*, in respect of contributions made by a *member* on and after January 1, 1988,
- (b) from the first of the month following the date such contributions are credited to the *Fund*, in respect of *optional contributions*,

- (c) from the date such *interest* is credited, in respect of *interest* credits after January 1, 1988, and
- (d) from January 1, 1988, in respect of contributions with *interest* made by a *member* prior to January 1, 1988.

5.4 Final Year

The *interest* to be credited during the year a *member* ceases to be a *member* shall be at a rate pursuant to Provision 5.2, pro-rated for the proportion that the period between the beginning of the year and the date termination of membership occurs is of a complete year.

Where a lump-sum refund or transfer is payable, *interest* at the rate *prescribed* shall be credited from the date of termination of membership occurs to the middle of the month in which payment is made.

6.1 Normal Retirement Date

The *normal retirement date* of a *member* is the first of the month coincident with or next following the *member's* sixty-fifth (65th) birthday, or, in the case of an elected officer, on the first day of the month following the completion of the term of office during which the officer attained sixty-five (65) years of age.

Retirement under the *Plan* shall occur on the *member's normal retirement date*, except as otherwise elected according to the Provisions.

6.2 Amount

The annual amount of *pension* payable in the *normal form* is equal to the product of

(a) two percent (2%) of the *member's highest average salary*

multiplied by

(b) the *member's credited service*.

6.3 Maximum Pension

6.3.1 INTERPRETATION

For the purposes of Provision 6.3.2:

"highest average indexed compensation" is determined according to provisions set out in the *Income Tax Act* and *Regulations* and shall be calculated by prorating calendar year compensation where applicable.

6.3.2 MAXIMUM AMOUNT OF LIFETIME PENSION BENEFIT UPON RETIREMENT ON OR AFTER NORMAL RETIREMENT DATE

Notwithstanding Sections 6.2 and 8.3, *lifetime pension benefits* inclusive of *pension benefits* payable under any other retirement plan currently or previously maintained by the *employer* and registered under the *Income Tax Act*, payable upon *retirement* on or after the *member's normal retirement date* in respect of pensionable service of the *member*, shall not exceed the lesser of:

(a) two per cent of the *member's* highest average indexed compensation at such time, multiplied by the *member's credited service*; and

(b) the defined benefit limit as defined under the *Income Tax Act*, multiplied by the *member's credited service*;

Provided that with respect to any period of elective service pursuant to subsection 3.4.4 that is prior to 1990, and purchased after June 7, 1990, and is a period which was not pensionable service of the *member* under a defined benefit provision of any registered pension plan, the *lifetime pension benefits* shall not exceed the product of the lesser of:

- (c) two per cent of the *member's* highest average indexed compensation at such time, and
- (d) \$1,150, or if greater, two-thirds of the defined benefit limit referred to in (b) above,

multiplied by such period of elective service.

6.3.3 MAXIMUM AMOUNT OF LIFETIME PENSION BENEFIT UPON EARLY RETIREMENT

Notwithstanding Section 7.2, *lifetime pension benefits* inclusive of *pension benefits* payable under any other retirement plan currently or previously maintained by the *employer* and registered under the *Income Tax Act*, payable upon early *retirement* in respect of pensionable service of the *member*, shall not exceed the lesser of:

- (a) two per cent of the *member's* highest average indexed compensation at such time multiplied by the *member's credited service*; and
- (b) the defined benefit limit as defined under the *Income Tax Act*, multiplied by the *member's credited service*;

reduced by 1/4% for each month by which early *retirement* precedes the earliest age at which the *member* could have received the *lifetime pension benefits* without reduction for early *retirement* as permitted under the *Income Tax Act*.

Provided that with respect to any period of elective service pursuant to subsection 3.4.4 that is prior to 1990, and purchased after June 7, 1990, and is a period which was not pensionable service of the *member* under a defined benefit provision of any registered pension plan, the *lifetime pension benefits*, prior to the application of the reduction described in the preceding paragraph, shall not exceed the product of the lesser of:

- (c) two per cent of the *member's* highest average indexed compensation at such time; and
- (d) \$1,150, or if greater, two-thirds of the defined benefit limit referred to in (b) above,

multiplied by such period of elective service.

7.1 Eligibility

7.1.1 A *member* may elect to *retire* at any time after the earlier to occur of:

- (a) attaining fifty (50) years of age; or
- (b) completing twenty-five (25) years of *credited service*,
and prior to the *member's normal retirement date*.

7.2 Amount

7.2.1 CALCULATION BASIS

The monthly amount of early *retirement pension* and other benefits payable hereunder to each *member* who so elects shall be determined according to Provision 6.2 and 6.3, but based on the *member's highest average salary* and *credited service* up to the date of *retirement*.

7.2.2 UNREDUCED PENSION

Where early *retirement* occurs subsequent to the earlier to occur of:

- (a) attainment by the *member* of age 60; or
- (b) the date as of which the sum of the *member's* attained age at the date of *retirement* plus years of *credited service* at termination of employment total at least 80,

no reduction shall be made to the early *retirement pension* payable.

7.2.3 REDUCED PENSION

Where the *member* is not eligible for an unreduced early *retirement pension*, pursuant to Provision 7.2.2 the *pension* shall be reduced by 1/4 of 1% for each month by which the early *retirement* date precedes the earlier of the dates determined in clauses (a) and (b) of Provision 7.2.2.

7.3 Deferred Pension

A vested *member* who *retires* between fifty (50) and sixty-five (65) years of age may elect to receive in lieu of the benefits described in Provision 7.2 a *deferred pension*. The amount of *deferred pension*, payable in the *normal form*, shall be determined according to Provision 6.2 and 6.3, and shall be subject to the provisions of Provisions 7.2.2 and 7.2.3 applicable at the date *pension* payments commence.

7.4 Election Timing

A *member* must advise the *Administrator* of any elections pursuant to this Section by a written notice signed by the *member* and filed with the *Administrator* not later than thirty (30) days prior to the *member's* early retirement date.

7.5 Early Retirement Enhancement Program

(a) Eligibility

members who, on or before March 31, 1995 are:

- (i) at least age 50 and whose age plus *credited service* total at least 80;
or
- (ii) at least age 55 and whose age plus *credited service* total at least 75,

and who *retire* no later than April 1, 1995, are entitled to an additional temporary pension payable in accordance with subsection (b) below.

(b) Temporary Pension Amount

members entitled to *retire* under the Early Retirement Enhancement are entitled to receive an additional temporary pension in the following amount:

- (i) *members* who are between age 55 and 60 and whose age and service total at least 80 at the time of their *retirement*, will receive a temporary annual pension of \$8,558 payable from the first of the month coincident with or following the date on which they *retire* until and including the month during which they turn age 60. At that time, their temporary pension will be reduced by 70% and will be paid until and including the month in which they turn age 65 at which time the payments will cease.
- (ii) *members* who, at the time of their *retirement*, are between age 50 and 55 and whose age and service total at least 80 or who are between age 55 and 60 and whose age and service total less than 80 will receive a temporary annual pension of \$8,558 reduced by 20% for each year of age they are under 55 if their age and service total at least 80, or for each point by which they are short of 80 if they are age 55 or more. This reduced temporary pension will be payable from the first of the month coincident with or following the date on which they *retire* until and including the month during which they turn age 60. At that time, their temporary pension will be reduced

by 70% and will be paid until and including the month in which they turn age 65 at which time the payments will cease.

- (iii) *members* who, at the time of their *retirement*, are age 60 or more will receive a temporary annual pension of 30% times \$8,558 reduced by 1/5 for each year of age they are over age 60. This reduced temporary pension will be payable from the first of the month coincident with or following the date on which they *retire* until and including the month during which they turn age 65 at which time the payments will cease.

(c) Form of the Temporary Pension

The temporary pension is payable in accordance with Section 11. However, the optional forms of payment are not available. Any continuation of benefits beyond the date of the *member's* death in accordance with Section 11 cannot extend beyond the date the *member* would have attained age 65.

(d) Indexation of the Temporary Pension

The Temporary Pension shall be subject to the same indexation, if any, as the regular *lifetime* pension in accordance with Section 13.4.

(e) Maximum Temporary Pension

The annual temporary amount to which a *member* is entitled under (b) above and subject to *Government pension legislation* shall be payable from the date of early *retirement* until attainment of age 65 and shall not exceed the sum of (i) and (ii) below:

- (i) The maximum monthly amount of benefits that would be payable under the *Old Age Security Act* in the month in which the *member retires* as if the *member* were 65 years of age at the time of *retirement* times twelve (12); and,
- (ii) The proportion, not exceeding one, of the maximum benefits payable under the *Canada Pension Plan* in the month in which the *member retires* that the total of the *member's* highest 3 calendar years earnings is of the total *Year's Maximum Pensionable Earnings* for the same 3 calendar years,

reduced by 1/4 of 1% for each month, including any fraction of a month, by which the early *retirement* date precedes the date on which the *member* will attain age 60. The annual bridge benefit shall be further reduced by 10% for each year, and proportionally for any fraction of a year, by which the *member's credited service* is less than 10 years.

Further, notwithstanding Section 7.5, in no event will the initial total *pension benefit* payable to a *member* upon early *retirement* as a result of the addition of the temporary pension amount under Section 7.5 exceed the sum of (a) and (b) below:

- (a) \$1,722 referred to as the defined benefit limit under the *Income Tax Act*, and as indexed in accordance with the *Income Tax Act* multiplied by the *member's credited service*; and
- (b) Twenty-five per cent (25%) multiplied by the average of the *Year's Maximum Pensionable Earnings* for the year in which the benefits commence to be paid and for each of the two immediately preceding years multiplied by the ratio, not exceeding one, of the *member's credited service* to 35 years.

7.6 Bridge Benefit

7.6.1 ELIGIBILITY

A *member* who *retires* on or after January 1, 1996 and who receives a *pension* immediately upon early *retirement* from employment shall be entitled to a bridge benefit payable from the date of early *retirement* until attainment of age 65. The amount of such bridge benefit shall be calculated as follows:

- (a) In the case of a *member* who was accruing benefits under the *Plan* on or before December 31, 1997, the bridge benefit shall be calculated in accordance with paragraph (a) of sub-section 7.6.2.
- (b) In the case of a *member* who was not accruing benefits under the *Plan* on or before December 31, 1997, but who was accruing benefits under the *Plan* on or before December 31, 1999 and who *retires* on or after May 16, 2007 but before January 1, 2010, the bridge benefit shall be calculated in accordance with paragraph (a) of sub-section 7.6.2.
- (c) In the case of a *member* who *retires* after May 16, 2007 and who does not meet the eligibility conditions in paragraphs (a) or (b) above, the bridge benefit shall be calculated in accordance with paragraph (b) of sub-section 7.6.2.

7.6.2 BRIDGE BENEFIT AMOUNT

- (a) In the case of a *member* who satisfies the eligibility conditions in paragraphs (a) or (b) of sub-section 7.6.1, the annual bridge benefit shall be equal to the sum of i) and ii) below, subject to *government pension legislation*:
- (i) The maximum monthly amount of benefits that would be payable under the *Old Age Security Act* in the month in which the *member retires* as if the *member* were 65 years of age at the time of *retirement* times twelve (12); and,
 - (ii) The proportion, not exceeding one, of the maximum benefits payable under the *Canada Pension Plan* in the month in which the *member retires* that the total of the *member's* highest 3 calendar years earnings is of the total *Year's Maximum Pensionable Earnings* for the same 3 calendar years,
- reduced by 1/4 of 1% for each month, including any fraction of a month, by which the early *retirement* date precedes the date on which the *member* will attain age 60. The annual bridge benefit shall be further reduced by 10% for each year, and proportionally for any fraction of a year, by which the following is less than 10 years:
- (iii) the *member's credited service*, for *members* who were actively accruing benefits under the *Plan* on or before December 3, 1996; or
 - (iv) the *member's credited service* accrued while an *employee*, for *members* who were not accruing benefits under the *Plan* on or before December 3, 1996.
- (b) In the case of a *member* who satisfies the eligibility conditions of paragraph (c) of sub-section 7.6.1, the annual bridge benefit shall be equal to \$8,000, subject to *Government pension legislation*, reduced by 1/4 of 1% for each month, including any fraction of a month, by which the early *retirement* date precedes the date on which the *member* will attain age 60. The annual bridge benefit shall be further reduced by 10% for each year, and proportionally for any fraction of a year, by which the *member's credited service* accrued while an *employee* is less than 10 years, except that, in the case of a *member* who *retired* before October 3, 2018, the reduction shall be determined in accordance with the *Plan* as it existed on the date on which the *member retired*.

7.6.3 FORM OF THE BRIDGE BENEFIT

The bridge benefit is payable for the *member's lifetime* but not beyond the *member's* attainment of age 65. Should the *member* die prior to attaining age 65 while in receipt of the bridge benefit, death benefits shall be payable in accordance with Section 11.2 or 11.3 as applicable. However, notwithstanding Section 11.2 or 11.3, all death benefits under the bridge benefit payable to any survivor shall cease at the time the *member* would have attained age 65.

7.7 Maximum Total Pension with Bridge Benefit

Notwithstanding Section 7.6, in no event will the initial total *pension benefit* payable to a *member* upon *early retirement* as a result of the addition of the bridge benefit under Section 7.6 exceed the sum of a) and b) below:

- (a) the defined benefit limit as defined under the *Income Tax Act*, and as indexed in accordance with the *Income Tax Act*, multiplied by the *member's credited service*; and
- (c) Twenty-five per cent (25%) multiplied by the average of the *Year's Maximum Pensionable Earnings* for the year in which the benefits commence to be paid and for each of the two immediately preceding years multiplied by the ratio, not exceeding one, of the *member's credited service* to 35 years.

8.1 Eligibility

An *active member* may elect to postpone *retirement* beyond the *member's normal retirement date*, but in no case will commencement of *pension benefits* payable under the *Plan* be after the last day of the calendar year in which the *member's* seventy-first (71st) birthday occurs.

8.2 Contributions

An *active member* who postpones *retirement* beyond the *member's normal retirement date* in accordance with Provision 8.1 shall continue to remit contributions to the *Plan* pursuant to Section 4.

8.3 Amount

The amount of postponed *pension* payable in the *normal form* shall be determined according to Provisions 6.2 and 6.3.

8.4 Election Timing

A *member* must advise the *Administrator* of the postponed *retirement* date and of an election pursuant to Provision 8.5.2 by a written notice signed by the *member* and filed with the *Administrator* not later than thirty (30) days prior to such date.

8.5 Exception - Quebec

8.5.1 APPLICATION

After the *normal retirement date* the following Provisions apply in respect of an *active member* resident in the province of Quebec.

8.5.2 REDUCTION OF SALARY

The *member* may elect to receive the amount of *pension* accrued prior to the *member's normal retirement date*, in whole or in part, but only to the extent necessary to compensate for a reduction in *salary* after the *normal retirement date*.

Only one (1) such election may be made in any twelve (12) month period, except as may otherwise be agreed to by the *employer*.

8.5.3 ADJUSTMENT OF ACCRUED BENEFITS

The amount of *pension* which is accrued at the *normal retirement date* and of which the first payment of all or part of such amount is delayed beyond the *normal retirement date* shall be adjusted so that the *commuted value* of the *pension* payable in the *normal form* commencing at the *normal retirement date* equals the *commuted value* of the amount of *pension* payable in the *normal form* commencing at the end of the delay.

8.5.4 AMOUNT AT RETIREMENT

The amount of *pension* payable at the date of *retirement* shall equal the greater of

- (a) the amount determined according to Provisions 6.2 and 6.3, and
- (b) the sum of
 - (i) the amount determined according to Provision 8.5.3, and
 - (ii) the amount such that the *commuted value* of the *pension* payable in the *normal form* equals the *member's* contributions following the *normal retirement date*, with *interest*.

8.6 Exception – Manitoba**8.6.1 APPLICATION**

After the *normal retirement date* the following Provisions apply in respect of an *active member* resident in the province of Manitoba.

8.6.2 ADJUSTMENT OF ACCRUED BENEFITS

The amount of *pension* which is accrued at the *normal retirement date* and of which the first payment of all or part of such amount is delayed beyond the *normal retirement date* shall be adjusted so that the *commuted value* of the *pension* payable in the *normal form* commencing at the *normal retirement date* equals the *commuted value* of the amount of *pension* payable in the *normal form* commencing at the end of the delay.

8.6.3 AMOUNT AT RETIREMENT

The amount of *pension* payable at the date of *retirement* shall equal the greater of

- (a) the amount determined according to Provisions 6.2 and 6.3, and
- (b) the amount determined according to Provision 8.6.2.

9.1 Eligibility

An *active member* who terminates employment with the *employer* for reasons other than *retirement* or death shall be paid the benefits described in this Section. The payment of such benefits shall constitute full and final settlement of the rights of such person under this *Plan*.

9.2 Deferred Pension

At the date of termination of employment, there shall be provided the former *member* a *deferred pension* payable in the *normal form*, the monthly amount to be determined in accordance with Provision 6.2 and 6.3.

9.3 Refund Option

9.3.1 ELIGIBILITY – NEW BRUNSWICK, NEWFOUNDLAND

With respect to an *employee* employed in New Brunswick or Newfoundland, if at the date of termination of employment the *member* has less than 2 years of pensionable service with the *CUPE*, the former *member* may elect to receive in respect of all *credited service* and in lieu of the *deferred pension* referred to in Provision 9.2 an amount equal to the accumulation, pursuant to Section 5, of such person's contributions made to the *Plan*. Such refund shall be in full satisfaction of all rights and entitlements of the *member* under the *Plan*.

9.3.2 ELIGIBILITY – SASKATCHEWAN

With respect to an *employee* employed in Saskatchewan, if at the date of termination of employment the *member* has less than 2 years of *continuous* employment with the *CUPE*, the former *member* may elect to receive in respect of all *credited service* and in lieu of the *deferred pension* referred to in Provision 9.2 an amount equal to the accumulation, pursuant to Section 5, of such person's contributions made to the *Plan*. Such refund shall be in full satisfaction of all rights and entitlements of the *member* under the *Plan*. However, such refund shall not be available where the *member* has reached the *normal retirement date*.

9.3.3 The above refund option shall not be available to any other *members*.

9.4 Excess Member Contributions

If at the date of termination of employment, the *member* does not elect to receive a refund of *member* contributions under Provision 9.3 and where the *member's required contributions* with *credited interest* exceed 50% of the *commuted value* of the *deferred pension* entitlement under Provision 9.2, then

in addition to the *deferred pension* entitlement of the former *member*, such excess contributions shall be, as elected by the former *member*, either:

- (a) except for Quebec *members* who do not qualify under Provisions 16.1.1 or 16.1.3, returned to the former *member* in cash,
- (b) transferred to a *prescribed* retirement vehicle, as permitted under the applicable *government pension legislation*,
- (c) transferred to another registered pension plan, if permitted by the applicable *government pension legislation* and that plan,
- (d) used to provide an additional *pension*, the *commuted value* of which shall be equal to the excess contributions otherwise payable, or
- (e) used to purchase an *insurer's* annuity.

9.5 Portability, Early Pension

In lieu of the *deferred pension* to which a vested *member* is entitled pursuant to Provision 9.2, if termination of employment occurs after December 31, 1986, the *member*

- (a) is entitled to require, by a written notice signed by the *member* and filed with the *Administrator* prior to ninety (90) days following the receipt of a statement of options provided by the *Administrator*, or in such time period as is otherwise *prescribed* under the applicable *government pension legislation*, an amount equal to the *commuted value* of the *deferred pension* be transferred from the *Fund*
 - (i) to another registered pension plan, if the *Administrator* of the other plan agrees to accept the payment,
 - (ii) into a *prescribed retirement savings plan*, or
 - (iii) to an *insurer* for the purchase for the former *member* of a *pension benefit* that will not commence before age fifty (50); or
- (b) is entitled to elect, by a written notice signed by the *member* and filed with the *Administrator*, to receive an early *pension* with payments commencing on the first day of any month after the attainment of age fifty (50) or completion of twenty-five (25) years of *credited service*. The amount of such early *pension* shall be determined pursuant to Section 7.

9.6 Authorized Absences from Work

Authorized absences from work shall not constitute termination of employment for purposes of this *Plan*, but shall be governed as follows:

- (a) If the *member* receives earnings at basic standard rates, *member* and *employer* contributions shall continue and the *member* shall be entitled to all benefits as though the *member* were actually at work.
- (b) If the *member's* earnings are discontinued, the *member contributions* and the *employer* contributions on the *member's* behalf shall cease. However, all benefits to which the *member* previously became entitled will not be affected.

9.7 Additional Benefit - Quebec

With respect to an *active member* employed in Quebec who terminates employment or dies before attainment of age 55, an additional benefit shall be added to the benefits payable under the terms of Section 9 or Section 10, as the case may be, equal to the excess, if any, of (i) over (ii) below:

- (i) The *commuted value* of the *member's* prescribed indexed *pension*, as defined herein below, with the special provision that such *commuted value* shall be calculated assuming that the *pension* would become payable from the *member's normal retirement date* and would have been indexed at the prescribed rate defined herein below for the period from the date of death or termination of employment to the date the *member* would have attained the age of 55, plus the adjusted value of excess *member* contributions, as defined herein below.
- (ii) The *commuted value* of the *member's* prescribed indexed *pension*, as defined herein below plus the value of any excess *member* contributions, as determined in accordance with Provision 9.4.

The prescribed indexed *pension* shall be equal to the *pension* determined in accordance with Provisions 6.2 for *credited service* on and after January 1, 2002.

The prescribed rate referred to in paragraph (i) above corresponds to 50% of the change in the seasonally unadjusted All-Items Consumer Price Index for Canada published by Statistics Canada, subject to a minimum annualized prescribed rate of 0% and a maximum annualized prescribed rate of 2%.

The adjusted value of excess *member* contributions referred to in paragraph (i) above shall be calculated as described in Provision 9.4 except that for purposes of such calculation, the *commuted value* of the portion of the *deferred pension* which is in respect of *credited service* on and after January 1, 2002 shall be

replaced by the *commuted value* in (i) above before the addition of the adjusted value of excess *member* contributions.

Any additional benefit payable under the present Provision shall be added to the *commuted value* otherwise payable under Provisions 9.5 (a) or 10.1, as the case may be, or be used to provide an additional *pension* of equivalent *commuted value* at the date of death or termination of employment, subject to applicable legislation.

9.8 Transfer of Benefits for a Quebec Member

Where a Quebec *member* elects to transfer his benefit entitlements under this Section 9, the provisions of Quebec's *Supplemental Pension Plans Act* providing for the value of benefits to be paid out of a pension fund only in proportion to the degree of solvency of the plan in full and final settlement of benefits under the plan shall not apply.

10.1 Benefit Entitlements

If a *member* or former *member* of the *Plan* who is entitled to a *deferred pension* described in Provision 9.2 dies before *retirement*, the person who is the *spouse* of the *member* or former *member* on the date of death of the *member* or former *member* or, in the case of a Quebec *member* or former *member*, the person who is the *spouse* of the *member* or former *member* on the day prior to the date of death of the *member* or former *member*, is entitled to receive:

- (a) a lump sum payment equal to the greater of:
 - (i) the *commuted value* of the *deferred pension* referred to in Provision 9.2 or Provision 10.3, plus the lump sum payment, if any, under Provision 9.4; or
 - (ii) two (2) times the total of the *member's required contributions* with credited *interest* thereon to the date of payment pursuant to Section 5.

OR

- (b) a *pension* or *deferred pension*, subject to Canada Customs and Revenue Agency maximums, commencing not later than age sixty-five (65), the *commuted value* of which is equal to the lump sum otherwise payable under (a) above, and under which the guarantee period, if any, does not exceed the lesser of fifteen (15) years and the period from the date of death of the *member* to the date before the date on which the *spouse's* eighty-sixth (86th) birthday would occur.

10.1.1 SPOUSES LIVING SEPARATE AND APART FROM EACH OTHER

- (a) For Ontario *employees* and subject to a domestic contract or order, the benefit described in Section 10.1 is not payable to the *spouse* if the *member* or former *member* and *spouse* are living separate and apart on the date of the death of the *member* or former *member*.
- (b) For Quebec *employees*, the right of the *spouse* to the benefit described in Section 10.1 is terminated by separation from bed and board, divorce or marriage annulment, by the dissolution or annulment of their civil union or by the cessation of conjugal relationship except if the *member* has notified the *Administrator* in writing to pay the benefit to the *spouse* notwithstanding the divorce, annulment of marriage, separation from bed and board, dissolution or annulment of the civil union or cessation of conjugal relationship.

- (c) For Manitoba *employees*, the benefit described in Section 10.1 is not payable,
- (i) to the *spouse* if the *spouse* has received or is entitled to receive a share of the *member's pension benefit* credit pursuant to an order or agreement providing for the division of family property; or
 - (ii) to an individual who qualified as a *spouse* under Section 2.1.47 for Manitoba *employees* if he/she and the *member* or former *member* were living separate and apart at the time of death by reason of a breakdown of their relationship.
- (d) For Nova Scotia *employees*, the benefit described in Section 10.1 is not payable to an individual who qualified as a *spouse* under Section 2.1.47 for Nova Scotia *employees* if he/she and the *member* or former *member* were living separate and apart on the date of death, there is no reasonable prospect of resumption of cohabitation and one or more of the circumstances described in the Nova Scotia *government pension legislation* exist.

10.2 Death After the Normal Retirement Date

If an *active member* dies during a period of employment which has been extended beyond the *member's normal retirement date*, the *member's spouse* shall be entitled to the benefit described in Provision 10.1.

10.3 Amount of Deferred Pension

For the purposes of this Section, the *deferred pension* to which an *active member* is entitled shall be calculated as if the *member's* employment were terminated immediately before the *member's* death.

10.4 Beneficiary, Estate

The designated *beneficiary* of the *member*, or the estate of such person if no designation has been made, is entitled to receive, pursuant to Provision 10.1 or Provision 10.2, as applicable, the lump-sum benefit described in Provision 10.1,(a), provided this benefit is not payable to the *spouse* under Provision 10.1.

10.5 Waiver

Except in the case of *members* employed in Newfoundland and New Brunswick, a *member* and *spouse* may waive in the *prescribed* form delivered to the *Administrator* the *spouse's* entitlement under Provisions 10.1 and 10.2; in such event Provision 10.4 applies as if the *member* does not have a *spouse* on the date of death.

10.6 Election Timing

A *spouse* who has an entitlement under this Section shall elect, by a written notice signed by the *spouse* and filed with the *Administrator* within ninety (90) days, or such period as otherwise *prescribed* by *government pension legislation*, if greater, of receipt of the *prescribed* benefit statement, from among the options available pursuant to Provisions 10.1 or 10.2; otherwise the *spouse* shall be deemed to have elected to receive an immediate *pension benefit*.

10.7 Exception - Alberta, British Columbia and Manitoba

Notwithstanding clause 10.1(a), where a *pension* or *deferred pension* under clause 10.1(b) is not elected, the *commuted value* of the *deferred pension* to which a *member* is entitled in respect of *credited service* while employed in Alberta, British Columbia or Manitoba may only be transferred to another registered pension plan, a *prescribed* retirement savings vehicle, or to an *insurer* for the purchase of an immediate or deferred annuity.

10.8 Transfer of Benefits for a Quebec Member or Former Member

Where the *spouse*, designated *beneficiary* or estate of a Quebec *member* or former *member* elects to transfer his benefit entitlements under this Section 10, the provisions of Quebec's *Supplemental Pension Plans Act* providing for the value of benefits to be paid out of a pension fund only in proportion to the degree of solvency of the plan in full and final settlement of benefits under the plan shall not apply.

11.1 Application

Post-*retirement* death benefits shall be payable pursuant to this Section provided an optional form of payment, as described in Provision 13.3, has not been elected.

11.2 Normal Single Form

Where a *member* who did not have a *spouse* at *retirement*, or had a *spouse* at *retirement* and the *spouse* pre-deceases the *member*, dies after he has *retired* but before he has received one hundred and twenty (120) payments, the payments shall be continued to his *beneficiary* until a total of one hundred and twenty (120) payments shall have been made to the *member* and *beneficiary*.

11.3 Normal Married Form

Where a *member* who had a *spouse* at *retirement* dies after he has *retired* and is survived by such *spouse*, the payments shall be continued to the surviving *spouse* for such *spouse's* further *lifetime* in an amount equal to the *pension* being paid to the *member* immediately prior to the date of death until a total of sixty (60) monthly payments have been made from the *member's* date of *retirement* and, thereafter, equal to 66 2/3% of the *pension* then in pay.

11.3.1 SPOUSES LIVING SEPARATE AND APART FROM EACH OTHER

- (a) For Ontario and Nova Scotia *employees*, the benefit described in Section 11.3 is not payable to the *spouse* if the *member* or former *member* and *spouse* are living separate and apart on the date the *member* or former *member* *retired*.
- (b) For Quebec *employees*, the right of the *spouse* to the benefit described in Section 11.3 is terminated by separation from bed and board, divorce or marriage annulment, by the dissolution or annulment of their civil union or by the cessation of conjugal relationship except if the *member* has notified the *Administrator* in writing to pay the benefit to the *spouse* notwithstanding the divorce, annulment of marriage, separation from bed and board, dissolution or annulment of the civil union or cessation of conjugal relationship.
- (c) For Manitoba *employees*, the benefit described in Section 11.3 is not payable to an individual who qualified as a *spouse* under Section 2.1.47 for Manitoba *employees* if he/she and the *member* or former *member* were living separate and apart at the time of death by reason of a breakdown of their relationship.

12.1 Disability Benefits

If a *member* becomes totally and permanently disabled, as determined by and certified in writing by a medical doctor and provided such *member* is in receipt of the benefits under the Long Term Disability Plan provided by the *CUPE* for its *employees*, he will continue to accrue *pension benefits* provided under this *Plan* while permanently and totally disabled.

The deemed annual *salary* of a *member* who on or after July 1, 1983 is a recipient of benefits under the Long Term Disability Plan for *CUPE employees* means, during the period that said *member* is entitled to the Long Term Disability Plan benefit, the *salary* applicable from time to time to the employment classification of the *member* at the date of disablement of the *member*. Notwithstanding the provisions of the preceding sentence, in no event shall the deemed *salary* of the disabled *member* increase at a rate greater than that permitted by Revenue Canada to maintain the registered status of the *Plan* under the *Income Tax Act*.

13.1 Commencement and Duration

Pension payments payable according to the Provisions shall commence on the first of the month following, or coincident with

- (a) the *member's* date of *retirement* or death, if earlier,
- (b) the *member's* sixtieth (60th) birthday in the case of a *member* entitled to a *deferred pension*

and shall be paid on the first of each month thereafter in monthly instalments of one-twelfth (1/12th) of the annual amount.

Subject to Section 11, *pension* payments shall cease with the last payment due prior to the *member's* or *spouse's* death.

13.2 Waiver of Spouse's Pension

13.2.1 The persons entitled to a joint and survivor *pension benefit* may waive the entitlement to receive the benefit in this form by delivering to the *Administrator* or, in the case of a paid-up *deferred pension*, to the *insurer* a written waiver in the *prescribed* form.

13.2.2 The waiver is not effective unless delivered to the *Administrator* within the period of twelve (12) months, or within such other period as *prescribed* by the applicable *government pension legislation* immediately preceding the commencement of payment of the *pension benefit*.

13.2.3 Persons who have delivered a waiver may jointly cancel the waiver by written and signed notice delivered to the *Administrator* before the *pension benefit* commences to be paid.

13.2.4 Provided a waiver is effective, the *member* shall be deemed not to have a *spouse* for the purpose of determining the *normal form* of *pension benefit* pursuant to these Provisions.

13.2.5 Where the *member* is employed in Alberta, British Columbia, Manitoba, Quebec or Saskatchewan, the waiver need only be signed, in *prescribed* form, by the *member's spouse*.

13.3 Optional Forms of Payment

13.3.1 APPLICATION

A *member* may apply, by a written notice signed by the *member* and filed with the *Administrator* before a *pension benefit* commences to be paid, to have the *pension benefit* entitlement paid in other than the *normal form*.

13.3.2 ELIGIBLE FORMS

Provided a valid waiver has been received, if applicable, by the *Administrator* of the *Plan* as described in Provision 13.2 the *member* may, by written and signed notice delivered to the *Administrator* at least thirty (30) days prior to *retirement*, elect to receive a *pension benefit* in any one of the optional forms listed below.

(a) Life - No Guarantee

This type of *pension* provides payments for the *lifetime* of the *member*, the last payment being due on the first day of the month in which the death of the *pensioner* occurs.

(b) Life - Guaranteed 5 years

This type of *pension* provides payments for the entire *lifetime* of the *member* and guarantees that should the *member* die after the *pension benefit* has commenced but before sixty (60) monthly payments have been made, the payments shall be continued to the *beneficiary* or estate until sixty (60) monthly payments in all have been made. Such option is not available to the *member* if it would result in a guarantee period extending beyond the *member's* eighty-sixth (86th) birthday.

(c) Life - Guaranteed 15 years

This type of *pension* provides payments for the entire *lifetime* of the *member* and guarantees that should the *member* die after the *pension benefit* has commenced but before one hundred and eighty (180) monthly payments have been made, the payments shall be continued to the *beneficiary* or estate until one hundred and eighty (180) monthly payments in all have been made. Such option is not available to the *member* if it would result in a guarantee period extending beyond the *member's* eighty-sixth (86th) birthday.

(d) Joint and Survivor Pension

A *member* may elect to have the *pension benefit* continue upon such *member's* death for the *lifetime* of a *spouse*, former *spouse*, or *preferred beneficiary* in an amount equal to the same or some other monthly amount as had been received by the *member* prior to the date of death.

13.3.3 ACTUARIAL ADJUSTMENT

The amount of *pension* payable in the optional form shall be determined such that the value of the *pension benefit* in the optional form shall be *actuarially equivalent* to the *pension benefits* otherwise payable, but based, where the *member* would otherwise be entitled to the form of *pension* provided in Provision 11.3, on the normal single form of *pension* described in Provision 11.2. However, should the *member* elect to increase the benefit payable to the *spouse* or former *spouse* under Section 13.3.2(d) then the optional form so elected shall be *actuarially equivalent* to the form of *pension* provided under Provision 11.3.

Notwithstanding the above, the amount of *pension* payable in the optional form shall not exceed the lesser of the limits imposed under Section 6.3.2(a) and (b) multiplied by the *member's credit service*.

13.4 Supplementary Pension Benefits

- (1) The *Administrator* may increase, as from time to time, agreed to between the *employer* and its *unions* through collective agreements, the amount of the *pension* and the amount of the bridge benefit, as defined in paragraph 7.6, paid to persons receiving benefits under the *Plan* or entitled to benefits under the *Plan* to reflect the increase in the Consumer Price Index, provided such *pension* or bridge benefit is being paid to or with respect to a person who has *retired* from active service with the *employer*, or such *pension* is a *deferred pension* of a former *member* under the *Plan*. The amount of such increases shall be determined for each person eligible therefor, according to a uniform and equitable formula as agreed to between the *employer* and its *unions*, and shall be payable unless otherwise stipulated on the same terms and conditions as are applicable to the *pension* or bridge benefit already being paid to that person. In no event shall the *pension* being paid to a person be reduced in value by application of this provision.
- (2) Notwithstanding (1) above and in accordance with the Memoranda of Agreement dated March 16, 2007 between the *unions* and *CUPE*, the amount of increase to become effective on January 1 of any year after 2005 shall be calculated in accordance with the following provisions:

- (a) The increase effective January 1, 2006 shall correspond to the annual rate of increase of the Consumer Price Index for the year 2005.
- (b) The increase effective January 1, 2007 shall correspond to the annual rate of increase of the Consumer Price Index for the year 2006.
- (c) The increases effective January 1, 2008 and January 1, 2009 shall each be calculated as follows:
 - i) For the increase effective January 1, 2008, 50% of the annual rate of increase of the Consumer Price Index for the year 2007 plus the amount determined under subparagraph iii) below.
 - ii) For the increase effective January 1, 2009, 50% of the annual rate of increase of the Consumer Price Index for the year 2008 plus the amount determined under subparagraph iii) below.
 - iii) An additional percentage (not to exceed 50%) of the annual rate of increase of the Consumer Price Index for the preceding calendar year shall be added to the amounts determined under subparagraphs i) and ii) above. This additional percentage shall be determined by the *Administrator*, based on calculations provided by the *Actuary*. This additional percentage shall be determined as the percentage at which the solvency liabilities resulting from the aggregate percentage increases under this paragraph (c), calculated as at January 1, 2008 and January 1, 2009 respectively, will not have the effect of reducing the solvency excess under the *Plan* as at that date (after taking into account the effects of other plan changes introduced pursuant to the Memoranda of Agreement dated March 16, 2007 between the *unions* and *CUPE*) below \$10 million.
- (d) The increase effective January 1, 2010 shall be calculated as follows:
 - i) 50% of the annual rate of increase of the Consumer Price Index for the year 2009.
- (e) The increase effective January 1, 2018 shall be the percentage based on the date of commencement of the *pension* or *deferred pension* determined in accordance with the following table:

Date of Commencement of <i>Pension or Deferred Pension</i>	Percentage Increase
January 1, 2010 or earlier	9.07%
January 1, 2011	7.30%
January 1, 2012	5.98%
January 1, 2013	5.56%
January 1, 2014	5.00%
January 1, 2015	4.19%
January 1, 2016	3.12%
January 1, 2017	1.87%
January 1, 2018	0.00%

For any *pension* or *deferred pension* that commenced in a month other than January of a year, the percentage increase shall be determined by interpolation between the percentage increase for January 1 of that year and the percentage increase for January 1 of the following year, rounded to two decimal places.

- (f) (i) The increase to become effective on January 1 of each year after 2018 shall correspond to a percentage (not to exceed 100%) of the annual rate of increase of the Consumer Price Index for the applicable preceding calendar year.
- (ii) This percentage shall be determined by the *Administrator* to be sustainable for the future *lifetime* of all existing *pensioners* and *active members* in respect of their accrued pensionable service as at the effective date, based on calculations provided by the *Actuary*.
- (iii) The *Actuary* shall calculate this percentage as the ratio of A/B, not exceeding 100%, where
- A = the excess, if any, of *going concern assets* over *going concern liability* as at the effective date of the increase
- B = the actuarial present value of annual indexation of all accrued *pensions* as at the effective date of the increase in all future years, including the present year, at 100% of the rate of inflation assumed in the *going concern valuation* as at the effective date of the increase.
- (iv) No increase shall be granted in accordance with this paragraph (f) that would have the effect of reducing the ratio of *going concern assets* to the sum of the *going concern liability* and the *provision or adverse deviations* as at the effective date of the increase below 100%.

14.1 Administrator

The *Trustees*, for purposes of *government pension legislation* shall be also constituted as a Pension Committee and shall be the *Administrator* of the *Plan* and shall conclusively decide all matters relating to the interpretation and application of the *Plan*, consistent with the *Plan* and *Trust Agreement* and other relevant documents, and shall provide for the keeping of sufficient records with respect to the membership of the *Plan*. Such of the duties and responsibilities of the *Administrator* as the *Administrator* in its sole discretion may determine shall be delegated to the *Administrative Agent* which shall act on behalf of and with the authority of the *Trustees* acting in their capacity as the Pension Committee. The *Administrative Agent* shall mean such person, firm or corporation as may, from time to time, be appointed, hired or retained by the *Trustees* acting in their capacity as the Pension Committee for the purpose of the administration of the *Trust Fund* and *Plan* in accordance with the provisions of the *Trust Agreement*.

14.2 Trust Fund

14.2.1 ASSETS

All assets of the *Plan* shall be held in trust by the *Trustees* from time to time under the *Trust Agreement*. The *Trustees* may, from time to time, appoint a *Custodian* in accordance with the provisions of the *Trust Agreement*. The *Trust Fund* so established and continued shall be used to provide the benefits of the *Plan* and to pay appropriate expenses of the trust in accordance with the terms of the *Trust Agreement*.

No part of the corpus or income of the *Trust Fund* shall be used for, or diverted to, purposes other than for the exclusive benefit of *members* or their *beneficiaries* except as allowed pursuant to Provisions 15.4 and 15.5.

14.2.2 INVESTMENTS

No investment shall be held by the *Plan* which is prohibited by *government pension legislation*.

14.2.3 BORROWING

The *Plan* may not borrow money for its purposes except as allowed by *government pension legislation*.

14.2.4 ANNUAL AUDIT

The *Administrator* shall cause an audit to be performed of the *Fund* at the end of each *plan year* by an Auditor who is a person, a firm or corporation where such person, or at least one principal of such firm or corporation, is a public accountant licensed to practice as such in the Province of Ontario.

14.3 Source of Pension Payment

The *Administrator* may, in its discretion, determine whether to provide for the payment of a *pension* through the purchase of a *pension* from an *insurer* or to pay the *pension* directly from the *Fund*.

14.4 Information

14.4.1 The *Administrator* undertakes to provide a written explanation of the terms and conditions of the *Plan*, including amendments, to each *member* and eligible *employee* and of the rights and duties of such a person in the *Plan* with reference to the benefits payable thereunder.

14.4.2 The *Administrator* shall issue to each *member* an annual statement of the *pension* and other benefits accrued to the *member* as at the statement date.

14.4.3 The *Administrator* shall issue to each *member*, or in respect of each *member*, a statement of benefit entitlements upon the termination of employment, death or *retirement* of the *member*.

14.4.4 The written explanation and statements as are required to be issued by this Provision 14.4 shall be issued within such time periods and in such manner and form as are *prescribed*.

14.4.5 On written request, the *Administrator* shall make available the *prescribed* documents and information in respect of the *Plan* or *Fund* for inspection without charge by a *member* or any other person who may become entitled to benefits under the *Plan*, or an agent of such person. Copies of any of the documents made available for inspection shall be provided by the *Administrator* upon request and for a reasonable fee.

14.4.6 EXCEPTION - MANITOBA MEMBERS

Further to the provisions of this Provision 14.4, the *CUPE* shall provide to each *member* who is employed in Manitoba at least annually and within nine months of the *plan year* end a statement showing not less than the following information with respect to the *Plan*:

- (a) the total contributions made to the *Plan* in the *plan year* by the *employer*;
- (b) the total benefit and expense disbursements made from the *Plan* in the *plan year*; and
- (c) the balance of the *Trust Fund* at the beginning and end of the *plan year*.

14.5 Actuarial Valuation

The *Administrator* shall cause the *Actuary* to perform at regular intervals, and not less often than every three years, a *going concern valuation* of the *Plan* and any other valuations required by *government pension legislation*.

14.6 Proofs

- 14.6.1 Prior to paying a *pension benefit*, the *Administrator* shall be entitled to receive proof satisfactory to it of the age of the *member* or *spouse*, if any.
- 14.6.2 Before settling any claim for a death benefit under Sections 10 or 11, the *Administrator* shall be entitled to receive proof satisfactory to it of the death of the *member*, the title of the claimant, and a satisfactory discharge of such claim, and, in the event of the death benefit being payable in the form of a *pension*, satisfactory proof of the ages of any *pensioner* thereunder.
- 14.6.3 Should any information on which the amount of any benefit is based be misstated, the amount of such benefit shall be altered to that amount which would have been provided had the correct information been known, with such adjustments being made as shall be deemed equitable in the sole opinion of the *Administrator*.
- 14.6.4 With respect to each and every payment of a *pension benefit* which is contingent upon the survival of a *pensioner*, the *Administrator* shall be entitled prior to making such payments to receive proof satisfactory to it of such survival.

14.7 Jurisdiction

The Provisions shall be construed, administered and enforced according to the laws of the Province of Ontario and such other provinces as required by legislation.

15.1 Right to Amend or Discontinue

It is intended that the *Plan* and *Trust Fund* shall continue indefinitely but they may be amended, suspended or terminated in accordance with the provisions of the *Trust Agreement* and any collective agreement entered into between the *employer* and the *unions*. No amendment to this *Plan* shall in any way conflict with the provisions of any collective agreement. A change in *Custodian* does not in itself constitute termination of the *Plan*.

15.2 No Adverse Effect

Any change or modification in the *Plan* shall not affect the amount of *pension benefits* being paid to *pensioners*. No change or modification shall adversely affect the benefits which have accrued to the *members* of the *Plan* prior to the date of amendment.

15.3 Cessation of Funding

In the event of the termination of the *Plan*, the *employer* shall have no obligation or liability to make any future payments to the *Fund* except for payments relating to *members'* contributions which have been deducted from *members'* salaries but not previously remitted to the *Fund* any other payments which are *prescribed* or for which the *employer* is liable to the date of the termination of the *Plan* pursuant to the *Trust Agreement* or such other agreement as may be in place with its *unions*.

15.4 Disposition of Plan Assets on Windup

15.4.1 In the event of discontinuance of the *Plan*, the assets of the *Fund* shall be used to provide for

- (a) the continuance of the *pension* payments then in effect to *pensioners*,
- (b) the *deferred pensions* to which former *members* have become entitled under the provisions of Section 9, and
- (c) the *pension benefits* that have accrued to *active members* up to the date of discontinuance, payable from the date first eligible for non-reduced *retirement* benefits or such earlier *retirement* date and on such terms as are provided for in the *Plan*, provided that if the cash available for purposes of this Provision 15.4.1 is not sufficient to provide all of the benefits *prescribed*, it shall be applied to provide the benefits pro rata to the amount of cash required to provide the entire benefit.

15.4.2 Notwithstanding clause 15.4.1(c), in no event shall the distribution to a *member* result in benefits to the *member* being in excess of the maximum level of *pension* permitted under the then current provisions established by Revenue Canada.

15.4.3 In the event any surplus remains after all benefits referred to in this Provision 15.4 have been provided, such surplus will be distributed in accordance with Section 15.5.

15.5 Disposition of Surplus

15.5.1 PLAN WIND-UP

Any surplus that remains on termination of the *Plan* after the provision of the assets of the *Plan* pursuant to Section 15.4 shall be distributed in accordance with the terms of the *Trust Agreement* and such other agreements as may be in place between the *CUPE* and its *unions*. Such disposition shall also be in accordance with *government pension legislation*.

15.5.2 ON-GOING PLAN

If, at any time, in the opinion of the *Actuary* the *going concern assets* of the *Fund* exceed the *going concern liabilities*, then subject to *government pension legislation* and in accordance with the *Trust Agreement* or such other agreement as may be in force between the *employer* and its *unions*, such excess assets may be applied to reduce *employer* contributions, fund unfunded actuarial liabilities or experience deficiencies, or for such other applications as agreed to including the increase in benefits.

15.6 No Liability - Good Faith Actions

No liability shall attach to the *Administrator*, the *Trustees* of the *Fund*, the liquidator or the trustee in bankruptcy if the winding-up of the *Plan* is made in good faith.

16.1 Commutation

16.1.1 SMALL AMOUNT

The *commuted value* of a *pension benefit* payable according to these Provisions shall be paid in a lump sum to the *member*, or the *member's spouse, beneficiary* or estate, as the circumstances warrant, if either (i) or (ii) herein below is applicable:

- (i) the annual amount of *pension* payable at the *normal retirement date*:
 - (a) is not more than four per cent (4%) of the *YMPE* in the year of termination, in the case of a *member* employed in Manitoba, Newfoundland, Nova Scotia, Ontario or Prince Edward Island,
 - (b) is not more than four per cent (4%) of the *YMPE* in the year in which the payment is made, in the case of a *member* employed in Saskatchewan.
- (ii) the *commuted value* of the *pension benefit*, or the adjusted *commuted value* of the *pension benefit* in the case of a *member* employed in New Brunswick:
 - (a) does not exceed twenty per cent (20%) of the *YMPE* for the calendar year in which the most recent determination of *commuted value* was made, in the case of a *member* employed in British Columbia or Alberta,
 - (b) is less than twenty per cent (20%) of the *YMPE* in the year of termination, in the case of a *member* employed in Ontario, Nova Scotia, Manitoba, Quebec, or Prince Edward Island,
 - (c) is less than ten per cent (10%) of the *YMPE* in the year of termination, in the case of a *member* employed in Newfoundland,
 - (d) is less than forty per cent (40%) of the *YMPE* in the year of termination, in the case of a *member* employed in New Brunswick, or
 - (e) does not exceed twenty per cent (20%) of the *YMPE* in the year the payment is made, in the case of a *member* employed in Saskatchewan.

16.1.2 SASKATCHEWAN MEMBER

In respect of *credited service* of a *member* while employed in Saskatchewan, an *active member* upon termination of employment prior to *retirement* may elect to receive in partial discharge of any rights under the *Plan* a lump-sum payment that does not exceed fifty per cent (50%) of the *member's* total contributions, with *interest*.

An election pursuant to this Provision 16.1.2 shall be in writing, signed by the *member*, and filed with the *Administrator* prior to sixty (60) days following termination of employment.

16.1.3 QUEBEC MEMBER

A *member* employed in the province of Quebec who *retires* or terminates employment, may apply, by written notice signed by the *member* and filed with the *Administrator*, to receive a refund of the *commuted value* of his *pension*, in case of *retirement*, or the *commuted value* of his *deferred pension*, in case of termination of employment, if such *commuted value* is less than 20% of the *YMPE*.

16.1.4 ALBERTA MEMBER

A *member* who is entitled to a *deferred pension* under the *Plan*, who was employed in Alberta at the date of his termination of employment, who has attained age 50 and who elects to transfer the *commuted value* of his *deferred pension* in accordance with Section 9.5 (a)(ii) or Section 9.5 (a)(iii), may elect to have an amount, not exceeding 50% of the *commuted value* of his *pension*,

- (i) paid in a lump-sum,
- (ii) transferred to a *Registered Retirement Savings Plan* and administered on a non locked-in basis, or
- (iii) transferred to a *Registered Retirement Income Fund* and administered on a non locked-in basis.

The above provision is subject to certain restrictions, as specified by the *Alberta government pension legislation*.

16.1.5 NON-RESIDENCY UNLOCKING

A *member* who is entitled to a *deferred pension* under the *Plan*, who was employed in Alberta, British Columbia, New Brunswick or Quebec on the date of his termination of employment and who has been declared non-resident for purposes of the *Income Tax Act*, or, in the case of a *member* employed in Quebec, has not been residing in Canada for at least two years, may elect to receive a refund of the *commuted value* of his *deferred pension* provided, where required, his *spouse*, if any, signs the necessary waiver.

16.1.6 PENSION BENEFIT PAYABLE IN ACCORDANCE WITH LEGISLATION

Notwithstanding the provisions of this Section 16.1, in no event will a payment under Section 16, or the payment of a *pension benefit*, be payable in a manner not allowed under applicable *government pension legislation*.

16.2 Benefit Splitting

16.2.1 APPLICATION

For purposes of this subsection 16.2, if a *member's* benefits become subject to provincial property law, the term "spouse" shall have the meaning assigned under the *Family Law Act*.

16.2.2 ASSIGNMENT TO SPOUSE

Subject to the provisions of *government pension legislation*, a *member* may, pursuant to a decree, order or judgment of a competent tribunal or in accordance with a written separation agreement relating to a division of property between the *member* and the *member's spouse*, assign part of the *member's pension benefit* under the *Plan* to that person's *spouse*.

Exception - Quebec *employees*

Notwithstanding the above, assignment to a *member's spouse* under this paragraph in respect of Quebec *employees* shall be made in accordance with the specific requirements of the applicable *government pension legislation*.

16.2.3 CALCULATION OF PENSION BENEFIT

In the event that all or part of a *member's pension benefit* is assigned under Provision 16.2.2, the resulting *pension benefits* provided to each of the *member* and the *member's spouse* shall be *actuarially equivalent* to the *pension benefit* otherwise accrued to the *member*.

16.2.4 REDETERMINATION OF PENSIONS IN PAY – QUEBEC FORMER EMPLOYEES

On termination of spousal relationship for reasons other than death, a *member* who was employed in Quebec and in receipt of a *pension* that has been reduced to take into account a survivor *pension* payable to the *member's spouse*, is entitled on written request to the *Administrative Agent* to a redetermination of his *pension* in order to take into account, as applicable, the separation from bed and board, the divorce or annulment of marriage, the dissolution of civil union or, in the case of a common-law *spouse*, the cessation of the conjugal relationship, that occurred after his *retirement*.

The amount and form of *pension* are redetermined as of the effective date of the judgement granting the separation from bed and board, the divorce or annulment of marriage, as of the date of dissolution of the civil union or as of the date of cessation of the conjugal relationship as if the *member* did not have a *spouse* at the time of his *retirement*. However if the effective date of the judgement granting the separation from bed and board, the divorce or annulment of marriage, the dissolution of civil union or the cessation of the conjugal relationship is prior to January 1, 2001, the amount and form of *pension* shall be redetermined as of the date the *member* submitted the request for redetermination to the *Administrative Agent*. The new amount and form is payable effective from the date of the redetermination.

Effective January 1, 2001, when the *member's pension benefits* under the *Plan* are subject to partition with his former *spouse*, such redetermination shall be done without waiting for the *member's* request.

16.3 Assignment, Alienation, etc.

Except as otherwise expressly provided in Provisions 16.1 and 16.2, all benefits to or for any *member* are for the *member's* own use and benefit and no *member* can surrender, commute, assign, charge, anticipate, give as security, alienate or confer upon any personal representative, or any other person, any right or interest in such benefits capable of being surrendered, commuted, assigned, given as security, charged, anticipated or otherwise alienated.

A *spouse* shall be deemed to be a *member* for the purpose of this Provision 16.3.

16.4 Residence

For the purpose of these Provisions, an *active member* shall be deemed to be resident in the province in which the *employer* of the *member* is located.

16.5 Beneficiary Appointments

To the extent permitted by law, a *member* may, by a written notice signed by the *member* and filed with the *Administrator*, appoint a *beneficiary* to receive any death benefit payable hereunder not otherwise payable to the surviving *spouse* of the *member*, or alter or revoke any such appointment; provided that in the absence of any such valid appointment the death benefit shall be payable to the *member's* estate.

To the extent permitted by law, a *member* may, by a written notice signed by the *member* and filed with the *Administrator*, appoint a *preferred beneficiary* to receive the benefit described in Provision 13.3.2(d), or alter or revoke any such appointment.

16.6 Sex Discrimination

The sex of a *member*, *spouse* or other *beneficiary* shall not be taken into account in determining the rights or benefits under the *Plan*.

16.7 Transfer of Benefits for a Quebec Member

Where a Quebec *member* or *member's spouse* elects to transfer his benefit entitlements under this Section 16, the provisions of Quebec's *Supplemental Pension Plans Act* providing for the value of benefits to be paid out of a pension fund only in proportion to the degree of solvency of the plan in full and final settlement of benefits under the plan shall not apply.

17.1 Reciprocal Agreements

- 17.1.1 The *Trustees* may enter into a reciprocal agreement with another employer under which, without limiting the provisions and scope of such an agreement,
- (a) The *Trustees* will undertake to pay into the registered pension plan of that employer in respect of any *member* of the *Plan* who ceases to be employed by the *CUPE* to become employed by that employer and becomes a participant in that employer's plan; and
 - (b) the other employer will undertake to pay into this *Plan* in respect of a person who ceases to be employed by that employer to become employed by the *CUPE* and becomes a *member* of this *Plan*,
- a mutually acceptable amount as determined by each party to the agreement calculated on reasonable bases as specified in the agreement.
- 17.1.2 Service will be credited to the person with respect to whom the transfer is made under the plan receiving payment in accordance with the terms of the reciprocal agreement, but the service credited will not exceed the period of pensionable service and *credited service* of the person under the former plan.
- 17.1.3 For purposes of the pre-*retirement* death benefit provided in Section 10 or excess *member* contributions in Provision 9.4 of the *Plan*, one-half of each such payment received by the *Plan* shall be considered as *member required contributions* made by the *member* on the date payment is received by the *Plan* and the balance of the payment shall be considered as *employer* contributions.
- 17.1.4 For purposes of the termination of employment benefit provided in Provision 9.3 or excess *member* contributions in Provision 9.4 of the *Plan*, each such payment received by the *Plan* shall be considered as *member required contributions* made by the *member* on the date payment is received by the *Plan*. Notwithstanding the provision of the preceding sentence, where a transfer is received by the *Plan* under the reciprocal transfer agreement between the *Trustees* or *CUPE* and the Treasury Board, that part of such transfer which related to contributions made, or deemed to have been made, by the employer may not be refunded to the *member* in the form of a non-locked-in benefit as otherwise may be elected pursuant to Provision 9.3.

17.2 Transfer Provisions

17.2.1 A *member* who terminates his employment with the *CUPE* and:

- (a) becomes entitled to a *deferred pension benefit* under Provision 9.2 of the *Plan*, and
- (b) becomes a participant in a registered pension plan provided for the employees of a subsequent employer

may arrange for a transfer of the *commuted value* of the *pension benefit* entitlement under this *Plan* to the plan of that employer if that plan contains a provision under which such a transfer can be accepted. Such a transfer would be in full satisfaction of the obligations of the *Plan* and the rights of the *member* with respect to his period of participation in the *Plan*.

17.2.2 Transfers contemplated under Provision 17.2.1 will be made only where the receiving plan agrees to administer the amount transferred in accordance with applicable *government pension legislation*.

17.2.3 A new *employee* of the *CUPE* who becomes a *member* of this *Plan* and who is entitled to a refund benefit from the registered pension plan of his immediately prior employer or if the registered pension plan of that employer contains a provision allowing a transfer of pension credits, may arrange to have the full value of the entitlement under the prior plan transferred to this *Plan*.

17.2.4 A transfer value received by the *Plan* as provided in sub-section 17.2.3 will be applied to increase the *credited service* of the *member* with respect to whom the transfer is made by the amount of credited pensionable service which the *member* had under the prior plan, multiplied by the ratio that the transfer value received bears to the actuarial liability which the *Administrator* would require to credit the full period of prior *credited service*. In no event will the additional service credited under the *Plan* as the result of a transfer exceed the period of credited pensionable service of the *member* under the plan from which the transfer was made.

The actuarial liability which the *Administrator* would require to credit the full period of credited pensionable service under the prior plan shall be calculated as at the date of transfer based on actuarial assumptions and methods approved by the *Administrator*, in its discretion, for this purpose.

17.2.5 Where the amount transferred under Provision 17.2.3 would purchase a period of service under the *Plan* greater than the period of service credited under the plan from which the transfer is made, the excess amount of the transfer will be considered as *member optional contributions* under this *Plan*, to the extent permitted under the *Income Tax Act*.

17.2.6 Where the amount transferred under sub-section 17.2.3 would purchase a period of service under the *Plan* which is less than the period of service credited under the plan from which the transfer is made, the *member* may pay into the *Plan* an additional amount sufficient to provide all or any part of the eligible service not provided by the transfer value.

The additional amount required to provide all or any part of the eligible service not provided by the transfer value shall be calculated as at the date of transfer based on actuarial assumptions and methods approved by the *Administrator*, in its discretion, for this purpose.

17.2.7 Any amounts paid into the *Plan* under Provision 17.2.3, except those amounts designated as *member optional contributions*, and under sub-section 17.2.6 shall be designated as *member required contributions* or *employer contributions* in the same manner as provided in Provisions 17.1.3 and 17.1.4 for purposes of pre-*retirement* death benefits and terminations of employment benefits.

17.3 Transfer of Benefits for a Quebec Member

Where a Quebec *member* elects to transfer his benefit entitlements under this Section 17, the provisions of Quebec's *Supplemental Pension Plans Act* providing for the value of benefits to be paid out of a pension fund only in proportion to the degree of solvency of the plan in full and final settlement of benefits under the plan shall not apply.

18.1 Eligibility

This *shortened life expectancy* provision shall be available to the following *members* from all jurisdictions, unless otherwise restricted by relevant *government pension legislation*:

- (a) *Active members*,
- (b) *Deferred vested members*,
- (c) *Pensioners*,
- (d) *Spouses* entitled to a *deferred pension* shall be treated in same manner as *deferred vested members*.

18.2 Payment Option

The *Plan* shall permit the payment of the value of a *pension* or *deferred pension* in circumstances of *shortened life expectancy* as may be *prescribed*, if the conditions specified in Provision 18.3 are satisfied.

The value of a *pension* or *deferred pension* in circumstances of *shortened life expectancy* is to be calculated in accordance with the Canadian Institute of Actuaries (the "CIA") Standard of Practice for the Computation of the Commuted Value of Pension Benefits Due to Reduced Life Expectancy. Notwithstanding the above, if relevant *government pension legislation* prescribes another calculation method, that other method shall be used.

18.3 Necessary Conditions

If a *member* establishes on the basis of a written certification of a medical practitioner, or on such other evidence as may be acceptable under the applicable *government pension legislation*, that the *member's* life expectancy has been considerably reduced, subject to satisfying the requirements of the applicable *government pension legislation*, the *member* shall be entitled to elect to withdraw the value of a *pension* or *deferred pension* in accordance with Provision 18.2.

Subject to any alternative requirements under the applicable *government pension legislation*, where the *member* has a *spouse*, the *member* must provide a spousal declaration as described in Provision 18.4.

18.4 Spouse Declaration

Any of the following documents constitutes a declaration about a *spouse*:

- (a) A statement signed by the *member's spouse*, if any, that the *spouse* consents to the withdrawal from the *Trust Fund*.
- (b) A statement signed by the *member* attesting to the fact that he does not have a *spouse*.
- (c) A statement signed by the *member* attesting to the fact that he is living separate and apart from his *spouse* on the date the *member* signs the application to make the withdrawal from the *Trust Fund* provided that at the time of payment of the value of the *pension* or *deferred pension*, the *member* is living separate and apart from his *spouse*.

A declaration about a *spouse* is a nullity if it is signed by the *member* or his *spouse* more than 60 days before the *Administrative Agent* receives it.

18.5 Document Receipt

When the *Administrative Agent* receives a required document, the *Administrative Agent* shall give the *member* a receipt stating the day on which it was received.

18.6 Transfer of Benefits for a Quebec Member

Where a Quebec *member* elects to transfer his benefit entitlements under this Section 18, the provisions of Quebec's *Supplemental Pension Plans Act* providing for the value of benefits to be paid out of a pension fund only in proportion to the degree of solvency of the plan in full and final settlement of benefits under the plan shall not apply.