

These Rules are Current to June 13, 2025**COLLEGE PENSION PLAN RULES**

Effective June 22, 2012

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COLLEGE PENSION PLAN RULES

Background

Pursuant to the *Pension (College) Act*, R.S.B.C. 1996, c. 353 (the “former Act”), a pension plan was provided for the benefit of senior administrative staff, faculty and certain other public service employees. The College Pension Fund was continued under the former Act.

The *Public Sector Pension Plans Act*, S.B.C. 1999, c. 44 (the “Act”), which received Royal Assent on July 15, 1999, introduced certain changes to British Columbia’s four statutory pension plans, including the plan provided for under the former Act.

Effective April 1, 2000, (i) the plan provided for under the former Act was continued as the College Pension Plan under Schedule A to the Act (“Schedule A”) and the regulations made pursuant to section 13 (1) of Schedule A (the *College Pension Plan Regulation*, B.C. Reg. 95/2000) (“Statutory Pension Plan Rules”) and (ii) the College Pension Fund was continued under Schedule A. In conjunction with the continuation of the College Pension Plan and the College Pension Fund under Schedule A, the former Act was repealed effective April 1, 2000, pursuant to section 124 (a) of the Act.

The Act was amended by sections 44, 52 and 53 of the *Miscellaneous Statutes Amendment Act (No. 2), 2012* to repeal Part 1 of Schedule A and to provide in section 16.1 of Schedule A that the government, the Post-Secondary Employers’ Association (PSEA), the Federation of Post-Secondary Educators of BC (FPSE) and the B.C. Government and Service Employees’ Union (BCGEU) could enter into a joint management agreement to provide for the joint management of the College Pension Plan and the College Pension Fund.

The government, the PSEA, the FPSE and the BCGEU entered into a joint trust agreement dated April 4, 2011 (the “2011 Joint Trust Agreement”) which was made pursuant to, and constituted a joint management agreement for the purposes of, section 16.1 of Schedule A.

Effective June 22, 2012, (i) sections 44, 52 and 53 of the *Miscellaneous Statutes Amendment Act (No. 2), 2012* came into force and (ii) the joint trust arrangements and pension plan rules for the College Pension Plan and the College Pension Fund moved from Schedule A and the Statutory Pension Plan Rules, and were continued under the 2011 Joint Trust Agreement and the pension plan rules made thereunder.

The parties subsequently restated the 2011 Joint Trust Agreement pursuant to a restated joint trust agreement made October 1, 2021 (the “2021 Joint Trust Agreement”). The 2021 Joint Trust Agreement and the pension plan rules made thereunder now govern the College Pension Plan and the College Pension Fund.

This document constitutes the pension plan rules of the College Pension Plan made under Article 12 of the 2021 Joint Trust Agreement.

Interpretation

- 1 (1) This document constitutes the pension plan rules of the College Pension Plan which replace the *College Pension Plan Regulation*, B.C. Reg. 95/2000. These pension plan rules are referred to in this document as the “Plan”.
- (2) Part 13 contains definitions of terms used in this Plan.
- (3) Pursuant to the College Pension Plan Joint Trust Agreement, the Plan applies to every person who, immediately before June 22, 2012, was an employer, plan member or beneficiary under the *College Pension Plan Regulation*, B.C. Reg. 95/2000 or any predecessor legislation or regulation.
- (4) In this Plan, unless the context requires otherwise:
 - (a) the use of the word “individual” refers to a natural person and the use of the word “person” refers to a natural person, a corporation, partnership or party;
 - (b) words in the singular include the plural, and words in the plural include the singular;
 - (c) where a word or expression is defined, other parts of speech and grammatical forms of the same word or expression have corresponding meanings;
 - (d) headings are used for ease of reference only and do not form part of the Plan;
 - (e) the use of the word “may” is to be construed as permissive and empowering; and
 - (f) the use of the word “must” is to be construed as imperative.

[NOTE: Sections of this Plan that are identical or similar to, or that correspond to, the rules made for the other pension plans under the Public Sector Pension Plans Act are given identical section numbering to the rules of those other pension plans, even though this means breaking the normal sequential section numbering system of this Plan.]

PART 1 – ENROLLMENT IN THE PENSION PLAN**Employer eligibility**

- 2 This Plan applies to the following employers with respect to their eligible employees:
 - (a) a body designated under the *College and Institute Act*, including a college and Provincial institute;
 - (b) any other body designated by the board as an employer, on terms and conditions of eligibility specified by the board.

Employee eligibility

- 3 (1) Subject to terms and conditions of eligibility specified by the board, and except as otherwise provided in subsections (2) and (2.1), this Plan applies to an employee hired by an employer who has not attained latest retirement age,
 - (a) who

- (i) is a senior administrative staff employee or is an individual providing educational services to students, including an employee who is a librarian, and
 - (ii) is employed on a full time basis,
 - (b) who
 - (i) is a senior administrative staff employee or is an individual providing educational services to students, including an employee who is a librarian,
 - (ii) is not eligible under paragraph (a), and
 - (iii) earns, in any calendar year, a salary that in the aggregate exceeds 50% of the year's maximum pensionable earnings, or
 - (c) who
 - (i) is a senior administrative staff employee or is an individual providing educational services to students, including an employee who is a librarian,
 - (ii) is not eligible under paragraphs (a) or (b), and
 - (iii) does not opt out of participation in the Plan in accordance with subsection (3).
- (2) Despite subsection (1), and subject to terms and conditions of eligibility specified by the board, and to subsection (2.2), this Plan applies to an employee hired by an employer that began participating in the Plan on or after June 14, 2024 pursuant to section 2 (b) who has not attained latest retirement age,
 - (a) who is employed on a full time basis,
 - (b) who
 - (i) is not eligible under paragraph (a), and
 - (ii) earns, in any calendar year, a salary that in the aggregate exceeds 50% of the year's maximum pensionable earnings, or
 - (c) who
 - (i) is not eligible under paragraphs (a) or (b), and
 - (ii) does not opt out of participation in the Plan in accordance with subsection (3).
- (2.1) Despite subsection (1), and subject to terms and conditions of eligibility specified by the board, this Plan applies to an employee hired before September 1, 1999, by an employer that participated in the Plan on September 1, 1999, who has not attained latest retirement age, who
 - (a) is a senior administrative staff employee and is employed on a full time basis,
 - (b) is a senior administrative staff employee and
 - (i) is employed on a part time basis,

- (ii) has completed 2 years of continuous employment with earnings in each year of not less than 35% of the year's maximum pensionable earnings, and
 - (iii) does not opt out of participation in the Plan in accordance with subsection (3), or
 - (c) is an individual providing educational services to students, including an employee who is a librarian, and does not opt out of participation in the Plan in accordance with subsection (3).
- (2.2) Despite subsection (2), and subject to terms and conditions of eligibility specified by the board, an employer that began participating in the Plan pursuant to section 2 (b) and that is subject to subsection (1) or (2.1), or to both, can apply to the board to participate under subsection (2). If the board approves the application, any waiver made pursuant to subsection (3) by an employee of that employer will remain in effect until the date determined in accordance with subsection (4).
- (3) An employee referred to in subsections (1) (c), (2) (c), (2.1) (b) or (2.1) (c) who wishes to opt out of participation in the Plan must sign a waiver form to that effect within the time limits specified by the plan administrative agent, and the employer must retain a copy of the waiver form.
- (4) The waiver form referred to in subsection (3) is effective until
- (a) subsection (1) (a) or (b) applies to the employee,
 - (b) subsection (2) (a) or (b) applies to the employee, or
 - (c) the employee elects coverage under subsection (5).
- (5) An employee who elected not to participate in this Plan may, at any time, on application to the employer, elect coverage under this Plan and that employee must begin making contributions with the first pay period following the date of application to become a member of this Plan.
- (6) If an employee is making contributions to some other fund for pensions during a period of temporary absence of not more than 3 years, the employee may apply for exemption from coverage and the board may exempt the employee from making contributions under this Plan.
- (7) An employee exempt under subsection (6) may not
- (a) make contributions under this Plan if making contributions to some other pension plan, or
 - (b) purchase service under this Plan in respect of the period of temporary absence.
- (8) This section does not apply to a retired member (other than a person who is considered a retired member solely because the person is receiving a pension or monthly benefit following the death of a member).
- (9) After this Plan begins to apply to an employee, it continues to apply to that employee as an active member until termination of employment.

- (10) Despite subsections (1), (2), (2.1) and (2.2), this Plan does not apply to an employee of an employer who, by virtue of that employment:
- (a) is making contributions to the Municipal Pension Plan, the Public Service Pension Plan or the Teachers' Pension Plan in respect of that employment, or
 - (b) belongs to an employee class for which the employer participates in another registered pension plan, regardless of whether the employee is enrolled in that registered pension plan.
- (11) Despite subsections (1), (2), (2.1) and (2.2), but subject to sections 25 and 29, this Plan does not apply to an employee's employment with an employer prior to the date the employer commenced to participate in the Plan in respect of the employee class in which the employee is employed by the employer.

4 [SECTION NOT USED]

PART 2 – CONTRIBUTIONS TO THE PENSION PLAN

Active member contributions

- 5** (1) From each payment of salary made to an active member, the employer must deduct and pay to the pension fund, as a contribution from the member,
- (a) 8.39% of the member's salary,
 - (b) such additional contribution to the basic account as is identified in the terms and conditions specified by the board when the employer was designated as an employer to which this Plan applies,
 - (c) 1.85% of the member's salary, and
 - (d) such additional contribution to the inflation adjustment account as is identified in the terms and conditions specified by the board when the employer was designated as an employer to which this Plan applies.
- (2) Member contributions must stop when the member reaches latest retirement age, in which case the member is deemed to have terminated employment for the purposes of this Plan.

Employer contributions

- 6** (1) Each time an employer deducts and pays active member contributions in accordance with section 5, the employer must pay to the pension fund, as a contribution from the employer,
- (a) 8.49% of the member's salary,
 - (b) such additional contribution to the basic account as is identified in the terms and conditions specified by the board when the employer was designated as an employer to which this Plan applies,
 - (c) 1.85% of the member's salary, and

(d) such additional contribution to the inflation adjustment account as is identified in the terms and conditions specified by the board when the employer was designated as an employer to which this Plan applies.

(2) Employer contributions must stop when the member reaches latest retirement age.

7 [SECTION NOT USED]

Contribution remittances

- 8 (1) In this section, “**pay period end date**” means the date on which the employer normally pays the members.
- (2) For an employer with total annual active member and employer pension contribution remittances of \$100,000 or more per year based on the last reported year, contribution remittances must be received by the pension fund within 15 calendar days after the pay period end date for each payroll.
- (3) For an employer with total annual active member and employer pension contribution remittances of less than \$100,000 per year based on the last reported year, contribution remittances must be received by the pension fund within 30 calendar days after the pay period end date for each payroll.
- (4) Interest, compounded annually, at the fund interest rates, is charged on late payments from the due date for receipt of the payment as set out in subsection (2) or (3) to the date of payment.
- (5) An employer must pay the interest charge under subsection (4) within 30 calendar days from the date of the assessment notice.
- (6) If the interest payment is not received by the pension fund within the 30 calendar days referred to in subsection (5), additional interest will be charged in accordance with subsection (4).
- (7) Late payment includes a pension contribution remittance that
- (a) is less than that required under this Plan, or
 - (b) arises from the application of incorrect contribution rates or other miscalculations.
- (8) An employer must keep separate and apart from the employer's own assets active member and employer pension contributions payable to the pension fund.

Enrollment arrears

- 9 (1) If an employer has not made deductions under section 5 (1) from the date an employee becomes eligible to contribute to the pension fund, the plan administrative agent must order the employer
- (a) to commence making deductions immediately, and
 - (b) to pay to the pension fund, at the time and in the manner specified by the plan administrative agent,

- (i) an amount determined in accordance with section 6 (1) but using the member's full-time equivalent salary payable for the most recent month of employmentmultiplied by
 - (ii) the number of months and fractions of a month of pensionable service to be credited from the employee's eligibility date to the date contributions commenced in accordance with paragraph (a),and the employer must comply with the order.
- (2) An active member who receives a notice of enrollment arrears on or after March 1, 2002 may, at the member's option, apply to the plan administrative agent to purchase those arrears but such application must be made on or before the earlier of
 - (a) 5 years from the date the arrears notice is sent to the employee, and
 - (b) 30 days after the date of termination of employment.
- (2.1) If an active member applies to purchase enrollment arrears under subsection (2) but does not pay the amount required under subsection (4) at the time and in the manner specified by the plan administrative agent, the active member is ineligible to purchase those enrollment arrears unless the active member makes a further application under subsection (2) on or before the earlier of the dates referred to in subsection (2) (a) and (b).
- (3) [SECTION NOT USED]
- (4) For the purposes of subsection (2), the active member must pay to the pension fund, at the time and in the manner specified by the plan administrative agent,
 - (a) an amount determined in accordance with section 5 (1) but using the member's full-time equivalent salary payable for the most recent month of employmentmultiplied by
 - (b) the number of months and fractions of a month of pensionable service to be credited from the employee's eligibility date to the date contributions commenced in accordance with subsection (1) (a).
- (5) If both the employer and member make the contributions referred to in subsections (1) (b) and (4), the period of service in respect of which contributions are made is contributory and pensionable service within the meaning of this Plan.
- (6) If only the employer portion is paid under subsection (1) (b),
 - (a) all of the period of service in respect of which employer contributions have been made is contributory service, and
 - (b) 1/2 of the period of service in respect of which employer contributions have been made is pensionable service.
- (7) This section does not apply to a period of service waived by an employee under section 3 (3).
- (8) An order to pay made under subsection (1) is due and payable by the employer immediately upon receipt in accordance with the terms of the order.

Payroll arrears

- 10** (1) If an employer has failed at any time to make the deductions required by section 5 (1) or the contributions required by section 6 (1), or both, in respect of an active member, the plan administrative agent must order the employer to make those deductions and contributions in accordance with subsection (2) for the period during which the required deductions and contributions were not made, and the employer must comply with the order.
- (2) The amount payable under subsection (1) is
- (a) the sum of the amounts determined in accordance with sections 5 (1) and 6 (1) but using the member's full-time equivalent salary payable for the most recent month of employment
- multiplied by
- (b) the number of months and fractions of a month of pensionable service to be credited for which the failure to make deductions or contributions, or both, occurred.
- (3) Subsection (1) does not apply to enrollment arrears under section 9.
- (4) An order to pay made under subsection (1) is due and payable by the employer immediately upon receipt.

Income Tax Act (Canada) limits

- 11** (1) Contributions made under section 5 (1) must not exceed the maximums set out in section 8503 (4) of the Income Tax Regulations under the *Income Tax Act* (Canada) unless the board has obtained a waiver of those maximums under section 8503(5) of the Income Tax Regulations under the *Income Tax Act* (Canada).
- (2) Contributions made under section 5 (1) in respect of a calendar year must not be paid before January 1 of that year.
- (3) Contributions made under section 6 (1) must qualify as eligible contributions under section 147.2 (2) of the *Income Tax Act* (Canada).

PART 3 – RECOGNITION OF SERVICE**Division 1 – Contributory and Pensionable Service****Limitation on accrual of contributory and pensionable service**

- 12** (1) When determining contributory service, every calendar month in respect of which the member has pensionable service must be counted as one month's contributory service.
- (2) When determining pensionable service, part time service must be adjusted to its full time equivalent.
- (3) The maximum contributory service that can be accrued in a calendar year is 12 months.

- (4) The maximum pensionable service that can be accrued in a calendar year is 12 months.
- (5) If an active member has applied for and is entitled to receive a benefit from a group disability plan,
 - (a) the member is deemed to have made a contribution to the pension fund during each month for which the member is entitled to the benefit, and
 - (b) the period of service during which the member is or would have been employed, had the member not been receiving that group disability plan benefit, is deemed to be pensionable service.

Division 2 – Child Rearing

Child rearing

- 13**
- (1) This section applies to a member who
 - (a) terminates employment on or after July 1, 1994, and
 - (b) at the time of making an election under subsection (2),
 - (i) is an active member, or
 - (ii) was an active member within the preceding 30 days.
 - (2) If a member terminated employment or took a leave of absence for the purpose of child rearing, engaged in the child rearing and again becomes an active member, the member may elect to have a period of time equivalent to the period of time during which the member was engaged in child rearing included as contributory service.
 - (3) The child rearing period is only to be included as contributory service if
 - (a) the member did not accrue, during the time the member was engaged in child rearing, an entitlement under any pension plan registered under the *Income Tax Act* (Canada), and
 - (b) the member
 - (i) left the contributions on deposit for service preceding the child rearing period, or
 - (ii) reinstated the full period of service preceding the child rearing period.
 - (4) There is no restriction on the number of child rearing periods that can be included as contributory service, but the total amount of contributory service must not exceed 5 years.

14 [SECTION NOT USED]

Division 3 – Leaves of Absence

Application of this Division

15 This Division applies to an active member who takes a leave of absence.

Leaves of absence under *Employment Standards Act*

16 If an active member is or was absent from service by reason of

- (a) required attendance at court as a juror;
- (b) a leave under any of the following sections of the *Employment Standards Act*:
 - (i) section 49.1 [*illness or injury leave*];
 - (ii) section 50 [*maternity leave*];
 - (iii) section 51 [*parental leave*];
 - (iv) section 52 [*family responsibility leave*];
 - (v) section 52.1 [*compassionate care leave*];
 - (vi) section 52.11 [*critical illness or injury leave*];
 - (vii) section 52.12 [*COVID-19-related leave*];
 - (viii) section 52.3 [*leave respecting disappearance of child*];
 - (ix) section 52.4 [*leave respecting death of child*];
 - (x) section 52.5 [*leave respecting domestic or sexual violence*];
 - (xi) section 53 [*bereavement leave*]; or
- (c) any other circumstance in which subsection 56 (2) of the *Employment Standards Act* obligates an employer to make contributions to a pension plan in respect of a period of absence if the employee pays the employee's contributions to the plan in respect of that period of absence,

the active member may apply to purchase that leave of absence in accordance with section 19 or 19.1.

17 [SECTION NOT USED]

Leaves of absence for other reasons

18 Subject to section 19, if an active member is or was absent from service for a reason other than under section 16 and the period of leave of absence is approved by the employer, the active member may apply to purchase that leave and must pay to the pension fund an amount determined in accordance with section 19 (3).

Payment and conditions for leaves of absence

19 (1) In order to purchase a leave of absence under section 16, the member must pay to the pension fund, at the time and in the manner specified by the plan administrative agent,

- (a) an amount determined in accordance with section 5 (1) but using the member's full-time equivalent salary payable for the most recent month of employment

multiplied by

- (b) the number of months and fractions of a month of pensionable service to be credited for the leave period.
- (2) If the member pays the amount required by subsection (1), the employer who employed the member during the leave of absence must pay to the pension fund, at the time and in the manner specified by the plan administrative agent,
 - (a) an amount determined in accordance with section 6 (1) but using the member's full-time equivalent salary payable for the most recent month of employment
multiplied by
 - (b) the number of months and fractions of a month of pensionable service to be credited for the leave period.
- (3) In order to purchase a leave of absence under section 18, the member must pay to the pension fund, at the time and in the manner specified by the plan administrative agent,
 - (a) the sum of the amounts determined in accordance with sections 5 (1) and 6 (1) but using the member's full-time equivalent salary payable for the most recent month of employment
multiplied by
 - (b) the number of months and fractions of a month of pensionable service to be credited for the leave period.
- (4) If payment is made in accordance with subsections (1) and (2) or subsection (3),
 - (a) the payment is considered to be contributions made by the member under section 5 (1) and by the employer under section 6 (1), and
 - (b) the period of service to which payment relates is contributory and pensionable service.
- (5) An application under section 16 or 18 to purchase a period of leave of absence that ends on or after March 1, 2002 must be made on or before the earlier of
 - (a) the date which is 5 years from the end of the period of leave that is being purchased, and
 - (b) the date which is 30 days after the date of termination of employment with the employer with which the leave of absence occurred.
- (5.1) If an active member applies to purchase a leave of absence under section 16 or 18 but does not pay the amount required under subsection (1) or (3) of this section at the time and in the manner specified by the plan administrative agent, the active member is ineligible to purchase the leave of absence unless the active member makes a further application under section 16 or 18 on or before the earlier of the dates referred to in subsection (5) (a) and (b) of this section.

Payment and conditions for contributions while on leaves of absence regulated under *Employment Standards Act*

- 19.1** (1) Despite section 19, a member may elect to purchase a period of leave of absence under section 16 by electing no later than 30 days after the commencement of that period of leave of absence in the manner specified by the plan administrative agent to continue to contribute to the pension fund in accordance with this section 19.1.

- (2) A member who elects under subsection (1) to continue to contribute to the pension fund during a period of leave of absence must in respect of each payroll period during that period of leave of absence pay to the pension fund, at the time and in the manner specified by the plan administrative agent, an amount determined in accordance with subsection 5 (1) using
 - (a) what would have been the member's full time equivalent salary for that payroll period had the member not been on a leave of absence, and
 - (b) the contribution rates in effect under subsection 5 (1) during that payroll period.
- (3) If the member pays the amount required by subsection (2) in respect of a payroll period, the employer who would have employed the member during that payroll period must pay to the pension fund, at the time and in the manner specified by the plan administrative agent, an amount determined in accordance with subsection 6 (1) using
 - (a) what would have been the member's full time equivalent salary for that payroll period had the member not been on a leave of absence, and
 - (b) the contribution rates in effect under subsection 6 (1) during that payroll period.
- (4) If payment is made in accordance with subsections (2) and (3),
 - (a) the payment is considered to be contributions made by the member under subsection 5 (1) and by the employer under subsection 6 (1), and
 - (b) the payroll period to which the payment relates is contributory and pensionable service of the member.
- (5) If a member who elects under subsection (1) to continue to contribute to the pension fund during a period of leave of absence fails to make timely payment of a contribution in respect of a payroll period in accordance with subsection (2), that individual is thereafter ineligible to purchase that payroll period or any subsequent payroll period during that period of leave of absence pursuant to this section 19.1.
- (6) A member to whom subsection (5) applies may purchase pursuant to section 19 the portion of the period of leave of absence not purchased pursuant to this section 19.1.
- (7) An election under subsection (1) can only be made in respect of a period of leave of absence that commences after April 30, 2020.

Division 4 – [DIVISION NOT USED]

20 to 24 [SECTIONS NOT USED]

Division 5 – Other Recognition of Service

Purchase of service

- 25 The board may grant recognition as pensionable service to all or part of the service of an active member as an employee of any employer, whether or not the employer is an employer to whom this Plan applies, but the member and the current employer must contribute to the pension fund additional sums specified by the plan administrative agent in accordance with requirements established by the board.

26 to 28 [SECTIONS NOT USED]

Transfer of service agreements

- 29 (1) The board may enter into an agreement with another pension plan, in accordance with the terms and conditions established by the board, to transfer an inactive member's contributory and pensionable service to another pension plan, and to transfer an active member's contributory and pensionable service from the other pension plan to this Plan.
- (2) [Repealed]

30 to 40 [SECTIONS NOT USED]

Division 6 – Limitations on Recognition of Service

Income Tax Act (Canada) limits

- 41 (1) In this section, “**defined benefit limit**” for a calendar year means the greater of
- (a) \$2,552.22, and
 - (b) 1/9 of the money purchase limit for the year.
- (2) If the period of a leave of absence of an active member is included as contributory and pensionable service by another employer under this Plan or by another plan registered under the *Income Tax Act* (Canada), the period of the leave of absence may be purchased under this Part provided that
- (a) the benefits for the period of leave are retroactively provided after April 30 of the year immediately following the year in which the member returns to work, and
 - (b) Canada Revenue Agency certifies the past service pension adjustment associated with the purchase.
- (3) A member cannot purchase service under this Part that would result in pensionable service in excess of 12 months pensionable service in a calendar year.
- (4) Contributions must not exceed the maximums set out in section 8503 (4) of the *Income Tax Regulations* under the *Income Tax Act* (Canada) unless the board has obtained a waiver of those maximums under section 8503(5) of the *Income Tax Regulations* under the *Income Tax Act* (Canada).

- (5) Contributions made in respect of a calendar year must not be paid before January 1 of that year.
- (6) Except for purchase of service under section 25, the maximum service that an active member may purchase for leaves of absence completed after December 31, 1991 is restricted to
 - (a) 3 years of pensionable service in respect of a period of parenting of an individual as defined in section 8507 (3) of the Income Tax Regulations made under the *Income Tax Act* (Canada), and
 - (b) 5 years of pensionable service in respect of any other recognized leaves of absence.
- (7) Service before January 1, 1990 will only be recognized if the lifetime retirement benefit for the year does not exceed 2/3 of the defined benefit limit for the year in which the benefits begin to be paid, or such greater amount as is permitted by section 8504(6) of the Income Tax Regulations made under the *Income Tax Act* (Canada).
- (8) Subsection (7) does not apply for a particular calendar year if
 - (a) a period in the particular calendar year was pensionable service under a registered pension plan before June 8, 1990,
 - (b) the member was entitled, on June 7, 1990 under an arrangement in writing, to be provided with lifetime retirement benefits in respect of a period in the particular calendar year, whether or not the entitlement was conditional on contributions being made, and
 - (c) at the beginning of the particular calendar year, a period in the preceding calendar year was pensionable service of the member and the member was disabled or on a leave of absence.
- (9) [SECTION NOT USED]
- (10) Service recognized under this Part must be eligible service as defined under the *Income Tax Act* (Canada) and its regulations.

PART 4 – TERMINATION BENEFITS

Eligibility for termination benefits

- 42**
- (1) Subject to subsection (2), a member who terminates employment on or after September 30, 2015, is eligible to receive one of the following:
 - (a) [Repealed]
 - (b) a deferred retirement benefit under section 45 (1);
 - (c) a commuted value under section 46 if the member's age is less than earliest retirement age.
 - (2) Despite subsection (1), an inactive member is not eligible to receive a termination benefit under this Part if the member is eligible to receive an immediate retirement benefit under Part 5.

- (3) [SECTION NOT USED]
- (4) A member who has taken any of the following with respect to a period of service is not entitled to any other benefit under this Plan in respect of that period of service:
 - (a) a refund calculated in accordance with section 44;
 - (b) a commuted value under section 46;
 - (c) a payment under section 48.
- (5) If a member to whom subsection (4) applies again becomes an active member, the member is deemed to be a new active member from the date on which the member again becomes a contributor to the pension fund.

Termination benefits statement

- 43 (1) The plan administrative agent must provide the inactive member with a termination benefits statement in the manner required by the *Pension Benefits Standards Act*.
- (2) If a member who is eligible for a termination benefit in accordance with section 42 elects an option as provided for in the termination benefits statement and returns the completed election to the plan administrative agent, the plan administrative agent must make the payment, if applicable, in accordance with this Part.

Calculation of a refund of member's contributions

- 44 (1) If a member is eligible to receive a payment in the amount of the member's contributions including interest, the interest will be compounded annually at the refund interest rates determined in accordance with subsections (2) and (4) from the member's enrollment date to the end of the month immediately before the date of calculation.
- (2) The interest payable under subsection (1) must be calculated as if
 - (a) the contributions made during the fiscal year in which the refund is paid were due and payable in a lump sum on the first day of the month in which payment of the refund is made, and
 - (b) the contributions made during any other fiscal years were due and payable in a lump sum on August 31 in those other fiscal years.
- (3) The contributions referred to in subsection (1) do not include the employer's contributions.
- (4) Interest is also payable from the date of calculation to the end of the month immediately before the date of payment.
- (5) If under this Part a refund or other amount is payable to a member on an unlocked basis, the payment may be transferred to an RRSP or RRIF.

Calculation of deferred retirement benefit

- 45** (1) A member who
- (a) is eligible for a termination benefit under section 42 (1) (b), and
 - (b) elects to receive a deferred retirement benefit,
- is eligible to receive a retirement benefit calculated in accordance with sections 54 and 55 when the member reaches earliest retirement age.
- (2) For greater certainty, an inactive member who
- (a) terminated employment before January 1, 2002,
 - (b) was eligible to receive a deferred retirement benefit under the rules of this Plan, or under any predecessor rules to this Plan, as those rules read at the date of termination of employment, and
 - (c) applies to receive the deferred retirement benefit,
- is entitled to receive that retirement benefit in accordance with the rules in force at the date of termination of employment.
- (3) Despite subsection (2), if an inactive member terminated employment before April 1, 2000 and is entitled to a reduced retirement benefit with an effective date on or after April 1, 2000, the retirement benefit must be calculated
- (a) using the formula described in section 54, but any reduction required by the rules in force at the date of termination must be applied to each of the amounts determined under section 54 (3) and (4), and
 - (b) using the formula described in section 54, but the percentage to be used in section 54 (3) (b) and (4) (a) is the percentage required by the rules in force at the date of termination.

Calculation of commuted value benefit

- 46** (1) Subject to subsection (2), an inactive member who
- (a) is eligible for a termination benefit under section 42 (1) (c), and
 - (b) elects to receive a commuted value, including interest, if any, on the commuted value,
- will receive that payment calculated on the basis of the method specified by the board.
- (1.1) For greater certainty, an inactive member who
- (a) terminated employment before January 1, 2002,
 - (b) was eligible to receive a commuted value under the rules of this Plan, or under any predecessor rules to this Plan, as those rules read at the date of termination of employment, and
 - (c) applies to receive the commuted value,
- is entitled to receive that payment in accordance with the rules in force at the date of termination of employment.
- (1.2) Despite subsection (1.1), if an individual described in subsection (1.1) is entitled to a retirement benefit with an effective date on or after April 1, 2000, then the commuted value, if not yet paid, must be calculated

- (a) using the formula described in section 54, but any reduction required by the rules in force at the date of termination must be applied to each of the amounts determined under section 54 (3) and (4), and
 - (b) using the formula described in section 54, but the percentage to be used in section 54 (3) (b) and (4) (a) is the percentage required by the rules in force at the date of termination.
- (2) If the plan administrative agent is satisfied that the commuted value must be transferred on a locked-in basis, it may be transferred to
- (a) another registered pension plan,
 - (b) a locked-in retirement account,
 - (c) a life income fund, or
 - (d) an insurance company or other financial institution,
- in accordance with the requirements of the *Pension Benefits Standards Act* for the transfer of locked-in funds.
- (3) The locked-in requirement of subsection (2) does not apply to a member who
- (a) has been absent from Canada for 2 or more years, and
 - (b) has become a non-resident of Canada as determined for the purpose of the *Income Tax Act* (Canada).

Retirement annuity benefit

47 [Repealed]

Lump sum payment instead of small deferred retirement benefit

- 48
- (1) Despite sections 42, 45 and 46, a member may elect to receive, instead of a deferred retirement benefit, a payment equal to the commuted value of the retirement benefit if the commuted value is not greater than 20% of the year's maximum pensionable earnings for the calendar year in which the most recent calculation of the commuted value was made.
 - (2) Despite any provision of this Plan respecting the payment of the commuted value, if the amount of a member's contributions plus accrued interest exceeds the commuted value, the member's contributions plus accrued interest, at refund interest rates, must be paid.

Income Tax Act (Canada) limits

- 49
- (1) Benefits payable under this Part for service accrued after December 31, 1991 are limited to pension benefits in accordance with the maximum lifetime retirement benefits as set out in section 8504 of the *Income Tax Regulations* under the *Income Tax Act* (Canada).
 - (2) The manner in which benefits are payable under this Part for service accrued after December 31, 1991 must be in accordance with section 8517 of the *Income Tax Regulations* under the *Income Tax Act* (Canada).
 - (3) Commencement of the payment of benefits must not be delayed beyond latest retirement age.

PART 5 – RETIREMENT BENEFITS**Eligibility for retirement benefit**

- 50** An active member who, on or after September 30, 2015, terminates employment is, on application, eligible to receive a retirement benefit calculated in accordance with sections 54 and 55 if the member has reached earliest retirement age.
- (a) [Repealed]
 - (b) [Repealed]
 - (c) [Repealed]

Eligibility for retirement benefit – reduced benefit

- 51** [Repealed]

Retirement benefits statement

- 52** (1) The plan administrative agent must provide to the member a retirement benefits statement in the manner required by the *Pension Benefits Standards Act*.
- (2) If a member who is eligible for a retirement benefit under section 50 elects an option as provided for in the retirement benefits statement and returns the completed election to the plan administrative agent, the plan administrative agent must make the payment in accordance with this Part.

Effective date of retirement benefit

- 53** (1) A retirement benefit will be granted on
- (a) the first day of the month following the month for which final payment of salary is made,
 - (b) the first day of the month in which the application for a retirement benefit is filed with the plan administrative agent, or
 - (c) the first day of the month following the month in which the member first becomes eligible to receive a retirement benefit,
- whichever is latest.
- (2) Despite subsection (1) (b), if a member fails to apply for a retirement benefit on or before its eligibility date and, in the opinion of the plan administrative agent, the failure to apply is due to
- (a) the member being incapable of managing the member's affairs, or
 - (b) another good and sufficient reason,
- the plan administrative agent may grant a retirement benefit effective the date the member would have, but for the failure to apply, begun receiving it.
- (3) Commencement of the payment of benefits must not be delayed beyond latest retirement age.

Calculation of unreduced retirement benefits

- 54** (1) [SECTION NOT USED]

- (2) [SECTION NOT USED]
- (3) Subject to section 55, if a member referred to in section 45 (1) or section 50 terminated employment on or after January 1, 2002, the member is entitled to receive an unreduced pension, calculated on the basis of the single life guaranteed option under section 56 (1) (b) with a term of 10 years, that is the sum of
- (a) 2% of the member's highest average salary multiplied by the number of years of pensionable service accrued before January 1, 1966,
 - (b) 1.7% of the lesser of
 - (i) the member's highest average salary, and
 - (ii) 1/12 of the year's maximum pensionable earnings for the calendar year immediately before the calendar year of the effective date of the retirement benefit payable to the member,
 multiplied by the number of years of pensionable service accrued after December 31, 1965 and before January 1, 2016,
 - (c) 2% of the excess of the member's highest average salary over the amount determined under paragraph (b) (ii), multiplied by the number of years of pensionable service accrued after December 31, 1965 and before January 1, 2016, and
 - (d) 2% of the member's highest average salary multiplied by the number of years of pensionable service accrued after December 31, 2015.
- (4) Subject to section 55, a member entitled to a pension under subsection (3) is also entitled to a monthly bridge benefit payable until the earlier of the death of the member and the member reaching age 65, that is
- (a) 0.3% of the lesser of
 - (i) the member's highest average salary, and
 - (ii) 1/12 of the year's maximum pensionable earnings for the calendar year immediately before the calendar year of the effective date of the retirement benefit payable to the member,
 multiplied by
 - (b) the number of years of pensionable service accrued after December 31, 1965 and before January 1, 2016.
- (5) [Repealed]

Calculation of reduced retirement benefits

- 55** (1) If a member referred to in section 45 (1) or section 50 terminated employment on or after January 1, 2002 and, on the effective date of the member's retirement benefit, the member has not
- (a) reached normal retirement age, or
 - (b) reached earliest retirement age and completed at least 35 years of contributory service,
- the retirement benefit payable to the member under section 54 (3) and (4) shall be subject to adjustment in accordance with subsections (2) through (6).

- (2) Subject to subsection (5), if on the effective date of the member's retirement benefit the member has not reached pensionable age and has completed two years of contributory service, the portions of the member's retirement benefit payable pursuant to sections 54 (3) (a) to (c) and section 54 (4) shall each be reduced by 3% for each year of age by which the member's age is less than pensionable age, which percentage must be prorated for fractions of years.
- (3) If on the effective date of the member's retirement benefit the member has reached pensionable age and has completed two years of contributory service, the portions of the member's retirement benefit payable pursuant to sections 54 (3) (a) to (c) and section 54 (4) shall be paid without reduction.
- (4) If on the effective date of the member's retirement benefit the member has not completed two years of contributory service, the portions of the member's retirement benefit payable pursuant to sections 54 (3) (a) to (c) and section 54 (4) shall each be reduced by 5% for each year of age by which the member's age is less than normal retirement age, which percentage must be prorated for fractions of years.
- (5) Despite subsection (2), but subject to subsection (5.1), if on the effective date of the member's retirement benefit the member has not reached pensionable age and has completed two years of contributory service, but while an active member,
 - (a) did not reach age 50,
 - (b) did not complete at least 10 years of contributory service, or
 - (c) did not complete at least 8 months of contributory service in the 24 months immediately preceding termination of employment,the 3% referred to in subsection (2) is deemed to be 5%.
- (5.1) Subsection (5) does not apply if
 - (a) the member was eligible to receive a reduced retirement benefit calculated under subsection (2),
 - (b) subsection (5) would not have applied to the calculation of the reduced retirement benefit under subsection (2) which the member was eligible to receive, and
 - (c) the member again became an employee to whom this Plan applies.
- (6) If on the effective date of the member's retirement benefit the member has not reached normal retirement age, the portion of the member's pension payable pursuant to section 54 (3) (d) shall be reduced by 3% for each year of age by which the member's age is less than normal retirement age, which percentage must be prorated for fractions of years.
- (7) [Repealed]
- (8) A reduced pension under this Part must have an actuarial present value that is at least equal to the actuarial present value of the pension payable at normal retirement age.

Options and conditions at retirement

- 56** (1) A pension calculated in accordance with sections 54 and 55 may be granted on any of the following options:
- (a) [SECTION NOT USED];
 - (b) single life guaranteed, payable for the longer of
 - (i) the life of the member, and
 - (ii) a term certain of 5, 10 or 15 years;
 - (c) joint life and last survivor guaranteed, payable for the longer of
 - (i) a term certain of 5, 10 or 15 years, and
 - (ii) the joint life of the member and
 - (a) the spouse, or
 - (b) a former spouse who, as a result of a written agreement or court order, has such an entitlement,and the life of the survivor;but the pension payable to the surviving spouse is reduced, on the later of the death of the member and the expiry of the term certain, to 60% of the pension to which the member was entitled;
 - (c.1) joint life and last survivor guaranteed, payable for the longer of
 - (i) a term certain of 5, 10 or 15 years, and
 - (ii) the joint life of the member and
 - (a) the spouse, or
 - (b) a former spouse who, as a result of a written agreement or court order, has such an entitlement,and the life of the survivor;
 - (d) temporary annuity equal to 100% of the maximum pension then payable under the *Old Age Security Act* (Canada), payments to cease when the member dies or reaches age 65, whichever occurs first.
 - (i) [Repealed]
 - (ii) [Repealed]
- (2) If a member terminated employment before January 1, 1999, the options referred to in subsection (1) must be adjusted to the actuarial equivalent of the pension otherwise payable under this Part on the single life with no guaranteed period, payable for the life of the member.
- (2.1) A temporary annuity under subsection (1) (d) may be granted only in combination with one of the following options:
- (a) single life guaranteed under subsection (1) (b) payable for a term certain of 5 years;
 - (b) joint life and last survivor guaranteed under subsection (1)(c.1) payable for a term certain of 5 years.

- (3) If a member terminates employment on or after January 1, 1999, the options referred to in subsection (1) must be adjusted to the actuarial equivalent of the pension otherwise payable under this Part on the single life guaranteed option with a term of 10 years.
- (4) If a member has a spouse on the effective date of the member's retirement benefit, the member's pension must be paid on the joint life and last survivor option under subsection (1) (c) or (c.1) pursuant to which on the death of the member the pension payable to the spouse is not less than 60% of the amount of the pension that would have been payable in respect of the member had the member not died, unless the spouse waives this requirement in writing by completion of a form specified by the plan administrative agent or there is filed with the plan administrative agent a written agreement or court order made under Part 5 or 6 of the *Family Law Act* with the same effect.
- (5) [SECTION NOT USED]
- (6) If the pension granted to a member includes the single life guaranteed option under subsection (1) (b), and the member dies before the expiration of the term certain, the payments for the remainder of the term must be made to the beneficiary as determined by section 81, in the form of
 - (a) a choice of a monthly payment or lump sum equal to the commuted value of the remaining payments if the beneficiary is a spouse entitled under section 81 (1), or is one or more individuals designated under section 81 (2) (a) (i) or is one or more trustees designated by the member in respect of a minor beneficiary; or
 - (b) a lump sum equal to the commuted value of the remaining payments for any other beneficiary including, without limitation, a beneficiary designated under section 81 (2) (a) (ii) or (iii) and a trustee not referred to in paragraph (a) including a trustee of a family or charitable purpose trust.
- (7) [Repealed]
- (8) If the pension granted to a member includes the single life guaranteed option under subsection (1) (b) and the member dies before the expiration of the term certain, and a beneficiary designated by the member under section 81 (2) (a) (i) dies after the member dies but before the expiration of the term certain
 - (a) where the beneficiary that died was the only beneficiary designated by the member under section 81 (2) (a) (i) the commuted value of the remaining payments must be made to that beneficiary's estate,
 - (b) where the member designated more than one beneficiary under section 81 (2) (a) (i) the commuted value of the remaining payments otherwise payable to the deceased beneficiary must be paid to that beneficiary's estate.
- (8.1) If the pension granted to a member includes a joint life and last survivor option under subsection (1) (c) or (c.1), and if
 - (a) the joint annuitant and the member die before the expiration of the term certain but the joint annuitant survives the member, the commuted value

- of the remaining payments must be paid to the estate of the joint annuitant,
- (b) the joint annuitant and the member die before the expiration of the term certain but the member survives the joint annuitant, a choice of a monthly benefit or the commuted value of the remaining payments must be paid to the beneficiary designated by the member under section 81.
- (9) Within 60 days after the date on which a member's retirement benefit is granted, the member may change the pension option initially elected by the member to another option under subsection (1) by notice in writing filed with the plan administrative agent.
 - (10) A member may elect to receive, instead of a retirement benefit, a payment equal to the commuted value of the retirement benefit if the commuted value is not greater than 20% of the year's maximum pensionable earnings for the calendar year in which the most recent calculation of the commuted value was made.
 - (11) Except as set out in section 60 (7), a disabled member who reaches normal retirement age is not entitled to benefits under this Part.
 - (12) If under this Part an amount is payable to a member on an unlocked basis, the payment may be transferred to an RRSP or RRIF.

Special retirement incentive plan

- 57**
- (1) The employer may, by resolution, request that the plan administrative agent waive or alter the percentage reduction provided for in section 55 and the plan administrative agent, with the approval of the board and subject to subsection (2), may make the waiver or alteration.
 - (2) The plan administrative agent must, on request for a waiver or alteration under subsection (1), determine all of the following:
 - (a) the additional cost to the pension fund that results from the payment of a retirement benefit to a member by the application of subsection (1);
 - (b) the amount and the time at which additional payments must be made to the pension fund by the employer;
 - (c) the class of members to whom subsection (1) applies;
 - (d) the period of time during which subsection (1) applies;
 - (e) the conditions under which the percentage reduction is waived or altered.
 - (3) Benefits payable under this Part are limited to the maximums set out in section 8503 (3) (c) of the Income Tax Regulations under the *Income Tax Act* (Canada).

Phased retirement plan

58 [Repealed]

Income Tax Act (Canada) limits

59 Pension benefits payable under this Part for service accrued after December 31, 1991 are limited to the maximum lifetime retirement benefits as set out in section 8504 of the Income Tax Regulations under the *Income Tax Act* (Canada).

PART 6 – DISABILITY BENEFITS**Eligibility for disability benefits**

- 60 (1) This Part applies to an active member who terminates employment on or after June 14, 2024 and who has not been granted a benefit under Part 4 or 5.
- (1.1) An active member who terminated employment before June 14, 2024 and who has not been granted a benefit under Part 4 or 5 is entitled to receive a disability benefit in accordance with the terms of this Part as it read on the day the active member terminated employment.
- (1.2) In this Part, and subject to subsection (4), “**totally and permanently disabled**” means, in relation to an individual, to be suffering from a mental or physical condition that
- (a) prevents the individual from engaging in any employment for which the individual is reasonably suited by virtue of the individual’s education, training or experience, and
 - (b) can reasonably be expected to last for the remainder of the individual’s lifetime.
- (2) An individual described in subsection (1) is eligible to receive a disability benefit determined in accordance with section 63 if the individual:
- (a) has terminated employment,
 - (b) has completed at least 2 years of contributory service,
 - (c) is totally and permanently disabled before reaching normal retirement age, and
 - (d) is not eligible to receive a monthly income benefit under a group disability plan.
- (2.1) Despite subsection (2), an individual who has received a lump sum payment instead of a monthly income benefit under a group disability plan is not eligible to receive a disability benefit under this Part.
- (3) The disability benefit that an individual becomes eligible to receive under subsection (2) is only to be granted
- (a) on application by the individual within 2 years after the date of the last contribution, or deemed contribution, made to the pension fund, and
 - (b) with the approval of the plan administrative agent.

- (4) An individual is not totally and permanently disabled unless, within 2 years after the date of the last contribution, or deemed contribution, made to the pension fund,
 - (a) the individual has been examined by a medical doctor or a nurse practitioner who is licensed to practice under the laws of a province or of the place where the individual resides,
 - (b) the medical doctor or nurse practitioner determines that the disability arises from the mental or physical condition of the individual,
 - (c) the medical doctor or nurse practitioner certifies in writing, in a form acceptable to the plan administrative agent, that, to the best of their knowledge, the individual is totally and permanently disabled, and
 - (d) a medical practitioner appointed by the plan administrative agent reviews the written certification provided pursuant to paragraph (c), and confirms the individual is totally and permanently disabled.
- (5) [Repealed]
- (6) If for any reason the plan administrative agent determines that a disabled member has recovered and is no longer totally and permanently disabled, the disability benefit must, immediately after that determination is made, be discontinued as follows:
 - (a) if the individual does not re-enter service and resume contributions, the individual is entitled to apply for a benefit under Part 4 or 5 when the individual qualifies for a benefit;
 - (b) if the individual re-enters service and resumes contributions, any later calculation or determination with respect to that individual must be made as if the disability benefit had not been paid during the disability.
- (7) If a disabled member reaches normal retirement age, then despite any other provision of this Plan, the disabled member will:
 - (a) continue to receive the benefit then being paid to the disabled member in accordance with sections 63 and 64 for the remainder of the disabled member's lifetime, or, if applicable, the disabled member's spouse's lifetime, regardless of whether after reaching normal retirement age the disabled member remains totally and permanently disabled or returns to work;
 - (b) in respect of such benefit, be deemed to be a retired member in receipt of a pension under Part 5; and
 - (c) cease to be a disabled member.

Disability benefits statement

- 61**
- (1) The plan administrative agent must provide to an individual described in section 60 (2) a disability benefits statement upon request.
 - (2) If such individual elects an option provided for in the disability benefits statement and returns the completed election to the plan administrative agent,

the plan administrative agent must make the payment in accordance with this Part.

Effective date of disability benefits

- 62** (1) A disability benefit will be granted on
- (a) the first day of the month following the month for which final payment of salary was made, or
 - (b) the first day of the month in which the application for a disability benefit is filed with the plan administrative agent, whichever is later.
- (2) Despite subsection (1) (b), if an individual fails to apply for a disability benefit on or before its eligibility date and, in the opinion of the plan administrative agent, the failure to apply is due to
- (a) the individual being incapable of managing the individual's affairs, or
 - (b) another good and sufficient reason,
- the plan administrative agent may grant a disability benefit effective the date the individual would have, but for the failure to apply, begun receiving it.

Calculation of disability benefits

- 63** (1) [SECTION NOT USED]
- (2) A disabled member is entitled to receive a disability benefit calculated on the basis set out in section 54 (3) without any adjustment under section 55.
- (3) [Repealed]
- (4) [Repealed]

Options and conditions of disability benefits

- 64** (1) The disability benefit that a disabled member is entitled to receive under this Part is granted on the same options and conditions as set out in section 56.
- (2) [Repealed]

Income Tax Act (Canada) limits

- 65** (1) Benefits payable under this Part are limited to the maximums set out in section 8503 (3) of the Income Tax Regulations under the *Income Tax Act* (Canada).
- (2) Pension benefits payable for service accrued after December 31, 1991 are limited to the maximum lifetime retirement benefits set out in section 8504 of the Income Tax Regulations under the *Income Tax Act* (Canada).

PART 6.1 – SHORTENED LIFE EXPECTANCY BENEFITS

Election to convert locked-in benefits in the event of shortened life expectancy

- 65.1** (1) If a member, other than a retired member in receipt of a benefit under this Plan, who is entitled to receive a benefit from this Plan has an illness or a disability

that is certified by a medical practitioner to be terminal or to likely shorten the member's life considerably, that member may, subject to and in accordance with the Pension Benefits Standards Regulations,

- (a) elect to convert all or part of the benefit to a series of payments for a fixed term to that member, or
 - (b) elect to withdraw as a lump sum an amount equal to the commuted value of the benefit or any lesser amount that the member may select.
- (2) If a member who wishes to make an election under subsection (1) has a spouse, the member is not eligible to make an election under subsection (1) unless a valid spousal waiver has been filed with the plan administrative agent.
 - (3) If a payment is made to a member pursuant to subsection (1), any subsequent payments made in respect of that member will be reduced by an actuarially equivalent value to reflect any payments made under subsection (1).
 - (4) An amount payable to an individual under subsection (1) (b) may be transferred to an RRSP or RRIF to the extent permitted by the *Income Tax Act* (Canada).

PART 7 – PRE-RETIREMENT DEATH BENEFITS

Eligibility for pre-retirement death benefits

- 66** This Part applies to a member who dies on or after October 1, 1999 but before being granted a benefit under Part 4 or 5.

Pre-retirement death benefits statement

- 67** (1) The plan administrative agent must provide to the member's beneficiary a pre-retirement death benefits statement in the manner required by the *Pension Benefits Standards Act*.
- (2) If the member's beneficiary is eligible for a pre-retirement death benefit under this Part and applies to the plan administrative agent for that benefit, the plan administrative agent must pay the benefit in accordance with this Part.

Effective date of pre-retirement death benefit

- 68** If payable, a pension determined in accordance with section 69 will be granted on the first day of the month following the member's date of death.

Calculation of pre-retirement death benefit

- 69** (1) [Repealed]
- (2) If a member dies and there is no surviving spouse or a valid spousal waiver or satisfactory confirmation that section 145 of the *Family Law Act* applies has been filed with the plan administrative agent, a benefit equal to the greater of
- (a) a refund calculated in accordance with section 44, and
 - (b) the commuted value calculated in accordance with section 46 which the member would have been entitled to in respect of the member's

pensionable service had the member terminated employment immediately before death,

is payable to the beneficiary as determined by section 81 and 81.1.

For greater clarity, if a valid spousal waiver or satisfactory confirmation that section 145 of the *Family Law Act* applies has been filed with the plan administrative agent, in no case is the surviving spouse entitled to receive the benefit as a designated beneficiary under sections 81 or 81.1.

- (2.1) If a member who dies is not entitled at the date of death to an immediate pension in accordance with section 50, there is a surviving spouse, and a valid spousal waiver or satisfactory confirmation that section 145 of the *Family Law Act* applies has not been filed with the plan administrative agent, the spouse may elect to receive either
 - (a) the greater of
 - (i) a refund calculated in accordance with section 44, and
 - (ii) the commuted value calculated in accordance with section 46 which the member would have been entitled to in respect of the member's pensionable service had the member terminated employment immediately before death, or
 - (b) an immediate pension which is actuarially equivalent to the amount calculated under paragraph (a) (ii), and payable as if the member had chosen the joint life and last survivor option under section 56 (1) (c.1) payable for a term certain of 5 years.
- (3) If a member who dies is entitled at the member's date of death to an immediate pension in accordance with section 50, there is a surviving spouse, and a valid spousal waiver or satisfactory confirmation that section 145 of the *Family Law Act* applies has not been filed with the plan administrative agent, an immediate pension is payable to the spouse of the member
 - (a) which is actuarially equivalent to the commuted value calculated in accordance with section 46 which the member would have been entitled to in respect of the member's pensionable service had the member terminated employment immediately before death, and
 - (b) payable as if the member had chosen the joint life and last survivor option under section 56 (1) (c.1) payable for a term certain of 5 years.
- (3.1) If a surviving spouse dies prior to making an election under subsection (2.1), or prior to receiving an immediate pension under subsection (3), the greater of the commuted value of the pension the spouse was entitled to and a refund calculated in accordance with subparagraph (2.1) (a) (i) is payable to the surviving spouse's estate.
- (4) [Repealed]
- (5) A surviving spouse may elect to receive, instead of a pension calculated under subsection (2.1) or (3), a payment equal to the commuted value of the pension if the commuted value is not greater than 20% of the year's maximum

pensionable earnings for the calendar year in which the most recent calculation of the commuted value was made.

- (6) If the plan administrative agent is satisfied that the commuted value must be transferred on a locked-in basis, it may be transferred to
 - (a) another registered pension plan,
 - (b) a locked-in retirement account,
 - (c) a life income fund, or
 - (d) an insurance company or other financial institution,in accordance with the requirements of the *Pension Benefits Standards Act* for the transfer of locked-in funds.
- (7) The locked-in requirement of subsection (6) does not apply to a surviving spouse or former spouse who
 - (a) has been absent from Canada for 2 or more years, and
 - (b) has become a non-resident of Canada as determined for the purpose of the *Income Tax Act* (Canada).
- (8) [Repealed]
- (9) If under this Part a refund or other amount is payable on an unlocked basis, the payment may be transferred to an RRSP or RRIF to the extent permitted by the *Income Tax Act* (Canada).

Options and conditions of pension benefits

- 70**
- (1) Despite any other provision of this Part, if a member is separated or divorced and, as a result of a written agreement or court order made under Part 5 or 6 of the *Family Law Act*, the former spouse is entitled to a portion of the benefit payable under section 69 on the death of the member, the former spouse is entitled to that portion whether or not the member has nominated the former spouse or any other beneficiary.
 - (2) Despite subsection (1), if the plan administrative agent has paid a benefit under section 69 on the death of a member before receiving notice of an agreement or court order, the plan administrative agent is not liable to make any payment to the former spouse except in accordance with section 77.
 - (3) Despite any other provision of this Part, the remainder of the benefit over the amount of the court order or separation agreement must be paid to the beneficiary described in section 81 as the benefit would have been paid under section 69 had there been no court order or separation agreement.

Income Tax Act (Canada) limits

- 71 Benefits payable under this Part are limited to the maximums set out in section 8503 (2) of the Income Tax Regulations under the *Income Tax Act* (Canada).

PART 8 – RETIRED MEMBER BENEFITS**Source of payments**

- 72 The pensions, bridge benefits, temporary annuities, monthly benefits and disability benefits paid under Parts 5, 6 and 7 must be paid monthly from the pension fund, including a full payment for the month in which the member dies or payment of the benefit ends.

Cost of living benefits

- 73 (1) Cost of living benefits to retired members who receive an indexable benefit under this Plan are funded from the inflation adjustment account.
- (2) On January 1 of each year, the board must grant cost of living benefits to retired members in accordance with this section. If, on the day a cost of living benefit is granted, the indexable benefit has been paid for a period of less than 12 months, the cost of living benefit must be reduced to the amount obtained by multiplying it by 1/12 for each complete month during which the indexable benefit was paid.
- (3) The portion of a retired member's indexable benefit eligible for adjustment is the total amount of the indexable benefit, including any previous cost of living benefits, less the sum of
- (a) any pension provided to the retired member that was funded by voluntary contributions to the retirement annuity account that once formed part of the pension fund.
 - (b) [Repealed]
- (3.1) The amount of the cost of living benefit granted to a retired member on any January 1 must not exceed the amount obtained by multiplying
- (a) the lesser of
 - (i) the percentage change in the average CPI for that January 1 as compared to the average CPI for January 1 of the preceding year, and
 - (ii) the percentage rate recommended by the actuary in the most recent actuarial valuation of this Plan as being the maximum amount of cost of living benefits that can be indefinitely funded from the inflation adjustment account,
 - by
 - (b) the portion of the retired member's indexable benefit eligible for adjustment on that January 1.
- (4) Despite subsection (3.1), the board may grant a cost of living benefit in excess of the amount obtained by multiplying the percentage rate referred to in subsection (3.1) (a) (ii) by the amount referred to in subsection (3.1) (b), but the

amount of a cost of living benefit granted to a retired member on any January 1 must not exceed the amount obtained by multiplying

- (a) the percentage change in the average CPI for the January 1 as compared to the average CPI for January 1 of the preceding year,

by

- (b) the portion of the retired member's indexable benefit eligible for adjustment on that January 1.

- (4.1) In determining the percentage change in the average CPI for the purposes of subsections (3.1) (a) (i) and (4) (a), the average CPI for any January 1 is deemed to be the greater of
 - (a) the average CPI calculated for that date, and
 - (b) the highest average CPI calculated for any preceding January 1.
- (5) Subject to subsections (3.1) and (4), the cost of living benefits granted on any January 1 must be calculated to provide all retired members a uniform percentage increase in the portions of their indexable benefit eligible for adjustment.
- (6) The total capitalized value of all cost of living benefits granted on any January 1 under this section must not exceed the amount the plan administrative agent determines is in the inflation adjustment account on the preceding September 30.
- (7) The capitalized value of the aggregate of the cost of living benefits granted annually under this section must be transferred from the inflation adjustment account to the basic account.
- (8) A cost of living benefit ends when the part of the indexable benefit on which the cost of living benefit is based ends.

Public sector remuneration after retirement

- 74 (1) If a retired member becomes an employee to whom this Plan would otherwise apply, the retired member must continue to receive a retirement benefit. For greater clarity, the retired member is not eligible to make contributions and accrue service in respect of the re-employment.
- (2) This section does not apply to a person who is considered a retired member solely because the person is receiving a pension or monthly benefit following the death of a member.

PART 9 – PENSION FUND

Accounts in the pension fund

- 75 (1) The pension fund is divided into the following 3 accounts:
 - (a) the basic account;
 - (b) the inflation adjustment account;
 - (c) the supplemental benefits account.

- (d) [Repealed]
- (2) The basic account consists of all the assets of the pension fund other than assets in the inflation adjustment account and the supplemental benefits account.
- (3) The inflation adjustment account consists of
- (a) the active members' contributions made under section 5 (1) (c) or (d),
 - (b) the employers' contributions made under section 6 (1) (c) or (d) less amounts allocated for the payment of group benefit entitlements under the College Pension Plan Post-retirement Group Benefit Rules,
 - (c) net investment income earned on the account, and
 - (d) subject to the prior approval of the board, all or such lesser part as the board designates of the income, as specified by the plan administrative agent, that
 - (i) is earned on other pension fund assets held in the basic account in respect of indexable benefits being paid, and
 - (ii) is in excess of the investment rate of return assumed by the actuary in the most recent actuarial valuation of this Plan,
- less
- (e) amounts transferred to the basic account under sections 73 and 88,
 - (f) amounts refunded to a former member in respect of contributions made under section 5 (1) (c) or (d) or transferred out of the pension fund in respect of member contributions made under section 5 (1) (c) or (d), employer contributions made under section 6 (1) (c) or (d) or transfers under section 29,
 - (g) amounts determined by the plan administrative agent in respect of the portion of the commuted value or transfer of the actuarial reserve value that is attributable to the cost of living adjustment that is transferred out of the pension fund in accordance with section 29, 46 or 69 (2) (b),
 - (h) amounts transferred to the basic account that are equal to the capitalized value of the increase in a member's retirement benefit resulting from any increase in the member's highest average salary under section 100, and
 - (i) amounts contributed to the supplemental benefits account under subsection (4) (d) of this section.
- (4) The supplemental benefits account consists of
- (a) contributions to the pension fund provided for in section 86 and the College Pension Plan Post-retirement Group Benefit Rules,
 - (b) amounts from contributions under paragraph 6 (1) (a) or (b) specified by the plan administrative agent as necessary to cover any annual shortfall between current assets in the account and the cost of providing benefits under section 87 and the cost of providing cost of living benefits under section 88,
 - (c) amounts otherwise contributed under paragraph 6 (1) (a) or (b) which are specified by the plan administrative agent to be required to pay for the cost of administering the account, including the costs to administer any

benefits under Part 11 and the College Pension Plan Post-retirement Group Benefit Rules, and

- (d) other amounts that may be specified by the board,
- less
- (e) amounts paid in respect of benefits under section 87,
 - (f) amounts paid in respect of cost of living benefits under section 88,
 - (g) amounts paid in respect of group benefits under the College Pension Plan Post-retirement Group Benefit Rules, and
 - (h) amounts determined by the plan administrative agent as the cost of administering the account, including the costs to administer any benefits under Part 11 and the College Pension Plan Post-retirement Group Benefit Rules.
- (5) [Repealed]
 - (6) The plan administrative agent must keep an account of
 - (a) all contributions and money received and all money paid out, and
 - (b) all the assets and liabilities of the pension fund.
 - (7) Subject to section 59 of the *Pension Benefits Standards Act*, the plan administrative agent may return to a member or employer, or to the supplemental benefits account, any contributions that are inadvertently made to the basic account which are in excess of the maximum contributions set out in the *Income Tax Act* (Canada).

PART 10 – GENERAL ADMINISTRATIVE REQUIREMENTS

Assignment

- 76 Benefits payable under the Plan must not be assigned, charged, attached, anticipated, surrendered or given as security, and any transaction purporting to assign, charge, attach, anticipate, surrender or give as security a benefit is void.

Separation agreements and court orders

- 77 (1) If a member is separated or divorced and there is a written agreement or court order made under Part 5 or 6 of the *Family Law Act* under which the former spouse is entitled to, or relinquishes entitlement to, the benefits under this Plan or has that entitlement cancelled, a copy of that written agreement or court order must be filed with the plan administrative agent before the earlier of
 - (a) the death of the member, and
 - (b) the date the member begins receiving a benefit.
- (2) If the written agreement or court order is not filed within the time required by subsection (1), the plan administrative agent must not make any adjustment in the payment of a benefit
 - (a) other than a pension granted under Part 7, or
 - (b) except as required by the *Family Law Act*.

- (3) If an adjustment is made under subsection (2), the adjustment applies only to payments made after the written agreement or court order is filed.

Proof

- 78**
- (1) When required by the plan administrative agent, a member or other person claiming a benefit must submit
 - (a) proof respecting
 - (i) age,
 - (ii) identity,
 - (iii) marital status,
 - (iv) employment,
 - (v) termination of employment, or
 - (vi) spouse, or
 - (b) any proof necessary for the determination of entitlement to a benefit.
 - (2) The plan administrative agent may defer the granting of a benefit until proof satisfactory to the plan administrative agent has been submitted.
 - (3) The plan administrative agent may require the person to provide evidence to establish the claim, including evidence by way of affidavit or declaration or by certified copy of a certificate or other required document.
 - (4) Without limiting subsections (1) to (3), the plan administrative agent may require a member or an employer, or both, to provide evidence, including evidence by way of affidavit or declaration, that, at the time of cessation by the member of employment with the employer, the employer and the member or the member's bargaining agent, on behalf of the member, have not made an agreement
 - (a) for the member to resume employment with the employer, or
 - (b) establishing a right for the member to resume employment with the employer.

Address of members or persons claiming an interest

- 79**
- A member or a person with an interest or entitlement must
- (a) keep the plan administrative agent informed of the member's or person's current address, and
 - (b) in the case of a retired member, report in person or by certificate, using the form specified by the plan administrative agent, as the plan administrative agent may require.

Employer's duties and rights

- 80**
- (1) An employer must do all of the following:
 - (a) provide to the plan administrative agent, in the manner and within the time limits specified by the plan administrative agent, complete, accurate and

- sufficient personal information and records respecting any member or employee as may be necessary for the administration of this Plan,
- (b) collect and remit to the plan administrative agent all required member and employer contributions in accordance with Part 2,
 - (c) provide each member or employee with the information supplied by the plan administrative agent as required by the *Pension Benefits Standards Act*, and provide any other information and records in the manner, and within the time limits, established by the plan administrative agent,
 - (d) enroll all employees who are eligible to become members of this Plan, or obtain and retain a form of written waiver signed by any employee described in section 3 (3) evidencing the employee's election not to become a member of this Plan,
 - (e) in the event of the employer's withdrawal from the Plan, make all payments and perform all actions required of it by Part 14, and
 - (f) perform any other obligation imposed on the employer pursuant to this Plan.
- (2) An employer must reimburse the Plan for and make the pension fund whole against all damages, claims, costs, expenses, fines and penalties which arise from:
- (a) the employer's failure to report information in the form or within the deadlines specified by the plan administrative agent,
 - (b) the employer's submission to the plan administrative agent of incomplete, inaccurate or insufficient data, or
 - (c) the employer's failure to comply with any of its obligations under this Plan, including without limitation section 80 (4), or any agreement between the board and the employer.
- (3) Nothing in this Plan impairs or affects the rights of an employer to remove or dismiss an individual from service.
- (4) An employer is bound by:
- (a) the College Pension Plan Joint Trust Agreement,
 - (b) the Plan,
 - (c) the policies and procedures adopted by the board,
 - (d) the policies and procedures adopted by the plan administrative agent, and
 - (e) if the employer was designated under section 2 (b), the terms and conditions of eligibility specified by the board pursuant to the employer's designation as an employer under section 2 (b),
- all as may be amended from time to time, and must observe and perform all of the obligations and duties imposed on the employer by any provision thereof.
- (5) An employer shall permit the board, through the plan administrative agent, from time to time to conduct periodic audits and reviews of the employer's business records as they pertain to the employer's obligations under the Plan.

- (6) An employer shall ensure that any communications it makes concerning the Plan shall be in a form and content provided by or approved by the plan administrative agent. A person making any inquiry concerning the Plan shall be referred to the Plan member website or the plan administrative agent as appropriate.

Beneficiary designation

- 81** (1) Despite the member's designation of one or more beneficiaries pursuant to subsection (2) and despite subsection (5), if a member has a spouse at the member's pension commencement date and the spouse has signed a valid spousal waiver pursuant to section 80 (4), but not section 80 (6), of the *Pension Benefits Standards Act*, the spouse will be the member's beneficiary.
- (2) If a member does not have a spouse at the relevant time or a valid spousal waiver has been filed with the plan administrative agent, the member's beneficiary will be determined in accordance with the following:
- (a) the member may designate as the member's primary beneficiary, any one of or a combination of the following:
- (i) one or more individuals,
 - (ii) one or more corporations, partnerships, societies, associations or any other entities that are acceptable to the plan administrative agent,
 - (iii) the personal representative of the estate of the member in a representative capacity,
 - (iv) one or more trustees including, without limitation, trustees of a family trust, trustees of a minor designated by the member as a beneficiary or trustees of a charitable purpose trust;
- (b) for any primary beneficiary designated pursuant to subsection (a) the member may designate an alternate beneficiary that will only receive the applicable share of the benefit if the primary designated beneficiary dies, winds-up or terminates (as is applicable) before the member's death;
- (c) the member may designate the percentage of the benefit to be paid to each of the beneficiaries designated pursuant to subsections (a) and (b). If the member does not specify how the benefit will be shared between or among the beneficiaries designated pursuant to subsections (a) and (b), the beneficiaries will receive an equal share of the payment;
- (d) if the member does not designate an alternate beneficiary and the primary beneficiary dies, winds-up or terminates (as is applicable) before the member's death, the share that would have been paid to the primary designated beneficiary will be payable:
- (i) to the surviving designated beneficiary,
 - (ii) among the surviving designated beneficiaries in equal shares if there is more than one surviving designated beneficiary, or
 - (iii) to the member's estate if there are no surviving designated beneficiaries.
- (3) A person granted power over an adult's financial affairs under
- (a) Part 2 of the *Power of Attorney Act*, or

- (b) the *Patients Property Act*
may make, alter or revoke a designation under this section only if expressly authorized to do so by the court and the designation is not made in a will.
- (4) Subject to subsection (7), any designation, alteration or revocation of a beneficiary designation made pursuant to subsection (2) or (3) must be
- (a) in writing,
 - (b) signed by the person making it, or by another person in the presence of the person making it and by the direction of the person making it, and the signature may be in the name of the person making it or the person signing by the direction of the person making it, and
 - (c) in a form acceptable to the plan administrative agent.
- (5) A member may make any beneficiary designation made pursuant to this section an irrevocable designation of beneficiary to which subsection (7) applies if
- (a) the member completes the form approved by the plan administrative agent for that purpose in order to irrevocably designate a beneficiary, and
 - (b) the irrevocable beneficiary designation form referred to in subsection (a) is filed with the plan administrative agent before the member's death.
- (6) For greater clarity, if a member's irrevocable beneficiary designation does not comply with subsection (5), including, without limitation, because the irrevocable beneficiary designation is made in a will or because the member does not file the form referred to in subsection (5) (a) with the plan administrative agent before the member's death, the designation will be subject to the normal alteration and revocation rules as set out in subsection (4).
- (7) If a member makes an irrevocable beneficiary designation in accordance with subsection (5), despite subsection (4):
- (a) the member may only alter or revoke that designation during the lifetime of the beneficiary that is the subject of the irrevocable designation with that beneficiary's express consent and using the form approved by the plan administrative agent for that purpose, and
 - (b) the benefit about which the irrevocable beneficiary designation has been made does not form part of the member's estate upon the member's death and is not subject to the control of the member or of the member's creditors.

Beneficiary designation in a member's will

- 81.1** (1) Subject to section 81 (5), a member's beneficiary designation may be made in the member's will.
- (2) If a member designates a beneficiary in the member's will:
- (a) such designation is only effective if the designation relates expressly to the Plan either generally or specifically,
 - (b) the member may alter or revoke that designation by:

- (i) altering or revoking the designation in a subsequent will provided that alteration or revocation complies with paragraph (a), or
 - (ii) completing a form acceptable to the plan administrative agent for the purpose of altering or revoking a beneficiary designation and by filing that form with the plan administrative agent before the member's death,
- (c) revocation of the member's will also revokes any beneficiary designations made in the will, and
- (d) revocation of that beneficiary designation does not revive an earlier designation of beneficiary.

Discharge of liability

- 81.2** (1) If a payment is made to a designated beneficiary, the board and the plan administrative agent are discharged in respect of that benefit even if the plan administrative agent later receives notice of a change of designated beneficiary.
- (2) Any payment to a trustee including, without limitation, payment to a trustee for a minor designated as a beneficiary or a trustee of a family or charitable purpose trust, discharges the board and the plan administrative agent in respect of that payment.
- (3) In the event of a payment referred to in subsection (1) or (2), the board and the plan administrative agent may set up any defence that would have been available had a claim to enforce payment been brought by the member or the member's personal representative.

Benefit payable to a minor

- 82** (1) If, on the death of a member, a benefit becomes payable to a minor, the benefit must be paid to the Public Guardian and Trustee, in trust for the minor, for payment to the minor on reaching the age of 19 years.
- (2) Subsection (1) does not apply if the member has designated a trustee in respect of the minor under subsection 81 (2) (a) (iv).

Creditor's claim respecting a benefit

- 83** (1) If, on the death of a member, a benefit becomes payable to
- (a) the spouse of the member if there is a spouse and a valid spousal waiver has not been filed with the plan administrative agent, or
 - (b) a beneficiary of the member if there is no spouse or a valid spousal waiver has been filed with the plan administrative agent,
- the amount is not subject to the control of the creditors of the deceased member and does not form part of the member's estate.
- (2) If, on the death of a member, a benefit becomes payable and no spouse or beneficiary exists who qualifies to receive the benefit under subsection (1), the benefit is payable to the estate of the member, and forms part of the member's estate and is subject to the control of the creditors.

Retirement annuity benefit

84 [Repealed]

Benefits under a group disability plan

- 85** (1) A member who receives a monthly income benefit under a group disability plan for a particular period of time is not entitled to a benefit under this Plan for that same period of time.
- (2) If a benefit was paid under this Plan for a period of time during which the member received a monthly income benefit under a group disability plan, the benefit paid under this Plan must be repaid to the Plan by the member as an amount due and owing by the member to the Plan.

PART 11 – SUPPLEMENTAL BENEFITS**Supplemental benefit contributions**

- 86** (1) If an active member contribution required under section 5 (1) is limited by section 11 (1), the difference between what would have been contributed and what is actually contributed under Part 2 must be contributed under this Part.
- (2) If an employer contribution required under section 6 (1) is limited by section 11 (3), the difference between what would have been contributed and what is actually contributed under Part 2 must be contributed under this Part.
- (3) If a member contribution required for a benefit under Part 3 is limited by section 41 (4) or (7) to (10), the difference between what otherwise would have been contributed and what was actually contributed under Part 2 may, with the approval of the board, be contributed under this Part.
- (4) If an employer contribution required for a benefit under Part 3 is limited by section 41 (4) or (7) to (10), the difference between what otherwise would have been contributed and what was actually contributed under Part 2 may, with the approval of the board, be contributed under this Part.
- (5) The contributions required by this section must be made to the supplemental benefits account.

Supplemental benefits

- 87** (1) If a benefit resulting from recognition of service that would be provided under Part 3 is limited by section 41 (7) to (10), the difference between what would have been provided and what is actually provided under Part 3 must, with the approval of the board, be provided under this Part.
- (2) If a benefit that would be provided under Part 4 is limited by section 49 (1), the difference between what would have been provided and what is actually provided under Part 4 must, with the approval of the board, be provided under this Part.
- (3) If a benefit that would be provided under Part 5 is limited by section 59, the difference between what would have been provided and what is actually

provided under Part 5 must, with the approval of the board, be provided under this Part.

- (4) If a benefit that would be provided under Part 6 is limited by section 65, the difference between what would have been provided and what is actually provided under Part 6 must, with the approval of the board, be provided under this Part.
- (5) If a benefit that would be provided under Part 7 is limited by section 71, the difference between what would have been provided and what is actually provided under Part 7 must, with the approval of the board, be provided under this Part.

Supplemental cost of living benefits

- 88**
- (1) If a member receives or is entitled to receive a cost of living benefit under section 73, the person must receive or is entitled to receive an additional cost of living benefit with respect to the amount of a supplemental benefit payable under section 87.
 - (2) The additional cost of living benefit provided under this section must
 - (a) be calculated using the same percentage increase as the increase provided with respect to an indexable benefit, and
 - (b) be provided in the same manner as a cost of living benefit provided with respect to an indexable benefit.

Payment of supplemental benefits

- 89**
- If a benefit is payable under this Part, the benefit is payable on the same terms and conditions as the original benefit payable under Parts 4 to 7 unless
- (a) the benefit was to be in the form of a commuted value transfer to a locked-in retirement account, in which case the payment of the commuted value amount under this Part must be made directly to the individual,
 - (b) the person has elected different options for the payment of benefits under Parts 4 to 7 and benefits under this Part, or
 - (c) different treatment is required under the *Income Tax Act* (Canada) or some other authority.

Supplemental benefits on re-employment

- 90** If a member receiving supplemental benefits becomes an employee to whom this Plan applies, the provisions of section 74 respecting a retirement benefit also apply to the supplemental benefits.

PART 12 – [PART NOT USED]

- 91 to 95** [SECTIONS NOT USED]

PART 13 – DEFINITIONS AND PLAN INTERPRETATION**Division 1 – General Definitions****Definitions**

- 96** (1) In this Plan:
- “**active member**” means an employee who is making, or is deemed to be making, contributions to the pension fund, including an employee
- (a) on a leave of absence approved by the employer,
 - (b) receiving a group disability plan benefit, or
 - (c) [Repealed]
 - (d) receiving a benefit under this Plan as the spouse or beneficiary of a member,
- but does not include an employee who has terminated employment or is receiving a retirement benefit under this Plan that arises as a result of providing service to an employer;
- “**actuarial interest rate**” [Definition Repealed]
- “**average CPI**” means, in relation to January 1 of a calendar year, the average of the consumer price index for each month in the twelve month period ending October 31 of the preceding calendar year;
- “**beneficiary**” means one or more of the following as permitted by the application of section 81:
- (a) the member’s spouse,
 - (b) one or more individuals,
 - (c) one or more corporations, partnerships, societies, associations or any other entities that are acceptable to the plan administrative agent,
 - (d) the personal representative of the estate of the member in a representative capacity,
 - (e) one or more trustees including, without limitation, trustees of a family trust, trustees of a minor designated by the member as a beneficiary or trustees of a charitable purpose trust.

- “**benefit**” means a commuted value, pension, refund, bridge benefit, temporary annuity, monthly benefit or any other entitlement payable under this Plan to a member or the beneficiary of a member;
- “**board**” means the College Pension Board of Trustees continued under section 3.3 (a) of the College Pension Plan Joint Trust Agreement;
- “**bridge benefit**” means a monthly payment payable pursuant to subsection 54(4);
- “**capitalized value**” means, in relation to a retirement benefit or indexable benefit or part of a retirement benefit or indexable benefit, its actuarial present value determined, at the date of the calculation, in accordance with
- (a) generally accepted actuarial methods, and
 - (b) mortality and investment rates assumed by the actuary in the most recent actuarial valuation of this Plan,
- as approved by the board;
- “**certified copy**” means, in relation to a document, a copy of the document certified to be a true copy by a person authorized by the employer or plan administrative agent to certify the document;
- “**child rearing**” means the direct and active caring for a dependant who is under the age of 7 years;
- “**College Pension Plan Joint Trust Agreement**” means the agreement among His Majesty in Right of British Columbia (the government), the Post-Secondary Employers’ Association, the Federation of Post-Secondary Educators of BC and the B.C. Government and Service Employees’ Union (now called the B.C. General Employees’ Union) concluded pursuant to section 16.1 of Schedule A to the Act;
- “**commuted value**” means, in relation to a benefit that a member has a present or future entitlement to receive, the actuarial present value of the benefit determined, at the date of calculation, in accordance with
- (a) generally accepted actuarial methods, and
 - (b) mortality and investment rates that are adequate and appropriate, and in accordance with generally accepted actuarial principles,
- as approved by the board;
- “**consumer price index**” means the Consumer Price Index for Canada, as published by Statistics Canada under the authority of the *Statistics Act* (Canada), used for calculating the amount of any benefit payable under this Plan and, if the Consumer Price Index for Canada is adjusted to reflect a new time basis or a new content basis, includes a corresponding percentage adjustment in the consumer price index;
- “**contributory service**” means the period of service of a member for which contributions were made by the member or the employer, or are deemed to have been made by the member or by the employer with respect to the member;
- “**dependant**” [Definition Repealed]

- “**disabled member**” means an individual entitled under section 60 (2) to receive a disability benefit and who has been granted a disability benefit;
- “**earliest retirement age**” means the end of the calendar month in which a member reaches age 55;
- “**employee**” means an individual who provides a service to an employer and is in receipt of, or entitled to, a salary for the service;
- “**employer**” means a person or organization, whether incorporated or not, described in section 2 from whom an employee receives or received salary;
- “**fiscal year**” means the year beginning on September 1 and ending on August 31 next following, or the period that the board establishes as the fiscal year;
- “**former member**” means an individual, other than a beneficiary,
- (a) whose membership is terminated upon pre-retirement death, or
 - (b) who has received a benefit and has no further entitlement to a benefit;
- “**full time**” means, in relation to an employee providing educational services to students, other than a librarian or an employee who provides educational services to students without having a course load, an employee who is
- (a) hired in advance to teach a full course load for at least one year, or
 - (b) initially hired to teach less than one year, teaches a full course load for at least 10 months during the year, and is teaching a full course load at the start of the next year;
- “**fund interest rates**” means the net earned rate of the pension fund as specified by the board;
- “**group disability plan**” means a disability plan, approved by the plan administrative agent, which meets criteria established by the board;
- “**highest average salary**” has the meaning given to it in Division 2 of this Part;
- “**inactive member**” means an individual who
- (a) was an active member,
 - (b) has terminated employment,
 - (c) is entitled to receive a benefit from this Plan, and
 - (d) is not currently receiving a benefit from this Plan, unless as a spouse or beneficiary of a member;
- “**indexable benefit**” means a pension, bridge benefit, temporary annuity or monthly benefit payable to a retired member, or a disability benefit payable to a disabled member under Part 6;
- “**insurance company**” means a corporation authorized to carry on life insurance business in Canada;
- “**latest retirement age**” means, in relation to an individual, November 30 of the calendar year in which the individual attains the age set out in section 8502 (e) of the Income Tax Regulations under the *Income Tax Act* (Canada) for the latest commencement of retirement benefits under a registered pension plan;

- “life income fund”** has the same meaning as defined in the *Pension Benefits Standards Act*;
- “locked-in”** means that the pension plan funds must be used to provide a lifetime benefit;
- “locked-in retirement account”** has the same meaning as defined in the *Pension Benefits Standards Act*;
- “member”** means
- (a) an active member,
 - (b) a former member,
 - (c) an inactive member,
 - (d) a retired member, or
 - (e) a disabled member;
- “monthly benefit”** means a monthly payment payable pursuant to Part 5 for the balance of a guarantee period after the death of a member;
- “normal retirement age”** means the end of the calendar month in which a member reaches age 65;
- “pension”** means a monthly lifetime payment payable pursuant to Parts 4, 5 or 7;
- “pension fund”** means the College Pension Fund continued under section 3.2 of the College Pension Plan Joint Trust Agreement;
- “pension index”** means, for the purpose of the highest average salary, in any one year, the average of the consumer price index over a 12 month period ending on December 31 in that year;
- “pensionable age”** means the end of the calendar month in which a member reaches age 60;
- “pensionable service”** means the period of service of a member, used to determine the amount of the benefits payable to a member under the Plan, for which contributions were made by the member or the employer, or are deemed to have been made by the member or by the employer, but does not include service which the member is, because of this Plan, not permitted to count as pensionable service;
- “plan administrative agent”** means the British Columbia Pension Corporation established under section 5 of the *Public Sector Pension Plans Act*;
- “refund”** means the value of the member’s contributions, together with interest, at the refund interest rates to the end of the month preceding the date of payment;
- “refund interest rates”** means,
- (a) for periods before January 1, 1993, the rates specified by the board,
 - (b) for periods on and after January 1, 1993 and before January 1, 2004, the rates of interest calculated on the basis of the average yields of 5 year personal fixed term chartered bank deposit rates, published in the Bank of Canada Review as CANSIM Series B 14045,

(c) for periods on and after January 1, 2004, and before October 1, 2019, the rates of interest calculated on the basis of the average yields of 5 year personal fixed term chartered bank deposit rates, published in the Bank of Canada Banking and Financial Statistics as CANSIM Series V122515, and

(d) for periods on or after October 1, 2019, the rates of interest calculated on the basis of the average yields of the 5 year personal fixed term chartered bank deposit rates, determined by reference to CANSIM Series V80691336, or its future equivalent, published by the Bank of Canada, using the value of the last weekly series for each month;

“RRIF” means a retirement income fund that is within the meaning of the *Income Tax Act* (Canada) and that is registered under that Act;

“RRSP” means a retirement savings plan that is within the meaning of the *Income Tax Act* (Canada) and that is registered under that Act;

“reinstate” means to include, or the inclusion of, a period of previous service of a former member as contributory service or pensionable service or both;

“retired member” means a person who

(a) [Repealed]

(b) has terminated employment, and

(c) is receiving a retirement benefit from the pension fund,

and includes a person who receives a pension or monthly benefit following the death of the member;

“retirement benefit” means a pension and, if applicable, a bridge benefit payable pursuant to Part 5;

“salary” means the base salary received by a member, and includes any additional amounts which the board may specify;

“service” means service in the employment of an employer;

“spouse” individuals are spouses for the purposes of the *Pension Benefits Standards Act* and this Plan on any date on which one of the following applies:

(a) they

(i) are married to each other, and

(ii) have not been living separate and apart from each other for a continuous period longer than 2 years;

(b) they have been living with each other in a marriage-like relationship for a period of at least 2 years immediately preceding the date;

“temporary annuity” means a monthly payment payable pursuant to paragraph 56 (1) (d);

“termination of employment” or **“terminated employment”** means,

(a) subject to paragraph (b), the cessation by a member of employment with an employer, or

(b) if a member is entitled to receive benefits from a group disability plan, the cessation of the member's entitlement to benefits from the group disability plan unless the member resumes employment with an employer,

but does not include cessation of employment by the member if, at the time of cessation of employment, the employer and the member or the member's bargaining agent, on behalf of the member, have made an agreement

(c) for the member to resume employment with the employer, or

(d) establishing a right for the member to resume employment with the employer,

provided further that, if a member has not resumed employment with the employer by the date that is one year after the date the member ceased employment with the employer, the member will be deemed to "terminate employment" on that date;

"**year's maximum pensionable earnings**" has the meaning given to it in the *Canada Pension Plan*.

(2) [Repealed]

(3) [Repealed]

Division 2 – Highest Average Salary

Calculation of highest average salary – full time service

- 97**
- (1) This section only applies to a member whose service was full time during the 60 months immediately preceding termination of employment.
 - (2) Subject to subsection (3), the highest average salary of a member who is entitled to a retirement benefit is the average of 1/12th of the annual salary that the member earned, or is deemed to have earned, in each fiscal year
 - (a) during the 5 years of service in which the member received, or is deemed to have received, the member's highest salary before the date on which the member begins receiving a retirement benefit, or
 - (b) during the member's actual period of pensionable service, if the member's period of pensionable service is less than 5 years.
 - (3) If a member does not terminate employment at the end of a fiscal year and, if the annualized salary for that partial year is equal to or higher than the annual salaries received, or deemed to have been received, in each of the 5 full years of highest annual salary as determined under subsection (2), the partial year may be combined as required with a portion of the salary of the lowest of the 5 years in order to calculate a highest annual salary for the combined year, and the combined year can be used in place of the lowest of the 5 years, but in no case can the total of the 2 portions exceed one year of salary.

Calculation of highest average salary – less than full time service

- 98**
- (1) This section only applies to a member whose service was less than full time during the 60 months immediately preceding termination of employment.
 - (2) The highest average salary of a member who is entitled to a retirement benefit is the greater of
 - (a) the average of 1/12th of the annual salary that the member earned, or is deemed to have earned, in each fiscal year during the 5 years of service immediately before the date on which the member begins receiving a retirement benefit, adjusted in each of those years by an additional amount which is calculated by using salary from a year or multiple years of previous service, to compensate for those periods in a year that the member was not working, multiplied by the ratio that the pension index for the calendar year before the year of adjustment bears to the pension index for the calendar year of previous service, and
 - (b) subject to subsection (3), the average of 1/12th of the annual salary that the member earned, or is deemed to have earned, in each fiscal year
 - (i) during the equivalent of 5 full time years of service in which the member received, or is deemed to have received, the member's highest salary before the date on which the member begins receiving a retirement benefit, or
 - (ii) during the member's actual period of pensionable service, if the member's period of pensionable service is less than the equivalent of 5 full time years,
adjusted to its full time equivalent.
 - (3) For the purpose of calculating the highest average salary in subsection (2) (b), if a member does not terminate employment at the end of a fiscal year and, if the annualized full time equivalent of the salary for that partial year as determined under subsection (2) (b) is equal to or higher than the annual salaries received, or deemed to have been received, in each of the equivalent of 5 full time years of highest annual salary as determined under subsection (2) (b), the partial year may be combined as required with a portion of the salary of the lowest of the equivalent of 5 full time years in order to calculate a highest annual salary for the combined year, and the combined year can be used in place of the lowest of the 5 years, but in no case can the total of the 2 portions exceed one year of full time equivalent salary.

Adjustment to highest average salary – group disability plan service

- 99**
- (1) This section only applies to a member who terminates employment or becomes a retired member immediately following cessation of benefits from a group disability plan.
 - (2) The plan administrative agent must adjust the highest average salary of the member, as determined under section 97 or 98, by the ratio that the pension index for the calendar year immediately before the calendar year in which the retirement benefit is granted bears to the pension index for the calendar year in

which the member last began to receive a monthly income benefit under the group disability plan.

Adjustment to highest average salary – deferred retirement benefit

- 100**
- (1) This section only applies to an inactive member who is entitled to and applies for a deferred retirement benefit when the member reaches earliest retirement age or later.
 - (2) In this section, “**percentage increase granted to retirement benefits**” means the percentage increase in a deferred retirement benefit that results from the granting on January 1 in each year of a cost of living benefit under section 73.
 - (3) If an inactive member, whose employment terminated before January 1, 1981, is entitled to and applies to receive a deferred retirement benefit under this Plan, the plan administrative agent must adjust the highest average salary of the member, as determined under section 97 or 98,
 - (a) by the ratio that the pension index of the year ending December 31, 1980 bears to the pension index of the calendar year in which the member terminated employment, and
 - (b) by the method set out in subsection (5) from January 1, 1981 to the end of the month immediately preceding the month in which the retirement benefit is to be granted.
 - (4) If an inactive member, whose employment terminated on or after January 1, 1981, is entitled to and applies to receive a retirement benefit under this Plan, the plan administrative agent must adjust the highest average salary of the member, as determined under section 97 or 98, by the method set out in subsection (5) from the first of the month following the month in which termination of employment occurred to the end of the month immediately preceding the month in which the retirement benefit is to be granted.
 - (5) The inactive member’s highest average salary is increased in each calendar year during the period referred to in subsections (3) and (4) by the percentage, for each of those calendar years, as follows:
 - (a) if the member’s retirement benefit is granted in the same calendar year as the year in which termination of employment occurred, the proration, for the number of complete months from the date of termination of employment to the end of the month immediately preceding the effective date of the retirement benefit, of the percentage increase granted to retirement benefits on January 1 of the calendar year of termination;
 - (b) if the member’s retirement benefit is granted in a calendar year other than that referred to in paragraph (a),
 - (i) the proration, for the number of complete months from the date of termination of employment to the end of the calendar year, of the percentage increase granted to retirement benefits on January 1 of the calendar year following termination,

- (ii) for each complete year between the years referred to in subparagraphs (i) and (iii), the percentage increase granted to retirement benefits on each January 1 following the calendar year following termination until January 1 of the year that the retirement benefit is granted, and
- (iii) the proration, for the number of complete months from January 1 of the year the retirement benefit is granted to the end of the month immediately preceding the effective date of the retirement benefit, of the percentage increase granted to retirement benefits on January 1 of that calendar year.

Limitation on calculation of highest average salary

- 101** (1) For the purpose of this Division, only salary paid to a member after the date on which this Plan first applies to the member must be counted in calculating the member's highest average salary.
- (2) For the purpose of this Division, salary paid to a member while the member is receiving a benefit from a group disability plan must not be counted in calculating the member's highest average salary.

PART 14 – EMPLOYER WITHDRAWAL

Definitions and Interpretation

- 102** (1) The definitions in section 96, except where a contrary definition is set out in this Part, apply to this Part.
- (2) Any term defined in any section in this Part has that meaning throughout this Part.

Application of this Part

- 103** (1) This Part contains the terms and conditions for the withdrawal from this Plan by an employer contemplated by section 14.1 of the College Pension Plan Joint Trust Agreement.

Trustee Initiated Withdrawal

- 104** (1) If the board determines that:
- (a) all or a substantial portion of an employer's employees who are active members will terminate employment or have terminated employment with that employer (the "**withdrawing employer**");
 - (b) the group of active members who will terminate or have terminated employment with the withdrawing employer identified by the board pursuant to paragraph (a) (the "**withdrawing group**") make up no less than 1% of the Plan's then active members (or such other percentage of the active members as the board then considers appropriate); and
 - (c) all or a substantial portion of the withdrawing group have not or will not become immediately employed by another entity that is an employer that participates in this Plan;

the board may by written notice to that effect to the withdrawing employer require the withdrawing employer to give the notices described in this section and make the payments described in section 106.

- (2) Forthwith after being required to do so by the board pursuant to subsection (1), the withdrawing employer must give each member of the withdrawing group a written notice in a manner acceptable to the board advising each such member of the following:
 - (a) the date the member terminated employment or will terminate employment with the withdrawing employer (the member’s “**participation termination date**”);
 - (b) the member’s cessation of benefit accruals under this Plan on the member’s participation termination date; and
 - (c) the implications of the termination of employment with the withdrawing employer on the member’s accrued benefits under this Plan.
- (3) The withdrawing employer must give the board and every trade union certified as a bargaining agent for any of the active members who are part of the withdrawing group a copy of the form of notice given pursuant to subsection (2) at the same time it gives the notices to the members. If the withdrawing employer fails to give the written notices to the members and the trade union(s) that represent any of those members in a timely manner, the board may give such notices, and all expenses it incurs doing so will be considered expenses which can be recovered from the withdrawing employer pursuant to subsection 106 (6).
- (4) As of the participation termination date of each member of the withdrawing group, each such member:
 - (a) [Repealed]
 - (b) will not be required to make further contributions pursuant to section 5, except contributions accrued up to and including the participation termination date and not yet paid to the pension fund; and
 - (c) may thereafter participate in the plans and programs constituted under the College Pension Plan Post-Retirement Group Benefit Rules only on the basis that the member meets the eligibility requirements for participation.

Employer Initiated Withdrawal

- 105** (1) An employer (the “**terminating employer**”) may give written notice to the board that it desires to have the active members employed by it (the “**terminating group**”) withdraw from this Plan in accordance with this section. The notice to the board must:
- (a) state that the terminating employer wishes to withdraw the terminating group in accordance with this section;
 - (b) subject to subsection (3), identify the active members who make up the terminating group;

- (c) subject to subsection (4), specify the date (the “**termination date**”) as of which the terminating group will withdraw from this Plan in accordance with this section;
 - (d) state whether the terminating group’s accrued benefits will remain in the Plan, or whether the terminating employer requests a transfer of assets in respect of the terminating group’s accrued benefits to another pension plan pursuant to section 107; and
 - (e) include a copy of the written notice the terminating employer will provide to the active members who make up the withdrawing group pursuant to subsection (2).
- (2) Concurrently with the giving of the notice to the board described in subsection (1), the terminating employer must give each active member who forms part of the proposed terminating group, and every trade union that is certified as a bargaining agent for any active member who forms part of the proposed terminating group, written notice of the following:
- (a) the terminating employer’s desire to withdraw the proposed terminating group from this Plan in accordance with this section;
 - (b) the termination date specified for the terminating group by the terminating employer;
 - (c) that, if the withdrawal proceeds, the active members who make up the terminating group will cease to accrue benefits under this Plan on the termination date;
 - (d) a description of the implications of the intended withdrawal on the members’ accrued benefits under this Plan; and
 - (e) whether the terminating employer is requesting a transfer of assets in respect of the terminating group’s accrued benefits under the Plan to another pension plan.
- (3) A terminating group must consist of all active members employed by the terminating employer on the termination date. If any of those members are represented by a trade union, the terminating employer must also provide evidence to the board that every trade union that represents any of the active members employed by the terminating employer consents to the withdrawal of the active members from this Plan in accordance with this section. If such evidence is not provided, no withdrawal can occur pursuant to this section.
- (4) Unless the board and a terminating employer otherwise agree, a terminating group’s termination date must occur on the last day of a pay period, and must occur no earlier than 180 days following the date on which the terminating employer gives the notices described in subsections (1) and (2).
- (5) As of a terminating group’s termination date, the active members who make up the terminating group:
- (a) will be deemed for all purposes of this Plan to have terminated employment with the terminating employer, and

- (b) will not be required to make any further contributions pursuant to section 5, except contributions accrued up to and including the terminating group's termination date and not yet paid to the pension fund.
- (6) Any active member who terminates employment with the terminating employer after the date the terminating employer gives notice pursuant to subsection (1) may thereafter participate in the plans and programs constituted under the College Pension Plan Post-Retirement Group Benefit Rules only on the basis that the active member meets the eligibility requirements for participation.
- (7) Despite subsection (1), within 180 days of receiving a notice pursuant to subsection (1) the board may, in its absolute and unfettered discretion, choose to reject the notice, in which event the notice will for all purposes of the Plan, other than subsection 106(6), and any other provision of this Plan needed to give full effect to subsection 106(6), be deemed to have not been given.

Financial Responsibilities of Departing Employers

- 106**
- (1) In this section,
 - (a) “**departing employer**” means a withdrawing employer or a terminating employer; and
 - (b) “**departing group**” means a withdrawing group or a terminating group.
 - (2) Whenever the board makes a determination pursuant to subsection 104 (1) or receives a written notice pursuant to subsection 105 (1), the board must cause an actuarial valuation of the Plan (the “**withdrawal valuation**”) to be performed. In the case of a withdrawing group, the withdrawal valuation will be performed as of a date specified by the board. In the case of a terminating group, the withdrawal valuation will be performed as of the terminating group's termination date. The date as of which the withdrawal valuation is prepared is referred to in this section as the “**valuation date**”.
 - (3) Based on the results of the withdrawal valuation, the actuary will determine whether the aggregate rate of contributions required in respect of the Plan's basic benefits pursuant to sections 5 and 6 will increase after the departing group's valuation date as a result of the withdrawal of the departing group. If it does, the departing employer must pay to the pension fund for deposit to the basic account the amount determined by the actuary as being necessary to cause the aggregate rate of contributions required in respect of the Plan's basic benefits pursuant to sections 5 and 6 to remain the same after the departing group's valuation date as it was on the date the board made the determination pursuant to subsection 104 (1) or the date the terminating employer gave the notice pursuant to subsection 105 (1), as the case may be.
 - (4) Based on the result of the withdrawal valuation, the actuary must also determine the percentage rate of indexing that the actuary would recommend pursuant to subsection 73 (3.1) (a) (ii) (the “**sustainable rate of indexing**”) before and after the departing group's valuation date, taking into account the withdrawal of the departing group as of the valuation date. The sustainable rate of indexing shall be determined having regard to

- (a) the actuarial value of the current assets in the basic and inflation adjustment accounts as of the valuation date,
- (b) the amount, if any, payable by a departing employer pursuant to subsection (3) as of the valuation date, and
- (c) the present value of the future contributions expected to be made to the basic and inflation adjustment accounts after the valuation date.

If the sustainable rate of indexing determined on this basis immediately after the departing group's valuation date is less than it was immediately prior to that date, the departing employer must pay to the pension fund for deposit into the inflation adjustment account the amount determined by the actuary which, when added as an asset to the inflation adjustment account, will cause the sustainable rate of indexing, determined as aforesaid, to remain the same immediately after the departing group's valuation date as it was immediately prior to such date.

- (5) All amounts payable by a departing employer pursuant to subsection (3) or (4) must be adjusted for the period between the departing group's valuation date and the date payments are made pursuant to subsection (3) or (4). Such adjustments must be made by the board on the advice of an actuary, and must reflect:
 - (a) interest calculated and compounded monthly at an annual rate of interest equal to the discount rate used in the withdrawal valuation for present value calculation purposes; and
 - (b) any expenses related to the withdrawal, to the extent the departing employer does not pay such expenses directly or pursuant to subsection (6).
- (6) Regardless of whether a departing employer is required to make payments to the pension fund pursuant to subsection (3) or (4), the board may require a departing employer to indemnify the board against all costs and expenses it incurs implementing the terms of this Part and evaluating the actuarial impact of the departing employer's withdrawal from the Plan. Any amount required to so indemnify the board will be deemed to be contributions payable to the pension fund, and is payable by the departing employer to the pension fund forthwith upon being so notified by the board. Any amount payable pursuant to this subsection must be adjusted in accordance with subsection (5) for the period between the date the board notifies the departing employer and the date the payment is made.
- (7) Despite subsection (2), the board may in lieu of causing a formal actuarial valuation of the Plan to be performed pursuant to subsection (2) cause the actuary to perform an informal actuarial valuation based on the last formal valuation of the Plan, but updated to take into account known changes in the value of the assets of the Plan and the like.

Transfer of Assets and Liabilities to Successor Pension Plan

- 107** (1) If a terminating employer:

- (a) requests a transfer of assets in respect of a terminating group’s accrued benefits under this Plan to another pension plan (the “other plan”), and gives notice to that effect to the board and the members of the terminating group in accordance with subsections 105 (1) and (2),
- (b) discharges to the board’s satisfaction all of its obligations under subsections 106 (3), (4), (5) and (6) in respect of the terminating group, and
- (c) enters into an arrangement satisfactory to the board to reimburse the board for all costs incurred by the board in connection with the proposed transfer, including an arrangement whereby the assets to be transferred to the other plan will be reduced by the amount of such costs,

the following will occur as of the end of the fiscal year that follows the fiscal year in which the terminating group’s termination date occurs, or such earlier date as is acceptable to the board, which date will be the terminating group’s “withdrawal date”:

- (d) unless the board and the terminating employer otherwise agree, any member who formed part of the terminating group on its termination date but who as of its withdrawal date has ceased to be employed by the terminating employer will cease to form part of the terminating group;
- (e) the board will have an actuarial valuation of the Plan prepared as of the terminating group’s withdrawal date, and cause an actuary to calculate:
 - (i) the “**terminating group’s basic percentage**” of the assets of the pension fund, which percentage will equal the value of the actuarial liabilities associated with the basic benefits of the members who make up the terminating group, determined by the actuary on a going concern basis as of the withdrawal date using funding assumptions , divided by the greater of:
 - A the value of the actuarial liabilities associated with all the basic benefits of the Plan, determined on the basis set out above; and
 - B the value of the assets of the basic account of the pension fund;
 - (ii) the “**terminating group’s IAA percentage**” of the assets of the pension fund, which percentage will equal the amount required to index the basic benefits of the members who make up the terminating group at a rate equal to 100% of the projected increase in the consumer price index, divided by the greater of:
 - A the amount required to index the basic benefits of all members of the Plan pursuant to section 73 at a rate equal to 100% of the projected increase in the consumer price index; and
 - B the value of the assets of the inflation adjustment account;
- (f) for greater certainty, in determining the actuarial liabilities and the value of the assets referred to in paragraph (e), the actuary will make no allowance for any contributions or service after the terminating group’s

withdrawal date, or for any cost of living benefits which might be granted pursuant to section 73 after the terminating group's withdrawal date;

(g) when:

- (i) the terminating group's basic percentage and IAA percentage have been calculated in accordance with paragraph (e);
- (ii) the terminating employer has provided the board with proof satisfactory to the board that the other plan provides benefits to each member of the terminating group for each member's pre-termination date service that are substantially identical to or more valuable than the benefits each member had accrued under this Plan for that service;
- (iii) the terminating employer has provided the board with proof satisfactory to the board that the other plan is structured in such a manner so that the assets transferred to it from the pension fund in respect of the terminating group will be held in trust solely for the terminating group;
- (iv) the terminating employer and the trustee(s) (or other legal fundholder(s)) of the other plan's assets have jointly and severally indemnified the board and all other persons involved in the administration of the Plan against any claims by or in respect of any of the individuals who make up the terminating group, on such terms and conditions as are satisfactory to the board; and
- (v) the regulatory approvals needed to permit a transfer of assets from the pension fund to the trustee(s) (or other legal fundholder(s)) of the other plan's assets have been obtained;

the terminating group's basic percentage of the assets of the basic account of the pension fund and the terminating group's IAA percentage of the assets of the inflation adjustment account of the pension fund must be transferred from the pension fund to the trustee(s) (or other legal fundholder(s)) of the other plan's assets;

(h) once the amounts determined pursuant to paragraph (g) have been paid from the pension fund to the trustee(s) (or other legal fundholder(s)) of the other plan's assets, the board and the pension fund are relieved and discharged of all obligations, liabilities and duties to and in respect of the terminating employer and individuals who make up the terminating group.

(2) The amounts to be transferred from the pension fund pursuant to subsection (1) must be adjusted for the period between the terminating group's withdrawal date and the date the transfer of assets takes place. Such adjustments must be made by the board on the advice of an actuary, and must reflect:

- (a) changes in the market value of the assets of the pension fund during the period;
- (b) relevant cash flows (including benefit payments) during the period; and

- (c) any expenses related to the withdrawal, to the extent the withdrawing employer does not pay such expenses directly or pursuant to paragraph (1) (c).
- (3) Whenever a transfer of assets from the pension fund occurs pursuant to subsection (1), the amounts determined in respect of the basic and inflation adjustment accounts pursuant to paragraph (1) (g) must be deducted from the balance of each such account as of the terminating group's withdrawal date, and such deductions must be adjusted in accordance with subsection (2), and all subsequent calculations of the balances in those accounts pursuant to subsections 75 (2) and (3) must reflect such deductions and adjustments.
 - (4) To better ensure compliance with all the requirements of this section, the board may enter into an asset and liability transfer agreement with the terminating employer or the trustee(s) or other legal fundholder(s) of the other plan's assets, or both or all of them, which confirms the terms upon which assets will be transferred in accordance with this section to the other plan. Such agreement may provide for the terms upon which the board's books and records relating to the entitlements of the terminating group under the Plan will be transferred to the terminating employer or to the trustee(s) or other legal fundholder of the other plan's assets.
 - (5) Members of a terminating group in respect of which assets are transferred to another plan pursuant to this section will not be entitled to participate in any of the programs or plans constituted under the College Pension Plan Post Retirement Group Benefit Rules.