



PUBLIC SERVICE PENSION PLAN

Consolidated Plan Document
Amended and restated as of November 29, 2023

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Article 1 – History of the Plan

1.01 Establishment of the Plan

The Public Service Pension Plan was established effective April 1, 1947 to provide pension benefits to employees of the Government of Alberta. Prior to the Transition Date, the Plan was governed under the Public Sector Pension Plans Act and its predecessor legislation, and the rules of the Plan were set out in regulations established under such legislation.

1.02 Transition from the Public Sector Pension Plans Act

Pursuant to the Joint Governance Act, the Plan was continued on the Transition Date under section 2 of Schedule 2 of the Joint Governance Act. As of the Transition Date the Plan is governed by the Applicable Pension Legislation. The Statutory Rules apply to the Plan between the Transition Date and the Continuation Date, as set out in section 34 of Schedule 2 of the Joint Governance Act.

1.03 Continuation of the Plan

The provisions of the Plan, as set forth herein, come into force on the Continuation Date. The Plan provides for the payment of benefits to Members of the Plan, their Pension Partners and former Pension Partners, and Beneficiaries, as applicable, subject to (in the following order of priority):

- a) the Income Tax Act;
- b) the Joint Governance Act;
- c) the Employment Pension Plans Act; and
- d) any other applicable laws now or hereafter in effect.

1.04 Employment Pension Plans Act Exemptions

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

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

Article 1 – History of the Plan

1.05 Recognition of Benefits Earned Under Statutory Rules

The Plan continues to provide for benefits and entitlements accrued prior to the Transition Date and during the period between the Transition Date and the Continuation Date under the Statutory Rules. Unless otherwise stated, where a Date of Determination is on or after the Continuation Date, the provisions of the Plan, as set forth herein, shall apply to:

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

1.06 Transfer of Assets

Pursuant to the Joint Governance Act, as of the Transition Date all assets of the Plan continue to be held in trust for Members and others entitled to benefits under the Plan. On the Transition Date, pursuant to section 26(1) of Schedule 2 of the Joint Governance Act, ownership of the Trust Fund transferred to the Administrator as trustee of the Plan.

Article 2 – Definitions

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

- 2.01 **Active Member** means an Employee who qualifies as a Member of the Plan pursuant to Section 4.01(a), or who joined the Plan pursuant to Section 4.02(a) or (b), but excludes an Employee who:
- a) falls within any of the exceptions in Section 4.03;
 - b) is eligible to accrue Combined Pensionable Service in a Related Plan in accordance with Section 2.16(b)(1)(B)); or
 - c) would have been eligible to accrue Combined Pensionable Service in a Related Plan in accordance with Section 2.16(b)(1)(B) but for the Employee having reached 35 years of Combined Pensionable Service or their latest pensionable service date, in each case within the meaning of those phrases in the Related Plan;
- and for clarity also excludes:
- d) a person who qualified as a Member of the Plan pursuant to Section 4.01(a) but who subsequently ceases to satisfy the conditions to participate in the Plan under the Statutory Rules in accordance with Section 4.01(c);
 - e) a person who joined the Plan pursuant to Section 4.02(a) or (b) but who subsequently ceases to satisfy the conditions to participate in the Plan on either a Mandatory Participation Basis or an Elective Participation Basis in accordance with their Participating Employer's Pension Policies; or
 - f) a person who has died.
- 2.02 **Actuarial(ly) Equivalent** means a pension of an equivalent value computed on the basis of the actuarial methods and assumptions last adopted by the Administrator taking into account the recommendation of the Actuary, subject to any requirements of Applicable Pension Legislation.
- 2.03 **Actuarial Reserve** means, in relation to a Member, the present value of pension benefits payable in the future in respect of a period of Eligible Service, considering the Member's past and future Combined Pensionable Service and including the portion of those benefits relating to expected future earnings and cost of living increases, computed on the basis of the actuarial methods and assumptions last adopted by the Administrator taking into account the recommendation of the Actuary, subject to any requirements of Applicable Pension Legislation, and including interest thereon determined using the nominal interest rate adopted for the purpose of the Actuarial Reserve calculation.

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- 2.04 **Actuarial Reserve Service** means, in relation to a Member, service determined in accordance with Section 5.01(a).
- 2.05 **Actuary** means the actuary or firm of actuaries retained by the Administrator who is, or in the case of a firm of actuaries at least one employee of which is, a Fellow of the Canadian Institute of Actuaries.
- 2.06 **Administrator** means PSPP Corporation.
- 2.07 **Annualized Pensionable Earnings** means, in relation to a Member, for any Plan Year, the Member's Pensionable Earnings divided by the Member's Combined Pensionable Service for the Plan Year.
- 2.08 **Applicable Pension Legislation** means the Income Tax Act, the Joint Governance Act, the Employment Pension Plans Act and any future legislation amending, supplementing, superseding or incorporating such legislation, and any regulations issued pursuant to any of them, and such other pension benefits legislation which is applicable, in each case as amended from time to time.
- 2.09 **Average Capped YMPE** means the weighted average, in a form and manner determined by the Administrator, of the YMPEs during the same Earnings Averaging Period as is used in the determination of the Member's Highest Average Capped Annualized Pensionable Earnings.
- 2.10 **Average Uncapped YMPE** means the weighted average, in a form and manner determined by the Administrator, of the YMPEs during the same Earnings Averaging Period as is used in the determination of the Member's Highest Average Uncapped Annualized Pensionable Earnings.
- 2.11 **Bargaining Agent** means a certified bargaining agent serving Employees of a Participating Employer.
- 2.12 **Beneficiary**, in relation to a Member, shall be determined in accordance with and subject to the provisions of Article 13.

Article 2 – Definitions

- 2.13 **CANSIM Rate**, in relation to a period of not more than 12 months for which interest is payable, means the rate of interest calculated as of the first day of the calendar year on the basis of the average of the last weekly Wednesday rate of each month published by the Bank of Canada in CANSIM Series V80691336, which sets out the 5-year personal fixed term chartered bank deposit rates, which average is determined in relation to the most recent 12-month period for which the rates are available, rounded down to the first full 1/10th of 1%.
- 2.14 **Capped Annualized Pensionable Earnings** means, for any Plan Year, in relation to a Member the lesser of:
- a) the Member's Annualized Pensionable Earnings for that Plan Year; and
 - b) the Income Tax Act Earnings Limit for that Plan Year.
- 2.15 **Certifiable Past Service Event** means a *certifiable past service event*, as that term is defined in subsection 8300(1) of the regulations under the *Income Tax Act* (Canada).
- 2.16 **Combined Pensionable Service** in respect of a Member means, to the maximum outlined under Section 5.03, the aggregate of the Member's:
- a) Pensionable Service (regardless of when that service was accumulated), and
 - b) pensionable service (if any) under and within the meaning assigned to that phrase in a Related Plan (and whether or not continuously performed and regardless of when that service was accumulated) provided that
 - 1) the person immediately became
 - (A) an Active Member of this Plan after ceasing to be an active participant of the Related Plan, or
 - (B) an active participant of that Related Plan after ceasing to be an Active Member of this Plan,
 - 2) the person was employed by the same
 - (A) Participating Employer immediately before and immediately after that event, or
 - (B) employer that was participating in the Plan immediately before and immediately after that event,and
 - 3) the event described in (1) above occurred after January 1, 1994, and

Article 2 – Definitions

- c) where a Member had Combined Pensionable Service transferred out of MEPP under the bulk transfer arrangement effective January 1, 1999 as a result of ATB Financial ceasing to be a participating MEPP employer and exiting from MEPP, the Combined Pensionable Service transferred out of MEPP is to continue to be treated as if it remained in MEPP for the purpose of this Plan.
- 2.17 **Commuted Value** means, at a time determined by the Plan in relation to a pension that a person has a present or future entitlement to receive, a lump sum amount which is the actuarial present value of the person's pension and ancillary benefits, computed on a going concern basis using rates of interest, actuarial tables, and other assumptions as last adopted by the Administrator taking into account the recommendation of the Actuary and in accordance with the current actuarial valuation report, subject to the requirements of Applicable Pension Legislation.
- 2.18 **Commuted Value Transfer** means a transfer or payment from the Plan, comprised of one or more lump sum payments, which is effected pursuant to Section 11.03 (Termination Benefits), Section 12.03(a)(2) (Death Benefits), Section 15.03 (Exporting Transfers), Section 17.01 (Spousal Relationship Breakdown), Section 20.02(a) (Small Benefit Commutation), Section 20.02(b) (Small Pension Commutation), Section 20.02(c) (Non-Residency Unlocking), Section 20.02(d) (Shortened Life Expectancy), Section 20.02(e) (Maintenance Enforcement Order), or Article 21 (Employer Withdrawal).
- 2.19 **Continuation Date** means January 1, 2021.
- 2.20 **CPI** means the Consumer Price Index for Alberta as published by Statistics Canada.
- 2.21 **Credited Interest** means,
- a) in respect of interest on Member contributions accruing prior to the Continuation Date, the *interest allowance* (as that concept was used under the Statutory Rules prior to the Continuation Date) determined as of the Continuation Date; and
 - b) in respect of interest on Member contributions accruing on and after the Continuation Date and the interest allowance referenced in Section 2.21(a), interest on that sum compounded annually and calculated:

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- 1) Where interest is being added over the course of a Plan Year on the balance of contributions (with interest) made in a previous Plan Year, or to contributions made in the Plan Year by way of a single lump-sum, then for the purpose of accumulating interest on those contributions to the end of the Plan Year (or to the Date of Determination where such date occurs within that Plan Year), interest is to be accumulated at the CANSIM Rate; and
 - 2) Where interest is being added to contributions made in a given Plan Year and those contributions are made by way of a series of payments (rather than a lump sum), then for the purpose of accumulating interest on those contributions to the end of that Plan Year (or to the Date of Determination where such date occurs within that Plan Year), those contributions are to be treated as having been made as a single lump sum made at the mid-point of the period in which those contributions were made, and interest is to be accumulated at the CANSIM Rate; and
 - c) in respect of lump sum payments out of the Trust Fund, interest compounded annually and calculated from the Date of Determination to the date of payment or transfer at a rate as follows:
 - 1) in the case of a refund of contributions or Excess Employee Contributions, at the CANSIM Rate;
 - 2) in the case of a transfer of a Commuted Value under a Portability Agreement, in accordance with the rate specified in the applicable agreement; and
 - 3) in the case of any transfer or payment of a Commuted Value to which Section 2.21(c)(2) does not apply, at the non-indexed rate of interest used in the determination of the Commuted Value for the applicable period.
- 2.22 **Current Service** means, in relation to a Member, service determined in accordance with Section 5.01(b).
- 2.23 **Current Service Contributions** means contributions made by an Active Member or by a Participating Employer in respect of a Member under Section 6.03.
- 2.24 **Custodian** means any person, firm, or corporation as may from time to time be appointed by the Administrator for the purpose of holding, safekeeping, and reporting all assets and investments whatsoever made by and for the Trust Fund, where such Custodian must hold the assets of the Trust Fund:
 - a) in a name that clearly indicates that the investment is held in trust for the Plan and, where the investment is capable of being registered, registered in that name;

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

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

- a) the date as of which a benefit is to be calculated under the Plan, including:
 - 1) the Member's Pension Commencement Date, date of Termination or date of death;
 - 2) the date of an assignment of benefits in accordance with the requirements of a Spousal Pension Division Instruction;
 - 3) the effective date of a Plan amendment;
 - 4) the effective date of withdrawal of a Participating Employer; or
 - 5) the effective date of termination of the Plan as a whole;

or

- b) the date specified in a Portability Agreement where a transfer is being effected pursuant to the terms of such an agreement;

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

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

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

2.28 **Disability Plan** means a long term disability income continuance plan or program that:

a) satisfies the following criteria:

1) all Active Members employed by a Participating Employer, who are in a group approved by the Administrator in relation to that Participating Employer, must be covered by such disability plan or program, except for those ineligible for coverage by reason of not meeting the medical requirements; and

2) an Active Member who is covered by such disability plan or program must not be required to apply for a pension as long as the Active Member qualifies for benefits under such disability plan or program, unless such Member has attained their Latest Pensionable Service Date; or

b) consists of compensation for temporary total disability or temporary partial disability under Alberta workers' compensation legislation.

Further, a Participating Employer shall be required to attest to the existence of their Disability Plan in the form and frequency set out by the Administrator.

2.29 **Early Retirement Date** means, in relation to a Member, a date before the Member's Normal Retirement Date on which the Member elects to commence receipt of a pension pursuant to Section 7.05.

2.30 **Early Retirement Factor** means, in relation to a Member who elects a Pension Commencement Date earlier than their Normal Retirement Date, the factor calculated in Section 8.02.

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2.31 **Earnings Averaging Period** means any cumulative five-year period over which a Member's Pensionable Earnings are considered for the purpose of determining the Highest Average Capped Annualized Pensionable Earnings, Highest Average Uncapped Annualized Pensionable Earnings, Average Capped YMPE, or the Average Uncapped YMPE. The determination of the Earnings Averaging Period is subject to all of the following provisions.

- a) The 5-year period is to be comprised of:
 - 1) Combined Pensionable Service that is Current Service,
 - 2) Any periods that would have been Current Service if not for the limitation on Combined Pensionable Service under Section 5.03,
 - 3) Combined Pensionable Service that is Leave of Absence Without Pay,
 - 4) Combined Pensionable Service for which current service contributions were made within the meaning of a Related Plan, and/or
 - 5) Any periods for which current service contributions would have been made if not for the 35-year limitation on combined pensionable service within the meaning of a Related Plan.
- b) For the purpose of applying Section 2.31(a), the Combined Pensionable Service used in the Earnings Averaging Period is to be consecutive. Furthermore, any breaks in a member's Combined Pensionable Service, as well as any Combined Pensionable Service not covered by Section 2.31(a), are to be ignored in determining whether periods of Combined Pensionable Service are consecutive.
- c) Where a Member has not accumulated 5 years of Combined Pensionable Service covered by Section 2.31(a), the 5-year period will also be comprised of any other types of Combined Pensionable Service not already covered by Section 2.31(a).
- d) Where a Member has not accumulated 5 total years of Combined Pensionable Service, the Earnings Averaging Period shall consider all the Member's Combined Pensionable Service.
- e) For any period that is Combined Pensionable Service or that would have been Current Service if not for the limitation on Combined Pensionable Service under Section 5.03 where a Member was employed on a full-time basis, as determined in accordance with the Participating Employer's Pension Policies, the Combined Pensionable Service credit associated with the period shall be used in determining the weighting assigned to that period in the Earnings Averaging Period.

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- f) For any period that is combined pensionable service within the meaning of a Related Plan or that would have been combined pensionable service for which current service contributions would have been made if not for the 35-year limitation on combined pensionable service within the meaning of the Related Plan where a Member was employed on a full-time basis, as determined in accordance with the Participating Employer's Pension Policies, the combined pensionable service credit associated with the period shall be used in determining the weighting assigned to that period in the Earnings Averaging Period.
- g) For any period that is Combined Pensionable Service or that would have been Current Service if not for the limitation on Combined Pensionable Service under Section 5.03 where a Member was employed on a basis that is less than full-time, as determined in accordance with the Participating Employer's Pension Policies, the elapsed time associated with the period (as measured in fractions of a year) is to be used in determining the weighting assigned to that period in the Earnings Averaging Period and is to be adjusted to exclude the elapsed time associated with any periods of Leave of Absence Without Pay that are not Combined Pensionable Service.
- h) The length of an Earnings Averaging Period shall be measured in years and fractions of any remaining year, if applicable. For greater certainty, the Earnings Averaging Period can span across a period that is longer than 5 calendar years.

2.32 ***Elective Participation Basis*** means, in relation to an employee's employment with a Participating Employer, an employment basis:

- a) which is not a Mandatory Participation Basis;
- b) where, in accordance with the particular Participating Employer's Pension Policies, such employment is required or permitted to be included for purposes of the Plan; and
- c) where either:
 - 1) the regularly scheduled hours of work for the Participating Employer are not fewer than 30 hours per week and a date or event, with reference to employment, that is one year or less from the most recent date of employment, has been established for the cessation of employment; or
 - 2) the regularly scheduled hours of work for the Participating Employer is not fewer than 14 hours per week or 728 hours per year and no date or event, with reference to employment has been established for the cessation of employment.

Article 2 – Definitions

- 2.33 **Eligible Period of Leave** means, in relation to an Active Member, any period of Leave of Absence With Partial Pay or period of Leave of Absence Without Pay, in whole or in part, where the cumulative periods of Leave of Absence Without Pay and Leave of Absence With Partial Pay after 1991 credited as Pensionable Service do not exceed in aggregate five years related to any type of leave, plus an additional three years related to maternity and parental leaves. In no event shall an Eligible Period of Leave encompass a period where compensation cannot be prescribed in accordance with section 8507 of the regulations under the *Income Tax Act (Canada)*.
- 2.34 **Eligible Period of Reduced Pay** means an *eligible period of reduced pay*, as that term is defined in subsection 8500(1) of the regulations under the *Income Tax Act (Canada)*.
- 2.35 **Eligible Period of Temporary Absence** means an *eligible period of temporary absence*, as that term is defined in subsection 8500(1) of the regulations under the *Income Tax Act (Canada)*.
- 2.36 **Eligible Service** means, in relation to a Member, service determined in accordance with Section 5.01(c).
- 2.37 **Employee** means a person employed by a Participating Employer on a Mandatory Participation Basis, or on an Elective Participation Basis where they have exercised their option to participate in the Plan, and includes:
- a) a person who is in receipt of benefits under a Disability Plan and who remains, while receiving those benefits, an employee of the Participating Employer who was employing the employee immediately before Disability Plan benefits commenced;
 - b) a person who is on a Leave of Absence Without Pay or Leave of Absence With Partial Pay and who remains, while on that leave, an employee of the Participating Employer who authorized that leave;
 - c) a person who is on a Leave of Absence With a Bargaining Agent and who remains, while loaned to the Bargaining Agent, an employee of the Participating Employer who employed such employee immediately before that leave commenced;
 - d) a person who was an *employee* (as defined in the Statutory Rules) immediately prior to the Continuation Date, for as long as they remain in the continuous employ of the entity with which they were employed on the Continuation Date in accordance with Section 4.01(b) to the extent such person continues to be employed on a qualifying basis in accordance with Section 4.01(c); and

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e) a person to whom Section 2.16(b)(1)(B) applies, for so long as such person remains an active participant of the Related Plan;

but excludes:

f) a person who is an active participant of a Related Plan except to the extent that they are a person to whom Section 2.16(b)(1)(B) applies, for so long as such person remains an active participant of the Related Plan; and

g) a person who is described in Appendix C.

Where a person is engaged to work concurrently for two or more Participating Employers, the person is considered an Employee of each Participating Employer for which they independently fulfil the criteria listed in this Section 2.37.

2.38 **Employment Pension Plans Act** means the *Employment Pension Plans Act*, S.A 2012, Chapter E-8.1, and where the context permits the regulations made thereunder, in each case as amended from time to time.

2.39 **Employment Pension Plans Regulation** means the Employment Pension Plans Regulation AR 154/2014 under the *Employment Pension Plans Act*, S.A. 2012, Chapter E-8.1.

2.40 **EPPA Exemption Regulation** means the Exemption (Public Sector Pension) Regulation AR 3/2019 under the *Employment Pension Plans Act*, S.A. 2012, Chapter E-8.1.

2.41 **Excess Employee Contributions** used in relation to a Member, where the Date of Determination is:

a) prior to the Member's Vesting Date, means nil, and

b) on or after the Member's Vesting Date, means the amount, if any, calculated on the Date of Determination, by which the Member's Vested Contributions exceed the Commuted Value of:

1) the Member's Vested Benefit, less

2) the Member's Wholly Member-Funded Benefit.

Article 2 – Definitions

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

- 2.42 **Exporting Transfer** means the transfer of a Member's accrued entitlement from the Plan to another Registered Pension Plan pursuant to Section 11.01(b)(3) or 11.03(a)(2) in accordance with the terms of a Portability Agreement.
- 2.43 **Fixed-Rate Contribution Basis** means a basis of determining Active Member or Participating Employer contribution requirements in relation to an Active Member's employment with a Participating Employer that is tied to a fixed schedule of contribution rates as specified in Article 6, where such schedule is applied uniformly to all Active Members and Participating Employers at any relevant point in time.
- 2.44 **Fundholder** means PSPP Corporation.
- 2.45 **Funding Excess** means, at any particular point in time, the excess of Plan assets over Plan liabilities, if any, as determined by the Actuary. The assets and liabilities shall be, for the purpose of determining the Funding Excess on a going concern basis, as disclosed in the most recent actuarial valuation report, as such valuation reports are filed with any relevant regulatory authority or authorities.
- 2.46 **Governing Documents** means the Joint Governance Act, any Sponsor Board rules made pursuant to sections 8, 9 and 10 of Schedule 2 of the Joint Governance Act and any policies, resolutions or other decisions of the Sponsor Board made in accordance with section 7 of Schedule 2 of the Joint Governance Act.

Article 2 – Definitions

- 2.47 **Highest Average Capped Annualized Pensionable Earnings** means, in relation to a Member, the weighted average, in a form and manner determined by the Administrator, of the Member's Capped Annualized Pensionable Earnings over the Earnings Averaging Period that produces the highest average of Capped Annualized Pensionable Earnings, and where two Earnings Averaging Periods result in the same average, the earlier of the two periods shall apply and shall also be used in the determination of the Average Capped YMPE.
- 2.48 **Highest Average Uncapped Annualized Pensionable Earnings** means, in relation to a Member, the weighted average, in a form and manner determined by the Administrator, of the Member's Annualized Pensionable Earnings over the Earnings Averaging Period that produces the highest average of Annualized Pensionable Earnings, and where two Earnings Averaging Periods result in the same average, the earlier of the two periods shall apply and shall also be used in the determination of the Average Uncapped YMPE.
- 2.49 **Income Tax Act** means the *Income Tax Act (Canada)*, and the regulations made thereunder, as amended from time to time.
- 2.50 **Income Tax Act Earnings Limit** means, for any Plan Year:
- a) before 1992, \$86,111.11 plus 30% of the YMPE applicable to that Plan Year; and
 - b) after 1991, the aggregate of (1) and (2) where
 - (1) is equal to 50 multiplied by the Defined Benefit Limit applicable to that Plan Year, and
 - (2) is equal to 30% of the YMPE applicable to that Plan Year.
- 2.51 **Income Tax Act Maximum Transfer Limit** means the maximum permissible tax-sheltered transfer from a Registered Pension Plan to a Registered Savings Arrangement, as established in section 8517 of the regulations under the *Income Tax Act (Canada)*.
- 2.52 **Income Tax Act Post-1991 Pension Limit** means the maximum permissible lifetime pension amount, for Pensionable Service accrued on and after January 1, 1992, prescribed in section 8504 of the regulations under the *Income Tax Act (Canada)*, as described in Section 8.05(a).
- 2.53 **Income Tax Act Pre-1990 Pension Restriction** means the restriction on lifetime pension amounts, for Pensionable Service prior to January 1, 1990, prescribed in section 8504 of the regulations under the *Income Tax Act (Canada)*, as described in Section 8.05(b).

Article 2 – Definitions

- 2.54 **Income Tax Act COLA Limit** means the maximum permissible cost-of-living adjustments prescribed in the regulations under the *Income Tax Act (Canada)*, as described in Section 8.05(c).
- 2.55 **Interest** is determined, in relation to the charging of an annual rate of interest after the Continuation Date on unremitted contributions payable to the Plan, where not otherwise expressly provided for herein, at the rate specified within the Administrator's policy.
- 2.56 **Investment Manager** means any person, firm or corporation as may, from time to time, be appointed by the Administrator or mandated under the Joint Governance Act to act in the capacity of advisor or manager regarding the investment and management of the assets of the Trust Fund.
- 2.57 **Joint Governance Act** means the *Joint Governance of Public Sector Pension Plans Act*, S.A. 2018, Chapter J-0.5, as amended from time to time.
- 2.58 **Latest Pensionable Service Date** means, in relation to a Member, December 30th of the year in which the Member attains the latest age a person is allowed to commence receiving a pension under the Income Tax Act.
- 2.59 **Leave of Absence With a Bargaining Agent** means a period during which an Employee is, with the permission of their Participating Employer, on leave from the regular duties of employment in order to be loaned to employment with a Bargaining Agent.

Article 2 – Definitions

- 2.60 **Leave of Absence With Partial Pay** means a period during which an Employee is, with the permission of their Participating Employer, on leave from all or a portion of their regular duties of employment and is receiving remuneration from a Participating Employer that qualifies as Pensionable Earnings and that is less than their regular remuneration, but does not include a period during which the Employee is in receipt of benefits under a Disability Plan, or on a Leave of Absence with a Bargaining Agent, or any other period after 1991 that is not an Eligible Period of Reduced Pay or Eligible Period of Temporary Absence. Subject to the foregoing limitations under the Income Tax Act, Leave of Absence With Partial Pay includes applicable periods of strikes and lock-outs previously approved by Participating Employers prior to the Continuation Date, and any applicable future periods of strikes and lock-outs approved by a Participating Employer as being eligible to be purchased as Leave Service.
- 2.61 **Leave of Absence Without Pay** means a period during which an Employee is, with the permission of their Participating Employer, on leave from all or a portion of their regular duties of employment and is not receiving any remuneration from such Participating Employer that qualifies as Pensionable Earnings, but does not include a period during which the person is in receipt of benefits under a Disability Plan or on a Leave of Absence with a Bargaining Agent. Subject to any limitations under the Income Tax Act, Leave of Absence Without Pay includes applicable periods of strikes and lock-outs previously approved by Participating Employers prior to the Continuation Date, and any applicable future periods of strikes and lock-outs approved by a Participating Employer as being eligible to be purchased as Leave Service.
- 2.62 **Leave Service** means, in relation to a Member, service determined in accordance with Section 5.01(d).
- 2.63 **LIRA** means a *locked-in retirement account*, as that term is defined under the Employment Pension Plans Act. Notwithstanding the foregoing, where a transfer is being made from the Plan to a person after December 31st of the year in which they attain the latest age a person is allowed to commence receiving a pension under the Income Tax Act, LIRA means a *life income fund* as that term is defined under the Employment Pension Plans Act.

Article 2 – Definitions

- 2.64 **Mandatory Participation Basis** means, in relation to an employee's employment with a Participating Employer, a basis where the regularly scheduled hours of work are not fewer than 30 hours per week and where no date or event, with reference to employment, that is one year or less from the most recent date of employment, has been established for the cessation of employment. For clarity, where an Employee is employed on a Mandatory Participation Basis, the identification of an end date to such employment, that is greater than one year from the most recent date of employment, does not change the nature of the employment basis until such end date is attained.
- 2.65 **Member** means:
- a) an Active Member;
 - b) an Employee who continues to have rights or contingent rights to benefits under the Plan;
 - c) a former Employee who had a Termination with a Participating Employer but who retains a right to benefits under the Plan;
 - d) a former Employee who has retired and who retains a right to benefits under the Plan;
or
 - e) a former participant who does not satisfy the requirements of Section 2.65(a), (b) or (c) who had a right or contingent right to benefits or entitlements under the terms of the Statutory Rules and whose benefits or entitlements remained an obligation of the Plan immediately before the Continuation Date.
- 2.66 **MEPP** means, as the context requires, either the Management Employees Pension Plan, as established and maintained under the Public Sector Pension Plans Act, or the *Management Employees Pension Plan (AR 367/93)* regulation, as amended from time to time.
- 2.67 **Nominee** means the person designated at the Member's Pension Commencement Date to receive post-retirement benefits upon the death of the Member as outlined in Article 10, with such a designation being limited to current and former Pension Partners, and current and former common-law spouses (as that term is defined in the *Income Tax Act (Canada)*).

Article 2 – Definitions

2.68 **Normal Retirement Date** means, in relation to a Member, at the Date of Determination, the later of the Member's Vesting Date and the earlier of the dates where the Member attains:

- a) age 65, or
- b) 85 points,

but no earlier than the date the Member attains age 55.

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

2.69 **Old Act Purchased Service** means, in relation to a Member, service determined in accordance with Section 5.01(e).

2.70 **Old Transfer Agreement** means any reciprocal agreement or portability arrangement entered into prior to the Transition Date under the conditions of the Statutory Rules, where such agreement:

- a) provided for portability or transfer of pension benefits between the Plan and any other Registered Pension Plan; and
- b) was not in effect on the Transition Date.

2.71 **Old Transfer Service** means, in relation to a Member, service determined in accordance with Section 5.01(j).

2.72 **PA** means a *pension adjustment*, as that term is defined in section 8301 of the regulations under the *Income Tax Act (Canada)*.

2.73 **Participating Employer** means:

- a) an employer listed in Appendix A; or
- b) an employer who:
 - 1) meets the criteria set forth in rules made by the Sponsor Board or has otherwise been approved by the Sponsor Board, and
 - 2) has entered into a participation agreement with the Administrator after the Transition Date,

as listed in Appendix B for convenience of reference;

until such time as the employer withdraws from the Plan under Article 21.

Article 2 – Definitions

- 2.74 **Pay Period** means, in *relation* to an Employee, the recurring earnings payment cycle for which an Employee normally receives payment of Pensionable Earnings.
- 2.75 **Pension Commencement Date** means, subject to the requirements of Article 16:
- a) in relation to a Member, other than a Member who qualifies for a pension under Article 14, the date determined in accordance with the provisions of Article 7; and
 - b) in relation to a Pension Partner who has elected to receive a survivor pension pursuant to Section 12.03(a)(1), the day following the Member's death.
- 2.76 **Pension Partner** means the Member's *pension partner*, as that term is defined in the Employment Pension Plans Act, where two persons are considered Pension Partners on any date on which one of the following applies:
- a) they
 - 1) are married to each other, and
 - 2) have not been living separate and apart from each other for a continuous period longer than three years; or
 - b) if Section 2.76(a) does not apply, they have been living with each other in a marriage-like relationship
 - 1) for a continuous period of at least three years preceding the date, or
 - 2) of some permanence, if there is a child of the relationship by birth or adoption.
- 2.77 **Pension Policies** means, in relation to a Participating Employer and subject to Applicable Pension Legislation, the Participating Employer's written policies or agreements related to the Plan addressing:
- a) at a minimum, participation for those of its employees or classes of employees who are employed by such Participating Employer on an Elective Participation Basis;
 - b) the minimum number of regularly scheduled hours of work for a Participating Employer during which the Employee would be considered full-time and would otherwise receive full Pensionable Service, assuming all other conditions are satisfied, and
 - c) the remuneration to be included as Pensionable Earnings, subject to the limitations described under Section 2.78;
- as such policies or agreements are amended from time to time.

Article 2 – Definitions

2.78 **Pensionable Earnings** means, in relation to any periods of a Member's Pensionable Service:

a) Where Pensionable Service relates to a period during which the person is an Active Member of the Plan, any gross basic remuneration for the performance of such Active Member's regular duties of employment and, subject to the applicable Participating Employer's established Pension Policies:

- 1) remuneration paid especially for shift work,
- 2) remuneration paid for working on weekends, and
- 3) acting pay, where the Employee receives extra pay on a temporary basis in recognition of performing duties at a higher level than the Employee's regular duties of employment,

but not including any expense allowance, overtime payments, or any other special remuneration that is not referred to in this Section 2.78(a). Furthermore, where it is determined that a person should have been an Active Member but was withheld from participating in the Plan in error, the Pensionable Earnings associated with any such period that is or is to be established as Pensionable Service are to be determined as described above.

Where remuneration that would otherwise qualify as Pensionable Earnings under this Section 2.78(a) is paid to an Active Member by a Participating Employer in the form of a top-up to remuneration received from a third party, the top-up remuneration received from the Participating Employer shall not be treated as Pensionable Earnings.

b) Where Pensionable Service relates to a period during which an Active Member is receiving benefits under a Disability Plan, on a Leave of Absence Without Pay, or on a Leave of Absence With Partial Pay, the deemed earnings based on the amount determined pursuant to Section 2.78(a) at the point immediately preceding the period of disability or leave, adjusted in accordance with any subsequent general adjustments in respect of the period in question that are applicable to the class of employees that the Employee was then in. However, such deemed earnings shall not exceed the amount of compensation that is prescribed for this purpose under the Income Tax Act. Furthermore, where this Section 2.78(b) is to be applied to a period of Leave of Absence With Partial Pay, the earnings are only to be deemed for the portion of such period to which Section 2.78(a) does not apply.

Article 2 – Definitions

- c) Where Pensionable Service relates to a period during which an Active Member is on a Leave of Absence with a Bargaining Agent, the Active Member's gross basic pay, paid by the Bargaining Agent, for the performance of duties while in the employment of the Bargaining Agent, not exceeding 110% of the highest rate of pay for the applicable period under the Bargaining Agent's collective agreement with the Participating Employer from which the Active Member is on leave.
- d) Where Pensionable Service was credited or treated as credited as a result of a transfer into the Plan under transfer agreement:
 - 1) If the Pensionable Service was credited or treated as credited as a result of a transfer under an old reciprocal agreement, portability arrangement, or a special portability arrangement, as those terms were described in the Statutory Rules, the remuneration reported by the other party to the agreement, and
 - 2) If the Pensionable Service was credited or treated as credited as a result of a transfer under a new reciprocal agreement, as that term was described in the Statutory Rules, the remuneration on which contributions paid to establish that service as pensionable service were based.
- e) Where Pensionable Service is a period of Old Act Purchased Service, Prior Service, or Shortfall Service, the remuneration on which contributions paid to establish that service as pensionable service were based.

Further, "Pensionable Earnings" means, in relation to a period of pensionable service within the meaning of a Related Plan, the associated salary or remuneration determined in accordance with the terms of the Related Plan.

Further, for purposes of this Section, Pensionable Service shall include service that would have been Pensionable Service if not for the limitation on Combined Pensionable Service under Section 5.03.

- 2.79 **Pensionable Service** means, in relation to a Member, service determined in accordance with Sections 5.01(f) and 5.02.
- 2.80 **Plan** means the Public Service Pension Plan, continued under Schedule 2 of the Joint Governance Act, the provisions of which effective on the Continuation Date, are as set forth herein as amended from time to time.

Article 2 – Definitions

- 2.81 **Plan Year** means a full calendar year. Notwithstanding the foregoing, for any Participating Employer that has established a Pay Period based policy applied consistently from year-to-year, a Plan Year means the aggregate of all the Pay Periods where the payment dates for such Pay Periods fall within the same calendar year.
- 2.82 **Portability Agreement** means a *portability arrangement* in effect on the Transition Date as outlined under Appendix D, or a new portability agreement entered into pursuant to Article 15 where such new portability agreement:
- a) provides for portability of pension benefits between the Plan and any other pension plan;
 - b) provides that the available transfer amount from the Plan is determined by reference to the terms of such portability agreement; and
 - c) provides that the required transfer amount into the Plan is determined on an Actuarial Reserve basis.
- 2.83 **Portability Service** means, in relation to a Member, service determined in accordance with Section 5.01(g).
- 2.84 **Post-1991 Formula Pension** means, in relation to a Member, the annual amount of pension calculated in accordance with Section 8.01(b).
- 2.85 **Post-1991 Postponed Retirement Factor** means, in relation to a Member whose Pension Commencement Date is after their Normal Retirement Date, the factor calculated in Section 8.03(b).
- 2.86 **Postponed Retirement Date** means, in relation to a Member, a date after the Member's Normal Retirement Date on which the Member commences receipt of a pension pursuant to Article 7.
- 2.87 **Pre-1992 Formula Pension** means, in relation to a Member, the annual amount of pension calculated in accordance with Section 8.01(a).
- 2.88 **Pre-1992 Postponed Retirement Factor** means, in relation to a Member whose Pension Commencement Date is after their Normal Retirement Date, the factor calculated in Section 8.03(a).

Article 2 – Definitions

- 2.89 **Prior Service** means, in relation to a Member, service determined in accordance with Section 5.01(h).
- 2.90 **PSPA** means a *past service pension adjustment*, as that term is defined in section 8303 of the regulations under the *Income Tax Act (Canada)*.
- 2.91 **PSPP Corporation** means the PSPP Corporation established by section 11 of Schedule 2 to the Joint Governance Act.
- 2.92 **PSPPA Legislative Provisions** means the *Public Sector Pension Plans Act (Legislative Provisions) Regulation*, AR 365/93 as amended and in effect immediately prior to the Transition Date and notwithstanding any subsequent legislative repeal of those provisions.
- 2.93 **Public Sector Pension Plans Act** means the *Public Sector Pension Plans Act*, R.S.A. 2000, c. P-41 and the regulations made thereunder, as amended from time to time.
- 2.94 **Registered Pension Plan** means a *registered pension plan*, as that term is defined in section 248(1) of the Income Tax Act.
- 2.95 **Registered Savings Arrangement** means an RRSP or LIRA.
- 2.96 **Related Plan** means
- a) MEPP, or
 - b) The Universities Academic Pension Plan until the end of 2000, and from January 1, 2001, the Universities Academic Pension Plan established under the Employment Pension Plans Act.
- 2.97 **RRSP** means a *registered retirement savings plan*, as that term is defined in section 146(1) of the Income Tax Act.
- 2.98 **Shortfall Service** means, in relation to a Member, service determined in accordance with Section 5.01(i).
- 2.99 **Sponsor Board** means the PSPP Sponsor Board established by section 3 of Schedule 2 to the Joint Governance Act.

Article 2 – Definitions

2.100 **Spousal Pension Division Instruction** means:

- a) a family property order within the meaning of the *Family Property Act*, R.S.A. 2000 c. M-8, as amended and the regulations made thereunder, or a similar order enforceable in Alberta of a court outside Alberta, that affects the division and/or distribution of a person's benefits under the Plan; or
- b) a family property agreement that provides for the division and/or distribution of a benefit and that meets the requirements of section 37 of the *Family Property Act*, R.S.A. 2000 c. M-8 and that is enforceable under section 38 of that legislation.

2.101 **Statutory Rules** means:

- a) for the period prior to the Transition Date, the *Public Service Pension Plan*, AR 368/93 as amended and in effect immediately prior to the Transition Date, notwithstanding any subsequent legislative repeal of those provisions; and
- b) on and after the Transition Date and up to immediately prior to the Continuation Date, the rules applicable under section 34(2) of Schedule 2 of the Joint Governance Act.

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

2.103 **Termination or Terminated or Terminates** used in relation to a person, means that person's ceasing to be an Active Member, under any circumstances other than:

- a) death;
- b) participation under a Related Plan in accordance with Section 2.16(b)(1)(B); or
- c) as a result of a Participating Employer's withdrawal pursuant to Article 21.

With respect to a Member who would have Terminated but for Section 2.103(b), such Member will Terminate at the same time as, and not prior to, their termination from the Related Plan.

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

Article 2 – Definitions

- 2.104 **Totally Disabled or Total Disability** means the disability of a Member, provided that a medical doctor licensed in Canada certifies in writing that the Member is suffering from a physical or mental impairment that can reasonably be expected to last for the remainder of the Member's lifetime and that prevents such Member from engaging in any gainful occupation. In circumstances to be determined by the Administrator, the Administrator may accept the opinion of a medical doctor licensed outside of Canada.
- 2.105 **Transition Date** means March 1, 2019.
- 2.106 **Trust Fund** means the fund established for all the assets of the Plan held by the Administrator as trustee pursuant to the terms of the Joint Governance Act including, without restricting the generality of the foregoing, all of the assets and investments of the Plan that transferred on the Transition Date to the Administrator as trustee, all funds and assets received from time to time by way of contributions, and all increments, earnings and profits accruing from the administration of the said Trust Fund to be known as the "Public Service Pension Plan Trust Fund".
- 2.107 **Unfunded Liability** means, at any particular point in time, the excess of Plan liabilities over Plan assets, if any, as determined by the Actuary. The assets and liabilities shall be, for the purpose of determining the Unfunded Liability on a going concern basis, as disclosed in the most recent actuarial valuation report, as such valuation report is filed with any relevant regulatory authority or authorities.
- 2.108 **Vested Benefit** used in relation to a Member, where the Date of Determination is:
- a) prior to the Member's Vesting Date, means nil, and
 - b) on or after the Member's Vesting Date, means, subject to the Income Tax Act limitations described in Section 8.05, the amount of pension calculated in accordance with Sections 8.01 and 8.04.
- 2.109 **Vested Contributions** used in relation to a Member, where the Date of Determination is:
- a) prior to the Member's Vesting Date, means nil; and
 - b) on or after the Member's Vesting Date, means the aggregate of all contributions made by such Member after the Continuation Date under the provisions of Article 6 and under Statutory Rules prior to the Continuation Date, together with Credited Interest thereon, less the Member's Wholly Member-Funded Contributions.

Article 2 – Definitions

2.110 **Vesting Date** means:

- a) in relation to a Member whose membership in the Plan was continued pursuant to Section 4.01(a), other than an Active Member on the Continuation Date, the date the Member was *vested* under Statutory Rules; and
- b) for any Member to which Section 2.110(a) does not apply, the earliest of:
 - 1) the date the Member has accumulated two years of Combined Pensionable Service, and
 - 2) the date the Active Member attains 65 years of age.

Where a Member whose membership in the Plan was continued pursuant to Section 4.01(a), other than an Active Member on the Continuation Date, was not *vested* under Statutory Rules immediately prior to the Continuation Date, such Member shall be considered as not having attained their Vesting Date as of the Continuation Date.

2.111 **Wholly Member-Funded Benefit** used in relation to a Member means, subject to the Income Tax Act limitations described in Section 8.05, the amount of pension calculated in accordance with Sections 8.01 and 8.04 based only on Pensionable Service which is Wholly Member-Funded Service.

2.112 **Wholly Member-Funded Contributions** means the aggregate, without duplication, of all contributions made by such Member under the provisions of Article 6 or the Statutory Rules with respect to Wholly Member-Funded Service, together with Credited Interest thereon.

2.113 **Wholly Member-Funded Service** means, in relation to a Member:

- a) after the Continuation Date, Actuarial Reserve Service, Leave Service (excluding such Leave Service where the Participating Employer was required to remit contributions in accordance with Section 6.04(c)), Shortfall Service, and Old Transfer Service (but only where such Old Transfer Service was determined on an Actuarial Reserve basis); and
- b) prior to the Continuation Date under the Statutory Rules, service that corresponds to the same types of service described under Section 2.113(a) that apply after the Continuation Date.

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

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

Article 2 – Definitions

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

Article 3 – Plan Governance

3.01 Application of this Article

The provisions of this Article 3 are provided for ease of reference and to document the pertinent sections of Applicable Pension Legislation. In the event of any discrepancies between the provisions of this Article 3 and Applicable Pension Legislation, Applicable Pension Legislation prevails.

3.02 Application of Governing Documents

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

3.03 Plan Registration

In accordance with the Joint Governance Act, the Plan:

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

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

3.04 Governance Structure

The Joint Governance Act specifies that the Sponsor Board consists of four voting employee representatives and four voting employer representatives. The Joint Governance Act specifies the organizations entitled to appoint the voting members of the Sponsor Board. The Joint Governance Act allocates decision-making responsibility on certain issues to the Sponsor Board, including:

- a) making and amending the Plan text in accordance with the Employment Pension Plans Act;
- b) setting contribution rates in accordance with the funding requirements under the Employment Pension Plans Act that are applicable to the Plan;
- c) making any decision, in accordance with the Employment Pension Plans Act, to terminate or modify the nature of the Plan;

Article 3 – Plan Governance

- d) establishing a funding policy for the Plan in accordance with the Employment Pension Plans Act, including in relation to the frequency of actuarial valuations of the Plan, and in relation to investment risk and other risks; and
- e) making rules, amongst other matters, (i) respecting the costs, expenses and charges that may be charged to the Trust Fund, (ii) governing the withdrawal of a Participating Employer from the Plan, and (iii) respecting the entering into by the Administrator of any agreements for the reciprocal transfer or portability of pension benefits between the Plan and any other pension plan.

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

The Joint Governance Act specifies that the same organizations entitled to appoint the voting members of the Sponsor Board are entitled to nominate for appointment by the Lieutenant Governor in Council the same number of directors of the board of directors of PSPP Corporation.

3.05 **Decision Making Process**

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

The Joint Governance Act provides that the board of directors of PSPP Corporation may make bylaws governing the business and affairs of PSPP Corporation, including respecting the designation of a chair and a vice-chair of the board of directors, the calling of meetings of the board of directors and the conduct of business at them, notice of meetings of the board of directors, participation at meetings by any electronic means, quorum, the majority

Article 3 – Plan Governance

required for passing resolutions of the board of directors, processes (which may include mediation or arbitration) in the event of a tie vote of the board of directors, committees of directors and the general conduct and operation of the business of PSPP Corporation. The Joint Governance Act also sets out default provisions that will govern to the extent the board of directors has not made such bylaws that are applicable.

3.06 **Plan Amendment Authority and Responsibility**

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

The Administrator shall be responsible for administering the provisions of the Plan in accordance with the terms of the Governing Documents.

3.07 **Contribution Requirements**

On the advice of the Actuary and subject to the terms of Applicable Pension Legislation, the Sponsor Board is responsible for setting the contribution rates for Participating Employers and Members. Such contribution rates shall be set in accordance with the funding policy set by the Sponsor Board and recognize at a minimum:

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

Where contribution rates must increase for reasons of compliance with Applicable Pension Legislation and where no, or inadequate, instructions regarding contribution rates have been received from the Sponsor Board, in accordance with section 7(6) of Schedule 2 of the Joint Governance Act, the Sponsor Board is deemed to have increased the contribution rates in Section 6.02 to achieve compliance with Applicable Pension Legislation, but only to the extent required to achieve compliance, and the Administrator shall effect such increase.

Article 3 – Plan Governance

3.08 Determinations upon Employer Withdrawal

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

Article 4 – Eligibility for Plan Membership

4.01 Automatic Continuation of Membership for Members on Continuation Date

- a) A person who has accrued benefits or entitlements under Statutory Rules in respect of their own Pensionable Service and whose benefits and entitlements remain an obligation under Statutory Rules immediately prior to the Continuation Date, whether the person is vested or not at that time, shall qualify as a Member of the Plan on the Continuation Date.
- b) All Statutory Rules immediately before the Continuation Date regarding mandatory, optional, or exemptions from participation, both in respect of individual members and participating employers as a whole, shall apply in determining whether an individual member or participating employer is to be an Employee or Participating Employer, as applicable, on the Continuation Date.
- c) To the extent that the rules relating to mandatory, optional, or exemptions from participation applicable to Employees and Participating Employers in this Plan are amended after the Continuation Date, any such amendments shall apply to an individual member or participating employer that becomes an Employee or Participating Employer, as applicable, on the Continuation Date as a result of 4.01(b) unless explicitly stated otherwise herein.

4.02 Eligibility to Join on or after the Continuation Date

Subject to Sections 4.03 and 4.04(b), a person hired by a Participating Employer on or after the Continuation Date, a person employed by a Participating Employer on the date such employer commences participating in the Plan after the Continuation Date, or a person who otherwise was not enrolled in the Plan on the Continuation Date pursuant to Section 4.01, commences participation in the Plan if they are an Employee and either of the following requirements apply.

a) Mandatory Enrolment

An Employee who is employed on the basis of either of the following becomes an Active Member immediately:

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

Article 4 – Eligibility for Plan Membership

b) **Voluntary Enrolment**

An Employee employed by a Participating Employer on an Elective Participation Basis shall become an Active Member of the Plan immediately where the Participating Employer's Pension Policies allows for members of the group or class of employees to which the Employee belongs the option to participate in the Plan and where the Employee exercises that option.

4.03 **Exceptions to Participation**

Sections 4.02(a) and (b) do not apply to an Employee:

- a) who has surpassed their Latest Pensionable Service Date;
- b) who is in receipt of a pension from the Plan in respect of their own Pensionable Service, as described in Section 4.04(b);
- c) who is in receipt of a pension from MEPP or from the Public Service Management (Closed Membership) Pension Plan in respect of their own pensionable service within the meaning of those plans; or
- d) who remains an Employee solely by virtue of Section 2.16(b)(1)(B) applying to such Employee.

4.04 **Re-hired Members**

a) **Non-Pensioners**

- 1) If a former Employee, who has yet to commence receipt of a pension from the Plan in respect of their own Pensionable Service, is again employed by a Participating Employer, the Employee shall, subject to Section 4.03, be eligible or required to recommence Plan participation in accordance with Section 4.02.
- 2) If, at a Date of Determination of a Member who has yet to commence receipt of a pension from the Plan in respect of their own Pensionable Service, such Member is entitled to benefits from the Plan arising from two or more periods of participation separated by a Termination, the Member's periods of participation shall be joined and a single determination of Plan benefits shall apply.

b) **Pensioners**

If a Member, who is in receipt of a pension from the Plan in respect of their own Pensionable Service, is again employed by a Participating Employer, the Member is not permitted to recommence participation in the Plan pursuant to Section 4.02, the Member

Article 4 – Eligibility for Plan Membership

shall continue to receive their pension and shall not be eligible to accrue further benefits during the new period of employment.

4.05 Enrolment Information

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

- 4.06 Suspension of Participation** An Active Member participation in the Plan may not be terminated or suspended while an Employee of a Participating Employer, unless the Active Member has surpassed their Latest Pensionable Service Date.

Article 5 – Service

5.01 Service Definitions

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

- a) **Actuarial Reserve Service** means, in relation to a Member, Eligible Service for which the associated contributions remitted by the Member or associated transfers to the Plan were determined on an Actuarial Reserve basis pursuant to section 20(1.1)(b), (c) or (d) of the Statutory Rules or Section 6.05 herein, except to the extent it is Portability Service or Old Transfer Service.
- b) **Current Service** means, in relation to a Member, Eligible Service for which the associated contributions remitted to the Plan were determined on a Fixed-Rate Contribution Basis pursuant to sections 13(1) and 15(1) of the Statutory Rules (and for certainty, excluding any contributions made under these sections pursuant to sections 14 and 15(2) and (3) of the Statutory Rules) or Section 6.03 herein.
- c) **Eligible Service** means, in relation to a person, a period described under paragraph 8503(3)(a) of the regulations under the *Income Tax Act (Canada)*, except periods where the person is or was employed outside of Canada.

Notwithstanding anything to the contrary in this Section 5.01(c), other than in respect of Leave of Absence Without Pay that are maternity, paternity or adoption leaves, Eligible Service shall not include any period before 1992 of Leave of Absence Without Pay in excess of three years during which contributions in respect of Current Service were not made.

- d) **Leave Service** means, in relation to a Member, Eligible Service that was purchased and credited to the Member pursuant to sections 14 and 15(2) and (3) of the Statutory Rules or any other Eligible Service of such Member for which contributions are remitted to the Plan pursuant to Sections 6.04(a), (b), (c) and (d).
- e) **Old Act Purchased Service** means, in relation to a Member, Eligible Service that was purchased and credited to the Member pursuant to section 16(1)(b) of the *Public Sector*

Article 5 – Service

- Pension Plans Act, SA 1985*, where the Member's election to purchase the service was made prior to 1994.
- f) **Pensionable Service** means, in relation to a Member and subject to Section 5.03, the aggregate of Current Service, Leave Service, Old Act Purchased Service, Prior Service, Portability Service and Old Transfer Service. In no event can a Member's credited Pensionable Service for any single Plan Year exceed one.
 - g) **Portability Service** means, in relation to a Member, Eligible Service that was transferred to the Plan pursuant to a Portability Agreement, but excluding any Shortfall Service that was purchased by the Member in relation to a transfer.
 - h) **Prior Service** means, in relation to a Member, Eligible Service that was the Member's pensionable service under Statutory Rules, except to the extent it is otherwise included as Current Service, Leave Service, Old Act Purchased Service, Portability Service or Old Transfer Service within this Section 5.02, and includes any Eligible Service of such Member for which contributions are remitted pursuant to Section 6.05.
 - i) **Shortfall Service** means, in relation to a Member who had pensionable service transferred to the Plan pursuant to the terms of a Portability Agreement, in cases where the assets transferred by the exporting plan to the Plan were less than the amount determined by the Plan as being necessary to credit the Member with the full amount of service eligible for transfer from the exporting plan, any Eligible Service that was purchased by the Member under Section 6.05 in accordance with Section 15.04(d), but only to the extent such service is not otherwise recognized as Portability Service.
 - j) **Old Transfer Service** means, in relation to a Member, Eligible Service that was transferred to the Plan pursuant to the Statutory Rules and an Old Transfer Agreement, but excluding any service that was purchased by the Member in relation to such a transfer to credit the Member with the full amount of service eligible for transfer from the exporting plan (where the assets transferred by the exporting plan were in an amount that was insufficient to credit the full amount of Eligible Service for transfer, as determined by the Plan).

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

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

5.02 Computation of Service

a) In computing a Member's Current Service or Leave Service credit for any Plan Year, such service credit is determined as the ratio of (A + B) over C, where:

A is the Member's actual paid hours of work and paid vacation time taken by the Member over the Plan Year, other than overtime hours or any other type of hours worked that did not factor into the Member's Pensionable Earnings;

B is the number of deemed hours of work that correspond to the deemed compensation included as Pensionable Earnings for the Plan Year pursuant to Section 2.78(c);

C is the hours that would be regularly scheduled to be worked over a Plan Year, including vacation time, by a full-time employee, based on the Participating Employer's Pension Policies.

b) Where a Member has purchased a period of Eligible Service pursuant to Section 6.05 and the Member was not employed on a full-time basis, as determined in accordance with the Participating Employer's Pension Policies, in respect of that period, the Pensionable Service granted shall be reduced as appropriate to reflect the actual, or deemed if there was no actual employment for such Eligible Service, amount of hours worked by the Member over the period.

c) Where a Member is employed in more than one employment position with one or more Participating Employers within a Plan Year, the Member's Pensionable Service shall be determined independently for each position, and where the aggregate of the Member's Pensionable Service for a Plan Year exceeds one, the excess Pensionable Service (including the associated contributions) shall be retracted in accordance with the Administrator's written policy.

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- d) In computing a Member's Pensionable Service credit, the following periods of service, subject to Sections 5.02(e) and 5.03, are the periods to be taken into account, without duplication:
- 1) service recognized as *pensionable service* under Statutory Rules at the Continuation Date of the Plan;
 - 2) Eligible Service with a Participating Employer on and after the Continuation Date that is Current Service or Leave Service ;
 - 3) Eligible Service credited to a Member on or after the Continuation Date as Portability Service under the terms of a Portability Agreement; and
 - 4) Eligible Service credited to a Member on or after the Continuation Date as Prior Service .
- e) In computing a Member's Pensionable Service credit, the following periods of service may not be included:
- 1) Eligible Service with respect to which contributions have been refunded to a Member;
 - 2) Eligible Service corresponding to contributions or pension entitlements transferred or paid out of the Plan on an Member's behalf, except in the case of a transfer or payment pursuant to Section 17.01 (Spousal Relationship Breakdown) or Section 20.02(d) (Shortened Life Expectancy) where an offset to the Member's benefit entitlement is being applied to reflect the amount paid or transferred;
 - 3) Eligible Service for which a Member was making contributions under Section 6.04(d) or 6.05, where those contributions have not been paid in full within 90 days of the Termination of such Member. In such case, the Pensionable Service credited to a Member shall be prorated in accordance with the policy prescribed by the Administrator for the portion of the contributions the Member had made at the date the Pensionable Service is determined; and
 - 4) Eligible Service which exceeds one year in respect of service performed in a single Plan Year, regardless of the nature and extent of the service so performed.

5.03 35-Year Maximum Combined Pensionable Service Limit

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

Article 6 – Contributions

6.01 Joint Funding Model

- a) The Fixed-Rate Contribution Basis rates constituted in Section 6.02 for both Members and Participating Employers, expressed as a percentage of Pensionable Earnings, are subject to change from time to time. Where the contribution rates are revised as of a specified effective date, unless explicitly noted to the contrary, the historical rates continue to apply to periods of service preceding such specified effective date.
- b) The Administrator shall advise the Sponsor Board, based on the last actuarial valuation report, the Current Service Contributions required, in aggregate for the Plan as a whole, taking into account the recommendation of the Actuary, both in accordance with Applicable Pension Legislation and after considering all relevant factors, including the funding policy adopted by the Sponsor Board.
- c) Following receipt of the information described in Section 6.01(b), the Sponsor Board shall establish the Fixed-Rate Contribution Basis rates for Members and Participating Employers for the purpose of Section 6.02, which shall:
 - 1) in their totality, be sufficient to meet all applicable prescribed funding requirements under Applicable Pension Legislation, including but not limited to the requirements noted in Section 3.07, subject to any adjustments duly authorized by the Superintendent; and
 - 2) comply with the funding limitations prescribed under the Income Tax Act, both as a whole and in respect of individual contribution limits, subject to any adjustments duly authorized by the Canada Revenue Agency.

6.02 Fixed-Rate Contribution Basis

For the purpose of calculating Current Service Contributions under Sections 6.03(a) and 6.03(b), respectively, contributions shall be remitted to the Plan on a Fixed-Rate Contribution Basis in accordance with the following formulas, where certain terms used in such formulas are defined under Section 6.02(c), and as applicable, with the Administrator's Policy:

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a) **Active Member Portion**

Until constituted otherwise, the Active Member's portion of the contribution requirement is determined as $(A + B) \times C$, where:

- A equals X% of the Active Member's Period Earnings up to and including the Period YMPE; and
- B equals Y% of the amount, if any, by which the Active Member's Period Earnings are in excess of the Period YMPE, and
- C equals the Active Member's Period Full-time Equivalent

b) **Participating Employer Portion**

Until constituted otherwise, the Participating Employer's portion of the contribution requirement is determined as $(A + B) \times C$, where:

- A equals X% of the Active Member's Period Earnings up to and including the Period YMPE; and
- B equals Y% of the amount, if any, by which the Active Member's Period Earnings are in excess of the Period YMPE, and
- C equals the Active Member's Period Full-time Equivalent

c) **Definitions**

In determining contributions on a Fixed-Rate Contribution Basis, the following terms are used:

- 1) **"X%"** means the contribution rate up to and including the YMPE as established by the Sponsor Board under Section 6.01(c).
- 2) **"Y%"** means the contribution rate above the YMPE as established by the Sponsor Board under Section 6.01(c).
- 3) **Period Earnings** means, for any Pay Period, the lesser of:
 - i. the Pensionable Earnings applicable to the relevant Eligible Service in that Pay Period divided by the Period Full-time Equivalent for that Pay Period; and
 - ii. the Income Tax Act Earnings Limit applicable to the Plan Year in which the Pay Period falls divided by the number of Pay Periods in the Plan Year.
- 4) **Period YMPE** means, for any Pay Period, the YMPE, applicable to the Plan Year in which the Pay Period falls, divided by the number of Pay Periods in the Plan Year.
- 5) **Period Full-time Equivalent** means, in relation to the relevant Eligible Service in any Pay Period, the Active Member's ratio described in Section 5.02(a) with any

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reference to Plan Year under Section 5.02(a) replaced by Pay Period for the purpose of determining the Period Full-time Equivalent, to a maximum of 1.

6.03 Current Service Contributions

a) Active Member Current Service Contributions

Subject to Sections 6.03(c), 6.06 and 6.07, each Active Member who is for any Pay Period:

- i) not on a Leave of Absence Without Pay,
- ii) on a Leave of Absence With Partial Pay,
- iii) on a Leave of Absence with a Bargaining Agent, or
- iv) receiving benefits from a Disability Plan,

shall, for all Eligible Service associated with the Pay Period, other than in respect of Eligible Service that is Prior Service or Portability Service, contribute to the Plan through payroll deduction on a Fixed-Rate Contribution Basis in accordance with Section 6.02(a).

b) Participating Employer Current Service Contributions

Subject to Sections 6.03(c), 6.06 and 6.07, a Participating Employer whose Employee is contributing to the Plan for any Pay Period pursuant to Section 6.03(a), shall contribute to the Plan for the Eligible Service of such Employee associated with the Pay Period, other than in respect of Eligible Service that is Prior Service or Portability Service, on a Fixed-Rate Contribution Basis in accordance with Section 6.02(b).

c) Government Employees

With respect to Employees of the Government of Alberta, the Participating Employer is required to pay the Current Service Contributions required under Section 6.03(a) on behalf of a Member who is in receipt of benefits under the Government of Alberta's Disability Plan. However, such a Member who is also earning a salary under a rehabilitation employment program is required to pay Current Service Contributions required under Section 6.03(a) in respect of such salary.

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6.04 Contributions In Respect of Leave Periods

- a) A Member who is on a Leave of Absence Without Pay may, for each Pay Period encompassed within the period of leave, in order to have that period of leave recognized as Pensionable Service, subject to Sections 6.06 and 6.07 and only to the extent the Leave of Absence Without Pay is an Eligible Period of Leave, remit the contributions that would otherwise have been contributed by the Member pursuant to Section 6.03(a) were it not for the period of leave.
- b) A Member who was on a Leave of Absence Without Pay and who did not make contributions in accordance with Section 6.04(a), may nonetheless elect to have that service taken into account as Pensionable Service to the extent it is an Eligible Period of Leave, subject to Section 6.06 and the following requirements.
 - 1) To be valid, the Member's application to have the service associated with the Leave of Absence Without Pay taken into account as Pensionable Service must be made in the form and manner prescribed by the Administrator after the conclusion of the period of leave, and prior to December 31st of the calendar year following the year in which the leave period concluded.
 - 2) To be valid, the Member's election must be made within 90 days of being requested to do so by the Administrator.
 - 3) The Member must make contributions in respect of that period of leave on a Fixed-Rate Contribution Basis in accordance with Section 6.02(a), together with Interest where applicable.
 - 4) All contributions payable by the Member pursuant to Section 6.04(b)(3) must be paid, with Interest, prior to the Member's Pension Commencement Date and within 90 days of being requested to do so by the Administrator, or as otherwise agreed to by the Administrator.
- c) Where a Member remits contributions pursuant to Section 6.04(a) or (b) and the aggregate of all periods of Leave of Absence Without Pay so purchased by the Member is less than one year, the Participating Employer of the Member must remit the Participating Employer's portion of the contributions that would otherwise have been contributed by the Participating Employer pursuant to Section 6.03(b) were it not for the period of leave, together with Interest where applicable. The Participating Employer contributions required pursuant to this Section 6.04(c) shall be remitted at times set by the Administrator.

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- d) Where a Member remits contributions pursuant to Section 6.04(a) or (b) and the aggregate of all periods of Leave of Absence Without Pay so purchased by the Member is equal to or exceeds one year, in respect of the aggregate period or periods, or part thereof, equal to or in excess of one year, the Member must remit the Participating Employer's portion of the contributions that would otherwise have been contributed by the Participating Employer pursuant to Section 6.03(b) were it not for the period of leave, together with Interest where applicable. The Member contributions required pursuant to this Section 6.04(d) shall be remitted at the same time as the Member contributions in Section 6.04(a) or (b) as applicable.
- e) Where a service purchase is determined to be a Certifiable Past Service Event, the Administrator will file a PSPA with the Canada Revenue Agency, and where the certification of such PSPA is denied by the Canada Revenue Agency, the election shall be void, in which case all amounts remitted to the Plan pursuant to Sections 6.04(b), (c) and (d), in respect of the period for which the PSPA was denied, shall be refunded to the Member and Participating Employer as applicable.
- f) Notwithstanding anything in the Plan, where a Member has Terminated without making an application under Section 6.04(b)(1) and prior to the application deadline defined in Section 6.04(b)(1), the election deadline in Section 6.04(b)(2) is revised to be the earlier of the original deadline noted in such Section and 30 days from the Member's date of Termination.
- g) For clarity, contributions in respect of leave periods shall include any contributions made and recognized under Statutory Rules as contributions in respect of leave periods.

6.05 Prior Service Contributions

- a) A Member who has periods of Eligible Service that are not recognized as Pensionable Service may have that service included as Pensionable Service, subject to Section 6.06 and the following requirements.
 - 1) To be valid, the Member must make an application which is received by the Administrator prior to the Member's Termination.
 - 2) To be valid, the Member's election must be made in the form and manner prescribed by the Administrator and before the date specified by the Administrator.
 - 3) For the purposes of this Section 6.05, Eligible Service does not include any periods of Leave of Absence Without Pay where such periods were, or can be, purchased by the Member pursuant to Section 6.04.

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- 4) The required contributions in respect of that period of Eligible Service, as determined on an Actuarial Reserve basis, must be remitted to the Plan together with Interest thereon.
- 5) All contributions payable by the Member pursuant to Section 6.05(a)(4) must be paid, with Interest, prior to the Member's Pension Commencement Date and within 90 days of being requested to do so by the Administrator, or as otherwise agreed to by the Administrator.
- b) Where applicable, if a Member to whom Section 6.05(a) or Section 6.13 applies ceases to make the required payment under the applicable terms set by the Administrator, the related Pensionable Service credited to such Member shall be prorated in accordance with the method prescribed by the Administrator for the portion of the contributions the Member had made at the point the payments ceased.
- c) Contributions under this Section 6.05 shall include contributions made for Shortfall Service under Section 15.04(d), together with Credited Interest thereon.
- d) Contributions under this Section 6.05 shall include contributions made for prior service under Statutory Rules, excluding any contributions related to the purchase of Old Act Purchased Service.
- e) Where an election under Section 6.05(a) is determined to be a Certifiable Past Service Event, the Administrator will file a PSPA with the Canada Revenue Agency, and where the certification of such PSPA is denied by the Canada Revenue Agency, the election shall be void, in which case all amounts remitted to the Plan pursuant to Section 6.05(a), in respect of the period for which the PSPA was denied, shall be refunded to the Member.

6.06 No Contributions Permissible After 35 Years of Combined Pensionable Service

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

6.07 Treatment of Funding Excess

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

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- Where the Funding Excess is to be used to eliminate the Current Service contribution obligations of the Members and Participating Employers under Section 6.03 in their entirety, the Sponsor Board shall establish the period(s) over which the Participating Employers and the Members shall make no contributions under Section 6.03.
- b) Alternatively, or in combination with Section 6.07(a), the Sponsor Board may, in accordance with an established funding policy, apply the Funding Excess towards improved Plan benefits.
 - c) After consideration of any decisions of the Sponsor Board under Sections 6.07(a) and (b), should the Funding Excess referred to in Section 6.07(a) exceed the threshold defined in paragraph 147.2(2)(d) of the Income Tax Act, the Sponsor Board shall direct that such portion of the Funding Excess as is required by the Income Tax Act be used to fulfil the Member and Participating Employer contribution obligations in the manner described in Section 6.07(a).

6.08 Contributions Pursuant to a Portability or Old Transfer Agreement

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

6.09 Remittance of Contributions

All contributions in accordance with Section 6.03, shall be deposited into the Trust Fund within 15 days following the end of the Pay Period with respect to which the contributions relate. Overdue contributions shall be assessed Interest.

6.10 Contributions Transferable From Other Registered Vehicles

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

Article 6 – Contributions

6.11 Return of Contributions to Avoid Revocation

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

6.12 Failure to Remit Contributions

- a) Should a Participating Employer fail to meet its contribution obligations under the Plan, the Administrator shall take all reasonable actions against the Participating Employer in order to recover any contributions due but unpaid (including using any tools available to it under Applicable Pension Legislation), and to enforce the continued contribution obligations of the Participating Employer in order for Pensionable Service to be granted under the Plan with respect to the affected Members associated with that Participating Employer. In accordance with the Administrator's policy on delinquent contributions, the Administrator shall notify the affected Members of the contributions due but unpaid, and of the actions the Administrator intends to take to recover such contributions.
- b) Pensionable Service for Members affected by Section 6.12(a) shall only be granted for periods of Eligible Service for which all contributions have been made pursuant to the requirements of Article 6.
- c) Should the actions taken by the Administrator under Section 6.12(a) fail to enforce the contribution obligations of the Participating Employer, the Administrator may terminate the participation of the affected Members associated with that Participating Employer under the conditions of Article 9 or Article 11, as applicable, on such date the Administrator establishes for that purpose.

6.13 Preservation of Existing Financing Arrangements

A Member, who immediately before the Continuation Date was participating under Statutory Rules and had made a valid application before the Continuation Date under the Statutory Rules to purchase a period of Eligible Service, shall be permitted to make any payments under the same terms and conditions (except that payments shall be made to the Trust Fund after the Transition Date), including the rate of interest provided for in Statutory Rules, until the payment is made in full. In such case, the remitting of required contributions shall continue as if Statutory Rules had still been in force. Notwithstanding the foregoing, any payments must occur prior to the Member's Pension Commencement Date.

Article 7 – Pension Commencement Dates

7.01 Pension Commencement Dates

Subject to Section 7.08, a Member's Pension Commencement Date shall be the latest of:

- a) the date indicated in the Member's application;
- b) the date the Administrator received the Member's application completed in accordance with Applicable Pension Legislation and any applicable policies of the Administrator; and
- c) the day following the date of a Member's Termination;

however, notwithstanding the above, under no circumstances shall a Member's Pension Commencement Date be later than the day immediately after the Member's Latest Pensionable Service Date.

Where the date requested under Section 7.01(a) precedes the Pension Commencement Date determined above and in accordance with Section 16.01, the Pension Commencement Date may be revised subject to Section 7.02 and the Administrator's policy on retroactive pension commencement dates.

7.02 Canada Revenue Agency Approval

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

7.03 Termination Required

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

7.04 Normal Retirement

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

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

Article 7 – Pension Commencement Dates

7.05 Early Retirement

Subject to Section 7.01, a Member with a Vested Benefit may elect to commence receipt of a retirement pension at any date prior to their Normal Retirement Date if the Member is not an Employee of any Participating Employer on that date, but no earlier than:

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

The Pension Commencement Date elected by the Member in accordance with this Section 7.05 shall be their Early Retirement Date.

7.06 Postponed Retirement

Subject to Sections 7.01 and 7.07, a Member with a Vested Benefit may elect to commence receipt of a retirement pension at a date after their Normal Retirement Date if the Member is not an Employee of any Participating Employer on that date, but no earlier than the day following the date the Member Terminates with all Participating Employers and no later than the day immediately after the Member's Latest Pensionable Service Date.

The Pension Commencement Date elected by the Member in accordance with this Section 7.06 shall be their Postponed Retirement Date.

7.07 Latest Pension Commencement Date

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

7.08 Disability Pension Commencement Date

The Pension Commencement Date for a Member who qualifies for a pension under Section 14.02 can be no earlier than the date on which the Member is considered to be Disabled or Totally Disabled.

Article 8 – Pension Determination

8.01 Formula Pensions

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

8.02 Early Retirement Factor

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

8.03 Postponed Retirement Factors

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

- a) Subject to Section 8.03(c), the Member's Pre-1992 Postponed Retirement Factor is equal to the factor applied to increase the pension payable at the Member's Pension Commencement Date such that it be Actuarially Equivalent to the pension that would have been payable had pension payments commenced from the later of:
- 1) the Member's Normal Retirement Date, and
 - 2) the day following the earlier of the Member's date of Termination and Latest Pensionable Service Date.

Article 8 – Pension Determination

- b) The Member's Post-1991 Postponed Retirement Factor is equal to the factor applied to increase the pension payable at the Member's Pension Commencement Date such that it be Actuarially Equivalent to the pension that would have been payable had pension payments commenced from the later of:
 - 1) the date the Member attains 65 years of age, and
 - 2) the day following the earlier of the Member's date of Termination and Latest Pensionable Service Date.
- c) If, after June 7, 1990, a Member has entered into an agreement to make prior service contributions in order to have a period of pre-January 1, 1990 Pensionable Service recognized under the Plan, and the Member does not fulfil the terms and conditions set out in subsection 8504(7) of the regulations under the *Income Tax Act (Canada)*, then the Member's Pre-1992 Postponed Retirement Factor shall be equal to the Post-1991 Postponed Retirement Factor with respect to such period of pre-January 1, 1990 Pensionable Service recognized under the Plan.

8.04 Cost-of-living Increases

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

- a) The increase applies to:
 - 1) pensions in payment; and
 - 2) deferred pensions determined in accordance with the provisions of Section 11.02.
- b) For the purposes of this Section 8.04:
 - 1) *pension index* means:
 - i) the quotient obtained by dividing the aggregate of the CPI for each month in the 12-month period ending on October 31 in the previous year by the aggregate of the corresponding indices for the 12-month period immediately preceding that period, rounded to three decimal places, or
 - ii) 1.000, if the quotient so obtained is less than 1.000;
 - 2) *period factor*, in relation to a Member, means:
 - i) the quotient obtained by dividing the number of complete calendar months that elapsed between the Member's Termination date and the January 1st date on which the cost-of-living increase is being granted by 12, rounded to four decimal places, or
 - ii) 1.000, if the quotient so obtained is greater than 1.000;

Article 8 – Pension Determination

- 3) *pension adjustment factor*, in relation to a Member, is calculated using the formula
$$1 + 60\% \times (\text{pension index} - 1.000) \times \text{period factor}$$
rounded to four decimal places; and
- 4) *basic pension amount*, in relation to a Member, Pension Partner, Nominee, or Beneficiary, means the amount of pension that would otherwise be payable for any particular month.
- c) Subject to Sections 8.04(d) and the Income Tax Act COLA Limit, the monthly basic pension amount shall be increased annually with effect from January 1st of each year, so that the monthly amount which would otherwise be payable for such year is multiplied by the Member's pension adjustment factor (rounded to two decimal places).
- d) The Sponsor Board may, taking into account the recommendation of the Actuary, direct the Administrator to establish a higher rate of increase in respect of any single Plan Year on an ad hoc basis, subject to the Income Tax Act COLA Limit and the funding policy adopted by the Sponsor Board.

8.05 Income Tax Act Limitations

a) Income Tax Act Post-1991 Pension Limit

Notwithstanding any other provision herein to the contrary, with respect to Pensionable Service accrued after December 31, 1991, the annual lifetime pension payable to a Member under the Plan and any portion of pension payable to a Member's Pension Partner or former Pension Partner pursuant to Section 17.01 that relates to Pensionable Service after December 31, 1991, determined on the Pension Commencement Date, shall not exceed the Income Tax Act Post-1991 Pension Limit, which is established as the Member's Pensionable Service on and after January 1, 1992 multiplied by the lesser of:

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

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

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

Article 8 – Pension Determination

6) the Member becomes *totally and permanently disabled* (as defined in the Income Tax Act),
by 0.25% for each month by which the Pension Commencement date precedes that date.

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

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

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

c) **Income Tax Act COLA Limit**

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

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

8.06 **Pension Adjustment**

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

Article 9 – Retirement Benefits

9.01 Normal Retirement Pension

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

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

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

9.02 Early Retirement Pension

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

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

Article 9 – Retirement Benefits

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

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

9.03 Postponed Retirement Pension

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

- a) A monthly pension equal to 1/12th of the aggregate of their Pre-1992 Formula Pension and Post-1991 Formula Pension, subject to the following sequential adjustments.
 - 1) Where the Member's Termination of employment occurred prior to the Member's Postponed Retirement Date the Pre-1992 Formula Pension and Post-1991 Formula Pension amounts are increased for prior cost-of-living adjustments pursuant to Section 8.04, subject to the Income Tax Act COLA Limit.

Article 9 – Retirement Benefits

- 2) The Post-1991 Formula Pension (as adjusted under Section 9.03(a)(1)) is subject to the Income Tax Act Post-1991 Pension Limit.
 - 3) The Pre-1992 Formula Pension (as adjusted under Section 9.03(a)(1)) is subject to the Income Tax Act Pre-1990 Pension Restriction.
 - 4) The Post-1991 Formula Pension (as adjusted under Section 9.03(a)(1) and (2)) amount is multiplied by the Member's Post-1991 Postponed Retirement Factor.
 - 5) The Pre-1992 Formula Pension (as adjusted under Section 9.03(a)(1) and (3)) amount is multiplied by the Member's Pre-1992 Postponed Retirement Factor.
 - 6) Where an optional form of pension applies pursuant to Section 10.03 or 10.04, the Pre-1992 Formula Pension (as adjusted under Section 9.03(a)(1), (3) and (5)) and Post-1991 Formula Pension (as adjusted under Section 9.03(a)(1), (2) and (4)) amounts are adjusted such that the total pension payable is Actuarially Equivalent to the pension that would have been payable in the normal form as described in Section 10.02.
- b) The Member's Excess Employee Contributions, if any, in the form of:
- 1) a lump sum payment, or
 - 2) a transfer to a RRSP.

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

Article 10 – Forms of Pension Payment

10.01 Pension Calculation According to Normal Form

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

10.02 Normal Form of Pension

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

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

- a) Notwithstanding Section 10.02, for a Pension Commencement Date which is on or after the Continuation Date, the automatic form of pension under the Plan for a Member who has a Pension Partner at their Pension Commencement Date shall be a pension payable during the joint lifetime of the Member and the Pension Partner, which provides that after the death of the Member, 2/3rds of the amount payable during their joint lifetime shall be paid to the Pension Partner for life.

- b) In the event the survivor dies within 60 months of the Member's Pension Commencement Date, the amount of pension that was payable to the survivor in accordance with Section 10.03(a) immediately before the survivor's death shall be paid to the survivor's estate or, if applicable, the survivor's designated beneficiary for the remainder of the 60-month period.

- c) The monthly amount of the pension payable under the automatic form of pension in accordance with Section 10.03(a) shall be increased or decreased such that it is the Actuarial Equivalent of the pension payable in the normal form described in Section 10.02.

Article 10 – Forms of Pension Payment

10.04 Optional Forms of Pension

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

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

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

a) Life Only Pension

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

b) Life Pension with a Guaranteed Period of 120 Months

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

c) Life Pension with a Guaranteed Period of 180 Months

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

Article 10 – Forms of Pension Payment

d) Joint and 100% Survivor Pension – With 60 Month Guarantee

A pension which is payable in equal monthly instalments during the joint lifetime of the Member and the Member's Nominee, which provides that after the death of either the Member or the Member's Nominee, 100% of the amount payable during the joint lifetime shall be paid to the survivor for life. In the event the survivor dies within 60 months of the Member's Pension Commencement Date, the amount that was payable to the survivor immediately before the survivor's death shall be paid to the survivor's estate or, if applicable, the survivor's designated beneficiary for the remainder of the 60-month period.

e) Joint and 2/3^{rds} Survivor Pension – With 60 Month Guarantee

- 1) A pension payable in equal monthly instalments during the joint lifetime of the Member and the Member's Nominee, which provides that after the death of the Member, 2/3^{rds} of the amount payable during their joint lifetime shall be paid to the Nominee for life.
- 2) In the event the survivor dies within 60 months of the Member's Pension Commencement Date, the amount of pension that was payable to the survivor in accordance with Section 10.04(e)(1) immediately before the survivor's death shall be paid to the survivor's estate or, if applicable, the survivor's designated beneficiary for the remainder of the 60-month period.

10.05 Pension Partner Survivor Pension Waiver

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

Article 10 – Forms of Pension Payment

10.06 Failure to Select Form of Pension

If a Member fails to elect a form of pension pursuant to this Article 10 within 90 days of the prescribed application having been sent to the Member by the Administrator, other than in the event of the Member's death, the Member shall be deemed to have made an election in one of the following forms:

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

10.07 Death Prior to Form of Pension Selection

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

- a) if the Member did not have a Pension Partner immediately before death or did have a Pension Partner where the Pension Partner had filed, and not validly revoked, a survivor pension waiver in accordance with Section 10.05, in the form of pension described in Section 10.04(b); or
- b) if,
 - 1) the Member had a Pension Partner immediately before death,
 - 2) no survivor pension waiver was filed and valid in accordance with Section 10.05, and
 - 3) the Member was eligible to elect an optional form of pension on the date of their death,in the form of pension described in Section 10.04(d) with the Pension Partner as the Member's Nominee.

Article 10 – Forms of Pension Payment

10.08 Application of Maximum Pension

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

10.09 Status of Election Prior to Benefit Payments

Any election made under this Article 10, including an election deemed to be made, in relation to the form of payment of a benefit is irrevocable when, and is not irrevocable until, the benefit is received or commences to be paid.

Article 11 – Benefits on Termination

11.01 Non-Vested Entitlement

- a) A Member who Terminates prior to their Vesting Date, is entitled to receive a payment of all of the Member's contributions made to the Plan together with Credited Interest thereon.
- b) A Member who is entitled to a payment from the Plan under Section 11.01(a) shall have the following options :
 - 1) receiving the payment as a lump sum payment;
 - 2) receiving the payment as a transfer to a RRSP;
 - 3) pursuant to Section 11.03(c), receiving the payment as a transfer to a Registered Pension Plan that is party to a Portability Agreement with the Plan; or
 - 4) leaving the Member's contributions and Credited Interest thereon on deposit in the Plan.
- c) If a Member entitled to a payment from the Plan under Section 11.01(a) does not make an election under Section 11.01(b) within 90 days of the written statement required under Section 19.07 having been sent to the Member by the Administrator, the Member shall be deemed to have elected the lump sum payment option provided for in Section 11.01(b)(1) unless the Member has recommenced participation in the Plan pursuant to Section 4.02.
- d) Where a Member entitled to a payment from the Plan under Section 11.01(a) has recommenced participation in the Plan pursuant to Sections 4.04(a) and 4.02 and has not made an election pursuant to Section 11.01(b) and within 90 days of the written statement required under Section 19.07 having been sent to the Member by the Administrator, the lump sum entitlement under Section 11.01(b) shall remain in the Plan.
- e) Upon the completion of a payment or transfer under this Section 11.01, the Member will cease to be a Member and will have no further entitlement under the Plan.
- f) Any election made under Sections 11.01(b)(1), (2), or (3), including an election deemed to be made, in relation to a benefit is irrevocable when, and is not irrevocable until, the benefit is received or commences to be paid.

11.02 Deferred Pension

A Member who Terminates on or after their Vesting Date shall be entitled to receive a deferred pension and shall be permitted to retire and receive benefits in accordance with Articles 7, 8, 9 and 10.

Article 11 – Benefits on Termination

11.03 Portability Option

a) Voluntary Elections

A Member entitled to receive a deferred pension under Section 11.02 who Terminated prior to age 55 and has not yet received a pension payment may, in lieu of their entitlement under Section 11.02, instead elect to assume control and responsibility of their entitlement by transferring their entitlement from the Plan, either:

- 1) pursuant to Section 11.03(b), where the Member:
 - i) has not yet reached age 55 on the date all transfers and payments are made in accordance with this Section 11.03, or
 - ii) makes the election pursuant to this Section 11.03(a)(1) within 90 days of the first written statement pursuant to their Termination required under Section 19.07, having been sent to the Member by the Administrator,or
- 2) pursuant to Section 11.03(c), where a Member has not yet reached their Normal Retirement Date, to a Registered Pension Plan that is party to a Portability Agreement with the Plan.

Any voluntary election made under this Section 11.03(a) in relation to a transfer of a benefit is irrevocable when, and is not irrevocable until, the benefit is transferred.

b) Commuted Value Transfer to Member

All transfers and payments made under Section 11.03(a)(1) are subject to the following provisions.

- 1) Total Lump Sum Value

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

 - i) the Commuted Value of the Member's Vested Benefit; and
 - ii) the Member's Excess Employee Contributions, if any, with Credited Interest thereon.
- 2) Locked-In Portion of Transfer

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

 - i) another Registered Pension Plan willing to accept the transfer and administer the transfer on a locked-in basis with satisfactory evidence of the same provided to the Administrator; or

Article 11 – Benefits on Termination

ii) a LIRA.

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

At the option of the Member, the Excess Employee Contributions in Section 11.03(b)(1)(ii), with Credited Interest thereon, shall:

i) be transferred to another Registered Pension Plan willing to accept the transfer with satisfactory evidence of the same provided to the Administrator;

ii) be paid to the Member as a lump sum payment; or

iii) subject to the Income Tax Act Maximum Transfer Limit, be transferred to a RRSP.

Any election made under this Section 11.03(b), including an election deemed to be made, in relation to the form of payment or transfer of a benefit is irrevocable when, and is not irrevocable until, the benefit is received or commences to be paid.

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

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

1) **Transfer to Other Pension Plan**

i) The amount to be transferred to the importing Registered Pension Plan shall be determined in accordance with the terms of the applicable Portability Agreement.

ii) No transfers are permissible after a Member has attained their Normal Retirement Date.

2) **Payment of Excess Employee Contributions**

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

d) **End of Membership**

Upon the completion of such payment and/or transfers under this Section 11.03, the Member will cease to be a Member and will have no further entitlement under the Plan.

Article 11 – Benefits on Termination

e) Transfer Restrictions and Requirements

Notwithstanding any other provision of this Section 11.03:

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

11.04 Subsequent Employment

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

11.05 Advice and Payment of Benefits Under Plan

Within 60 days of the date of Termination of a Member, the Administrator will advise the Member of their benefits under the Plan and, if the Member elects to receive a payment or transfer, then within 60 days of the Administrator having received all documents that are necessary to allow the Administrator to make the payment or transfer, the payment will be paid or the transfer made, accordingly.

Article 12 – Benefits on Death

12.01 Provision of Evidence

- a) No payment pursuant to this Article 12 shall be made until evidence of death satisfactory to the Administrator has been provided.
- b) Where satisfactory proof is provided under Section 12.01(a) for a Member who did not yet have a valid Pension Commencement Date at the time of their death, the Administrator shall provide a pre-retirement death benefit statement to the Member's Pension Partner or Beneficiary, as applicable, within 60 days in accordance with the requirements of Applicable Pension Legislation.

12.02 Non-Vested Death Benefits

- a) If a Member dies before having attained their Vesting Date, a death benefit shall be payable equal to the amount that would have been payable or transferable to the Member under Section 11.01 if the Member had Terminated, instead of died, on the date of their death.
- b) Where a death benefit is payable pursuant to Section 12.02(a) and the deceased Member had a Pension Partner at the time of death and no pre-retirement death benefit waiver of the Pension Partner's entitlement applied at that time, the Pension Partner may, at their option, elect to have the death benefit:
 - 1) paid as a lump sum payment; or
 - 2) transferred to a RRSP.

Any election made under this Section 12.02(b), including an election deemed to be made, in relation to the form of payment or transfer of a benefit is irrevocable when, and is not irrevocable until, the benefit is received or commences to be paid.

- c) Where a death benefit is payable pursuant to Section 12.02(a), and Section 12.02(b) does not apply, the death benefit shall be paid to the Member's Beneficiary.

12.03 Vested Death Benefits Before Pension Commencement and Before Termination

a) Vested Death With a Pension Partner Benefit Payable

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

Article 12 – Benefits on Death

1) Survivor Pension

A Pension Partner entitled to a benefit pursuant to Section 12.03(a) may elect to receive both:

- i) an annual lifetime pension equal to the amount that the Pension Partner would have received pursuant to Section 14.02(a) (and assuming that Section 14.02(a) would have applied to the Member irrespective of the limitations in that Section), had the Member become Totally Disabled immediately before death and elected the form of pension in Section 10.04(d); and
- ii) a lump sum payment equal to the amount, if any, by which the Member's Vested Contributions exceed the Commuted Value of:
 - A) the survivor pension payable pursuant to Section 12.03(a)(1)(i), less
 - B) the survivor pension payable pursuant to Section 12.03(a)(1)(i) if it was to be re-calculated based only on the Wholly Member-Funded Benefit.

The Pension Partner's pension under Section 12.03(a)(1)(i) shall commence on the day immediately following the Member's death and is payable in equal monthly instalments during the Pension Partner's lifetime, with the last payment due in the month in which the death of the Pension Partner occurs, except that in the event the Pension Partner dies before the equivalent of 60 payments have been made from the Pension Partner's Pension Commencement Date, the remaining payments would continue to be paid to the Pension Partner's designated beneficiary or, in the absence of a designated beneficiary, the Pension Partner's estate. Alternatively, the Pension Partner may elect an optional form of pension, Actuarially Equivalent to the guaranteed 60 payment life form, which provides either 120 or 180 guaranteed payments or no guaranteed payments at all.

If the Commuted Value of the pension described under Section 12.03(a)(1)(i) is less than the Commuted Value described under Section 12.03(a)(2)(i)(A), the pension described under Section 12.03(a)(1)(i) shall be increased such that its Commuted Value is equal to the Commuted Value described under Section 12.03(a)(2)(i)(A). Further, in such event, the lump sum payment described under Section 12.03(a)(1)(ii) shall be redetermined using the Commuted Value of the increased survivor pension payable.

Article 12 – Benefits on Death

2) Portability Option

- i) A Pension Partner entitled to a benefit pursuant to Section 12.03(a) may elect to receive the aggregate value of:
 - A) the Commuted Value of the Member's Vested Benefit;
 - B) the Member's Excess Employee Contributions, if any, with Credited Interest thereon.
- ii) Where a Pension Partner makes an election under Section 12.03(a)(2)(i), then subject to Section 12.06:
 - A) the Pension Partner must transfer the Commuted Value under Section 12.03(a)(2)(i)(A), with Credited Interest thereon, to a LIRA; and
 - B) the Pension Partner may elect to have the Excess Employee Contributions under Section 12.03(a)(2)(i)(B), with Credited Interest thereon, paid as a lump sum payment or transferred to a RRSP. Any election made under this Section 12.03(a)(2)(ii)(B), including an election deemed to be made, in relation to the form of payment or transfer of a benefit is irrevocable when, and is not irrevocable until, the benefit is received or commences to be paid.

b) Vested Death With No Pension Partner Benefit Payable

If a Member, with a Vested Benefit, dies before Termination , and the deceased Member:

- 1) had no Pension Partner immediately prior to their death, or
- 2) had a Pension Partner immediately prior to death but such Pension Partner had completed and not validly revoked a pre-retirement death benefit waiver, as prescribed under Applicable Pension Legislation, waiving their statutory entitlement to the death benefits payable from the Plan,

a death benefit shall be payable to the Member's Beneficiary equal to the aggregate of the amounts that would have been payable or transferable to the Member under Section 11.03(b) if the Member had Terminated, instead of died, on the date of their death.

12.04 Vested Death Benefits Before Pension Commencement and After Termination

If a Member with a Vested Benefit had Terminated and dies before their Pension Commencement Date, the death benefits payable shall be determined in accordance with Section 12.03 (Vested Death Benefits Before Pension Commencement and Before Termination).

Article 12 – Benefits on Death

12.05 Death After Commencement of Pension Benefits

If a Member dies on or after their Pension Commencement Date, the remaining benefits, if any, shall be payable in accordance with the form of pension either elected by the Member or deemed to have been elected by the Member under Article 10.

12.06 Restrictions for Transfer

Notwithstanding anything herein:

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

12.07 Failure to Make Election

If the Pension Partner fails to make an election within 180 days of being advised of the entitlement under Section 12.03(a), the Pension Partner will be deemed to have elected a survivor pension in accordance with the provisions of Section 12.03(a)(1).

12.08 Death Benefit to Pension Partner's Beneficiary

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

12.09 Payment of Benefits

Where a Pension Partner or a Beneficiary is entitled to a benefit pursuant to this Article 12, the benefits will be paid or the transfer made, accordingly, within 60 days following the completion and filing of all documents prescribed by the Administrator to effect such a payment.

Article 13 – Beneficiary Designation

13.01 Pension Partner's Statutory Rights

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

13.02 Beneficiary Designation

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

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

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

13.03 No Beneficiary

Where a Member does not have a Pension Partner at the time of death, or the Pension Partner has filed and not validly revoked a waiver or waivers of all or part of their statutory rights to any death benefits payable by the Plan, if a Member fails to validly designate a Beneficiary, or if the Beneficiary predeceases the Member, any benefits that would have been payable to the Member's Beneficiary shall be paid as a lump sum payment to the estate of the Member.

Article 13 – Beneficiary Designation

13.04 Death of Beneficiary

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

Article 14 – Disability

14.01 Member in Receipt of Benefits From Disability Plan

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

14.02 Member Not in Receipt of Benefits From Disability Plan

The pension benefits described under this Section 14.02 shall only apply where an Employee became a Member of the Plan prior to July 1, 2007 and who, at such time, had Combined Pensionable Service.

a) Total and Permanent Disability

If a Terminated Member:

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

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

b) Other Disability

If a Terminated Member:

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

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

Article 14 – Disability

c) Form of Pension

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

d) Medical Evidence

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

e) Change in Health

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

Article 14 – Disability

f) **Non-Duplication of Benefits**

A Member who:

- 1) is accruing Pensionable Service pursuant to Section 14.01, or
 - 2) is in receipt of a disability pension pursuant to Section 14.02(a) or (b),
- is not permitted to also receive a retirement pension in accordance with Article 9.

Article 15 – Portability Agreements

15.01 Authority for Entering into Portability Agreements

The Administrator may, subject to the rest of this Article 15 and any rules or criteria set forth by the Sponsor Board, enter into a Portability Agreement with any body for the purposes of enabling the transfer of pension entitlements between the Plan and any Registered Pension Plan of such body.

15.02 Recognition of Portability under the Statutory Rules

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

15.03 Exporting Transfers

- a) Subject to Section 15.06, a Portability Agreement entered into, made or amended after the Continuation Date must be consistent with the terms of the Plan and provide that the amount transferred from the Plan and the service recognized under the importing Registered Pension Plan shall comply with the requirements of Applicable Pension Legislation.
- b) The amount transferred from the Plan to an importing Registered Pension Plan in respect of an Exporting Transfer under a Portability Agreement shall be in accordance with the terms of such Portability Agreement, or such higher amount as may be transferable pursuant to Section 15.03(c).
- c) If, at the time a Member is transferring their entitlement to another Registered Pension Plan pursuant to a Portability Agreement, the Member is otherwise eligible for portability under Section 11.01 or 11.03, where the aggregate of the amounts payable or transferable under Section 11.01 or 11.03 exceeds the amount transferable under Section 15.03(b), any amount in excess of the amount transferable to another Registered Pension Plan shall be paid or transferred such that the aggregate amount

Article 15 – Portability Agreements

paid or transferred in total in respect of the Member is as under Section 11.01 or 11.03 as applicable.

- d) Upon the completion of a transfer and any payments pursuant to the terms of a Portability Agreement or Old Transfer Agreement, the Member will cease to be a Member and will have no further entitlement under the Plan.

15.04 Transfers into the Plan

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

- a) subject to Section 15.04(b), service that is eligible to be recognized as Pensionable Service shall be credited as Portability Service to the extent it is funded on an Actuarial Reserve basis;
- b) where the originating pension plan under a Portability Agreement is either the Local Authorities Pension Plan or the Management Employees Pension Plan, any pensionable service transferring from those plans that was previously purchased by the Member under terms which are analogous to purchases of Actuarial Reserve Service in this Plan, shall be recognized as Actuarial Reserve Service in this Plan;
- c) where the amount transferred into the Plan is less than the amount required by applying the provisions of Section 15.04(a), a Member's Portability Service or Actuarial Reserve Service (as applicable under Section 15.04(a) or (b)) shall be calculated by prorating their Eligible Service by the ratio of the transferred amount over the Actuarial Reserve in accordance with the Administrator's policy;
- d) where Section 15.04(c) applies, the Member in question shall, and for the purpose of Section 6.05(c), be entitled to have the Eligible Service not recognized under Section 15.04(c) subsequently recognized as Shortfall Service by making contributions equal to the amount by which the Actuarial Reserve exceeds the transferred amount;
- e) the amount transferred into the Plan and the Portability Service, Old Transfer Service or Actuarial Reserve Service recognized under the Plan shall not result in the Member's total Pensionable Service exceeding 35 years, as determined at the time of transfer;
- f) the amount transferred into the Plan and the Portability Service or Actuarial Reserve Service recognized under the Plan shall comply with the requirements of Applicable Pension Legislation.

Article 15 – Portability Agreements

15.05 Locking-In

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

15.06 Ability to Amend Terms of Portability Agreements

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

15.07 Ability to Withdraw From Portability Agreements

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

Article 16 – Payment of Benefits

16.01 Application for Benefits

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

16.02 Proof of Age and Spousal Relationship Status

Without limiting the generality of Section 16.01, each Member shall be required to provide the Administrator (or, if in accordance with the policy established by the Administrator, the Participating Employer in the form and manner prescribed by the Administrator) with satisfactory proof of the Member's age and spousal relationship status and the age of the Member's Pension Partner, Nominee, or Beneficiary. Pension benefits shall not commence to be paid and contributions for establishing service on an Actuarial Reserve basis shall not be determined until such proof of age or spousal relationship status has been received in the form and manner acceptable to the Administrator. If pension benefits are delayed because proof has not been submitted, retroactive payments will be made once satisfactory proof has been received, subject to Section 7.02, if applicable, and any limitations or required approvals under the Income Tax Act.

16.03 Proof of Disability or Total Disability

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

Article 16 – Payment of Benefits

16.04 Payments to Minors and Represented Individuals

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

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

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

- 1) in the event the amount payable is less than the threshold prescribed in the *Minors' Property Act*, be paid to a guardian of the minor who has the power and responsibility to make day to day decisions affecting the minor; or
- 2) in the event the amount payable is equal or greater to the threshold prescribed in the *Minors' Property Act*, be paid to the Office of the Public Guardian and Trustee.

16.05 Payment Terms

- a) Pension payments are typically made in arrears at the end of each month, specifically on the second last business day of the month, commencing on the second last business day of the month of the Member's Pension Commencement Date, except for December payments, which are made on the second last business day preceding December 25th. Upon the initiation of monthly pension payments, the Administrator may make the initial payments on alternative dates depending on when the Pension Commencement Date falls in relation to the receipt of the application for benefits and whether any retroactive amounts in accordance with Sections 7.01 and 7.02 are payable.
- b) Where a Pension Commencement Date is not the first day of a month, the pension payment in respect of the first month shall be prorated and shall be determined in accordance with the following formula:

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

- c) Where a person in receipt of a pension dies, the full amount of the pension that would otherwise have been paid to the person for the month in which the death occurred, shall still be paid.

Article 16 – Payment of Benefits

- d) Where a pension is being paid based on the joint lifetimes of a Member and their Pension Partner or Nominee, and the Member, Pension Partner or Nominee dies, any consequential change in the amount of monthly pension to be paid shall first have effect for the month following the month in which the death occurred.
- e) Where a pension is being paid based on the single lifetime of a person and such person dies before the expiry of an applicable guaranteed term, a Beneficiary who is not a minor may apply to receive, in lieu of the remaining guaranteed monthly payments, a single lump sum payment equal to the Commuted Value of the remaining guaranteed monthly payments.
- f) Once a pension is in pay, it may not be cancelled or suspended for any reason.

16.06 Evidence of Survival

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

16.07 Miscalculation of Contributions

If any Member or Participating Employer, either knowingly or unknowingly, has not remitted contributions in accordance with the Plan's terms, subject to the requirements of Applicable Pension Legislation, any excess contribution shall be refunded to the Member or Participating Employer as applicable and any contribution deficiency shall be paid by the Member or Participating Employer as required, whichever is appropriate in the circumstances, in accordance with Section 16.09.

16.08 Miscalculation of Pension Benefits

If any person, either knowingly or unknowingly, has submitted any information to the Administrator relevant to the amount of benefits the person is to receive from the Plan which is incorrect or the Administrator determines that an error has been made in the calculation of the person's benefit, the amount of benefit payable from the Plan shall be adjusted as determined by the Administrator. Adjustments shall be made, in the case of underpayment, by making additional payments from the Plan or, in the case of overpayments, by requiring repayment from the applicable person(s) in accordance with Section 16.09.

Article 16 – Payment of Benefits

16.09 Recovery of Money Due

- a) Any underpayment of a contribution payable or overpayment of a benefit paid is recoverable by the Administrator as a debt due to the Plan, and may include interest, as applicable under the Administrator's policy.
- b) Notwithstanding Section 16.09(a), interest is not payable where an underpayment of contributions resulted from a retroactive change in salary.

16.10 Currency

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

16.11 Income Tax Withholding

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

Article 17 – Spousal Relationship Breakdown

17.01 Division of Pension Benefits on Spousal Relationship Breakdown

For the purpose of applying the provisions of this Article 17, the term “Pension Partner” also includes a former Pension Partner.

a) Applicable Legislation

Spousal Pension Division Instructions filed prior to the Transition Date pursuant to the requirements of the Public Sector Pension Plans Act remain valid and in force. All Spousal Pension Division Instructions filed on or after the Transition Date are subject to the requirements of the Employment Pension Plans Act.

b) Pension Partner Right to Share of Pension Benefit

Subject to Applicable Pension Legislation, the entitlement of a Pension Partner to receive a benefit under the Plan as a result of division of pension benefits on spousal relationship breakdown is subject to entitlements arising under a Spousal Pension Division Instruction.

c) Spousal Pension Division Instruction Requirements

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

- 1) the date the joint accrual period began;
- 2) the date the joint accrual period ended; and
- 3) subject to Section 17.01(f)(1), the proportion of the Member’s benefit entitlement that has been awarded or given to the Pension Partner, and where, on the joint accrual end date, the Member is age 55 or older and has not yet reached their Pension Commencement Date, whether there is to be an immediate or delayed division.

d) Information Disclosures to Member and Pension Partner

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

Article 17 – Relationship Breakdown

e) Transfer or Assignment of Pension Benefit

1) Non-Pensioners

If an assignment to a Pension Partner is made pursuant to a Spousal Pension Division Instruction in respect of a Member who, on the joint accrual end date, is less than age 55 and has not yet reached their Pension Commencement Date, the Pension Partner shall be required to transfer the Commuted Value of the assigned portion of the benefit from the Plan.

In the case of a Member who is, on the joint accrual end date, age 55 or older and has not yet reached their Pension Commencement Date, the Pension Partner may elect either:

- i) an immediate division and assignment in the form of a transfer of the Commuted Value of the assigned portion of the benefit from the Plan, or
- ii) a delayed division and assignment, in the form of the Commuted Value of the assigned portion of the benefit from the Plan, to be effected as at the date the Member first Terminates or dies.

2) Pensioners

If an assignment to a Pension Partner is made pursuant to a Spousal Pension Division Instruction in respect of a Member who has reached their Pension Commencement Date on the joint accrual end date, the Pension Partner's entitlements shall be determined in accordance with Section 82(12) of the Employment Pension Plans Regulation and the Administrator's policy, and the Member's entitlements shall be determined in accordance with Section 83 of the Employment Pension Plans Regulation and the Administrator's policy.

The Pension Partner's assigned benefit shall be paid as a lifetime pension and cannot be commuted unless the Commuted Value of the assigned benefit is eligible for a small benefit commutation pursuant to Section 20.02(a)(3).

Where the form of pension payable to the Member prior to the division included a guaranteed period, the pension payable for the single lifetime of the Pension Partner will also include a guaranteed period that expires on the same date as the guaranteed period associated with the form of pension payable to the Member Prior to the Division.

3) Non-Vested Members

Article 17 – Relationship Breakdown

If an assignment to a Pension Partner is made pursuant to a Spousal Pension Division Instruction where the joint accrual end date precedes the Member's Vesting Date, the Pension Partner shall have the option of receiving their assigned share of the Member's contributions and Credited Interest thereon as a:

- 1) lump sum payment;
- 2) transfer to a RRSP; or
- 3) transfer to another Registered Pension Plan willing to accept the transfer with satisfactory evidence of the same provided to the Administrator.

f) Assignment Protocols

1) Maximum Assignment

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

2) Excess Employee Contributions

In all cases of assignment pursuant to Section 17.01(e)(1), Excess Employee Contributions shall form part of the benefit entitlement subject to division and assignment.

g) Adjustment of Member Share Following Assignment and Division

1) Where an assignment of a Member's pension entitlement is effected pursuant to Section 17.01(e), then notwithstanding anything to the contrary in the Plan:

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

2) Where an assignment of a Member's pension entitlement is effected pursuant to Section 17.01(e)(1) or 17.01(e)2, then:

- i) in no event shall the aggregate of the re-determined pension entitlements result in a transgression of the Income Tax Act Post-1990 Pension Limit or Income Tax Act Pre-1991 Pension Restriction, and
- ii) the aggregate of payments made from the Plan to a Member and a Pension Partner pursuant to a Spousal Pension Division Instruction shall not exceed the Actuarial Equivalent of the benefits that would have been payable under the Plan to the Member and Pension Partner in the absence thereof.

Article 17 – Relationship Breakdown

- 3) Where an assignment of a Member's pension entitlement is effected pursuant to Section 17.01(e)(2), the Member's pension was payable for the joint lifetime of the Member and the Pension Partner, and the Pension Partner who has been assigned a portion of the Member's pension is the joint annuitant of that pension, the Member's pension will be converted to a pension payable for the single lifetime of the Member. Where the Member's pension prior to the division was being paid in a form that included a guaranteed period, the pension payable for the single lifetime of the Member will also include a guaranteed period that expires on the same date as the guaranteed period associated with the form of pension that was payable to the Member prior to the division.
- 4) Unless the Spousal Pension Division Instruction instructs otherwise, where a Spousal Pension Division Instruction provides that a Pension Partner has no share of benefits to be provided by the Plan, prior to the application of Section 17.01(g)(3), Section 17.01(e)(2) is to be applied as if a 0% assignment was effected with no pension benefit payable to the Pension Partner.

17.02 Information Disclosures to Member Upon Relationship Breakdown with Adult Interdependent Partner

- a) Within 90 days of receipt of a written request from the Member following a relationship breakdown between a Member and person who is not the Pension Partner but who is or was the Member's adult interdependent partner within the meaning of the Family Property Act, R.S.A. 2000 c. M-8, the Administrator shall provide to the Member a statement on relationship breakdown in accordance with the requirements of Applicable Pension Legislation.
- b) No assignment of a portion of the Member's benefit entitlement to the Member's adult interdependent partner who is not the Pension Partner will be effected by the Plan.

Article 18 – Funding of the Plan

18.01 Trust Fund

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

18.02 Administration of Trust Fund

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

18.03 Rights to Fund Assets

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

18.04 Expenses

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

18.05 Investments

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

Article 18 – Funding of the Plan

18.06 Actuarial Valuation

The Actuary shall conduct actuarial valuations of the Plan at such times as the Administrator may decide but not less frequently than that prescribed under Applicable Pension Legislation or as required in the funding policy adopted by the Sponsor Board.

18.07 Statement of Investment Policies and Procedures

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

Article 19 – Administration of the Plan

19.01 Administrator

- a) The Administrator shall ensure that the Plan and the Trust Fund are administered in accordance with Applicable Pension Legislation. The Administrator may authorize a person or entity to exercise any of the powers conferred hereunder on the Administrator.
- b) With respect to information to be provided to Employees and Members pursuant to this Article 19, the provision of information may be facilitated by the Member's Participating Employer, or in the case of a former Member by the Member's former Participating Employer, or in a manner established by the Administrator for such purposes.

19.02 Rules for Administration

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

19.03 Participating Employer Roles and Responsibilities

A Participating Employer shall comply with the terms of the Plan and shall fulfil its roles and responsibilities in accordance with the Governing Documents and any policies enacted pursuant to Section 19.02.

19.04 Plan Summary

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

19.05 Notice of Amendment

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

Article 19 – Administration of the Plan

19.06 Annual Statement

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

19.07 Other Statements and Disclosures Required for Members, Pension Partners, Beneficiaries, and Nominees

When a Member, Pension Partner, Beneficiary, or Nominee becomes entitled to any benefits payable from the Plan, the Administrator shall provide to the Member, Pension Partner, Beneficiary, Nominee, or an appropriate legal representative of any of them, as the case may be, a written statement containing the information prescribed under Applicable Pension Legislation in respect of the Plan, the Member's pension benefits and any ancillary benefits, and the person's rights and obligations, within the time periods prescribed under Applicable Pension Legislation.

19.08 Inspection of Documents

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

19.09 Collection and Review of Pension Policies

Each Participating Employer shall provide the Administrator with a copy of their Pension Policies, as amended from time to time. The Administrator shall review the Pension Policies to ensure they comply with the Plan terms and Applicable Pension Legislation and, if applicable, notify the Participating Employer of any non-compliance. Within 60 days of receipt of notification of non-compliance, the Participating Employer shall amend their Pension Policies to comply with the Plan terms and Applicable Pension Legislation.

Article 20 – General Provisions

20.01 Non-Alienation of Entitlements

Except as specified in Sections 20.02(e) and Article 17, the payment of benefits is subject to the following restrictions as specified in Applicable Pension Legislation:

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

20.02 Exceptions in Certain Situations

- a) **Small Benefit Commutation** – If the Commuted Value of:
 - 1) a Member's Vested Benefit being transferred in accordance with Section 11.03(b)(2) or 12.03(a)(2)(ii)(A),
 - 2) the survivor pension payable to a Pension Partner in accordance with Section 12.03(a)(1), or
 - 3) the pension assigned to a Pension Partner on a spousal relationship breakdown pursuant to Article 17,is less than 20% of the YMPE in the calendar year of the date the Commuted Value was determined, the Member or Pension Partner, as applicable, may elect to receive the Commuted Value as a lump sum payment. In lieu of a lump sum payment, the Member or Pension Partner, as applicable, may elect to transfer the Commuted Value to a RRSP, but only to the extent such transfer is permissible under the Income Tax Act.
- b) **Small Pension Commutation** – If the monthly payments of a normal pension that would or will be or that would have been payable to the deferred or deceased Member, as the case may be:
 - 1) on reaching the age of 65 years, in the case of a Member who terminated or died, as the case may be, prior to reaching that age,
 - 2) at the date of termination or death, as the case may be, in the case of a Member who terminated or died having already reached the age of 65 years,

Article 20 – General Provisions

do not exceed $1/12^{\text{th}}$ of 4% of the YMPE for the calendar year in which the amount of the monthly payments was determined, the Member or surviving Pension Partner, as applicable, may elect to receive the Commuted Value of the pension as a lump sum payment. In lieu of a lump sum payment, the Member or surviving Pension Partner, as applicable, may elect to transfer the Commuted Value to a RRSP, but only to the extent such transfer is permissible under the Income Tax Act.

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

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

the Terminated Member or Pension Partner, as the case may be, may elect to receive a lump sum payment equal to the aggregate of:

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

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

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

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

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

Article 20 – General Provisions

In the case where the Member's Vested Benefit is nil, the lump sum payment described above cannot be greater than all of the Member's contributions made to the Plan pursuant to Sections 6.03, 6.04, and 6.05, together with Credited Interest thereon.

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

- A) divide the single payment into a series of payments payable at fixed intervals, with the balance of the payments being paid in a lump sum should the Member die prior to receipt of all the scheduled payments, or
 - B) transfer the lump sum to a RRSP, subject to the Income Tax Act Maximum Transfer Limit.
- e) **Maintenance Enforcement Order** – In accordance with the provisions and limitations of the *Maintenance Enforcement Act (Alberta)* and section 72 of the *Employment Pension Plans Act*, certain entitlements of a Member, if payable in the applicable form, can be seized or attached, in whole or in part.
- f) **Transfers Not Permitted** – Where a transfer to a *life income fund* (as that term is defined under the *Employment Pension Plans Act*) is being made from the Plan to a person after December 31st of the year in which the person attains the latest age a person is allowed to commence receiving a pension under the Income Tax Act, up to 50% of the transferable amount may instead be paid as a lump sum.
- g) **Status of Election Prior to Benefit Payments** – Any election made under this Section 20.02, including an election deemed to be made, in relation to the form of payment or transfer of a benefit is irrevocable when, and is not irrevocable until, the benefit is received or commences to be paid.

20.03 No Right to Employment

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

Article 20 – General Provisions

20.04 Notices and Elections

- a) Any person entitled to any benefits under the Plan shall be responsible for notifying the Administrator of their contact information and subsequent change in such information, in such manner as is deemed acceptable by the Administrator.
- b) Except as otherwise stated, and subject to Applicable Pension Legislation, all notices, requests, demands, or other communications to be given, made or communicated to or for any purpose of the Plan to any Employee, Member, Beneficiary, Pension Partner, or other person or to the Administrator shall be effectively given:
 - 1) to any Employee, Member, Pension Partner or Beneficiary or other person if delivered or mailed by prepaid post to the last known address of such individual as appears on the Plan records from time to time;
 - 2) to the Administrator if:
 - i) delivered or mailed by prepaid registered post to PSPP Corporation or the Administrator's designated benefits administration provider, or
 - ii) received by Administrator's designated benefits administration provider via a secure electronic transmission tool established for Plan Members that authenticates the sender as the Plan Member;
- c) Such notices, requests, demands and other communications shall be in such form(s) as specified from time to time by the Administrator pursuant to the provisions set forth in the Governing Documents and Applicable Pension Legislation.

20.05 Member Information

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

20.06 Administration Records

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

Article 20 – General Provisions

20.07 Benefits Provided by Insurance Company

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

20.08 No Duplication of Benefits

There shall be no duplication of benefits under any one Section of the Plan text and the benefits under any other Section of the Plan text, and the Plan text shall be interpreted in such manner as is necessary to prevent such duplication of benefits.

20.09 Severability

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

20.10 Construction

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

20.11 Enduring Employment Pension Plans Act Exemptions

a) Joint Governance Act Exemptions

Article 20 – General Provisions

The Joint Governance Act overrides the application of the Employment Pension Plans Act to the Plan in a number of respects, including:

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

b) **EPPA Exemption Regulation**

The EPPA Exemption Regulation provides for exemptions from the application of certain aspects of the Employment Pension Plans Act to the Plan. While some of the exemptions relate to unique aspects of the Plan, the majority of the exemptions simply permit the preservation of the Plan's design and cost structure on the Continuation Date.

20.12 **Extension of Timelines and Other Transitional Exemptions**

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

Article 21 – Provision For Employer Withdrawal

21.01 Moratorium on Withdrawals

Pursuant to the Joint Governance Act, no Participating Employer may withdraw from the Plan prior to March 1, 2024 unless authorized to do so by the Sponsor Board pursuant to Section 21.02.

21.02 Moratorium Exemption

The Sponsor Board may, in its sole and absolute discretion, permit a Participating Employer to withdraw from the Plan prior to March 1, 2024 on terms to be established by the Sponsor Board.

21.03 Development of Participating Employer Withdrawal Provisions

Prior to March 1, 2024, the Sponsor Board shall develop and adopt withdrawal provisions governing the withdrawal of Participating Employers from the Plan.

Article 22 – Future of the Plan

22.01 Termination of the Plan

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

22.02 Plan Amendment Limitations

- a) Subject to Section 22.02(d), no amendment shall operate to reduce the pension benefits which have accrued to any Member before the date of such amendment, based on the Member's Pensionable Earnings and Pensionable Service up to the date of the amendment.
- b) The Sponsor Board may, at any time and in its sole and absolute discretion, resolve to have the Administrator amend the Plan to permanently eliminate the effect of Employment Pension Plans Act exemptions authorized by the EPPA Exemption Regulation. No amendment may increase the effect or scope of such an Employment Pension Plans Act exemption.
- c) Where an amendment results in a Certifiable Past Service Event in respect of a Member, the amendment shall not apply to such Member prior to the certification of the associated PSPA in accordance with the requirements of the Income Tax Act.
- d) The Plan may be amended at any time to reduce the accrued benefits provided hereunder, but only if and to the extent that such an amendment is necessary to avoid the revocation of the Plan's registration under the Income Tax Act.

APPENDIX A – Participating Employer Listing on Transition Date

Agriculture Financial Services Corporation
Alberta Energy Regulator
Alberta Gaming, Liquor and Cannabis Commission
Alberta Innovates
Alberta Investment Management Corporation
Alberta Pensions Services Corporation
Alberta Securities Commission
The Alberta Union of Provincial Employees
Alberta Utilities Commission
ATB Financial
The Board of Governors of Bow Valley College
(also known as Bow Valley College)
The Board of Governors of NorQuest College
(also known as NorQuest College)
The Board of Governors of Northern Lakes College
(also known as Northern Lakes College)
The Board of Governors of Portage College
(also known as Portage College)
Board of Governors of The Banff Centre
(also known as Banff Centre for Arts and Creativity)
Government of Alberta
The Governors of Athabasca University
(also known as Athabasca University)
The Governors of The University of Alberta
(also known as The University of Alberta)
The Governors of The University of Calgary
(also known as The University of Calgary)
The Governors of The University of Lethbridge
(also known as The University of Lethbridge)
InnoTech Alberta Inc.
LAPP Corporation
Legislative Assembly Office
PSPP Corporation
SFPP Corporation
Special Areas Board
Travel Alberta
The Workers' Compensation Board

APPENDIX B – Participating Employers Joining After Transition Date

APPENDIX C – Exclusions from “Employee” Definition

This Appendix C provides details concerning the exclusion of certain persons being treated as Employees, pursuant to the definition of “Employee” in Article 2 herein.

1. A member of the Legislative Assembly of Alberta.
2. The following persons engaged to work for the Alberta Securities Commission (“ASC”):
 - a) A person to whom MEPP applied by virtue of section 118 of MEPP and who ceased to be a participant of MEPP at the end of 1996 on the expiry of that provision;
 - b) A person appointed after the end of March 1996 to an ASC management position, meaning a position with ASC such that, if ASC were a full participating employer for all purposes under MEPP, occupation of that position would render the person a participant of and within the meaning of MEPP;
 - c) A person who, if ASC were a full MEPP participating employer for all purposes under MEPP, would not be an employee under and within the meaning of MEPP or in an ASC management position (as referred to above) because only of them being excluded from an established policy for pension coverage referred to in section 2(1)(p)(ii) of MEPP.
3. The following persons, or groups of persons, who are engaged to work for an exited MEPP employer:
 - a) A person who ceased to be a participant of MEPP as a result of the exited MEPP employer’s exit from MEPP, with effect from the time of that exit;
 - b) A person appointed after the time of that exit to an employer management position (meaning a position with an exited MEPP employer such that, if that employer were a participating employer under MEPP, occupation of that position would render the person a participant of and within the meaning of MEPP), with effect from the time of that appointment; and
 - c) A person who, if that exited MEPP employer were a participating employer under MEPP, would not be an employee under and within the meaning of MEPP or in an employer management position (as referred to above) because only of exclusion from an established policy for pension coverage referred to in section 2(1)(p)(ii) of MEPP, with effect from the time of the appointment;for so long as any of the circumstances in (a), (b) or (c) apply to them.
4. A person whose contract of employment excludes the person from the Plan pursuant to section 28(6) of the *Public Service Act*, R.S.A. 2000, Chapter P-42.
5. A person to whom the *Teachers’ Pension Plans Act*, R.S.A. 2000, Chapter T-1 applies.

APPENDIX D – Portability Agreements

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

PSPPA Reference	Type	Parties to Agreement
Portability Arrangement – Teachers <i>(Section 16.15 of PSPPA Legislative Provisions)</i>	Transfer	<ul style="list-style-type: none"> ▪ Teachers’ Pension Plan ▪ Private School Teachers’ Pension Plan
Special Portability Arrangement – Federal <i>(sections 85.1 and 98.1 of Statutory Rules)</i>	Transfer	<ul style="list-style-type: none"> ▪ Any retirement savings arrangement governed by the federal <i>Public Service Superannuation Act</i>
Special Portability Arrangement – Other <i>(sections 85.1 and 98.1 of Statutory Rules)</i>	Transfer	<ul style="list-style-type: none"> ▪ All plans party to the National Public Service Pension Transfer Agreement