



<b>SUBJECT</b>	<b>AMENDED AND RESTATED UNIVERSITY OF BRITISH COLUMBIA FACULTY PENSION PLAN</b>
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<b>MEETING DATE</b>	<b>DECEMBER 3, 2015</b>
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Forwarded to the Board of Governors on the Recommendation of the President

**APPROVED FOR SUBMISSION**

Martha C. Piper, Interim President and Vice-Chancellor

<b>DECISION REQUESTED</b>	<b>IT IS HEREBY REQUESTED that <i>the UBC Board of Governors approve the amended and restated text of The University of British Columbia Faculty Pension Plan.</i></b>
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<b>Report Date</b>	October 30, 2015
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**Presented By** Lisa Castle, Vice-President Human Resources  
Orla Cousineau, Executive Director, Pensions

**EXECUTIVE SUMMARY**

The University of British Columbia Faculty Pension Plan (the “Plan Text”) was amended and restated effective September 30, 2015. The amendments include: the changes related to the appointment of Sun Life Assurance Company of Canada (“Sun Life”) as the fundholder and recordkeeper of the Plan, effective June 1, 2015; and the changes required to comply with the *Pension Benefits Standards Act* (British Columbia), effective September 30, 2015.

It is recommended the Board of Governors approve the restated Plan Text as circulated effective September 30, 2015, to include all amendments to date.

It is further recommended that the President and Vice-President Human Resources be authorized and empowered to approve on behalf of the Board of Governors of The University of British Columbia any revisions to the Plan Text as may be required:

- A. by the Canada Revenue Agency to ensure continued registration of the Plan under the Income Tax Act (Canada); or
- B. by the Superintendent of Pensions to ensure continued registration of the Plan under the Pension Benefits Standards Act (British Columbia).

The full FPP Plan Restatement as of September 30, 2015 is attached.

**INSTITUTIONAL STRATEGIC PRIORITIES SUPPORTED**

- Learning       Research       Innovation       Engagement       International  
(Internal / External)

or  Operational

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<b>DESCRIPTION &amp; RATIONALE</b>	The changes are administrative in nature and required for compliance with applicable legislation.
<b>FINANCIAL</b> Funding Sources, Impact on Liquidity	The restated Plan Text makes no change to the funding or the cost of the Plan.
<b>SCHEDULE</b> Implementation Timeline	The amended and restated Plan Text must be filed with the pension regulator by December 31, 2015.

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## UBC FACULTY PENSION PLAN

### NOTES OF AMENDMENTS TO THE PLAN

**EFFECTIVE DATE: JUNE 1, 2015**

<b>Plan Paragraph No.</b>	<b>Notes – Sun Life-related Amendments</b>
2.01	<ul style="list-style-type: none"><li>- forms now provided by Sun Life</li><li>- reflect new position ED, Pensions</li><li>- added definitions of Non-Locked-in Transfer Account, Plan Recordkeeper, and Retirement Account</li></ul>
5.11	<ul style="list-style-type: none"><li>- all contributions to be remitted within 30 days</li><li>- deleted requirement for 95% on/before the payroll date and balance within 15 days</li></ul>
5.14	<ul style="list-style-type: none"><li>- added Member's Non-Locked-in Transfer Contribution Account</li></ul>
6.02	<ul style="list-style-type: none"><li>- deleted monthly allocation of investment earnings</li></ul>
6.03	<ul style="list-style-type: none"><li>- added Retirement Account for LIF and RRIF</li></ul>
6.04	<ul style="list-style-type: none"><li>- added Non-Locked-in Transfer Contribution Account</li></ul>
6.08	<ul style="list-style-type: none"><li>- deleted changes between investment funds occurring on last day of the month</li></ul>
8.01	<ul style="list-style-type: none"><li>- deleted phrase "coincident with or"</li></ul>
9.26	<ul style="list-style-type: none"><li>- deleted</li></ul>
10.02	<ul style="list-style-type: none"><li>- approved forms must be filed with the Plan Recordkeeper, not the Plan Administrator</li></ul>
10.03 (b)	<ul style="list-style-type: none"><li>- Replaced Plan Administrator with the Plan Recordkeeper</li></ul>
10.04	<ul style="list-style-type: none"><li>- deleted monthly valuation under death benefits</li></ul>
11.01	<ul style="list-style-type: none"><li>- court orders or separation agreements must be filed with the Plan Recordkeeper, not the Plan Administrator</li></ul>
11.06	<ul style="list-style-type: none"><li>- monthly valuation dates no longer applicable</li></ul>
13.09	<ul style="list-style-type: none"><li>- evidence requirements for benefit payments will be submitted to the Plan Recordkeeper, not the Plan Administrator</li></ul>

**EFFECTIVE DATE: SEPTEMBER 30, 2015**

<b>Plan Paragraph No.</b>	<b>Notes – BC PBSA Compliance Amendments</b>
2.01	<ul style="list-style-type: none"><li>- deleted section reference to PBSA</li><li>- added definition of LIRA</li><li>- under Locked-In Arrangement: replaced RRSP with LIRA</li><li>- Spouse: clarifies two-year period must be continuous</li><li>- Spousal Waiver to permit unlocking or transfer</li></ul>
9.04	- all post-1992 benefits are locked-in immediately (not after two years)
9.06	- immediate locking-in of post-1992 benefits
9.22	- deleted small pension test for unlocking: no longer applicable
9.24	- unlocking by non-resident with spousal waiver
11.04	- unlocking due to shortened life expectancy with spousal waiver
11.06	- unlocking due to financial hardship with spousal waiver

**THE UNIVERSITY OF BRITISH COLUMBIA  
FACULTY PENSION PLAN  
PLAN RESTATEMENT AS OF SEPTEMBER 30, 2015**

**Approved by the Board of Trustees on October 28, 2015**

**THE UNIVERSITY OF BRITISH COLUMBIA**

**FACULTY PENSION PLAN**

**PLAN RESTATEMENT AS AT SEPTEMBER 30, 2015**

**TABLE OF CONTENTS**

<b>ARTICLE 1 - INTRODUCTION .....</b>	<b>1</b>
<b>ARTICLE 2 - DEFINITIONS AND INTERPRETATION .....</b>	<b>1</b>
DEFINITIONS.....	1
INTERPRETATION .....	10
<b>ARTICLE 3 - PURPOSE AND OPERATION OF PENSION FUND.....</b>	<b>10</b>
<b>ARTICLE 4 - MEMBERSHIP IN THE PLAN .....</b>	<b>11</b>
MEMBERSHIP ON RESTATEMENT DATE .....	11
REQUIRED MEMBERSHIP .....	11
REQUIRED MEMBERSHIP – EXCLUDED STAFF PLAN MEMBERS.....	11
OPTIONAL MEMBERSHIP OF FULL-TIME EMPLOYEES OF THE UNIVERSITY.....	11
DESIGNATED MEMBERSHIP .....	12
MEMBERSHIP OF FULL-TIME EMPLOYEES OF A PARTICIPATING EMPLOYER....	12
MEMBERSHIP OF PART-TIME EMPLOYEES OF THE UNIVERSITY.....	12
MEMBERSHIP OF PART-TIME EMPLOYEES OF A PARTICIPATING EMPLOYER....	13
MEMBERSHIP OF EXECUTIVE DIRECTOR OF THE PLAN OR EMPLOYEES OF THE TRUSTEES.....	14
UNIVERSITY’S RIGHT TO DETERMINE ELIGIBILITY.....	14
SUBSEQUENT ELECTION BY OPTIONAL MEMBER .....	14
RESTRICTION ON MEMBERSHIP.....	14
APPLICATION REQUIREMENTS .....	14
<b>ARTICLE 5 - CONTRIBUTIONS.....</b>	<b>15</b>
LIMIT ON CONTRIBUTIONS .....	15
REQUIRED EMPLOYEE CONTRIBUTIONS.....	15
REQUIRED EMPLOYEE CONTRIBUTION PROCEDURE .....	15
LEAVES OF ABSENCE.....	15
INCOME REPLACEMENT PERIOD .....	16
VOLUNTARY EMPLOYEE CONTRIBUTIONS .....	17
REGULAR EMPLOYER CONTRIBUTIONS.....	17
TIME REQUIREMENT IN WHICH EMPLOYERS TO MAKE DEPOSIT .....	17
MAXIMUM CONTRIBUTIONS IN RESPECT OF LEAVES OF ABSENCE .....	17
CESSATION OF CONTRIBUTIONS .....	18
TRANSFERS FROM OTHER PLANS .....	18
DEEMED TRUST FOR UNPAID CONTRIBUTIONS .....	18

<b>ARTICLE 6 - INVESTMENT FUNDS AND ACCOUNTS.....</b>	<b>19</b>
INVESTMENT FUNDS.....	19
GENERAL ACCOUNTS .....	19
CONTRIBUTION ACCOUNTS.....	20
INVESTMENT AND VALUATION OF ACCOUNTS .....	21
INTEREST OF MEMBER IN INVESTMENT FUNDS .....	21
<b>ARTICLE 7 - BENEFICIARIES .....</b>	<b>21</b>
APPOINTMENT OF BENEFICIARY.....	21
DESIGNATION OF UNINCORPORATED ORGANIZATION .....	22
ALTERATION OF DESIGNATION.....	22
DEFAULT DESIGNATION .....	22
<b>ARTICLE 8 - BENEFIT COMMENCEMENT DATE.....</b>	<b>22</b>
NORMAL BENEFIT COMMENCEMENT DATE.....	22
BENEFIT COMMENCEMENT DATE ON TERMINATION OF APPOINTMENT .....	22
DELAYED BENEFIT COMMENCEMENT DATE .....	22
ELECTION OF BENEFIT COMMENCEMENT DATE .....	22
DEEMED BENEFIT COMMENCEMENT DATE .....	23
EFFECT OF ELECTING A BENEFIT COMMENCEMENT DATE.....	23
AMENDMENT OF ELECTION OF BENEFIT COMMENCEMENT.....	23
MULTIPLE ELECTIONS.....	23
<b>ARTICLE 9 – BENEFITS.....</b>	<b>24</b>
ELECTING MEMBERS .....	24
BENEFITS COMMENCED BEFORE OCTOBER 1, 2011 .....	24
BENEFITS COMMENCING ON OR AFTER OCTOBER 1, 2011 .....	24
CHOICE OF BENEFIT – MEMBER UNDER AGE 55.....	24
CHOICE OF BENEFIT – MEMBER AT OR OVER AGE 55.....	25
DEEMED CHOICE OF BENEFIT .....	26
INITIAL AMOUNT OF RETIREMENT ANNUITY.....	26
NUMBER OF RETIREMENT ANNUITY ACCOUNT UNITS.....	26
VARIATION IN MONTHLY RETIREMENT ANNUITY PAYMENTS .....	27
NORMAL FORM OF RETIREMENT ANNUITY .....	27
OPTIONAL FORMS OF RETIREMENT ANNUITY .....	28
PAYMENTS ON DEATH OF RETIRED MEMBER – RETIREMENT ANNUITY.....	28
DIVISION OF RETIREMENT ANNUITIES BETWEEN ELIGIBLE FORMER SPOUSE AND RETIRED MEMBER.....	29
ANNUITY PURCHASED FROM ANNUITY COMPANY.....	29
RRIF-TYPE PAYMENTS OR LIF-TYPE PAYMENTS FROM THE PENSION FUND .....	29
EXCEPTIONS TO LOCKING-IN OF SMALL BENEFIT .....	30
NON-RESIDENT .....	30
<b>ARTICLE 10 - DEATH BENEFITS.....</b>	<b>31</b>
DEATH PRIOR TO BENEFIT COMMENCEMENT .....	31
PROOF OF DEATH.....	31

ELECTIONS ON DEATH PRIOR TO BENEFIT COMMENCEMENT .....	31
PAYMENT OF DEATH BENEFITS .....	32
<b>ARTICLE 11 - OTHER BENEFITS.....</b>	<b>32</b>
DIVISION OF CONTRIBUTION ACCOUNTS ON MARRIAGE BREAKDOWN .....	32
WITHDRAWAL FROM VOLUNTARY ACCOUNTS .....	33
ELECTION ON WITHDRAWAL FROM VOLUNTARY ACCOUNTS .....	33
WITHDRAWAL FROM CONTRIBUTION ACCOUNTS FOR SHORTENED LIFE EXPECTANCY .....	34
HARDSHIP WITHDRAWAL FROM PRE-1993 CONTRIBUTION ACCOUNTS .....	34
PAYMENT OF BENEFITS .....	35
<b>ARTICLE 12 - RIGHTS OF MEMBERS .....</b>	<b>35</b>
RIGHT TO GENERAL INFORMATION .....	35
RIGHT TO SPECIFIC INFORMATION .....	36
RESTRICTION ON COMMUTATION .....	36
RESTRICTION ON ASSIGNMENT .....	36
RESTRICTION ON WITHDRAWAL .....	36
TERMINATION OF RIGHTS AND DISCHARGE OF TRUSTEES .....	36
<b>ARTICLE 13 - ADMINISTRATION.....</b>	<b>37</b>
TRUSTEES' OBLIGATIONS .....	37
TRUSTEES' POWERS .....	37
POWER TO CORRECT ADMINISTRATIVE ERROR .....	38
TRUSTEES' DISCRETION TO EXTEND DEADLINES .....	38
TRUSTEES' DISCRETION TO PAY INSTALMENT .....	39
EMPLOYER'S OBLIGATIONS .....	39
RESOLUTION OF DISPUTE .....	39
SUB-DIVISION OF ELECTIONS .....	40
EVIDENCE REQUIREMENTS FOR BENEFIT PAYMENTS .....	40
<b>ARTICLE 14 - AMENDMENT AND TERMINATION OF THE PLAN.....</b>	<b>40</b>
RIGHT TO AMEND PLAN .....	40
RESTRICTIONS ON AMENDMENT .....	41
MEMBER'S RIGHT TO SUGGEST AMENDMENTS .....	41
PROHIBITION ON REVERSION OF ASSETS TO UNIVERSITY .....	41
RESTRICTIONS ON ALTERING REQUIRED EMPLOYEE CONTRIBUTIONS .....	41
APPROVAL OF ACTIVE MEMBERS .....	41
IMPLEMENTATION POWERS .....	42
AMENDMENT NOT CONSTRUED AS TERMINATION .....	42
TERMINATION OF THE PLAN .....	42
APPROVAL OF MEMBERS .....	42
DISTRIBUTION ON TERMINATION .....	43
WITHDRAWAL OF A PARTICIPATING EMPLOYER .....	43



**ARTICLE 15 - RECIPROCAL AGREEMENTS..... 43**  
    **RECIPROCAL AGREEMENTS..... 43**  
**SCHEDULE A – THE UNIVERSITY OF BRITISH COLUMBIA FACULTY PENSION  
PLAN PARTICIPATION AGREEMENT**

## ARTICLE 1 - INTRODUCTION

1.01 The Plan, as amended from time to time, has been in effect since April 1, 1967.

1.02 The text of the Plan is restated as of September 30, 2015 to read as set out herein. Except as otherwise provided herein, or as is necessary to give effect to the terms of this Plan, this Plan text applies to Members who undergo a Termination of Appointment or die on or after September 30, 2015. The benefits of Members who underwent a Termination of Appointment or died prior to September 30, 2015 shall, subject to the foregoing exception, be determined by the terms of the Plan in force on the date the Member underwent a Termination of Appointment or died.

1.03 The Plan is intended to provide retirement, death and termination benefits to such Members and other persons as are eligible to receive benefits under its provisions.

1.04 No benefits are provided by the Plan except benefits provided for in accordance with the provisions of the Plan, or benefits required by Applicable Legislation to be paid by the Plan.

1.05 The Plan is intended to qualify for registration as a pension plan under the Income Tax Act.

## ARTICLE 2 - DEFINITIONS AND INTERPRETATION

### DEFINITIONS

2.01 When used in the Plan, the following underlined words and phrases have the following meanings unless a different meaning is clearly indicated by the context.

"Academic Staff" means employees of the University who are:

- (i) of or above the rank of instructor and are engaged full-time in teaching, or in research, or in a combination thereof, and
  - (A) are appointed by the University on an annual contractual term of at least one year, or
  - (B) hold appointments without term from the University, or
- (ii) librarians and program directors who
  - (A) are appointed by the University on an annual contractual term of at least one year, or
  - (B) hold confirmed appointments from the University;

"Account" means an account established and maintained pursuant to Article 6;

"Active Member" means a Member, including a Member on Study Leave, on Statutory Leave, on Approved Leave of Absence, or a Member receiving benefits under an Income Replacement Plan,

- (i) who is an employee of an Employer employed;
  - (A) as Academic Staff,
  - (B) as Administrative Executive Staff, or
  - (C) in a position specified in sections 4.03, 4.04, 4.05, 4.06, 4.07, 4.08 or 4.09; and
- (ii) who joined the Plan pursuant to the provisions of Article 4;

"Actuarial Factors" means such standards for determining amounts of Retirement Annuity, optional form pensions, commuted values of life annuities and performing calculations of a similar nature, as are adopted from time to time by the Trustees;

"Administrative Executive Staff" means such employees of the University in a senior administrative position, other than Academic Staff, as the University may from time to time designate as administrative executive staff for the purposes of the Plan;

"Annuity Company" means any company authorized in Canada to issue life annuities;

"Applicable Legislation" means

- (i) any statute of Canada, or the Province of British Columbia, or any regulation prescribed under any statute of Canada, or the Province of British Columbia which requires compliance by the Plan; and
- (ii) the requirements for registered pension plans under or pursuant to the Income Tax Act;

"Approved Form" means the forms provided by the Plan Recordkeeper or Pension Administration Office;

"Approved Leave of Absence" means a leave of absence, other than a Statutory Leave, that is permitted under the Income Tax Act and is:

- (i) with or without pay;
- (ii) not on account of a Study Leave or an Income Replacement Period;
- (iii) approved as such by an Employer, and
- (iv) notification of which is filed in Approved Form with the Plan Administrator;

"Beneficiary" means such living person, incorporated or unincorporated organization, or estate of a Member designated or otherwise determined in accordance with the provisions of Article 7;

"Benefit" means a pension or other form of benefit payable pursuant to Article 9;

"Benefit Commencement Date" means the date elected by a Member pursuant to Article 8 to commence the receipt of his or her Benefit from the Plan;

"Contribution Account" means an account established and maintained pursuant to section 6.03;

"Contribution Offset" means, in respect of an Active Member,

- (i) if his or her Salary exceeds the "year's basic exemption" as defined in the Canada Pension Plan, 1.8% of the difference between:
  - (A) the "year's basic exemption", as defined in the Canada Pension Plan, and
  - (B) the lesser of the YMPE and Salary; and
- (ii) otherwise, nil;

"Contributions" means deposits or payments to the Pension Fund made pursuant to Article 5;

"Eligible Former Spouse" means in relation to a Member, a person:

- (i) who is entitled pursuant to Applicable Legislation to a portion of a Member's benefits under the Plan in settlement of rights arising as a consequence of a breakdown of the matrimonial relationship between the Member and such person; and
- (ii) who applies in Approved Form filed, or on behalf of whom an application in Approved Form is filed, with the Plan Administrator in accordance with the Plan;

"Employee Contribution Account" means the Contribution Account established and maintained pursuant to paragraph 6.04(a) or 6.04(b);

"Employer" means, in relation to any individual Active Member at any particular time, either the University or the Participating Employer who employs such Active Member at such time;

"Employer Contribution Account" means the Contribution Account established and maintained pursuant to paragraph 6.04(c) or 6.04(d);

“Excluded Staff Plan Member” means an individual first hired by the University on or after January 1, 2007 who, pursuant to section 2.091(b)(ii) of The University of British Columbia Staff Pension Plan, is not, or is no longer, in an eligible class of employment for membership in The University of British Columbia Staff Pension Plan;

“First Year Investment Income Adjustment Factor” means an adjustment used in the calculation of the number of Retirement Annuity Account Units determined in accordance with section 9.09 to account for the fact that the change in the Retirement Annuity Account Unit Value at the date of the first adjustment under section 9.10 includes investment gains or losses for the portion of the calendar year prior to the Benefit Commencement Date in respect of which actual investment returns are already reflected in the balances in the Member's Contribution Accounts at the Benefit Commencement Date. The adjustment is calculated as the quotient obtained when

- (i) the accumulation of \$1.00, from the January 1 coincident with or immediately preceding the Benefit Commencement Date to the Benefit Commencement Date, at the interest rate used in determining the initial monthly income payable from the Retirement Annuity

is divided by

- (ii) the accumulation of \$1.00, over the same period, at the actual rate of investment return experienced on the Retirement Annuity Account;

“Former Member” means an individual who was a Member and who elected to withdraw the total balance credited to their Contribution Accounts out of the Pension Fund in complete satisfaction of their rights under the Plan;

“Inactive Member” means a Member whose Benefit Commencement Date has not yet been reached and;

- (i) who is no longer an employee of the University or a Participating Employer;
- (ii) who remains an employee of the University or a Participating Employer but is no longer employed in a job category that is eligible for membership in the Plan pursuant to Article 4; or
- (iii) who is on an Approved Leave of Absence, Statutory Leave or Study Leave but whose maximum total duration of all Approved Leaves of Absence, Statutory Leaves and/or Study Leaves have exceeded the maximum periods under section 5.12;

“Income Replacement Period” means a period during which an employee of an Employer is receiving periodic income benefits under an Income Replacement Plan and satisfies the definition of "disabled" prescribed in respect of registered pension plans by the Income Tax Act;

"Income Replacement Plan" means a program sponsored by an Employer which provides periodic income benefits payable until Benefit commencement, death or prior recovery, whichever event first occurs, for eligible employees;

"Income Tax Act" means the *Income Tax Act* (Canada) and any regulations prescribed thereunder;

"Investment Fund" means one of the investment funds made available to a Member pursuant to section 6.01;

"Joint Annuitant" means such person so designated by a Member, in Approved Form, in an election of a joint and survivor form of Retirement Annuity;

"LIF" means a retirement income fund, within the meaning of the Income Tax Act, that is registered under the Income Tax Act and which meets the requirements of the *Pension Benefits Standards Act* (British Columbia);

"LIF-Type Payments" means periodic pension payments made from the Pension Fund pursuant to section 30.1 of the *Pension Benefits Standards Regulation* (British Columbia) out of a Member's Contribution Accounts to a Member pursuant to sections 9.06 and 9.20 which meet the minimum amounts required to be paid under the Income Tax Act, and which do not exceed the maximum amounts specified in the *Pension Benefits Standards Regulation* (British Columbia);

"LIRA" means an RRSP that is prescribed to be a locked-in retirement account under the Pension Benefits Standards Act (British Columbia);

"Locked-In" means restricted to the extent required by Applicable Legislation;

"Locked-In Arrangement" means

- (i) another pension plan if, and to the extent, that such other plan permits the transfer, and on condition that the eventual withdrawal is by way of payment from such other plan only in the form of a pension or other benefit prescribed by Applicable Legislation;
- (ii) a LIRA;
- (iii) a deferred pension purchased from an insurance company or a savings institution prescribed by Applicable Legislation, which is not commutable, will not commence earlier than the earliest date that the pension could have commenced under the provisions of the Plan, and is in compliance with Applicable Legislation; or
- (iv) a LIF;

"Locked-In Transfer Contribution Account" means a Contribution Account established and maintained pursuant to paragraph 6.04(f);

"Member" means an employee or former employee of an Employer who joined the Plan pursuant to the provisions of Article 4 and is entitled to a benefit under the Plan;

"Money Purchase Account" means the account established and maintained pursuant to paragraph 6.02(b);

"Net Investment Earnings" means the net earnings of the respective Investment Funds inclusive of interest payments, dividends, realized and unrealized capital gains and losses, but exclusive of Contributions, and reduced by investment management fees and administrative expenses;

"Non-Locked-in Transfer Contribution Account" means a Contribution Account established and maintained pursuant to section 6.03;

"Normal Benefit Commencement Date" means, in respect of a Member, the date determined in accordance with section 8.01;

"Participating Employer" means

- (i) the Faculty Association of the University of British Columbia;
- (ii) TRIUMF Technologies Incorporated;
- (iii) Paragon Testing Enterprises, Inc.;
- (iv) The Centre of Excellence for the Prevention of Epidemic Organ Failure;
- (v) The Research Universities' Council of British Columbia;
- (vi) Advanced Applied Physics Solutions (AAPS);
- (vii) the Board of Trustees of the University of British Columbia Faculty Pension Plan; or
- (viii) any other employer acceptable to the University and the Trustees who enters into a Participation Agreement;

"Participation Agreement" means a written agreement in the form attached as Schedule "A", or in such other form as is approved by the Trustees, signed and delivered by an employer, the University and the Trustees which, among other things, binds the employer to all the rights, duties, responsibilities and obligations conferred or imposed upon a Participating Employer in this Plan, the Trust Agreement and the respective amendments thereto, including, without limitation, the obligation to make Contributions on behalf of itself and its employees;

"Pension Fund" means the fund established and maintained pursuant to the provisions of the Trust Agreement and of the Plan, into which Contributions are paid and from which the benefits payable hereunder and permitted costs and expenses are paid;

"Plan" means the University of British Columbia Faculty Pension Plan, the terms of which are set out in this document;

"Plan Administrator" means the person designated by the Trustees as the Executive Director, Pensions of the Plan or such other person as the Trustees may from time to time appoint as Plan Administrator;

"Plan Recordkeeper" means the company appointed by the Trustees as the fundholder and recordkeeper for the Plan;

"Post-1992 Employee Contribution Account" means the Employee Contribution Account established and maintained pursuant to paragraph 6.04(b);

"Post-1992 Employer Contribution Account" means the Employer Contribution Account established and maintained pursuant to paragraph 6.04(d);

"Pre-1993 Employee Contribution Account" means the Employee Contribution Account established and maintained pursuant to paragraph 6.04(a);

"Pre-1993 Employer Contribution Account" means the Employer Contribution Account established and maintained pursuant to paragraph 6.04(c);

"Regular Employer Contributions" means deposits made by the Employer pursuant to section 5.08 or 5.09;

"Required Employee Contributions" means deposits made by an Active Member pursuant to sections 5.02, 5.04(a) and 5.05(a) and in respect of an Active Member pursuant to section 5.06;

"Retired Member" means a Member who is in receipt of a Retirement Annuity, LIF-Type Payments or RRIF-Type Payments from the Pension Fund;

"Retirement Account" means the account established and maintained for LIF-Type Payments and RRIF-Type Payments from the Pension Fund;

"Retirement Annuity" means a life annuity payable out of the Retirement Annuity Account in accordance with the Plan;

"Retirement Annuity Account" means the account established and maintained pursuant to paragraph 6.02(a);

"Retirement Annuity Account Unit" means a measure of the monthly pension paid to a Retired Member, Joint Annuitant or Beneficiary pursuant to section 9.08;



“Retirement Annuity Account Unit Value” means the monthly payments derived from each Retirement Annuity Account Unit in accordance with sections 9.08, 9.09 and 9.10;

“Retirement Annuity Account Valuation Date” means the date on which the Retirement Annuity Account Units are valued annually and which shall be January 1 of each year;

“RRIF-Type Payments” means periodic pension payments made from the Pension Fund out of a Member's Retirement Account to a Member pursuant to sections 9.06 and 9.20 which meet the minimum payment amounts required to be paid under the Income Tax Act;

“RRSP” means a retirement savings plan that is registered as such under the Income Tax Act;

“Salary” means

- (i) the regular compensation received by an Active Member from an Employer before payroll deductions, but does not include contributions which are made by the Employer under Article 5 or any other employee benefit plan or program, and
- (ii) the amount deemed to be Salary for an Active Member
  - (A) during an Income Replacement Period on whose behalf Contributions are made pursuant to section 5.06,
  - (B) on a Study Leave who makes Contributions pursuant to section 5.02,
  - (C) on an Approved Leave of Absence who makes Contributions pursuant to paragraph 5.04(a), or
  - (D) on a Statutory Leave who makes Contributions pursuant to paragraph 5.05(a),

for the period or leave, which amount shall be based on the salary which would have been paid from time to time during such period or leave; provided that such amount shall not exceed the maximum compensation allowed for such purposes under the Income Tax Act;

“Spouse” means a person, regardless of gender, who at the relevant time is:

- (i) married to the Member, and has not been living separate and apart from the Member for a continuous period longer than two years; or
- (ii) living with the Member in a marriage-like relationship for a period of at least two years immediately preceding the relevant time; where the “relevant time” means the date of an event giving rise to an entitlement to benefits under the Plan;

"Spousal Waiver" means a written statement by the Spouse in Approved Form that waives the spousal entitlements to post-benefit commencement survivor benefits, or pre-benefit commencement survivor benefits, permits the Member's benefits to be unlocked, or consents to the transfer of the Member's benefits to a Locked-In Arrangement, as the case may be, and complies with the requirements for such statements under Applicable Legislation;

"Statutory Leave" means any absence for which Applicable Legislation requires that an Active Member be permitted to make Required Employee Contributions pursuant to paragraph 5.05(a);

"Study Leave" means a period of absence from an Employer approved as such by the Employer, and notification of which is filed in Approved Form with the Plan Administrator;

"Sub-Account" means the portion of an Account invested in a particular Investment Fund;

"Termination of Appointment" means, in respect of a Member, cessation of employment with an Employer other than by reason of death or commencement of employment with another Employer;

"Trust Agreement" means the Trust Agreement made between the University and Donovan Francis Miller and others on November 29, 1966 and restated as of October 1, 2011, as amended from time to time, pursuant to which the Plan was established and the Pension Fund constituted;

"Trustees" means members of the "Pension Board" as from time to time constituted pursuant to the Trust Agreement;

"University" means the University of British Columbia;

"Voluntary Contribution Account" means the Contribution Account established and maintained pursuant to paragraph 6.04(e);

"Voluntary Employee Contributions" means employee deposits made pursuant to section 5.07;

"Years of Continuous Plan Membership" means years of Plan membership for a continuous period of time and without a cessation of employment but disregarding periods of temporary interruption of employment or service, or periods of layoff from employment, that do not exceed 26 weeks;

"YMPE" means the "Year's Maximum Pensionable Earnings" as defined in the Canada Pension Plan.

## INTERPRETATION

2.02 Unless inconsistent with the context, words implying the singular shall include the plural and vice versa.

2.03 The Plan shall be governed by and construed in accordance with the laws in force in the Province of British Columbia.

2.04 Any reference to any specific statute or regulation of Canada or the Province of British Columbia shall include the amendments made thereto from time to time.

2.05 In the event of a conflict between the Plan and Applicable Legislation, the Plan shall be construed and administered in accordance with the Applicable Legislation.

2.06 The division of this text of the Plan into Articles, sections, paragraphs and subparagraphs and the insertion of headings, sub-headings and a table of contents is for convenience of reference only and shall not be construed as part of the Plan or affect the interpretation or construction of the Plan.

2.07 Each reference herein to an Article, section, paragraph or subparagraph is to the corresponding Article, section, paragraph or subparagraph of the Plan.

## ARTICLE 3 - PURPOSE AND OPERATION OF PENSION FUND

3.01 The Pension Fund was established and is maintained pursuant to the provisions of the Trust Agreement and the Plan for the sole purpose of financing the Plan.

3.02 The Pension Fund consists of all the assets of the Plan, which assets are held in the trust constituted by the Trust Agreement.

3.03 All Contributions made to the Plan shall be paid into, and all benefits and expenses payable pursuant to the Plan shall be paid from, the Pension Fund.

3.04 The Trustees are the only persons entitled to receive Contributions to the Pension Fund.

3.05 The Trustees are vested exclusively with all right, title and interest in and to the Pension Fund for the uses, purposes and duties set out in the Trust Agreement and the Plan.

3.06 In addition to Contributions, the Trustees are authorized to receive and to pay into the Pension Fund such other amounts as are determined by the Trustees and which Applicable Legislation permits to be paid to a registered pension plan trust fund.

3.07 The Pension Fund shall pay only:

- (a) the benefits payable to Members, Joint Annuitants, Beneficiaries, Eligible Former Spouses and Spouses provided herein;

- (b) subject to paragraph 14.11(f), the reasonable and necessary costs incurred by the Trustees in connection with the administration and operation of the Plan and Pension Fund, including the costs of carrying out their duties hereunder and any insurance premiums payable in respect of liability or other appropriate insurance; and
- (c) such other costs or indemnities relating to the Pension Fund as are set out in the Trust Agreement.

3.08 The assets of the Pension Fund, which include the Investment Fund, shall be invested in accordance with the provisions of the Trust Agreement and in compliance with all Applicable Legislation. Assets of the Pension Fund shall be invested in the best interests of the Members and other Plan beneficiaries and in accordance with the level of prudence required by the *Pension Benefits Standards Act* (British Columbia). Assets of the Pension Fund shall be held and invested in the name of the Plan, or in a manner which clearly indicates that the investments are held for the benefit of the Plan.

#### **ARTICLE 4 - MEMBERSHIP IN THE PLAN**

##### **MEMBERSHIP ON RESTATEMENT DATE**

4.01 Each Member of the Plan on September 30, 2011 shall continue as a Member on the terms and conditions then in effect, except as the Plan is amended from time to time thereafter.

##### **REQUIRED MEMBERSHIP**

4.02 On and after October 1, 2011, every employee of the University who is employed as Academic Staff or Administrative Executive Staff shall, as a term of employment, become an Active Member of the Plan effective the date determined by the Trustees.

##### **REQUIRED MEMBERSHIP – EXCLUDED STAFF PLAN MEMBERS**

4.03 On and after October 1, 2011, every employee who is an Excluded Staff Plan Member shall become an Active Member of the Plan effective the date determined by the Trustees.

##### **OPTIONAL MEMBERSHIP OF FULL-TIME EMPLOYEES OF THE UNIVERSITY**

4.04 If an employee of the University is:

- (a) a full-time 12 month lecturer;
- (b) a full-time appointee without review for a term of at least 12 months;
- (c) a full-time sessional lecturer whose term of appointment from the University is at least four months but less than 12 months; or
- (d) a full-time research associate whose term of appointment from the University is at least 12 months;

such employee may elect in Approved Form to join the Plan as an Active Member. In the absence of such election, the employee shall be deemed to have elected not to join the Plan.

#### DESIGNATED MEMBERSHIP

4.05 The University may in its discretion designate from time to time any other employee who is engaged in teaching, or research, or service as an academic administrator, or a combination thereof:

- (a) as an Active Member, as a term of employment, effective the date determined by the Trustees; or
- (b) as eligible to elect, by filing an election in Approved Form, to join the Plan as an Active Member, effective the date determined by the Trustees, and in the absence of such election, such employee shall be deemed not to have joined the Plan.

#### MEMBERSHIP OF FULL-TIME EMPLOYEES OF A PARTICIPATING EMPLOYER

4.06 A Participating Employer and the University may designate from time to time, any full-time employee of such Participating Employer who is engaged in teaching, or research or a combination thereof, or whose position is analogous to a position designated as Administrative Executive Staff:

- (a) as an Active Member, as a term of employment, effective the date determined by the Trustees; or
- (b) as eligible to elect, by filing an election in Approved Form, whether to join the Plan as an Active Member, effective the date determined by the Trustees, and in the absence of such election, such employee shall be deemed not to have joined the Plan.

#### MEMBERSHIP OF PART-TIME EMPLOYEES OF THE UNIVERSITY

4.07 A part-time employee of the University,

- (a) whose position
  - (i) is
    - (A) a librarian,
    - (B) a program director, or
    - (C) of or above the rank of instructor and who is engaged in teaching or in research or in a combination thereof,but whose position is not included within the definition of Academic Staff or Administrative Executive Staff, or
  - (ii) is

- (A) a lecturer,
- (B) an appointee without review,
- (C) a sessional lecturer, or
- (D) a research associate,

but is not included within the provisions of section 4.04;

- (b) who has completed at least 24 continuous months of employment with the University,
  - (i) which employment may include a combination of part-time and full-time employment, and
  - (ii) a portion of which employment may be as an employee of a Participating Employer; and
- (c) who has had earnings in each of two consecutive calendar years of not less than 35% of the YMPE,

is eligible to join the Plan on the later of January 1, 1993 and the earliest date on which the employee satisfies the requirements of paragraphs (b) and (c) by filing an election in Approved Form to join the Plan as an Active Member, effective the date determined by the Trustees. In the absence of such election, such employee shall be deemed not to have joined the Plan.

#### MEMBERSHIP OF PART-TIME EMPLOYEES OF A PARTICIPATING EMPLOYER

4.08 A part-time employee of a Participating Employer,

- (a) whose position is within a class of employees designated for membership within the Plan in accordance with section 4.06;
- (b) who has completed at least 24 continuous months of employment with a Participating Employer,
  - (i) which employment may include a combination of part-time and full-time employment, and
  - (ii) a portion of which employment may be as an employee of the University; and
- (c) who has had earnings in each of two consecutive calendar years of not less than 35% of the YMPE,

is eligible to join the Plan on the later of January 1, 1993 and the earliest date on which the employee satisfies the requirements of paragraphs (b) and (c) by filing an election in Approved Form to join the Plan as an Active Member, effective the date determined by the Trustees. In the absence of such election, such employee shall be deemed not to have joined the Plan.

## MEMBERSHIP OF EXECUTIVE DIRECTOR OF THE PLAN OR EMPLOYEES OF THE TRUSTEES

4.09 The Trustees may designate from time to time any employee of the University who holds the title of "Executive Director" of the Plan, or any individual employed by the Trustees

- (a) as an Active Member, effective the date determined by the Trustees; or
- (b) as eligible to elect, by filing an election in Approved Form, to join the Plan as an Active Member, effective the date determined by the Trustees, and in the absence of such election, such employee shall be deemed not to have joined the Plan.

## UNIVERSITY'S RIGHT TO DETERMINE ELIGIBILITY

4.10 The University shall, at all times, have the right to determine in accordance with the provisions hereof which of its employees and the employees of Participating Employers are eligible to join the Plan.

## SUBSEQUENT ELECTION BY OPTIONAL MEMBER

4.11 An employee, eligible to elect under section 4.04, 4.07 or 4.08 or paragraph 4.05(b), 4.06(b) or 4.09(b), who elected not to join or who has been deemed to have elected not to join the Plan may subsequently elect in Approved Form to join the Plan effective the date determined by the Trustees.

## RESTRICTION ON MEMBERSHIP

4.12 No person whose Salary is paid by an Employer from research grants, trust funds or other special funds, and not out of the general purpose operating funds of an Employer, shall be eligible to become a Member of the Plan unless

- (a) the Employer pays to the Pension Fund out of such grant, trust fund or special fund an amount equal to the Regular Employer Contribution required pursuant to section 5.08 or 5.09; or
- (b) the Employer, in its sole discretion, otherwise makes the Regular Employer Contribution required pursuant to section 5.08 or 5.09.

## APPLICATION REQUIREMENTS

4.13 Each new Active Member shall file in Approved Form an enrolment form which authorizes the Employer to make deductions from such Member's Salary pursuant to section 5.02.

## ARTICLE 5 - CONTRIBUTIONS

### LIMIT ON CONTRIBUTIONS

5.01 Despite any other provision of this Plan, the Trustees are authorized, in respect of any calendar year, to receive as Contributions to the Pension Fund, only such amounts as are authorized by Applicable Legislation. If excess funds are received by the Trustees from a Member or an Employer on behalf of any Member, such excess shall be refunded to whoever made the Contribution, provided that if such Contribution is paid pursuant to section 5.06, such excess will be paid to the Member.

### REQUIRED EMPLOYEE CONTRIBUTIONS

5.02 Subject to section 5.01, an Active Member, who is not on Approved Leave of Absence, on a Statutory Leave or receiving benefits under an Income Replacement Plan, shall, in respect of each calendar year, contribute 5% of Salary minus the Contribution Offset to the Pension Fund, which Contribution shall be allocated to the Member's Employee Contribution Account.

### REQUIRED EMPLOYEE CONTRIBUTION PROCEDURE

5.03 Required Employee Contributions shall be made by regular payroll deductions by the Employer, and deposited in the Pension Fund within the time prescribed in section 5.11.

### LEAVES OF ABSENCE

5.04 Subject to section 5.01, an Active Member on Approved Leave of Absence may elect in Approved Form, on or prior to commencement of the leave, to make Contributions in respect of his or her deemed Salary during the leave, in which event:

- (a) such Member may contribute any amount not exceeding the sum of:
  - (i) the amount determined pursuant to section 5.02, and
  - (ii) if such Member should so select, the amount determined under section 5.08 less the amount contributed pursuant to paragraph (b),

which Contribution shall be allocated to the Member's Employee Contribution Account; and

- (b) the Employer may, in its discretion, elect in Approved Form to contribute any amount not exceeding the amount determined pursuant to section 5.08, which Contribution shall be allocated to such Member's Employer Contribution Account.

5.05 Subject to section 5.01, an Active Member on a Statutory Leave may elect in Approved Form, on or prior to commencement of the leave, to make Contributions in respect of his or her deemed Salary during the leave, in which event,



- (a) such Member may contribute any amount not exceeding the amount determined pursuant to section 5.02, which amount shall be allocated to the Member's Employee Contribution Account, and
- (b) if the Member contributes
  - (i) the full amount determined pursuant to section 5.02, the Employer shall contribute the amount determined pursuant to section 5.08, and
  - (ii) less than the full amount determined pursuant to section 5.02, the Employer may, at its discretion, elect in Approved Form to contribute any amount not exceeding the amount determined to be paid pursuant to section 5.08,

which contribution by the Employer shall be allocated to the Member's Employer Contribution Account.

#### INCOME REPLACEMENT PERIOD

5.06 Subject to section 5.01, during an Income Replacement Period, any amounts payable as Contributions to the Plan with respect to an Active Member's deemed Salary pursuant to an Income Replacement Plan, which amounts shall not collectively exceed 15% of deemed Salary, shall be allocated to such Member's Employee Contribution Account and to such Member's Employer Contribution Account as follows:

- (a) in respect of Contributions made prior to October 1, 2011 in accordance with the terms of the Plan then in effect; and
- (b) in respect of Contributions made on or after October 1, 2011,
  - (i) an amount which in the opinion of the Trustees is equivalent to the Regular Employer Contributions to the Post- 1992 Employer Contribution Account, provided such amount shall not be less than 1% of the deemed Salary of such Member; and
  - (ii) the balance thereof to the Post-1992 Employee Contribution Account;

provided that

- (c) the portion of such Contributions to an Employee Contribution Account for such Active Member shall be paid to the Pension Fund directly by the Income Replacement Plan; and
- (d) the portion of such Contributions to the Employer Contribution Account for such Active Member, shall be paid to the Employer by the Income Replacement Plan for remittance to the Pension Fund pursuant to section 5.09.

## VOLUNTARY EMPLOYEE CONTRIBUTIONS

5.07 Subject to section 5.01, an Active Member may elect in Approved Form to make Voluntary Employee Contributions to the Plan. Such Contributions may be made by payroll deduction or otherwise, must be in an amount not in excess of the amount permitted under the Income Tax Act and shall be allocated to the Member's Voluntary Contribution Account.

## REGULAR EMPLOYER CONTRIBUTIONS

5.08 Subject to section 5.01, the Employer shall, in respect of each calendar year, contribute to the Pension Fund for each Active Member an amount being 10% of Salary minus the Contribution Offset, within the time specified in section 5.11, unless the Member is:

- (a) on Approved Leave of Absence;
- (b) on a Statutory Leave in respect of which the Member has elected pursuant to section 5.05 not to contribute the full amount determined pursuant to section 5.02; or
- (c) receiving benefits under an Income Replacement Plan.

5.09 Subject to section 5.01, the Employer shall contribute to the Pension Fund for each Active Member:

- (a) on Approved Leave of Absence during which the Employer has exercised its discretion to contribute under paragraph 5.04(b), any amount determined by the Employer to be paid;
- (b) on a Statutory Leave during which the Employer has exercised its discretion to contribute under subparagraph 5.05(b)(ii), any amount determined by the Employer to be paid; and
- (c) in an Income Replacement Period, any funds received by the Employer from an Income Replacement Plan in respect of such Member.

5.10 The Contributions made by the Employer for each Active Member pursuant to sections 5.08 and 5.09 shall be allocated to the Member's Employer Contribution Account.

## TIME REQUIREMENT IN WHICH EMPLOYERS TO MAKE DEPOSIT

5.11 Contributions made pursuant to sections 5.02, 5.06, 5.07 and 5.08 and paragraphs 5.04(b), 5.05(b)(i), 5.05(b)(ii), 5.09(a), 5.09(b) and 5.09(c) shall be remitted by the Employer to the Pension Fund within 30 days after the relevant payroll date.

## MAXIMUM CONTRIBUTIONS IN RESPECT OF LEAVES OF ABSENCE

5.12 The maximum total duration of all Approved Leaves of Absence, Statutory Leaves and/or Study Leaves of an Active Member during which Contributions under sections 5.02, 5.04, 5.05, 5.08 and/or 5.09 may be made shall not exceed:

- a) eight years including maternity or parental leaves; or
- b) five years excluding maternity or parental leaves,

where maternity and parental leaves shall have the meaning ascribed to such terms in the contract made between the University and the Faculty Association which governs from time to time employment conditions between the University and the members of the Faculty Association, or failing such definitions, in the *Employment Standards Act* (British Columbia).

#### CESSATION OF CONTRIBUTIONS

5.13 No Required Employee Contributions or Regular Employer Contributions shall be made by or on behalf of any Inactive Member or Retired Member.

#### TRANSFERS FROM OTHER PLANS

5.14 A Member or Former Member may elect, in Approved Form to transfer to the Plan monies from another registered pension plan, or from a deferred profit sharing plan, RRSP, retiring allowance or other source to the extent allowed for transfer to a registered pension plan by the Income Tax Act. Any such election must be filed with the Plan Administrator before acceptance of the deposit by the Plan. Such transferred amounts shall be deposited in the Pension Fund and be allocated to:

- (a) the Member's Locked-in Transfer Contribution Account if the transferred amount is Locked-in or restricted by statutory requirement or contractual obligation;
- (b) the Member's Voluntary Contribution Account, if the transferred amount is not allocated pursuant to paragraph (a); and
- (c) the Member's Non-Locked-in Transfer Contribution Account.

A Former Member who makes a transfer pursuant to this section 5.14 shall be deemed an Inactive Member immediately following the transfer of monies into the Pension Fund.

#### DEEMED TRUST FOR UNPAID CONTRIBUTIONS

5.15 Each Employer must keep separate and apart from its own assets all contributions that are due or owing to the Plan by the Employer, all amounts that have been deducted by the Employer from a Member's remuneration and not yet remitted to the Pension Fund, and all contributions that have been received by the Employer with respect to a Member not yet remitted to the Pension Fund. These amounts are deemed to be held in trust for Members of the Plan and any other persons entitled to benefits, refunds or other payments under the Plan in accordance with their interests under the Plan.

## ARTICLE 6 - INVESTMENT FUNDS AND ACCOUNTS

### INVESTMENT FUNDS

#### 6.01 The Trustees

- (a) shall establish and retain within the Pension Fund a fund consisting of investments from a variety of asset classes which is to be called the balanced fund,
- (b) may, in their discretion, establish and retain within the Pension Fund such other Investment Funds as the Trustees may designate from time to time;
- (c) shall establish and make available the Investment Funds under paragraphs (a) and (b) in accordance with the Trust Agreement; and
- (d) shall invest the Investment Funds according to investment principles and guidelines established by the Trustees pursuant to section 8.02 of the Trust Agreement.

### GENERAL ACCOUNTS

6.02 The Trustees shall establish and maintain within the Pension Fund the following distinct general accounts, each of which will be retained for as long as any balance remains therein, and thereafter in the Trustees' discretion:

- (a) a Retirement Annuity Account into which are deposited:
  - (i) the assets allocated thereto prior to October 1, 2011,
  - (ii) all amounts transferred thereto on or after October 1, 2011 from the Money Purchase Account, and
  - (iii) Net Investment Earnings thereon,and from which all Retirement Annuity pension payments are paid;
- (b) a Money Purchase Account into which are deposited:
  - (i) the assets allocated thereunder prior to October 1, 2011,
  - (ii) all Required Employee Contributions, Voluntary Employee Contributions, transfers of deposits from other plans registered under the Income Tax Act, and Regular Employer Contributions made on or after October 1, 2011, and
  - (iii) Net Investment Earnings thereon,

and from which all benefits under the Plan, other than Retirement Annuities, are paid or purchased;

- (c) a Retirement Account for LIF-Type Payments and RRIF-Type Payments; and
- (d) such other general accounts as the Trustees may, in their discretion, establish from time to time.

### CONTRIBUTION ACCOUNTS

6.03 The Money Purchase Account shall, to the extent required by section 6.04, be divided into separate Contribution Accounts for each Member as follows:

- (a) a Pre-1993 Employee Contribution Account;
- (b) a Post-1992 Employee Contribution Account;
- (c) a Pre-1993 Employer Contribution Account;
- (d) a Post-1992 Employer Contribution Account;
- (e) a Voluntary Contribution Account;
- (f) a Locked-in Transfer Contribution Account; and
- (g) a Non-Locked-in Transfer Contribution Account.

6.04 Each Contribution Account shall be established and maintained for so long as there remains a balance therein, and shall be established and maintained as follows

- (a) the Pre-1993 Employee Contribution Account, by the allocation of the assets allocated thereto prior to October 1, 2011, and Net Investment Earnings thereon;
- (b) the Post-1992 Employee Contribution Account, by the allocation of all Required Employee Contributions made by the Member on or after January 1, 1993, and Net Investment Earnings thereon;
- (c) the Pre-1993 Employer Contribution Account, by the allocation of the assets allocated thereto prior to October 1, 2011, and Net Investment Earnings thereon;
- (d) the Post-1992 Employer Contribution Account, by the allocation of all Regular Employer Contributions made in respect of the Member on or after January 1, 1993, and Net Investment Earnings thereon;
- (e) the Voluntary Contribution Account, by the allocation of:
  - (i) the assets allocated thereto prior to October 1, 2011,

- (ii) any Voluntary Employee Contributions made by the Member on or after October 1, 2011,
- (iii) any deposits transferred from other plans on or after October 1, 2011 which are allocated to this Account pursuant to paragraph 5.14(b), and
- (iv) Net Investment Earnings thereon; and
- (f) the Locked-in Transfer Contribution Account, by the allocation of all Contributions allocated pursuant to paragraph 5.14(a) and which are attributable to the Member, and Net Investment Earnings thereon.

#### INVESTMENT AND VALUATION OF ACCOUNTS

6.05 The Retirement Annuity Account shall be invested by the Trustees in accordance with the standards prescribed by the Applicable Legislation and in accordance with section 3.08.

6.06 Each Contribution Account shall be invested in one or more Investment Funds, as selected from time to time by a Member in Approved Form, provided however, that:

- (a) in the absence of such filed election, the Member will be deemed to have selected that all of such Member's Contribution Accounts be invested in the balanced fund established pursuant to paragraph 6.01(a);
- (b) by such an election, the Member may separately change the investment allocation of either or both of:
  - (i) the then current Contribution Account balance, and
  - (ii) new Contributions.

#### INTEREST OF MEMBER IN INVESTMENT FUNDS

6.07 The account balance of each Account of a Member is determined by the value of the Investment Funds into which the Account has been invested, and no Member is entitled to participate in or claim against any Investment Fund except to the extent of the proportion of the Investment Fund that the Account of the Member has been allocated.

### ARTICLE 7 - BENEFICIARIES

#### APPOINTMENT OF BENEFICIARY

7.01 A Member may designate, in Approved Form, a Beneficiary to receive any amounts payable to a Beneficiary under the provisions of the Plan, provided such designation will not be binding until such time as the filing is received by the Plan Administrator.

## DESIGNATION OF UNINCORPORATED ORGANIZATION

7.02 If a designated Beneficiary is an unincorporated organization, the Trustees may, in their sole discretion, require such evidence of its existence and/or its signing authority relating to execution of a release of the Trustees or the Plan as they may determine. If the evidence of existence or signing authority is insufficient in the Trustees' sole discretion, the Trustees may, in their sole discretion, disregard such designation and pay any benefits payable pursuant to the Plan into Court, or to the estate of the Member or Joint Annuitant, as the case may be.

## ALTERATION OF DESIGNATION

7.03 Any Member who designated a Beneficiary pursuant to section 7.01 may alter or revoke the designation from time to time, except as prohibited by Applicable Legislation, but any notification of such alteration or revocation shall be made in Approved Form and will not be binding until such time as the notification is received by the Plan Administrator.

## DEFAULT DESIGNATION

7.04 Except as herein otherwise provided, if a Member has failed to designate a Beneficiary, or his or her Beneficiary predeceased the Member, the estate of such Member shall be the Beneficiary.

## **ARTICLE 8 - BENEFIT COMMENCEMENT DATE**

### NORMAL BENEFIT COMMENCEMENT DATE

8.01 The Normal Benefit Commencement Date of a Member shall be the January 1 or July 1, whichever first occurs, next following such Member's 65th birthday.

### BENEFIT COMMENCEMENT DATE ON TERMINATION OF APPOINTMENT

8.02 A Member who has undergone a Termination of Appointment may elect in Approved Form a Benefit Commencement Date selected in accordance with the Plan.

### DELAYED BENEFIT COMMENCEMENT DATE

8.03 A Member who has not undergone a Termination of Appointment but who has attained Normal Benefit Commencement Date may elect, in Approved Form, a Benefit Commencement Date selected in accordance with the Plan.

### ELECTION OF BENEFIT COMMENCEMENT DATE

8.04 The Benefit Commencement Date elected by a Member pursuant to sections 8.02 or 8.03 must be the first day of a calendar month, which month must be no earlier than the month following the month in which the election is filed with the Plan Administrator. It must also be no earlier than the month following the month in which the Member undergoes a Termination of Appointment or the month in which the Member's Normal Benefit Commencement Date occurs, whichever the case may be. For greater certainty, retroactive applications for the commencement of benefits under the Plan are not permitted.

#### DEEMED BENEFIT COMMENCEMENT DATE

8.05 A Member who has not made an election pursuant to sections 8.02 or 8.03 prior to November 30<sup>th</sup> of the calendar year in which the Member attains age 71 will be deemed to have undergone a Termination of Appointment on that date and to have elected a Benefit Commencement Date of December 1<sup>st</sup> of that year.

#### EFFECT OF ELECTING A BENEFIT COMMENCEMENT DATE

8.06 If a Member elects or is deemed to elect a Benefit Commencement Date, he or she thereupon becomes entitled to be paid such Member's Benefit commencing on the Member's Benefit Commencement Date in a form elected by the Member in accordance with the Plan.

#### AMENDMENT OF ELECTION OF BENEFIT COMMENCEMENT

8.07 An election of a Benefit Commencement Date may be modified by the Member, in Approved Form, at any subsequent date which occurs prior to:

- (a) 30 days before the originally selected Benefit Commencement Date, and
- (b) the latest date permitted by Applicable Legislation.

#### MULTIPLE ELECTIONS

8.08 A Member may elect a Benefit Commencement Date pursuant to section 8.02 or 8.03 in respect of a portion of the Member's total balance then credited to the Member's Contribution Accounts (the "**elected portion**"). If a Member makes such an election:

- (a) the elected portion shall be deducted from the Member's Contribution Accounts as of the Benefit Commencement Date and, if the Benefit is being paid as RRIF-Type Payments or LIF-Type Payments, credited to new Contribution Accounts created in respect of the elected portion,
- (b) Article 9 shall be applied to the Member in respect of the elected portion as if the elected portion was the Member's entire entitlement under the Plan,
- (c) the Member shall thereafter be deemed to be a separate Retired Member or a Former Member, as the case may be, in respect of the elected portion, and
- (d) the Member's remaining rights and entitlements under the Plan (other than sections 9.21 and 9.22) will be determined without regard to the elected portion.

8.09 A Member who is deemed to elect a Benefit Commencement Date pursuant to section 8.05 will be deemed to have made such election in respect of all of the Member's total balance then credited to the Member's Contribution Accounts.



## ARTICLE 9 – BENEFITS

### ELECTING MEMBERS

9.01 A Member who elects or is deemed to elect a Benefit Commencement Date pursuant to section 8.02, 8.03 or 8.05 shall receive a Benefit in accordance with this Article 9. During the period commencing on the date such election is made (or is deemed to have been made) and concluding on the Member's Benefit Commencement Date, the Member shall be referred to in this Article 9 as an "**electing Member**".

### BENEFITS COMMENCED BEFORE OCTOBER 1, 2011

9.02 All pensions or other benefits which commenced prior to October 1, 2011 or are payable to Members who died or underwent a Termination of Appointment prior to October 1, 2011 are continued under such terms as were contained in the Plan text in effect prior to October 1, 2011 and in accordance with such elections as were then applicable, except as hereafter modified, provided that no modification shall have the effect of diminishing the value of any such pension or other benefit commenced prior to October 1, 2011.

### BENEFITS COMMENCING ON OR AFTER OCTOBER 1, 2011

9.03 For a Benefit first payable on or after October 1, 2011, an electing Member shall be entitled to be paid on or commencing on such Member's Benefit Commencement Date, a Benefit which

- (a) is funded out of the total balance credited to the Member's Contribution Accounts,
- (b) is in a form determined by the following sections of this Article, and
- (c) does not differentiate between Members on the basis of gender.

The payment of the total balance of all such Member's Contribution Accounts from the Pension Fund shall be in complete satisfaction of the Member's rights under the Plan.

### CHOICE OF BENEFIT – MEMBER UNDER AGE 55

9.04 Subject to sections 9.21 [Small Pension], 9.23 [Non-Resident], 11.01 [Marriage Breakdown], and 11.04 [Shortened Life Expectancy], an electing Member who has not attained age 55 must elect in Approved Form a payment or transfer of his or her entitlement under section 9.03 selected from the following options:

Type of Account	Account will be paid or transferred to or more of the following:
Pre-1993 Employee Contribution Account Voluntary Contribution Account Pre-1993 Employer Contribution Account Non-Locked Transfer Contribution Account	(a) the Member in cash, subject to withholding of tax; (b) an RRSP; (c) a registered pension plan; (d) RRIF-Type Payments; (e) a registered retirement income fund; or (f) a Locked-in Arrangement,  as elected by the Member
Post-1992 Employee Contribution Account Post-1992 Employer Contribution Account Locked-in Transfer Contribution Account	A Locked-in Arrangement

9.05 A Member who is eligible to elect a Benefit Commencement Date pursuant to section 8.02 and has not attained age 55 may elect to leave the amount of his or her Contribution Accounts in the Pension Fund and not elect a Benefit Commencement Date until he or she attains age 55, at which time he or she shall be eligible for the payment options described in section 9.06.

**CHOICE OF BENEFIT – MEMBER AT OR OVER AGE 55**

9.06 Subject to sections 9.18 [Marriage Breakdown], 9.21 [Small Benefit], 9.22 [Further Alternate Small Benefit], 9.23 [Non Resident], 11.01 [Marriage Breakdown], and 11.04 [Shortened Life Expectancy], an electing Member who has attained age 55 must elect in Approved Form a payment or transfer of his or her entitlement under section 9.03 selected from the following options:

- (a) one or more Retirement Annuities out of the Pension Fund;
- (b) one or more lifetime annuities purchased from an Annuity Company;
- (c) a payment or transfer in accordance with section 9.04;
- (d) LIF-Type Payments from the Pension Fund; or
- (e) a combination of these arrangements.

### DEEMED CHOICE OF BENEFIT

9.07 If a Member is deemed to elect a Benefit Commencement Date pursuant to section 8.05, and fails to make a timely election under section 9.06, his or her Benefit will be paid out of the Pension Fund as,

- (a) RRIF-Type Payments, in the minimum payment amount required by the Income Tax Act, in respect of the Member's Employee Pre-1993 Contribution Account, Voluntary Contribution Account and Employer Pre-1993 Contribution Account; and
- (b) LIF-Type Payments, in the minimum payment amount required by the Income Tax Act, in respect of the Member's Employee Post-1992 Contribution Account, Employer Post-1992 Contribution Account and Locked-in Transfer Account,

commencing as of his or her Benefit Commencement Date.

### INITIAL AMOUNT OF RETIREMENT ANNUITY

9.08 If the Benefit is paid to a Member as a Retirement Annuity, it will be expressed in terms of an income payable monthly. The initial amount of monthly income will be the amount which can be purchased by the sum of the Member's Employer Contribution Accounts and Employee Contribution Accounts together with, if applicable and if selected by the Member, the Voluntary Contribution Account and Locked-in Transfer Contribution Account, valued on the last business day of the month coincident with or immediately preceding the Benefit Commencement Date and based on:

- (a) the form of pension selected by the Member,
- (b) a valuation interest rate of either 7% per annum, or 4% per annum, as selected by the Member, and
- (c) the Actuarial Factors then in effect.

The assets of the Contribution Accounts so applied to the purchase of a Retirement Annuity will be transferred to the Retirement Annuity Account from the Money Purchase Account on the last business day of the month coincident with or immediately preceding the Benefit Commencement Date.

### NUMBER OF RETIREMENT ANNUITY ACCOUNT UNITS

9.09 The number of Retirement Annuity Account Units in respect of a Member will be calculated as the quotient obtained when:

- (a) the product of
  - (i) the monthly income determined in section 9.08, and

- (ii) the Member's First Year Investment Income Adjustment Factor

is divided by

- (b) the Retirement Annuity Account Unit Value determined as at the January 1 coincident with or immediately preceding the Member's Benefit Commencement Date.

#### VARIATION IN MONTHLY RETIREMENT ANNUITY PAYMENTS

9.10 In each calendar year commencing after the Benefit Commencement Date, the Retirement Annuity Account Unit Value will be adjusted as follows: starting with the payment due three months after the Retirement Annuity Account Valuation Date in such year and continuing until and including the payment due fourteen months after such Retirement Annuity Account Valuation Date, the payment derived in each month in such period from each Retirement Annuity Account Unit will be the Retirement Annuity Account Unit Value determined by the Trustees as of such Retirement Annuity Account Valuation Date based on calculations in which the sum of

- (a) the estimated actuarial present value of future annuity payments to all Retirement Annuity Account Unit holders,

plus

- (b) the estimated present value of future expenses relating to Retirement Annuities

equals the value of the Retirement Annuity Account as of such date.

#### NORMAL FORM OF RETIREMENT ANNUITY

9.11 Subject to sections 9.12 through 9.14 [Optional Forms], 9.21 [Small Benefit], 9.22 [Further Alternate Small Benefit], 9.25 [Timing of Commencement] and 13.09 [Evidence Requirements], every Retirement Annuity will,

- (a) be paid:
  - (i) monthly in advance; or
  - (ii) at the election of the Member, in arrears, in accordance with a payment schedule determined by the Trustees, which schedule may not provide for less frequent payments than annually,

commencing on the Benefit Commencement Date; and

- (b) continue for at least the lifetime of the Member; and
- (c) if the Member on the Benefit Commencement Date has:

- (i) a Spouse and no Spousal Waiver is filed with the Plan Administrator, be paid as a joint and survivor pension, with 60% of the Member's pension payable to the Spouse after the Member's death if the Spouse survives the Member, with a five year guarantee; or
- (ii) no Spouse or a Spousal Waiver is filed with the Plan Administrator, be paid as a single life annuity which will cease in the month in which the Member dies.

#### OPTIONAL FORMS OF RETIREMENT ANNUITY

9.12 A Member with a Spouse entitled to a joint and survivor pension pursuant to subparagraph 9.11(c)(i) may elect a joint and survivor pension which will provide for payments to continue monthly after the death of the Member for the remaining lifetime of the Spouse:

- (a) unreduced; or
- (b) reduced by a percentage, not in excess of 40% on the Member's death.

9.13 A Member with a Spouse who has filed a Spousal Waiver with the Plan Administrator may elect, in Approved Form, a joint and survivor pension reduced other than as described in section 9.12.

9.14 A Member may elect that any form of Retirement Annuity contain a minimum guaranteed number of monthly payments not to exceed 180.

#### PAYMENTS ON DEATH OF RETIRED MEMBER – RETIREMENT ANNUITY

9.15 If a Retired Member elected a joint life and last survivor form of Retirement Annuity, then:

- (a) if, at the date of death of the Retired Member, the Joint Annuitant is alive, payments will continue to the Joint Annuitant in accordance with the selected option and, if any guaranteed payments fall due after the date of death of such Joint Annuitant, they will be paid to the Beneficiary of the Retired Member;
- (b) if, at the date of death of the Retired Member there is no Joint Annuitant, any guaranteed payments which fall due after the date of death of the Retired Member will be paid to the Beneficiary of the Retired Member.

9.16 If a Retired Member elected a single life with a guarantee period form of Retirement Annuity, any guaranteed payments that fall due after the date of death will be paid to the Beneficiary of the Retired Member.

9.17 If the Beneficiary entitled to a payment pursuant to section 9.15 or 9.16 is an estate, the commuted value determined on the basis of the Actuarial Factors of any guaranteed payments falling due after the date of death of the Retired Member or Joint Annuitant, as the case may be,

shall be paid to the estate in a single payment in final settlement of the rights of such Member or Joint Annuitant under the Plan.

#### DIVISION OF RETIREMENT ANNUITIES BETWEEN ELIGIBLE FORMER SPOUSE AND RETIRED MEMBER

9.18 An Eligible Former Spouse of a Retired Member who is receiving payments from a Retirement Annuity is, upon application in Approved Form and upon receipt by the Pension Fund of an administrative fee in the amount determined by the Trustees and permitted by Applicable Legislation for such purpose, entitled to the rights prescribed by Applicable Legislation for a "limited member" and to payment of a proportionate share of the Retired Member's Retirement Annuity in accordance with the court order or decree or separation agreement, as the case may be. Sections 9.21 [Small Benefit], 9.22 [Alternate Small Benefit] shall apply to any proportionate share so payable to an Eligible Former Spouse. The Member's Retirement Annuity payments shall be reduced in accordance with Applicable Legislation and the pension paid to such Eligible Former Spouse shall be in complete satisfaction of such Retired Member's rights under the Plan in respect of the pension so paid and in complete satisfaction of the rights of the Eligible Former Spouse against the Trustees.

#### ANNUITY PURCHASED FROM ANNUITY COMPANY

9.19 If the Benefit is to be paid to a Member by way of one or more life annuity purchases from an Annuity Company, the sum of the balance in the Member's Employer Contribution Accounts and Employee Contribution Accounts together with, if applicable and if selected by the Member, the Voluntary Contribution Account and Locked-in Transfer Contribution Account, will be applied to purchase one or more life annuities from an Annuity Company selected solely at the discretion of the electing Member. The payments under each such life annuity shall be payable monthly. The amounts of such payments will be determined by the Annuity Company based on the form of pension selected by such Member which form of pension shall be in accordance with Applicable Legislation.

#### RRIF-TYPE PAYMENTS OR LIF-TYPE PAYMENTS FROM THE PENSION FUND

9.20 If the Benefit is to be paid to a Member as RRIF-Type Payments or LIF-Type Payments, the Member's Contribution Accounts in respect of which such payments are being made shall remain in the Money Purchase Account of the Pension Fund and be invested by the Member in the same manner as prior to the Member's Benefit Commencement Date. Thereafter, payments shall be made from such Member's Contribution Accounts in such amounts as are required by the Income Tax Act and Applicable Legislation. A Retired Member in receipt of RRIF-Type Payments or LIF-Type Payments may at any time elect to apply the then remaining balances in the Member's Contribution Accounts to a payment or transfer in accordance with section 9.04, if the Retired Member is under age 55, or section 9.06, if the Retired Member has attained age 55. If the Retired Member elects a Retirement Annuity, sections 9.08 through 9.15 shall apply, making such adjustments to those provisions as are necessary to give effect to such an election. If a Retired Member in receipt of RRIF-Type Payments or LIF-Type Payments dies before his or her Contribution Accounts are exhausted, the balances then in the Member's Contribution Accounts shall be paid to his or her Beneficiary. Section 11.01 applies to the division on

marriage breakdown of the Contribution Accounts of a Member in receipt of RRIF-Type Payments or LIF-Type Payments.

#### EXCEPTIONS TO LOCKING-IN OF BENEFITS - SMALL BENEFIT

9.21 If the sum of the balances in an electing Member's Employee Contribution Accounts and Employer Contribution Accounts is less than the 20% of the YMPE in the year in which the Member dies, undergoes a Termination of Appointment or becomes an electing Member, whichever occurs first (the "**testing date**"), the Benefit must be paid:

- (a) in a lump sum subject to withholding of tax;
- (b) by direct transfer of monies to a registered pension plan or RRSP selected in Approved Form by the Member; or
- (c) to one or more life annuities purchased from an Annuity Company,

in accordance with an election made in Approved Form by the electing Member. In the absence of such election, the payment will be in a lump sum.

9.22 If an electing Member has attained 65 years of age and the sum of the balances in the Member's Employee Contribution Accounts, Employer Contribution Accounts, Locked-in Transfer Contribution Account and other Locked-In Arrangements is less than 40% of the YMPE for the calendar year in which the testing date occurs, the Member may elect in Approved Form to have the Benefit paid in a lump sum subject to withholding of tax.

#### NON-RESIDENT

9.23 Despite sections 9.04 and 9.06, if an electing Member who is not employed by the University or a Participating Employer:

- (a) has been absent from Canada for two or more years, and
- (b) has become a non-resident of Canada as determined for the purposes of the Income Tax Act,

the sum of the balances in the Member's Employee Contribution Account and Employer Contribution Account and, if applicable and if selected by the Member, Voluntary Contribution Account and Locked-in Transfer Contribution Account will be paid:

- (c) in a lump sum;
- (d) by direct transfer of monies to a registered pension plan or RRSP selected in Approved Form by the Member; or
- (e) as a direct transfer to purchase one or more life annuities from an Annuity Company

in accordance with an election made in Approved Form by the Member.

9.24 Any election that may be made by a Member pursuant to sections 9.21, 9.22 or 9.23 may be made by the surviving Spouse of any Member that is deceased.

#### TIMING OF PAYMENT OF BENEFITS

9.25 Retirement Annuities will commence or be paid within 30 days after the Benefit Commencement Date.

### **ARTICLE 10 - DEATH BENEFITS**

#### DEATH PRIOR TO BENEFIT COMMENCEMENT

10.01 On the death of a Member prior to such Member's Benefit Commencement Date:

- (a) the Member's Spouse; or
- (b) if the Member did not have at the Member's date of death a Spouse, or the Member's Spouse has filed a Spousal Waiver, the Member's Beneficiary,

shall be entitled to a benefit funded out of the total balance credited to the deceased Member's Contribution Accounts, payable in the manner provided in the Plan, in complete satisfaction of the Member's rights under the Plan.

#### PROOF OF DEATH

10.02 Before the death benefits are paid pursuant to section 10.01, an application for benefits in Approved Form together with proof of death and designation of Beneficiary, must be filed with the Plan Recordkeeper.

#### ELECTIONS ON DEATH PRIOR TO BENEFIT COMMENCEMENT

10.03 If, on the date of death the Member

- (a) had a Spouse, the benefit payable pursuant to section 10.01 shall be paid to such Spouse. The Spouse must select by filing an election in Approved Form that, subject to any holdback or other restriction required by Applicable Legislation, the benefit:
  - (i) if the deceased Member had not attained age 55, be paid or transferred in accordance with section 9.04 based on the deceased Member's Years of Continuous Plan Membership;
  - (ii) if the deceased Member had attained age 55, be paid or transferred in accordance with section 9.06 based on the deceased Member's Years of Continuous Plan Membership; or



- (iii) left in the Plan in the name of the Spouse and continued to be administered according to the terms of the Plan.

Such election shall be made by the Spouse as soon as is practical after the death of the Member and after receipt of the benefit statement required by Applicable Legislation;

- (b) had no Spouse but the Beneficiary is the deceased Member's child or grandchild and is under 18 years of age, the guardian of such Beneficiary may select in Approved Form, filed with the Plan Recordkeeper as soon as is practical after the death of the Member and after receipt of the benefit statement required by Applicable Legislation, that the benefit payable pursuant to section 10.01 be paid as a lump sum, subject to any holdback or other restriction required by Applicable Legislation; or
- (c) had no Spouse and no Beneficiary who qualifies under the conditions in paragraph (b), upon application filed with the Plan Recordkeeper in Approved Form as soon as is practical after the death of the Member, and after receipt of the benefit statement required by Applicable Legislation, the benefit payable pursuant to section 10.01 will be paid as a lump sum to the Beneficiary, subject to any holdback or other restriction required by Applicable Legislation,

provided that if no election is filed within three years after the date of death of the Member, the applicable election under paragraph (a) may be selected by the Trustees.

#### PAYMENT OF DEATH BENEFITS

10.04 Benefits under Article 10 will commence or be paid, as the case may be, not more than 60 days after the later of the date on which the relevant election is filed with the Plan Recordkeeper.

### ARTICLE 11 - OTHER BENEFITS

#### DIVISION OF CONTRIBUTION ACCOUNTS ON MARRIAGE BREAKDOWN

11.01 If a Member or Eligible Former Spouse files with the Plan Recordkeeper in Approved Form,

- (a) a copy of a court order or separation agreement which divides some, or all, of such Member's Contribution Accounts into two parts, one for such Member and one for the Eligible Former Spouse and specifies the percentage or percentages of such Member's Contribution Account balances or the dollar amount to be apportioned to such Eligible Former Spouse; and
- (b) to the extent that the Member's Contribution Accounts are,

- (i) Locked-in, the name and address of the issuer of the Locked-in Arrangement and such other details as are required in order to effect a transfer of the Locked-in Arrangement selected by, and
- (ii) not Locked-in, the
  - (A) name and address of the RRSP issuer and account number of the RRSP in the name of, or
  - (B) name and address of the registered pension plan of,
 the Eligible Former Spouse to which the share of such Member's Contribution Accounts is to be transferred,

the Plan Recordkeeper will divide such Contribution Accounts in such manner and transfer the specified share of such Eligible Former Spouse to the designated RRSP or registered pension plan, and the Member's account balances in such Contribution Accounts shall be correspondingly reduced. Any such election is to be made in accordance with the applicable selections set out in the tables incorporated in section 9.04. The amounts so paid shall be in complete satisfaction of the rights of the Member and the Eligible Former Spouse under the Plan in respect of the amount withdrawn and the rights of the Eligible Former Spouse against the Trustees.

#### WITHDRAWAL FROM VOLUNTARY ACCOUNTS

##### 11.02 Each Member

- (a) shall, on his or her Benefit Commencement Date, withdraw all, and
- (b) may, upon election in Approved Form, on any prior date withdraw all or any part,

of such Member's Voluntary Contribution Account or Locked-in Transfer Contribution Account, if any, in complete satisfaction of the Member's rights under the Plan in respect of the amount so withdrawn, and the Member's account balance in such Voluntary Contribution Account or Locked-in Transfer Contribution Account will be reduced accordingly.

#### ELECTION ON WITHDRAWAL FROM VOLUNTARY ACCOUNTS

##### 11.03 A Member with a positive Account balance in:

- (a) a Locked-in Transfer Contribution Account may elect in Approved Form that the withdrawal pursuant to section 11.02 be paid:
  - (i) paid by direct transfer of monies to a Locked-in Arrangement,
  - (ii) if the Member has attained age 55, to provide LIF-Type Payments from the Pension Fund, or
  - (iii) if the withdrawal is made on the Benefit Commencement Date, to purchase additional pension under section 9.06(a) or 9.06(b); and

- (b) a Voluntary Contribution Account may elect in Approved Form that the withdrawal pursuant to section 11.02 be paid:
  - (i) in accordance with section 9.04, or
  - (ii) if the withdrawal is made on the Benefit Commencement Date, to purchase additional pension under section 9.06(a) or 9.06(b).

#### WITHDRAWAL FROM CONTRIBUTION ACCOUNTS FOR SHORTENED LIFE EXPECTANCY

11.04 A Member who continues to be an employee of an Employer and has not elected a Benefit Commencement Date may be paid an amount in cash or as a non-locked-in transfer to an RRSP or a registered retirement income fund from the Pension Fund in accordance with Applicable Legislation provided all of the following conditions are met at the time the payment is made:

- (a) the Member is in receipt of benefits from an Income Replacement Plan,
- (b) the Member has made application in writing in Approved Form and such application includes a certification by a medical practitioner that the Member has an illness or disability that is terminal or is likely to considerably shorten the Member's life expectancy, and
- (c) if the Member has a Spouse, a Spousal Waiver has been filed with the Plan Recordkeeper.

The Member may elect to withdraw all or a portion of the Member's Contribution Accounts. The total balance credited to the locked-in portion of the Member's Contribution Accounts will be reduced proportionately by the amount of any payment made in accordance with this section 11.04.

#### HARDSHIP WITHDRAWAL FROM PRE-1993 CONTRIBUTION ACCOUNTS

11.05 A Member who continues to be an employee of an Employer and has not elected a Benefit Commencement Date may be paid an amount in cash or as a not-locked-in transfer to an RRSP or a registered retirement income fund from the Pension Fund in accordance with Applicable Legislation and the decision of the Trustees provided that all of the following conditions are met at the time the payment is made:

- (a) the sum of any amount paid under sections 11.04 and 11.05 divided by the total balance credited to the Member's Contribution Accounts at the time of the relevant payment does not exceed 50%,
- (b) the amount paid does not exceed 100% of the total balance credited to the Member's Pre-1993 Employee Contribution Account and Pre-1993 Employer Contribution Account,

- (c) the Member is in receipt of benefits from an Income Replacement Plan,
- (d) the Member has made application in writing in Approved Form and such application includes a certification by the Member that the Member is disabled, is not working in any capacity and is experiencing financial hardship and the Member has provided medical evidence of the Member's disability, and
- (e) the payment is approved by the Trustees.

The Trustees may approve a payment amount equal to all or a portion of the amount requested by the Member. The total balance credited to the Member's Pre-1993 Contribution Accounts will be reduced by the amount of any payment made in accordance with this section 11.05.

### PAYMENT OF BENEFITS

11.06 Benefits under Article 11 will commence or be paid, as the case may be, not more than 60 days after the later of the date on which the relevant election is filed with the Plan Recordkeeper.

## ARTICLE 12 - RIGHTS OF MEMBERS

### RIGHT TO GENERAL INFORMATION

12.01 Each:

- (a) Member of the Plan is entitled,
  - (i) to receive a written explanation of the terms and conditions of the Plan and all amendments thereto together with an explanation of the Member's rights and duties with respect to benefits available under the Plan;
  - (ii) to receive an annual statement, in a form prescribed by the Trustees;
  - (iii) to obtain a copy of the Plan text upon request in Approved Form, and
  - (iv) to obtain such information as is prescribed by Applicable Legislation;
- (b) person authorized by Applicable Legislation, is entitled upon request in Approved Form, to examine the documents prescribed by Applicable Legislation as available for inspection by such person;
- (c) Eligible Former Spouse is entitled to such statements, information and documents as are prescribed by Applicable Legislation; and
- (d) Spouse of a deceased Member who elects in Approved Form to allow the benefits attributed to them under section 10.01 to remain under the administration of the Plan or who is in receipt of a Benefit is entitled to all of the information that was previously available to the Member under the Plan.

### RIGHT TO SPECIFIC INFORMATION

12.02 On request in Approved Form, a Member will be furnished with information regarding the Member's status, rights and privileges under the Plan.

### RESTRICTION ON COMMUTATION

12.03 Except as specifically provided in the Plan, no Benefit or life annuity payable under the Plan to a Member, Eligible Former Spouse or Joint Annuitant may be commuted during the lifetime of such person, and no other person shall have any right or interest therein that is capable of being commuted during the lifetime of such person.

### RESTRICTION ON ASSIGNMENT

12.04 No benefit payable pursuant to the Plan shall be assigned, transferred, sold, alienated, anticipated, given as security charged or otherwise encumbered or surrendered and any attempt to assign, transfer, sell, alienate, anticipate, give as security, charge or otherwise encumber or surrender such benefit shall be void; nor shall such benefit be liable to execution, seizure or attachment by or otherwise be subject to the debts, claims and liabilities of any person entitled to any benefit hereunder or the creditors of any of them except that, for the purposes of this section:

- (a) assignment does not include an assignment made pursuant to a decree, order or judgment of a competent court or tribunal or a written agreement, in settlement of rights arising as a consequence of a breakdown of the relationship between the Member and the Member's Eligible Former Spouse; and
- (b) surrender does not include a reduction in benefits, if required, to avoid the revocation of the Plan's registration under the Income Tax Act.

### RESTRICTION ON WITHDRAWAL

12.05 A Member, Joint Annuitant or Beneficiary, as the case may be, may not withdraw any portion of the Member's Employee Contribution Account or Employer Contribution Account except as specifically provided in Articles 9, 10 and 11 hereof.

### TERMINATION OF RIGHTS AND DISCHARGE OF TRUSTEES

12.06 For all purposes,

- (a) the payment of
  - (i) the total balance of all Contribution Accounts of a Member out of the Pension Fund pursuant to Article 9, 10 and 11, other than to obtain a Retirement Annuity; or
  - (ii) the last annuity payment in respect of a Member, in the case of a Retirement Annuity,

shall constitute a final and binding discharge of the Trustees of all obligations owed by the Plan in respect of such Member;

- (b) from the earlier of the date of death of the Member and the date of such payment, if applicable, the Member shall cease to be a Member of the Plan; and
- (c) as and from the date of such payment, no person shall have any right or claim of any kind whatsoever against the Plan in respect of such Member.

### **ARTICLE 13 - ADMINISTRATION**

#### **TRUSTEES' OBLIGATIONS**

13.01 The Trustees will:

- (a) appoint, and may from time to time change the appointment of, a "Secretary" to the Trustees who may be, but does not have to be, a Trustee, a Member or an Employee;
- (b) appoint a Plan Administrator to administer the Plan in accordance with the instructions given by the Trustees from time to time;
- (c) arrange for an independent audit of the assets of the Plan to be conducted at least annually;
- (d) review the administration of the Plan at least annually;
- (e) review the investment performance of the Plan at least semi-annually; and
- (f) establish and maintain, or cause to be established and maintained, a record for each Member and for each Member's accounts so long as any balance remains therein.

#### **TRUSTEES' POWERS**

13.02 The Trustees may, from time to time, in a manner consistent with the terms hereof and of the Trust Agreement:

- (a) interpret any provisions of the Plan;
- (b) make such further determinations and provide such further instructions to the Plan Administrator as are reasonably required for the proper administration of the Plan;
- (c) adopt from time to time, standards for determining amounts of Retirement Annuity, optional form pensions, commuted values of life annuities and performing other calculations of a similar nature, provided that:

- (i) if such amounts are based on any assumption, include such assumptions as are reasonable and in compliance with Applicable Legislation, and
- (ii) if actuarial principles are applicable to such calculations, be in accordance with generally accepted actuarial principles;
- (d) subject to section 3.08, establish such investment and other policies as are reasonably necessary for the proper administration of the Pension Fund;
- (e) appoint such professional advisors, employees or agents as they consider appropriate for the efficient and responsible administration of the Plan and investment of the Pension Fund;
- (f) if appropriate,
  - (i) defend any lawsuits against the Trustees, or any of them, or any other person, or
  - (ii) compromise or settle any lawsuits, or other legal proceedings, commenced by or against the Plan;
- (g) obtain such insurance as they deem advisable to
  - (i) insure the Pension Fund from all or any insurable losses, and
  - (ii) insure the Trustees, and each of them, against any claims made against them, or any of them, acting in their capacities as Trustees or Trustee, as the case may be; and
- (h) take such further steps and establish such further procedures as they deem appropriate to ensure proper administration of the Plan and to govern their function.

#### POWER TO CORRECT ADMINISTRATIVE ERROR

13.03 In the event of any administrative error, the Trustees may take such steps as they consider necessary and appropriate, and which are consistent with the intent of the Plan to permit a reasonable resolution of the error.

#### TRUSTEES' DISCRETION TO EXTEND DEADLINES

13.04 Except where a date is prescribed by Applicable Legislation, the Trustees may in their sole discretion, extend any deadline for filing or any other time period prescribed by the Plan where failure to comply was inadvertent, or strict enforcement of such deadline or filing would cause undue hardship to a Member, Beneficiary, Joint Annuitant or Spouse.

### TRUSTEES' DISCRETION TO PAY INSTALMENT

13.05 Except where prevented by Applicable Legislation the Trustees may, in their sole discretion, pay from time to time, any payment required to be made pursuant to the Plan in instalments, provided that payment in full shall be made no later than on the date provided by the Plan or Applicable Legislation.

### EMPLOYER'S OBLIGATIONS

13.06 An Employer shall provide the Trustees with such information contained in its records with respect to its employees as is necessary to enable the Trustees to carry out the provisions and intent of the Plan and the Trust Agreement, including, but not limited to:

- (a) employee eligibility for membership in the Plan;
- (b) the existence of any election by an Active Member pursuant to section 4.04, 4.07, or 4.08, or paragraph 4.05(b), 4.06(b), or 4.09(b) which is filed with the Employer;
- (c) the existence of Approved Leave of Absence, Study Leave or Income Replacement Period;
- (d) any election made pursuant to paragraph 5.04(a) and filed with the Employer and any election made pursuant to paragraph 5.04(b);
- (e) any election made pursuant to paragraph 5.05(a) and filed with the Employer and any election made pursuant to subparagraph 5.05(b)(ii);
- (f) cessation of employment by any Active Member;
- (g) particulars relating to Salary and Contributions,

which information shall be conclusive and binding on the Members and which may be relied upon conclusively by the Trustees.

### RESOLUTION OF DISPUTE

13.07 To the extent that conclusive determination of the issue is not otherwise provided in the Plan, if a dispute arises in respect of any issue for which a final dispute resolution mechanism is required by Applicable Legislation, such dispute will be submitted for a binding and conclusive decision by a three person arbitration board appointed pursuant to the Commercial Arbitration Act. The decision of the Arbitration Board must not be inconsistent with the provisions of the Plan and must be consistent with legal interpretation of and judicial precedent pertaining to the matters in dispute.



## SUB-DIVISION OF ELECTIONS

13.08 Any election by a Member, Joint Annuitant or Beneficiary under Article 7, 8, 9, 10 or 11 may be made by such person as a single election or a series of two or more partial elections provided, however, that:

- (a) the aggregate effect of such partial elections whether expressed in terms of value or percentage or any other variable shall not exceed the effect of the single election; and
- (b) any applicable default provision attached to the election shall apply to any portion of the election for which a filing in Approved Form is not made within the specified time.

## EVIDENCE REQUIREMENTS FOR BENEFIT PAYMENTS

13.09 The payment of any benefit out of the Pension Fund is subject to the Plan Recordkeeper receiving proof, in accordance with guidelines established by the Trustees from time to time of such of the following as are applicable to the application or claim:

- (a) the date of birth of the Member, Spouse or Joint Annuitant;
- (b) the designation of the Beneficiary or Joint Annuitant;
- (c) the continued existence of the Retired Member, Spouse, Joint Annuitant or Beneficiary;
- (d) the entitlement of any Spouse or Eligible Former Spouse; or
- (e) such other proof to substantiate any claim that the Trustees may reasonably require.

## ARTICLE 14 - AMENDMENT AND TERMINATION OF THE PLAN

### RIGHT TO AMEND PLAN

14.01 Subject to sections 14.02, 14.04, and 14.05, the Trustees may at any time and from time to time:

- (a) amend, modify or supplement the Plan in whole or in part;
- (b) merge all or part of the Plan and Pension Fund with compatible plans and trusts of other employers or employee groups; or
- (c) divide the Plan and/or the Pension Fund into two or more separate pension or similar plans and related funds.

### RESTRICTIONS ON AMENDMENT

14.02 Amendment or modification, supplementation, merger or division of all or any part of the Plan is subject to the agreement of the University.

### MEMBER'S RIGHT TO SUGGEST AMENDMENTS

14.03 The Members may, by affirmative resolution at a properly convened meeting of Members, make suggestions to the Trustees for the supplementation, modification or amendment of the Plan and the Trustees shall, within reasonable time, report to the Members their decision in respect to such resolution.

### PROHIBITION ON REVERSION OF ASSETS TO UNIVERSITY

14.04 No amendment, modification, supplementation, merger or division of the Plan shall permit any part of the assets of the Pension Fund to

- (a) revert to or be recoverable by an Employer; or
- (b) be used or diverted to purposes or payments other than those specified in section 3.07.

### RESTRICTIONS ON ALTERING REQUIRED EMPLOYEE CONTRIBUTIONS

14.05 No amendment or modification of the Plan shall be made that has the effect of increasing or decreasing the Required Employee Contributions without the consent of the University and the approval of the Active Members, and those Members who are prevented from making Required Employee Contributions solely as a result of section 5.12, obtained in the manner set out in section 14.06 hereof.

### APPROVAL OF ACTIVE MEMBERS

14.06 In order to obtain the approval of the Active Members and those Members who are prevented from making Required Employee Contributions solely as a result of section 5.12 as required by section 14.05 hereof, the Trustees shall:

- (a) mail a notice to such Members, at their respective addresses indicated in the Plan records, which notice;
  - (i) sets out the proposed amendments or modifications to the Plan, and
  - (ii) is sent at least 30 days prior to the date by which the enclosed ballot must be returned; and
- (b) receive an affirmative vote of a majority of such Members who return the ballot.

## IMPLEMENTATION POWERS

14.07 In connection with the implementation of any amendment, modification, supplementation, merger or division authorized by this Article, the University and the Trustees may:

- (a) enter into such agreements between themselves and with third parties;
- (b) make such revisions to the Plan;
- (c) execute such transfers; and
- (d) generally take such steps and execute such documents,

as they consider necessary or advisable for the purpose of such amendment, modification, supplementation, merger or division.

## AMENDMENT NOT CONSTRUED AS TERMINATION

14.08 No amendment, modification, supplementation, merger or division pursuant to this Article shall constitute termination of the Plan pursuant to this Article or give any person any right to a payment of any benefit under or pursuant to the Plan except as expressly provided in the instrument effecting such amendment, modification, supplementation, merger or division.

## TERMINATION OF THE PLAN

14.09 The University may, after obtaining approval of the Members in the manner set out in section 14.10 hereof.

- (a) terminate the Plan and the Trust Agreement, or
- (b) terminate any part of the Plan in the manner described in the notice prescribed by section 14.10 hereof,

to take effect upon written notification thereof being given by the University to the Trustees.

## APPROVAL OF MEMBERS

14.10 In order to obtain the approval of the Members required by section 14.09 hereof, the Trustees shall:

- (a) mail at least 30 days prior to the date by which the enclosed ballot must be returned, a notice, setting out the provisions of the proposed termination, together with a ballot, to all Members at their respective addresses indicated in the Plan records; and
- (b) receive an affirmative vote of a majority of the Members who return the ballot.

## DISTRIBUTION ON TERMINATION

14.11 In event of termination of the Plan:

- (a) each Active and Inactive Member shall be entitled to a benefit funded out of the total balance credited to the Member's Contribution Accounts;
- (b) each Retired Member, Joint Annuitant, Eligible Former Spouse and Beneficiary, as the case may be, entitled to a benefit or pension hereunder, shall be paid such benefit or pension in accordance with the applicable provisions of the Plan;
- (c) the payments pursuant to paragraphs (a) and (b) will be in complete satisfaction of the recipient's rights under the Plan;
- (d) the form, timing and manner of payment of the benefits pursuant to paragraphs (a) and (b) will be determined by the Trustees;
- (e) no part of the assets of the Pension Fund shall revert to or be recoverable by an Employer or be used or diverted to purposes other than those specified in section 3.07;
- (f) if any Employer continues or intends to continue in operation, such expenses that are incurred to wind up the Plan, and required by Applicable Legislation to be paid by an employer, shall be paid by the Participating Employers in such a manner which the Trustees consider, in their sole discretion, to be equitable and reasonable.

## WITHDRAWAL OF A PARTICIPATING EMPLOYER

14.12 If a Participating Employer should withdraw from participation in the Plan, from the date of such withdrawal, the Participating Employer shall not be required to make any further Regular Employer Contributions in respect of any Active Member, and not be under any further liability with respect to the Plan.

## ARTICLE 15 - RECIPROCAL AGREEMENTS

### RECIPROCAL AGREEMENTS

15.01 The Trustees, with the consent of the University, or the University, with the consent of the Trustees, may enter into reciprocal agreements with other employers and/or other pension plans under such terms and conditions as may be negotiated and which are in compliance with Applicable Legislation.

## SCHEDULE "A"

### THE UNIVERSITY OF BRITISH COLUMBIA FACULTY PENSION PLAN

#### Participation Agreement

**TO:** The University of British Columbia

**AND TO:** The Board of Trustees of the University of British Columbia Faculty Pension Plan (the "Trustees")

**FROM:** \_\_\_\_\_ (the "Applicant")  
Name of Employer

\_\_\_\_\_  
Address

\_\_\_\_\_  
Contact Name and Phone Number

The Applicant acknowledges receipt of a copy of:

- the University of British Columbia Faculty Pension Plan Amendment Trust Agreement (the "**Agreement**") which establishes the University of British Columbia Faculty Pension Plan Pension Fund (the "**Pension Fund**"); and
- the text of the University of British Columbia Faculty Pension Plan (the "**Plan Text**").

Capitalised terms used in this Participation Agreement and not defined herein have the meanings ascribed to them in the Plan Text.

In consideration of the Applicant's application to be a "Participating Employer" in the University of British Columbia Faculty Pension Plan being accepted by the University and the Trustees, the Applicant hereby agrees with the University and the Trustees as follows:

1. The Applicant is bound by all of the rights, duties, responsibilities and obligations conferred or imposed upon a Participating Employer by the Agreement, the Plan Text, and the respective amendments thereto, including, without limitation, the obligation to make contributions to the Pension Fund on behalf of itself and its employees in accordance with the Plan Text.
2. All contributions and any other amounts owing by the Applicant pursuant to the Agreement, the Plan Text or this Participation Agreement not paid when due shall bear interest at an effective annual rate specified by the Trustees from such due date to the date of payment. Interest shall be calculated and compounded as of the last day of each month and shall be payable by the Applicant on demand.
3. The Applicant will reimburse the Trustees on a full indemnity basis for, and indemnify the Trustees against, all legal, audit and other costs actually incurred by the Trustees (including, without limitation, legal fees on a solicitor and his or her own client basis) in collecting unpaid contributions and other amounts owing by the Applicant, and the amounts the Applicant owes the

Trustees in this regard shall bear interest as described in the preceding paragraph from the date the Trustees incur such expenses or fees until the date the Applicant reimburses the Trustees.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Full name of Applicant

By: \_\_\_\_\_  
Authorized Signatory

*Do not write below this line – for Trustees' and University's use only*

**APPROVED AND ACCEPTED** by the Trustees for participation as a Participating Employer in the University of British Columbia Faculty Pension Plan as of the date noted below.

**THE BOARD OF TRUSTEES OF THE UNIVERSITY OF BRITISH COLUMBIA FACULTY PENSION PLAN**

Per: \_\_\_\_\_  
Authorized Signatory

Per: \_\_\_\_\_  
Authorized Signatory

**APPROVED AND ACCEPTED** by the University for participation as a Participating Employer in the University of British Columbia Faculty Pension Plan as of the date noted below.

**THE UNIVERSITY OF BRITISH COLUMBIA**

Per: \_\_\_\_\_  
Authorized Signatory

Effective Date of Participation: \_\_\_\_\_