

University of Northern British Columbia Pension Plan

as restated

November 1, 2001

UNIVERSITY OF NORTHERN BRITISH COLUMBIA

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INTRODUCTION

The primary purpose of the Plan is to assist and encourage individuals to plan and save for retirement. The Plan, which became effective January 1, 1991, was restated on November 1, 2001 to continue to qualify under the Income Tax Rules and under the British Columbia Pension Benefits Standards Act, with an effective date of November 1, 2001. The Plan was approved on May 31, 2003, with effect back to November 1, 2001, as part of a formal review of the Plan conducted by the Pension Board of Trustees. The terms of the Plan as they read prior to November 1, 2001 apply to Members who terminated employment prior to November 1, 2001.

The Plan is a defined contribution or money purchase type plan. Contributions made by or on behalf of individual Members of the Plan are accumulated in accounts maintained in respect of each Member. There are a number of investment options under the Funding Agreement for the investment of a Member's account balances. All benefits under the Plan are determined by reference to the accumulated contributions in respect of each Member.

SECTION 1 - DEFINITIONS

The following words and phrases, as used in this document, shall have the meaning specified below, unless a different meaning is plainly required by the context.

- 1.01 “Act” means the British Columbia Pension Benefits Standards Act (the “Act”) and the Regulations thereunder and any future legislation amending, supplementing, superceding or incorporating it.
- 1.02 “Board of Governors” means the Board of Governors of the University of Northern British Columbia or the Interim Governing Council of the University of Northern British Columbia as defined in the University of Northern British Columbia Act.
- 1.03 “Casual Work” means for CUPE Members: work performed by a CUPE Member employed to work on an on-call, as needed-basis in a single assignment not to exceed two months in duration unless mutually agreed to by the University and the Union. For Exempt Members: work performed by an Exempt Member employed on a full or part-time basis in a non-continuing exempt position, where the exempt position does not exceed two months.
- 1.04 “CUPE Member” means an Employee represented by CUPE Local 3799.
- 1.05 “Earnings” means the compensation payable to an Employee, including additional duties pay, acting pay, shift premiums, retroactive salary adjustments, vacation payouts, market differentials, and stipends if any, but excluding any compensation for overtime pay, bonuses, car allowances, housing allowances, severance, retiring allowances, Casual Work or Part Time Instructor Work and retirement supplement.

For the purposes of determining the pension adjustment of any Member for whom contributions continue during pregnancy or parental leave, a period of disability, or any other leave of absence approved by the University Pension Board of Trustees, a “prescribed amount” as defined under Regulation 8507 of the Income Tax Rules will be included in Earnings. Such “prescribed amount” will be equal to the Earnings being paid to the Member at the commencement of the period of absence or disability and upon which such contributions are being based.

It is specially provided, however, that contributions by and in respect of a Member who is a “connected person” as defined in the Income Tax Rules thereunder may not be continued during an “eligible period of temporary absence”.

- 1.06 “Effective Date” means the effective date of the Plan which is January 1, 1991.
- 1.07 “Employee” means any person who is employed by the University as described in Section 2.
- 1.08 “Employee Account” means that account maintained for the Member to which shall be credited the member’s required contributions and investment earnings thereon.

- 1.09 “Employer Account” means that account maintained for the Member to which shall be credited the University contributions made on behalf of the Member, and investment earnings thereon.
- 1.10 “Exempt Member” means an Employee represented by the Exempt Employee Group.
- 1.11 “Faculty Agreement” means the employment agreement between the Board of Governors, University of Northern British Columbia and the University of Northern British Columbia Faculty Association.
- 1.12 “Former Member” means a Member who has terminated membership in the Plan and who retains an entitlement to receive a benefit under the Plan.
- 1.13 “Fund Holder” means the trust company or insurance company appointed by the Board of Governors/University pursuant to a Funding Agreement for the purpose of holding the Employee Account, Employer Account and Voluntary Contribution Account.
- 1.14 “Funding Agreement” means the group annuity contract with the Fund Holder.
- 1.15 “Income Tax Rules” means the provisions of the Income Tax Act of Canada and the Regulations thereunder.
- 1.16 “Member” means an Employee who enrolled in the Plan and whose membership in the Plan has not been terminated.
- 1.17 “Part Time Instructor Work” means work performed by a person employed on a part-time Term basis who is hired to teach a specific course on a semester by semester basis.
- 1.18 “Pensioner” means a Former Member for whom payment of a pension under the Plan has commenced.
- 1.19 “Pension Board of Trustees” means the Pension Board of Trustees charged with the general administration and trusteeship of this Plan, as appointed by the University.
- 1.20 “Plan” means the University of Northern British Columbia Pension Plan as amended from time to time.
- 1.21 “Plan Administrator” means the University.
- 1.22 “Plan Year” means the calendar year.
- 1.23 “Protocol Agreement” means the agreement between the University and external entities with affiliated employer relationships.
- 1.24 “Spouse” means:
- (a) the person who, at the relevant time, was married to the Member or Former Member and who, if living separate and apart from the Member or Former Member at the relevant time, had not lived separate and apart from the Member or

Former Member for longer than the 2-year period immediately preceding the relevant time, or,

- (b) if paragraph (a) does not apply, the person who, at the relevant time, was living and cohabiting with the Member or Former Member in a marriage-like relationship, including a marriage-like relationship between the person and a Member or Former Member of the same gender, and who had been living and cohabiting in that relationship for a period of at least 2 years immediately preceding the relevant time.

For the purposes of paragraph (a) above, “living separate and apart” means living separate and apart as described in the Act.

- 1.25 “Superintendent” means the Superintendent of Pensions designated under Section 2 of the Act.
- 1.26 “Term” means a pre-determined fixed period of employment.
- 1.27 “Total Disability” has the meaning described in Section 7.
- 1.28 “University” means the University of Northern British Columbia or the Board of Governors thereof, as the context requires.
- 1.29 “Vesting Date” means the date on which a Member has been a member of the Plan for a continuous period of 2 years.
- 1.30 “Voluntary Contribution Account” means that account for each Member who is making or has made additional voluntary contributions, to which shall be credited such additional voluntary contributions and investment earnings thereon.
- 1.31 “Years of Continuous Employment” means years of employment with the University for a continuous period of time including, unless an actual cessation of employment has occurred, any period not longer than 26 consecutive weeks during which the Employee, who immediately before the start of the period was employed by the University, is not doing work or providing a service for the University for remuneration and after the expiry of which is again in the employment of the University.
- 1.32 “YMPE” means the Year’s Maximum Pensionable Earnings as defined in the Canada Pension Plan.

Words importing the masculine include the feminine and words importing the singular include the plural, or vice versa, as the context requires.

SECTION 2 - EMPLOYEES, ELIGIBILITY AND MEMBERSHIP

EMPLOYEES

- 2.01 “Faculty Employee” means a person who is employed as a lecturer, assistant professor, associate professor, professor, librarian or senior laboratory instructor in a regular, continuing or permanent assignment, tenure track or tenured position.
- 2.02 “Regular Employee” means:
- (a) CUPE Regular Full-Time Employee – a CUPE Member who is an Employee occupying a permanent position whose work week averages at least thirty-five hours (excluding overtime).
 - (b) CUPE Regular Part-Time Employee – a CUPE Member who is an Employee occupying a permanent position whose work week averages less than thirty-five hours (excluding overtime).
 - (c) Director –an Employee who is covered by the directors’ handbook who is employed in a continuing position on a full-time basis.
 - (d) Exempt Regular Full-Time Employee – an Exempt Member employed in a continuing position on a full-time basis.
 - (e) Exempt Regular Part-Time Employee – an Exempt Member employed in a continuing position on a part-time basis.
 - (f) Senior University Administration – the president, vice presidents and senior university administration who are not part of the CUPE, director, exempt or faculty groups.
- 2.03 “Seasonal Employee” means a CUPE Member who is an Employee hired on a full-time or part-time basis for a Term greater than 2 months and less than or equal to 10 months.
- 2.04 “Term Employee” means
- (a) CUPE Term Employee: a CUPE Member who is an Employee hired on a full-time or part-time basis for a Term greater than two months and less than or equal to twelve months.
 - (b) Exempt Full-Time Term Employee: an Exempt Member employed on a full-time basis in a non-continuing exempt position, where the Term exceeds two months.
 - (c) Exempt Part-Time Term Employee: an Exempt Member employed on a part-time basis in a non-continuing exempt position, where the Term exceeds two months.
 - (d) Faculty Term Employee means a Term appointment of one of six types:

- (i) Regular – full time appointments for limited Terms at the rank of lecturer, assistant professor, associate professor or professor.
- (ii) Visiting – full time appointments for limited Terms for scholars who hold continuing appointments elsewhere or who are retired and who hold the rank of lecturer, assistant professor, associate professor or professor.
- (iii) Instructor – full time Term appointments.
- (iv) Part-time Instructors –part-time Term appointments hired to teach a specific course on a semester by semester basis.
- (v) Term Librarians – hired for a limited Term for a period of up to twenty four months.
- (vi) Term Senior Laboratory Instructors – hired for a limited Term for a period of up to twenty four months.

2.05 “Academic Other Appointments Employee” means a person employed by the University, who is paid by the University but funded through grants, contracts or contribution agreements.

2.06 “Affiliated Employers Group Employee” means a person employed by research entities or employers who have affiliated relationships with the University.

ELIGIBILITY AND MEMBERSHIP

2.07 The following Employees shall become members of the Plan on their date of hire:

- (a) Faculty Employees
- (b) prior to April 1, 2003, a Regular Employee or Seasonal Employee who worked at least 17½ hours per week, or, on and after April 1, 2003, a Regular Employee or Seasonal Employee who works at least 18 hours a week.
- (c) Regular Faculty Term Employees as described in Section 2.04(d)(i) whose Term is greater than 2 years
- (d) Instructor Faculty Term Employees as described in Section 2.04(d)(iii) whose Term is greater than 2 years.

- 2.08 The following Employees shall become members of the Plan on the first day of the month coinciding with or next following the date they have completed 2 Years of Continuous Employment and received Earnings of not less than 35% of the YMPE in each of the 2 consecutive calendar years.
- (a) Prior to April 1, 2003, a Regular Employee, or Seasonal Employee who does not work at least 17½ hours per week or, on and after April 1, 2003, a Regular Employee or Seasonal Employee who does not work at least 18 hours per week.
 - (b) Term Employees, excluding those Term Employees eligible to join the Plan on their date of hire in accordance with Section 2.07, and excluding Part-time Instructors described in Section 2.04(d)(iv).
- 2.09 Employees employed as Part-time Instructors as described in Section 2.04(d)(iv) are not eligible to become Members of the Plan unless they fall under another eligible employment category.
- 2.10 Academic Other Appointments Employees eligibility to join the Plan is defined by their funding agency and by the length of their contract term. If they are enrolled in the Plan at January 1, 2004, they will maintain a grandfathered eligibility to be on the Plan.
- 2.11 Affiliated Employers Group Employees eligibility to join the Plan is defined in their employment agreements and in the protocol agreement between the University and the affiliated employer. If they are enrolled in the Plan at January 1, 2004, they will maintain a grandfathered eligibility to be on the Plan.
- 2.12 An eligible Employee shall be enrolled in the Plan by completing such forms as the University may require.
- 2.13 Membership in the Plan shall not confer any legal right upon the Employee for continuation of employment.
- 2.14 Notwithstanding the above, a Faculty Employee who was retired under the terms of the Faculty Agreement and was re-employed by the University is not eligible to become a Member of the Plan.
- 2.15 Subject to Section 9.04, an Employee whose employment with the University terminates for any reason and is subsequently re-employed by the University shall be considered a new Employee for purposes of the Plan, unless the University, at its discretion, determines otherwise.
- 2.16 A Member of the Plan shall not cease to be a Member by reason only that he earns less than 35% of the YMPE in a calendar year.

SECTION 3 - CONTRIBUTIONS

3.01 Commencing with the first pay after enrolment in the Plan, each Member is required to make contributions by payroll deduction into his Employee Account. The amount of each bi-weekly contribution will be equal to 3% of the Member's Earnings which are not in excess of 1/26 of the YMPE then in effect and 5% of the remaining portion, if any, of such Earnings.

In the event contributions are made during a maternity or parental leave, a period of disability, or any other leave of absence approved by the Pension Board of Trustees and permitted under the Income Tax Rules, the method of payment of such contributions will be as agreed between the Member and the University.

3.02 Subject to Section 3.05, the University will contribute each pay period on behalf of each Member an amount equal to 8% of the Member's Earnings which are not in excess of 1/26 of the YMPE then in effect and 10% of the remaining portion, if any, of such Earnings into the Member's Employer Account.

3.03 A Member may at any time elect to make bi-weekly or lump sum voluntary contributions, or both, by giving written notice to the Plan Administrator of his intention to make such contributions. Such contributions will be made to the Member's Voluntary Contribution Account. All voluntary contributions must be in respect of current service and shall be deducted by the University from the Member's earnings.

3.04 A Member may elect to transfer to the Plan amounts from the registered pension plans of the Member's most recent employer, if that plan allows transfers out, prior to being employed by the University in accordance with the Act.

3.05 The maximum amount which may be contributed to the Plan by a Member and by the University on behalf of a Member in respect of any taxation year is the amount determined in accordance with the Plan as registered. In accordance with subsection 147.1(8) of the Income Tax Rules, such amount may not result in a pension adjustment for the Member for the year which exceeds the lesser of

- (a) 18% of the Member's compensation from the University for the year, and
- (b) the money purchase limit for the year, as defined in subsection 147.1(1) of the Income Tax Rules.

The contributions of the University must be determined in a manner acceptable to the Minister of National Revenue.

Any contribution made by a Member or by the University may, with the prior written approval of the appropriate pension supervisory authorities, be returned to the Member or University, as applicable, in order to avoid the revocation of the registration of the Plan under the Income Tax Act Rules.

- 3.06 All expenses of the Plan including, but not limited to expenses for investment management under the Funding Agreement, account servicing, recordkeeping, employee communications, provincial filing fees, fees related to amendments to the Plan and any other costs of administration of the Plan will be charged to the individual Member and Former Member accounts, in a manner determined by the Pension Board of Trustees, unless otherwise paid by the University.
- 3.07 All contributions to be made by the University pursuant to Section 3.02 and all contributions made by each Member pursuant to Sections 3.01 or 3.03 and not yet remitted to the Fund Holder will be kept by the University separate and apart from its own assets. These amounts are deemed to be held in trust for the Members who made such contributions and shall form no part of the estate of the University.
- 3.08 In no event shall Member Contributions or University Contributions continue to be made to the Plan subsequent to a Member's Latest Retirement Age.

SECTION 4 - APPLICATION OF CONTRIBUTIONS

- 4.01 All contributions under the Plan will be deposited to the Funding Agreement for application in the manner set out below.

The contributions made by each Member and the University contributions on behalf of each Member shall be deposited to the applicable account within 30 days after the end of the month in respect of which the Member's contributions were received or deducted by the University.

- 4.02 Each contribution in respect of a Member will be credited to the individual account or accounts of the Member established under the Funding Agreement. Contributions will be credited with earnings under the Funding Agreement from the day on which the contribution is credited to the account(s).

- 4.03 Each account maintained for a Member or Former Member will be credited not less frequently than each month with the earnings attributed to the account under the Funding Agreement. Such earnings will consist of interest, gains and losses as are attributed to the operation of the fund or funds to which the contributions have been directed under the Funding Agreement, less any expenses involved in the administration of the fund or funds and the Plan, if applicable. The balance of an account at any date will consist of all contributions and earnings credited to the account to that date. For the purposes of determining the benefit entitlement under the Plan, earnings will be credited to each account up to and including the day immediately preceding the day on which such benefit is paid or commences to be paid.

The assets held under the Funding Agreement will be invested subject to the requirements of the Act and the Income Tax Rules.

- 4.04 Contributions made by a Member and by the University on behalf of a Member will be directed by the Member to one or more of the funds available under the Funding Agreement. The range of such funds will be such as to satisfy the requirements of Sections 44(1) and 44(2) of the Act.

SECTION 5 – RETIREMENT DATES

5.01 Normal Retirement Date

(1) Members who are Faculty Employees

Members who are Faculty Employees and whose 65th birthday occurs between July 1st and December 31st, their Normal Retirement Date is the December 31st coincident with or next following their 65th birthday. Members who are Faculty Employees and whose 65th birthday occurs between January 1st and June 30th, their Normal Retirement Date is the June 30th coincident with or next following their 65th birthday.

(2) Members who are not Faculty Employees

The Normal Retirement Date for Members who are not Faculty Employees is the first of the month coincident with or next following their 65th birthday.

5.02 Early Retirement Date

A Member who has reached his Vesting Date may elect to retire on the first day of any month prior to his Normal Retirement Date but not before the attainment of age 55 years. Such date shall be considered the Member's "Early Retirement Date".

5.03 Latest Retirement Age

With respect to a Member or Former Member, or the Spouse of a Member or Former Member, or, in respect of the purchase of a deferred life annuity, an annuitant, means the end of the calendar year in which the Member or Former Member or the Spouse of a Member or Former Member attains age 69 or such other age as is then prescribed as applicable under the Income Tax Rules.

SECTION 6 – RETIREMENT BENEFITS

6.01 A Member who retires on his Early Retirement Date, or on or after his Normal Retirement Date shall elect to transfer the sum of his Employee Account and Employer Account, in a single amount, to one of the following:

- (a) another registered pension plan if that other plan so permits, or
- (b) a locked-in registered retirement savings plan or locked-in retirement account (LIRA) or other retirement savings or income arrangement prescribed by the Act and registered pursuant to the Income Tax Rules, or
- (c) a corporation licensed or otherwise authorized under the laws of Canada or a province to carry on in Canada an annuities business, for the purchase of either an immediate or deferred life annuity that will not commence before the earliest date on which the pension payments could have commenced under the Plan, provided such annuity meets the requirements of the Act. If a deferred life annuity is purchased, payments must commence before the end of the year in which the annuitant attains the Latest Retirement Age.

The plan or the insurer, as the case may be, to which any such amounts are transferred must guarantee to administer such transferred amounts in accordance with the Act.

6.02 Notwithstanding Section 6.01, if:

- (a) the annual amount of pension payable to a Member in respect of his Employee Account and Employer Account is less than 10% of the YMPE in the year of pension commencement, or
- (b) the sum of a Member's Employee Account and Employer Account does not exceed 20% of the YMPE in the year of pension commencement,

then the Member may elect to receive his Employee Account and Employer Account as a lump sum or transfer it to a registered retirement savings plan.

6.03 A Member who has made voluntary contributions may elect to have his Voluntary Contribution Account paid, in a single amount, in the following manner:

- (a) as a lump sum payment, or
- (b) as a transfer to another registered pension plan if that other plan so permits, or
- (c) as a transfer to a registered retirement savings plan, or
- (d) as a transfer for the purchase of an immediate or deferred life annuity.

SECTION 7 - DISABILITY BENEFITS

7.01 A Member who, prior to his Normal Retirement Date, becomes totally disabled, is so certified by a medical practitioner and is receiving benefits under the University's long term disability plan is said to be suffering a Total Disability.

7.02 In the event that a Member suffers from a Total Disability prior to his Normal Retirement Date, such Member may elect to continue to make contributions to the Plan, at the contribution rate in effect from time to time and based on his Earnings immediately preceding the date of disability. If such a Member elects to continue his contributions to the Plan, the University will continue to make its contributions on behalf of such Member. The Member may not continue to make contributions to the Plan beyond their 65th birthday.

If the disabled Member elects not to continue contributions to the Plan, the University will not make contributions on behalf of the Member.

7.03 A Member who has completed 2 years of continuous membership in the Plan and who is suffering a Total Disability will be entitled to receive a pension on an Early Retirement Date or Normal Retirement Date in accordance with Section 5.

SECTION 8 - FORMS OF PENSION (POST-RETIREMENT DEATH BENEFITS)

8.01 A Member who elects to apply his Employee Account and Employer Account to purchase an annuity shall purchase an annuity payable in the normal form of pension.

8.02 The normal form of pension for a Member or Former Member who does not have a Spouse on the date of commencement of pension payments under the Plan will be a pension payable until the death of the Pensioner or until 60 equal monthly payments in all have been made, whichever shall last occur.

The normal form of pension for a Member or Former Member who has a Spouse on the date of commencement of pension payments under the Plan will be a joint and survivor pension payable, to the Pensioner until death, and continuing to the person who was the Spouse of the Pensioner on the date of commencement of pension payments to the Pensioner, so long as such person survives.

8.03 In lieu of the normal form of pension described in Section 8.02 and subject to Section 8.04 a Member or Former Member may elect to have the annuity paid in any other form acceptable to the Pension Board of Trustees in accordance with the Act and the Income Tax Rules.

8.04 A Member who has a Spouse must elect a form of pension that is purchased with his Employee Account and Employer Account which has at least 60% of the pension amount continuing to the Member's Spouse following the death of the Member, unless, within the 90 day period prior to the date of commencement of pension payments, the Plan Administrator, in accordance with applicable legislation, receives a statement signed in the prescribed form and manner which acknowledges awareness of, and waives, the joint and survivor pension.

8.05 A Member who elects to apply his Voluntary Contribution Account to purchase an annuity may select any form of annuity available from the annuity provider. Alternatively, the Member or Former Member may elect that the balances attributable to these contributions be paid in cash or transferred in a lump sum to a registered retirement savings plan.

SECTION 9 - TERMINATION OF SERVICE

- 9.01 All contributions in respect of a Member will cease upon termination of employment with the University.
- 9.02 If at the date of termination of service the Member has not reached his Vesting Date, the Member may elect to:
- (a) receive a lump sum payment of the value of the Member's Employee Account and Voluntary Contribution Account; or
 - (b) transfer the value of the Member's Employee Account and Voluntary Contribution Account to another registered pension plan, if that plan permits; or
 - (c) transfer the value of the Member's Employee Account and Voluntary Contribution Account to a registered retirement savings plan; or
 - (d) transfer the value of the Member's Employee Account and Voluntary Contribution Account to purchase an immediate or deferred life annuity.

The Member may not, however, receive a cash refund of any portion of an account which is attributable to amounts which were transferred to the Plan from another registered pension plan and which were not available in cash under the transferring plan. The benefits arising from the transfer of any such amounts in respect of a Member are locked-in.

- 9.03 If at the date of termination of service the Member has reached his Vesting Date his Employee Account and Employer Account are locked-in and the Member may elect to transfer the sum of his Employee Account and Employer Account, in a single amount, to one of the following.
- (a) another registered pension plan if that other plan so permits, or
 - (b) a locked-in registered retirement savings plan or locked-in retirement account (LIRA) or other retirement savings or income arrangement prescribed by the Act and registered pursuant to the Income Tax Rules, or
 - (c) a corporation licensed or otherwise authorized under the laws of Canada or a province to carry on in Canada an annuities business, for the purchase of either an immediate or deferred life annuity that will not commence before the earliest date on which the pension payments could have commenced under the Plan, provided such annuity meets the requirements of the Act. If a deferred life annuity is purchased, payments must commence before the end of the year in which the annuitant attains the Latest Retirement Age.

The plan or the insurer, as the case may be, to which any such amounts are transferred must guarantee to administer such transferred amounts in accordance with the Act.

9.04 Notwithstanding the above, and notwithstanding Section 2.15, a Term Employee who is a Member and who terminates employment with the University by virtue of the end of their Term contract may elect, at the end of the Term contract, to remain a Member of the Plan. If the Member does not make an election, the Member will be deemed to have elected to remain a Member of the Plan.

9.05 Notwithstanding Section 9.03, if:

- (a) the annual amount of pension payable to a Member in respect of his Employee Account and Employer Account is less than 10% of the YMPE in the year of termination of service, or
- (b) the sum of the Member's Employee Account and Employer Account does not exceed 20% of the YMPE in the year of termination of service,

then the Member may elect to receive his Employee Account and Employer Account as a lump sum or transfer it to a registered retirement savings plan.

9.06 A Member who has made voluntary contributions may elect, on termination of service, to have his Voluntary Contribution Account paid, in a single amount, in the following manner:

- (a) as a lump sum payment, or
- (b) as a transfer to another registered pension plan, if that plan so permits, or
- (c) as a transfer to a registered retirement savings plan, or
- (d) as a transfer for the purchase of an immediate or deferred life annuity.

SECTION 10 - PRE-RETIREMENT DEATH BENEFIT

10.01 In the event of the death of a Member or Former Member there shall become payable under the Plan, in lieu of all other benefits, an amount equal to:

- (a) the Member's or Former Member's Employee Account, plus
- (b) in the case of a Member who has reached his Vesting Date or his Normal Retirement Date at his date of death or in the case of a Former Member who reached his Vesting Date at his date of termination of service, the Member's or Former Member's Employer Account, and
- (c) the Member's or Former Member's Voluntary Contribution Account.

10.02 The amount payable under Section 10.01 will become available to:

- (a) the Spouse, if any, of the Member or Former Member at the date of death or,
- (b) in the event that the Member or Former Member does not have a Spouse at the date of death, or the Spouse has waived, in the prescribed form, entitlement to such amount, to the beneficiary last legally designated by the Member or Former Member to the Plan Administrator or, if no such beneficiary survives the Member or Former Member, to the Member's or Former Member's estate.

10.03 In the event that the death benefit is payable to the Spouse of a Member who did not reach his Vesting Date at his date of death or the Spouse of a Former Member who did not reach his Vesting Date at his date of termination of service, such Spouse may elect to:

- (a) receive a lump sum payment of the value of the deceased Member's or deceased Former Member's Employee Account and Voluntary Contribution Account; or
- (b) transfer the value of the deceased Member's or deceased Former Member's Employee Account and Voluntary Contribution Account to another registered pension plan, if that plan permits; or
- (c) transfer the value of the deceased Member's or deceased Former Member's Employee Account and Voluntary Contribution Account to a registered retirement savings plan; or
- (d) transfer the value of the deceased Member's or deceased Former Member's Employee Account and Voluntary Contribution Account to purchase an immediate or deferred life annuity.

10.04 In the event that the death benefit is payable to the Spouse of a Member who reached his Vesting Date at his date of death or the Spouse of a Former Member who reached his Vesting Date at his date of termination of service, such Spouse may elect to transfer the deceased Member's or deceased Former Members Employee Account and Employer Account, in a single amount, to one of the following:

- (a) another registered pension plan if that other plan so permits, or
- (b) a locked-in registered retirement savings plan or locked-in retirement account (LIRA) or other retirement savings or income arrangement prescribed by the Act and registered pursuant to the Income Tax Rules, or
- (c) a corporation licensed or otherwise authorized under the laws of Canada or a province to carry on in Canada an annuities business, for the purchase of either an immediate or deferred life annuity that will not commence before the earliest date on which the pension payments could have commenced under the Plan, provided such annuity meets the requirements of the Act. If a deferred life annuity is purchased, payments must commence before the end of the year in which the annuitant attains the Latest Retirement Age.

The plan or the insurer, as the case may be, to which any such amounts are transferred must guarantee to administer such transferred amounts in accordance with the Act.

If:

- (a) the annual amount of pension payable to a Spouse in respect of the deceased Member's or deceased Former Member's Employee Account and Employer Account, is less than 10% of the YMPE in the year of the Member's death, or
- (b) the sum of the deceased Member's or deceased Former Member's Employer Account and Employer Account does not exceed 20% of the YMPE in the year of the Member's death,

then the Spouse may elect to receive the deceased Member's or deceased Former Member's Employee Account and Employer Account in a lump sum or as a transfer to a registered retirement savings plan.

In respect of the deceased Member's or deceased Former Member's Voluntary Contribution Account, if any, the Spouse may elect to have the Voluntary Contribution Account paid, in a single amount in the following manner:

- (a) as a lump sum payment, or;
- (b) as a transfer to another registered pension plan, if that plan so permits, or
- (c) as a transfer to a registered retirement savings plan, or
- (d) as a transfer for the purchase of an immediate or deferred life annuity.

- 10.05 Any election by a surviving Spouse must be made in writing to the Plan Administrator within 90 days after the receipt from the Plan Administrator of any notice required by applicable legislation. If a deferred life annuity is elected, payments must commence before the end of the year in which the Spouse attains the Latest Retirement Age. If, however, the Spouse has already attained the Latest Retirement Age at the date of the Member's or Former Member's death, payments must commence no later than one year after such date.
- 10.06 In the event that the death benefit is payable to a designated beneficiary other than the Spouse or to the Member's or Former Member's estate, the death benefit shall be paid in a lump sum.
- 10.07 For the purposes of this Section and subject to any applicable law, a Member or Former Member may designate a beneficiary to receive any amount payable at his death and may subsequently change this beneficiary.

SECTION 11 - ADMINISTRATION

11.01 The Plan Administrator shall decide all matters in respect of the operation, administration and interpretation of the Plan and shall be responsible for any duties designated as duties of the administrator in accordance with the Act and Income Tax Rules.

SECTION 12 - MISCELLANEOUS

12.01 Except if permitted under both (i) the Income Tax Rules, and (ii) any applicable provincial or federal pension legislation, benefits payable under the Plan are not capable of being assigned, charged, alienated, anticipated, given as security or surrendered and are exempt from execution, seizure or attachment.

Pension benefits are a family asset under the British Columbia Family Relations Act.

12.02 If a Member or Former Member is age 65 or older, he may commute, on the prescribed basis and in the prescribed manner, his total benefit entitlement in every defined contribution pension plan, locked-in retirement savings plan and prescribed retirement income fund regulated by the Act if the total amount to his credit in all such plans and funds does not exceed 40% of the YMPE for the year in which he completes and signs the prescribed form, provided he has filed such form together with, if he has a Spouse, the Spouse's waiver of entitlements in the prescribed form with each relevant pension plan and financial institution. In such event, the balances of the accounts maintained on the Member's or Former Member's behalf under the Plan may be paid as a cash refund to the Member or Former Member.

12.03 If it is established by a statement from a qualified medical practitioner that, by reason, prior to July 15, 1999, of a mental or physical disability, or by reason, on and after July 15, 1999, of a physical disability only, a Member or Former Member has a considerably shortened life expectancy and, if the Member or Former Member has a Spouse, provided the Plan Administrator, in accordance with the Act, receives a statement signed by the Spouse in the prescribed form and manner, which acknowledges her awareness of and waives her right to a joint and survivor pension, that portion of the account balances maintained on behalf of such Member or Former Member to which he has or had acquired vested rights, as the case may be, may be paid in a lump sum to the Member or Former Member in lieu of a pension benefit.

12.04 An entitlement to receive a benefit under the Plan is subject to entitlements arising under a separation agreement or order made under Part 5 or 6 of the British Columbia Family Relations Act or a similar order, enforceable in British Columbia, of a court outside British Columbia that affects the payment or distribution of a person's benefits.

12.05 Payment of all lump sums under the Plan must be made within 60 days after the event giving rise to the payment or the completion and filing of all documents required to authorize the making of the payment as prescribed by the Act.

12.06 Each Employee who is, or who is likely to become, eligible or required to join the Plan will receive from the Plan Administrator a written explanation of the provisions of the Plan, together with an explanation of the rights and obligations of such Employee with respect to the Plan. A written explanation of any subsequent amendments to the Plan shall be provided to each Member, Former Member or other person entitled to a payment under the Plan, who is or will be affected by the amendments.

Such further information as is prescribed by the Act shall be provided to a Member, to a Former Member, to the Spouse of a Member or a Former Member, to any person eligible or required to join the Plan, to any person entitled to a payment under the Plan, to the authorized agent of any such Member, Former Member, Spouse or person, or to the representative of a trade union that represents the Members of the Plan.

Such further information shall include but is not limited to:

- (a) an annual statement of benefits and contributions,
- (b) a statement of benefits on termination of service or membership in the Plan and any options available in respect of such benefits and, on request, an updated statement,
- (c) a statement of the options available on retirement and subsequently a statement of retirement benefits,
- (d) a statement of the amount and method of payment of any benefits and options on death, and
- (e) a statement of benefits, contributions and options on termination of the Plan.

On written request, such further information may also include copies of certain documents relating to the Plan, including but not limited to:

- (i) the Plan text and amendments and any previous versions of such documents,
- (ii) the application for registration of the Plan or an amendment to the Plan,
- (iii) any other document filed in respect of the Plan and the pension fund, and
- (iv) any correspondence between the provincial or federal legislative authorities, as applicable, and the University, except personal information relating to a Member or Former Member.

The explanations and information referred to above shall be provided or made available by the Plan Administrator within the time period prescribed by the Act.

12.07 Subject to and in accordance with the Act, a majority of the Members of the Plan may vote to establish an advisory committee for the purposes of monitoring the administration of the Plan, making recommendations to the Plan Administrator respecting the administration of the Plan and promoting awareness and understanding of the pension plan among Employees, Members, Former Members and Pensioners.

12.08 During the continuation of the Plan and subject to the requirements of the Act, any amount to which a Member has not acquired a vested right on termination of service or death will first be used to satisfy University contributions required under the Plan. Any such amounts which are not used to satisfy University contributions under the Plan will be returned,

subject to any applicable legislation, to the University on or before the last day of December of the year immediately following the calendar year in which the amount became available.

- 12.09 If 60 days following the date contributions to the Plan are to be remitted, as described in Section 4.01, the contributions have still not been remitted by the University, the Fund Holder shall notify the Superintendent, in writing and within 30 days of the University's failure to remit, even if contributions were subsequently remitted.

SECTION 13 - TERMINATION AND AMENDMENT

13.01 Although it is the intention of the University to continue the Plan indefinitely, changes in the Plan may be required in future. The University therefore reserves the right to amend or discontinue the Plan on any date. No amendment or termination of the Plan shall, however, affect the pensions which have commenced prior to that date nor shall any such action affect the balance of the Member's accounts prior to such date. The Plan termination will be performed in accordance with the requirements of the Act.

Notwithstanding anything to the contrary contained in the Plan, if the Plan is terminated in whole or in part and not replaced, a Member affected by such termination will have a full vested right to the sum of the balances of the accounts maintained on his behalf in respect of University's contributions on the date of termination of the Plan.

If there are any assets remaining in the funds in the Plan after provision has been made to provide the benefits to which the Members are entitled in accordance with the terms of the Plan, such assets may, subject to the requirements the Act, be returned to the University.