

University of Northern British Columbia Pension Plan

As amended and restated

September 10, 2013

**UNIVERSITY OF NORTHERN BRITISH COLUMBIA**

Title: Vice-President, Admin&Finance

Name: Eileen Bray

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Canada Customs and Revenue Agency Registration No.: 0991034

British Columbia Registration No.: P085484

September 10, 2013

## **INDEX**

<b>INTRODUCTION</b>	<b>1</b>
<b>SECTION 1 – DEFINITIONS</b>	<b>2</b>
<b>SECTION 2 - EMPLOYEES, ELIGIBILITY AND MEMBERSHIP</b>	<b>6</b>
<b>SECTION 3 – CONTRIBUTIONS</b>	<b>9</b>
<b>SECTION 4 - APPLICATION OF CONTRIBUTIONS</b>	<b>12</b>
<b>SECTION 5 - RETIREMENT DATES</b>	<b>13</b>
<b>SECTION 6 - RETIREMENT BENEFITS</b>	<b>14</b>
<b>SECTION 7 - FORMS OF PENSION (POST-RETIREMENT DEATH BENEFITS)</b>	<b>16</b>
<b>SECTION 8 - TERMINATION OF SERVICE</b>	<b>17</b>
<b>SECTION 9 - PRE-RETIREMENT DEATH BENEFIT</b>	<b>19</b>
<b>SECTION 10- ADMINISTRATION</b>	<b>22</b>
<b>SECTION 11 – MISCELLANEOUS</b>	<b>23</b>
<b>SECTION 12 - TERMINATION AND AMENDMENT</b>	<b>26</b>

## 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 most recently restated on [DATE] to continue to qualify under the Income Tax Rules and under the British Columbia Pension Benefits Standards Act. The terms of the Plan as they read prior to [DATE] apply to Members who terminated employment prior to [DATE].

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.

The Plan is intended to be a pension plan accepted for registration under the Act and under the Income Tax Rules. The Plan shall be designed, written and administered to comply with the requirements for registration under the Act and the Income Tax Act. If the Plan fails to comply with any such requirements, the University may in its sole and absolute discretion, amend the Plan so to comply, or discontinue the Plan.

Any amendment to the Plan is conditional upon acceptance for registration under both the Act and the Income Tax act, and may be modified or withdrawn by the University, in its sole and absolute discretion if the amendment is not accepted for registration under either the Act or the Income Tax Act.

All matters relating to the administration, interpretation, overall operation, or application of the Plan shall be the Administrator's responsibility and, whenever a question arises that cannot be settled by reference to the Plan, the Administrator may settle such question at its discretion in any manner consistent with the provisions of the Plan, subject to the Act and the Income Tax Act.

## 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 “Accounts” means, collectively, the various accounts that are maintained in respect of a Member under the Plan, including the Employee Account, the Employer Account and the Voluntary Contribution Account.
- 1.02 "Act" means the British Columbia Pension Benefits Standards Act (the "Act") and the Regulations thereunder and any future legislation amending, supplementing, superseding or incorporating it.
- 1.03 "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.
- 1.04 "Casual Work" means:
- (a) 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; and
  - (b) 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.
- 1.05 "CUPE Member" means an Employee represented by CUPE Local 3799.
- 1.06 “Early Retirement Date” means the date set out under Section 5.2.
- 1.07 "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 a period of leave of absence in accordance with Section 3.01, 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".

- 1.08 "Effective Date" means the effective date of the Plan which is January 1, 1991.
- 1.09 "Employee" means any person who is employed by the University as described in Section 2.
- 1.10 "Employee Account" means that account maintained for the Member to which shall be credited the Member's required contributions and investment earnings thereon.
- 1.11 "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.
- 1.12 "Exempt Employee Group" means the group of Employees, as identified by the University, who hold a non-union position, other than a Director position or a Senior University Administration position.
- 1.13 "Exempt Member" means an Employee who is part of the Exempt Employee Group.
- 1.14 "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.
- 1.15 "Forfeiture Account" means the account maintained on behalf of the University, in accordance with Section 11.09.
- 1.16 "Full Time Equivalent Hours" means the number of hours regularly scheduled to be worked by an individual who is employed on a full-time basis, based on the employment terms of the position, and as determined by the University.
- 1.17 "Fund" means the fund established for the purposes of the Plan, the assets of which are held by a Fund Holder under a Funding Agreement.
- 1.18 "Fund Holder" means the trust company or Insurer eligible under the Act and the Income Tax Act, as appointed by the Plan Administrator pursuant to a Funding Agreement for the purpose of holding the whole or a portion of the Fund.
- 1.19 "Funding Agreement" means any written agreement in force between the Plan Administrator and a Fund Holder, with respect to the portion of the assets of the Fund held by the Fund Holder, as amended from time to time.
- 1.20 "Income Tax Rules" means the provisions of the Income Tax Act of Canada and the Regulations thereunder, as amended from time to time.

- 1.21 “Insurer” means an insurance company licensed or otherwise authorized under Canadian or provincial laws to carry on an annuities business in Canada.
- 1.22 “Latest Retirement Date” means the date set out under Section 5.3.
- 1.23 "Member" means an Employee who enrolled in the Plan and whose membership in the Plan has not been terminated.
- 1.24 “Member Contributions” means the contributions a Member makes to the Member’s Employee Account in accordance with Section 3.
- 1.25 “Normal Retirement Date” means the date set out under Section 5.1.
- 1.26 "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.
- 1.27 "Pension Board of Trustees" means the Pension Board of Trustees established by the University in accordance with Section 10 of the Plan, and to which is delegated the responsibility for the general administration and trusteeship of this Plan.
- 1.28 "Plan" means the University of Northern British Columbia Pension Plan as amended from time to time.
- 1.29 "Plan Administrator" means the University.
- 1.30 "Plan Year" means the calendar year.
- 1.31 "Protocol Agreement" means the agreement between the University and external entities with affiliated employer relationships.
- 1.32 "Spouse" means:
- (a) the person who, at the relevant time, was married to the Member and who, if living separate and apart from the Member at the relevant time, had not lived separate and apart from the 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 in a marriage-like relationship, including a marriage-like relationship between the person and a 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.

- 1.31 "Superintendent" means the Superintendent of Pensions designated under Section 2 of the Act.
- 1.32 "Term" means a pre-determined fixed period of employment.
- 1.33 "Total Disability" ,means, for purposes of the Plan, the conditions of being disabled, as certified by a medical practitioner and in receipt of benefits under the University's long term disability plan.
- 1.34 "University" means the University of Northern British Columbia or the Board of Governors thereof, as the context requires.
- 1.35 "University Contributions" means the contributions made by the University to a Member's Employer Account in accordance with Section 3.
- 1.36 "Vesting Date" means the date on which a Member has been a member of the Plan for a continuous period of 2 years.
- 1.37 "Voluntary Contributions" means the contributions made by the Member to the Member's Voluntary Contribution Account in accordance with Section 3.03.
- 1.38 "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.
- 1.39 "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.
- 1.40 "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 permanent position on a full-time basis.
  - (d) Exempt Regular Full-Time Employee - an Exempt Member employed in a permanent position on a full-time basis.
  - (e) Exempt Regular Part-Time Employee - an Exempt Member employed in a permanent 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 Term 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 Term exempt position, where the Term exceeds two months.



- (d) Faculty Term Employee means a person hired with a Term appointment of one of five types:
  - (i) Regular Faculty Term Employees - full time appointments for limited Terms at the rank of lecturer, assistant professor, associate professor or professor.
  - (ii) Faculty Term Instructor - full time Term appointments.
  - (iii) Faculty Term Part-time Instructors –part-time Term appointments hired to teach a specific course on a semester by semester basis.
  - (iv) Faculty Term Librarians - hired for a limited Term for a period of up to twenty four months.
  - (v) Faculty Term Senior Laboratory Instructors - hired for a limited Term for a period of up to twenty four months.

2.05 "Academic Services 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 under the terms of a Protocol Agreement.

## **ELIGIBILITY AND MEMBERSHIP**

2.07 The following Employees shall become Members of the Plan on their date of hire provided that they are hired permanently or for a Term of at least 24 months:

- (a) Faculty Employees;
- (b) a Regular Employee or Seasonal Employee who regularly works at least 51% of such Regular Employee's or Seasonal Employee's Full-Time Equivalent Hours.
- (c) Regular Faculty Term Employees as described in Section 2.04(d)(i) whose Term is greater than 2 years
- (d) Faculty Term Instructor Employees as described in Section 2.04(d)(ii) 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) a Regular Employee or Seasonal Employee who does not work at least 51% of such Regular Employee's or Seasonal Employee's Full-Time Equivalent Hours.
  - (b) Term Employees, excluding those Term Employees eligible to join the Plan on their date of hire in accordance with Section 2.07.
- 2.09 Notwithstanding Section 2.07, an Employee hired for a Term of less than 24 months shall not initially be eligible to join the Plan. However, if such Employee is offered a subsequent period of Term of employment such that the total of all Terms of employment offered exceeds 24 months, such Employee shall join the Plan on the date when the total of all Terms of employment offered is at least 24 months. For clarity, the Employee need not have completed 24 months of Term employment in order to join the Plan at the point where the total Terms equal at least 24 months.
- 2.10 Academic Services Employees eligibility to join the Plan is defined by their 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, provided such conditions for membership do not contravene the terms of the Act. If they are enrolled in the Plan at January 1, 2004, they will maintain a grandfathered eligibility to be in 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 Subject to Section 8.04, 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.
- 2.15 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 Subject to Section 3.05, 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.

If the Member is on a leave of absence in respect of an approved maternity or parental leave and such Member continues to be on payroll and is covered under the University's maternity and parental leave top-up program, then the Member continues to contribute to the Plan for the duration of the leave, as set out above, based on the basic rate of salary in effect for the last full pay period prior to the commencement of the leave and the level of contribution is the same as the level of contribution being made on the last full pay period prior to the commencement of the leave.

If the Member is on a leave of absence in respect of an approved maternity or parental leave and is not covered under the University's maternity and parental leave top-up program, then the Member may elect to contribute to the Plan, as set out above, for the duration of the leave, with Earnings deemed to be equal to the level of the benefit the member receives under the Employment Standards Act and with the level of contribution the same as the level of contribution being made on the last full pay period prior to the commencement of the leave.

If the Member is on a leave of absence as a result of a work-related injury and is in receipt of benefits under workers' compensation legislation, then the Member may elect to contribute to the Plan for the duration of the leave, as set out above, with Earnings deemed to be equal to the Member's net level of benefit the Member receives under the workers' compensation program and with the level of contribution the same as the level of contribution being made on the last full pay period prior to the commencement of the leave.

In the Member is on a leave of absence as a result of a Total Disability, then the Member may elect to contribute to the Plan for the duration of the leave, as set out above, with Earnings deemed to be equal to the Member's basic rate of salary in effect for the last full pay period prior to the commencement of the leave and with the level of contribution the same as the level of contribution being made on the last full pay period prior to the commencement of the leave. The Member may not continue to make contributions to the Plan beyond the 65th birthday.

In the event that a Member is on a leave of absence other than as described in the above paragraphs, the Member is not permitted to make any contributions in respect of such leave.

In the event that contributions are made during a maternity or parental leave other than described in the paragraphs above, a period of disability, or any other leave of absence

approved by the University and permitted under the Income Tax Rules, the method of payment of such contributions will be as agreed between the Member and the University.

In no event shall the total periods for which contributions are made by a Member, excluding those periods throughout which the Member is disabled within the meaning of the Income Tax Act, exceed the sum of:

- (a) The full-time equivalent of five years; and
- (b) The periods of parenting, as defined in the Income Tax Rules, subject to a maximum of the full-time equivalent of 36 months of such periods of parenting and a maximum of the full-time equivalent of 12 months for any one period of parenting.

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.

If a Member is on a leave of absence and continues to contribute to the Plan as provided under Section 3.01, the University will contribute in accordance with the above paragraph, where the level of Earnings used to determine the University contribution is the same level of Earnings used to determine the member's contribution under Section 3.01.

3.03 Subject to Section 3.05, 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.

3.04 In accordance with the Act and the Income Tax Rules, a Member may elect to transfer to the Plan amounts from the other registered pension plans of the Member's prior employer, if that plan allows transfers out.

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 accordance with Sections 3.01, 3.02 and 3.03 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, as defined in the Income Tax Rules, 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 under the Act and the Income Tax Rules.

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 Expenses related to investment management, account servicing and recordkeeping shall be paid directly from the Members' Employee Accounts, Employer Accounts and Voluntary Contribution Accounts. Other expenses of the Plan including, but not limited to, expenses for employee communications, provincial filing fees, fees related to amendments to the Plan and any other costs of administration of the Plan and the Fund will be paid from an expense recovery account funded by fees charged to the individual Member's Employee Accounts, Employer Accounts and Voluntary Contribution Accounts, as applicable, in a manner and amount 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 Fund in accordance with 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 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 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.

If a Member fails to make an election as to the investment option for one or more of the Accounts, the accounts shall be invested in such fund as may be prescribed by the Plan Administrator from time to time, until the Member files an election with the Plan Administrator.

A Member may change the investment options in which the Member's Accounts are invested, in the form and manner prescribed by the Plan Administrator.

## **SECTION 5 - RETIREMENT DATES**

### **5.01 Normal Retirement Date**

The Normal Retirement Date for a Member is the first of the month coincident with or next following the Member's 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 the Spouse of a 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 the Spouse of a Member or annuitant attains age 71 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, by giving notice of such election to the Plan Administrator in the form and manner prescribed by the Plan Administrator, 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 single premium purchase of an immediate or deferred life annuity contract from an Insurer, commencing not earlier than 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 Member who is entitled to elect distribution of his Employee Account and Employer Account fails to make an election within the time required or permitted under the Act, the Plan Administrator may, in its absolute discretion, to make payment in such form as may be permitted under the Act, including the purchase of a life annuity on behalf of the Member from an Insurer with the Member's Employee Account and Employer Account.

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 cash lump sum or transfer it to a registered retirement savings plan.

6.03 A Member who has made Voluntary Contributions may elect, by giving notice of such election to the Plan Administrator in the form and manner prescribed by the Plan Administrator, 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 to an Insurer for the purchase of an immediate or deferred life annuity.

If a Member who is entitled to elect distribution of his Voluntary Contribution Account fails to make an election within the time required or permitted under the Act, the Plan Administrator may, in its absolute discretion, make payment in such form as may be permitted under the Act, including the purchase of a life annuity on behalf of the Member from an Insurer with the Member's Voluntary Contribution Account.

## **SECTION 7 - FORMS OF PENSION (POST-RETIREMENT DEATH BENEFITS)**

- 7.01 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.
- 7.02 The normal form of pension for a Member who does not have a Spouse on the date of commencement of pension payments will be a pension payable until the death of the former Member or until 60 equal monthly payments in all have been made, whichever shall last occur.
- 7.03 In lieu of the normal form of pension described in Section 7.02 and subject to Section 7.04 a Member may elect, by giving notice of such election in the form and manner prescribed by the Act, to have the annuity paid in any other form acceptable under the Act and the Income Tax Rules.
- 7.04 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 Member submits a waiver in the form and manner prescribed by the Act which acknowledges awareness of, and waives, the joint and survivor pension.
- 7.05 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.

## **SECTION 8 - TERMINATION OF SERVICE**

- 8.01 All contributions made in respect of and by a Member will cease upon the Member's termination of employment with the University.
- 8.02 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; or
  - (b) transfer the value of the Member's Employee Account to another registered pension plan, if that plan permits; or
  - (c) transfer the value of the Member's Employee Account to a registered retirement savings plan; or
  - (d) transfer the value of the Member's Employee Account to an Insurer for the purchase of 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.

For greater clarity, if at the date of termination of service, the Member has not reached his Vesting Date, the Member will not receive the value of the Member's Employer Account. Such Employer Contributions will, instead, be deposited into the Forfeiture Account.

- 8.03 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 single premium purchase of an immediate or deferred life annuity contract from an Insurer, commencing not earlier than the Member's Early Retirement Date, 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 Member who is entitled to elect distribution of his Employee Account and Employer Account fails to make an election within the time required or permitted under the Act, the Plan Administrator may, in its absolute discretion, make payment in such form as may be permitted under the Act, including the purchase of a life annuity on behalf of the Member from an Insurer with the Member's Employee Account and Employer Account.

8.04 Notwithstanding the above, and notwithstanding Section 2.14, a Term Employee who is a Member and who terminates employment with the University by virtue of the end of the Term contract may remain a Member of the Plan for up to 26 weeks. However, no contributions shall be made by or on behalf of such Term Employee after the end of the Term contract until and unless the Term Employee commences another Term contract or commences another position within the University such that the Member continues to qualify as an Employee. At the end of the 26 weeks, if the Member does not commence another Term contract or another position within the University, the Member shall be deemed to have terminated service. The Member may instead elect a termination benefit at any time within the 26 week period. If such Member is considered to have terminated service and is later re-employed by the University, the Member shall be treated to be a new employee and shall be eligible to rejoin the Plan in accordance with Section 2.

8.05 Notwithstanding Section 8.03, 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 cash lump sum or transfer it to a registered retirement savings plan.

8.06 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 cash 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 to an Insurer for the purchase of an immediate or deferred life annuity.

## **SECTION 9 - PRE-RETIREMENT DEATH BENEFIT**

- 9.01 In the event of the death of a Member prior to retirement or termination of employment there shall become payable under the Plan, in lieu of all other benefits, an amount equal to:
- (a) the 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, the Member's Employer Account, and
  - (c) the Member's Voluntary Contribution Account.
- 9.02 The amount payable under Section 9.01 will become available to:
- (a) the Spouse, if any, of the Member at the date of death or,
  - (b) in the event that the 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 to the Plan Administrator or, if no such beneficiary survives the Member, to the Member's estate.
- 9.03 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, such Spouse may elect to:
- (a) receive a lump sum payment of the value of the deceased Member's Employee Account and Voluntary Contribution Account; or
  - (b) transfer the value of the deceased 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 Employee Account and Voluntary Contribution Account to a registered retirement savings plan; or
  - (d) transfer the value of the deceased Member's Employee Account and Voluntary Contribution Account to an Insurer for the purchase an immediate or deferred life annuity.

9.04 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, such Spouse may elect to transfer the deceased Member's 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 single premium purchase of an immediate or deferred life annuity contract from an Insurer, commencing not earlier than the Member's Early Retirement Date, 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 Spouse who is entitled to elect distribution of a Member's Employee Account and Employer Account fails to make an election within the time required or permitted under the Act, the Plan Administrator may, in its absolute discretion, make payment in such form as may be permitted under the Act, including the purchase of a life annuity on behalf of the Member's Spouse from an Insurer with the Member's Employee Account and Employer Account.

If:

- (a) the annual amount of pension payable to a Spouse in respect of the deceased 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 Employer Account and Employee 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 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 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.

9.05 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 death, payments must commence no later than one year after such date.

9.06 In the event that the death benefit is payable to a designated beneficiary other than the Spouse or to the Member's estate, the death benefit shall be paid in a lump sum.

9.07 For the purposes of this Section and subject to any applicable law, a Member may designate a beneficiary to receive any amount payable at his death and may subsequently change this beneficiary.

## **SECTION 10- ADMINISTRATION**

10.01 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.

10.02 The Plan Administrator may delegate to the Pension Board of Trustees or to other agents such administrative duties under the Plan and as prescribed by the Act as it deems appropriate. Every agent appointed by the Plan Administrator shall report to and shall be subject to the direction and continuing supervision of the Plan Administrator.

The Plan Administrator shall jointly with the Pension Board of Trustees establish rules and regulations with respect to the duties of the Plan Administrator that have been delegated to the Pension Board of Trustees and the Plan Administrator may amend or revoke such regulations from time to time. Such rules and regulations shall not conflict with any provision of the Plan, the Funding Agreement, the Act or the Income Tax Rules.

10.03 Subject to the Act, the Plan Administrator and the University shall indemnify and save harmless any employee of the University whose responsibilities or duties involve any aspect of the administration of the Plan from personal liability in respect of their respective acts or omissions in respect of the administration of the Plan, except where the act or omission was fraudulent or in bad faith on the part of the employee.



## **SECTION 11 – MISCELLANEOUS**

11.01 Except if permitted under both the Income Tax Rules, and 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.

11.02 If a 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 behalf under the Plan may be paid as a cash refund to the Member.

11.03 If it is established by a statement from a qualified medical practitioner that, by reason, of a disability or terminal illness that is likely to considerably shorten the Member's life and, if the 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 to which he has or had acquired vested rights, as the case may be, may be paid in a cash lump sum to the Member.

11.04 A Member who has made voluntary contributions may elect, at any time prior to termination, death or retirement, to have his Voluntary Contribution Account paid in accordance with the options set out in Section 8.06.

11.05 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.

11.06 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.

11.07 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 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 the Spouse of a 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, 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, which shall be provided to a Member,
- (b) a statement of benefits on termination of service of membership in the Plan and any options available in respect of such benefits and, on request, an updated statement, which shall be provided to a terminating Member,
- (c) a statement of the options available on retirement and subsequently a statement of retirement benefits, which shall be provided to a retiring Member,
- (d) a statement of the amount and method of payment of any benefits and options on death, which shall be provided in the event of the death of the Member prior to retirement or termination, and
- (e) a statement of benefits, contributions and options on termination of the Plan, which shall be provided in the event of the termination of the Plan.

On written request, such further information may also include copies of certain documents relating to the Plan, as provided under the Act, 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.

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.

- 11.08 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 and Members.

- 11.09 During the continuation of the Plan and subject to the requirements of the Act, any University Contributions to which a Member has not acquired a vested right on termination of service or death will be maintained in a separate Forfeiture Account. At the discretion of the University, such Forfeiture Account shall 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.
- 11.10 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 12 - TERMINATION AND AMENDMENT**

12.01 Although it is the intention of the University to continue the Plan indefinitely, changes in the Plan may be required in future, all as the University may, in its absolute discretion, determine. The University therefore reserves the right to amend, merge or discontinue the Plan on any date.

The Plan termination will be performed in accordance with the requirements of the Act and the Income Tax Rules.

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 or partial termination will have a full vested right to the sum of the balances of the Employer Account maintained on his behalf on the date of termination or partial 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 of the Act, be returned to the University.

If the Plan is discontinued at any time in whole or in part, the University shall not be obligated to make any further contributions to the Plan with respect to service after the date of termination. Any University Contributions that were due or accrued prior to the date of termination or partial termination shall be paid to the Fund Holder for allocation to the accounts.