



Community Agencies Retirement Plan

(Formerly United Way Agencies' Employee Benefits Retirement Plan)

Approved February 2026

COMMUNITY AGENCIES RETIREMENT PLAN

Income Tax Act Registration No. 0261123

CERTIFIED to be a true and complete copy of the text of the
Consolidated Community Agencies Retirement Plan.

Date: _____

Print Name

Signature

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Section 1 Introduction

The Community Agencies Retirement Plan (the "Plan") was established effective February 1, 1971 (the "Effective Date").

The Plan is hereby amended and consolidated to incorporate amendments up to and including Resolution 2026-2. The consolidation includes the changes motioned by the Board in December 2025 with respect to increases to accrued pensions, change in the Automatic Form of pension for Members with a Spouse or Common-Law Partner, and the recognition that receiving benefits from Manitoba Public Insurance also qualifies towards the definition of Total Disability. The terms of the Plan as restated shall apply to Members who retire, terminate employment, cease contributions due to disability or die on and after December 31, 2025 or such other date as indicated in the Plan text. The benefits of Members who retired, terminated employment, became disabled, died, or were transferred to another category of employment not covered by the Plan prior to this date shall be determined by the terms of the Plan in effect at the relevant date.

The Agencies began participation in the Plan at various dates on or subsequent to the Effective Date. In addition, certain employees were members of a pension plan (the "Prior Plan") sponsored by the United Way prior to the Effective Date. For these employees benefits provided under this Plan include service earned under the Prior Plan. Member additional voluntary contributions made under the Prior Plan, or this Plan, are paid at termination, death or retirement in addition to any other benefits.

Section 2 Definitions

In this Plan, the following words shall have the following meanings, respectively, unless a different meaning is specifically required by the context.

2.01 Actuarial Equivalent means a pension of an equal value computed using actuarial tables and such other methods and assumptions as may be adopted by the Trustees on the recommendation of the Actuary for the purposes of the Plan, subject to any requirements of the Pension Benefits Act.

2.02 Actuary means a person or firm retained by the Trustees who is, or one of whose employees is, a Fellow of the Canadian Institute of Actuaries.

2.03 Agency means:

- (a) the United Way of Winnipeg;
- (b) anyone of the social services agencies who has previously elected, subject to the approval of the Trustees, to join the Plan by resolution of the agency's Board of Directors and who is participating in the Plan including an Agency that has withdrawn from the Plan but is still responsible for making solvency deficiency or unfunded liability payments with respect to Members assigned to the departed Agency.
- (c) a successor employer of social services agency approved by the Trustees who agrees to participate in the Plan pursuant to a participation agreement executed by the Trustees, which participation agreement shall provide, among other things, that the successor employer shall:
 - (i) assume all past, existing and future funding requirements (including solvency deficiency and unfunded actuarial liability payments) that otherwise would have been the responsibility of the predecessor agency as at the succession date; and
 - (ii) participate in the Plan only for existing Members at the date of succession unless the participation agreement permits future hired employees of the successor employer to participate as Members; and
- (d) a new social services agency approved by the Trustees who agrees to participate in the Plan pursuant to a participation agreement approved by the Trustees.

2.04 Beneficiary means a beneficiary designated by a Member in accordance with Section 12.

2.05 Common-Law Partner of a Member or Former Member means a person who,

- (a) With the Member or Former Member, registered a common-law relationship under Section 13.1 of the Vital Statistics Act, or
- (b) Not being married to the Member or Former Member, cohabited with him or her in a conjugal relationship

- (i) For a period of at least three (3) years, if either of them is married, or
- (ii) For a period of at least one year, if neither of them is married.

2.06 ***Common-Law Relationship*** means the relationship between two persons who are Common-Law Partners of each other.

2.07 ***Commutated Value*** means, in relation to benefits that a person has a present or future entitlement to receive, a lump sum amount which is the actuarial present value of those benefits computed at the rate of interest and using the actuarial tables adopted by the Trustees on the recommendation of the Actuary, subject to the requirements of the Pension Benefits Act and the Income Tax Act.

2.08 ***Continuous Service*** means an Employee's uninterrupted period of service, measured in years, since his last date of hire by an Agency, while receiving Workers' Compensation benefits, Manitoba Public Insurance benefits or disability benefits from a plan sponsored by an Agency, any periods of paid or unpaid leave of absence, any period of layoff, any periods of Temporary Suspension of Employment, and any period of service pursuant to a Reciprocal Agreement.

2.09 ***Credited Interest*** means

1. on Member Required Contributions, Excess Contributions and Prior Plan Contributions
 - (a) with effect from January 1, 1993 interest compounded annually and calculated at the end of each Plan Year, on the balance of contributions at the beginning of the Plan Year, at the average of the rate of interest over the calendar year allowed by the major chartered banks on five year personal fixed term deposits as published under CANSIM Series V 122515 declared for the number of months until the Member's termination date, for the portion of the Plan Year before the Member terminates from Service; plus
 - (b) prior to January 1, 1993 interest compounded annually and calculated at the end of each Plan Year, on the balance of contributions at the beginning of the Plan Year, at the average of the rate of interest paid on a non-chequing account with a minimum balance of \$5,000 at the financial institution with which the Plan does its banking; plus
 - (c) at the end of each Plan Year, on the balance of contributions made during the Plan Year, at 1/12th of the rate calculated in accordance with subsection (a) or (b) above for each month between the end of the month of contribution and the end of the Plan Year; plus
 - (d) at the date on which the Member separates from Continuous Service, on the balance of contributions at the beginning of the Plan Year, at a pro-rata portion of the rate calculated in accordance with subsections (a) or (b) above, and on the balance of contributions made during the Plan Year, at the rate calculated in accordance with subsection (c) above, for each month between the end of the month of contribution and the date of separation.

2. interest on lump sum payments out of the Pension Fund compounded annually and calculated from the date on which a Member separates from Continuous Service, at the rate equal to a pro-rata portion of the rate calculated in accordance with subsection (a) or (b) above, to the date at which payment from the Pension Fund is anticipated.

2.10 *Credited Service* means:

1. the number of years of Continuous Service during which a Member made Required Contributions to the Plan; for each Plan Year the determination of Credited Service shall be done by calculating the period of Continuous Service during which Required Contributions were made; for a Member who is employed on a less than full-time basis, Credited Service will be adjusted appropriately; such ratio shall not be greater than one; plus
2. any service credited pursuant to a Reciprocal Agreement; plus
3. any service credited pursuant to Section 9.01 while suffering from Total Disability; plus
4. for Members of the Prior Plan, service from the date of entry into the Prior Plan to February 1, 1971; plus
5. with respect to Members for whom Required Contributions are made pursuant to Section 4.05 of the Plan, the period for which contributions have been made as at the date a determination is required; plus
6. any past service credited as a result of Member Required Contributions and Agency contributions made under Section 4.06.

2.11 *Earnings* is equal to twelve times an Employee's regular salary or wage for one month at the rate in effect on the first day of that month as reported by the Agency.

2.12 *Effective Date* means February 1, 1971.

2.13 *Employee* means any person who is employed by an Agency in a class of employment which has not been excluded by resolution of the Board of Directors of such Agency.

2.14 *Excess Contributions* means the portion of Member Required Contributions with Credited Interest which exceeds half of the Commuted Value of the Member's pension benefit entitlement calculated at the date of death, termination of employment or retirement.

2.15 *Funding Agent* means an insurance company authorized to carry on a life insurance business in Canada or a trust company or any combination or successors thereof appointed by the Trustees to hold, administer and invest the Pension Fund.

2.16 *Funding Agreement* means any agreement or agreements now or hereafter executed between the Trustees and the Funding Agent for purposes of this Plan.

2.17 *Income Tax Act* means the Income Tax Act, Statutes of Canada and the Regulations thereunder, and

where applicable includes the provisions of Information Circular 72-13R8 issued by the Canada Revenue Agency, as amended or replaced from time to time.

- 2.18** ***Member*** means an Employee or a former Employee who has become a member of the Plan pursuant to Section 3.0 and who continues to be entitled to benefits under the Plan. "Member" excludes a person by whom or in respect of whom all benefits have been transferred under Section 8.0.
- 2.19** ***Normal Retirement Date*** means the normal retirement date of a Member as described in Section 5.0.
- 2.20** ***Pension Benefits Act*** means the Pension Benefits Act being Chapter P32 of the Statutes of Manitoba as amended from time to time, and the regulations thereunder.
- 2.21** ***Pension Fund*** means the fund maintained to provide benefits under or related to the Plan.
- 2.22** ***Plan*** means the Community Agencies Retirement Plan as amended and restated effective January 1, 1992, and as subsequently amended from time to time.
- 2.23** ***Plan Membership*** means the period of Continuous Service while a Member of the Plan.
- 2.24** ***Plan Year*** means the calendar year for 1992 and following; for 1991, Plan year means February 1, 1991 to December 31, 1991; for years prior to 1991, Plan Year means February 1 of the year to January 31 of the next year.
- 2.25** ***Prior Plan*** means the pension plan in force for employees of member Agencies prior to February 1, 1971.
- 2.26** ***Reciprocal Agreement*** means an agreement made between this Plan and another pension plan, signed by the Trustees, whereby Credited Service earned under each plan by Members or former Members shall be considered Credited Service under the other plan to the extent the conditions and requirements of the agreement are met.
- 2.27** ***Spouse*** of a person means the individual who is married to that person.
- 2.28** ***Temporary Suspension of Employment*** means a period not exceeding 54 consecutive weeks during which a person who immediately before the period was employed by an employer is not performing duties as an employee of the employer and after the expiry of which the person is again employed by the employer, except where an actual termination of the employment of the person has occurred, and includes any leaves of absence authorized by the employer or required by law to be granted which do not extend the period to more than 54 consecutive weeks.
- 2.29** ***Total Disability*** means a disability throughout which the Member is physically or mentally impaired so that he is prevented from performing the duties of employment in which he was engaged prior to the impairment and which is certified, in writing, as such by a medical doctor licensed in Canada or where the Member resides.
- 2.30** ***Trust Agreement*** means an agreement made between the United Way of Winnipeg and certain persons, appointed by the Agencies and the Members of the Plan, which governs the investment and operation of the Pension Fund.

2.31 *Trustees* means those persons listed in the Trust Agreement or their successors.

2.32 *Voluntary Contributions* means member tax deductible voluntary contributions made to the Pension Fund when such contributions were allowed pursuant to the terms of the Plan.

2.33 *YMPE* means, in respect of any Plan Year, the Year's Maximum Pensionable Earnings as defined under the Canada Pension Plan.

In this Plan, reference to the male gender will include the female gender unless the context requires otherwise, and words importing the singular number only include the plural number and vice versa.

Section 3 Eligibility for Membership

3.01 Eligibility Condition for Members of the Prior Plan at the Effective Date

Each employee on the Effective Date who was a member of the Prior Plan was eligible to join the plan as at the first day of February, 1971, provided he signed a release form on or before the first day of July, 1971, thereby agreeing that his contributions to the Prior Plan are to be transferred to the credit of the Plan and that the benefits which he had accumulated under the Prior Plan at the date of transfer are to be provided by the Plan. Each member of the Prior Plan who did not sign the release form and return it to the Agency on or before the first day of July, 1971, shall not be eligible to join the Plan and will continue to be a Member of the Prior Plan and subject to the terms and conditions of the Prior Plan.

3.02 Eligibility Condition for Non-Members of the Prior Plan at the Effective Date

Each Employee who works at least 60 percent of the hours worked by full-time Employees of that Agency on the Effective Date who was not a Member of the Prior Plan is eligible to join the Plan on the first of any month coinciding with or following completing and signing an application for membership provided by the Trustees.

3.03 Eligibility Condition for Employees Hired After the Effective Date and Prior to January 1, 1984

Each Employee who works at least 60 percent of the hours worked by full-time Employees of that Agency who entered the service of an Agency after the Effective Date and before January 1, 1984 was eligible to join the Plan upon the first of the month coinciding with or next following their date of hire. Each Employee who entered the service of an Agency after the Effective Date and before January 1, 1984, but was not yet a Member of the Plan, was again eligible to join the Plan upon the first of the month coinciding with or next following completion of 6 months of Continuous Service on or after January 1, 1984.

3.04 Eligibility Condition for Employees Hired On or After January 1, 1984

Each Employee who entered the service of an Agency on or after January 1, 1984 shall be eligible to join the Plan upon the first of the month coinciding with or next following the Employee's date of hire.

3.05 Mandatory Membership for Employees Hired Prior to January 1, 1984

Each Employee who enters the service of an Agency on or after the first day of June, 1971 and before January 1, 1984 who works at least 60 percent of the hours worked by full-time Employees of that Agency, shall be required to join the Plan immediately following the completion of 6 months of Continuous Service, provided he has attained his 30th birthday. The eligibility requirements for each Employee who entered the service of an Agency prior to the first day of June, 1971, shall be those in effect on the day he last became employed by the Agency.

3.06 Mandatory Membership for Employees Hired After December 31, 1983

Each Employee who enters the service of an Agency on or after January 1, 1984 shall be required to join the Plan immediately following the completion of 6 months of Continuous Service.

3.07 Employee Waiver of Mandatory Membership Upon Agency Participation

All current Employees of an Agency, when that Agency elects to participate in the Plan, shall have the opportunity to join or sign a waiver rejecting the Plan.

3.08 Part-Time Employee Waiver of Mandatory Membership

Notwithstanding Sections 3.05 and 3.06, a part-time Employee may be exempt from the requirement to join the Plan at the discretion of his Agency provided such discretion is applied identically to all part-time Employees of that Agency, if it has been determined that the Employee will not earn more than 25 percent of the YMPE in any two consecutive calendar years. Conversely if a part-time Employee is exempted from the requirement to join the Plan and subsequently does earn more than 25 percent of the YMPE for two consecutive years they shall be required to join the Plan on the January 1 next following.

3.09 Termination of Participation Not Permitted

A Member's participation in the Plan shall not be terminated while he remains an Employee. In addition, a Member shall not cease to be a Member merely because such Member earns less than 25 percent of the YMPE in a calendar year.

3.10 Re-Employment

A Member, other than a Member who is receiving a pension from the Plan who:

1. had terminated employment with an Agency; and
2. has been a Member of the Plan and had left all Required Contributions in the Pension Fund in respect of service prior to the most recent hire date; and
3. rejoined the Plan immediately upon being eligible subsequent to such Member's most recent hire date.

shall be treated as having been on leave of absence for purposes of the Plan for the period of time while not employed by an Employer. Any Member who is rehired by an Employer, but does not meet all of the conditions in Items (1) through (3) shall be treated as a new Employee for all purposes of the Plan except that this Section shall not adversely affect any existing vested benefits earned prior to such Member's most recent hire date.

3.11 Re-Employment of A Member Receiving A Pension From the Plan

A Member who is receiving a pension from the Plan, who is re-employed by an Employer shall be entitled to either (1) or (2) following:

1. make a one-time election to forego re-joining the Plan and instead continue to receive the pension otherwise payable; or
2. join the Plan and accrue benefits from the Member's date of re-hire on the same basis as any other employee based on Credited Service and Required Contributions from his date of rehire. In such event the pension previously being paid shall be suspended. Suspended pensions shall be increased annually after suspension in the same manner as deferred pensions to which terminated Members are entitled under the Plan.

3.12 Application For Membership

An Employee shall be required to complete an Application for Membership provided by the Trustees upon joining the Plan.

Section 4 Contributions

4.01 Agency Contributions

1. The Agencies shall make such contributions to the Pension Fund as are required, based on the advice of the Actuary, to provide
 - (a) the normal cost of the benefits currently accruing to Members under the Plan, and
 - (b) for the proper amortization of any unfunded liability or solvency deficiency,

both in accordance with the Pension Benefits Act, after taking into account the assets of the Pension Fund, contributions of Members and all other relevant factors.

Each Agency's share of:

- (a) any required unfunded liability payments will be proportionate to the actual going concern liabilities of each Agency's Members to the total going concern liabilities of all Members; and
- (b) any required solvency deficiency payments will be proportionate to the actual solvency liabilities of each Agency's Members to the total solvency liabilities of all Members;

provided that any deferred or retired Members who were employed by an Agency that is no longer participating in the Plan ("Orphans") and which Orphans continue to be entitled to or receive benefits from the Plan, the funding of which benefits was not settled at the time the Agency stopped participation, or is otherwise insufficient, shall be allocated from time to time among the remaining Agencies on a basis that is proportionate to:

- (i) the appropriate liabilities of each remaining Agency's deferred or retired Members, as the case may be;
 - (ii) divided by the total liabilities of all deferred or retired Members, as the case may be, excluding the Orphans;
 - (iii) multiplied by the appropriate liabilities of the deferred or retired Orphans, as the case may be.
2. The Agency's contributions in respect of the normal cost of benefits shall be paid in monthly installments within 30 days following the month for which the contributions are payable. The Agencies' contribution in respect of special payments to amortize any unfunded actuarial liability or solvency deficiency shall be payable within 30 days following the month for which the contributions are payable.

3. Irrespective of anything contained in the Plan outside of this subsection, but subject to the requirements of the Income Tax Act, each Agency with Members that are accruing a pension, shall contribute an amount that is at least equal to the required contributions of the Members employed by the Agency as outlined in Section 4.02. This matching of Member required contributions will continue unless it can be demonstrated by the Actuary that the matching Agency contributions are more than sufficient to provide the formula pension outlined in Section 6 calculated on the average of the highest three consecutive year's Earnings and YMPE multiplied by the years of Credited Service. No contribution shall be made by the Agencies to the Pension Fund after 1990, in accordance with Section 4.01(1) and this subsection unless it is an eligible contribution as defined by paragraph 147.2 (2) of the Income Tax Act.

4.02 Required Contributions

Subject to Section 6.03 or Section 9.01, each Member who is an Employee, and is not in receipt of a pension shall contribute by payroll deduction until the Member's retirement, termination, death, or Total Disability, the following:

- 3.5 percent of Earnings up to the YMPE and 5.0 percent of Earnings in excess of the YMPE up to and including the last payroll in June 2003.
- Effective with the first payroll deduction after July 1, 2003 up to and including the last payroll deduction in the calendar year 2007, 4.5 percent of Earnings up to the YMPE and 6.0 percent of Earnings in excess of the YMPE.
- Effective with the first payroll deduction in calendar year 2008 up to and including the last payroll deduction in the calendar year 2010, 5.5 percent of Earnings up to the YMPE and 7.0 percent of Earnings in excess of the YMPE.
- Effective with the first payroll deduction in calendar year 2011 up to and including the last payroll deduction in June 2013, 6.0 percent of Earnings up to the YMPE and 7.75 percent of Earnings in excess of the YMPE.
- Effective with the first payroll deduction after July 1, 2013 up to and including the last payroll deduction in March 2014, 6.5 percent of Earnings up to the YMPE and 8.25 percent of Earnings in excess of the YMPE.
- Effective with the first payroll deduction after April 1, 2014, 7.0 percent of Earnings up to the YMPE and 8.75 percent of Earnings in excess of the YMPE.
- Effective July 1, 2025, Member contributions will be 7.0 percent of Earnings above and below the YMPE for 2025 and subsequent years. For clarity, Members who ceased employment prior to July 1, 2025 will have no adjustment to their 2025 Member contributions.

Under all circumstances, annual member contributions must not exceed the limit set under section 8503(4)(a) of the Income Tax Act.

4.03 Remittance of Member Contributions

The Agencies shall remit to the Funding Agent, for deposit to the Pension Fund, all sums received by the Agencies from a Member or deducted from a Member's pay, within 30 days of the date on which the amount was deducted from the Member's pay.

4.04 Member Reciprocal Service Contributions

Under agreements entered into by the Trustees pursuant to Section 16.12, certain Members may be required to make contributions in respect of Continuous Service prior to their date of entry into the Plan in order to provide for full or partial Credited Service under the Plan to be transferred under such a Reciprocal Agreement. Such contributions shall be treated in all respects as Required Contributions once contributed to the Fund.

4.05 Contributions While on Leave of Absence

Where a Member is on unpaid leave of absence, and Required Contributions are not waived pursuant to Section 9.01, upon agreement between the Member and the Agency, the Member and the Agency may continue to make contributions to the Pension Fund in order to ensure the accrual of Credited Service for the Member. Such Required Contributions and Agency Contributions shall be at the rate the Member and Agency were contributing prior to the unpaid leave in order to accrue full Credited Service. Earnings shall be deemed to continue at the rate in effect prior to the leave for purposes of the determination of Plan benefits. Such leaves will normally not continue longer than 6 months and Credited Service earned, and contributions made, pursuant to this Section shall be limited to that allowed under the Income Tax Act.

4.06 Contributions for Past Service While Not A Member of the Plan

Where:

1. a Member was employed with an Agency which participates in the Plan; and
2. the Member was not eligible or did not choose to join the Plan; and
3. the Agency and the Member agree that Required Contributions and Agency Contributions will be made with respect to such employment while not a Member of the Plan; then

The Trustees shall cause to be calculated the Agency contributions and the Member Required Contributions in order to include such employment as Credited Service under the Plan. Such contributions and such Credited Service shall be handled in all respects similarly to Credited Service and contributions made for service while a Member of the Plan. In no event shall contributions be accepted or service credited pursuant to this section unless such service is eligible under the Income Tax Act.

Section 5 Retirement Dates

5.01 Normal Retirement Date

For purposes of the Plan, Normal Retirement Date means the first day of the month coincident with or next following the date on which the Member attains age 65.

5.02 Early Retirement Date

In Respect of Member Retirements that Occur Prior to January 1, 2020:

A Member may elect to retire early for the purposes of the Plan on any date which is the first day of a month coincident with or immediately following the Member's 55th birthday and prior to the Member's Normal Retirement Date. Such date shall be the Member's Early Retirement Date, and the Member shall be entitled to receive an early retirement pension. Should a Member terminate employment over age 55 and elect not to receive an immediate pension, such a Member's entitlement under the Plan shall be calculated according to Section 8.0.

In Respect of Member Retirements that Occur On and After January 1, 2020:

A Member may elect to retire early for the purposes of the Plan on any date which is the first day of a month coincident with or immediately following the Member's 55th birthday and prior to the Member's Normal Retirement Date. Such date shall be the Member's Early Retirement Date, and the Member shall be entitled to receive an early retirement pension.

5.03 Postponed Retirement Date

A Member who remains in the employment of an Agency after Normal Retirement Date has the right to continue as a Member of the Plan, but shall in any event be deemed to retire for the purposes of the Plan not later than:

1. prior to January 1, 1992, the last day of the month before attaining age 71; and
2. after 1991 and before 1997, the December 1 prior to the end of the calendar year in which the Member attains age 71; and
3. after 1996 and before 2007, the December 1 prior to the end of the calendar year in which the Member attains age 69; and
4. after 2006, the December 1 prior to the end of the calendar year in which the Member attains age 71 or such other age as allowed by the Income Tax Act and Pension Benefits Act.

Section 6 Retirement Benefits

6.01 Normal Retirement Pension

A Member who retires on his Normal Retirement Date shall be entitled to an annual pension, payable monthly and commencing at the end of the month following his Normal Retirement Date.

The amount of annual pension is equal to:

- 6.01.1. for retirements prior to January 1, 1998
- 6.01.1. plus 6.01.2. for retirements between January 1, 1998 and December 31, 2002
- 6.01.1. plus 6.01.2. plus 6.01.4. for retirements between January 1, 2003 and December 31, 2006 and
- 6.01.3. plus 6.01.4. for retirements after January 1, 2007

The appropriate amounts outlined above to be modified by Section 6.01.2.1 if applicable.

6.01.1. For Credited Service prior to January 1, 1998, an amount equal to the greater of:

(a):

- 50 percent of the Member's Required Contributions made during the 1997 Plan Year multiplied by the Member's number of years of Credited Service prior to January 1, 1992 plus
- 40 percent of the Member's Required Contributions made during the 1997 Plan Year multiplied by the Member's number of years of Credited Service from January 1, 1992 to December 31, 1997.
- Where a Member was part-time or on leave of absence for a portion, but not all of the 1997 Plan Year the Required Contributions made shall be annualized for the purposes of this Section;
- where a Member was Totally Disabled and while in receipt of Workers' Compensation benefits, Manitoba Public Insurance benefits or benefits from a long-term disability plan sponsored by an Agency for all or a portion of the 1997 Plan Year, the deemed Required Contributions, calculated pursuant to Section 9.01, shall be used; or

(b): the benefit for the period of Credited Service the Member had accrued as at January 1, 1998, according to the terms of the Plan prior to January 1, 1998. For this period of time the benefit accrued each year was based upon a percentage of the required contributions made to the Plan with the percentage each year consistent with the percentages found in Section 6.01.1.(a).

6.01.2. For Credited Service between January 1, 1998 and December 31, 2002, the sum of:

- (a) an amount equal to 40 percent of the Member's Required Contributions for such Credited Service; and
- (b) where the member was Totally Disabled and while in receipt of Workers' Compensation benefits, Manitoba Public Insurance benefits or benefits from a long-term disability plan sponsored by an Agency, an amount equal to 40 percent of deemed Required Contributions calculated pursuant to Section 9.01.

6.01.2.1

For any Members who have either retired from active service or have terminated employment and elected a deferred pension as per Section 8.01 during the period January 1, 1997 and December 31, 1999, shall have their pension upgraded, to a maximum of 3.96 percent, or for those in receipt of a pension the change in the Consumer Price Index for Canada from the month in which the retirement benefits commence to December 31, 1999 whichever is less and for those who have terminated employment, 3.96 percent or the change in the Average Industrial Wage from the month of termination to December 31, 1999 whichever is less, by recalculating each of their pension benefits based on 1. and 2. above.

6.01.3. Effective January 1, 2007

For each year of Credited Service prior to January 1, 2003, an amount equal to the greater of:

- (a):
 - 50 percent of the Member's Required Contributions made during the 2002 Plan Year multiplied by the Member's number of years of Credited Service prior to January 1, 1992 plus
 - 40 percent of the Member's Required Contributions made during the 2002 Plan Year multiplied by the Member's number of years of Credited Service from January 1, 1992 to December 31, 2002.
 - Where a Member was part-time or on leave of absence for a portion, but not all of the 2002 Plan Year the Required Contributions made shall be annualized for the purposes of this Section;
 - where a Member was Totally Disabled and while in receipt of Workers' Compensation benefits, Manitoba Public Insurance benefits or benefits from a long-term disability plan sponsored by an Agency for all or a portion of the 2002 Plan Year, the deemed Required Contributions, calculated pursuant to Section 9.01, shall be used; or
- (b): the benefit for the period of Credited Service the Member had accrued as at January 1, 2003, according to the terms of the plan prior to January 1, 2003.

6.01 4. Effective January 1, 2003

For each year of Credited Service of a Member who is not Totally Disabled on or after January 1, 2003 the sum of:

- (a) an amount equal to 1.4 percent of Earnings up to the YMPE; and
- (b) an amount equal to 2.0 percent of Earnings, if any, in excess of the YMPE

6.01.5. Effective January 1, 2025, for each year of Credited Service of a Member who is not Totally Disabled on or after January 1, 2025 an amount equal to 1.8 percent of Earnings.

6.02 Early Retirement Pension

- (a) A Member who retires early pursuant to Section 5.02 and before July 1, 2003, shall be entitled to an annual pension, payable monthly and commencing at the end of the month following his Early Retirement Date, in an amount equal to the amount calculated pursuant to Section 6.01 for Credited Service prior to the Member's Early Retirement Date,

reduced by

1/4 of 1 percent for each month or part thereof by which the pension commencement date precedes the Member's 62nd birthday.

Notwithstanding the above, a Member who retires early and after December 31, 1999 and before July 1, 2003 pursuant to Section 5.02 with 25 years of Continuous Service, shall be entitled to an annual pension, payable monthly and commencing at the end of the month following the Early Retirement Date, in an amount equal to the amount calculated pursuant to Section 6.01 for Credited Service prior to the Member's Early Retirement Date,

reduced by

1/3 of 1 percent for each month or part thereof by which the pension commencement date precedes the Member's 60th birthday.

- (b) A Member who is at least 55 years of age as at June 30, 2003 and retires early pursuant to Section 5.02, but after June 30, 2003, shall be entitled to an annual pension, payable monthly and commencing at the end of the month following his Early Retirement Date, in an amount calculated pursuant to Section 6.01 for Credited Service prior to July 1, 2003,

reduced by

1/4 of 1 percent for each month or part thereof by which the pension commencement date precedes the Member's 62nd birthday.

Notwithstanding the above, if a Member who is at least 55 years of age with 25 years of Continuous Service as at June 30, 2003 and retires early pursuant to Section 5.02, shall be entitled to an annual pension, payable monthly and commencing at the end of the month following the Early Retirement Date, in an amount equal to the amount calculated pursuant to Section 6.01 for Credited Service prior to July 1, 2003.

reduced by

1/3 of 1 percent for each month or part thereof by which the pension commencement date precedes the Member's 60th birthday.

- (c) A Member who is at least 55 years of age as at June 30, 2003 and retires early pursuant to Section 5.02, shall be entitled to an annual pension, payable monthly and commencing at the end of the month following his Early Retirement Date, in an amount equal to the amount calculated pursuant to Section 6.01 for Credited Service after June 30, 2003 to the Member's Early Retirement Date,

reduced by either

- (i) 1/2 of 1 percent for each month or part thereof by which the pension commencement date precedes the Member's 65th birthday, or
- (ii) an amount that is the Actuarial Equivalent on the Early Retirement Date of the pension accrued for this period of Credited Service and payable from the Normal Retirement Date but the Actuarial Equivalent reduction in the pension shall be not less than 1/4 of 1 percent for each month that the Early Retirement Date precedes the earliest of age 60, the age when 30 years of Service would have been obtained and the age at which the sum of the Member's age and years of Service would have totaled 80 had the Member continued to work.

Whichever of (i) or (ii) provides a larger pension.

- (d) A Member who has not attained age 55 as at June 30, 2003 and retires early pursuant to Section 5.02, shall be entitled to an annual pension, payable monthly and commencing at the end of the month following his Early Retirement Date, in an amount equal to the amount calculated pursuant to Section 6.01 for Credited Service prior to the Member's Early Retirement Date,

reduced by either

- (i) 1/2 of 1 percent for each month or part thereof by which the pension commencement date precedes the Member's 65th birthday, or
- (ii) an amount that is the Actuarial Equivalent on the Early Retirement Date of the pension accrued for this period of Credited Service and payable from the Normal Retirement Date but the Actuarial Equivalent reduction in the pension shall be not less than 1/4 of 1 percent for each month that the Early Retirement Date precedes

the earliest of age 60, the age when 30 years of Service would have been obtained and the age at which the sum of the Member's age and years of Service would have totaled 80 had the Member continued to work.

Whichever of (i) or (ii) provides a larger pension.

6.03 Postponed Retirement Pension

At the option of the Member, Required Contributions and Agency Contributions may continue. In such event, Credited Service will continue to accrue, and Required Contributions and Agency Contributions must continue to be made on all Member Earnings during the period between the Member's Normal Retirement Date and Postponed Retirement Date. At actual retirement, the pension shall be calculated according to Section 6.01. Should the Member elect to discontinue contributions after age 65 the Agency shall also discontinue contributions on behalf of the Member. In such event, the Member shall be considered to have retired and the pension calculated according to Section 6.01 shall become payable.

In accordance with PBA section 21 (9.1), if a Member ceases to be an active member of the Plan after reaching his Normal Retirement Date, the Member's pension must not be less than the greater of:

- (i) the pension otherwise determined, taking into account the additional benefits accrued after the Member reached his Normal Retirement Date; and
- (ii) the actuarial equivalent, as at the date he ceased to be an active Member, of the pension that would have been payable if the Member had retired at his Normal Retirement Date.

6.04 Benefit from Voluntary Contributions and Excess Contributions

In addition to any other retirement benefits payable under this Section 6, the Member is entitled to either

1. a lump sum refund of the Voluntary Contributions to the Plan or the Prior Plan, and Excess Contributions, if any with Credited Interest; or
2. an annuity purchased from an insurance company licensed to transact business in Canada, of any or all of the amounts described in (1).

6.05 Small Benefit Commutation

If the annual pension payable at the Member's Normal Retirement Date is less than 4 percent of the YMPE in the year of retirement, or the Commuted Value of the Member's pension payable at his date of retirement is less than 20 percent of the YMPE in the year or such other amount as may be prescribed under the Pension Benefits Act, the Member shall receive a lump sum payment equal to the Commuted Value of his deferred pension in full discharge of all obligations under the Plan.

6.06 Maximum Pension

Notwithstanding any other provisions of the Plan, the annual retirement income provided under the Plan to any Member at retirement, and including any amounts paid out to the Member's ex-Spouse or Common-Law Partner as a result of relationship breakdown, shall not exceed the years of the Member's pensionable service, multiplied by the lesser of:

1. \$1,722.22 or such greater amount permitted under the Income Tax Act; and
2. 2 percent of the Member's highest average indexed compensation (as defined under the Income Tax Act) in any three non-overlapping periods of 12 consecutive months; reduced, if the pension commencement date precedes the earliest of the day on which:
 - (a) the Member attains age 60;
 - (b) the Member's age plus early retirement eligibility service as permitted under the Income Tax Act is equal to 80;
 - (c) the Member completes 30 years of early retirement eligibility service as permitted under the Income Tax Act; and
 - (d) the Member becomes totally and permanently disabled as defined in the Income Tax Act;

by 1/4 of 1 percent for each month by which the pension commencement date precedes that day.

3. Pre-1990 Maximum Pension Benefits

Notwithstanding the foregoing provisions of this Section 6.06, the annual pension provided in respect of pensionable service in an entire calendar year before January 1, 1990 that was not previously pensionable service prior to June 8, 1990, shall not exceed \$1,150 (or such greater amount permitted under the Income Tax Act) for each year of such pensionable service.

For purposes of determining the maximum pension, a Member's years of pensionable service prior to January 1, 1992 is limited to a maximum of 35 years.

This Section 6.06 does not apply to additional benefits payable as a result of any Actuarial Equivalent increase due to deferral of pension commencement after age 65, to annual pension benefits of \$300 or less per year of pensionable service prior to January 1, 1992, nor to that portion, if any, of the pension derived from a Member's Excess Contributions or Voluntary Contributions.

6.07 Pension Adjustment

In no event shall the benefit accrued by a Member under Section 6.01 plus Member Voluntary Contributions during any Plan Year, result in a pension adjustment for the Member (as defined under the Income Tax Act) in excess of the limits for the year prescribed by the Income Tax Act.

6.08 Ad Hoc Indexing of Benefits

The Trustees may by resolution direct that any retirement income payable in accordance with Section 6 hereof be supplemented. Any supplementary retirement income granted after retirement in recognition of increases in the cost of living must be warranted by increases in the Consumer Price Index.

Increases shall generally be provided to non-active members as a percentage of their accrued pension. For active members, the Trustees have established an Indexing Account whereby a certain portion of Member Required Contributions are committed to the updating of active Member benefits provided under Section 6.01.

6.09 Plan Maximum

The Plan shall have an annual lifetime pension that shall be determined at the earliest of the date of retirement, the date of termination of employment, the date of termination of the Plan, or the date of death. The annual lifetime pension shall be the lesser of:

- (1) The pension calculated under Section 6.01, 6.02, or 6.03 whichever is applicable and
- (2) The amount determined under Section 6.06

6.10 Increase to Accrued Pension

Effective January 1, 2025, for a Member with a benefit entitlement remaining in the Plan on July 1, 2025, the Member will receive a 3% increase applied to his or her accrued pension as at December 31, 2024.

Effective January 1, 2026, for a Member with a benefit entitlement remaining in the Plan on December 31, 2025, the Member will receive a 3% increase applied to his or her accrued pension as at December 31, 2025.

Section 7 Form of Pension Benefits

7.01 Pension Calculation According to Normal Form

The amount of pension provided under Section 6.01, 6.02, or 6.03 is calculated according to the normal form of pension for the Member and is payable in that normal form of pension unless the automatic form of pension applies or the Member elects an optional form of pension.

7.02 Normal Form of Pension Benefit

The normal form of pension is an annuity payable in equal monthly installments for the life of the Member and in any event for a period of not less than 60 months. If the Member dies before receiving 60 monthly payments, his Beneficiary is entitled to receive the remainder of the 60 payments. At the option of the Beneficiary, any remaining payments can be paid in a lump sum equal to the Commuted Value of the remaining payments.

7.03 Automatic Form for a Member With a Spouse or Common-Law Partner

1. Automatic Form for a Member With a Spouse or Common-Law Partner

For a Member who has a Spouse or Common-Law Partner on the date on which pension payments commence, the pension must be paid as a joint and survivor annuity which is:

- (a) payable in equal monthly installments of an adjusted amount for the life of the Member and payable after the Member's death to the Member's Spouse or Common-Law Partner for her life in monthly installments equal to 66 2/3 percent of the amount of each monthly installment paid during the life of the Member; and
- (b) Actuarial Equivalent of the pension in the form described in Section 7.02.

Notwithstanding the above, a Member who had attained their 55th birthday prior to January 1, 2026 shall receive a pension equal to 93% of the pension in the form described in section 7.02, if such pension is greater than the Actuarial Equivalent pension.

2. Waiver of Spousal Joint and Survivor Pension

A Member who has a Spouse or Common-Law Partner may elect any other form of pension which provides no benefit to the Spouse or Common-Law Partner or a benefit to the Spouse or Common-Law Partner that is less than 66 2/3 percent of the benefit paid to the Member where the administrator of the Plan receives a written waiver that is signed by the Spouse or Common-Law Partner of the retiring Member, after being given prescribed information in accordance with the regulations, in a form approved by the superintendent.

A Spouse or Common-Law Partner of the retiring Member may revoke the waiver at any time before the pension commences by filing the revocation with the administrator.

7.04 Election of Optional Forms

In lieu of the normal form of pension payable according to Section 7.02, or the automatic form of pension payable according to 7.03(1), and subject to the restriction under Section 7.03(2), a Member may elect, before pension commencement, to receive his pension benefit in one of the optional forms of pension described in Section 7.05.

7.05 Optional Forms of Pension Benefits

Optional forms of pension benefit shall be the Actuarial Equivalent of the normal form of pension payable according to Section 7.02. The optional forms are:

1. Life Guaranteed 5, 10 or 15 Years

Under the Life Guaranteed 5, 10, or 15 Years form of pension, the Member receives a pension payable for life in equal monthly installments, with the guarantee that, if the Member dies before receiving 60, 120, or 180 months of guaranteed payments, the Member's beneficiary will receive the Commuted Value of the remainder of these 60, 120, or 180 payments.

2. Single Life Pension

Under the Single Life form of pension, the Member receives a pension payable in equal monthly installments for his lifetime, with the last payment being the payment for the month in which the Member's death occurs.

3. Joint and Survivor Pension

- (a) Under this option, a Member will receive a pension which will be payable in equal monthly installments during the Member's lifetime, with the full amount or a specified lesser percentage of the pension being continued after death to a joint annuitant designated in writing by the Member. The Member may only designate as a joint annuitant his Spouse or Common-Law Partner or former Spouse or Common-Law Partner.
- (b) Benefit payments under this option shall terminate with the payment for the month in which the death of the Member occurs, or if the designated joint annuitant outlives the Member, the full amount or specified lesser percentage of the pension, as applicable, will be paid to the joint annuitant for the joint annuitant's lifetime ending with the payment for the month in which the joint annuitant's death occurs.
- (c) If the designated joint annuitant dies before the Member's pension commences, the election of this option shall be void, and the Member's retirement benefit shall be payable as if such election had not been made.

4. Integrated Income Option

Under the Integrated Income form of pension, the Member receives increased amounts of monthly pension until age 65 and a reduced pension thereafter, in order to provide pension income from the Plan that is fully or partially integrated with the maximum income that would be payable to the Member from the Canada Pension Plan, the Quebec Pension Plan and Old Age Security if the Member were age 65.

Section 8 Termination Benefits

8.01 Termination Benefits

A Member, who terminates employment with an Agency, is entitled to receive a deferred pension in the amount accrued or granted to him under Section 6.01, as modified by Section 6.06, for his Credited Service prior to his date of termination.

8.02 Termination Benefit Options

1. For Credited Service Prior to July 1, 1976

A Member entitled to a deferred pension pursuant to Section 8.01 shall be entitled to elect to receive a lump sum refund of his Required Contributions, plus Credited Interest, made to the Plan prior to July 1, 1976. In such event, the deferred pension credited under Section 8.01 shall be recalculated excluding Credited Service prior to July 1, 1976.

2. For Credited Service On and After July 1, 1976

A Member entitled to a deferred pension pursuant to Section 8.01 who has not completed two years of Continuous Service at his date of termination, if his date of termination is on or before May 30, 2010, shall be entitled to elect to receive a lump sum refund of his Required Contributions, plus Credited Interest. In such event, the deferred pension credited under Section 8.01 shall be forfeited. Where a Member has a date of termination on or after May 31, 2010, such a Member shall have no other option than to receive the deferred pension calculated pursuant to Section 8.01 earned for Credited Service on and after July 1, 1976.

A Member who has terminated from active Service, who is a non-resident of Canada for the purposes of the Income Tax Act (Canada), may apply for a lump-sum payment of the Commuted Value of his pension. The following documentation must be submitted to the Trustees by the Member prior to receiving a lump-sum payment:

- (i) written confirmation from the Canadian Revenue Agency that the Member is a non-resident of Canada for the purposes of the Income Tax Act (Canada);
- (ii) A Consent to Withdrawal for Non-Residency Status, if one is required, in the form prescribed under the Pension Benefits Act; and
- (iii) any additional information that may be required to facilitate the payment.

8.03 Refund of Voluntary Contributions, Excess Contributions

Upon termination of employment other than by death or retirement, a Member will receive:

1. (a) a lump sum refund of his Voluntary Contributions, if any, to the Plan or the Prior Plan, with Credited Interest; and
(b) if the Member is entitled to receive a deferred pension under Section 8.01 which is not subsequently forfeited under Section 8.02, a lump sum refund of any Excess Contributions made under the Plan, with Credited Interest;

or

2. an annuity purchased from an insurance company licensed to transact business in Canada, of any or all of the Member's Voluntary Contributions and a pension payable at retirement which is Actuarial Equivalent, calculated at the Member's retirement, of any or all of the Member's Excess Contributions, based on the amounts described in (1).

8.04 Commencement of Deferred Pension

A Member entitled to a deferred pension pursuant to this Section shall be entitled to begin commencement of such deferred pension at such time and in such amount as is governed by the terms of Section 5, Section 6 and Section 7 of the Plan in exactly the same manner as for a Member who remains an Employee except that Continuous Service, Credited Service and Required Contributions shall cease at the Member's date of termination of employment.

8.05 Transfer of Value of Deferred Pension

In Respect of Member Retirements or Terminations that Occur Prior to January 1, 2020:

A Member who is entitled to a deferred pension under Section 8.01 or, if applicable, as modified by Section 8.02, may elect to have the Commuted Value of the deferred pension to which the Member is entitled, with Credited Interest:

1. transferred to another registered pension plan, provided that the administrator of that pension plan agrees to accept the transfer; or
2. transferred to a locked-in registered retirement savings plan, or a locked-in retirement account as prescribed in the Pension Benefits Act.

Whenever a transfer is contemplated by this Plan the amount that can be transferred is limited to the amounts outlined in section 8517 of the regulations to the Income Tax Act. Any amount available that exceeds the maximum amount that can be transferred on a tax assisted basis must be taken as cash.

Such an election must be made within 180 days of receipt of his pension statement provided as a result of his termination.

In Respect of Member Retirements or Terminations that Occur On and After January 1, 2020:

A Member who is entitled to a deferred pension under Section 8.01 or, if applicable, as modified by Section 8.02, unless the Member is eligible to commence an immediate pension under Section 5, may elect to have the Commuted Value of the deferred pension to which the Member is entitled, with Credited Interest:

1. transferred to another registered pension plan, provided that the administrator of that pension plan agrees to accept the transfer; or
2. transferred to a locked-in registered retirement savings plan, or a locked-in retirement account as prescribed in the Pension Benefits Act.

Whenever a transfer is contemplated by this Plan the amount that can be transferred is limited to the amounts outlined in section 8517 of the regulations to the Income Tax Act. Any amount available that exceeds the maximum amount that can be transferred on a tax assisted basis must be taken as cash.

Such an election must be made within 180 days of receipt of his pension statement provided as a result of his termination.

If a Member is entitled to an immediate pension under any of sections 5.01, 5.02 or 5.03 the Member is not entitled to elect to receive their entitlement as a Commuted Value.

8.06 Transfer of Value of Lump Sum Refund

A Member who is entitled to receive a lump sum refund pursuant to Section 8.02 or Section 8.03 may elect to transfer the refunded amount to a registered retirement savings plan.

8.07 Small Benefit Commutation

If the annual pension payable at the Member's Normal Retirement Date is less than 4 percent of the YMPE in the year of termination, or the Commuted Value of the Member's pension at his date of termination is less than 20 percent of the YMPE in the year or such other amount as may be prescribed under the Pension Benefits Act, the Member shall receive a lump sum payment equal to the Commuted Value of his deferred pension in full discharge of all obligations under the Plan.

8.08 Ad Hoc Indexing of Benefits

The Trustees may by resolution direct that any retirement income payable in accordance with this Section 8 and not subsequently transferred or forfeited, be supplemented. Any supplementary retirement income granted prior to retirement must be warranted by increases in the average industrial wage in Canada. Any supplementary retirement income granted after retirement in recognition of increases in the cost of living must be warranted by increases in the Consumer Price Index.

Section 9 Disability Accrual

9.01 Conditions Applicable During Total Disability

1. Waiver of Contributions

A Member is exempted from the requirement to make contributions to the Plan during a period of Total Disability and while in receipt of Workers' Compensation benefits, Manitoba Public Insurance benefits or benefits from a disability plan sponsored by an Agency, including any waiting period prior to receipt of such benefits.

2. Continuation of Service

Each year, or part thereof, during the period of Total Disability, while in receipt of Workers' Compensation benefits, Manitoba Public Insurance benefits or benefits from a disability plan sponsored by an Agency, counts as a year, or part thereof, of Continuous Service for the Member and the benefit is determined based on the provisions of the Plan, as modified by Items 3 and 4 of this Section.

3. Deemed Contributions

For the purpose of benefit accrual during a period of Total Disability, while in receipt of Workers' Compensation benefits, Manitoba Public Insurance benefits or benefits from a disability plan sponsored by an Agency,

- (a) where Total Disability commenced prior to the Plan Year 1993, and provided it continues throughout, the Required Contribution for the Plan Years after 1992, and prior to 2003 are deemed to be equal to 3.5 percent of Earnings immediately prior to Total Disability up to the YMPE for the Plan Year, plus 5.0 percent of Earnings immediately prior to Total Disability in excess of the YMPE for the Plan Year. If Total Disability had commenced prior to 1990, the Earnings are updated for changes in the Consumer Price Index (CPI) to August 1989.
- (b) where Total Disability commenced after 1992 Plan Year, but prior to 2003, and provided it continues throughout, the Required Contributions for the Plan Years after 1992, and prior to 2003 are deemed to be equal to the sum of:
 - (i) the actual Required Contributions for the year of Total Disability; and
 - (ii) 3.5 percent of Earnings immediately prior to Total Disability up to the YMPE for the Plan Year, plus 5.0 percent of Earnings immediately prior to Total Disability in excess of the YMPE for the Plan Year, prorated based on the Continuous Service during which Required Contributions were waived pursuant to this Section.
- (c) where Total Disability commenced prior to January 1, 2000, the Required Contributions for the Plan Years after 1999 shall be calculated as described in (a) and

(b) above, however, Earnings shall be increased by 3.96 percent.

- (d) For Plan Years commencing in 2003 those Totally Disabled Members shall be assigned an Earnings amount. Such Earnings amount shall be the actual Annual Earnings of the Member adjusted in accordance with subsection 9.01 3. (a), (b), and (c), whichever is applicable. The benefit assigned to these Totally Disabled Members for each year of Credited Service after 2002 shall equal the following:
 - (i) an amount equal to 1.4 percent of Earnings up to the YMPE in the year of disability or the current Pan Year, whichever is applicable; and
 - (ii) an amount equal to 2.0 percent of Earnings, if any, in excess of the applicable YMPE.
- (e) For Plan Years commencing in 2025 those Totally Disabled Members shall be assigned an Earnings amount. Such Earnings amount shall be the actual Annual Earnings of the Member adjusted in accordance with subsection 9.01 3. (a), (b), and (c), whichever is applicable. The benefit assigned to these Totally Disabled Members for each year of Credited Service after 2024 shall equal the following:
 - (i) an amount equal to 1.8 percent of Earnings in the year of disability or the current Pan Year, whichever is applicable.

4. Deemed Credited Service

For the purpose of benefit accrual during a period of Total Disability, while in receipt of Workers' Compensation benefits, Manitoba Public Insurance benefits or benefits from a disability plan sponsored by an Agency, the Member's Credited Service per year of Continuous Service shall be deemed to be equal to the Member's Continuous Service.

9.02 Total Disability Ending Before Normal Retirement

If the Member, for any reason, ceases to receive Workers' Compensation benefits, Manitoba Public Insurance benefits or benefits from the disability plan sponsored by an Agency, before his Normal Retirement Date, and

1. the Member returns to active employment with an Agency, his pension is calculated based on the provisions of the Plan, as modified by Section 9.01, in effect as at the date of his subsequent termination or retirement; or
2. the Member does not return to active employment with an Agency, he will be deemed to have terminated his employment for purposes of the Plan as of the date that he ceases to receive benefits, or such later date the Agency specifies, and his pension is calculated based on the provisions of the Plan, as modified by Section 9.01, in effect as at the date of his deemed termination.

9.03 Disability Continuing Until Normal Retirement

A Member who continues to receive Workers' Compensation benefits, Manitoba Public Insurance

benefits or benefits from the disability plan sponsored by an Agency, until his Normal Retirement Date is deemed to retire on his Normal Retirement Date and his pension is calculated based on the provisions of the Plan, as modified by Section 9.01, in effect as at the date of his retirement.

Section 10 Death Benefits

10.01 Death of an Active Member on or Before May 30, 2010 Before Completing Two Years of Continuous Service

If a Member dies in active employment on or before May 30, 2010 and before completing 2 years of Continuous Service, a death benefit is payable to the Member's Beneficiary which is a lump sum payment equal to the Member's Required Contributions made to the Plan plus Credited Interest.

10.02 Death of an Active Member on or after May 31, 2010

1. Death Benefit Amount

If a Member dies in active employment, a death benefit is payable in an amount equal to the Commuted Value of the Member's pension accrued to him under Section 6.01, as modified by Section 6.06.

2. Death Benefit Payable to Spouse or Common-Law Partner

The death benefit payable under Section 10.02(1) must be paid to the Member's Spouse or Common-Law Partner, unless at the time of death the Member was living separate and apart from the Spouse or Common-Law Partner by reason of a breakdown of their relationship or the waiver described below has been completed and not revoked, in either of the following forms:

- (a) an immediate or deferred life annuity or life income fund payable for the Spouse or Common-Law Partner's lifetime which shall be the Actuarial Equivalent of the death benefit amount in (1), calculated at the date of death of the Member and based on the age of the Spouse or Common-Law Partner; or
- (b) transfer the death benefit amount in (1) to another registered pension plan, locked-in registered retirement savings plan or locked-in retirement account as prescribed in the Pension Benefits Act. Such an election must be made within 30 days of receiving the statement provided as a result of the Member's death.

A Spouse or Common-Law Partner may elect to waive the survivor benefit on pre-retirement death of a Member by receiving the information required under the Pension Benefits Act and Regulation and subsequently completing a form as prescribed under the Pension Benefits Act. Such waiver may be revoked before the death of the Member by filing a written revocation signed by the Member and the Spouse or Common-Law Partner who granted the waiver, with the administrator.

3. Death Benefit Payable to Non Spouse or Common-Law Partner Beneficiary

If the Member does not have a Spouse or Common-Law Partner at the date of death, or if the Spouse or Common-Law Partner has completed, and not revoked, the waiver form described in Section 10.02(2), the death benefit payable under Section 10.02(1) is payable in a lump sum to the Member's Beneficiary.

10.03 Death Benefit After Termination of Employment and Prior to Commencement of Pension

Any death benefit payable upon the death of a Member who has terminated employment and remains a Member of the Plan shall be calculated according to Section 10.02 and Section 10.05 with respect to any deferred pension or contribution entitlements that the Member has remaining to his credit under the Plan after the application of Section 8 of the Plan.

10.04 Death Benefit After Commencement of Pension

Any death benefit payable upon the death of a Member who has commenced to receive his pension is determined in accordance with the form of the pension being paid to the Member pursuant to Section 7.

10.05 Refund of Voluntary Contributions, Excess Contributions

In addition to any other death benefit payable under this Section 10, the Member's Spouse or Common-Law Partner or, in the absence of a Spouse or Common-Law Partner, the Beneficiary, is entitled to receive

1.
 - (a) a lump sum refund of his Voluntary Contributions, if any, to the Plan or the Prior Plan, with Credited Interest; and
 - (b) a lump sum refund of any Excess Contributions made under the Plan, with Credited Interest;

or
2. where there is a Spouse or Common-Law Partner, such person may elect to receive a pension payable immediately which is the Actuarial Equivalent of any or all of the amounts described in (1).

10.06 Payment of Death Benefit

Any death benefit payable shall be paid as soon as is practicable after the death of the Member.

10.07 Commencement of Annuity Payments

The immediate or deferred life annuity or life income fund, payable for the Spouse or Common-Law Partner's lifetime as described in Section 10.02, and 10.05(2) must commence no later than the later of:

1. one year after the date of death of the Member; and
2. December 1 of the calendar year in which the Spouse or Common-Law Partner attains age 71 or such other age as allowed by the Income Tax Act.

Section 11 Shortened Life Expectancy

- 11.01** If a Member has a shortened life expectancy of less than two years and provides written medical evidence provided by a medical doctor acceptable to the Trustees, the Member may elect to receive a payment of the commuted value of his pension unless:
- (i) His pension has already commenced, or
 - (ii) the Member's pension is required by the Pension Benefits Act to be a joint pension and that requirement has not been waived in the prescribed manner.
- 11.02** The Member shall submit a written notice to the Trustees, indicating whether he has a Spouse or Common-Law Partner and providing the supporting medical evidence of his shortened life expectancy. The Member and his Spouse or Common-Law Partner, if applicable, shall receive a termination statement within 60 days of submitting his written notice to the Trustees.
- 11.03** The Member may apply for the commutation of his pension by submitting an application. The application:
- (i) Must be in writing;
 - (ii) Must be made within 90 days after receiving his statement of termination; and
 - (iii) Must include a waiver by the Spouse or Common-Law Partner of his or her right to a joint pension under Section 23 or the Pension Benefits Act.
- 11.04** The commuted value of the Member's pension shall be calculated using actuarial assumptions that do not take the Member's shortened life expectancy into account.
- 11.05** Where an active Member applies for, and receives, a payment under Section 11, the Member's participation in the Plan ceases and the Member ceases to be an active Member of the Plan.

Section 12 Designation of Beneficiary

12.01 Designation of Beneficiary

Subject to the requirements of the Pension Benefits Act, a Member may designate, by written notice delivered to the Agency, a Beneficiary to receive any benefits payable on the death of the Member. A Member may revoke or amend such designation in the same manner at any time before the commencement of his pension subject to any applicable laws governing the designation of beneficiaries.

12.02 No Beneficiary

If a Member fails to validly designate a Beneficiary, or if a designated Beneficiary predeceases the Member or dies before payment of the death benefit, any benefits payable on the Member's death shall be paid to his Spouse or Common-Law Partner, unless the waiver described in Section 10.02(2) has been completed and not revoked, or in the absence of a Spouse or Common-Law Partner in a lump sum to the estate of the Member.

12.03 Death of Beneficiary

If a Beneficiary is entitled to payments under a form of benefit with a guaranteed number of payments, and if the Beneficiary dies before receiving all of the guaranteed number of payments, the Commuted Value of the remainder of the guaranteed payments will be paid in a lump sum to the estate of the Beneficiary.

Section 13 Administration

13.01 Responsibility for Administration

The administrators of the Plan shall be the Trustees which shall be responsible for all matters relating to the administration of the Plan and may delegate such matters as they deem appropriate to be performed by one or more agents. The Trustees shall decide conclusively all matters relating to the operation, interpretation and application of the Plan.

13.02 Rules for Administration

The Trustees may enact rules and regulations relating to the administration of the Plan to carry out the terms hereof and may amend such rules and regulations from time to time. Such rules and regulations shall not conflict with any provision of this Plan.

13.03 Plan Summary

The Agency shall provide each Employee with a written explanation of the terms and conditions of the Plan and amendments thereto applicable to him, together with an explanation of the rights and duties of the Employee with reference to the benefits available to him under the terms of the Plan.

13.04 Annual Statement

The Agency shall provide annually to each active Member a written statement containing the information prescribed under the Pension Benefits Act in respect of the Member's benefits under the Plan.

13.05 Statement on Termination of Employment or Membership

When a Member of the Plan terminates employment or otherwise ceases to be a Member, the Agency shall give to the Member, or to any other person who becomes entitled to a benefit under the Plan, a written statement setting out the information prescribed under the Pension Benefits Act in respect of the benefits of the Member or other person.

13.06 Inspection of Documents

The Agency shall make available for inspection by eligible individuals the documents and information concerning the Plan and the Pension Fund as prescribed under the Pension Benefits Act.

Section 14 Pension Fund

14.01 Pension Fund Administration

The Pension Fund shall be administered by the Funding Agent in accordance with the Funding Agreement.

14.02 Expenses

All reasonable fees and expenses related to the administration of the Pension Fund and the Plan may be paid from the Pension Fund, including fees and expenses of the Agencies and their agents.

14.03 Investments

The Trustees shall direct the investment of the Pension Fund in accordance with the provisions of the Pension Benefits Act and the Income Tax Act.

Section 15 Future of the Plan

15.01 Continuation of the Plan

The Trustees intend to maintain the Plan indefinitely but they reserve the right to amend or discontinue the Plan in whole or in part in accordance with the terms of the Trust Agreement and any applicable law.

15.02 Amendment to the Plan

1. No amendment shall operate to reduce the pension benefits which have accrued to any Member before the date of such amendment, based on Earnings at the date of the amendment.
2. Where an amendment results in a certifiable past service pension adjustment (as defined in the Income Tax Act) in respect of a Member, the amendment shall not apply to such Member prior to the certification of the past service pension adjustment in accordance with the Income Tax Act.

15.03 Termination of the Plan or departure of an Agency

1. If the Plan is wound up in whole or in part the assets of the Pension Fund shall first be allocated for provision of benefits in accordance with the terms of the Plan, and in accordance with the terms of the Pension Benefits Act, the Income Tax Act and the rules and regulations of the Canada Revenue Agency, and any other applicable legislation.
2. If after meeting all requirements of the Plan an Agency departs from the Plan the departing Agency shall not make further contributions for accruing benefits to the Pension Fund in respect of its Members who were accruing benefits under the Plan, other than to make the contributions due or accrued to the date of departure as required by the Plan and the Pension Benefits Act.
3. On the departure of an Agency for any reason and under any circumstances any expenses of any kind incurred by the Plan relating to the departure including but not limited to actuarial, legal, administration and or accounting shall be the full responsibility of the departing Agency.

In addition when the obligations of the departing or departed Agency are settled it means the complete transfer of assets and liabilities for Members assigned to the departed or departing Agency from the Plan, to the extent possible, which could be at a reduced level depending on the circumstances and the assets available or allocated to the Members assigned to the departing or departed Agency. Any Member, assigned to the departing Agency in receipt of a pension will have a pension or pensions purchased from an insurance company licensed to sell life annuities in Canada in an amount or amounts, dependent on the circumstances, that can be provided by the assets allocated to the Members in receipt of a pension. All actions taken to settle the obligations of the Members assigned to a departing or departed Agency will be in accordance with the requirements of the Pension Benefits Act and if the settlement occurs because of the wind up of the Plan in whole or in part no payments other than the continued payment of the pension payments may occur until the wind up report has been approved by the Pension Commission of Manitoba.

4. **Agency Departure With No Partial Wind-up and Agency Exists**

If the departure of an Agency does not result in a partial wind up of the Plan, no transfer of assets and liabilities to another pension plan has been negotiated as a result of the departure of the Agency, and the departing Agency is still in existence the Trustees in their sole discretion shall implement one of the following actions:

i) **Future Solvency and Unfunded Liability Payments Continue**

Have the departing Agency continue to pay into the Fund the Solvency Deficiency or Unfunded Liability payments allocated to the Agency in accordance with the periodic actuarial valuations carried out on the Plan. When the obligations of the Members assigned to the departed Agency become fully funded the Trustees may settle fully the obligations of the Members assigned to the departed Agency unless a written agreement satisfactory to the Trustees has been executed with the departing Agency that among other things requires the departed Agency to contribute any future solvency deficiency or liability payments that may arise and are allocated to the departed Agency.

ii) **Lump Sum Payment and Benefits Are Settled Fully**

Have the departing Agency pay into the fund an amount necessary to fully fund their outstanding obligations for the benefits accrued to the date of departure for the departing Members. The amount of the payment calculated using actuarial assumptions and annuity purchase rates applicable at the date of settlement, contributions actually contributed by the Agency to the plan since the effective date of the last filed actuarial report, the solvency ratio of the most recently completed actuarial report of the plan, the requirements of the Pension Benefits Act, and any other factors deemed appropriate by the Trustees. Once this payment is made the obligations of all the Members of the departing Agency will be settled.

iii) **No Payments Benefits Reduced**

Fully settle the obligations of the Members assigned to the departing Agency in the same manner that would apply if the departing Agency no longer exists at the time of the departure.

5. **Agency Departs No Partial Wind-up But Agency Does Not Exist**

If the departure of an Agency does not result in a partial wind up of the Plan but the Agency no longer exists or if at any time the departed Agency fails to make the required solvency deficiency and or unfunded liability payments assigned to them then the benefits payable to the Members assigned to the departing Agency will be settled.

In determining the amounts available for settling the obligations of the departed Members the contributions actually contributed by the Agency since the effective date of the last filed actuarial valuation of the Plan, the solvency ratio of the last actuarial valuation, and any other factors deemed appropriate by the Trustees will be considered.

Once all obligations have been settled under any of the actions taken above the departing Agency will no longer be an Agency under the Plan and the Members whose benefits were settled shall have no further claim under the Plan.

6. **Agency Departs and Partial Wind-up Agency Exists After Departure**

If the Plan is wound up in part or if there are assets and liabilities transferred to another pension plan because of the departure of an Agency under a transfer agreement approved by the Trustees and the departing Agency is still in existence the Trustees in their sole discretion shall implement one of the following actions:

i) **Agency Pays For 5 Years Then Settles Benefits**

Have the departing Agency continue to pay into the Plan the Solvency Deficiency payments assigned to them in accordance with the partial wind up report approved by the Pension Commission of Manitoba for at most a 5 year period commencing on the wind up date. After the 5 year period all the obligations of Members assigned to the departed Agency shall be settled.

ii) **Lump Sum Payment and Benefits Are Settled Fully**

Have the departing Agency pay into the fund an amount necessary to fully fund their outstanding obligations for the benefits accrued to the date of departure. The amount of the payment calculated using actuarial assumptions and annuity purchase rates found in the partial wind up report, contributions actually contributed by the Agency to the plan since the partial wind up date, the solvency ratio of the partial wind up actuarial report of the plan approved by the Pension Commission of Manitoba, the requirements of the Pension Benefits Act, and any other factors deemed appropriate by the Trustees. Once this payment is made the Trustees will settle the obligations of all the Members of the departing Agency based on the share of the fund allocated to each departing Member.

iii) **Agency Transfers to New Plan Benefits Transferred**

Enter into a transfer agreement with the administrator of another pension plan, the terms of which are satisfactory to the Trustees, to which the Members of the departing Agency become members, under which liabilities and assets of the departing Members assigned to the departing Agency will be transferred. The transfer agreement will specify the actuarial assumptions and methods to be used, how the transfer amount is to be determined, the additional Solvency and or Unfunded Liability payments that the terminated Agency would have been required to make with respect to any orphaned members had the Agency not departed, an indemnity, satisfactory to the Trustees, that protects the Trustees against any complaint or action of any kind that may arise as a result of the transfer, along with any other factors deemed appropriate by the Trustees.

iv) **No Payments Benefits Reduced**

Fully settle the obligations of the Members assigned to the departing Agency in the same manner that would apply if the departing Agency no longer exists at the time of the departure.

7. **Agency Departs Partial Wind-up and Agency Does Not Exist**

If the Plan is wound up in part because of the departure of an Agency and the departing Agency no longer exists, and there is a solvency ratio of less than 1, or the departing Agency still exists and the departed Agency fails to make the Solvency Deficiency payments as required, then the benefits of the Members allocated to the departing Agency shall be reduced. The amount of the reduction in benefits to the Members assigned to the departing Agency shall be dependent on the solvency ratio in the actuarial report, any change in annuity purchase rates from the wind up date to the settlement date, and any other factors that the Trustees deem appropriate. Once all obligations have been settled under any of the actions taken above the departing Agency will no longer be an Agency under the Plan and the Members whose benefits were settled shall have no further claim under the Plan.

8. **Plan Wound Up In Whole and Insufficient Assets**

If the Plan is wound up in whole and the assets in the Pension Fund, or available to the Pension Fund are insufficient to pay all the benefits under the Plan then the benefits will be settled in accordance with the wind up report approved by the Pension Commission of Manitoba.

15.04 Wind-Up Surplus

If after provision for benefits payable to or in respect of Members on the wind-up in whole or in part of the Plan, the assets of the Pension Fund exceed its liabilities on both a going concern and a solvency basis as disclosed in the wind up report approved by the pension commission of Manitoba (the excess on the solvency basis referred to hereafter as "surplus"), such surplus allocated to the partial or the full wind up Members shall be used in an equitable manner, provided that:

1. the Trustees obtain the prior written approval of the Pension Commission of Manitoba, and, if necessary, the approval of Canada Revenue Agency, and otherwise comply with the requirements of the Pension Benefits Act, the Income Tax Act and the rules and regulations of Canada Revenue Agency; and
2. such surplus is used, to the extent it is sufficient, to provide additional benefits to or in respect of Members that are such that the Member's total benefit, inclusive of indexing both before and after retirement is equal to the maximum benefit permitted to be paid under Section 6.06 as any other applicable Section of the Plan.

3. the portion of such surplus that is in excess of the amount required to provide such additional benefits shall be paid in an equitable manner to the Members of the Plan affected by the wind up. In no event shall surplus upon the windup of the Plan be utilized for any purpose other than to benefit the Membership at that time.

Once all obligations have been settled under a partial wind up and the actions taken above have occurred the departing Agency will no longer be an Agency under the Plan and the Members of the departing Agency whose benefits were settled shall have no further claim under the Plan.

Section 16 General Provisions

16.01 Non-Alienation

Except as specified in Section 17.0, money payable under the Plan is subject to the following restrictions:

1. Void Transactions

Any transaction that purports to assign, charge, anticipate, surrender or give as security money payable under the Plan is void; and

2. Exemption from Seizure

Money payable under the Plan is exempt from execution, seizure or attachment.

16.02 Non-Commutation of Pensions

A pension or deferred pension payable under this Plan shall not be capable of being commuted, except as follows:

1. as permitted under Section 6.05; or
2. as permitted under Section 8.05; or
3. as permitted under Section 8.07; or
4. as permitted under Section 10.02; or
5. as permitted under Section 11; or
6. as permitted under Section 17.

16.03 Transfer Restrictions

The Trustees shall not permit a transfer or purchase under this Plan unless the Trustees are satisfied that:

1. the transfer or purchase is in accordance with the Pension Benefits Act;
2. the transfer complies with the requirements of the Income Tax Act; and
3. Amounts transferred under this Plan on or after January 1, 1989 shall not exceed the maximum amount prescribed under the Income Tax Act, and the excess of the Commuted Value plus Credited Interest, if any, over the amount transferred shall be paid to the Member in a lump sum.

16.04 No Right to Employment

The Plan shall not be construed to create or enlarge any right of any person under a Collective Agreement or other personnel policy to remain in the employment of an Agency, nor shall it interfere in any manner with the right of an Agency to discharge any person or any person's right to contest such a discharge.

16.05 No Right to Agency Contributions

Contributions made by an Agency shall not constitute an enlargement of the amount of any benefit defined in the Plan. Contributions shall not at any time create for any person any right, title or interest in the assets of the Agency or the Pension Fund, except as specifically provided in the Pension Benefits Act and under the terms of this Plan

16.06 Information To Be Provided Before Pension Fund Pays Benefit

Payment of benefits shall not be made until the person entitled to payment of the benefit delivers to the Trustees, or their agent:

1. satisfactory proof of age of the person and other persons who may become entitled to payment of the pension and such other information as may be required to calculate and pay the benefit; and
2. if the benefit is payable to a Member or Spouse or Common-Law Partner, a signed declaration of marital status.

provided that upon late delivery of the required documents and information payment of a pension shall be made on the first of the month following the date that the documents and information is received. Permission for payment of retroactive payments will be sought from the Canada Revenue Agency.

16.07 Agency Records

Wherever the records of the Agency are used for the purposes of the Plan, such records shall be conclusive of the facts with which they are concerned, unless and until they are proven to be in error.

16.08 Severability

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

16.09 Captions and Headings

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

16.10 Construction

1. The Plan is intended to constitute an employees' pension plan qualified for registration under the Income Tax Act and the Pension Benefits Act.
2. Any provision of the Funding Agreement that is inconsistent with the terms of the Plan shall, to the extent of the inconsistency, be of no force or effect.
3. The Plan shall be governed and construed in accordance with the laws of the Province of Manitoba.

16.11 Currency

All benefits payable under the Plan shall be payable in the lawful currency of Canada.

16.12 Reciprocal Agreements

The Trustees shall have the right to enter into, or refuse to enter into, Reciprocal Agreements with other pension plans registered under the Income Tax Act for the purposes of recognizing Credited Service of a Member under such other registered plan. The terms and conditions of such agreement shall be established by agreement between the Trustees and the Administrator of the other registered plan. Decisions as to required contributions and the amount of service to be recognized shall be made by the Trustees and shall be binding upon the Member.

16.13 Agency Participation

The participation of an Agency in the Plan shall require such Agency to comply with all the provisions of the Plan and Trust Agreement.

Any Agency that wishes to withdraw from, or terminate active participation in, the Plan shall provide the Trustees with no less than one (1) year prior written notice of the desire to withdraw or terminate. The Trustees in their sole discretion have the right to waive or reduce the notice period. If an Agency ceases to participate for any reason the appropriate actions contemplated by Sections 15.03 and 15.04 will occur.

On the departure of an Agency the Trustees may declare that a partial wind up has occurred after taking into considerations the circumstances of the departure, the number of Members assigned to the departing Agency, and the requirements of the Manitoba Pension Benefits Act. If a partial wind up is declared by the Trustees no other actions other than the continued payment of pension benefits and solvency deficiency and or unfunded liability payments can occur until a report outlining the entitlements of the remaining Members and the departing Members is approved as required under the Manitoba Pension Benefits Act and the appropriate actions contemplated by Sections 15.03 and 15.04 occur.

Section 17 Relationship Breakdown

17.01 Splitting of Pension Entitlement

This Section applies only to:

- (a) spouses who began living separate and apart from each other after 1983; and
- (b) common-law partners who
 - (i) began living separate and apart from each other on or after June 30, 2004,
 - (ii) began living separate and apart from each other after 1983 and before June 30, 2004, if a declaration was filed in respect of the relationship under Section 31(5) of the Pension Benefits Act as it read before it was repealed on June 30, 2004, or
 - (iii) were living separate and apart on June 30, 2004, but resumed cohabiting with each other for a period of at least 90 days after that day.

This Section applies if:

- (a) pursuant to an order of the Court of Queen's Bench, made under The Family Property Act, family assets of the Member or his or her spouse, former spouse or common-law partner are required to be divided;
- (b) pursuant to a written agreement between the Member and his or her spouse, former spouse or common-law partner, their family assets are divided, or;
- (c) a division of the pension or pension benefit credits, as the case may be, is required by
 - (i) an order of a court of competent jurisdiction in another province or territory of Canada, or
 - (ii) an order of the Court of Queen's Bench made under Section 31(3.4) of the Pension Benefits Act.

The Trustees must be provided with a copy of the applicable document listed above.

17.02 Termination Calculation

The value of a Member's pension entitlement divisible pursuant to Section 17.01 shall be calculated according to Section 8.0 as if the Member had terminated employment on the date the parties began living separate and apart.

17.03 Portion subject to division

The portion of a pension benefit credit or pension to be divided under subsection 31(2) of the Pension Benefits Act between a Member and his or her spouse or common-law partner is the pension benefit credit or pension that accrued:

- (a) in the case of a common-law relationship, from the first day of the period in which the parties cohabited with each other in a conjugal relationship and that continued until they became common-law partners;
- (b) in the case of a marriage, from the date of the marriage or, if there was a period in which the parties cohabited with each other in a conjugal relationship and which continued until they were married, from the first day of that period; or
- (c) in the case of spouses who began living separate and apart before June 30, 2004 the date of marriage;

to their separation date.

17.03 Method of valuation

- 1. The division of a pension benefit credit or pension shall be on an equal basis between the spouses or common-law partners.
- 2. For the purposes of a division of an active Member's pension benefit credit under a pension plan, its value is to be calculated as if the Member had ceased to be an active Member on the separation date to which that division relates,
- 3. If the pension benefit credit or pension of a Member of the Plan is to be divided, the spouse or common-law partner's share is to be calculated according to the following formula:

$$A = .5 \times [B \times (C/D)]$$

In this formula,

- A** is spouse or common-law partner's share of the total pension benefit credit or pension;
- B** is the total pension benefit credit or pension accrued to the Member as of the separation date;
- C** is the accrual period determined under Section 11.3 of the Pension Benefits Regulation;

D is the period during which the total benefit in **B** accrued.

In accordance with Pension Benefits Regulation subsection 11.4(4) the value of the pension benefit credit shall be calculated in accordance with Pension Benefits Regulation section 5.6, requirements for determining commuted values, and Pension Benefits Regulation subsection 5.7(1), commuted value determination and adjustment.

17.04 Interest

On the division of a pension benefit credit under subsection 31(2) of the Pension Benefits Act, the pension benefit credit is to be credited with interest at a rate as follows:

- (a) for the commuted value of the pension and other benefits, the rate of interest is equal to the rate of return that can reasonable be attributed to the operation of the pension fund, from the separation date to a date no earlier than the end of the month preceding the month in which the transfer of the pension benefit credit is made; and
- (b) for any excess Member contributions, the rate of interest is either of the following rates:
 - (i) a rate equal to the rate of return that can reasonably be attributed to the operation of that part of the pension fund holding those contributions for the Plan for that period, and
 - (ii) the average of the CANSIM Series V122515 rates published by the Bank of Canada for the months for which interest is payable, using the most recently published rate for any month for which the rate has not yet been published.

from the later of the separation date or the date that interest was last credited, to a date no earlier than the end of the month proceeding the month in which the transfer is made.

17.05 Voluntary Contributions

Voluntary contributions which were contributed by the Member during the period of marriage or common law relationship shall be split equally between the Member and his Spouse or Common-Law Partner. Interest is credited on voluntary contributions at the rate in 17.04(b)(i).

17.06 Spouse or Common-Law Partner Must Transfer

The Member's Spouse or Common-Law Partner must transfer the value of her portion of the Member's pension entitlement to another registered pension plan, registered retirement savings plan, or locked in retirement account which meets the specifications required by the Pension Benefits Act

17.07 Split After Pension Commencement

If a portion of a member's pension becomes payable to the Member's spouse or common-law partner under a division as of a separation date that occurred after the pension commenced,

- (a) in the case of a joint and survivor pension, it may be paid as two separate pensions without joint and survivor benefits: one to the Member, and the other to the spouse or common-law partner; and
- (b) in any other case, the form of pension may not be changed, but the pension may be adjusted so that it becomes payable as two separate pensions: one to the Member and one to the spouse or common-law partner.

The total of the actuarial present values of the two pensions as of the separation date must be equal to the actuarial present value of the joint and survivor pension as of that date.

17.08 Remaining Entitlement

Upon subsequent termination, death or retirement of a Member whose pension entitlement has been split pursuant to this Section, all provisions of the Plan shall apply except one half of the amount of any pension which has been valued and split pursuant to this Section shall be deducted from any pension entitlement the Member otherwise would have had. Notwithstanding the previous sentence, the administrator shall ensure that the division of the Member's pension is adjusted in a manner that follows generally accepted actuarial principles and does not result in a gain or loss to the Plan.

17.09 Opting Out by Agreement

A Member and a person who is entitled to a division of the Member's pension or the Member's pension benefit credit may enter into a written agreement not to divide the pension or pension benefit credit between them. The written agreement not to divide the pension or pension benefit credit must acknowledge that each of the parties:

- (a) in entering into the agreement voluntarily and without duress, coercion or compulsion of any kind;
- (b) has received independent legal advice with respect to the effect of the agreement; and
- (c) has received a statement from the administrator of the pension plan, in accordance with Section 11.11 of the Pension Benefits Regulation.

17.10 Split of Net Difference

If each party to a division has a pension or pension benefit credit a portion of which is to be divided, and the value of the divisible portion belonging to one party is greater than the value of the divisible portion belonging to the other party, they may, if they agree in writing to do so, deduct the value of the smaller portion from the value of the larger portion and divide only the remainder of the larger portion.