Simon Fraser University

Pension Plan

For Members of the Academic Staff

As at September 30, 2015

SCHEDULE “A” TO THE TRUST AGREEMENT

DATED APRIL 21, 1982

It is hereby certified this is a true copy of the consolidated Plan Document as amended and restated to September 30, 2015, as passed and adopted by the Board of Governors on the 26th day of November, 2015.

Andrew Petter – President
Simon Fraser University
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SECTION 1 – INTRODUCTION

1.01 The Academic Staff Pension Plan (the “Plan”) was established by the Simon Fraser University (the “University”) effective July 1, 1969.

1.02 The primary purpose of the Plan is to provide lifetime retirement benefits to the Members in recognition of their service as employees of the University.

1.03 The Plan is amended and restated to incorporate:

   a) amendments to date; and

   b) changes required under the Pension Benefits Standards Act (British Columbia) effective September 30, 2015.

1.04 Unless stated otherwise, the terms of the Plan as restated shall apply to Members who retire, terminate employment or die on and after September 30, 2015 and the benefits of Members who retired, terminated employment, or died prior to this date shall be determined by the terms of the Plan in effect at the time of that event.
SECTION 2 – DEFINITIONS

In this Plan, the following words or phrases shall be interpreted as defined herein unless the context clearly indicates otherwise:

2.01 "Actuarial Equivalent" means the present value of those benefits computed using rates of interest, the actuarial tables and other assumptions as may be adopted by the Trustees on the recommendation of the Actuary, subject to the requirements of the Pension Benefits Standards Act and the Income Tax Act.

2.02 "Actuary" means the person appointed by the University who is, or one of whose employees is, a Fellow of the Canadian Institute of Actuaries.

2.03 "Annual Earnings" of a Member means the basic annual salary paid or deemed paid to the Member by the University during a year of the Member's employment, excluding any benefits provided by the University, any contributions which may be made by the University to a plan that provides benefits to Employees, any stipends for appointments of one year or less, honoraria, supplements, overtime payments or any other allowance or payment which does not form part of the Member's basic annual salary. In respect of a period of reduced earnings, annual earnings of a Member means the basic annual salary in effect immediately prior to such period of reduced earnings.

2.04 "Average Annual Maximum Pensionable Earnings" in relation to a Member means the lesser of the average of the Annual Earnings of the Member for the three calendar years ending with the calendar year in which the Continuous Service of the Member terminates and

(1) if the Member is not a Disabled Member, one-third of the aggregate of the Yearly Maximum Pensionable Earnings Limit of the Member for the 3 calendar years ending with the calendar year in which the Continuous Service of the Member terminates or,

(2) if the Member is a Disabled Member immediately prior to the date Continuous Service terminates, then one-third of the aggregate of the
Yearly Maximum Pensionable Earnings Limit of the Member for the 3 calendar years ending with the calendar year in which they became a Disabled Member.

2.05 "Average Annual Earnings" means one-fifth of the aggregate of a Member's Annual Earnings in the 260 consecutive calendar weeks of Continuous Service in which such aggregate is the highest provided that:

(1) if the Member has less than 260 weeks of Continuous Service, then Average Annual Earnings means 52 times the arithmetic weekly average of the aggregate of the Member's salary from the University (calculated on the same basis as Annual Earnings) received during the period of Continuous Service; and

(2) if the Member takes a leave of absence without pay during the 260 consecutive calendar weeks of Continuous Service in which, but for such leave, the aggregate of the Annual Earnings would have been the highest and if the amount of the University's contributions is not paid pursuant to Section 7.02 then the period of such leave of absence shall be deleted from the calculation of the Member's Aggregate Annual Earnings and the Aggregate Annual Earnings shall be increased based on the Annual Earnings of the Member for the period of employment equivalent in length to the leave of absence occurring immediately before the commencement of the 260 consecutive calendar weeks.

2.06 “Beneficiary” means a beneficiary designated by a Member pursuant to Section 21.

2.07 “Closed Group Member” means a Member of the Plan who is entitled to a Formula Retirement Benefit under the Plan. See also Section 2.24.

2.08 “Committed 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 equivalent as defined in 2.01.
2.09  “Consumer Price Index” means the Consumer Price Index For Canada (All Items) as published under the authority of the Statistics Act (Canada).

2.10  "Continuous Service" means the period of a Member's continuous employment with the University as determined pursuant to Section 7.

2.11  "Credited Service" means that portion of a Member's Continuous Service which is determined to be Credited Service pursuant to Section 7.04.

2.12  "Custodian" means the person, firm or corporation appointed by the Trustees pursuant to the Trust Agreement and Section 3.02 as the Custodian for purposes of the Plan.

2.13  "Deferred Annuity" is a contract that provides for the initiation of payments at some designated future date or age as outlined in Section 24.

2.14  "Deferred Vested Member" means a Member who is entitled to a Deferred Vested Retirement Benefit in accordance with Sections 13.04, 14.01 and 14.02.

2.15  "Deferred Vested Retirement Benefit" means a retirement benefit referred to in Sections 13.04, 14.01 and 14.02.

2.16  "Delayed Retirement Date" means the delayed retirement date of a Member as described in Section 8.03.

2.17  'Disability Date" in relation to a Member means the date, if any, determined for the Member pursuant to Section 13.01.

2.18  "Disabled Member" means a Member:

   (1) who is entitled to receive disability income benefits under the Long Term Disability Insurance Plan (or but for the benefit offset provisions of such plan, would be entitled to such benefits);

   (2) whose disability is certified, in writing, by a medical doctor licensed in Canada or where the Member resides; and
(3) who is not a Deferred Vested Member or Retired Member.

2.19 "Early Retirement" means a Member's retirement from the University prior to Normal Retirement Date in accordance with Section 8.02.

2.20 "Early Retirement Date" means the date the Member's Early Retirement commences under Section 8.02.

2.21 "Effective Date" means July 1, 1969.

2.22 "Employee" means:

(1) a person who is continuously employed for more than one year by the University on a full or part-time basis as a professor, associate professor, assistant professor, instructor, lecturer, limited term faculty member, recurring limited term faculty member;

(2) a person who is continuously employed for more than one year by the University on a full or part-time basis as a librarian, recurring limited term librarian - (if an employee in this category works more than 3 semesters within 4 years they are eligible for plan membership in the fourth semester);

(3) a person who is continuously employed for more than one year by the University on a full or part-time basis as a laboratory instructor; or recurring limited term laboratory instructor; (if an employee in this category works more than 3 semesters within 4 years they are eligible for plan membership in the fourth semester);

(4) or co-ordinator in Education, or;

(5) any other person engaged by the University on a contractual basis for more than one year and who is designated by the University in writing to be an Employee for the purposes of the Plan; and who is not a member of any other pension or retirement plan to which the University is required to make contributions.
2.23 "Faculty Association of Simon Fraser University" means the association which is the sole collective bargaining agent for all members of the bargaining unit.

2.24 "Formula Retirement Benefit Member" means a Member who on March 20, 1973 was a member of the Unamended Plan who since March 20, 1973 has been continuously employed by the University or has been receiving long term disability benefits, and who has not irrevocably waived the anticipated entitlement to a minimum retirement benefit under the Unamended Plan or a Formula Retirement Benefit under this Plan.

2.25 "Formula Retirement Benefit" means the retirement benefit to which Formula Retirement Benefit Members are eligible pursuant to Section 9.02.

2.26 "Guaranteed Income Fund" means a fund with an insurance or trust company to which Members with Voluntary Contributions Accounts and Open Group Members with Money Purchase Accounts may direct all or part of their balances pursuant to Section 23.

2.27 "Indexed Earnings" mean earnings adjusted to reflect increases in the average wage, as defined in the Income Tax Act, to the year of pension commencement.

2.28 “Interest” means interest compounded annually at a rate which is reasonably attributable to the operation of the Pension Fund as determined from time to time by the Trustees for purposes of making a final settlement of any payment due under the Plan.

2.29 "Long Term Disability Insurance Plan" means the University's Long Term Disability Insurance Plan.

2.30 "Member" means an Employee or former Employee who has become a Member of the Plan pursuant to Section 4 and who is not receiving benefits under the Plan or has not withdrawn from the Plan.
2.31 "Money Purchase Account" means the account in respect of a Member which is established in accordance with Section 16.02 (2).

2.32 "Normal Retirement" means a Member's retirement from the University on Normal Retirement Date as described in Section 8.01.

2.33 "Normal Retirement Date" means the normal retirement date of a Member as described in Section 8.01.

2.34 "Open Group Member" means a Member of the Plan who is not entitled:

(1) to a Supplementary Benefit under this Plan, or

(2) to a Formula Retirement Benefit under the terms of this Plan as it existed prior to January 1, 1992, or

(3) to elect a Formula Retirement Benefit under the Unamended Plan.

2.35 "Pension Benefits Standards Act" means the Pension Benefits Standards Act, Statutes of British Columbia and the Regulations thereunder, as amended and replaced from time to time.

2.36 "Pension Fund" means the fund established pursuant to the Trust Agreement from which benefits under the Plan are to be paid.

2.37 "Period of Reduced Earnings" means the period of employment of a Member with the University during which:

(a) the Member has been employed by the University for at least thirty-six (36) months before the start of such period,

(b) the basic annual salary received by the Member throughout such period is less than the basic annual salary that he would have received had he been employed on a regular basis, and

(c) such period of employment is deemed by the University to be a Period of Reduced Earnings.
2.38 "Plan" means the *Simon Fraser University Pension Plan for Members of the Academic Staff*, last amended and restated effective September 30, 2015, and as subsequently amended from time to time.

2.39 "Plan Year" means the calendar year.

2.40 "Prior Pension Plan" means the retirement plan commonly known as TIAA/CREF in effect at Simon Fraser University on June 30, 1969.

2.41 "Retired Member" means a former Member of the Plan who has retired and is receiving benefits under this Plan.

2.42 "Spouse" means, in relation to another person,

(1) a person who at the relevant time was married to that other person and not living separate and apart from that person for the 2 year period immediately preceding the relevant time; or

(2) if paragraph (1) does not apply, a person who at the relevant time lived with that other person in a marriage-like relationship for the 2 year period immediately preceding the relevant time.

For the purpose of the Plan, the Spouse shall be determined as at the earliest of the date of death prior to retirement or pension commencement, as the case may be.

2.43 "Trust Agreement" means the trust agreement in effect from time to time between the University and the Trustees with respect to the Plan.

2.44 "Trustees" means the persons from time to time appointed as trustees of the Pension Fund.

2.45 "Unamended Plan" means the *Simon Fraser University Pension Plan for Members of the Academic Staff* as it existed from time to time prior to October 1, 1985.
2.46 "University" means Simon Fraser University.

2.47 'Voluntary Contribution Account' means an account in respect of a Member or Retired Member which is established in accordance with Section 16.02 (3).

2.48 "YMPE" means the Year's Maximum Pensionable Earnings as defined under the Canada Pension Plan.
SECTION 3 – PENSION FUND AND CUSTODIAN

3.01 The Pension Fund shall be established and maintained pursuant to the provisions of this Plan and of the Trust Agreement for the purpose of providing retirement, death and termination benefits for the Members, Retired Members and their Beneficiaries.

3.02 (1) A Custodian of the assets of the Plan shall be appointed by the Trustees and may be changed by the Trustees from time to time.

(2) The duties of the Custodian shall include the following:

(a) it shall receive from the Trustees the University's contributions to the Plan and any Member Voluntary Contributions as set forth in this Plan,

(b) it shall receive all of the income from the assets held by it,

(c) it shall invest and reinvest the corpus and income of the assets held by it subject to the requirements of the Plan and the Trust Agreement and in accordance with any investment guidelines established by the Trustees and set forth in written directions from the Trustees,

(d) it shall pay, upon written instructions from the Trustees, the funds required for the payment of retirement benefits, other Plan benefits, or any other payments under the Trust Agreement, and

(e) it shall maintain such records and accounts of the assets held by it and shall render such financial statements and reports as may be required from time to time by the Trustees.

(3) All payments under the Plan, including the compensation of the Custodian and all other costs incurred with respect to the operation and administration of the Plan except the costs of administration carried out only by the University itself, shall be made or provided for
solely from the assets of the Plan held by the Custodian and solely to
the extent that such assets shall suffice therefor. If the assets should
be insufficient to provide for any payment under the Plan none of the
Trustees, the Custodian, or the members, officers, agents or
representatives of any or all of them, shall be liable for any such
payment in any manner whatsoever.
SECTION 4 – ELIGIBILITY FOR MEMBERSHIP

4.01 Each person who was a Member under the Unamended Plan on September 30, 1985, who has since been continuously employed with the University as an Employee and who has not retired from employment with the University shall be a Member of this Plan.

4.02 Other Employees shall become Members on the date they become employees. Notwithstanding any other provision of the Plan, Employees shall not become Members if they become employees after the first day of December in the calendar year in which the Employee attains age seventy-one or such other time as is acceptable under the Income Tax Act of Canada and its Regulations.

4.03 Unless the University otherwise designates in writing, academic personnel whose salary is not paid from the general funds of the University but is paid from research grants or trust funds or other special funds or sources of revenue (even though the same may be administered by the University) shall not be eligible to become a Member of the Plan.

4.04 The University may, in its sole discretion, vary the eligibility requirements for any person and shall notify the Trustees of such variations and, when requested, shall supply the Trustees with a list of eligible members.

4.05 Each person who is or becomes a Member shall continue to be a Member until death, becomes a Retired Member or transfers the account balance or balances under this Plan.

4.06 A Retired Member who is re-hired by the University shall continue to receive a pension and is not permitted to rejoin the Plan as an active Member.
SECTION 5 – MEMBER VOLUNTARY CONTRIBUTIONS

5.01 Voluntary Contributions

During such time as he or she is an Employee, a Member shall have the right to make Voluntary Contributions, in the amount and manner approved by the University. A Member's Voluntary Contributions may not exceed the maximum amount permitted under the Income Tax Act. All such contributions shall be made through the University and shall be credited to the Member's Voluntary Contribution Account.

5.02 Remittance of Member Voluntary Contributions

The University shall remit to the Custodian all contributions made by Members under this Section 5 not later than thirty (30) days after the end of the bi-weekly period for which the contributions were received or deducted.

5.03 Return of Contributions

All or any part of a Voluntary Contribution made by a Member may be returned to the Member where such action is required to avoid the revocation of the registration of the Plan under the Income Tax Act.

5.04 Withdrawal of Voluntary Contributions

A Member may elect on an irrevocable basis, by means of a written request to the Trustees, to receive all or part of the funds in the Member's Voluntary Contribution Account in one of the following forms:

(1) paid in a lump sum,

(2) transferred to a registered retirement savings plan or a registered retirement income fund, or

(3) applied to purchase an immediate or deferred life annuity which complies with the Income Tax Act.
SECTION 6 – UNIVERSITY CONTRIBUTIONS

6.01 Contributions to Member’s Money Purchase Account

(1) For each year of a Member’s Credited Service the University shall allocate to the Member’s Money Purchase Account the amount calculated by the formula

\[ A + B - C \]

where

A is 10% of the Annual Earnings of the Member for the year,
B is the total of all amounts received by the University in respect of the Member as contributions to the Pension Fund in the year from any other source pursuant to Section 7.02, and
C is the lesser of $419.40 and the amount of contributions required to be made by the University to the Canada Pension Plan in respect of the Member for the year.

(2) No contribution shall be made by the University to the Pension Fund after 1990, under Section 6.01(1), unless it is an eligible contribution as defined by the Income Tax Act and is permitted by the Income Tax Act.

6.02 Contributions to Formula Retirement Benefit Account

In addition to the contributions made under Section 6.01, the University shall make such contributions to the Formula Retirement Benefit Account of the Pension Fund as are required, based on the advice of the Actuary, to finance the benefits which may be required to be provided from the Formula Retirement Benefit Account.

6.03 Remittance of University Contributions

The University shall pay to the Custodian all contributions made by the University under this Section 6 not later than thirty (30) days after the end of the bi-weekly period for which contributions are payable.
SECTION 7 – CONTINUOUS AND CREDITED SERVICE

7.01 Continuous Service

Continuous Service of a Member is the period of time, computed to years plus one-twelfth of one year for each complete or partial calendar month, from the Member's most recent date of commencement of employment with the University to the earlier of the date of termination of employment with the University or the date of retirement from the University.

7.02 Leaves of Absence

Leaves of absence without pay approved by the University shall be included in Continuous Service. Where the amount of the University's contributions in respect of the Member is paid by the University based upon the Annual Earnings which the Member would otherwise have received during such a leave of absence (whether paid by the University or by some other source), the leave of absence shall be included in Credited Service, and the Member shall be deemed to have such Annual Earnings for purposes of determining a retirement benefit. For purposes of Credited Service, under Revenue Rules, unpaid leaves of absence prior to January 1, 1991 are limited to a maximum full-time equivalent of two years. After December 31, 1990 the aggregate of Credited Service granted for a leave of absence is limited to a maximum full time equivalent of five years plus an additional three years in respect of absences that occur within the 12 month period which commenced at the time of the birth or adoption of a child of the Member.

7.03 Periods of Disability

The period during which a Member is a Disabled Member shall be included in Continuous Service.

7.04 Credited Service

Credited Service of a Member is the period of time of the Member's Continuous Service except for any period of Continuous Service where:
(1) the Member is on leave of absence without pay and the period of leave is not deemed by Section 7.02 to constitute Credited Service;

(2) University contributions are payable to another employee pension plan on their behalf; or

(3) the Member transfers to a class of employment with the University such that they are not an Employee as defined in Section 2.22.

7.05 "Period of Reduced Earnings" shall be included in continuous service.
SECTION 8 – RETIREMENT DATES

8.01 Normal Retirement Date

(1) Subject to Section 8.01(2) Normal Retirement Date means the first day of September coincident with or next following the date on which the Member attains age 65.

(2) For a Member who is employed by the University as a librarian, Normal Retirement Date means the first day of the month coincident with or next following the date on which the Member attains age 65.

8.02 Early Retirement Date

A Member who ceases to be an Employee of the University after attaining age 55 and before Normal Retirement Date, may elect to retire on the first day of the month following the date on which the Member's Continuous Service terminates, provided the Member has given the Trustees 30 days' written notice. That date shall be known as the Member's Early Retirement Date.

8.03 Normal or Delayed Retirement Pension

A Member who ceases to be an Employee of the University on or after the Normal Retirement Date may elect to retire on the first day of the month following the date on which the Member's Continuous Service terminates. Alternatively, the Member may elect to retire at a later date. In either case, the Member must give the Trustees written notice at least 30 days before the retirement date. If the date elected for retirement is after the Normal Retirement Date, such date shall be known as the Delayed Retirement Date. Notwithstanding any other provision of the Plan, the pension benefits to which an individual is entitled under the Plan will commence to be paid not later than the end of the calendar year in which the individual attains 71 years of age, or such other time as is acceptable under the Income Tax Act of Canada and its Regulations.
8.04 The Members shall elect a benefit and withdraw any account balances within ninety (90) days of their retirement date. In the absence of such an election, the Member’s entitlement shall be retained in the Pension Fund to commence payment at a subsequent retirement date to be elected by the Member. If no election is made prior to the first day of December in the calendar year in which the individual attains 71 years of age, or such other time as is acceptable under the Income Tax Act of Canada and its Regulations, the benefit shall be paid in accordance with Section 9.01(1) or Section 9.02(3) as applicable.
SECTION 9 – RETIREMENT BENEFITS

9.01 Money Purchase Benefit

A Member retiring may elect to have the balance of the Member's Money Purchase Account applied by the Trustees:

(1) to the purchase of a life annuity or life annuities from an insurance company licensed to transact business in Canada. Subject to the provisions of the Plan and the requirements of the Income Tax Act and the Pension Benefits Standards Act the selection of a company or companies and the negotiation and settling of the terms of the annuity purchase shall lie solely within the discretion of the Member; or

(2) to a transfer to another registered pension plan, provided that the administrator of that pension plan agrees to accept the transfer and requires that the transferred money be paid out of that pension plan in the form of a pension that is required or allowed by the Pension Benefits Standards Act; or

(3) to a transfer to a registered retirement savings plan or registered retirement income fund in accordance with the Income Tax Act. Such transfer is limited to the amount of the balance of the Member's Pre-1993 Money Purchase Account; or

(4) to a transfer to a locked-in retirement account or life income fund as prescribed in the Pension Benefits Standards Act; or

(5) to a combination of the options listed in (1), (2), (3) and (4) above.

9.02 Formula Retirement Benefit

If the Commuted Value of a Closed Group Member's Formula Retirement Benefit is greater than the Money Purchase benefit payable in accordance with Section 9.01, such Closed Group member shall receive a benefit from the Formula Retirement Benefit Account in lieu of the Money Purchase
benefit payable in accordance with Section 9.01. Such Closed Group Member's Money Purchase Account shall be transferred to the Formula Retirement Benefit Account.

If the Commuted Value of a Closed Group Member's Formula Retirement Benefit is less than or equal to the Money Purchase benefit payable in accordance with Section 9.01, such Closed Group Member may elect to receive a benefit from the Formula Retirement Benefit Account in lieu of the Money Purchase benefit payable in accordance with Section 9.01. Such Closed Group Member's Money Purchase Account shall be transferred to the Formula Retirement Benefit Account.

(1) **Formula Retirement Benefit at Normal Retirement Date**

The Formula Retirement Benefit for a Member who retires on Normal Retirement Date shall be an annual amount equal to:

(a) 1.7% of Average Annual Earnings multiplied by the number of years (including fractions of a year) of Credited Service, less

(b) 0.5% of Average Annual Maximum Pensionable Earnings multiplied by the number of years (including fractions of a year) of Credited Service on and after January 1, 1966, and less

(c) the amount which is determined by the Trustees to be the initial amount of annual benefit, payable monthly, to the Retired Member under the Prior Pension Plan, commencing at the Retired Member's Normal Retirement Date, with the same terms as the form of Formula Retirement Benefit under this Plan.

(2) **Formula Retirement Benefit at Early Retirement Date**

The Formula Retirement Benefit for a Member who retires early pursuant to Section 8.02 shall be the Actuarial Equivalent of the Formula Retirement Benefit commencing at Normal Retirement Date as calculated under Section 9.02(1). In no way will the actuarial
reduction applied to the formula retirement benefit be less than the reduction set forth in Income Tax Regulation 8503(3) (c).

(3) Formula Retirement Benefit at Delayed Retirement Date

The Formula Retirement Benefit for a Member who delays commencement of pension beyond Normal Retirement Date shall be the sum of the Formula Retirement Benefit as calculated under Section 9.02(1), plus the Actuarial Equivalent of the Formula Retirement Benefit they would have received during the period between Normal Retirement Date and Delayed Retirement Date including any adjustments that would have been made under Section 9.03.

(4) Commuted Value Payment Transfer Settlement

Subject to the provisions of the Income Tax Act and Regulations, in lieu of the Formula Retirement Benefit payable from the Formula Retirement Benefit Account, in accordance with this Section 9.02, a Closed Group Member may elect to have the Commuted Value of the Formula Retirement Benefit, applied by the Trustees:

(a) to the purchase of a life annuity or life annuities from an insurance company licensed to transact business in Canada; or

(b) to a transfer to another registered pension plan, provided that the administrator of that pension plan agrees to accept the transfer and requires that the transferred money be paid out of that pension plan in the form of a pension that is required or allowed by the Pension Benefits Standards Act; or

(c) to a transfer to a registered retirement savings plan or registered retirement income fund in accordance with the Income Tax Act. Such transfer is limited to the portion of the Commuted Value of the Formula Retirement Benefit that is attributable to Pre-1993 Credited Service; or
(d) to a transfer to a locked-in retirement account or life income fund as prescribed in the Pension Benefits Standards Act; or

(e) to a combination of the options listed in (a), (b), (c) and (d) above.

9.03 Annual Adjustment of the Formula Retirement Benefit

(1) The annual Formula Retirement Benefit, payable monthly, to a Retired Member for a Plan Year, but before the deduction of the benefit payable under the Prior Pension Plan as described in Section 9.02(1)(c), shall be adjusted as at each January 1, commencing with the January 1 next following the Member’s retirement date so that the amount payable in each succeeding Plan Year shall be an amount equal to:

(a) the annual amount that was the Formula Retirement Benefit for the preceding year multiplied, by

(b) the ratio that the Consumer Price Index at September 1 of the immediately preceding calendar year bears to the Consumer Price Index at September 1 of the next preceding calendar year.

(2) Provided however, that the adjusted amount payable in any Plan Year, pursuant to Section 9.03(1) shall not exceed the amount obtained by multiplying the amount payable for the immediately preceding Plan Year by 1.03, and shall not be less than the amount payable for the immediately preceding year.

(3) Provided also, that the increase in the amount payable during the first Plan Year in which an adjustment occurs as determined pursuant to this Section 9.03 shall be prorated based upon the number of months for which the Retired Member received retirement benefits in the first year of retirement.
9.04 Voluntary Contribution Account Benefit

At or after retirement and prior to the 1st day of December in the calendar year in which the Member attains age 71 or such other time as is acceptable under the Income Tax Act of Canada and its Regulations, a Member or Retired Member shall elect by written notice to the Trustees to have the Voluntary Contribution Account disbursed in one of the following ways:

(1) paid in a lump sum, or

(2) transferred to another registered pension plan or to a registered retirement savings plan or registered retirement income fund, or

(3) applied to purchase an annuity or any other form of optional retirement benefit selected by the Member or Retired Member with the consent of the Trustees.

(4) any combination of (1), (2) or (3).

9.05 Small Benefits Unlocking/Mandatory Transfer

If the Commuted Value of the retirement income payable under this Section 9 is less than twenty percent (20%) of the YMPE in the year the Commuted Value is calculated (or such higher amount as may be established by Pension Benefits Standards Act), the Member may elect to receive a lump sum payment or transfer to another registered pension plan or to a registered retirement savings plan or registered retirement income fund equal to the value of his/her Money Purchase Account plus the Commuted Value of the Formula Retirement Benefit, if any, in full discharge of all obligations under the Plan.

The Trustees may totally discharge the Plan’s liability by paying the Commuted Value in a lump sum or transferring the Commuted Value directly to the Member’s registered retirement savings plan or registered retirement income fund.
9.06 Reduced Life Expectancy

Prior to commencement of payment of retirement income benefits, a Member or former spouse of a Member or surviving spouse of a Member who has a current entitlement to receive a benefit under the Plan has an illness or a disability that is certified by a medical practitioner to be terminal or to likely shorten their life considerably may elect to receive a lump sum payment equal to the Committed Value of the benefit at the date of determination, or another payment form as permitted by the Pension Benefits Standards Act, whereupon such Member or former spouse of a Member or surviving spouse of a Member shall have no further right or obligation under this Plan. Any election by a Member under this Section must be completed on forms prescribed by the University and shall only be valid if the written consent of the Member's current Spouse, if applicable, is provided as required by Pension Benefits Standards Act.

9.07 Non-Residency

Prior to commencement of payment of retirement income benefits, a Member or former spouse of a Member or surviving spouse of a Member who has been absent from Canada for two (2) or more years and who has become a non-resident of Canada as determined under the Income Tax Act may elect to receive a lump sum payment equal to the Commed Value of his/her accrued retirement income at the date of determination, whereupon such member or former spouse of a Member or surviving spouse of a Member shall have no further right or obligation under this Plan. Any election by a Member under this Section must be completed on forms prescribed by the Pension Benefits Standards Act and shall only be valid if the written consent of the Member's current Spouse, if applicable, is provided as required by the Pension Benefits Standards Act.
SECTION 10 – MAXIMUM RETIREMENT BENEFITS

10.01 Maximum Formula Retirement Benefit

Notwithstanding any other provision of this Plan to the contrary, the initial annual Formula Retirement Benefit payable to a Member under this Plan, at the date that the benefit commences to be paid shall not exceed an amount equal to the Member's years of Credited Service multiplied by the lesser of:

(1) $1,722.22 or such greater amount permitted under the Income Tax Act; and

(2) 2% of the Member's highest average annual Indexed Earnings over a 36 month period of service.

In no event, however, will a Member’s initial annual Formula Retirement Benefit on early retirement be greater than the lifetime retirement income benefit computed in accordance with the Income Tax Regulation 8503 (3)(c).

The annual Formula Retirement Benefit payable in a calendar year after the calendar year in which payment of the Formula Retirement Benefit commences shall not exceed the maximum initial annual Formula Retirement Benefit determined above multiplied by the ratio of the adjusted CPI for such calendar year to the CPI for the calendar year in which payment of Formula Retirement Benefit commenced.
SECTION 11 – FORM OF RETIREMENT BENEFITS

11.01 Formula Retirement Benefit Calculation According to Normal Form

The amount of Formula Retirement Benefit provided under the Plan is calculated according to the normal form and is payable in that normal form unless the Member elects an optional form of retirement benefit.

11.02 Normal Form of Formula Retirement Benefit

The normal form of Formula Retirement Benefit is a joint and survivor annuity which is payable in monthly installments for the life of the Member and payable after the Member’s death to the Member’s Spouse for his or her life in monthly installments equal to 50% of the monthly payments which would have been made to the retired Member, if living.

11.03 Automatic Form of Formula Retirement Benefit For Member With A Spouse

For a Member who has a Spouse on the date on which payment of the Formula Retirement Benefit commences, the automatic form of benefit is a joint and survivor annuity which provides, should the Member die before his/her Spouse, a continuing annuity to the Member’s Spouse equal to 60% of the monthly annuity payable to the Member. The value of such joint survivor annuity shall be the Actuarial Equivalent of the normal form of Supplementary Benefit described in Section 11.02.

11.04 Waiver of Automatic Form of Formula Retirement Benefit

A Member who has a Spouse may elect any form of Formula Retirement Benefit under Section 11.05 or 11.06 which provides no benefit to the Spouse or a benefit to the Spouse that is less than 60% of the benefit paid to the Member if:

(1) the Member delivers to the Trustees, within 90 days preceding the date upon which payment of the Formula Retirement Benefit is to commence, the written waiver of the Member’s Spouse in the form prescribed under the Pension Benefits Standards Act; and
(2) this waiver is not revoked by the Member's Spouse prior to the commencement of the Formula Retirement Benefit.

11.05 Election of Formula Retirement Benefit Optional Forms

In lieu of the normal form of Formula Retirement Benefit payable according to Section 11.02, and subject to the restriction under Section 11.03, a Member may elect, before payments commence, to receive the retirement benefit in one of the optional forms of retirement benefit specified in Section 11.06, and the amount of the optional form of the benefit shall be the Actuarial Equivalent of the normal form of benefit described in Section 11.02.

11.06 Optional Forms of the Formula Retirement Benefit

(1) **Life Guaranteed 10 Years**

Under the Life Guaranteed 10 Years form of retirement benefit, the Member or surviving Spouse receives a monthly retirement benefit payable for life with the guarantee that, if the Member dies before receiving 120 months of guaranteed payments, reduced monthly payments will continue to the Member's Spouse for his or her lifetime until 120 payments have been made in total. This option guarantees annual adjustments as contained in Section 9.03.

(2) **Joint and 100% Survivor Benefit Guaranteed 10 years**

Under the 100% Joint and Survivor form of retirement benefit, the Member or surviving Spouse receives a monthly retirement benefit payable for life and, after the Member's death, the monthly retirement benefit continues without reduction to the Member's Spouse for his or her lifetime. If the Member and his or her Spouse die before receiving 120 months of guaranteed payments, monthly payments will continue to the Beneficiary of the Member or his or her Spouse until 120 payments have been made in total. This option guarantees annual adjustments as described in Section 9.03.
11.07 Form of Money Purchase Benefit

(1) A Member shall elect the form of payment of the Money Purchase Benefit prior to the purchase of the Member's annuity. The Member may elect any form of pension that is in accordance with the requirements of the Income Tax Act and the Pension Benefits Standards Act.

(2) If, at the date the Money Purchase Benefit commences, a Member has a Spouse, the form of benefit elected must be paid in a joint and survivor form that will provide for at least 60% of the benefit to continue to be paid to the Spouse after the death of the Member. The Member may elect to have the pension paid in some other optional form if the Member delivers to the Trustees within 90 days preceding the date upon which payment of the retirement benefit is to commence, a written waiver of the Spouse in the form prescribed under the Pension Benefits Standards Act.

11.08 Automatic Form Exemption

Notwithstanding any provisions of the Plan, the provisions of Section 11.03 and 11.07 do not apply if the Spouse has received a division of the retirement income pursuant to Section 15.02.
SECTION 12 – DEATH BENEFITS

12.01 Death Benefit

(1) Death Benefit Amount

In the event of the death of the Member prior to retirement, a death benefit is payable from the Plan in an amount equal to the sum of:

(a) the value of the Member's Money Purchase Account, and

(b) if the Member is a Closed Group Member, the excess, if any, of the Commuted Value of the Member’s Formula Retirement Benefit over the value of the Money Purchase Account.

Net investment income pursuant to Section 16.04 shall be allowed for the period from the date of death to the date of settlement.

(2) Death Benefit Payable to Spouse

The death benefit payable under Section 12.01(1) is payable to the Member’s Spouse. The Spouse must elect to receive the benefit described in Section 12.01(1) in one of the following forms:

(a) applied to purchase an immediate or deferred life annuity from an insurance company licensed to transact business in Canada provided the annuity commences no later than one year from the date of death of the Member or the end of the calendar year in which the Spouse attains age 71 or such other time as is acceptable under the Income Tax Act of Canada and its Regulations, and that the guarantee period, if any, under such life annuity shall not exceed the lesser of 15 years or the life expectancy of the Spouse; or

(b) transferred to another registered pension plan, provided that the administrator of the pension plan agrees to accept the transfer and requires that the transferred money be paid out of
that pension plan in the form of a pension that is required or allowed by the Pension Benefits Standards Act; or

(c) transferred to a locked-in retirement account or life income fund as prescribed in the Pension Benefits Standards Act.

(d) The spouse of the Member shall elect the form of the benefit within ninety (90) days of the death of the Member. In the absence of such an election, the benefit shall be paid in the form listed in (c) above.

(e) Notwithstanding the foregoing, Sections 9.05, 9.06 and 9.07 of the Plan shall be applied to the Spouse’s benefit, substituting the word “Spouse” for “Member”.

(3) **Death Benefits Payable to Non-Spouse Beneficiary**

If the death of a Member occurs prior to his/her Retirement Date and if there is no surviving Spouse or if the Spouse has filed a waiver of the spousal entitlements as prescribed under Pension Benefits Standards Act or if the Spouse has received a division of the Member's retirement income entitlement pursuant to Section 15.02, the Beneficiary shall receive a lump sum payment equal to the amount determined under Section 12.01(1).

(4) **Refund of Voluntary Contributions**

In addition to any other death benefit payable under Section 12.01(1) the Member’s Spouse and if there is no spouse the Beneficiary is entitled to receive a refund of the Member’s Voluntary Contribution Account, if any.

If the person entitled to the refund of the member’s Voluntary Contribution Account is the Member’s Spouse, that person may elect
to have the amount transferred directly on his or her behalf to a
registered retirement savings plan.

In the event there is no beneficiary, funds are payable to the Estate.

12.02 Death Benefit After Commencement of Retirement Benefit

Any death benefit payable upon the death of a Member who is receiving
retirement benefits under Section 9 is determined in accordance with the
form of retirement benefit being paid to the Member.

12.03 Payment of Death Benefit

Any death benefit payable upon the death of a former Member or Retired
Member shall be paid as soon as practicable after the death.

12.04 Proof of Death

No retirement benefit or other Plan benefit shall be paid to a Beneficiary,
estate or Spouse until there has been provided to the Trustees proof
satisfactory to them of:

(1) the death which gives rise to the payment of such benefit;

(2) the identity of the Beneficiary, estate or Spouse, and

(3) in the case of a Beneficiary, the continued life of such person.
SECTION 13 – DISABILITY

13.01 Disability Date

A Member's Disability Date shall be the first day of the calendar month in which the Member commenced receiving disability income benefits under the Long Term Disability Insurance Plan or would have commenced receiving such income benefits except for the benefit offset provisions of such plan.

13.02 Retirement Benefit

No retirement benefit is payable under the Plan to a Disabled Member until they retire pursuant to Section 8.

13.03 Accrual of Retirement Benefits While Disabled

For the purpose of determining the retirement benefit payable to a Disabled Member when they retire, throughout the period a Member is a Disabled Member they shall be deemed to have Annual Earnings equal to their Annual Earnings immediately prior to their Disability Date in relation to that period of the disability.

13.04 Termination of Disability Benefits

If and when a Disabled Member ceases to be eligible for disability income benefits under the long term disability insurance plan before Normal Retirement Date, they shall become a Deferred Vested Member and be entitled to a Deferred Vested Retirement Benefit unless or until they return to active employment with the University.
SECTION 14 – TERMINATION OF EMPLOYMENT

14.01 Termination Benefits for Post-1992 Service

A Member who terminates Continuous Service, for any reason other than death, disability or retirement, shall become a Deferred Vested Member and may, subject to the provisions of the Income Tax Act and Regulations, elect in accordance with this Section 14.01 to have the sum of:

(a) the value of the Post-1992 Purchase Account, and

(b) if the Member is a Closed Group Member, the excess, if any of the Commuted Value of the Member's Post-1992 Formula Retirement Benefit over the value of the Post-1992 Money Purchase Account

(1) transferred to another registered pension plan, provided that the administrator of that pension plan agrees to accept the transfer and requires that the transferred money be paid out of that pension plan in the form of a pension that is required or allowed by the Pension Benefits Standards Act;

(2) transferred to a locked-in retirement account or life income fund as prescribed in the Pension Benefits Standards Act;

(3) applied to purchase a deferred life annuity from a life insurance company licensed to transact business in Canada provided payment of the annuity will not commence before the earliest date on which the member was entitled to retire under the Plan; or

(4) retained in the Pension Fund until Normal Retirement Date at which time they shall be entitled to a retirement benefit pursuant to Section 9.
14.02 Termination Benefits for Pre-1993 Service

A Member who terminates Continuous Service, for any reason other than death, disability or retirement, shall become a Deferred Vested Member and may, subject to the provisions of the Income Tax Act and Regulations, elect in accordance with this Section 14.02 to have the sum of:

(a) the value of the Pre-1993 Money Purchase Account, and

(b) if the Member is a Closed Group Member, the excess, if any, of the Commuted Value of the Member's Pre-1993 Formula Retirement Benefit over the value of the Pre-1993 Money Purchase Account:

(1) transferred to another registered pension plan, provided that the administrator of that pension plan agrees to accept the transfer;

(2) transferred to a registered retirement savings plan;

(3) transferred to a registered retirement income fund in accordance with the Income Tax Act;

(4) paid as a lump sum less any withholding taxes; or

(5) retained in the Pension fund until Normal Retirement Date at which time they shall be entitled to a retirement benefit pursuant to Section 9.

14.03 Value of Member's Money Purchase Account

With respect to the transfers and payments described in Section 14.01 and 14.02 the amount of the Member's Money Purchase Account shall be determined as of the end of the month prior to the month in which such transfer of payment is made.
14.04 Refund of Voluntary Contributions

If a Deferred Vested Member has a Voluntary Contribution Account they may elect to have the Voluntary Contribution Account disbursed in one of the following ways:

(1) paid in a lump sum; or

(2) transferred to another registered pension plan, a registered retirement savings plan, or a registered retirement income fund; or

(3) applied to purchase a life annuity or any other form of optional retirement benefit selected by the Member or Retired Member which complies with the Income Tax Act.

The amount of a Deferred Vested Member's Voluntary Contribution Account shall be determined in accordance with Section 16.04.

14.05 Formula Retirement Benefit Member

A Formula Retirement Member who terminates Continuous Service, for any reason other than death, disability or retirement, shall cease to be entitled to the Formula Retirement Benefit and the group life insurance benefit described in Schedule “Y”, and, in lieu thereof, they shall be entitled to the benefits described in Section 14.01, 14.02, 14.03 and 14.04.

14.06 Transfers and Purchases

The Trustees shall not permit a transfer or purchase under Sections 14.01 and 14.02 unless the Trustees are satisfied that:

(1) the transfer or purchase is in accordance with the Pension Benefits Standards Act; and

(2) the transfer complies with the requirements of the Income Tax Act.
14.07 Small Benefit Computation

If the amount determined in Section 14.01 is less than twenty percent (20%) of the YMPE in the year of the Member's termination of Continuous Service, or such other amount as may be prescribed under the Pension Benefits Standards Act, the Member shall be entitled to receive a lump sum payment or transfer to another registered pension plan or to a registered retirement savings plan or registered retirement income fund equal to the amount determined in Section 14.01.

14.08 A Member shall elect their benefit within ninety (90) days of termination of employment date. In the absence of such an election, the Member’s entitlement shall be retained in the Pension Fund until Normal Retirement Date at which time they shall be entitled to a retirement benefit pursuant to Section 9.
SECTION 15 – NON-ALIENATION

15.01 Non-Alienation

Except as specified in Section 15.02, money payable under this Plan is subject to the following restrictions:

(1) Non-Enforceable Transactions

Any transaction that purports to assign, charge, anticipate, surrender, or give as security any right of a person under the Plan or money payable under the Plan shall not be enforceable against the Plan; and

(2) Exempt from Seizure

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

15.02 Alienation of Benefits on Marriage Breakdown

The entitlement of a Member or former Member to receive a benefit under the Plan is subject to entitlements arising under a written separation agreement or order made under Part 6 of the Family Law Act, or similar order of a court outside British Columbia enforceable in British Columbia, that affects the payment or distribution of the Member's benefits. Such assigned retirement income benefits shall be locked-in to the extent required by Pension Benefits Standards Act.
SECTION 16 – FUND ALLOCATION, ADMINISTRATION AND INVESTMENT OPTIONS

16.01 Records

The Trustees shall establish and maintain or cause to be established and maintained a record for each Member up to retirement date and for each of the accounts hereinafter defined of:

(1) amounts paid to the Trustees, as having been contributed by the Member pursuant to Section 5, and

(2) amounts paid to the Trustees, as having been contributed by the University pursuant to Section 6.

16.02 Accounts

The Trustees shall establish and maintain or shall cause to be established and maintained the following accounts in the Pension Fund:

(1) A Formula Retirement Benefit Account to which shall be credited:

(a) the contributions required by the Plan to be paid by the University to the Formula Retirement Benefit Account pursuant to Section 6.02, and

(b) the Money Purchase Account balances of each Formula Retirement Benefit Member who elected prior to January 1, 1993 to receive Formula Retirement Benefits pursuant to a prior version of this Plan,

and to which shall be debited:

(c) the monthly retirement benefits payable to each Retired Member entitled to receive Formula Retirement Benefits under the Formula Retirement Benefit provisions of a prior version of this Plan, and
(d) the amounts credited, pursuant to Section 17, to the Money Purchase Accounts of Members,

(e) payments made pursuant to Section 17, and

(f) amounts paid to purchase annuity contracts acquired to provide Formula Retirement Benefits.

(2) A Money Purchase Account for each Member who has not reached retirement date and is the sum of the separately maintained sub-accounts:

(a) Pre-1993 Money Purchase Account to which shall be credited the Member's Money Purchase Account balance as at December 31, 1992 plus net investment income thereafter; and

(b) Post-1992 Money Purchase Account to which shall be credited the University's contributions made to the Member's Money Purchase Account for service after December 31, 1992, plus net investment income.

(3) A Voluntary Contribution Account for each Member who has not reached retirement date and who is making or has made Voluntary Contributions to the Pension Fund.

16.03 Valuation of Assets and Allocation of Investment Earnings and Expenses

(1) From time to time but not less frequently than as of the last day of each Plan Year, the Trustees shall arrange for a valuation of the assets of the Pension Fund and for the determination of the net investment income of the Pension Fund, including the net increase or decrease in the value of the assets of the Pension Fund after deduction of administrative expenses. The net investment income of the Pension
Fund so determined shall be allocated proportionately among the Formula Retirement Benefit Account and all other accounts.

(2) The administrative expenses of the Pension Fund shall be identified by the Trustees and allocated by the Trustees as a charge upon the accounts of the Pension Fund.

16.04 Interim Account Values

The amount of each Member's Money Purchase Account and Voluntary Contribution Account on the date the Member:

(1) becomes a Deferred Vested Member or Retired Member, dies,

(2) elects to receive Voluntary Contribution Account, or

(3) transfers the Money Purchase Account to another registered pension plan or to a registered retirement savings plan,

shall be the amount of such account as last determined under Section 16.03 plus all contributions made pursuant to Section 6.01 since such last determination plus Interest thereon up to the last day of the month preceding that date at the rate of Interest last adopted by the Trustees pursuant to Section 2.28. When a Member or Retired Member elects to have their Voluntary Contribution Account dealt with pursuant to the Plan, the amount of that Account shall be the amount of such account as last determined under Section 16.03 plus all contributions made pursuant to Section 5.01 since such last determination plus Interest thereon at the rate of Interest last adopted by the Trustees pursuant to Section 2.28 calculated from the date it was so last determined to the last day of the month preceding the month in which the Voluntary Contribution is so dealt with.

16.05 Reversion of Assets in the Formula Retirement Benefit Account

(1) Upon the full and complete satisfaction of all Formula Retirement Benefits to Formula Retirement Benefit Members, Retired Members and their Spouses, the assets remaining in the Formula Retirement
Benefit Account, if any, shall be payable to the University only to the extent of the amounts contributed by the University as provided by Section 6.02 to that account after December 31, 1980, plus the investment earnings allocable to those contributions.

(2) The assets then remaining in that account, if any, shall be allocated to Members in accordance with a non-discriminatory formula adopted by the Trustees and on the basis of the Money Purchase Account balances of the Members as of the end of the immediately preceding month.

16.06 Investment Options

(1) The Trustees shall direct the investment of the Pension Fund in accordance with the requirements of the Income Tax Act and the Pension Benefits Standards Act. The assets of the Fund shall be invested in accordance with prudent portfolio standards and in the best financial interests of Members and Beneficiaries.

(2) The Trustees at their discretion may make a number of investment funds available to the Members, in which case a Member will be entitled to elect, by means of a written request to the Trustees, the transfer of all or part of the funds between their Money Purchase Account and one or more of the investment funds. These funds may be reinvested from time to time in those investment funds.

(3) Any Plan Member who has a Voluntary Contribution Account balance of $10,000 or greater and any Open Group Member who has a Money Purchase Account balance of $10,000 or greater and who is 55 years of age or older may transfer all or a portion of their account to a guaranteed income fund which is part of the Plan. With the exception of Voluntary Contribution Accounts, principal and income from the Plan may not be withdrawn from the Plan until on or after the Member's death or termination or retirement from the University.
Monies within the fund may be transferred to the Money Purchase Account or to any investment option as provided in 16.06(2).

(4) The assets of the Pension Fund shall be held and invested in the name of the Plan or in the name of the Custodian in accordance with the Trust Agreement.

(5) The Trustees shall designate a default investment option in the case where a Member does not elect an investment option, which shall be either a balanced fund or a portfolio of investments that takes into account the Member's age.

16.07 Deemed Trust/Notification to Superintendent

(1) The University shall keep separate and apart from the University's own assets:

(a) all contributions that are due or owing to the Plan by the University;

(b) all amounts that have been deducted by the University from a Member's remuneration and not yet remitted to the Custodian; and

(c) all contributions that have been received by the University with respect to a Member and not yet remitted to the Custodian.

(2) If the Custodian has not received contributions within thirty (30) days of the date the contributions are required to be remitted to the Pension Fund, the Custodian shall make the appropriate written notification in accordance with and within the time limits prescribed under the Pension Benefits Standards Act.

16.08 FRB Forfeiture – Investment Options

If the value of a Closed Group Member's Money Purchase Account is greater than the Commuted Value of the Member’s Formula Retirement Benefit, such Member may elect to transfer his/her Money Purchase Account to the
investment funds made available to Members by the Trustees pursuant to Section 16.06(2). Such Member shall complete and sign a written letter of agreement that he/she shall cease to be entitled to the Formula Retirement Benefit and the group life insurance benefit described in Schedule “Y”. In lieu thereof, such Member shall only be entitled to the benefits provided under the money purchase provisions of the Plan.
SECTION 17 – ADJUSTMENTS RE: PRIOR CONTRIBUTIONS

17.01 Eligible Persons

This Section applies with respect to each person (whether or not alive) who was a Member of the Plan or the Unamended Plan at any time in the period commencing March 20, 1973 and ending December 31, 1980, other than a person;

(1) who ceased to be employed by the University before December 1, 1989 for any reason other than retirement or death, and

(2) who withdrew the full amount in their Money Purchase Account before December 1, 1989.

17.02 Status Date

For the purposes of this Section, the "Status Date" is January 1, 1992 or such other date as is fixed by the Trustees.

17.03 Categories of Persons

For the purposes of this Section 17, a person with respect to whom this Section 17 applies is included in:

(1) Category 1, if the person is a Member of the Plan on the Status Date and is not a Formula Retirement Benefit Member;

(2) Category 2, if the person is a Formula Retirement Benefit Member on the Status Date;

(3) Category 3, if the person retired on or before the Status Date, is alive on the Status Date and is not a Retired Member;

(4) Category 4, if the person is a Retired Member on the Status Date;
(5) Category 5, if the person died on or before the Status Date and was not a Formula Retirement Benefit Member or a Retired Member immediately before death;

(6) Category 6, if the person died on or before the Status Date and was a Formula Retirement Benefit Member immediately before death;

(7) Category 7, if the person died on or before the Status Date and was a retired Member immediately before death; and

(8) Category 8, if the person is not included in any other Category.

17.04 Full Reimbursement Amount

The Full Reimbursement amount in respect of a person, determined as of any day, is the amount that would be the balance as of that day if an account (referred to in this Section 17 as the "Surcharge Account") had been established and maintained in respect of the person in accordance with the following rules:

(1) for each contribution made by the University before 1989 in respect of the person, credit the Surcharge Account at the time of the contribution with an amount equal to the portion of the contribution that was credited to the Formula Retirement Benefit Account,

(2) for each contribution made by the University in respect of the person at a time when the person was not a Formula Retirement Benefit Member, credit the Surcharge Account at the time of the contribution with an amount equal to the additional contribution that would have been made by the University in respect of the person if the University's contribution had not been reduced by an amount in respect of group life insurance under Schedule "Y", and

(3) at each time at which amounts are credited or debited to Money Purchase Accounts in respect of the investment earnings of the Pension Fund, credit or debit the Surcharge Account with an amount
calculated as if the Surcharge Account were a Money Purchase Account to which investment earning were allocated,

plus, where the Full Reimbursement Amount is determined for the purpose of a payment to be made under this Section 17, Interest on the balance in the Surcharge Account for the period commencing with the most recent time at which an amount would have been credited or debited to the Surcharge Account pursuant to (3) and ending with the last day of the month preceding the month that includes the day as of which the Full Reimbursement Amount is to be determined.

17.05 **Reduced Reimbursement Amount**

The Reduced Reimbursement Amount in respect of a person, determined as of any day, is the percentage fixed for the purposes of this Section 17.05 of the person’s Full Reimbursement Amount as of that day. The percentage fixed for the purposes of this Section shall be such percentage, determined in accordance with the Letter of Agreement signed by the University and the Simon Fraser University Faculty Association on August 2, 1990 and August 1, 1990 respectively, as is agreed to by the University and the Association.

17.06 **Time of Calculation of Reimbursement Amounts**

Where a Full Reimbursement Amount or a Reduced Reimbursement Amount is to be credited or paid pursuant to this Section, the amount shall be calculated as of the day on which it is to be credited or paid.

17.07 **Category 1 Persons**

The Money Purchase Account of each person in Category 1 shall be credited with the Full Reimbursement Amount in respect of the person.
17.08 Category 2 Persons

The Money Purchase Account of each person in Category 2 shall be credited with the Reduced Reimbursement Amount in respect of the person.

17.09 Category 3 and 8 Persons

A payment shall be made to each person in Category 3 or Category 8 equal to Full Reimbursement Amount in respect of the person.

17.10 Category 4 Persons

(1) A calculation shall be made, for each person in Category 4, of the amount that would have been the initial annual pension payable to the person if

(a) the person's Money Purchase Account had been credited, immediately before the person's retirement date, with an amount equal to their Reduced Reimbursement Amount determined as of their retirement date, and

(b) the amount of the person's Money Purchase Account had been applied to purchase, at the date of retirement, an annuity payable on the same terms as the person's Formula Retirement Benefit.

(2) If the amount calculated pursuant to Section 17.10(1) in respect of a person exceeds the initial annual amount of the person's Formula Retirement Benefit,

(a) the amount of each Formula Retirement Benefit payment made on or after the Status Date to the person or to the person's surviving Spouse shall be computed on the basis that the initial annual amount of the Formula Retirement Benefit were equal to the amount calculated pursuant to Section 17.10(1).
(b) a payment shall be made to the person equal to the additional Formula Retirement Benefit payments that would have been made to the person before the Status Date if the initial annual amount of the Formula Retirement Benefit had been equal to the amount calculated pursuant to Section 17.10(1), plus Interest in respect of each such additional payment for the period from the time at which the additional payment would have been made to the last day of the month preceding the month in which the payment required by this Section 17.10(2)(b) is made.

17.11 Category 5 Persons

For each person in Category 5, a payment shall be made equal to the Full Reimbursement Amount in respect of the person. If the person died before retirement, the payment shall be made to the recipient of the amount in the person's Contribution Account. Otherwise, the payment shall be made to the person's estate.

17.12 Category 6 Persons

For each person in Category 6, a payment equal to the Reduced Reimbursement Amount in respect of the person shall be made to the recipient of the amount in the person's Contribution Account.

17.13 Category 7 Persons

The provisions of Section 17.10 apply with respect to each person in Category 7, except that

(1) if a surviving Spouse of the person has received Formula Retirement Benefit payments before the Status Date, the amount determined under Section 17.10(2)(b) shall include additional payments that would have been made to the surviving Spouse and interest in respect of those additional payments, and
(2) the payment, if any, to be made pursuant to Section 17.10(2)(b) shall be made to

(a) the surviving Spouse of the person, if the person has a surviving Spouse who is receiving Formula Retirement Benefit payments as of the Status Date, and

(b) the estate of the person, in any other case.

17.14 Crediting and Payment of Amounts

Each amount required by this Section to be credited or paid, other than additional Formula Retirement Benefit payments required to be made after the Status Date, shall be credited or paid on the Status Date, or as soon thereafter as is reasonably practicable.

17.15 Unamended Plan

(1) Any reference in this Section to the Formula Retirement Benefit of a person includes the person’s Minimum Retirement Benefit under the Unamended Plan.

(2) Any reference in this Section to a person’s Money Purchase Account includes the person’s Money Purchase Account under the Unamended Plan.

17.16 Future Adjustments

If a regular actuarial valuation of the Plan prepared after 1991 reveals that the balance in the Formula Retirement Benefit Account exceeds the amount that is adequate to provide all future Formula Retirement Benefit payments, and the University and the Simon Fraser University Faculty Association agree on further adjustments to be made pursuant to this Section, then further adjustments shall be made, in accordance with the agreement, in respect of persons who were in Categories 2, 4, 6 or 7 on the Status Date. Notwithstanding the previous sentence, further adjustments shall be made pursuant to this Section only if
(i) the further adjustments are similar to the adjustments initially made pursuant to this Section.

(ii) after the further adjustments, the balance in the Formula Retirement Benefit Account can reasonably be expected to be adequate to provide all future Formula Retirement Benefit payments, and

(iii) the further adjustments do not exceed the additional adjustments that would initially have been made pursuant to this Section if the initial adjustments have been based on the full Reimbursement Amount instead of the Reduced Retirement Amount, with appropriate allowance for any adjustments previously made pursuant to this Section and the fact that the further adjustments are made at a later date.

17.17 Post-1988 Contributions

Where contributions made by the University in respect of a Member after 1988 have been credited to the Formula Retirement Benefit Account but will, as a result of the amendment to section 19.02(1), be credited instead to the Money Purchase Account of the Member, the Member's Money Purchase Account shall be credit or debited with any net investment income of the Pension Fund that was credit or debited to the Formula Retirement Benefit Account and this at is attributable to the contributions.

17.18 1999 Adjustments Re Prior Contributions

(a) Eligible Persons

This subsection 17.18 applies with respect to each person (whether or not alive) who was a Member of the Plan or the Unamended Plan at any time in the period commencing March 20, 1973 and ending December 31, 1980, and who was credited with a Reduced Reimbursement Amount pursuant to the prior adjustment effected in 1992 under this Section 17, other than a person:

(i) who ceased to be employed by the University before January 1,
1999 for any reason other than retirement or death, and

(ii) who withdrew the full amount in his/her Money Purchase Account before January 1, 1999.

(b) Second Status Date

For the purposes of this subsection 17.18, the "Second Status Date is January 1, 1999 or such other date as is fixed by the Trustees.

(c) 1999 Reduced Reimbursement Amount

The 1999 Reduced Reimbursement Amount in respect of a person, determined as of any day, is twenty-five and nine-tenths percent (25.9%) of the person's Full Reimbursement Amount as of that day.

(d) Time of Calculation of 1999 Reimbursement Amounts

Where a 1999 Reduced Reimbursement Amount is to be credited or paid pursuant to this subsection 17.18, the amount shall be calculated as of the day on which it is to be credited or paid.

(e) Retired Members

(i) A calculation shall be made, for each person who was a Retired Member on the Second Status Date, of the amount that would have been the initial annual pension payable to the person if

(A) the person's Money Purchase Account had been credited, immediately before the person's retirement date, with an amount equal to his/her Full Reimbursement Amount less the Reduced Reimbursement Amount determined as of his/her retirement date, and

(B) the amount of the person's Money Purchase Account had been applied to purchase, at his/her date of retirement, an annuity
payable on the same terms as the person's Formula Retirement Benefit.

(ii) If the amount calculated pursuant to subparagraph 17.18(e) (i) in respect of a person exceeds the initial annual amount of the person's Formula Retirement Benefit,

(A) the amount of each Formula Retirement Benefit payment made on or after the Second Status Date to the person or to the person's surviving Spouse shall be computed on the basis that the initial annual amount of the Formula Retirement Benefit were equal to the amount calculated pursuant to subparagraph 17.18(e) (i), and

(B) a payment shall be made to the person equal to the additional Formula Retirement Benefit payments that would have been made to the person before the Second Status Date if the initial annual amount of the Formula Retirement Benefit had been equal to the amount calculated pursuant to subparagraph 17.18(e) (i), plus Interest in respect of each such additional payment for the period from the time at which the additional payment would have been made to the last day of the month preceding the month in which the payment required by this subparagraph 17.18(e) (iii) (B) is made.

(f) Active / Vested Members

The Money Purchase Account of each person who was alive and was not a Retired Member on the Second Status Date shall be credited with the 1999 Reduced Reimbursement Amount in respect of the person.
(g) **Deceased Members**

For each person who died before the Second Status Date, a payment equal to the 1999 Reduced Reimbursement Amount in respect of the person shall be made to the recipient of the person's Money Purchase Account. Otherwise, the payment shall be made to the person's estate.

(h) **Crediting and Payment of Amounts**

Each amount required by this Section 17.18 to be credited or paid, other than additional Formula Retirement Benefit payments required to be made after the Second Status Date, shall be credited or paid on the Second Status Date, or as soon thereafter as is reasonably practicable.
SECTION 18 – AMENDMENT OF PLAN

18.01 The University may from time to time amend the Plan provided that no such amendment shall permit any part of the assets of the Pension Fund other than those assets in the Formula Retirement Benefit Account contributed by the University as provided by Section 6.02 to revert to or to be recoverable by the University or to be used or diverted to purposes other than for the exclusive benefit of Members, Retired Members or their Beneficiaries. In addition, the Plan may be amended by the Trustees solely in order to make such changes as are necessary to obtain or maintain registration of the Plan under the Pension Benefits Standards Act and the Income Tax Act.

18.02 No amendment of the Plan shall reduce the interests or contingent interests of Members, Retired Members or their respective Spouses in the Formula Retirement Benefits contemplated herein.

18.03 The University shall promptly notify the Trustees of any amendment to the Plan.
SECTION 19 – TERMINATION OF PLAN

19.01 The University reserves the right at any time and for any reason satisfactory to it to discontinue permanently all contributions to or under this Plan. Such discontinuance shall be deemed to be a complete termination of the Plan. The University shall promptly notify the Trustees of such a termination.

19.02 (1) In the event of a complete termination of the Plan, the Trustees shall apply the assets of the Formula Retirement Benefit Account to provide for Formula Retirement Benefits to Retired Members then receiving such benefits, to each vested Formula Retirement Benefit Member, and to the Spouse of a Member who is entitled to payments in respect of Formula Retirement Benefits as of the date of termination of the Plan.

(2) The University shall make such contributions to the Formula Retirement Benefit Account, as may be required, in order to provide the full and complete satisfaction of all benefits payable from that account to those persons specified in the immediately preceding paragraph.

(3) The assets then remaining in that account, if any, shall be allocated to Members pursuant to Section 19.02(1) in accordance with a non-discriminatory formula adopted by the Trustees and on the basis of the Money Purchase Account balance of those Members as of the end of the immediately preceding month.

(4) The assets then remaining in that account, if any, shall be payable to the University to the extent of the amounts contributed by the University to that account after December 31, 1980, plus the investment earnings allocable to those contributions.

19.03 In the event of the termination of the Plan, the Trustees shall allocate the assets of the Pension Fund other than the assets in the Formula Retirement Benefit Account, former Members who are not receiving Formula
Retirement Benefits and their respective Beneficiaries, as their respective interests appear, when the amount of proceeds of disposition of those assets becomes known, in the following order of priority:

(1) an amount which shall be equal to the total of the Voluntary Contribution Accounts of all Members at the date of termination; then

(2) the balance of assets shall be allocated to Members who do not receive Formula Retirement Benefits pursuant to Section 19.02(1) in accordance with a non-discriminatory formula adopted by the Trustees and on the basis of the Money Purchase Account balance of those Members.

19.04 When the allocation of such funds has been calculated on the foregoing basis, the Pension Fund shall be terminated and the respective interests distributed, such distribution to be in the form of a prescribed retirement savings account or annuity contracts, or by way of transfer to another registered pension plan, all as determined by the Trustees. A Member shall elect the benefit within ninety (90) days of termination of employment date.
SECTION 20 – VESTING

Each person eligible for Membership in the Plan pursuant to Section 4 shall have immediate vesting.
SECTION 21 – DESIGNATION OF BENEFICIARY

In the event the member does not have a spouse or the spouse has waived the benefit, each Member shall in the manner prescribed by the Trustees designate a Beneficiary to receive any retirement benefit or other benefit which may become payable to a Beneficiary under the Plan. A Member may change the Beneficiary or revoke the designation from time to time by written notice delivered to the Trustees in the manner prescribed by them. If at the time of death of a Member either there is no current designation by the Member of a Beneficiary or the Beneficiary last designated by the Member is not alive, the estate of the Member shall be the Beneficiary.
SECTION 22 – UNAMENDED PLAN

The retirement and other benefits which were payable as a consequence of a death or retirement of a Member under the Unamended Plan which occurred on or before September 30, 1985, to a Retired Member or Beneficiary or surviving Spouse under the Unamended Plan shall be in the amount, on the same terms and in the form of payment of the benefit payable to such Retired Member or Beneficiary or surviving Spouse on September 30, 1985 under the Unamended Plan.
SECTION 23 – DEFERRED ANNUITIES

Open and Closed Group Plan Members may purchase non-commutable deferred annuities from their Money Purchase and Voluntary Accounts.
SECTION 24 – ADMINISTRATION

24.01 Plan Summary

The Trustees shall provide each Employee with a written explanation or summary of the terms and conditions of the Plan and amendments thereto applicable to them, together with an explanation of the rights and duties of the Employee with reference to the benefits available to them under the terms of the Plan, within the applicable time period prescribed under the Pension Benefits Standards Act.

24.02 Notice of Amendment

The Trustees shall provide a written explanation or summary of a material amendment to the Plan to each Member, or any other person entitled to payment from the Pension Fund, who is affected by the amendment, within the applicable time period prescribed under the Pension Benefits Standards Act.

24.03 Annual Statement

The Trustees shall provide annually to each active Member and person receiving a pension under the Plan a written statement containing the information prescribed under the Pension Benefits Standards Act in respect of the Member's benefits under the Plan.

24.04 Statement on Termination of Employment or Membership

When a Member of the Plan terminates employment or otherwise ceases to be a Member, the Trustees 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 Standards Act in respect of the benefits of the Member or other person.
24.05 Inspection of Documents

The Trustees 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 Standards Act.
SECTION 25 – GENERAL PROVISIONS

25.01 Rights Under Plan

No person shall have any rights in or to the Pension fund or any part thereof, or under the Plan, except as and only to the extent expressly provided or in the Plan.

25.02 No Right to Employment

Neither the establishment of the Plan, nor any amendment thereof, nor the creation of any account thereunder nor the payment of any retirement benefit or other benefit pursuant to the Plan nor any other action of the University or the Trustees shall be held or construed to confer upon any person, other than as specifically provided under the Plan, any legal or equitable right against the University or the Trustees including the right to continue to be employed with the University or, upon dismissal, any right or interest in the Plan or the assets of the Pension fund other than as specifically provided herein.

25.03 Final Payment

The final payment of a retirement benefit or other benefit pursuant to the provisions of the Plan to the person entitled to receive same shall be in full satisfaction of all claims such person may have against the University or the Trustees under the Plan.

25.04 Prescribed Forms

Each Member shall be required to furnish the University, on forms prescribed by the Trustees, such information as it may reasonably require for proper administration of the Plan.

25.05 Applying for Benefits

Each Member, Retired Member and Beneficiary, the legal representatives of each of them and any other person to whom a benefit is payable under the
Plan is responsible for applying to the Trustees for each such benefit. Neither the Pension Fund nor the Trustees shall be liable if an application is late or an applicant is delayed in providing evidence of entitlement to the Trustees.

25.06 **Heading**

The headings in the Plan are inserted for purposes of convenience only and are not part of the Plan or to be considered in any interpretation of the Plan.

25.07 **Notice**

Any notice or other document to be given to the Trustees under the Plan may be given addressed to:

The Trustees of the Simon Fraser University  
Pension Plan for Academic Staff  
c/o Pension Plan Administrator Human Resources  
Simon Fraser University  
8888 University Drive  
Burnaby, B.C.  
V5A 1S6