

**University of  
Toronto  
Pension Plan**

Office Consolidation  
as at July 1, 2012

(Restatement of  
July 1, 2010;  
Amendments 1 and 2)

# Contents

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<b>Section 1—Establishment of the Plan .....</b>	<b>1</b>
1.01 Establishment .....	1
1.02 Prior Plans .....	1
1.03 Amendment and Restatement.....	1
1.04 Registered Status .....	1
<b>Section 2—Definitions .....</b>	<b>2</b>
2.01 Actuarial Equivalent.....	2
2.02 Actuary .....	2
2.03 Average CPP Maximum Salary.....	2
2.04 Average Industrial Wage.....	2
2.05 Beneficiary .....	2
2.06 Commuted Value.....	2
2.07 Consumer Price Index .....	3
2.08 Continuous Service.....	3
2.09 CPP Maximum Salary .....	3
2.10 Credited Interest .....	3
2.11 Dependent Child or Dependent Children .....	4
2.12 Disability and Disabled .....	4
2.13 Early Retirement Date .....	4
2.14 Effective Date.....	4
2.15 Excess Contributions.....	5
2.16 Excess Surplus Assets .....	5
2.17 Funding Agency .....	5
2.18 Funding Agreement.....	5
2.19 Governing Council .....	5
2.20 Highest Average Salary/Wages.....	6
2.21 Income Tax Act.....	6
2.22 Increase in Average Industrial Wage .....	6
2.23 Increase in Consumer Price Index.....	6
2.24 Member .....	6
2.25 Normal Retirement Date.....	6
2.26 Pension Benefits Act .....	6
2.27 Pension Commencement Date.....	7
2.28 Pension Committee.....	7
2.29 Pension Fund .....	7
2.30 Pensionable Service.....	7
2.31 Percentage of Appointment .....	7

2.32	Phased Retirement Program .....	7
2.33	Plan .....	8
2.34	Postponed Retirement Date .....	8
2.35	Prior Plan(s).....	8
2.36	Retire or Retirement .....	8
2.37	Salary/Wages .....	8
2.38	Semi-Retirement Program .....	9
2.39	Spouse .....	9
2.40	Staff .....	9
2.41	Surplus Assets .....	10
2.42	University .....	10
2.43	University Year .....	10
2.44	UTFA.....	10
2.45	VEARP .....	10
2.46	YMPE .....	10
<b>Section 3—Eligibility and Participation .....</b>		<b>11</b>
3.01	Eligibility .....	11
3.02	Participation.....	11
<b>Section 4—Contributions .....</b>		<b>13</b>
4.01	Members’ Required Contributions .....	13
4.02	Contribution Holidays .....	17
4.03	Members’ Voluntary Contributions .....	17
4.04	Transfers of Funds From Other Registered Retirement Plans.....	18
4.05	Contributions During Periods of Disability.....	18
4.06	Contributions During Periods of Approved Leave Without Salary/Wages .....	18
4.07	University Contributions .....	18
<b>Section 5—Retirement Dates .....</b>		<b>19</b>
5.01	Normal Retirement .....	19
5.02	Early Retirement.....	19
5.03	Postponed Retirement.....	19
5.04	Application for Commencement of Benefits.....	19
<b>Section 6—Retirement Benefits .....</b>		<b>20</b>
6.01	Normal Retirement Pension .....	20
6.02	Normal Retirement Pension for Part-Time Service Prior to July 1, 1987 .....	23
6.03	Early Retirement Pension .....	24
6.04	Postponed Retirement Pension .....	29
6.05	Refund of Excess Contributions .....	29
6.06	Refund of Voluntary Contributions.....	29
6.07	Limits Under the Income Tax Act.....	29
6.08	Re-Employment After Commencement of Annual Pension .....	31
6.09	Cash Payment of Small Pensions .....	31

<b>Section 7—Cost-of-Living Adjustments .....</b>	<b>32</b>
7.01 Amount of Adjustments .....	32
7.02 First Adjustment .....	33
7.03 Additional Augmentations and Prior Adjustments.....	33
7.04 Limitation .....	33
<b>Section 8—Forms of Pension Payment .....</b>	<b>34</b>
8.01 Normal Form of Payment for Member Without Spouse, or Dependent Child.....	34
8.02 Normal Form of Payment for Member With Spouse, or Dependent Child.....	34
8.03 Optional Form of Payment for Member Without Spouse, or Dependent Child.....	35
8.04 Optional Forms of Payment for Member With Spouse, or Dependent Child .....	36
8.05 Level Income Optional Form of Payment .....	36
8.06 Other Optional Forms of Payment .....	36
8.07 Actuarial Equivalent Value .....	36
8.08 Conditions Relating to Election of Optional Forms of Payment.....	37
<b>Section 9—Benefits on Termination of Employment .....</b>	<b>38</b>
9.01 Future Vested Pension.....	38
9.02 Locked-In Transfer.....	38
9.03 Cash Refund of Contributions With Credited Interest .....	39
9.04 Cash Payment of Small Future Vested Pensions.....	39
9.05 Refund of Excess Contributions.....	40
9.06 Refund of Voluntary Contributions.....	40
<b>Section 10—Benefits During Disability.....</b>	<b>41</b>
10.01 Continued Accrual of Benefits .....	41
10.02 Members’ Contributions.....	41
10.03 Payment of Benefits in the Event of Shortened Life Expectancy .....	42
10.04 Unreduced Pension.....	42
<b>Section 11—Benefits on Death.....</b>	<b>43</b>
11.01 Amount of Benefit.....	43
11.02 Refund of Excess Contributions.....	44
11.03 Refund of Voluntary Contributions.....	44
11.04 Death After Normal Retirement Date.....	44
11.05 Death After Commencement of Pension Benefits.....	45
<b>Section 12—Reciprocal Agreements .....</b>	<b>46</b>
12.01 Agreements.....	46
12.02 Transfer of Assets.....	46
12.03 Filing of Agreements.....	46
<b>Section 13—Portability Arrangements .....</b>	<b>47</b>
13.01 Transfer of Funds .....	47
13.02 Additional Pensionable Service.....	47
13.03 Insufficient Funds.....	47
13.04 Characterization of Transferred Funds.....	47
13.05 Application for Transfer of Funds.....	48

<b>Section 14—Beneficiary Designation and Settlement of Death Benefits .....</b>	<b>49</b>
14.01 Procedure.....	49
14.02 Death of Beneficiary Prior to Full Settlement of Benefits .....	49
<b>Section 15—Payment of Benefits.....</b>	<b>50</b>
15.01 Application for Benefits .....	50
15.02 Proof of Age and Spousal Status .....	50
15.03 Commencement and Duration of Pensions .....	50
15.04 Payments to Minors and Incompetents.....	50
15.05 Evidence of Survival .....	51
15.06 Misstatement in Application for Pension Benefit .....	51
<b>Section 16—Pension Fund.....</b>	<b>52</b>
16.01 General .....	52
16.02 Actuarial Valuation .....	52
16.03 Statement of Investment Policies and Procedures.....	52
16.04 Provision of Benefits .....	52
16.05 Expenses.....	53
<b>Section 17—Administration of the Plan .....</b>	<b>54</b>
17.01 Plan Administration.....	54
17.02 Pension Committee.....	54
17.03 Findings of Fact.....	54
17.04 Records.....	54
17.05 Powers and Duties .....	54
17.06 Indemnity for Liability .....	55
17.07 Communication .....	55
<b>Section 18—General Provisions.....</b>	<b>56</b>
18.01 No Enlargement of Employment Rights .....	56
18.02 Non-Assignability and Non-Commutability of Benefits.....	56
18.03 Division of Pension Benefits on Marriage Breakdown .....	56
18.04 Notices and Elections .....	56
18.05 No Duplication of Benefits.....	56
18.06 Construction .....	56
<b>Section 19—Future of the Plan.....</b>	<b>57</b>
19.01 Continuation of the Plan.....	57
19.02 Allocation of the Pension Fund in the Event of Plan Termination.....	57
19.03 Cessation of Operation of the University .....	57
19.04 Treatment of Surplus Assets in the Event of Plan Termination .....	58
19.05 Limitation of Liability .....	58

<b>Appendix A—Additional Augmentations and Prior Adjustments .....</b>	<b>59</b>
A.01 Cost-of-Living Adjustment Formula .....	59
A.02 Adjustments to Pensions Commenced Prior to January 1, 1971 .....	60
A.03 Adjustments to Pensions Commenced Prior to July 1, 1974.....	61
A.04 Adjustments to Pension Entitlements.....	62
A.05 Additional Ad Hoc Adjustments to Pension Entitlements .....	70
A.06 Indexations and Augmentations Applicable to Purchased Pensions .....	75
<b>Appendix B—Additional Lifetime Retirement Benefit for Members Who Retired Prior to July 1, 1996.....</b>	<b>76</b>
B.01 Application .....	76
B.02 Exclusion .....	76
B.03 Amount of Additional Lifetime Retirement Benefit .....	76
B.04 Members Who Retired Under the VEARP .....	77
B.05 Members Who Retired Prior to July 1, 1981.....	77
B.06 Members With Part-Time Service Prior to July 1, 1987 .....	77
B.07 Pensions in Pay to a Member’s Spouse or Dependent Child .....	77
B.08 Limits Under the Income Tax Act.....	77
<b>Appendix C—Contribution Holidays .....</b>	<b>78</b>
<b>Appendix D—Amendments to Benefits Under Prior Plans.....</b>	<b>80</b>
D.01 Introduction .....	80
D.02 Improvements to Benefits Under Prior Plans Upon Retirement or Upon Death In Service Prior to Retirement or Upon Termination of Employment.....	80
D.03 The Prior Pension Plans .....	85
D.04 Adjustment to Pensions Commenced Prior to January 1, 1971 .....	89
<b>Appendix E—Supplementary Pensions in Regard to Full Implementation of the Canada Pension Plan .....</b>	<b>90</b>
<b>Appendix F—Prior Contribution Rates .....</b>	<b>91</b>

## Section 1—Establishment of the Plan

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### 1.01 Establishment

The Governing Council of the University established the Plan with effect from January 1, 1966 to provide pension benefits for its eligible employees, currently librarians and members of the academic, administrative and unionized staff of the University and related and affiliated organizations, with respect to Pensionable Service on and after that date.

### 1.02 Prior Plans

Members of the Plan may also be entitled to pension benefits under the terms of the Prior Plans for service with the University prior to January 1, 1966.

### 1.03 Amendment and Restatement

The Plan has been amended several times since its establishment. The Plan was restated effective July 1, 1993. The restatement incorporated all amendments made to the Plan since its establishment and amendments required because of pension reform. It also incorporated amendments to reflect changes to the registration rules under the *Income Tax Act* relating to registered pension plans.

The Plan was further restated effective July 1, 1996. The restatement incorporated all amendments since July 1, 1993, including amendments arising from negotiated agreements, effective July 1, 1997.

Effective July 1, 2002, the Plan was restated to incorporate all amendments since July 1, 1997, including amendments arising from negotiated agreements up to and including July 1, 2004.

This restatement effective July 1, 2010 includes all amendments since July 1, 2004 including amendments arising from negotiated agreements up to and including July 1, 2008.

### 1.04 Registered Status

The Plan is registered under the *Income Tax Act* and the *Pension Benefits Act* with registration number 0312827. The Plan will remain in effect subject to its continued registration thereunder.

## Section 2—Definitions

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The following words and phrases, when used in this Plan, unless the context clearly indicates otherwise, shall have the following meanings:

### **2.01 Actuarial Equivalent**

“Actuarial Equivalent” means, with respect to a benefit, the equivalent value, computed on the basis of actuarial assumptions last adopted for this purpose by the University, on the advice of the Actuary.

### **2.02 Actuary**

“Actuary” means the actuary or firm of actuaries appointed by the University from time-to-time for the purposes of the Plan, who is, or in the case of a firm of actuaries, at least one of whom is a Fellow of the Canadian Institute of Actuaries.

### **2.03 Average CPP Maximum Salary**

“Average CPP Maximum Salary” means the average of the CPP Maximum Salary during the last 36 months of participation in the Plan by a Member, provided that in the case of a Member with a period of participation in the Plan of fewer than 36 months, Average CPP Maximum Salary means the average of the CPP Maximum Salary during such fewer number of months.

### **2.04 Average Industrial Wage**

“Average Industrial Wage” means the average Canadian weekly wages and salaries, defined as the Industrial Aggregate, as published by Statistics Canada under the Statistics Act (Canada) or, in the event the Industrial Aggregate ceases to be published, such other measurement as prescribed under the Canada Pension Plan.

### **2.05 Beneficiary**

“Beneficiary” means the person last designated by a Member to receive benefits payable from the Plan upon the Member's death, by written notice filed with the University pursuant to Section 14 (Beneficiary Designation and Settlement of Death Benefits).

### **2.06 Commuted Value**

“Commuted Value” means the present lump sum actuarial value of a pension benefit under the Plan, as determined by the Actuary in accordance with Section 3800 of the *Canadian Institute of Actuaries Standards of Practice* or such other basis as may be permitted or required from time to time under the *Pension Benefits Act* and the *Income Tax Act*.



## **2.07 Consumer Price Index**

“Consumer Price Index” means the Consumer Price Index for Canada published by Statistics Canada, with a time base conversion to 2002 equal to 100, or such other time base conversion as may be published by Statistics Canada from time to time.

## **2.08 Continuous Service**

“Continuous Service” means a period of unbroken employment with the University as a member of the Staff as shown by the University's records, calculated from the date of last entry into the service of the University. Continuous Service is not interrupted during public holidays, periods of vacation, leaves of absence approved by the University, or notice periods required by provincial employment standards legislation upon termination of employment.

## **2.09 CPP Maximum Salary**

“CPP Maximum Salary” means the YMPE as at the beginning of a University Year.

## **2.10 Credited Interest**

“Credited Interest” means interest on Members’ required contributions made to the Plan, compounded monthly and computed from the last day of the month in which such contributions were made to the first day of the calendar month in which a determination thereof is to be made, at a monthly rate equal to the greater of:

(a) the yield of 5-year personal fixed term chartered bank deposit rates as published in the Bank of Canada Review (CANSIM series B14045, or its successor); and

(b) the Increase in Consumer Price Index, plus 2%.

The monthly rates for February, May, August and November shall be applied to a Members’ required contributions made during the calendar quarter starting 2 months afterward, namely, April 1 to June 30, July 1 to September 30, October 1 to December 31 and January to March 31, respectively.

The rate of interest credited to Members' voluntary contributions made pursuant to Section 4.03 (Members' Voluntary Contributions) shall be the rate of return calculated on the portion of the Pension Fund in which the voluntary contributions are deposited, on no less than an annual basis.

Notwithstanding the above, effective July 1, 2012, Credited Interest on Members’ required contributions shall be calculated only in accordance with (a) above, and (b) shall no longer apply. Credited Interest shall be applied to the balance of Members’ required contributions as of June 30, 2012 and to the Members’ required contributions made thereafter.

## **2.11 Dependent Child or Dependent Children**

“Dependent Child or Dependent Children” means a Member's natural or adopted child or stepchild who does not have a Spouse (within the meaning of the term "Spouse", as defined in Section 2.39 below, but in relation to a Dependent Child instead of a Member) and who:

- (a) is less than 19 years of age,
- (b) is 19 or more years of age but less than 25 years of age and is in full-time attendance at a recognized educational institution, or
- (c) is a child other than a child described in (b) above, is 19 or more years of age and is/was dependent on the Member by reason of a Disability, the Disability having existed without interruption since the time the child reached 19 years of age.

## **2.12 Disability and Disabled**

“Disability and Disabled” means, in respect of a Member, a physical or mental impairment that prevents the Member from performing his or her regular duties of employment with the University and which is certified by a medical doctor and;

- (a) with respect to a Member who is covered under the University's long-term disability insurance plan, entitles the Member to disability benefits under that plan; and
- (b) with respect to a Member who is not covered under the University's long-term disability insurance plan, would, in the opinion of the University, entitle the Member to disability benefits under the plan if the Member were covered under that plan.

## **2.13 Early Retirement Date**

“Early Retirement Date” means the date of a Member's early retirement as set out in Section 5.02 (Early Retirement).

## **2.14 Effective Date**

“Effective Date” means January 1, 1966. This restatement of the Plan is effective July 1, 2010.

## **2.15 Excess Contributions**

“Excess Contributions” means the amount (if any) by which a Member's accumulated required contributions made pursuant to Section 4.01 (Members' Required Contributions), with Credited Interest thereon:

- (a) to the month in which the Member Retires or dies, exceed 50% of the Commuted Value of the future vested or immediate annual pension to which a Member is entitled under the Plan; or
- (b) to the month in which the Member terminates employment for any reason other than Retirement or death, exceed the greater of 50% of:
  - (i) the Commuted Value of the future vested or immediate annual pension to which a Member is entitled under the Plan, and
  - (ii) two times the Member's accumulated required contributions made pursuant to Section 4.01 (Members' Required Contributions) with Credited Interest thereon.

The Excess Contributions in respect of a Member who terminated Continuous Service prior to July 1, 1997 shall be calculated only in respect of the Member's required contributions made after December 31, 1986 and the Member's Pensionable Service during such period.

## **2.16 Excess Surplus Assets**

"Excess Surplus Assets" means the amount by which the Surplus Assets in the Plan exceed the maximum excess of assets over liabilities permitted for employer contribution purposes under paragraph (d) of subsection 147.2(2) of the *Income Tax Act*, with the result that the University is precluded in a University Year from contributing to the Plan pursuant to Section 4.07 (University Contributions).

## **2.17 Funding Agency**

“Funding Agency” means the trust company or insurance company, and any successor thereto, as the University may appoint from time to time to hold, invest and administer the Pension Fund.

## **2.18 Funding Agreement**

“Funding Agreement” means the agreement entered into between the University and the Funding Agency governing the custody, investment and administration of the Pension Fund.

## **2.19 Governing Council**

“Governing Council” means the Governing Council of the University of Toronto.

## **2.20 Highest Average Salary/Wages**

“Highest Average Salary/Wages” means the average of the Member's Salary/Wages during the 36 months of highest Salary/Wages with the University during periods of participation in the Plan up to date of termination of employment, Retirement or death, as the case may be, provided that in the case of a Member with a period of participation in the Plan of fewer than 36 months, Highest Average Salary/Wages means the average of the Member's Salary/Wages during such fewer number of months.

## **2.21 Income Tax Act**

“Income Tax Act” means the Income Tax Act (Canada), as amended from time to time, the regulations made thereunder and the information circulars, interpretation bulletins and published administrative guidelines of the Canada Revenue Agency.

## **2.22 Increase in Average Industrial Wage**

“Increase in Average Industrial Wage” means the percentage by which the Average Industrial Wage on the December 31 of a year exceeds the Average Industrial Wage on the December 31 of the immediately preceding year, calculated to the nearest second decimal place. In the event the Average Industrial Wage on a December 31 does not exceed the Average Industrial Wage on the immediately preceding December 31, the Increase in Average Industrial Wage shall be 0%.

## **2.23 Increase in Consumer Price Index**

“Increase in Consumer Price Index” means the percentage by which the Consumer Price Index (Canada) on the December 31 of a year exceeds the Consumer Price Index on the December 31 of the immediately preceding year, calculated to the nearest second decimal place. In the event the Consumer Price Index on a December 31 does not exceed the Consumer Price Index on the immediately preceding December 31, the Increase in Consumer Price Index shall be 0%.

## **2.24 Member**

“Member” means a Staff member who has been enrolled in this Plan pursuant to Section 3 (Eligibility and Participation) and who continues to have rights or contingent rights to benefits under the Plan. The term "Member" includes a former Staff member who has retired or otherwise terminated employment with the University but who retains a right to benefits under the Plan.

## **2.25 Normal Retirement Date**

“Normal Retirement Date” means the date of a Member's normal retirement as set out in Section 5.01 (Normal Retirement).

## **2.26 Pension Benefits Act**

“Pension Benefits Act” means the Ontario Pension Benefits Act, as amended from time to time, and the regulations made thereunder, together with such other similar regulatory legislation as may be enacted by a provincial government designated under said Act and which is applicable to Staff members covered by this Plan, from the effective date of such designation.

### **2.27 Pension Commencement Date**

“Pension Commencement Date” means the date upon which payment of a Member's pension benefit under the Plan is due to commence.

### **2.28 Pension Committee**

“Pension Committee” means the committee that the Governing Council may appoint pursuant to Section 17.02 (Pension Committee) to carry out any of the Governing Council's administrative duties under the Plan.

### **2.29 Pension Fund**

“Pension Fund” means the fund established pursuant to the terms of the Plan and the Funding Agreement to which all contributions under the Plan are made and from which the benefits under the Plan are paid.

### **2.30 Pensionable Service**

“Pensionable Service” means a Member's years and completed months (expressed as twelfths of a year) of Continuous Service during which he or she contributed to the Plan pursuant to Section 4.01 (Members' Required Contributions), or would have contributed to the Plan had contributions not been waived pursuant to Section 4.02 (Contribution Holidays). Partial months shall be excluded. With respect to the service of a Member employed on a full-time basis or the service on and after July 1, 1987 of a Member employed on a part-time basis, the period of service under determination shall be multiplied by the Member's Percentage of Appointment. Periods of unpaid leaves of absence shall be limited to 5 years, plus up to an additional 3 years for “periods of parenting” as defined in the *Income Tax Act* (regulation 8507(3)(b)), or such other limit as permitted under the *Income Tax Act* or as prescribed by the Canada Revenue Agency.

### **2.31 Percentage of Appointment**

“Percentage of Appointment” means the percentage that a Staff member's regularly scheduled appointment by the University at any one point in time bears to the regularly scheduled appointment by the University of a full-time Staff member in the same or similar category of employment, calculated to the nearest second decimal place, to a maximum of 100%.

### **2.32 Phased Retirement Program**

“Phased Retirement Program” means any program approved by Governing Council for a category of Staff that enables a Member to reduce his or her Percentage of Appointment for a specified period of years prior to an irrevocable date of Retirement and that provides for the Percentage of Appointment to be deemed to be 100% for purposes of determining the Member's Pensionable Service, but not the determination of Members' Required Contributions under Section 4.01.

**2.33 Plan**

“Plan” means this University of Toronto Pension Plan, as set forth herein, as amended from time to time.

**2.34 Postponed Retirement Date**

“Postponed Retirement Date” means the date of a Member's postponed retirement as set out in Section 5.03 (Postponed Retirement).

**2.35 Prior Plan(s)**

“Prior Plan(s)” means The 1919 Plan for Academic Staff, The 1929 Plan for Administrative Staff, The 1946 Plan for Academic Staff, The 1951 Plan for Administrative Staff, The 1955 Pension Plan for Members of the Academic and Administrative Staffs, The 1946 Pension Plan for the Ontario College of Pharmacy, and The 1954 Plan for Staff of the Connaught Medical Research Laboratory, as described in Appendix "B".

**2.36 Retire or Retirement**

“Retire or Retirement” means, with respect to a Member, a termination of employment for any reason other than death, on or after becoming eligible to retire pursuant to Section 5.02 (Early Retirement).

**2.37 Salary/Wages**

“Salary/Wages” means a Staff member's gross regular annual salary/wages, before any deductions, including academic administrative stipends, but excluding all other payments, as determined by the payroll records of the University, subject to a maximum of \$150,000 in the University Year commencing July 1, 2001 and thereafter. The maximum amount in the University Year commencing July 1, 1996 was \$135,000 and then increased by \$3,000 in each subsequent University Year, as set out in the chart below, such increases being contingent upon the funded status of the Plan and the advice of the Actuary:

Maximum Salary/Wages	University Year
\$138,000	July 1, 1997 – June 30, 1998
\$141,000	July 1, 1998 – June 30, 1999
\$144,000	July 1, 1999 – June 30, 2000
\$147,000	July 1, 2000 – June 30, 2001

A Staff member's Salary/Wages for a University Year shall be determined using the Staff member's gross regular annual Salary/Wages fixed by the University as of the beginning of the University Year, provided that if the gross regular annual Salary/Wages is changed during the University Year, the Staff member's Salary/Wages shall reflect the new annual rate of Salary/Wages with effect from the first day of the month coincident with or next following the effective date of such change. It is provided, however, that for a Staff member who is employed by the University on a part-time basis or who is participating in a Phased Retirement Program or Semi-Retirement Program, the Salary/Wages shall be deemed to be the Staff member's actual Salary/Wages multiplied by a fraction, the numerator of which is one and the denominator of which is the Staff member's Percentage of Appointment.

### **2.38 Semi-Retirement Program**

“Semi-Retirement Program” means the program available, subject to the required approvals, for a full-time Staff member with at least 15 years of full-time Continuous Service, on or after the June 30<sup>th</sup> following the attainment of age 60 and up to age 65, that enables the Member to reduce his or her Percentage of Appointment and that provides for the Percentage of Appointment to be deemed to be 100% for purposes of determining the Member’s Pensionable Service and Members’ Required Contributions under Section 4.01.

### **2.39 Spouse**

“Spouse” means, in relation to a Member, at the time a determination of marital status is required, a person who:

- (a) is legally married to the Member, and is not living separate and apart from the Member;
- (b) is not legally married to the Member but who has been living with the Member in a conjugal relationship continuously for a period of at least three (3) years; or
- (c) is not legally married to the Member but who is living with the Member in a conjugal relationship of some permanence and who, together with the Member, are the natural or adoptive parents of a child, both as defined in the Family Law Act (Ontario),

provided, however that a person described in (b) or (c) above shall not be considered the Spouse of the Member for purposes of the Plan if the Member and Spouse are living separate and apart on the date spousal status is determined, or if there is also a person described in (a) above, unless the Member has submitted a written election to the contrary to the University, subject to the *Pension Benefits Act*.

### **2.40 Staff**

“Staff” means employees of the University who belong to one or more of the following categories:

- (a) Academic Staff means employees of the University engaged in teaching and/or the conduct of research and shall include clinical faculty unless otherwise noted;
- (b) Administrative Staff means employees of the University engaged in administrative functions, including confidentials and professionals/managers (levels 1 through 9) who are not Unionized Administrative Staff;
- (c) Librarians means employees of the University whose employment is specified under “Policies for Librarians”;
- (d) Research Associates means individuals who are not Academic Staff in (a) but are intrinsically involved in research projects where they contribute by way of their academic expertise, to the projects directed by the principal investigator
- (e) Unionized Administrative Staff means employees of the University who are members of the United Steelworkers of America, Local 1998; and
- (f) Unionized Staff means employees of the University who are either members of a bargaining unit or in an employee group not represented by a union but with which the

University has entered into an agreement to provide pension benefits under the Plan, but who are not members of any of the groups described in paragraphs (a), (b), (c), (d), or (e) above,

but excluding employees who participate in the University of Toronto (OISE) Pension Plan or the Ontario Teachers' Pension Plan.

#### **2.41 Surplus Assets**

“Surplus Assets” means, at any particular point in time, the excess of assets in the Pension Fund over liabilities in the Plan, as determined by the Actuary. The assets and liabilities shall be as contained in the most recent going-concern valuation report with respect to the determination of Surplus Assets on a going-concern basis or the most recent solvency valuation report with respect to the determination of Surplus Assets on a wind-up basis, filed with and approved by the appropriate regulatory authorities.

#### **2.42 University**

“University” means the University of Toronto and such related and affiliated organizations as may be designated by the Governing Council from time to time and which adopt the Plan, and their respective successors and assigns, except that any reference in the Plan to any action to be taken, consent, approval or opinion to be given or decision to be made by the University shall refer to the University of Toronto acting through the Governing Council for purposes of the Plan, except where otherwise indicated.

#### **2.43 University Year**

“University Year” means a 12-month period commencing on July 1 and ending on the following June 30.

#### **2.44 UTFA**

“UTFA” means the University of Toronto Faculty Association.

#### **2.45 VEARP**

“VEARP” means the Voluntary Early Academic Retirement Program agreed to between the University and UTFA, the terms of which are described in paragraph (f) of Section 6.03 (Early Retirement Pension).

#### **2.46 YMPE**

“YMPE” means the Year's Maximum Pensionable Earnings under the Canada Pension Plan.

In this Plan, words importing the singular number may be construed to extend to and include the plural number and vice versa.



## Section 3—Eligibility and Participation

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### 3.01 Eligibility

A Staff member whose Salary/Wages equals at least 35% of the then current YMPE or who is scheduled to work at least 700 hours in the University Year shall be eligible to become a Member on the first of July 1, October 1, January 1 or April 1 coincident with or next following attainment of such Salary/Wages or such working hours, provided that he or she has not attained the maximum age as may be prescribed under the *Income Tax Act* for the commencement of a pension as of the date upon which the Staff member would otherwise become eligible to become a Member. It is provided further that a Staff member will not be eligible to become a Member if the Staff member is an active participant of the University of Toronto (OISE) Pension Plan, the Teachers' Pension Plan or of any other pension plan which the University has established and to which the University contributes, except for the Canada Pension Plan.

### 3.02 Participation

#### (a) Mandatory Participation

A Staff member who is eligible to join the Plan pursuant to Section 3.01 above, whose Percentage of Appointment is equal to or greater than 25% and who has both attained age 35 and completed at least one year of Continuous Service, shall automatically be enrolled in the Plan on the first date upon which the Staff member becomes eligible.

#### (b) Exception

Notwithstanding paragraph (a) above, the following Staff members may elect not to participate in the Plan for as long as they satisfy at least one of the necessary conditions:

- (i) a Staff member whose Percentage of Appointment is less than 25%;
- (ii) a Staff member whose Percentage of Appointment is equal to or greater than 25% but who has not both attained age 35 and completed at least one year of Continuous Service;
- (iii) a Staff member who can demonstrate to the satisfaction of the University that he or she has a more advantageous pension arrangement elsewhere, the advantage of which would be detrimentally affected if the Staff member were to enroll in the Plan.

The election of a Staff member not to participate in the Plan shall continue in force until the Staff member either subsequently elects to participate in the Plan on any following July 1, October 1, January 1 or April 1 or is required to participate because of ceasing to satisfy the conditions listed above.

**(c) Withdrawal of Participation**

A Staff member who has been a Member since June 30, 1974 and who satisfies one of the conditions listed in paragraph (b) of Section 3.02 above may elect to withdraw from active participation in the Plan. The election shall remain in force until the Staff member is required to join the Plan pursuant to paragraph (a) of Section 3.02 above. Notwithstanding the above, the Staff member shall have one opportunity to revoke the election and recommence active participation in the Plan prior to being required to do so pursuant to paragraph (a) of Section 3.02.

**(d) Continuation of Participation**

A Staff member who becomes a Member shall continue as an active Member until date of termination of employment, Retirement or death, whichever first occurs.

## Section 4—Contributions

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### 4.01 Members' Required Contributions

Each Member shall contribute to the Plan by payroll deduction during each University Year as follows:

- (a) **Contribution Rates for Administrative Staff, Unionized Administration Staff and Unionized Staff—Effective January 1, 2012, July 1, 2012, October 1, 2012, June 30, 2013, July 1, 2013, June 30, 2014 or July 1, 2014, as Applicable**

Contributions shall be determined by applying the percentages in the following tables to the Salary/Wages in a University Year up to and including the CPP Maximum Salary and in excess of the CPP Maximum Salary, with the resulting amount multiplied by the Member's Percentage(s) of Appointment during the University Year.

The following table applies to all Unionized Administrative Staff who are members of United Steelworkers of America, Local 1998 (except for casual employees) and all Unionized Staff who are members of Canadian Union of Public Employees, Local 3261 (and employed as full-time workers) and Local 1230 (and employed as full-time workers) and members of Ontario Public Service Employees' Union, Local 578:

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Effective Date	Contribution Rate on Salary/Wages:	
	Not in Excess of CPP Maximum Salary	In Excess of CPP Maximum Salary
January 1, 2012	5.45%	6.60%
July 1, 2012	6.05%	7.40%
July 1, 2013	6.80%	8.40%

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Rates in effect immediately prior to rates indicated above were 5.00% (not in excess of CPP maximum salary); 6.00% (in excess of CPP maximum salary)

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The following table applies to all Unionized Staff who are members of Ontario Public Service Employees' Union, Local 519:

<b>Contribution Rate on Salary/Wages:</b>		
<b>Effective Date</b>	<b>Not in Excess of CPP Maximum Salary</b>	<b>In Excess of CPP Maximum Salary</b>
January 1, 2012	5.45%	6.60%
July 1, 2012	6.05%	7.40%
June 30, 2013	6.80%	8.40%

Rates in effect immediately prior to rates indicated above were 5.00% (not in excess of CPP maximum salary); 6.00% (in excess of CPP maximum salary)

The following table applies to all Unionized Staff who are members of International Brotherhood of Electrical Workers, Local 353 and Canadian Auto Workers, Local 2003:

<b>Contribution Rate on Salary/Wages:</b>		
<b>Effective Date</b>	<b>Not in Excess of CPP Maximum Salary</b>	<b>In Excess of CPP Maximum Salary</b>
October 1, 2012	5.45%	6.60%
July 1, 2013	6.05%	7.40%
July 1, 2014	6.80%	8.40%

Rates in effect immediately prior to rates indicated above were 5.00% (not in excess of CPP maximum salary); 6.00% (in excess of CPP maximum salary)

The following table applies to all Unionized Staff who are members of Canadian Union of Public Employees, Local 2484 Childcare Workers':

<b>Contribution Rate on Salary/Wages:</b>		
<b>Effective Date</b>	<b>Not in Excess of CPP Maximum Salary</b>	<b>In Excess of CPP Maximum Salary</b>
July 1, 2012	5.55%	7.40%
July 1, 2013	6.30%	8.40%

Rates in effect immediately prior to rates indicated above were 4.50% (not in excess of CPP maximum salary); 6.00% (in excess of CPP maximum salary)

The following table applies to all Administrative Staff except those executive and designated officeholders included under broader public sector compensation restraint legislation:

Effective Date	Contribution Rate on Salary/Wages:	
	Not in Excess of CPP Maximum Salary	In Excess of CPP Maximum Salary
October 1, 2012	5.45%	6.60%
July 1, 2013	6.05%	7.40%
June 30, 2014	6.80%	8.40%

Rates in effect immediately prior to rates indicated above were 5.00% (not in excess of CPP maximum salary); 6.00% (in excess of CPP maximum salary)

**(b) Contribution Rates For Academic Staff, Librarians and Research Associates—  
Effective October 1, 2012, July 1, 2013 or June 30, 2014 as Applicable.**

Contributions shall be determined by applying the percentages in the following tables to the Salary/Wages in a University Year up to and including the CPP Maximum Salary and in excess of the CPP Maximum Salary, with the resulting amount multiplied by the Member's Percentage(s) of Appointment during the University Year.

The following table applies to Research Associates:

Effective Date	Contribution Rate on Salary/Wages:	
	Not in Excess of CPP Maximum Salary	In Excess of CPP Maximum Salary
October 1, 2012	4.95%	6.60%
July 1, 2013	5.55%	7.40%
June 30, 2014	6.30%	8.40%

Rates in effect immediately prior to rates indicated above were 4.50% (not in excess of CPP maximum salary); 6.00% (in excess of CPP maximum salary)

The following table applies to Academic Staff and Librarians, except those executive and designated officeholders included under broader public sector compensation restraint legislation:

Effective Date	Contribution Rate on Salary/Wages:	
	Not in Excess of CPP Maximum Salary	In Excess of CPP Maximum Salary
July 1, 2013	5.55%	7.40%
June 30, 2014	6.30%	8.40%

Rates in effect immediately prior to rates indicated above were 4.50% (not in excess of CPP maximum salary); 6.00% (in excess of CPP maximum salary)

**(c) Partial Periods**

It is provided, however, that if a Staff member becomes a Member on October 1, January 1 or April 1, the percentages in paragraphs (a) and (b) above shall be adjusted proportionately for the partial University Year in which the Staff member becomes a Member. If a Member's Continuous Service is terminated other than at the end of the month, the Member shall not make any contributions for that month.

**(d) Maximum Contributions**

In no event shall a Member's contributions to the Plan in respect of a calendar year exceed the lesser of:

- (i) 9% of the Member's "compensation" from the University for such calendar year, and
- (ii) \$1,000 plus 50% of the Member's "pension credits" for such calendar year in respect of the University, without reference to the transitional dollar limits described in the Income Tax Act (regulations 8302(2)(b) and 8302(3)(g)),

provided that during a period in which the Member is Disabled or during an "eligible period of reduced pay", a Member may contribute to the Plan what is reasonably necessary to fund the benefits earned by the Member for such periods.

The terms "compensation", "eligible period of reduced pay" and "pension credit" shall have the meanings given in the Income Tax Act.

- (e) **Contributions for Buy-Back of Pensionable Service Under Limited Conditions**  
A Member who was hired by the University on or about 1975 or prior thereto as a member of the Academic Staff or as a Librarian and who was not permitted to join the Plan by virtue of his or her rank may apply to the University to make a special lump-sum past-service contribution to purchase part (in complete years) or all of the period of Continuous Service during which the Member was precluded from participating in the Plan. The amount of the lump-sum contribution shall be equal to the amount of contributions the Member would have made to the Plan had the Member participated in the Plan, based on the Member's Salary/Wages during such period and the contribution formula under the Plan during such period, plus Credited Interest calculated under the terms of the Plan during such period and up to the date the contribution is made. Upon making such lump-sum contribution to the Plan, the period of Continuous Service in respect of which the contribution was made shall be recognized as Pensionable Service for all purposes of the Plan. This provision shall not apply to any periods of Continuous Service during which a Member was eligible to participate in the Plan but elected not to or to any periods of Continuous Service during a waiting period or eligibility period. The Member must satisfactorily demonstrate to the University that the Member qualifies for this provision and, upon request by the Member, the University will use reasonable efforts to obtain relevant information from its records. The amount of annual pension purchased under this provision in respect of a Member shall be subject to regulation 8504(b) under the Income Tax Act.

#### **4.02 Contribution Holidays**

The University may, from time to time, waive part or all of the requirements in Section 4.01 above for Members to contribute to the Plan, in respect of Academic Staff, Librarians, Administrative Staff, Unionized Administrative Staff or Unionized Staff, for specific periods of time. Such a waiver of the contribution requirements is referred to herein as a contribution holiday. Prior contribution holidays are listed in Appendix "C".

#### **4.03 Members' Voluntary Contributions**

A Member shall be entitled to make voluntary contributions to the Plan, by payroll deduction, in addition to the contributions required under Section 4.01 above, up to such amounts that are permissible under the *Income Tax Act*, for the purpose of increasing the benefits to which the Member will be entitled upon termination of employment, Retirement or death. However, Members have not been permitted to make voluntary contributions to the Plan since April 30, 1997.

A Member who has voluntary contributions to his or her credit in the Plan may direct the University to pay such voluntary contributions to the Member in a single lump-sum cash payment or to transfer such voluntary contributions to the Member's registered retirement savings plan or other such plan prescribed by and permitted under the *Income Tax Act* and the *Pension Benefits Act*, by filing with the University a completed form prescribed by the University for such purpose, provided that any lump-sum cash payment shall be subject to applicable withholding taxes and provided further that any voluntary contributions currently subject to locking-in requirements may only be transferred out of the Plan on a locked-in basis and may not be paid out in cash.

#### **4.04 Transfers of Funds From Other Registered Retirement Plans**

A Member shall be entitled to transfer funds into the Plan pursuant to Section 12 (Reciprocal Agreements) or Section 13 (Portability Arrangements).

#### **4.05 Contributions During Periods of Disability**

Notwithstanding Section 4.01 above, a Member who is Disabled and who is accruing pension benefits pursuant to Section 10 (Benefits During Disability) shall not be required to contribute to the Plan.

#### **4.06 Contributions During Periods of Approved Leave Without Salary/Wages**

A Member who is on an approved leave of absence without Salary/Wages shall not be required to contribute to the Plan and shall not accrue Pensionable Service hereunder. However, the Member may elect to continue to accrue Pensionable Service subject to the limitations in Section 2.31 (Pensionable Service) by completing an election form prescribed by the University and filing it with the University. In this case the Member shall be required to contribute to the Plan the amount of contributions required to be made by active Members pursuant to Section 4.01 above and the contributions which would be required to be made by the University in respect of the Member pursuant to paragraph (a) of Section 4.07 below without taking into account paragraph (c) thereof.

#### **4.07 University Contributions**

##### **(a) Contributions**

The University shall contribute to the Pension Fund in such total amounts as, based on the latest actuarial valuation report filed with the provincial pension authority, are required to provide the normal cost of the benefits accruing in the current Plan Year, after taking into account the assets of the Pension Fund and all other relevant factors, and to provide for the proper amortization of all unfunded liabilities and solvency deficiencies (if any) in accordance with the requirements of the *Pension Benefits Act*. The contributions, if required, shall be made on a monthly basis within 30 days following the month in which they fall due.

##### **(b) Refunds**

It is specifically provided that in the event the University makes an overpayment to the Pension Fund or makes a payment that should have been paid from the Pension Fund, the University may direct the Funding Agency to refund the amount of such payment to the University, if such refund is necessary to avoid revocation of the registration of the Plan, subject to the *Pension Benefits Act* and the *Income Tax Act* and the approvals of the appropriate regulatory authorities.

##### **(c) Surplus Assets**

It is further provided that if, according to the actuarial valuation report referred to in paragraph (a) above, Surplus Assets exist in the Pension Fund at any time, the University may, at its discretion, use such Surplus Assets or a portion thereof to offset the amount of University contributions referred to in paragraph (a) above.



## Section 5—Retirement Dates

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### 5.01 Normal Retirement

The Normal Retirement Date of a Member for purposes of the Plan shall be the June 30 coincident with or next following the date the Member attains age 65. Except as otherwise provided herein, a Member shall Retire upon the Normal Retirement Date and shall thereupon be entitled to receive a normal retirement pension under the Plan, determined and payable in accordance with Section 6.01 (Normal Retirement Pension).

### 5.02 Early Retirement

A Member may elect to Retire from the service of the University on an Early Retirement Date, which shall be on the last day of any month within the 10 years immediately preceding the Member's Normal Retirement Date. Upon the Early Retirement Date, the Member shall be entitled to receive an early retirement pension under the Plan, determined and payable in accordance with Section 6.03 (Early Retirement Pension).

### 5.03 Postponed Retirement

A Member who continues on Staff in a regular appointment beyond the Normal Retirement Date shall continue to contribute to the Plan pursuant to Section 4.01 (Members' Required Contributions) and to accrue pension benefits hereunder up to the Postponed Retirement Date, which shall be the last day of the month in respect of which the Member contributes to the Plan, provided that a Member's Postponed Retirement Date for purposes of the Plan shall not occur later than the November 30 of the year in which the Member attains the maximum age as may be prescribed for this purpose under the *Income Tax Act*. Upon the Postponed Retirement Date, the Member shall be entitled to receive a postponed retirement pension under the Plan, determined and payable in accordance with Section 6.04 (Postponed Retirement Pension).

### 5.04 Application for Commencement of Benefits

The application for commencement of pension benefits must be in the form and within the timeframe prescribed by the University, or otherwise prescribed under the terms of an agreement between the University and a Staff group.

## Section 6—Retirement Benefits

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### 6.01 Normal Retirement Pension

(a) **Current Pension Formula For Administrative Staff, Unionized Administrative Staff and Unionized Staff—Effective January 1, 2006 or Other Specified Dates**

Each Member who is a member of the Administrative Staff, Unionized Administrative Staff or Unionized Staff and who Retires on the Normal Retirement Date pursuant to Section 5.01 (Normal Retirement) on or after January 1, 2006, or the dates specified below, shall be entitled to receive an annual pension payable in equal monthly installments upon the first day of the month following the Member's Normal Retirement Date and continuing on the first day of each month thereafter equal to:

1.6% of that portion of the Member's Highest Average Salary/Wages not in excess of the Average CPP Maximum Salary

PLUS

2.0% of that portion of the Member's Highest Average Salary/Wages in excess of the Average CPP Maximum Salary

MULTIPLIED BY

the Member's Pensionable Service

It is provided, however, that this provision is applicable with effect from the dates listed below for Members who belong to the following Unionized Staff, with the provisions in paragraph (c) below applicable to such dates:

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<b>Staff Category</b>	<b>Effective Date</b>
All Unionized Staff who are members of Canadian Union of Public Employees, Local 3261 and employed as regular part-time or casual service workers	January 1, 2007
All Unionized Staff who are members of Ontario Public Service Employees' Union, Local 519	July 1, 2007

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It is further provided, however, that this provision is not applicable for Unionized Staff who are members of the Canadian Union of Public Employees, Local 2484 Childcare Workers' and whose pension formula pursuant to paragraph (c) of this Section 6.01 remains in effect on and after January 1, 2006.

**(b) Current Pension Formula For Academic Staff, Librarians and Research Associates—Effective July 1, 1999**

Each Member who is a member of the Academic Staff, Librarians or Research Associates and who Retires on or after July 1, 1999 and on the Normal Retirement Date pursuant to Section 5.01 (Normal Retirement) shall be entitled to receive an annual pension payable in equal monthly installments commencing upon the first day of the month following the Member's Normal Retirement Date and continuing on the first day of each month thereafter equal to:

1.5% of that portion of the Member's Highest Average Salary/Wages not in excess of the Average CPP Maximum Salary

PLUS

2.0% of that portion of the Member's Highest Average Salary/Wages in excess of the Average CPP Maximum Salary

MULTIPLIED BY

the Member's Pensionable Service

**(c) Prior Pension Formula For Administration Staff, Unionized Administrative Staff and Unionized Staff—Effective July 1, 1999 or Other Specified Dates But Prior to January 1, 2006 or Other Specified Dates**

Each Member who belongs to the Administrative Staff, Unionized Administrative Staff or Unionized Staff and who Retires on the Normal Retirement Date pursuant to Section 5.01 (Normal Retirement) on or after July 1, 1999 or the dates specified below, but prior to January 1, 2006, or the dates specified in paragraph (a) above, shall be entitled to receive an annual pension payable in equal monthly installments commencing upon the first day of the month following the Member's Normal Retirement Date and continuing on the first day of each month thereafter equal to:

1.5% of that portion of the Member's Highest Average Salary/Wages not in excess of the Average CPP Maximum Salary

PLUS

2.0% of that portion of the Member's Highest Average Salary/Wages in excess of the Average CPP Maximum Salary

MULTIPLIED BY

the Member's Pensionable Service

It is provided, however, that this provision is applicable with effect from the dates listed below for the following Members who belong to the Unionized Administrative Staff or the Unionized Staff, with the provisions in paragraph (d) below applicable to such dates:

<b>Staff Category</b>	<b>Effective Date</b>
All Unionized Staff who are members of International Brotherhood of Electrical Workers, Local 353 or members of International Association of Machinists and Aerospace Workers, Local 235	January 1, 2000
All Unionized Administrative Staff who are members of United Steelworkers of America, Local 1998, except for casual employees	January 25, 2000
All Unionized Staff who are members of Canadian Union of Public Employees, Local 1230 and employed as full-time library workers or members of Canadian Union of Public Employees, Local 3261 and employed as full-time service workers	February 1, 2000
All Unionized Staff who are members of Canadian Union of Public Employees, Local 1230 and employed as regular part-time or casual library workers or members of Canadian Union of Public Employees, Local 3261 and employed as regular part-time or casual service workers	March 1, 2000
All Unionized Staff who are members of Canadian Labour Congress, Local 2001	April 1, 2000
All Unionized Staff who are members of Ontario Public Service Employees' Union, Local 519	May 1, 2000
Canadian Union of Public Employees, Local 2484 Childcare Workers'	January 1, 2004

**(d) Prior Pension Formula—Effective July 1, 1996 but Prior to July 1, 1999 or Other Specified Dates**

Each Member who Retires on the Normal Retirement Date pursuant to Section 5.01 (Normal Retirement) on or after July 1, 1996 but prior to July 1, 1999, or prior to such other effective dates referred to in paragraph (c) above, shall be entitled to receive an annual pension payable in equal monthly installments commencing on the first day of the month following the Member's Normal Retirement Date and continuing on the first day of each month thereafter equal to:

1.3% of that portion of the Member's Highest Average Salary/Wages not in excess of the Average CPP Maximum Salary

PLUS

2.0% of that portion of the Member's Highest Average Salary/Wages in excess of the Average CPP Maximum Salary

MULTIPLIED BY

the Member's Pensionable Service

**(e) Prior Pension Formula—Effective Prior to July 1, 1996**

Each Member who Retires on the Normal Retirement Date pursuant to Section 5.01 (Normal Retirement) prior to July 1, 1996 shall be entitled to receive an annual pension payable in equal monthly installments commencing on the first day of the month following the Member's Normal Retirement Date and continuing on the first day of each month thereafter equal to (i) plus (ii) below:

- (i) 1.0% of that portion of the Member's Highest Average Salary/Wages not in excess of the Average CPP Maximum Salary

PLUS

2.0% of that portion of the Member's Highest Average Salary/Wages in excess of the Average CPP Maximum Salary

MULTIPLIED BY

the Member's Pensionable Service prior to July 1, 1992.

- (ii) 1.3% of that portion of the Member's Highest Average Salary/Wages not in excess of the Average CPP Maximum Salary

PLUS

2.0% of that portion of the Member's Highest Average Salary/Wages in excess of the Average CPP Maximum Salary

MULTIPLIED BY

the Member's Pensionable Service on and after July 1, 1992.

**(f) Exclusion of Part-Time Service Prior to July 1, 1987**

It is provided, however, under paragraphs (a), (b), (c), (d), and (e) above, a Member's Pensionable Service prior to July 1, 1987 while employed on a part-time basis shall be excluded and the annual pension in respect of that Pensionable Service shall be as provided in Section 6.02 below.

**6.02 Normal Retirement Pension for Part-Time Service Prior to July 1, 1987**

The annual pension of a Member in respect of employment with the University in a University Year prior to July 1, 1987 on a part-time basis shall be equal to 2% of the Member's Salary/Wages during the periods of part-time service in the particular University Year, adjusted each July 1 after the particular University Year by the Increase in Average Industrial Wage between the last day of the particular University Year and the first day of the University Year in which the Member terminates Continuous Service with the University.

The annual pension of a Member who terminated Continuous Service prior to July 1, 1996 in respect of employment with the University in a University Year prior to July 1, 1987 on a part-time basis shall be equal to 2% of the Member's Salary/Wages during the periods of part-time service in the particular University Year, without adjustment for the Increase in Average Industrial Wage.

### **6.03 Early Retirement Pension**

#### **(a) Voluntary Reduced Pension**

A Member who Retires on an Early Retirement Date pursuant to Section 5.02 (Early Retirement) shall be entitled to receive an annual pension payable in equal monthly installments commencing on the first day of any month following the Early Retirement Date up to the Member's Normal Retirement Date and continuing on the first day of each month thereafter, in an amount equal to the retirement pension accrued to the Member's credit up to the Member's Early Retirement Date, computed pursuant to Sections 6.01 and 6.02 above but reduced by 5/12 of 1% for each complete month by which the commencement of the Member's pension precedes the Member's Normal Retirement Date.

#### **(b) Voluntary Unreduced Pension For Administrative Staff, Unionized Administrative Staff, Unionized Staff and Research Associates**

Notwithstanding paragraph (a) above, a Member who is a member of the Administrative Staff, Unionized Administrative Staff, Unionized Staff or Research Associates, who has attained age 60 and whose sum of years and completed months of age and years and completed months of Continuous Service total at least 80, or who has attained age 65, shall be entitled to Retire and receive the annual pension described in paragraph (a) above, but without reduction on account of Retirement prior to the Normal Retirement Date. For purposes of this paragraph and paragraphs (e), (f), and (g), Continuous Service shall include Pensionable Service credited under Section 12 (Reciprocal Agreements) and Section 13 (Portability Arrangements).

Effective June 30, 2006, a Member who is a member of the Administrative Staff at professional/managers levels 6 to 9 and who has attained age 60 and completed 15 or more years of Pensionable Service shall be entitled to Retire, provided the Member has applied to the University in accordance with the applicable notice requirements, and receive the pension described in paragraph (a) above, but without reduction on account of Retirement prior to the Normal Retirement Date.

**(c) Voluntary Unreduced Pension For Academic Staff and Librarians**

Notwithstanding paragraph (a) above, effective with the dates shown in the table below, a Member who belongs to the Academic Staff or is a Librarian and who has attained age 60 and completed 10 or more years of Pensionable Service shall be entitled to Retire on any December 31 or June 30 thereafter, provided the Member has applied to the University in accordance with the notice requirements, and receive the annual pension described in paragraph (a) above, but without reduction on account of Retirement prior to the Normal Retirement Date. However, if the Member Retires on a date other than December 31 or June 30 coincident with or following eligibility, or without the required notice, the annual pension shall be as described in paragraph (a) above. For a member of the Academic Staff who is clinical faculty, the Member may not Retire under this provision unless the Member no longer has a University appointment.

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<b>Class of Member</b>	<b>Applicable Effective Date</b>
Academic Staff (excluding clinical faculty) or Librarians	June 30, 2006
Clinical faculty	June 30, 2007

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**(d) Voluntary Unreduced Pension: Retiring Allowance**

Notwithstanding paragraph (a) above and subject to paragraph (b) of Section 6.07 below, upon the application of a Member who is Retiring on an Early Retirement Date and who is entitled to a retiring allowance from the University upon Retirement, the Governing Council may waive, in whole or in part, the reduction in the Member's annual pension on account of Retirement prior to Normal Retirement Date described in paragraph (a) above, provided that the actuarial present value of the reduction being waived (as determined by the Actuary) shall not exceed the amount of the retiring allowance to which the Member is entitled and provided that the liability for the reduction being waived is funded by the University in accordance with Section 4.07 (University Contributions). In such event, the Member shall forfeit entitlement to the amount of retiring allowance equal to the actuarial present value of the reduction being waived, as determined by the Actuary.

- (e) **Temporary Early Retirement Window for Administrative Staff, Unionized Administrative Staff and Unionized Staff From July 1, 1996 to June 30, 2002**  
Subject to paragraph (b) of Section 6.07 below, with effect from July 1, 1996 to June 30, 1997 inclusive and renewed from July 1, 1997 to June 30, 1998 inclusive, a Member who is a member of the Administrative Staff, Unionized Administrative Staff or the Unionized Staff, who has attained age 55 and whose sum of years and completed months of age and years and completed months of Continuous Service total at least 75, may elect to Retire and receive the annual pension described in paragraph (a) above, but without reduction on account of Retirement prior to the Normal Retirement Date. A Member who Retires under this paragraph (e) must inform the University in writing no later than June 30, 1998. The Member's annual pension shall commence no later than July 1, 1999, and shall not exceed the limits as stated in paragraph (b) of Section 6.07 (Limits Under the *Income Tax Act*).

The provisions in this paragraph (e) are extended from July 1, 1998 to June 30, 1999 and include the Unionized Administrative Staff, provided that a Member who Retires under this extension must inform the University in writing no later than June 30, 1999 and such Member's annual pension shall commence no later than July 1, 2000.

The provisions in this paragraph (e) are additionally extended from July 1, 1999 to June 30, 2002, provided that a Member who Retires under this additional extension must inform the University in writing no later than June 30, 2002 and such Member's annual pension shall commence no later than July 1, 2002. However, the annual pension of a Member who is a member of the Administrative Staff shall commence no later than July 1, 2003.

- (f) **Temporary Early Retirement Window For Administrative Staff, Unionized Administrative Staff and Unionized Staff From July 1, 2002 to June 30, 2005**  
The provisions in paragraph (e) are additionally extended from July 1, 2002 to June 30, 2005 provided that a Member who Retires under this extension must inform the University in writing no later than June 29, 2005 and such Member's annual pension shall commence no later than July 1, 2005.

In addition to the annual pension described in the immediately preceding paragraph, a temporary bridge benefit shall be payable to a Member equal to 0.5% multiplied by the Member's Highest Average Salary/Wages up to the Average CPP Maximum Salary multiplied by the Member's Pensionable Service used to compute the annual pension under paragraph (c) of Section 6.01 above. The temporary bridge benefit shall be reduced by  $\frac{1}{4}$  of 1% for each complete month by which the commencement of the Member's bridge benefit precedes the Member's attainment of age 60. Payment of the temporary bridge benefit shall cease upon the first day of the month in which the Member attains age 65 or dies, whichever first occurs.



**(g) Temporary Early Retirement Window For Administrative Staff, Unionized Administrative Staff and Unionized Staff From July 1, 2005 to Specified End Dates**

The provisions in paragraph (f), including the temporary bridge benefit, are additionally extended to June 30, 2006 for all Administrative Staff subject to the following:

- (i) Provided a Member meets the eligibility requirements on or before June 30, 2006, with the approval of the University, the date of Retirement can be extended to as late as June 30, 2007;
- (ii) A Member who elects to Retire under this provision shall not be eligible for the locked-in transfer under paragraph (i) below; and
- (iii) A Member who elects to Retire under this provision shall be required to contribute an additional 3% of the Member's Salary/Wages for the period from July 1, 2005 to date of Retirement.

The provisions in the above paragraphs, including the temporary bridge benefit, are additionally extended from July 1, 2005 or July 1, 2006, as specified below, to the end dates specified below, with no further extensions beyond these end dates:

<b>Staff Category</b>	<b>Start Date</b>	<b>End Date</b>
All Unionized Staff who are members of Canadian Union of Public Employees, Local 1230 and employed as full-time library workers	July 1, 2005	June 30, 2006
All Unionized Staff who are members of Canadian Union of Public Employees, Local 1230 and employed as regular part-time or casual library workers	July 1, 2005	December 31, 2006
All Unionized Staff who are members of International Brotherhood of Electrical Workers, Local 353, or members of International Association of Machinists and Aerospace Workers, Local 235, or members of Canadian Auto Workers, Local 2003	July 1, 2005	April 30, 2008
All Unionized Administrative Staff who are members of United Steelworkers of America, Local 1998, except for casual employees	July 1, 2005	June 30, 2008
All Administrative Staff excluding professional/managers levels 6 to 9	July 1, 2005	June 30, 2008
All Unionized Staff who are members of Canadian Union of Public Employees, Local 3261, and employed as full-time, regular part-time or casual service workers	July 1, 2006	December 31, 2007

It is further provided that the temporary bridge benefit on or after January 1, 2006, or such other effective date in Section 6.01 above, shall be 0.4% multiplied by the Member's Highest Average Salary/Wages up to the Average CPP Maximum Salary multiplied by the Member's Pensionable Service used to compute the annual pension under paragraph (a) of Section 6.01 above.

**(h) VEARP For Academic Staff and Librarians**

With effect from September 1, 1991 and automatically renewed annually thereafter unless cancelled in writing by the University or UTFA prior to July 1 prior to the September 1 renewal date, a Member who is a member of the Academic Staff (excluding clinical faculty) or is a Librarian, who has attained age 55 and who has completed 10 years of full-time Continuous Service, may apply to Retire under the VEARP and receive the annual pension described in paragraph (a) above, but with a reduction of 3/12 of 1% for each complete month by which the commencement of the Member's pension precedes the Member's Normal Retirement Date. The retiring allowance otherwise payable to the Member under the VEARP shall be applied by the University to waive as much as possible of the reduction described above, subject to paragraph (b) of Section 6.07 below. A Member's application for benefits under the VEARP shall be subject to the approval of the designated Vice-Provost and the Provost of the University on condition that the retirement will enhance organizational flexibility and the strength or effectiveness of academic programs and the library services will not be impaired.

The VEARP shall be renewed effective September 1, 2005 for the four-month period ending December 31, 2005 and terminated effective December 31, 2005.

Notwithstanding the termination, a Member who is a member of the Academic Staff (excluding clinical faculty) or who is a Librarian may apply to Retire under the VEARP with an irrevocable retirement date no later than June 30, 2010, provided the application is made and approval is received prior to December 31, 2005.

**(i) Locked-In Transfer**

A Member who Retires on an Early Retirement Date pursuant to Section 5.02 (Early Retirement) and who is entitled to an annual pension described in paragraphs (a), (b), (c), (d), (e) or (f) above, may, in lieu of such pension, elect to transfer the Commuted Value of such annual pension to one of the following retirement vehicles:

- (i) the Member's locked-in retirement account;
- (ii) another employer's pension plan if such plan permits the transfer;
- (iii) another retirement savings vehicle prescribed by the *Pension Benefits Act*; or
- (iv) a life insurance company licensed to transact business in Canada.

The transfer shall be on a locked-in basis and the transferred amount shall be used to provide a life annuity or such other annuity as permitted under the *Income Tax Act* and *Pension Benefits Act*. The Member's election shall be in writing on a form prescribed by the University and should be made within 60 days following the Member's Retirement. The amount of the transfer shall be subject to the limits prescribed in the *Income Tax Act* (regulation 8517).

#### **6.04 Postponed Retirement Pension**

A Member who Retires on a Postponed Retirement Date pursuant to Section 5.03 (Postponed Retirement) shall be entitled to receive an annual pension payable in equal monthly installments commencing on the first day of the month following the Postponed Retirement Date and continuing on the first day of each month thereafter in an amount equal to the normal retirement pension accrued under the pension benefit formula described in Section 6.01 above up to the Member's Postponed Retirement Date, based upon the Member's Pensionable Service, Salary/Wages and required contributions made to the Plan pursuant to Section 4.01 (Members' Required Contributions) up to such date.

#### **6.05 Refund of Excess Contributions**

A Member who Retires on a Normal, Early or Postponed Retirement Date pursuant to Section 5 (Retirement Dates) and who is entitled to Excess Contributions shall be paid such Excess Contributions in a single lump-sum cash payment. Alternatively, at the written direction of the Member on a form prescribed by the University, such Excess Contributions may be transferred directly to the Member's "registered retirement savings plan" or "registered retirement income fund" as defined in the *Income Tax Act*, provided that the amount of the transfer shall be subject to the limits prescribed in the *Income Tax Act* (regulation 8517).

#### **6.06 Refund of Voluntary Contributions**

A Member who Retires on a Normal, Early or Postponed Retirement Date pursuant to Section 5 (Retirement Dates) and who has made voluntary contributions to the Plan pursuant to Section 4.03 (Members' Voluntary Contributions) shall be paid the accumulated voluntary contributions with Credited Interest thereon in a single lump-sum cash payment, subject to the *Income Tax Act* and the *Pension Benefits Act*. Alternatively, at the written direction of the Member on a form prescribed by the University, such voluntary contributions with Credited Interest thereon may be transferred directly to the Member's "registered retirement savings plan" or "registered retirement income fund" as defined in the *Income Tax Act*, or be used to provide a life annuity, subject to the *Pension Benefits Act*.

#### **6.07 Limits Under the Income Tax Act**

##### **(a) Maximum Retirement Pension**

Notwithstanding any other provision of this Plan, the annual pension payable to a Member under the Plan on the date on which a determination of a Member's pension benefit is required, including but not limited to the Member's Pension Commencement Date, including any benefits paid to a spouse of the Member pursuant to Section 18.03 (Division of Pension Benefits on Marriage Breakdown), shall not exceed the maximum amount permitted from time to time by the *Income Tax Act*, currently the lesser of:

- (i) 2% of the Member's "highest average compensation", indexed to the year of pension commencement in the manner described in the *Income Tax Act* (regulation 8504(2)), multiplied by the Member's years (and fractions of a year) of "pensionable service" with the University; and

- (ii) the “defined benefit limit” on such date multiplied by the Member's years (and fractions of a year) of “pensionable service” with the University.

For purposes of this paragraph (a), a Member's “pensionable service” prior to 1992 shall not exceed 35 years. The terms “defined benefit limit”, “highest average compensation” and “pensionable service” shall have the meanings given in the *Income Tax Act* (regulations 8500(1) and 8504(2)).

**(b) Maximum Early Retirement Pension**

The annual pension payable to a Member under the Plan, commencing prior to the Member's attainment of age 60, shall not exceed the lesser of the amount payable under Sections 6.01 and 6.02 above and the maximum amount determined pursuant to paragraph (a) above, reduced by 1/4 of 1% for each month by which the Member's Pension Commencement Date precedes the earliest of:

- (i) the Member's attainment of age 60;
- (ii) the date the Member would have attained 30 years of “early retirement eligibility service” had he or she remained in the Plan; or
- (iii) the date the Member would have attained a combined total of 80 years (and fractions of a year) of age and “early retirement eligibility service”

The term “early retirement eligibility service” shall have the meaning given in the *Income Tax Act* (regulation 8503(3)(c)).

**(c) Maximum Pension Adjustment**

In no event shall a Member's “pension adjustment” in respect of the University, or an employer that does not deal at arm's length with the University, for a calendar year exceed the lesser of:

- (i) the “money purchase limit” for the calendar year; and
- (ii) 18% of the Member's “compensation” for the calendar year.

The terms “compensation”, “money purchase limit” and “pension adjustment” shall have the meanings given in the *Income Tax Act*.

**(d) Increases After Pension Commencement**

The maximum amounts in respect of a Member's pension, provided under paragraphs (a) and (b) above, may be increased each year following pension commencement by the ratio of the average Consumer Price Index for such year to the average Consumer Price Index for the year benefits commence to be paid to the Member.

**(e) Combined Maximum Pension and Bridge Benefit**

In addition to the maximum pension limit described in paragraph (a) above, and notwithstanding any other provision of the Plan to the contrary, the total annual benefit payable to a Member under the Plan prior to the attainment of age 65 at the time of the Member's Retirement, termination of employment, or termination of the Plan, as the case may be shall not exceed the sum of:

- (i) the “defined benefit limit” multiplied by the Member's years of “pensionable service” with the University; and
- (ii) 25% of the average of the YMPE for such year of termination and the YMPE for the two (2) preceding calendar years, multiplied by a fraction, the numerator of which is the Member's years of “pensionable service” with the University (to a maximum of 35) and the denominator which is 35.

The terms “defined benefit limit” and “pensionable service” shall have the meanings given in the *Income Tax Act*.

**6.08 Re-Employment After Commencement of Annual Pension**

In the event a Member in receipt of an annual pension from the Plan pursuant to the foregoing provisions of this Section 6 returns to active Staff with the University prior to attaining the latest Postponed Retirement Date under Section 5.03 (Postponed Retirement), the annual pension shall cease forthwith and the Member shall recommence accruing benefits under the Plan. Upon the Member's subsequent Retirement, the annual pension shall be calculated based upon Pensionable Service, Salary/Wages and contributions made to the Plan to the date of the Member's subsequent Retirement, provided that the Commuted Value of the annual pension shall be reduced by the Commuted Value of the amount of annual pension received by the Member prior to return to active employment. In no event shall a Member who is receiving pension benefits from the Plan accrue pension benefits under the Plan at the same time.

**6.09 Payment of Small Pensions**

In the event a Member Retires on a Normal, Early or Postponed Retirement Date and his or her annual pension payable upon the Member's Normal Retirement Date is not greater than 4% of the YMPE on the date of Retirement, or the Commuted Value of such pension is less than 20% of the YMPE on the date of Retirement, such Member shall receive a cash payment equal to the Commuted Value of the pension to which the Member is entitled. The payment shall be made in a single lump-sum and shall be in lieu of the benefits otherwise payable pursuant to the foregoing provisions of this Section 6. Alternatively, at the written election of the Member on a form prescribed by the University, the Member may transfer the payment directly to a “registered retirement savings plan” or “registered retirement income fund” as defined in the Income Tax Act, provided that the amount of the transfer shall be subject to the limits prescribed in the Income Tax Act (regulation 8517).

## Section 7—Cost-of-Living Adjustments

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### 7.01 Amount of Adjustments

#### (a) Adjustments

The amount of annual pension payable from the Plan or Prior Plans to a Member listed in paragraph (b) below shall be adjusted on each July 1 by the greater of:

- (i) 75% of the Increase in Consumer Price Index not in excess of 8% for the previous year, plus 60% of the Increase in Consumer Price Index in excess of 8% for the previous year, calculated to the nearest second decimal place, and
- (ii) the Increase in Consumer Price Index for the previous year, reduced by 4 percentage points.

#### (b) Applicable Members

The adjustment shall be made to the annual pension of a Member who:

- (i) Retired on his or her Normal Retirement Date;
- (ii) Retired on his or her Early Retirement Date;
- (iii) Retired on his or her Postponed Retirement Date;
- (iv) Retired prior to his or her Normal Retirement Date and who has deferred commencement of his or her pension to a later date; or
- (v) terminated employment from the University on or after July 1, 1982 but prior to his or her Early Retirement Date and who remains entitled to a future vested pension from the Plan.

The adjustment shall also be made to the temporary bridge benefit described in paragraph (e) of Section 6.03 (Early Retirement Pension) and to the annual survivor pension payable to a Spouse or Dependent Child of a Member.

**(c) Exclusions**

The adjustment described a paragraph (a) above shall not be made to pension benefits payable from:

- (i) the Teacher's Insurance and Annuity Association; or
- (ii) the Government Annuities Branch.

**(d) No Reduction in Pension**

In no event shall the foregoing provisions of this Section 7.01 result in a reduction of a Member's annual pension or future vested pension.

**(e) Additional Augmentation and Prior Adjustments**

Additional augmentations and prior adjustments are listed in Appendix "A".

**7.02 First Adjustment**

The first adjustment to the amount of pension or future vested pension payable to a Member who Retires from the University or terminates employment with the University in June shall be made on the immediately following July 1. The first adjustment to the amount of pension or future vested pension payable to a Member who Retires from the University or terminates employment with the University in any month other than June shall be made on the first day of the month following Retirement or termination of employment and shall equal the percentage increase granted on the immediately preceding July 1, but prorated according to the number of months remaining to the following July 1.

**7.03 Additional Augmentations and Prior Adjustments**

The University may, from time to time, augment the pensions payable to any Member or Beneficiary, in addition to the adjustments described in Section 7.01 above. The amount of the augmentations made under Section 7.01 above, together with the amount of any additional adjustments to pensions are listed in Appendix "A".

**7.04 Limitation**

The amount of the adjustments and augmentations made pursuant to the foregoing provisions of this Section 7 shall be subject in any event to the *Income Tax Act*.

## Section 8—Forms of Pension Payment

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### **8.01 Normal Form of Payment for Member Without Spouse, or Dependent Child**

The normal form of pension under the Plan for a Member without a Spouse or Dependent Child on the Pension Commencement Date is one which is payable in equal monthly installments for the remaining lifetime of the retired Member, ceasing with the payment due for the month in which the Member's death occurs, but with the guarantee that should the Member's death occur after the pension has commenced but before receipt of 60 monthly payments thereof, the payments shall be continued to the Member's Beneficiary or estate until 60 monthly payments in all shall have been made. Alternatively, at the option of the Beneficiary or personal representative of the Member's estate, the Commuted Value of the remaining payments may be made to the Beneficiary or estate in the form of a single lump-sum cash settlement.

### **8.02 Normal Form of Payment for Member With Spouse, or Dependent Child**

The normal form of pension under the Plan for a Member who has a Spouse, or Dependent Child on the Pension Commencement Date is one which is payable in equal monthly installments for the remaining lifetime of the retired Member with 60% (50% in respect of a Member who terminated Continuous Service prior to July 1, 1996) of the pension continued after the Member's death;

- (a) to the Member's same Spouse and upon the Spouse's death to the Member's Dependent Children in equal shares for as long as they remain Dependent Children; or
- (b) if the Member's Spouse predeceased the Member, to the Member's Dependent Children in equal shares for as long as they remain Dependent Children.

If the Member has a Spouse and the Spouse is more than 10 years younger than the Member, the amount of pension payable to the Member shall be the Actuarial Equivalent of the pension that would be payable to the Member if the Member's Spouse were 10 years younger in age than the Member. The preceding sentence does not apply to the pension of a Member who terminated Continuous Service prior to July 1, 1996.

The above references to “10 years” are changed to “15 years” with effect from July 1, 1999 for each Member who belongs to the Academic Staff or Administrative Staff or who is a Librarian and with effect from the effective dates listed in the table in Section 6.01 (Normal Retirement Pension), as applicable, for each Member who belongs to the Unionized Administrative Staff or Unionized Staff.



If the sum of the pension payments made to the Member, the Member's Spouse and the Member's Dependent Children is less than the sum of the Member's required contributions made to the Plan pursuant to Section 4.01 (Members' Required Contributions) with Credited Interest thereon to the date of the Member's Pension Commencement Date, the remaining amount of such contributions with Credited Interest shall be paid in a lump-sum cash settlement to:

- (a) the estate of the Member if the Member is not survived by a Spouse, or Dependent Children;
- (b) the estate of the Spouse if the Spouse is not survived by any Dependent Children;
- (c) the surviving children to whom pension payments were made while they were Dependent Children; or
- (d) the estate of the last child to whom a pension payment was made while the Child was a Dependent Child if all the children to whom pension payments were made while they were Dependent Children are deceased.

The pension payments to the Spouse, or Dependent Children upon the death of the Member shall commence on the first day of the month following the month in which the Member dies.

Notwithstanding the foregoing, the normal form of pension under the Plan for a Member who terminated employment with the University prior to July 1, 1996, who has a Spouse, or Dependent Child on the Pension Commencement Date and whose Percentage of Appointment is less than 100% in respect of benefits accrued for service prior to July 1, 1987, is that described in Section 8.01 above.

### **8.03 Optional Form of Payment for Member Without Spouse, or Dependent Child**

In lieu of the normal form of pension described in Section 8.01 above, a Member without a Spouse or Dependent Child on the Pension Commencement Date may elect to receive a reduced amount of pension payable in equal monthly installments for the remaining lifetime of the retired Member, ceasing with the payment due for the month in which the Member's death occurs, but with the guarantee that should the Member's death occur after the pension has commenced but before 120 monthly payments have been made, the payments shall be continued to the Member's Beneficiary or estate until 120 monthly payments in all shall have been made. Alternatively, at the option of the Beneficiary or personal representative of the Member's estate, the Commuted Value of the remaining payments may be paid to the Beneficiary or estate in the form of a single lump-sum cash settlement.

#### **8.04 Optional Forms of Payment for Member With Spouse, or Dependent Child**

**(a) Survivor Pension Greater than 60%**

In lieu of the normal form of pension described in Section 8.02 above, a Member with a Spouse, or Dependent Child on the Pension Commencement Date may elect to receive a reduced amount of pension payable in equal monthly installments for the remaining lifetime of the retired Member with greater than 60% but no more than 100% of such reduced pension continued after the Member's death to the Member's surviving Spouse, or Dependent Children or both in the same manner as provided in Section 8.02 above.

**(b) Reduction Upon Death of Member or Spouse**

In lieu of the pension described in paragraph (a) above, the Member may elect the same pension as described therein but which reduces to the percentage selected upon the first death of the Member or the Member's Spouse.

#### **8.05 Level Income Optional Form of Payment**

In lieu of the normal forms of pension described in Sections 8.01 or 8.02 above, a Member who retires prior to attainment of age 65 may elect to receive a pension in a greater amount prior to eligibility for either reduced or unreduced benefits under the Canada Pension Plan or Old Age Security Act with a lesser amount continuing thereafter in order that the total amount of benefits payable to the Member from the Plan and under the Canada Pension Plan and Old Age Security Act is as uniform as possible both before and after commencement of benefits under the Canada Pension Plan and Old Age Security Act. The amount payable prior to eligibility for benefits under the Canada Pension Plan or Old Age Security Act will be subject to reduction in accordance with the *Income Tax Act* (regulation 8503(2)(b)) in respect of a Member who has not attained age 60 or who has completed less than 10 years of Pensionable Service. In the event of death, the Member's Spouse, Dependent Child, Beneficiary or estate shall be entitled to survivor benefits (if any) calculated and paid in the same manner as Section 8.01 or 8.02 above, as the case may be.

#### **8.06 Other Optional Forms of Payment**

The University may from time to time adopt or permit other optional forms of pension payment, provided that in each case such optional form is consistent with the *Pension Benefits Act* and the *Income Tax Act*.

#### **8.07 Actuarial Equivalent Value**

The value of a pension payable in any of the optional forms of payment described in Sections 8.03, 8.04, 8.05 and 8.06 above shall be the Actuarial Equivalent of the pension payable in the normal form of payment described in Section 8.01 or 8.02 above, as the case may be.

## **8.08 Conditions Relating to Election of Optional Forms of Payment**

Optional forms of payment under the foregoing provisions of this Section 8 should be elected by a Member on a form prescribed by the University at least 60 days prior to the Member's anticipated Pension Commencement Date.

The effective date of any optional form of payment under the foregoing provisions of this Section 8 shall be the date of the Member's Pension Commencement Date. If the Member dies before the effective date of the option, the election of the option shall be cancelled and shall not become operative. Similarly, if the Spouse or Dependent Children of a Member to whom a pension would be payable pursuant to Section 8.02 or 8.04 die before the pension has commenced, the normal or optional form of pension payment will be deemed to be cancelled. If the Member or the Member's Spouse, or Dependent Children die after the pension has commenced, the form of pension payment shall remain in effect. If the Member's Spouse dies after the pension has commenced and the Member subsequently has another Spouse, any surviving Spouse pension that would have been payable to the first Spouse shall be without effect and shall not be payable to the second Spouse.

Subject to the above provisions of this Section 8.08, an election of an optional form of payment under the foregoing provisions of this Section 8 may be changed or revoked only if written notification of such change or revocation is received by the University from the Member prior to the effective date of the option.

## Section 9—Benefits on Termination of Employment

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### 9.01 Future Vested Pension

If a Member's Continuous Service is terminated prior to the Member's Early Retirement Date for any reason other than death, the Member shall be entitled to receive an annual future vested pension from the Plan. The pension shall be payable in equal monthly installments in accordance with the appropriate form of pension payment in Section 8 (Forms of Pension Payment), commencing on the first day of any month following the Member's Early Retirement Date up to the first day of the month following the Member's Normal Retirement Date. The pension shall be equal to the amount of retirement pension accrued to the Member's credit up to the date of the Member's termination of employment, computed pursuant to Section 6 (Retirement Benefits). It is provided, however, that if the Member elects to have his or her pension commence prior to the Normal Retirement Date, the pension shall not be reduced pursuant to paragraph (a) of Section 6.03 (Early Retirement Pension), but rather shall be the Actuarial Equivalent of the pension that would have been payable upon the first day of the month following the Member's Normal Retirement Date.

### 9.02 Locked-In Transfer

In lieu of the future vested pension described in Section 9.01 above, a Member whose Continuous Service is terminated prior to the Member's Early Retirement Date for any reason other than death, may elect in writing on a form prescribed by the University, within 60 days following termination of employment, or within such other period as may be prescribed by the *Pension Benefits Act*, to transfer the greater of:

- (a) the Commuted Value of the future vested pension described in Section 9.01 above; and
- (b) two times the Member's accumulated required contributions made pursuant to Section 4.01 (Members' Required Contributions) with Credited Interest thereon,

to one of the following retirement vehicles:

- (i) the Member's locked-in retirement account;
- (ii) another employer's pension plan if such plan permits the transfer;
- (iii) another retirement savings vehicle prescribed by the *Pension Benefits Act*; or
- (iv) a life insurance company licensed to transact business in Canada.

Any transfer under this Section 9.02 shall be on a locked-in basis and the transferred amount shall be used to provide a life annuity that will not commence before the earliest date that the Member would have been entitled to receive pension benefits under the Plan, or if transferred to another pension plan, under that plan. The amount of the transfer shall be subject to the limits prescribed in the *Income Tax Act* (regulation 8517).

### **9.03 Cash Payment of Small Future Vested Pensions**

If a Member's Continuous Service is terminated prior to the Member's Early Retirement Date for any reason other than death and the amount of annual future vested pension described in Section 9.01 above payable upon the Member's Normal Retirement Date is not greater than 4% of the YMPE on the date of termination of Continuous Service, or the Commuted Value of such pension is less than 20% of the YMPE on the date of termination of Continuous Service, such Member shall receive a cash payment equal to the greater of:

- (a) the Commuted Value of the future vested pension described in Section 9.01 above; and
- (b) two times the Member's accumulated contributions made pursuant to Section 4.01 (Members' Required Contributions) with Credited Interest thereon.

The payment shall be made in a single lump-sum and shall be in lieu of the benefits otherwise payable pursuant to Sections 9.01 or 9.02 above. Alternatively, at the written election of the Member on a form prescribed by the University, the Member may transfer the payment directly to a "registered retirement savings plan" or a "registered retirement income fund" as defined in the *Income Tax Act*, provided that the amount of the transfer shall be subject to the limits prescribed in the *Income Tax Act* (regulation 8517).

For greater certainty, this Section 9.03 shall apply with respect to former Members who ceased participation in the Plan prior to July 1, 2012, using the YMPE in effect at the date the Member ceased participation.

### **9.04 Refund of Excess Contributions**

A Member whose Continuous Service is terminated for any reason other than Retirement or death and who is entitled to benefits pursuant to one or more of the foregoing provisions of this Section 9 and who has Excess Contributions to his or her credit shall be paid such Excess Contributions in a single lump-sum cash payment.

Alternatively, at the written election of the Member on a form prescribed by the University, the Member, except for a Member who has elected to receive a deferred pension, may transfer the refund directly to a "registered retirement savings plan" or "registered retirement income fund" as defined in the *Income Tax Act*.

### **9.05 Refund of Voluntary Contributions**

A Member whose Continuous Service is terminated and who is entitled to benefits pursuant to one or more of the foregoing provisions of this Section 9 and who has made voluntary contributions to the Plan pursuant to Section 4.03 (Members' Voluntary Contributions) shall receive a refund equal to the accumulated voluntary contributions with Credited Interest thereon in a single lump-sum cash payment.

Alternatively, at the written election of the Member, on a form prescribed by the University, the Member may transfer the refund directly to a "registered retirement savings plan" or "registered retirement income fund" as defined in the *Income Tax Act*.

### **9.06 Grow-in Benefits**

Notwithstanding any other provision in the Plan, a Member whose employment is terminated involuntarily as defined in the Pension Benefits Act, on or after July 1, 2012 and whose age plus Continuous Service equal at least fifty-five (55) at such date:

- (a) may be entitled to additional early retirement enhancements pursuant to Section 74 of the Pension Benefits Act; and
- (b) in the event the Member is eligible for an early retirement pension on the date he or she is involuntarily terminated and is entitled to enhancements under (a) above, shall have the option to commence an immediate pension that is reduced from the earliest date the Member would have been entitled to an unreduced pension had the termination not occurred, rather than from the Member's Normal Retirement Date,

and such Member's benefits shall be adjusted accordingly.

## Section 10—Benefits During Disability

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### 10.01 Continued Accrual of Benefits

A Member who becomes Disabled shall continue to accrue Pensionable Service until the earliest of termination of employment with the University, Retirement from the University or death. The Member's Salary/Wages during the period of Disability shall be deemed to be at the annual rate in effect on the date the Member became Disabled and then increased on each anniversary date after becoming Disabled, by the lesser of:

- (a) the "across the board" economic increase granted to the active staff of the University during the preceding 12-month period; and
- (b) 7%.

Notwithstanding the above, for a Member who is a member of the Academic Staff or a Librarian, Salary/Wages during the period of Disability shall be deemed to be at the annual rate in effect on the date the Member commenced receipt of Disability benefits, and then increased on each subsequent July 1, or such other date as may be agreed upon each year for the "across the board" economic increase, by the lesser of the "across the board" economic increase provided to active Members of the Academic Staff or Librarians and 7% (prorated if the increase is for less than a full year).

### 10.02 Members' Contributions

As stated in Section 4.05 (Contributions During Periods of Disability), a Member shall not be required to contribute to the Plan during periods of Disability.

### **10.03 Payment of Benefits in the Event of Shortened Life Expectancy**

A Member who is Disabled and who:

- (a) is employed by the University,
- (b) terminated employment with the University but is entitled to a deferred pension under the Plan, or
- (c) terminated employment with the University but transferred his or her pension entitlement to another retirement vehicle, pursuant to Section 9.02 (Locked-In Transfer),

and whose Disability is likely to considerably shorten the Member's life expectancy, as evidenced by a written certificate of a medical doctor, may apply to the University on a prescribed form to have the Commuted Value of his or her benefit from the Plan paid to the Member in cash or to eliminate the locking in requirements in respect of a Member described in paragraph (c). The University may, in its discretion, consent thereto and so instruct the Funding Agency, subject to the *Income Tax Act*.

### **10.04 Unreduced Pension**

Notwithstanding Section 10.01 above, a Member who has a physical or mental impairment that prevents the Member from performing his or her regular duties of employment with the University and which is certified as such by a medical doctor and who is not eligible to receive a disability income from the University's long-term disability insurance plan may be requested by the Governing Council to Retire, in which event the Member shall be entitled to receive the annual pension described in paragraph (a) of Section 6.03 (Early Retirement Pension), but without reduction on account of Retirement prior to the Normal Retirement Date.



## Section 11—Benefits on Death

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### 11.01 Amount of Benefit

In the event a Member dies while in the service of the University, or after termination of Continuous Service, or after Retirement, but prior to payment of pension benefits hereunder, a benefit shall be paid to the Member's Spouse, subject to paragraphs (c) and (d) below.

**(a) Death Before Eligibility for Early Retirement**

If the Member dies before becoming eligible to receive an early retirement pension pursuant to Section 6.03 (Early Retirement Pension) the benefit shall equal the Commuted Value of the pension benefit to which the Member would have been entitled under Section 9 (Benefits on Termination of Employment) had the Member terminated Continuous Service immediately prior to death.

**(b) Death After Eligibility for Early Retirement**

If the Member dies after becoming eligible to receive a retirement pension pursuant to Section 6 (Retirement Benefits) the benefit shall equal the greater of the benefit described in paragraph (a) above and the Commuted Value of the benefit to which the Member would have been entitled under Section 6 (Retirement Benefits), had the Member retired immediately prior to death, after taking into account the applicable reductions in Section 6.03 (Early Retirement Pension) in the case of Retirement on an Early Retirement Date.

The death benefit described in paragraphs (a) and (b) above in respect of a Member who terminated Continuous Service prior to July 1, 1997 shall be calculated based on the Member's Pensionable Service from January 1, 1987. In addition, upon the death of such a Member, the Member's accumulated required contributions made to the Plan from November 1, 1975 to December 31, 1986 with Credited Interest thereon to the month in which the Member's death occurred, shall be paid to the Member's Spouse or, if none, to the Member's Beneficiary or, if none, to the Member's estate in a single lump-sum cash payment.

**(c) Form of Payment**

The benefit described in paragraphs (a) or (b) above (except the lump-sum benefit described in the immediately preceding sentence) shall be paid to the Spouse in the form of an immediate pension payable monthly for life, unless the Spouse elects in writing on a form prescribed by the University to receive the benefit in the form of a deferred annuity or as a lump-sum cash payment. Alternatively, the Spouse may elect to receive the benefit described in paragraphs (a) or (b) above as a direct transfer to a “registered retirement savings plan” or a “registered retirement income fund” as defined in the *Income Tax Act*. In the event the Member does not have a Spouse, or if immediately prior to the Member’s death, the Member and the Member’s Spouse were living separate and apart, the benefit shall be paid to the Member’s Beneficiary or, if none, to the Member’s estate. The benefit shall be paid in the form of a single lump-sum cash payment.

**(d) Waiver**

The Member and the Spouse may jointly waive the Spouse's entitlement to the benefit described in this Section 11.01 by completing a form prescribed by the University and filing it with the University, in which event the benefit shall be paid to the Member's Beneficiary or, if none, to the Member's estate in the form of a single lump-sum cash payment.

**11.02 Refund of Excess Contributions**

In addition to the benefits described in the foregoing provisions of this Section 11, any Excess Contributions standing to the credit of the Member immediately prior to death shall be paid to the same person to whom the benefit described in Section 11.01 above is paid, in the form of a single lump-sum cash payment. Alternatively, in the event the Excess Contributions are payable to the Member’s Spouse, the Spouse may elect to transfer the refund directly to a “registered retirement savings plan” or a “registered retirement income fund” as defined in the *Income Tax Act*.

**11.03 Refund of Voluntary Contributions**

In addition to the benefits described in the foregoing provisions of this Section 11, the Member's accumulated voluntary contributions (if any) made to the Plan pursuant to Section 4.03 (Members' Voluntary Contributions) with Credited Interest thereon to the month in which the Member's death occurred shall be paid to the same person to whom the benefit described in Section 11.01 above is paid, in the form of a single lump-sum cash payment or transferred to the person's “registered retirement savings plan” or “registered retirement income fund”, subject to the *Income Tax Act*.

**11.04 Death After Normal Retirement Date**

In the event a Member dies while in the service of the University after his or her Normal Retirement Date but prior to the commencement of pension benefits hereunder, the Member shall be deemed to have Retired immediately prior to his or her death. The survivor benefits payable from the Plan shall be determined in accordance with the form of payment applicable to the Member pursuant to Section 8 (Forms of Pension Payment). It is provided, however, that the Commuted Value of the survivor benefits shall be no less than the Commuted Value of the benefits that would otherwise have been payable pursuant to Sections 11.01, 11.02 and 11.03 above.

### **11.05 Death After Commencement of Pension Benefits**

In the event a Member dies after the commencement of pension benefits hereunder, the remaining benefits, if any, shall be payable in accordance with the form of payment elected by the Member under Section 8 (Forms of Pension Payment). Any changes in the Member's spousal status after commencement of the pension benefits shall not affect the form of payment elected by the Member.

### **11.06 Payment of Small Spousal Pensions**

In the event a pension is payable to a Member's Spouse which is not greater than 4% of the YMPE on the date of the Member's death, or the Commuted Value of such pension is less than 20% of the YMPE on the date of death, the Member's Spouse may elect to receive such pension as a single lump-sum cash payment. Alternatively, the Spouse may elect to transfer the payment directly to a "registered retirement savings plan" or "registered retirement income fund" as defined in the Income Tax Act.

## Section 12—Reciprocal Agreements

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### 12.01 Agreements

The University may enter into reciprocal agreements from time to time with other Canadian employers or with foreign employers that are associated or affiliated with the University to govern the reciprocal recognition of benefits between the pension plans of the University and the other employers. The reciprocal agreements shall be subject to the *Income Tax Act* and the *Pension Benefits Act*.

### 12.02 Transfer of Assets

The reciprocal agreements may require a transfer of assets from the Pension Fund to the pension funds of the other employers or vice-versa.

### 12.03 Filing of Agreements

A certified copy of each reciprocal agreement shall be filed with the appropriate regulatory authorities.

## Section 13—Portability Arrangements

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### **13.01 Transfer of Funds**

A Member who was an active member of a registered pension plan of a previous Canadian employer may transfer funds from the prior employer's pension plan to the Plan in respect of the Member's period of service recognized and benefits accrued under the prior employer's pension plan. The transfer is subject to the terms of the prior employer's pension plan and the conditions outlined in Section 13.05 below.

### **13.02 Additional Pensionable Service**

The funds transferred to the Plan shall be used to credit additional Pensionable Service for the Member. The Actuary shall calculate the amount of such additional Pensionable Service. The amount of additional Pensionable Service shall not exceed the Member's period of service recognized under the prior employer's pension plan.

### **13.03 Insufficient Funds**

The Member may make additional required contributions to the Plan if the amount of funds transferred to the Plan is insufficient to purchase an amount of Pensionable Service equal to the Member's period of service recognized under the prior employer's pension plan. The amount of additional required contributions necessary to purchase such Pensionable Service shall be determined by the Actuary and shall be subject to the *Income Tax Act*.

### **13.04 Characterization of Transferred Funds**

One half of the funds transferred pursuant to Section 13.01 above shall be characterized as required contributions for all purposes of the Plan. The amount of additional contributions made by a Member pursuant to Section 13.03 above shall be characterized as required contributions for all purposes of the Plan except for paragraph (b) of Section 9.02 (Locked-In Transfer) and Section 11.01 (Amount of Benefit).

### **13.05 Application for Transfer of Funds**

A transfer of funds under this Section 13 shall be subject to the approval of the University. A Member who applies to have funds transferred shall complete a form prescribed by the University and file it with the University. The form shall indicate:

- (a) the name and address of the head office of the prior employer;
- (b) the name of the prior employer's pension plan and its provincial and federal registration numbers;
- (c) the name and address of the trust company or insurance company from which the funds are to be transferred;
- (d) the member's period of service recognized under the prior employer's pension plan; and
- (e) the amount of the funds to be transferred.

The application must be submitted to the University by the Member within 12 months following the date upon which the Member became a Member.

## **Section 14—Beneficiary Designation and Settlement of Death Benefits**

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### **14.01 Procedure**

A Member may, by written notice communicated to the University, designate a Beneficiary to receive the benefits payable pursuant to Section 11 (Benefits on Death) in the event of the Member's death. The Member may alter or revoke any such designation from time to time, subject always to the provisions of any annuity, insurance or other contract or law governing designation of beneficiaries, from time to time in force, which may apply to the Member. The written notice shall be in such form and executed in such manner as the University in its discretion may determine from time to time.

### **14.02 Death of Beneficiary Prior to Full Settlement of Benefits**

In the event the Member's Beneficiary is entitled to pension benefits under the Plan as a result of the Member's death, and dies before the end of any applicable guarantee period for the continuation of the pension payments, then the Commuted Value of the remaining pension payments shall be paid in the form of a single lump-sum cash payment to the estate of the Beneficiary.

## Section 15—Payment of Benefits

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### 15.01 Application for Benefits

A pension or other benefit under the Plan shall be granted by the University and payment thereof shall be made only upon application therefore in the manner prescribed by the University, and upon submission of such relevant information and supporting documentation as the University in its discretion may request.

### 15.02 Proof of Age and Spousal Status

Without limiting the generality of Section 15.01 above, each Member shall be required to file with the University satisfactory proof of age and spousal status and the age of his or her Spouse, Dependent Children or Beneficiary, if applicable, and pension benefits shall not commence to be paid until such proof of age and spousal status has been received and admitted by the University. In the event that payment of pension benefits is delayed pending receipt and admittance of satisfactory proof of age and spousal status, retroactive adjustments will be made once satisfactory proof of age and spousal status has been received.

In no event shall the University adjust the amount of benefits payable to a Member prior to receiving approval of an application for administrative relief submitted to the Canada Revenue Agency, if such application is required pursuant to the provisions of the *Income Tax Act*.

### 15.03 Commencement and Duration of Pensions

Except as otherwise provided in the Plan, the payment of pension benefits to a Member shall commence on the applicable commencement date specified in the Plan and shall be payable on the first day of each month thereafter during the remaining lifetime of the Member, ceasing with the payment due for the month in which the Member's death occurs, subject to the terms of the normal, automatic or any optional form of pension applicable to the Member pursuant to Section 8 (Forms of Pension Payment).

### 15.04 Payments to Minors and Incompetents

If the University receives evidence satisfactory to it that a person entitled to receive any payment under the Plan is physically or mentally incompetent to receive such payment and to give valid receipt therefore, or is a minor, and another person or an institution is then maintaining or has custody of the person and no guardian, committee or other representative of the person has been duly and legally appointed, the University may authorize payment of the benefit to be made to such other person or institution and the release of the other person or institution shall be a valid and complete discharge of the liabilities of the Plan.



### **15.05 Evidence of Survival**

The University shall have the right to require satisfactory evidence that a retired Member or other beneficiary under the Plan is living on each and every date a pension benefit is due the retired Member or other beneficiary. In the absence of such evidence when required by the University, the benefits otherwise due shall not be paid until the evidence has been received.

### **15.06 Misstatement in Application for Pension Benefit**

If a Member either knowingly or unknowingly has submitted any incorrect information to the University relevant to the amount of benefits to be paid from the Plan, the amount of benefits payable from the Plan shall be adjusted either, in the case of underpayments, by making additional payments from the Plan or, in the case of overpayments by requiring repayment from the Member, whichever is appropriate in the circumstances.

In no event shall the Corporation adjust the amount of benefits payable to a Member prior to receiving approval of an application for administrative relief submitted to the Canada Revenue Agency, if such application is required pursuant to the provisions of the *Income Tax Act*.

## Section 16—Pension Fund

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### 16.01 General

The University has established, and will maintain during the term of this Plan, a Pension Fund for the purpose of receiving the contributions under the Plan and investing the assets of the Plan, and providing the benefits under the Plan. The Pension Fund shall be administered in accordance with the terms of the Funding Agreement, and in compliance with the provisions of the *Pension Benefits Act*, the *Income Tax Act* and any other applicable legislation governing the investment of pension funds. The University shall have the sole right to select the Funding Agency and to determine the form and terms of the Funding Agreement.

### 16.02 Actuarial Valuation

The Actuary shall conduct actuarial valuations of the Pension Fund at such times as the University may decide but not less frequently than as prescribed in the *Pension Benefits Act* and the *Income Tax Act*. The University shall file the valuations with the provincial pension regulatory authority, as required by the *Pension Benefits Act*, and with the Canada Revenue Agency as required by the *Income Tax Act*.

### 16.03 Statement of Investment Policies and Procedures

The University has adopted a written statement of investment policies and procedures for the Plan. The University shall confirm or amend the statement annually.

### 16.04 Provision of Benefits

All benefits under the Plan will be paid out of the Pension Fund and any Member or other person having any claim under the Plan must look solely to the assets of the Pension Fund for such benefits. No person shall have the right to or interest in any part of the assets of the Pension Fund except as and to the extent provided, from time to time, under the Plan and the Funding Agreement. Except as may be provided in the *Pension Benefits Act*, no liabilities shall attach to the University or any employee of the University for payment of any benefits or claims hereunder.

Except where contrary to the terms of the Funding Agreement, the University may at any time in its sole discretion require the Funding Agency to purchase out of the Pension Fund from a life insurance company licensed to do business in Canada, benefits of equal amount and payable under the same conditions as the pension to which a Member or other beneficiary is entitled under the Plan so long as such action would not result in the Plan ceasing to be approved or registered for purposes of the *Pension Benefits Act* or the *Income Tax Act*.

## **16.05 Expenses**

All normal and reasonable expenses incurred in the administration, communication, funding and design of the Plan, including expenses incurred under the Funding Agreement, and including fees, taxes and any other amounts required to be paid pursuant to the *Pension Benefits Act*, the *Income Tax Act* or other relevant legislation shall be paid from the Pension Fund, unless paid directly by the University.

## **Section 17—Administration of the Plan**

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### **17.01 Plan Administration**

The Governing Council shall be the administrator of the Plan. The Governing Council shall have all such powers as may be necessary to carry out the provisions hereof, and may, from time to time, establish rules for the administration of the Plan and the transaction of the Plan's business. The Governing Council shall exercise its powers and carry out its duties hereunder in good faith and in a reasonable manner.

### **17.02 Pension Committee**

The Governing Council may appoint a Pension Committee from time to time to carry out any of the administrative duties of the Governing Council under the Plan, as specified by the Governing Council. Upon delegation of specified responsibilities to the Pension Committee, the Governing Council shall have a duty to monitor the activities of the proper functioning of the Pension Committee to ensure that the Pension Committee is fulfilling the responsibilities delegated to it.

### **17.03 Findings of Fact**

The Governing Council shall determine the Salary/Wages, Highest Average Salary/Wages, Continuous Service and Pensionable Service of each Member and make any findings of fact necessary for the determination of any benefit payable hereunder. Such determination shall be binding on all parties hereto, and on the Governing Council, the University, Staff, Members and beneficiaries hereunder.

### **17.04 Records**

The Governing Council shall maintain adequate records for accounting and actuarial valuation purposes and for the proper exercise of its administrative duties hereunder, and shall adopt such actuarial tables, rates and procedures to be used for actuarial valuations and determinations and administrative practices as are either necessary or desirable.

### **17.05 Powers and Duties**

The Governing Council shall have the duties described in this Plan and shall have all powers necessary to carry out those duties. With respect to the duties of the Governing Council, it shall interpret the provisions of the Plan relating thereto, and its determination of questions arising in the interpretation, administration and application of such provisions shall be conclusive and binding on all persons. It shall be entitled to rely conclusively upon, and shall be fully protected in any action taken by it, in good faith in reliance upon its records, any opinions or reports of the Actuary, or of lawyers or accountants appointed by the University or the Governing Council, and any information received from the Funding Agency.

### **17.06 Indemnity for Liability**

The Governing Council shall arrange for the indemnification of each of the Staff who is engaged in the administration of the Plan and Pension Fund, against any and all claims, losses, damages, expenses, including counsel fees, incurred by such Staff, and any liability arising from any action or failure to act, except when the same is determined to be attributable to the negligence or misconduct of such person.

### **17.07 Communication**

The University shall give a written explanation to each Member and each Staff employee who is to become a Member, of the terms and conditions of the Plan and amendments thereto applicable to the Member, together with an explanation of the rights and duties of the Member with reference to the benefits available under the terms of the Plan and such other information as may be required under the *Pension Benefits Act*.

## Section 18—General Provisions

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### 18.01 No Enlargement of Employment Rights

Participation in this Plan shall not confer rights on Members that they did not otherwise possess as employees, except as to the benefits they have accrued under the terms of the Plan.

### 18.02 Non-Assignability and Non-Commutability of Benefits

Any benefit payable under the terms of this Plan shall be considered to be for the personal use of the person receiving such benefit, and shall not be given as security or be subject to anticipation, alienation, sale, surrender, transfer, assignment, pledge, encumbrance or charge, or to attachment or legal process for debts of the person receiving such benefits, except in the case of the distribution of an estate by a legal representative, as specifically provided by statute, or as provided in Section 18.03 below. In no event shall such benefits confer upon any Member, or any other person, any right or interest therein which is capable of being surrendered or commuted except as specifically provided by the Plan.

### 18.03 Division of Pension Benefits on Marriage Breakdown

In the event a court of competent jurisdiction orders the division of a Member's pension benefits upon the marriage breakdown of the Member and the Member's Spouse, or in the event a domestic agreement or family arbitration award between a Member and the Spouse requires the division of the Member's pension benefits upon the marriage breakdown of the Member and the Spouse, such benefits shall be divided according to the terms of the court order, domestic agreement or family arbitration award, as the case may be, subject in any event to the Pension Benefits Act.

### 18.04 Notices and Elections

Any notice or election to be given, made or communicated pursuant to or for any purpose of the Plan shall be given, made or communicated as the case may be, in such manner as the University shall determine from time to time. Without limiting the generality of the foregoing, any person entitled to any benefit under this Plan shall be responsible to notify the University in writing of his or her mailing address and subsequent changes of mailing address.

### 18.05 No Duplication of Benefits

There shall be no duplication of the benefits under any one Section of this Plan and the benefits under any other Section of the Plan, nor of the benefits under this Plan and the benefits under the retirement plan of any other associated organization with respect to the same period of service.

### 18.06 Construction

The Plan, and all rights thereunder, shall be governed in accordance with the laws of the Province of Ontario.

## Section 19—Future of the Plan

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### 19.01 Continuation of the Plan

The University intends and expects to maintain this Plan in force indefinitely but necessarily reserves the sole right to amend or terminate the Plan either in whole or in part at any time or times should future conditions, in the opinion of the University, warrant such action, subject always to the *Pension Benefits Act* and the *Income Tax Act* and the approval of the appropriate regulatory authorities.

In no event, however, shall any amendment to the Plan operate to reduce the benefits which have accrued to any Member or other person entitled to benefits under the Plan prior to the date of such amendment, nor shall the University have the power to make any amendment which would cause or permit any portion of the contributions made prior to that date to be used for purposes other than as prescribed by the provisions of the Plan, the requirements of the *Pension Benefits Act* and *Income Tax Act* and the appropriate regulatory authorities.

### 19.02 Allocation of the Pension Fund in the Event of Plan Termination

Should the Plan be terminated at any time, in whole or in part, that portion of the assets held in the Pension Fund pursuant to or for the benefits provided under the Plan in respect of the Members affected by such termination shall be applied to provide benefits as outlined in the Plan for such Members and their respective Spouses and Beneficiaries, in accordance with their respective interests in the Plan, as determined by the University on the advice of the Actuary in a manner permitted by the *Pension Benefits Act*. Such benefit shall be provided through the purchase of immediate or deferred annuity contracts from an insurance company licensed to do business in Canada, or by the transfer of the benefits to which the respective Members are entitled to the pension plans of subsequent employers, to locked-in retirement accounts or to registered retirement savings plans or by the continuation of the Pension Fund for the provision of deferred pensions, or by the payment of cash settlements, as determined by the University, subject to the requirements of the *Pension Benefits Act* and the *Income Tax Act* and the appropriate regulatory authorities.

In the event of the termination of the Plan, the University shall not be obligated to make any further contributions to the Plan after the date of such termination, except as may be specifically required by the *Pension Benefits Act* or other applicable legislation.

### 19.03 Cessation of Operation of the University

In the event the University ceases operations, the Plan, unless continued by another employer, shall be deemed terminated and the provisions of Section 19.02 above shall apply.

#### **19.04 Treatment of Surplus Assets in the Event of Plan Termination**

If, after provision for the satisfaction of all liabilities under the Plan has been made, there should remain Surplus Assets in the Pension Fund, such Surplus Assets shall revert to the University or be used for purposes of the Plan as the University may otherwise direct, subject to the provisions of the *Pension Benefits Act* and the *Income Tax Act* and the prior approval of the appropriate regulatory authorities.

#### **19.05 Limitation of Liability**

No liability shall attach to the University in connection with any application of the Pension Fund in accordance with the provisions of this Section 19, provided such application was made in good faith and in accordance with the provisions of the *Pension Benefits Act* and the *Income Tax Act*.



## Appendix A—Additional Augmentations and Prior Adjustments

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### A.01 Cost-of-Living Adjustment Formula

**(a) Prior to July 1, 1982**

Prior to July 1, 1982, any pensions payable under this Plan and Prior Plans and including pension entitlements payable on a Postponed Retirement Date whether deferred or not, but excluding pensions payable in respect of voluntary contributions or contributions from other registered retirement plans, and excluding those paid from the Teachers Insurance and Annuity Association and the Government Annuities Branch under Prior Plans, have been increased from time to time on an ad hoc basis.

**(b) As of July 1, 1982**

With effect from July 1, 1982, any pensions payable under this Plan and Prior Plans including deferred pension entitlements for members terminating on or after July 1, 1982 and including pension entitlements payable on a Postponed Retirement Date whether deferred or not, but excluding pensions payable in respect of voluntary contributions or contributions from other registered retirement plans, and excluding those paid from the Teachers Insurance and Annuity Association and the Government Annuities Branch under Prior Plans, have been increased as of July 1 each year by the Increase in Consumer Price Index for the previous year reduced by 4.0. (If the Increase in Consumer Price Index for any year was less than 0.0%, there would be no reduction of pension benefits.)

The first increase in pensions shall occur on the first day of the month following the date of retirement (or deferment, as the case may be) or termination. If a member retired or terminated on the last day of any month other than June, the first increase equalled the percentage increase granted at the last preceding July 1, prorated according to the number of months remaining to the following July 1.

No pension arising from an increase under this provision was paid to a member prior to the attainment of age 60.

**(c) As of July 1, 1987**

With effect from July 1, 1987, any pensions payable under this Plan and Prior Plans including deferred pension entitlements for members terminating on or after July 1, 1982 and including pension entitlements payable on a Postponed Retirement Date whether deferred or not, but excluding pensions payable in respect of voluntary contributions or contributions from other registered retirement plans, and excluding those paid from the Teachers Insurance and Annuity Association and the Government Annuities Branch under Prior Plans, have been increased as of July 1 each year by the greater of: 60% of the Increase in Consumer Price Index for the previous year; and the Increase in Consumer Price Index for the previous year reduced by 4.0. (If the increase in Consumer Price Index for any year was less than 0.0%, there would be no reduction of pension benefits.)

The first increase in pensions shall occurred on the first day of the month following the date of retirement (or deferment, as the case may be) or termination. If a member retired or terminated on the last day of any month other than June, the first increase equaled the percentage increase granted at the last preceding July 1, prorated according to the number of months remaining to the following July 1.

No pension arising from an increase under this provision was paid to a member prior to the attainment of age 60.

**(d) As of July 1, 1992**

With effect from July 1, 1992, pensions payable under this Plan have been increased in accordance with the formula in Section 7.01 (Amount of Adjustments).

**A.02 Adjustments to Pensions Commenced Prior to January 1, 1971**

Commencing with the payment for the month of May 1972, the pension payable from this Plan to a member who retired prior to January 1, 1971, or to the widow of a deceased pensioner member who retired prior to January 1, 1971 shall be increased in the same proportion that the product of the "Adjustment Factors" for each year which has elapsed between the year of retirement and the year 1971 bears to one. The "Adjustment Factor" for a specified year shall mean the factor obtained by dividing the average of the Consumer Price Index for Canada as published by Statistics Canada for the year, by the average of the said Consumer Price Index for the preceding year; provided, however, that the Adjustment Factor for any year shall not exceed 1.02. The additional pension so payable shall be of the same type as the balance of pension which the member or widow is receiving.

Commencing with the payment for the month of May 1972, the pension payable from this Plan to the widow of a member who died in service prior to January 1, 1971 shall be increased in the same proportion that the product of the Adjustment Factors for each year which has elapsed between the year of death and the year 1972 bears to one. The Adjustment Factor for a specified year shall mean the factor obtained by dividing the average of the Consumer Price Index for Canada as published by Statistics Canada for that year, by the average of the said Consumer Price Index for the preceding year; provided, however that the Adjustment Factor for any year shall not exceed 1.02. The additional pension so payable shall be of the same type as the balance of pension which the widow is receiving.

### **A.03 Adjustments to Pensions Commenced Prior to July 1, 1974**

Commencing with the payment for the month of July 1975, the pension payable from this Plan to a member who retired prior to July 1, 1974, or to the widow of, or on behalf of the dependent child or children, of a deceased male pensioner member who retired prior to July 1, 1974, shall be increased in terms of the date of the member's retirement in accordance with the following table. The additional pension so payable shall be of the same type and payable in the same manner as the pension being increased is payable.

<b>Date of Member's Retirement</b>	<b>Percentage Increase</b>
Prior to January 1, 1971	19.03%
January 1, 1971	21.45%
June 30, 1971	20.26%
June 30, 1972	17.91%
June 30, 1973	14.48%
June 30, 1974	8.00%

In those cases where the member's retirement occurred after January 1, 1971, but on a date other than one of the dates in the above table, the percentage by which the related pension will increase will be determined by interpolation between the percentage increases shown in the table for the dates immediately before and after the date of retirement, on the basis of the number of complete months between the actual date of retirement and the date in the table which is next after the actual date of retirement.

Commencing with the payment for the month of July 1975, the pension payable from this Plan to the widow or on behalf of the dependent child or children of a male member who died in service prior to July 1, 1974 shall be increased in terms of the date of death of the member in accordance with the following table. The additional pension so payable shall be of the same type and payable in the same manner as the pension being increased is payable.

<b>Date of Member's Death</b>	<b>Percentage Increase</b>
Prior to January 1, 1971	19.03%
January 1, 1971	21.45%
June 30, 1971	20.26%
June 30, 1972	17.91%
June 30, 1973	14.48%
June 30, 1974	8.00%

In those cases where the member's death occurred after January 1, 1971, but on a date other than one of the dates in the above table, the percentage by which the related pension will increase will be determined by interpolation between the percentage increases shown in the table for the dates immediately before and after the date of death, on the basis of the number of complete months between the actual date of death and the date in the table which is next after the actual date of death.

#### A.04 Adjustments to Pension Entitlements

Pensions being paid to a Retired Member or to the Spouse or on behalf of the Dependent Child of a deceased Member, and survivor pensions being paid pursuant to Section 11.01 (Benefits for Pensionable Service Prior to November 1, 1975) except pensions being paid from the Teachers Insurance and Annuity Association and the Government Annuities Branch under Prior Plans, shall be increased as follows:

Commencement Date of Increase	Retirement Date	Date of Death in Service	Percentage Increase
July 1, 1976	Prior to July 1, 1974	N/A	6%
July 1, 1976	July 1, 1974 to June 30, 1975	N/A	6.0%, Plus 0.667% for each complete month between Pension Commencement Date and June 30, 1975
July 1, 1976	N/A	Prior to July 1, 1974	6%
July 1, 1976	N/A	July 1, 1974 to June 30, 1975	6.0%, Plus 0.667% for each complete month between date of death and June 30, 1975
July 1, 1977	Prior to July 1, 1975	N/A	5%
July 1, 1977	July 1, 1975 to June 30, 1976	N/A	5.0%, Plus 0.5% for each complete month between Pension Commencement Date and June 30, 1976
July 1, 1977	N/A	Prior to July 1, 1975	5%
July 1, 1977	N/A	July 1, 1975 to June 30, 1976	5.0%, Plus 0.5% for each complete month between date of death and June 30, 1976
July 1, 1978	Prior to July 1, 1976	N/A	3.75%
July 1, 1978	July 1, 1976 to June 30, 1977	N/A	3.75%, Plus 0.4167% for each complete month between Pension Commencement Date and June 30, 1977
July 1, 1978	July 1, 1977 to June 30, 1978	N/A	3.125% for each complete month between Pension Commencement Date and June 30, 1978
July 1, 1978	N/A	Prior to July 1, 1976	3.75%
July 1, 1978	N/A	July 1, 1976 to June 30, 1977	3.75%, Plus 0.4167% for each complete month between date of death and June 30, 1977
July 1, 1978	N/A	July 1, 1977 to June 30, 1978	3.125% for each complete month between date of death and June 30, 1978

<b>Commencement Date of Increase</b>	<b>Retirement Date</b>	<b>Date of Death in Service</b>	<b>Percentage Increase</b>
July 1, 1979	Prior to July 1, 1978	N/A	5%
July 1, 1979	July 1, 1978 to June 30, 1979	N/A	0.4167% for each complete month between Pension Commencement Date and June 30, 1979
July 1, 1979	N/A	Prior to July 1, 1978	5%
July 1, 1979	N/A	July 1, 1978 to June 30, 1979	0.4167% for each complete month between date of death and June 30, 1979
July 1, 1980	Prior to July 1, 1979	N/A	6.5%
July 1, 1980	July 1, 1979 to June 30, 1980	N/A	0.5417% for each complete month between Pension Commencement Date and June 30, 1980
July 1, 1980	N/A	Prior to July 1, 1979	6.5%
July 1, 1980	N/A	July 1, 1979 to June 30, 1980	0.5417% for each complete month between date of death and June 30, 1980
July 1, 1981	Prior to July 1, 1981	N/A	7.0%
July 1, 1981	July 1, 1981 to June 29, 1982	N/A	0.583% for each complete month between Retirement Date and June 29, 1982
July 1, 1981	N/A	Prior to July 1, 1981	7.0%
July 1, 1981	N/A	July 1, 1981 to June 29, 1982	0.583% for each complete month between date of death and June 29, 1982
July 1, 1982	Prior to July 1, 1982	N/A	8.7%
July 1, 1982	July 1, 1982 to June 29, 1983	N/A	0.725% for each complete month between Retirement Date and June 29, 1983
July 1, 1982	N/A	Prior to July 1, 1982	8.7%
July 1, 1982	N/A	July 1, 1982 to June 29, 1983	0.725% for each complete month between date of death and June 29, 1983
July 1, 1983	Prior to July 1, 1983	N/A	5.3%
July 1, 1983	July 1, 1983 to June 29, 1984	N/A	0.4417% for each complete month between Retirement Date and June 29, 1984
July 1, 1983	N/A	Prior to July 1, 1983	5.3%
July 1, 1983	N/A	July 1, 1983 to June 29, 1984	0.4417% for each complete month between date of death and June 29, 1984

<b>Commencement Date of Increase</b>	<b>Retirement Date</b>	<b>Date of Death in Service</b>	<b>Percentage Increase</b>
July 1, 1984	Prior to July 1, 1984	N/A	0.5%
July 1, 1984	Prior to July 1, 1984	N/A	0.5%
July 1, 1984	July 1, 1984 to June 29, 1985	N/A	0.0417% for each complete month between Retirement Date and June 29, 1985
July 1, 1984	N/A	Prior to July 1, 1984	0.5%
July 1, 1984	N/A	July 1, 1984 to June 29, 1984	0.0417% for each complete month between date of death and June 29, 1985
July 1, 1985	Prior to July 1, 1985	N/A	1.0%
July 1, 1985	July 1, 1985 to June 29, 1986	N/A	0.083% for each complete month between Retirement Date and June 29, 1986
July 1, 1985	N/A	Prior to July 1, 1985	1.0%
July 1, 1985	N/A	July 1, 1985 to June 29, 1986	0.083% for each complete month between date of death and June 29, 1986
July 1, 1986	Prior to July 1, 1986	N/A	4.4%
July 1, 1986	July 1, 1986 to June 29, 1987	N/A	0.3667% for each complete month between Retirement Date and June 29, 1987
July 1, 1986	N/A	Prior to July 1, 1986	4.4%
July 1, 1986	N/A	July 1, 1986 to June 29, 1987	0.3667% for each complete month between date of death and June 29, 1987
July 1, 1987	Prior to July 1, 1987	N/A	2.52%
July 1, 1987	July 1, 1987 to June 29, 1988	N/A	0.21% for each complete month between Retirement Date and June 29, 1988
July 1, 1987	N/A	Prior to July 1, 1987	2.52%
July 1, 1987	N/A	July 1, 1987 to June 29, 1988	0.21% for each complete month between date of death and June 29, 1988
July 1, 1988	Prior to July 1, 1988	N/A	2.52%
July 1, 1988	July 1, 1988 to June 29, 1989	N/A	0.21% for each complete month between Retirement Date and June 29, 1989
July 1, 1988	N/A	Prior to July 1, 1988	2.52%
July 1, 1988	N/A	July 1, 1988 to June 29, 1989	0.21% for each complete month between date of death and June 29, 1989

<b>Commencement Date of Increase</b>	<b>Retirement Date</b>	<b>Date of Death in Service</b>	<b>Percentage Increase</b>
July 1, 1989	Pension Commencement Date Prior to April 1, 1989	N/A	1.1%
July 1, 1989	Prior to July 1, 1989	N/A	2.4%
July 1, 1989	July 1, 1989 to June 29, 1990	N/A	0.2% for each complete month between Retirement Date and June 29, 1990
July 1, 1989	N/A	Prior to July 1, 1989	1.1%
July 1, 1989	N/A	Prior to July 1, 1989	2.4%
July 1, 1989	N/A	July 1, 1989 to June 29, 1990	0.2% for each complete month between date of death and June 29, 1990
July 1, 1990	Prior to July 1, 1990	N/A	3.06%
July 1, 1990	July 1, 1990 to June 29, 1991	N/A	0.255% for each complete month between Retirement Date and June 29, 1991
July 1, 1990	N/A	Prior to July 1, 1990	3.06%
July 1, 1990	N/A	July 1, 1990 to June 29, 1991	0.255% for each complete month between date of death and June 29, 1991
July 1, 1991	Pension Commencement Date Prior to May 1, 1991	N/A	0.7%
July 1, 1991	Prior to July 1, 1991	N/A	3.0%
July 1, 1991	July 1, 1991 to June 29, 1992	N/A	0.25% for each complete month between Retirement Date and June 29, 1992
July 1, 1991	N/A	Prior to May 1, 1991	0.7%
July 1, 1991	N/A	Prior to July 1, 1991	3.0%
July 1, 1991	N/A	July 1, 1991 to June 29, 1992	0.25% for each complete month between date of death and June 29, 1992
July 1, 1992	Prior to July 1, 1992	N/A	2.85%
July 1, 1992	July 1, 1992 to June 29, 1993	N/A	0.2375% for each complete month between Retirement Date and June 29, 1993
July 1, 1992	N/A	Prior to July 1, 1992	2.85%
July 1, 1992	N/A	July 1, 1992 to June 29, 1993	0.2375% for each complete month between date of death and June 29, 1993

<b>Commencement Date of Increase</b>	<b>Retirement Date</b>	<b>Date of Death in Service</b>	<b>Percentage Increase</b>
July 1, 1993	Prior to July 1, 1993	N/A	1.58%
July 1, 1993	July 1, 1993 to June 29, 1994	N/A	0.1317% for each complete month between Retirement Date and June 29, 1994
July 1, 1993	N/A	Prior to July 1, 1993	3.06%
July 1, 1993	N/A	July 1, 1993 to June 29, 1994	0.1317% for each complete month between date of death and June 29, 1994
July 1, 1994	Prior to July 1, 1994	N/A	1.28%
July 1, 1994	July 1, 1994 to June 29, 1995	N/A	0.1067% for each complete month between Retirement Date and June 30, 1995
July 1, 1994	N/A	Prior to July 1, 1994	1.28%
July 1, 1994	N/A	July 1, 1994 to June 30, 1995	0.1067% for each complete month between date of death and June 30, 1995
July 1, 1995	Prior to July 1, 1995	N/A	0.15%
July 1, 1995	July 1, 1995 to June 28, 1996	N/A	0.0125% for each complete month between Retirement Date and June 28, 1996
July 1, 1995	N/A	Prior to July 1, 1995	0.15%
July 1, 1995	N/A	July 1, 1995 to June 28, 1996	0.0125% for each complete month between date of death and June 28, 1996
July 1, 1996	Prior to July 1, 1996	N/A	1.28%
July 1, 1996	July 1, 1996 to June 30, 1997	N/A	0.1067% for each complete month between Retirement Date and June 30, 1997
July 1, 1996	N/A	Prior to July 1, 1996	1.28%
July 1, 1996	N/A	July 1, 1996 to June 30, 1997	0.1067% for each complete month between date of death and June 30, 1997



<b>Commencement Date of Increase</b>	<b>Retirement Date</b>	<b>Date of Death in Service</b>	<b>Percentage Increase</b>
July 1, 1997	Prior to July 1, 1997	N/A	1.65%
July 1, 1997	July 1, 1997 to June 30, 1998	N/A	0.1375% for each complete month between Retirement Date and June 30, 1998
July 1, 1997	N/A	Prior to July 1, 1997	1.65%
July 1, 1997	N/A	July 1, 1997 to June 30, 1998	0.1375% for each complete month between date of death and June 30, 1998
July 1, 1998	Prior to July 1, 1998	N/A	0.53%
July 1, 1998	July 1, 1998 to June 30, 1999	N/A	0.442% for each complete month between Retirement Date and June 30, 1999
July 1, 1998	N/A	Prior to July 1, 1998	0.53%
July 1, 1998	N/A	July 1, 1998 to June 30, 1999	0.442% for each complete month between date of death and June 30, 1999
July 1, 1999	Prior to July 1, 1999	N/A	0.75%
July 1, 1999	July 1, 1999 to June 30, 2000	N/A	0.0625% for each complete month between Retirement Date and June 30, 2000
July 1, 1999	N/A	Prior to July 1, 1999	0.75%
July 1, 1999	N/A	July 1, 1999 to June 30, 2000	0.0625% for each complete month between date of death and June 30, 2000
July 1, 2000	Prior to July 1, 2000	N/A	1.95%
July 1, 2000	July 1, 2000 to June 30, 2001	N/A	0.1625% for each complete month between Retirement Date and June 30, 2001
July 1, 2000	N/A	Prior to July 1, 2000	1.95%
July 1, 2000	N/A	July 1, 2000 to June 30, 2001	0.1625% for each complete month between date of death and June 30, 2001
July 1, 2001	Prior to July 1, 2001	N/A	2.40%
July 1, 2001	July 1, 2001 to June 30, 2002	N/A	0.2% for each complete month between Retirement Date and June 30, 2002
July 1, 2001	N/A	Prior to July 1, 2001	2.40%
July 1, 2001	N/A	July 1, 2001 to June 30, 2002	0.2% for each complete month between date of death and June 30, 2002

<b>Commencement Date of Increase</b>	<b>Retirement Date</b>	<b>Date of Death in Service</b>	<b>Percentage Increase</b>
July 1, 2002	Prior to July 1, 2002	N/A	0.53%
July 1, 2002	July 1, 2002 to June 30, 2003	N/A	0.0442% for each complete month between Retirement Date and June 30, 2003
July 1, 2002	N/A	Prior to July 1, 2002	0.53%
July 1, 2002	N/A	July 1, 2002 to June 30, 2003	0.0442% for each complete month between date of death and June 30, 2003
July 1, 2003	Prior to July 1, 2003	N/A	2.93%
July 1, 2003	July 1, 2003 to June 30, 2004	N/A	0.2442% for each complete month between Retirement Date and June 30, 2004
July 1, 2003	N/A	Prior to July 1, 2003	2.93%
July 1, 2003	N/A	July 1, 2003 to June 30, 2004	0.2442% for each complete month between date of death and June 30, 2004
July 1, 2004	Prior to July 1, 2004	N/A	1.50%
July 1, 2004	July 1, 2004 to June 30, 2005	N/A	0.125% for each complete month between Retirement Date and June 30, 2005
July 1, 2004	N/A	Prior to July 1, 2004	1.50%
July 1, 2004	N/A	July 1, 2004 to June 30, 2005	0.125% for each complete month between date of death and June 30, 2005
July 1, 2005	N/A	Prior to July 1, 2005	1.58%
July 1, 2005	N/A	July 1, 2005 to June 30, 2006	0.1317% for each complete month between Retirement Date and June 30, 2006
July 1, 2005	Prior to July 1, 2005	N/A	1.58%
July 1, 2005	July 1, 2005 to June 30, 2006	N/A	0.1317% for each complete month between date of death and June 30, 2006

<b>Commencement Date of Increase</b>	<b>Retirement Date</b>	<b>Date of Death in Service</b>	<b>Percentage Increase</b>
July 1, 2006	Prior to July 1, 2006	N/A	1.65%
July 1, 2006	July 1, 2006 to June 30, 2007	N/A	0.1375% for each complete month between Retirement Date and June 30, 2007
July 1, 2006	N/A	Prior to July 1, 2006	1.65%
July 1, 2006	N/A	July 1, 2006 to June 30, 2007	0.1375% for each complete month between date of death and June 30, 2007
July 1, 2007	Prior to July 1, 2007	N/A	1.20%
July 1, 2007	July 1, 2007 to June 30, 2008	N/A	0.10% for each complete month between Retirement Date and June 30, 2008
July 1, 2007	N/A	Prior to July 1, 2007	1.20%
July 1, 2007	N/A	July 1, 2007 to June 30, 2008	0.10% for each complete month between date of death and June 30, 2008
July 1, 2008	Prior to July 1, 2008	N/A	1.80%
July 1, 2008	July 1, 2008 to June 30, 2009	N/A	0.15% for each complete month between Retirement Date and June 30, 2009
July 1, 2008	N/A	Prior to July 1, 2008	1.80%
July 1, 2008	N/A	July 1, 2008 to June 30, 2009	0.15% for each complete month between date of death and June 30, 2009
July 1, 2009	Prior to July 1, 2009	N/A	0.90%
July 1, 2009	July 1, 2009 to June 30, 2010	N/A	0.075% for each complete month between Retirement Date and June 30, 2010
July 1, 2009	N/A	Prior to July 1, 2009	0.90%
July 1, 2009	N/A	July 1, 2009 to June 30, 2010	0.075% for each complete month between date of death and June 30, 2010
July 1, 2010	Prior to July 1, 2010	N/A	1.00%
July 1, 2010	July 1, 2010 to June 30, 2011	N/A	0.0833% for each complete month between Retirement Date and June 30, 2011
July 1, 2010	N/A	Prior to July 1, 2010	1.00%
July 1, 2010	N/A	July 1, 2010 to June 30, 2011	0.0833% for each complete month between date of death and June 30, 2011

## A.05 Additional Ad Hoc Adjustments to Pension Entitlements

### (a) Effective July 1, 1987

Effective July 1, 1987, pensions being paid to a Retired Member or to the Spouse or on behalf of the Dependent Child of a deceased Member, and survivor pensions being paid pursuant to Section 11.02 (Minimum Benefit for Pensionable Service Prior to November 1, 1975) except pensions being paid from the Teachers Insurance and Annuity Association and the Government Annuities Branch under Prior Plans, shall be increased as follows:

Commencement Date of Increase	Date of Retirement or Death in Service	Percentage Increase
July 1, 1987	Prior to July 1, 1979	15.0%
July 1, 1987	July 1, 1979 to June 30, 1980	12.5%
July 1, 1987	July 1, 1980 to June 30, 1981	10.0%
July 1, 1987	July 1, 1981 to June 30, 1982	8.0%
July 1, 1987	July 1, 1982 to June 30, 1983	6.0%
July 1, 1987	July 1, 1983 to June 30, 1984	4.0%
July 1, 1987	July 1, 1984 to June 30, 1985	2.0%

### (b) Effective July 1, 1993

Effective July 1, 1993, pensions being paid to a Retired Member or to the Spouse or on behalf of the Dependent Child of a deceased Member, and survivor pensions being paid pursuant to Section 11.02 (Minimum Benefit for Pensionable Service Prior to November 1, 1975) except pensions being paid from the Teachers Insurance and Annuity Association and the Government Annuities Branch under Prior Plans, shall be increased as follows:

Commencement Date of Increase	Date of Retirement or Death in Service	Percentage Increase
July 1, 1993	Prior to July 1, 1980	4.0%
July 1, 1993	July 1, 1980 to June 30, 1985	2.0%
July 1, 1993	July 1, 1985 to June 30, 1983	1.5%
July 1, 1993	July 1, 1989 to June 30, 1981	1.0%

**(c) Effective July 1, 1997**

Effective July 1, 1997, pensions being paid to a Retired Member or to the Spouse or on behalf of the Dependent Child of a deceased Member, and survivor pensions being paid pursuant to Section 11.02 (Minimum Benefit for Pensionable Service Prior to November 1, 1975) except pensions being paid from the Teachers Insurance and Annuity Association and the Government Annuities Branch under Prior Plans, shall be increased as follows:

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<b>Date of Retirement or Death in Service</b>	<b>Percentage Increase</b>
Prior to July 1, 1966	56.9%
July 1, 1966 to June 30, 1967	54.8%
July 1, 1967 to June 30, 1968	51.7%
July 1, 1968 to June 30, 1969	48.9%
July 1, 1969 to June 30, 1970	42.0%
July 1, 1970 to June 30, 1971	44.4%
July 1, 1971 to June 30, 1972	40.1%
July 1, 1972 to June 30, 1973	37.5%
July 1, 1973 to June 30, 1974	33.3%
July 1, 1974 to June 30, 1975	28.2%
July 1, 1975 to June 30, 1976	24.1%
July 1, 1976 to June 30, 1977	23.0%
July 1, 1977 to June 30, 1978	16.6%
July 1, 1978 to June 30, 1979	12.9%
July 1, 1979 to June 30, 1980	12.1%
July 1, 1980 to June 30, 1981	5.1%
July 1, 1981 to June 30, 1982	2.1%
July 1, 1982 to June 30, 1983	3.5%
July 1, 1983 to June 30, 1984	6.3%
July 1, 1984 to June 30, 1985	5.0%
July 1, 1985 to June 30, 1986	4.1%
July 1, 1986 to June 30, 1987	4.3%
July 1, 1987 to June 30, 1988	2.7%
July 1, 1988 to June 30, 1989	2.4%
July 1, 1989 to June 30, 1990	0.2%
July 1, 1990 to June 30, 1991	0.0%
July 1, 1991 to June 30, 1992	0.0%
July 1, 1992 to June 30, 1993	0.0%
July 1, 1993 to June 30, 1994	0.0%
July 1, 1994 to June 30, 1995	0.9%
July 1, 1995 to June 30, 1996	0.0%

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**(d) Effective July 1, 1999**

Pensions being paid to a Retired Member or to the Spouse or on behalf of the Dependent Child of a deceased Member, and survivor pensions being paid pursuant to Section 11.02 (Minimum Benefit for Pensionable Service Prior to November 1, 1975) except pensions being paid from the Teachers Insurance and Annuity Association and the Government Annuities Branch under Prior Plans, shall be increased as follows, effective July 1, 1999:

<b>Date of Retirement or Death in Service</b>	<b>Percentage Increase</b>
Prior to January 1, 1984	5.0%
January 1, 1984 to December 31, 1990	3.0%
January 1, 1991 to December 31, 1993	2.0%
January 1, 1994 to December 31, 1996	1.0%
January 1, 1997 to December 31, 1997	0.4%
January 1, 1998 to December 31, 1998	0.2%

**(e) Effective February 1, 2003**

The pension being paid to a Member who was a member of the Academic Staff or a Librarian, or pensions being paid to the Spouse or on behalf of the Dependent Child of a deceased Member who was a member of the Academic or a Librarian, and survivor pensions being paid pursuant to Section 11.01 (Amount of Benefit), except pensions being paid from the Teachers Insurance and Annuity Association and the Government Annuities Branch under Prior Plans, shall be augmented as of February 1, 2003 by a percentage that, combined with the cost-of-living adjustments since July 1, 1999 or date of Retirement if later, brings the cumulative increases provided through the indexations and augmentations up to 100% of the increase in Consumer Price Index to July 1, 2002.

The augmentation percentages as of February 1, 2003 shall be as follows:

<b>Date of Retirement or Death in Service</b>	<b>Percentage Increase</b>
Prior to January 1, 1999	1.60%
January 1, 1999 to December 31, 2000	0.96%
January 1, 2001 to December 31, 2001	0.18%

**(f) Effective February 1, 2004**

The pension being paid to a Member who was a member of the Academic Staff or a Librarian and whose date of Retirement was on or before December 31, 2002, or pensions being paid to the Spouse, or Dependent Child of a deceased Member who was a member of the Academic Staff or a Librarian, and survivor pensions being paid pursuant to Section 11.01 (Amount of Benefit), except pensions being paid from the Teachers Insurance and Annuity Association and the Government Annuities Branch under Prior Plans, shall be augmented effective February 1, 2004 by 0.94% of the pension payable on January 31, 2004.

**(g) Effective July 1, 2004**

The pension being paid to a Member who was a member of the Academic Staff or a Librarian and whose date of Retirement was on or before December 31, 2003, or pensions being paid to the Spouse, or Dependent Child of a deceased Member who was a member of the Academic Staff or a Librarian, and survivor pensions being paid pursuant to Section 11.01 (Amount of Benefit), except pensions being paid from the Teachers Insurance and Annuity Association and the Government Annuities Branch under Prior Plans, shall be augmented effective July 1, 2004 by 0.50% of the pension payable on June 30, 2004.

**(h) Effective 1, 2006**

The pension being paid to a Member who was a member of the Academic Staff or a Librarian, or the pensions being paid to the Spouse or on behalf of a Dependent Child of a deceased member who was a member of the Academic Staff or a Librarian, and survivor pensions being paid pursuant to Section 11.01 (Amount of Benefit), except pensions being paid from the Teachers Insurance and Annuity Association and the Government Annuities Branch under Prior Plans, shall be augmented as of July 1, 2006 by a percentage that combined with the cost-of-living adjustment since July 1, 2004 or date of Retirement if later, brings the cumulative increases provided through the indexations and augmentations up to 100% of the increase in Consumer Price Index to July 1, 2006.

The augmentation increases as of July 1, 2006 shall be as follows:

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<b>Date of Retirement or Death in Service</b>	<b>Percentage Increase</b>
Prior to January 1, 2005	1.07%
January 1, 2005 to December 31, 2005	0.55%

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**(i) Effective July 1, 2007**

The pension being paid to a Member who was a member of the Academic Staff or a Librarian and whose date of Retirement was on or before December 31, 2006, or survivor pensions being paid to the Spouse or on behalf of the Dependent Child of such a Member, and survivor pensions being paid pursuant to Section 11.01 (Amount of Benefit) in respect of a Member who was a member of the Academic Staff or a Librarian and whose date of death was on or before December 31, 2006, except pensions being paid from the Teachers Insurance and Annuity Association and the Government Annuities Branch under Prior Plans, shall be augmented as of July 1, 2007 by 0.4% of the pension payable on June 30, 2007, which is the percentage that, combined with the cost-of-living adjustment as of July 1, 2007, brings the increase as of July 1, 2007 to 100% of the increase in Consumer Price Index.

**(j) Effective July 1, 2008**

The pension being paid to a Member who was a member of the Academic Staff or a Librarian and whose date of Retirement was on or before December 31, 2007, or survivor pensions being paid to the Spouse or on behalf of the Dependent Child of such a Member, and survivor pensions being paid pursuant to Section 11.01 (Amount of Benefit) in respect of a Member who was a member of the Academic Staff or a Librarian and whose date of death was on or before December 31, 2007, except pensions being paid from the Teachers Insurance and Annuity Association and the Government Annuities Branch under Prior Plans, shall be augmented as of July 1, 2008 by 0.6% of the pension payable on June 30, 2008, which is the percentage that, combined with the cost-of-living adjustment as of July 1, 2008, brings the increase as of July 1, 2008 to 100% of the increase in Consumer Price Index.



## **A.06 Indexations and Augmentations Applicable to Purchased Pensions**

As of July 1, 2002, indexations and augmentations described in paragraphs (a) and (b) below shall apply to the pension payable to a Member who was a member of the Academic Staff or a Librarian who terminated employment with the University prior to Retirement and to the survivor pension payable to the Spouse or Dependent Child of such a Member, as of July 1, 2002, in respect of which an annuity was purchased from the Plan or Prior Plans, excluding the amount of any such annuity in respect of the Member's additional voluntary contributions:

### **(a) Deferral Period**

The indexations and augmentations applicable for the period between the date of the Member's termination of employment with the University and the date the Member's annuity commenced to be paid, shall be the indexations and augmentations applicable under the Plan to Members' future vested pensions.

### **(b) After Pension Commencement**

The indexations and augmentations applicable for the period from the date the Member's annuity commenced to be paid, shall be the indexations and augmentations applicable under the Plan to pensions in payment.

After July 1, 2002, the indexations and augmentations under the Plan shall apply to such annuities.

The amount of indexations and augmentations described above shall be paid from the Plan.

## **Appendix B—Additional Lifetime Retirement Benefit for Members Who Retired Prior to July 1, 1996**

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### **B.01 Application**

With effect from July 1, 2002, an additional amount of “lifetime retirement benefit”, as defined under the *Income Tax Act*, shall be paid from the Plan to Members who Retired from the University prior to July 1, 1996, who commenced their pension upon Retirement, and who are in receipt of a pension from the Plan as of July 1, 2002. Such additional lifetime retirement benefit shall also apply to such Member in respect of whom a survivor pension is being paid as of July 1, 2002 to a Member’s Spouse or Dependent Child.

### **B.02 Exclusion**

The additional lifetime retirement benefit referred to in Section B.01 above shall not be paid to Members who terminated employment with the University prior to an Early Retirement Date, or to Members who Retired from the University but deferred commencement of the pension beyond the first day of the month following the Member’s Retirement date, or to a pension in respect of which an annuity has been purchased from an insurance company.

### **B.03 Amount of Additional Lifetime Retirement Benefit**

The amount of additional lifetime retirement benefit shall be calculated as follows, for a Member’s period of Pensionable Service prior to July 1, 1992 in respect of which the benefit formula described in subparagraph (c)(i) of Section 6.01 (Normal Retirement Pension) applied:

0.3% of Highest Average Salary/Wages up to the Average CPP Maximum Salary in the Member’s year of Retirement

MULTIPLIED BY

the Member’s Pensionable Service prior to July 1, 1992

MULTIPLIED BY

the early retirement and optional form adjustment factors (if any) applicable to the Member

INCREASED BY

the percentage increase in the pension since the Member’s date of Retirement from cost-of-living adjustments and any applicable augmentations.

#### **B.04 Members Who Retired Under the VEARP**

For each Member who Retired under the VEARP pursuant to paragraph (f) of Section 6.03 (Early Retirement Pension) and for whom all or part of the early retirement reduction was waived, as described in that paragraph, the early retirement adjustment factors referred to in Section B.03 above shall be the early retirement reduction applicable to the Member under the VEARP prior to application of the waiver.

#### **B.05 Members Who Retired Prior to July 1, 1981**

For each Member described in Section B.01 above, subject to Section B.02 above, who Retired prior to July 1, 1981, the amount of additional lifetime retirement benefit shall be equal to such amount which, when added to the amount of additional lifetime retirement benefit described in Section B.03 above, results in the Member's pension being equal to the following:

- (i) the pension described in paragraph (b) of Section 6.01 (Normal Retirement Pension)

MULTIPLIED BY

- (ii) the early retirement and optional form adjustment factor (if any) applicable to the Member

INCREASED BY

- (iii) the percentage increase in the pension, resulting from cost-of-living adjustments and applicable augmentations, since the Member's Retirement date.

#### **B.06 Members With Part-Time Service Prior to July 1, 1987**

For eligible Members with part-time service prior to July 1, 1987, the additional benefit for such service shall be calculated by multiplying the pension payable as of July 1, 2002 in respect of such service by 30%, subject to the limits prescribed by the *Income Tax Act* and regulations thereunder.

#### **B.07 Pensions in Pay to a Member's Spouse or Dependent Child**

In respect of survivor pensions in pay as of July 1, 2002 to a Spouse or Dependent Child of a Member described in Section B.01 above but who died prior to July 1, 2002, the amount of additional lifetime retirement benefit otherwise payable to the Member shall be calculated in accordance with Section B.03 above, and 60% of such additional lifetime retirement benefit, or such greater percentage as elected by the Member prior to his or her death, will be paid to the Spouse, or Dependent Child as applicable.

#### **B.08 Limits Under the Income Tax Act**

To the extent that any portion of the additional lifetime retirement benefit calculated above cannot be paid from the Plan, specifically as a result of the application of Section 6.07 (Limits Under the *Income Tax Act*), then such portion shall be paid from the University of Toronto Supplemental Retirement Arrangement.

## Appendix C—Contribution Holidays

Pursuant to Section 4.02 (Contribution Holidays), the University has waived the contribution requirements in Section 4.01 (Members' Required Contributions) in respect of the following categories of Staff members for the following periods of time:

<b>Staff Members to Whom the Contribution Holiday Applies</b>	<b>Duration of the Contribution Holiday</b>
Administrative Staff	October 1, 1985 to September 30, 1987* October 1, 1997 to June 30, 1999** July 1, 1999 to June 30, 2001
Unionized Staff	November 1, 1986 to October 31, 1987* July 1, 1997 to June 29, 1999** December 8, 1999 to April 30, 2001 <sup>1</sup> January 1, 2000 to April 30, 2001 <sup>2</sup> February 1, 2000 to February 28, 2002 <sup>3</sup> March 1, 2000 to April 30, 2002 <sup>4</sup> April 1, 2000 to April 30, 2001 <sup>5</sup> April 1, 2000 to June 30, 2002 <sup>6</sup>
Academic Staff and Librarians	May 1, 1989 to April 30, 1990* July 1, 1997 to June 30, 1999** July 1, 1999 to June 30, 2001
Unionized Administrative Staff	July 1, 1999 to June 30, 2001

\* Notwithstanding the above, Staff members who joined the Plan during the period of a contribution holiday were required to make contributions in accordance with Section 4.01 (Members' Required Contributions).

\*\* The waiver of contribution requirements under Section 4.01 (Members' Required Contributions) applies in respect of that portion of a Member's Salary/Wages up to the lesser of the dollar limit described in the definition of Salary/Wages in Section 2.36 (Salary/Wages) and the amount of annual Salary/Wages in a University Year in respect of which a Member's pension benefit in such University Year would equal the maximum retirement pension as described in paragraph (a) of Section 6.07 (Limits Under the *Income Tax Act*).

1. Applicable to all Unionized Staff who are members of International Brotherhood of Electrical Workers, Local 353.
2. Applicable to all Unionized Staff who are members of International Association of Machinists and Aerospace Workers, Local 235.
3. Applicable to all Unionized Staff who are members of Canadian Union of Public Employees, Local 1230 and employed as full-time library workers, or Local 3261 and employed as full-time, regular part-time or casual service workers.
4. Applicable to all Unionized Staff who are members of Canadian Union of Public Employees, Local 1230 and employed as regular part-time or casual library workers.
5. Applicable to all Unionized Staff who are members of Canadian Labour Congress, Local 2001.
6. Applicable to all Unionized Staff who are members of Ontario Public Service Employees Union, Local 519.

On and after July 1, 2001, the University has reduced by 50%, the contribution requirement in Section 4.01 (Members' Required Contributions) in respect of the categories of Staff members and the periods of time listed below:

<b>Staff Members to Who the Contribution Holiday Applies</b>	<b>Duration of the Contribution Holiday</b>
Academic Staff and Librarians	July 1, 2001 to June 2002
Administrative Staff	July 1, 2001 to June 30, 2002
Unionized Administrative Staff	July 1, 2001 to June 30, 2002
Unionized Staff	March 1, 2002 to June 30, 2002 <sup>1</sup> May 1, 2002 to June 30, 2002 <sup>2</sup>

1. Applicable to all Unionized Staff who are members of Canadian Union of Public Employees, Local 1230 and employed as full-time library workers, or Local 3261 and employed as full-time, regular part-time or casual service workers.
2. Applicable to all Unionized Staff who are members of Canadian Union of Public Employees, Local 1230 and employed as regular part-time or casual library workers.

## Appendix D—Amendments to Benefits Under Prior Plans

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### **D.01 Introduction**

The benefits accumulated by members of the 1966 Plan under Prior Plans for pensionable service prior to January 1, 1966 remain intact and unchanged except that for a member of the 1966 Plan who terminates his service any benefits he may have acquired under the 1955 Plan have been improved as have the refund provisions. These improvements are set out in Sections C.02, C.03 and C.04 of this Appendix "C". A brief description of these Prior Plans is also given in those Sections.

### **D.02 Improvements to Benefits Under Prior Plans Upon Retirement or Upon Death In Service Prior to Retirement or Upon Termination of Employment**

If a member of the 1966 Plan retires or dies before retirement or terminates employment, the benefits for full-time service under the Prior Plans may be augmented as follows:

#### **(a) Retirement**

A member of the 1966 Plan who has accrued benefits for full-time pensionable service under one or more of the Prior Plans will have, in respect of participation in such plans which has been continuous up to the date of normal or later retirement, the pension benefits accrued for full-time service under these plans augmented upon retirement to the extent that the pensions so accrued are less than the pensions which would have been accrued had full-time pensionable service under the Prior Plans been subject to the terms of the Plan. In the case of retirement before normal retirement date, the augmented pension benefits accrued for full-time service under one or more of the Prior Plans will be paid in whole or in part in accordance with the terms of the Plan. Full-time service under the Prior Plans will be counted only to the extent that, together with full-time service under the 1966 Plan, it does not exceed forty years.

If a member of the 1966 Plan dies after retirement from the staff of the University and a pension is payable to the Spouse or surviving children, a pension may be payable to the said Spouse or surviving children equal to one-half of the accrued pension benefit of the member under all Prior Plans. Where the member's pension in respect of membership in Prior Plans has been augmented as described in this Appendix "C", the pension payable to the Spouse or surviving children will be augmented by one-half of such augmentation excluding any portion relating to supplementary pension.

A pension will only be payable to a member's Spouse or surviving children in respect of membership in Prior Plans if all other death benefits under the Prior Plans are surrendered. If the total of the pension paid to the member including augmentation and supplementary pensions, if any, plus the amount paid as reversionary annuity or annuities, in respect of membership in Prior Plans is less than the death benefit payable under the Prior Plans, the balance will be paid in the same manner as applies to such an excess under the 1966 Plan.

If a member of 1966 Plan dies after payment of pension upon retirement has commenced, and no reversionary annuity is payable, the member's designated beneficiary or the member's estate, if the designated beneficiary predeceases the member or if no designated beneficiary has been named, will receive any death benefits which remain in accordance with the terms of the Prior Plans but nothing shall be payable with respect to any augmentation or supplementary pensions which may have been payable to the member.

**(b) Death in Service**

If a male member of the 1966 Plan dies before any pension payment has become due and payable to him under the 1966 Plan, and a pension is payable to his widow or surviving children, a pension may also be payable subject to the same terms and conditions to the said widow or surviving children equal to one-half the accrued pension benefit of the member under all Prior Plans, as described in paragraph (c) below. Where a member would have been eligible for augmentation of his pension from the Prior Plans, as described in the preceding paragraph, had he survived to his Normal Retirement Date, any pension payable to his widow or surviving children will be augmented by one-half of such augmentation, excluding any portion relating to any supplementary pension, and calculating Highest Average Salary/Wages as at the date of death. A pension will only be payable to a member's widow or surviving children in respect of membership in Prior Plans if all other death benefits under the Prior Plans are surrendered. If the total amount of the reversionary annuity or annuities paid in respect of membership in Prior Plans is less than the death benefit payable under the Prior Plans, the balances will be paid in the same manner as applies to such an excess under the 1966 Plan.

**(c) Minimum Death Benefit for Pensionable Service Prior to November 1, 1975**

The portion of the death benefit described in Section 11.01 of the Plan, calculated in respect of a Member's Pensionable Service prior to November 1, 1975 shall be subject to a minimum benefit described in this paragraph (c). A death benefit shall be payable under this paragraph (c) only if and to the extent the Commuted Value of the death benefit described hereunder exceeds the Commuted Value of the death benefit described in Section 11.01 of the Plan calculated in respect of the Member's Pensionable Service prior to November 1, 1975.

**(i) Widow's Pension**

In the event a male Member who, on October 31, 1975, had a legal wife and had completed at least 10 years of Continuous Service while a Member, dies while in the service of the University, the Member's wife (if she survives the Member) shall be entitled to receive an immediate annual pension. The pension shall be equal to 50% of the amount of retirement pension accrued to the Member's credit with respect to Pensionable Service up to October 31, 1975 and calculated based upon the Member's Highest Average Salary/Wages as of that date.

The pension shall be payable in equal monthly installments and shall commence on the first day of the month following the month in which the Member's death occurs and continue until the first day of the month in which the wife's death occurs. Upon the death of the wife, the pension shall continue to the Member's Dependent Children, commencing on the first day of the month following the month in which the wife's death occurs and continuing until the first day of the month in which the youngest Dependent Child loses his or her status as such, payable in equal shares to each Dependent Child eligible to receive the pension on the particular date.

If the Member is not survived by a wife but is survived by Dependent Children, the pension described above shall be paid to the Dependent Children in equal monthly installments, commencing on the first day of the month following the month in which the Member's death occurs and continuing until the first day of the month in which the youngest Dependent Child loses his or her status as such.

The pension shall be payable in equal shares to each Dependent Child eligible to receive the pension on the particular date.



**(ii) Remainder Benefit**

If the total amount of pension payments made pursuant to the foregoing provisions of this paragraph (c) equals less than the Member's accumulated required contributions made to the Plan prior to November 1, 1975 with Credited Interest thereon to the month in which the Member's death occurred, then the difference shall be paid in cash:

- (A) to the estate of the Member's wife if the Member did not have any Dependent Children who survived the wife and who received pension payments hereunder;
- (B) to the surviving children of the Member who were Dependent Children at the time of the Member's death and who received pension payments hereunder, in equal shares; or
- (C) to the estate of the last surviving child or the Member who was a Dependent Child at the time of the Member's death and who received pension payments hereunder,

as the case may be.

In the event a Member other than a Member described in paragraph (i) above dies while in the service of the University, or after termination of Continuous Service but prior to payment of pension benefits hereunder, the Member's accumulated required contributions made to the Plan prior to November 1, 1975 with Credited Interest thereon to the month in which the Member's death occurred, shall be paid to the Member's Spouse or, if none, to the Member's Beneficiary or, if none, to the Member's estate in a single lump-sum cash payment.

**(d) Termination of Employment**

If a member of the 1966 Plan who has accrued benefits for full-time pensionable service under one or more of the Prior Plans terminates his employment prior to his normal retirement date and elects to receive a deferred pension from the 1966 Plan, the pension benefits accrued for full-time service under the Prior Plans and payable from Normal Retirement Date will be augmented to the extent that pensions so accrued are less than the pensions which would have accrued had his full-time pensionable service under the Prior Plans been subject to the Plan. Full-time service under the Prior Plans will be counted only to the extent that, together with full-time service under the 1966 Plan, it does not exceed forty years.

If such a member of the 1966 Plan is eligible to receive an immediate pension and does so elect, he may elect to receive an augmentation of his pension from the Prior Plans to commence immediately and calculated as described above but reduced by 5% for each year by which commencement of pension precedes Normal Retirement Date.

In the case of the 1954 Plan for staff of the Connaught Medical Research Laboratories, as of January 1, 1966, normal retirement date under the plan was changed, from the July 1 coincident with or next following the member's 65th birthday and the pension amount from the new normal retirement date as had previously been payable from the former normal retirement date.

In (a), (b), (c) and (d) above the accrued pension benefits shall mean the amount of normal pension guaranteed to be payable as of the member's normal or actual later retirement date for a minimum of five years as was provided under the terms of all the Prior Plans except those of the 1919 Academic Plan and the 1929 Administrative Plan. The accrued pension benefits under the 1919 Academic Plan will be the amount of pension on a five year guaranteed basis determined on an actuarial basis as of the member's actual retirement date. In the case of the 1929 Administrative Plan the accrued pension benefits shall be the amount of pension payable to a member as from his regular retirement date for age 65 as determined when that Plan was converted to paid-up annuities in 1951 adjusted actuarially to the member's actual retirement date.

### **D.03 The Prior Pension Plans**

The Prior Pension Plans which are affected by the introduction of the 1966 Plan as set out in this Appendix are in brief as follows:

**(a) The 1955 Pension Plan for Members of the Academic and Administrative Staff**

Under this Plan were provided pension benefits for pensionable service of members of the academic and administrative staffs during the period from July 1, 1955 to December 31, 1965. The normal pension guaranteed for at least five years which a member accumulated under this plan amounted to 2% of the total salaries on which the member made contributions at the rate of 5% of his regular salary each year. The pension is payable upon retirement from the regular retirement date for age 65 to that for age 68.

For a member of the 1955 Pension Plan who becomes a member of the 1966 Plan and then terminates service with the University the benefits under the 1955 Plan available upon termination of service have been modified as follows:

- (1) The paid up deferred annuity to which the member is entitled upon termination of service under the 1955 Plan will be payable in full as from the regular retirement date for age 68 as provided under the terms of the 1955 Plan.
- (2) Whereas under the terms of the 1955 Plan if the accrued pension of a member was less than \$120 per annum he could elect to receive a refund of his contributions with interest at the rate of 2-1/2% per annum, compounded annually, this provision has now been modified to provide that if the member has contributed to the 1955 Plan and the 1966 Plan for a continuous period of not more than ten years, or has not attained his forty-fifth birthday, he may elect to receive a refund of his contributions to the 1955 Plan with Credited Interest.

Whereas under the terms of the 1955 Plan if a member was a female member of the administrative staff she could elect to receive a refund of her contributions made prior to the July 1st coincident with or next following her 35th birthday or if the member was a male member of the administrative staff he could elect to receive a refund of his contributions made before the July 1st coincident with or next following his 35th birthday and while his salary was less than \$3,600 per annum, this provision has now been modified to provide that the interest payable on such refundable contributions will be at the rate of Credited Interest instead of at the rate of 2-1/2% as specified under the terms of the 1955 Plan.

In the event that a member dies before he retires the death benefit payable to his Estate or named surviving beneficiary is an amount equal twice his regular contributions to the Plan.

**(b) The 1946 Academic Pension Plan**

Under this plan were provided for members of the academic staff pension benefits for pensionable service during the period July 1, 1946 to June 30, 1955. The normal pension payable as from the member's regular retirement date for age 65 amounts to 2% of the total salaries on which the member contributed at the rate of 5% of his regular annual salary in each year of participation.

The pension benefits accrued to a member were bought under group contracts with the Government Annuities Branch and/or the Canada Life Assurance Company. The normal pension is payable to a member during the remainder of his lifetime after retirement but if he dies before he has received payment of his pension for a period of five years, the remainder of the pension payments for the five year period unpaid as of the date of his death are payable to his estate or named surviving beneficiary.

In the event that a member dies before he retires, the death benefit payable to his estate or named surviving beneficiary is the sum of the member's contributions to the Plan plus those made by the University on his behalf plus interest in the case of a pension provided by means of a Government Annuity.

Active and pension members and members with respect to whom widow's pensions are being paid, of the 1966 Plan who had service in the Ajax Division of the University in the period from 1945 to 1949, which was not counted as pensionable service because appointments to the Ajax Division staff were considered temporary, may count as pensionable years of service, those years of this service in which they would otherwise have been eligible to participate in terms of this pension plan on the following basis:

- (1) Amounts being paid under the 1966 Plan to pensioners shall be increased, as from January 1, 1976, by the amount of pension arising from the additional years of service being allowed.
- (2) The additional pensionable years of service will be allowed to those who were active members of the 1966 Plan as of January 1, 1976.

**(c) The 1919 Academic Pension Plan**

Pension benefits of academic members of the 1966 Plan for pensionable service prior to July 1, 1946 were provided by means of individual contracts issued by the Teachers' Insurance and Annuity Association. Under these arrangements which began as of July 1, 1919 both the member and the University contributed 5% of the member's salary each year. The amount of pension payable to a member depends upon the interest and premium rates applicable to his individual contract. The death benefits payable upon death before and after retirement are also determined by the terms of the member's contract.

**(d) The 1951 Administrative Pension Plan**

Under this plan were provided pension benefits for pensionable service of members of the administrative staff during the period July 1, 1951 to June 30, 1955. The normal pension benefit payable as from the member's regular retirement date for age 65 amounts to 2% of the total salary on which the member made contributions during his years of participation and for which he contributed 5% of the amount of his regular salary in each year. The pension benefits under this plan were provided by the purchase of annuities for the member from the Government Annuities Branch and/or the Canada Life Assurance Company.

The normal pension payable under this Plan is payable for the lifetime of the member after retirement but if the member dies before the pension has been paid for a period of five years, the balance of the payments for the five year period unpaid at the time of his death are payable to his Estate or named surviving beneficiary. If the member dies before retirement the death benefit payable to the member's Estate or named surviving beneficiary is the sum of the member's contribution and those of the University on his behalf plus interest in the case of a pension provided by means of a Government Annuity.

**(e) The 1929 Administrative Pension Plan**

Pension benefits of administrative members of the 1966 Plan for pensionable service prior to July 1, 1951 were provided under a pension plan established as of July 1, 1929. Under this Plan members made contributions at rates varying from 2-1/2% to 7-3/4% depending upon the member's age at entry into the Plan. Contributions and benefits related only to amounts of salary up to \$4,000 per annum.

Under the original Plan there was no vesting of benefits until a member retired unless he became disabled after ten years of participation. In the event of the member's death after ten years of service a half-pension was payable to an eligible widow or dependent children but if service was terminated under any other condition the member received a refund of his contributions with interest. In 1951 the benefits considered to have been accumulated under this Plan were converted into paid-up annuities purchased from the Canada Life Assurance Company and payable as from the regular retirement date for age 65. An individual certificate was issued to each member, at that time, showing the amount of pension purchased, the eligible widow's benefits, if any, the amount of death benefit, and the amount of the cash refund, representing the member's contributions with interest to June 30, 1951 which a member if he terminates his service before retirement could elect to receive instead of the pension benefits purchased on his behalf.

Since an administrative staff member who was in receipt of an annual salary in excess of \$4,000 per annum had participated in the 1946 Academic Plan with respect to this excess, after June 30, 1951 such members participated only in the 1946 Academic Plan with respect of their full salary rather than in the 1951 Administrative Plan to which all other administrative staff members were transferred for service after that date.

Active and pensioner members and members with respect to whom widow's pensions are being paid, of the 1966 Plan who had service in the Ajax Division of the University in the period from 1945 to 1949, which was not counted as pensionable service because appointments to the Ajax Division staff were considered temporary, may count as pensionable years of service, those years of this service in which they would otherwise have been eligible to participate in terms of this pension plan on the following basis:

- (1) Amounts being paid under the 1966 Plan to pensioners shall be increased, as from January 1, 1976, by the amount of pension arising from the additional years of service being allowed.
- (2) The additional pensionable years of service will be allowed to those who were active members of the 1966 Plan as of January 1, 1976.

- (f) The 1954 Pension Plan for staff of Connaught Medical Research Laboratories**
- Pension benefits for permanent, full-time salaried employees of Connaught Medical Research Laboratories were provided for pensionable service prior to January 1, 1966, by the purchase of annuities from the Canada Life Assurance Company. The normal pension payable as from July 1 coincident with or next following a member's 65th birthday amounts to 2% of the total salary on which the member made required contributions, plus a pension in respect of any service prior to July 1, 1954, equal to 1% of the member's annual salary as at July 1, 1954, multiplied by the years of pensionable service prior to July 1, 1954. Pensionable service with respect to service prior to July 1, 1954, means service on or after the earliest July 1 on which an employee had completed two years' continuous service and had attained age 25. Members were required to contribute to this plan 5% of salary for pensionable service on and after July 1, 1954. The normal pension under this plan is payable for life, but if the member dies within five years after retirement, the balance of the payments for the five year period are payable to his Beneficiary or Estate. If the member dies before retirement, a death benefit is payable equal to the sum, without interest, of the member's contributions plus the percentage of the University contributions which has become vested. Vesting commences at 20% upon completion of 10 years of pensionable service and increases proportionately to 100% upon completion of 14 years of pensionable service.

If the service of a member is terminated prior to his normal retirement date and if he has completed less than 10 years of pensionable service, he may elect to receive a refund of his own contributions without interest. Otherwise upon termination of service prior to his normal retirement date a member is entitled to a deferred pension purchased by his own contributions plus the amount of University contributions, if any, which has become vested on the same basis as that applicable in the case of death in service. For purpose of determining the amount of University contributions which may have become vested upon the termination of service of a member or his death in service, after December 31, 1965, the period of pensionable service will be the period of pensionable service under the 1954 Plan plus the period of pensionable service under the 1966 Plan.

**(g) The 1946 Pension Plan of the Ontario College of Pharmacy**

For members of the staff of the Faculty of Pharmacy, who upon its establishment as of July 1, 1953, or subsequently, transferred from the Ontario College of Pharmacy, and became members of the pension plans of the University in effect as of the dates of transfer, the 1946 Pension Plan of the Ontario College of Pharmacy shall be considered as a "prior pension plan" under the 1966 Pension Plan of the University provided they were active or pensioner members of the 1966 Plan as of January 1, 1976. The pension benefits accrued for them under the Pension Plan of the Ontario College of Pharmacy will be augmented as provided in Section C.02 of this Appendix "C".

**D.04 Adjustment to Pensions Commenced Prior to January 1, 1971**

Commencing with payments for the month of May 1972, a member of one or more Prior Plans who retired prior to January 1, 1971, or the widow of a deceased pensioner member of one or more Prior Plans who retired prior to January 1, 1971, shall have his or her pension from the Prior Plans, together with any augmentation he or she is receiving in accordance with paragraph (a) of Section C.02 of this Appendix "C" increased in the same proportion that the product of the Adjustment Factors for each year not exceeding 20 years which has elapsed between the year of retirement and the year 1971 bears to one. The Adjustment Factor for a specified year shall mean the factor obtained by dividing the average of the Consumer Price Index for Canada as published by Statistics Canada for that year, by the average of the said Consumer Price Index for the preceding year; provided however, that the Adjustment Factor for any year shall not exceed 1.02. Notwithstanding the foregoing, where a member retired prior to 1950 the said increase shall be calculated commencing with the year 1950 rather than the year in which the member retired. The additional pension so payable shall be of the same type as the balance of pension which the member or widow is receiving.

Commencing with the payment for the month of May 1972, the widow of a member of one or more Prior Plans who died in service prior to January 1, 1971 shall have her pension from the Prior Plans, together with any augmentation she is receiving in accordance with Section 2(b) of this Appendix "C", increased in the same proportion that the product of the Adjustment Factors for each year which has elapsed between the year of death and the year 1971 bears to one. The Adjustment Factor for a specified year shall mean the factor obtained by dividing the average of the Consumer Price Index for Canada as published by Statistics Canada for that year, by the average of the said Consumer Price Index for the preceding year; provided, however, that the Adjustment Factor for any year shall not exceed 1.02. Notwithstanding the foregoing, where a member died prior to 1950 the said increase shall be calculated commencing with the year 1950 rather than the year in which the member died. The additional pension so payable shall be of the same type as the balance of pension which the widow is receiving.

## **Appendix E—Supplementary Pensions in Regard to Full Implementation of the Canada Pension Plan**

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The retirement benefits under the Plan were designed on the assumption that the Canada Pension Plan and Old Age Security pension would be payable in full from a Member's Normal Retirement Date. However, these pensions did not become payable at age 65 until 1970 and the Canada Pension Plan pensions did not become payable in full until 1976. The Plan therefore provides for the payment of certain supplementary pensions, in addition to the regular pensions described in the Plan.

**(a) Normal Retirement Date Prior to January 1, 1976**

A supplementary pension will be payable for life to a Member whose Normal Retirement Date or Postponed Retirement Date occurs before January 1, 1976, equal to a proportion of the amount by which the amount of Canada Pension Plan pension calculated to be receivable by him or her immediately or when it becomes payable falls short of the full amount which would have been payable had the Canada Pension Plan pension been payable in full, both amounts being calculated in terms of the provisions of the Canada Pension Plan in effect as of the date of the Member's Retirement. The proportion referred to is one-fortieth multiplied by the Member's years of full-time participation in the Plan.

**(b) Normal Retirement Date Prior to Eligibility for CPP and OAS Benefits**

A temporary supplementary pension will be payable to a Member whose Normal Retirement Date or Postponed Retirement Date occurs before the date on which Canada Pension Plan and Old Age Security pensions become payable to him or her. The amount of the supplement payable until these pensions become payable is a proportion of the total of the amount of the Old Age Security pension in effect at the time of Retirement plus the amount of the Canada Pension Plan pension which is calculated at the date of Retirement to be receivable by the Member when to be receivable by the Member when it becomes payable. The proportion referred to is one-fortieth multiplied by the Member's year of full-time participation in the Plan.



## Appendix F—Prior Contribution Rates

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### F.01 Members' Prior Required Contributions

Prior to the required contribution rates set out in Section 4.01 (Members' Required Contributions) of the Plan, each Member contributed to the Plan by payroll deduction during each University Year in accordance with this Section.

Contributions shall be determined by applying the percentages in the following tables to the Salary/Wages in a University Year up to and including the CPP Maximum Salary and in excess of the CPP Maximum Salary, with the resulting amount multiplied by the Member's Percentage(s) of Appointment during the University Year. Prior to July 1, 1997, contributions were subject to a maximum contribution in each University Year equal to the "defined benefit limit" (as defined in the *Income Tax Act*) in effect at the end of the University Year, multiplied by 3.

(a) **Prior Contribution Rates for Administrative Staff, Unionized Administrative Staff and Unionized Staff**

Effective Dates	Contribution Rate on Salary/Wages:	
	Not in Excess of CPP Maximum Salary	In Excess of CPP Maximum Salary
January 1, 2006 and prior to dates set out in Section 4.01	5.00%	6.00%
July 1, 1999 and prior to January 1, 2006	4.50%	6.00%
July 1, 1992 and prior to July 1, 1999	3.90%	6.00%

It is provided, however, that for Members who belong to the following Unionized Staff, the contribution rate change did not occur January 1, 2006 but at the dates indicated below instead, with the prior contribution rate continuing to apply until such dates:

<b>Union Local</b>	<b>Effective Date</b>
All Unionized Staff who are members of Canadian Union of Public Employees, Local 3261 and employed as regular part-time or casual service workers	January 1, 2007
All Unionized Staff who are members of Ontario Public Service Employees' Union, Local 519	July 1, 2007

It is further provided that for Members who belong to the following Unionized Staff or Unionized Administrative Staff, the contribution rate change did not occur July 1, 1999 but at the dates indicated below instead, with the prior contribution rate continuing to apply until such dates:

<b>Union Local</b>	<b>Effective Date</b>
All Unionized Staff who are members of International Brotherhood of Electrical Workers, Local 353 or members of International Association of Machinists and Aerospace Workers, Local 235	January 1, 2000
All Unionized Administrative Staff who are members of United Steelworkers of America, Local 1998, except for casual employees	January 25, 2000
All Unionized Staff who are members of Canadian Union of Public Employees, Local 3261 and employed as full-time service workers	February 1, 2000
All Unionized Staff who are members of Canadian Union of Public Employees, Local 1230 and employed as full-time, regular part-time or casual library workers or members of Canadian Union of Public Employees, Local 3261 and employed as regular part-time or casual service workers	March 1, 2000
All Unionized Staff who are members of Canadian Labour Congress, Local 2001	April 1, 2000
All Unionized Staff who are members of Ontario Public Service Employees' Union, Local 519	May 1, 2000

Notwithstanding the contribution rates set out above in this paragraph (a), the prior contribution rate for Members who belong to the Canadian Union of Public Employees, Local 2484 Childcare Workers' were as follows:

<b>Effective Dates</b>	<b>Contribution Rate on Salary/Wages:</b>	
	<b>Not in Excess of CPP Maximum Salary</b>	<b>In Excess of CPP Maximum Salary</b>
January 1, 2004 and prior to dates set out in Section 4.01	4.50%	6.00%

**(b) Prior Contribution Rates for Academic Staff, Librarians and Research Associates**

<b>Effective Dates</b>	<b>Contribution Rate on Salary/Wages:</b>	
	<b>Not in Excess of CPP Maximum Salary</b>	<b>In Excess of CPP Maximum Salary</b>
July 1, 1999 and prior to dates set out in Section 4.01	4.50%	6.00%
July 1, 1992 and prior to July 1, 1999	3.90%	6.00%”