

# **The Saskatchewan Telecommunications Pension Plan**

Registration Number: 0360891

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## **ARTICLE 1 INTRODUCTION**

### **1.1 Plan**

- (1) This document constitutes the Saskatchewan Telecommunications Pension Plan established by section 3 of *The SaskTel Pension Implementation Act*.
- (2) The primary purpose of the Plan is to provide lifetime retirement benefits to Members.
- (3) The Plan is restated effective January 1, 1999 to incorporate all statutory provisions which governed the Saskatchewan Telecommunications Superannuation Fund. This restatement includes amendments required pursuant to *The SaskTel Pension Implementation Act* and pursuant to the registration of the Plan under *The Pension Benefits Act, 1992*. All benefits earned and allowances granted pursuant to *The Saskatchewan Telecommunications Superannuation Act* as they existed immediately prior to the repeal of *The Saskatchewan Telecommunications Superannuation Act* shall be the starting point for all the benefits earned and allowances granted to Members pursuant to the terms and conditions of the Plan.

### **1.2 Fund**

- (1) Effective January 1, 1999, the assets and liabilities of the Saskatchewan Telecommunications Superannuation Fund shall be transferred to the Fund pursuant to section 4 of *The SaskTel Pension Implementation Act*.
- (2) The Fund shall be administered and invested in accordance with Article 15.

### **1.3 Board**

- (1) Effective January 1, 1999, the Board is the successor of the Saskatchewan Telecommunications Superannuation Board pursuant to section 4 of *The SaskTel Pension Implementation Act*, with the powers and responsibilities set forth in the Plan.

### **1.4 Registration**

- (1) Saskatchewan Telecommunications has registered the Plan pursuant to the *Income Tax Act* and *The Pension Benefits Act, 1992* and, subject to Section 16.2, intends to maintain the registered status of the Plan pursuant to those Acts.

## **1.5 Application of *The Pension Benefits Act, 1992***

- (1) Subject to this Section, *The Pension Benefits Act, 1992* and the regulations made pursuant to that Act apply to the Plan.
- (2) Pursuant to section 5 of *The SaskTel Pension Implementation Act*:
  - (a) sections 29, 31, 32 and 33 of *The Pension Benefits Act, 1992*:
    - (i) apply only to benefits that accrue to a Member in respect of Pensionable Service rendered on and after January 1, 1999, including service in respect of which a Member has credit as service on and after January 1, 1999 under a Superannuation Act; and
    - (ii) do not apply to benefits that accrue to a Member in respect of Pensionable Service on or before December 31, 1998, including:
      - (A) past service benefits voluntarily funded entirely by the Member on or after January 1, 1999; and
      - (B) benefit improvements made on or after January 1, 1999 with respect to Pensionable Service rendered on or before December 31, 1998;
  - (b) subsection 37(6) of *The Pension Benefits Act, 1992* does not apply with respect to a Member who retires or terminates under the Plan; and
  - (c) section 30 of *The Pension Benefits Act, 1992* and section 27 of *The Pension Benefits Regulations, 1993* do not apply to the calculation of interest, gains and losses under the Plan.

**ARTICLE 2  
DEFINITIONS**

**2.1 Words and Phrases**

In this Plan:

(1) **“Actuarial Equivalent”** of a given benefit means a benefit of equivalent value determined:

(a) on the basis of actuarial assumptions and methods that are adequate and appropriate and in accordance with generally accepted actuarial principles; and

(b) on the basis of interest, mortality and/or other rates and tables adopted by the Board for such purposes on the advice of the Actuary, and in effect on the date such determination is made.

(2) **“Actuary”** means a person who is a Fellow of the Canadian Institute of Actuaries, appointed by the Corporation for the purposes of the Plan.

(3) **“Best Average Salary”** means:

(a) Prior to January 1, 2001, the highest average Salary during any five years of Employment Service, where the average Salary is the total Salary during the period divided by the total number of years and months of Employment Service during the period. If a Member has less than five years of Employment Service, Best Average Salary means the total Salary during the Member’s employment divided by the number of years and months of Employment Service during the period.

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(b) On and after January 1, 2001, the highest average Salary during any three years of Employment Service, where the average Salary is the total Salary during the period divided by the total number of years and months of Employment Service during the Period. If a Member has less than three years of Employment Service, Best Average Salary means the total Salary during the Member’s employment divided by the number of years and months of Employment Service during the period.

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- (c) For the purposes of determining "Best Average Salary" "**Employment Service**" means the period of uninterrupted service rendered in Canada for the Corporation by an Employee from the first date of employment to the date of termination of service, death or retirement, whichever occurs first, excluding service rendered by an Employee under Section 7.3(2).
  
- (4) "**Board**" means the Saskatchewan Telecommunications Pension Board.
  
- (5) "**Child**" includes:
  - (a) a step-child;
  - (b) an adopted child; and
  - (c) the child of an unmarried Member where the Board is satisfied that the Member acknowledged the child publicly and maintained the child in the home of the Member or made substantial payments towards the support and education of the child.
  
- (6) "**Commuted Value**" means:
  - (a) the value of benefits as of a certain date, determined:
    - (i) on the basis of actuarial assumptions and methods that are adequate and appropriate and in accordance with generally accepted actuarial principles; and
    - (ii) in accordance with the conditions, if any, that are prescribed by the *Pension Benefits Act*; or
  - (b) the monies that represent the value described in clause (a).
  
- (7) "**Consumer Price Index**" means the average of the **monthly** Consumer Price Index, as released by Statistics Canada, for Canada for the immediately preceding calendar year.
  
- (8) "**Corporation**" means Saskatchewan Telecommunications.
  
- (9) "**Credited Interest**" means an amount of interest calculated in accordance with Article 6.

- (10) **“Defined Benefit Limit”** for a calendar year means:
- (a) for years before 2004, \$1,722.22;
  - (b) for 2004, \$1,833.33;
  - (c) for 2005, \$2,000.00; and
  - (d) for years after 2005, 1/9 of the money purchase limit for the year as that term is defined in the *Income Tax Act*.
- (11) **“Employee”** means:
- (a) an employee of the Corporation or the Department of Telephones;
  - (b) an employee of the Saskatchewan Telecommunications Holding Corporation or a subsidiary of the Corporation or the Saskatchewan Telecommunications Holding Corporation;
  - (c) a former employee of the Corporation who became employed with a successor employer and who remained a Member of the Plan; and
- who is permanently employed and required during the hours or period of the employee’s active employment to devote his or her constant attention to the duties of the employee’s position, but does not include local agents receiving an operating commission or a stated salary in lieu of such commission.
- (12) **“Fund”** means the Saskatchewan Telecommunications Pension Fund.
- (13) **“Income Tax Act”** means the *Income Tax Act*, Statutes of Canada and the Regulations thereunder, as amended from time to time.
- (14) **“Insurance Company”** means a corporation that is licensed in any jurisdiction in Canada to carry on life insurance business.
- (15) **“Member”** means:
- (a) an Employee who has joined the Plan in accordance with Section 3.1;
  - (b) a former Employee who remains entitled to benefits under the Plan; and
  - (c) a Retired Member.

- (16) **“Pension Benefits Act”** means *The Pension Benefits Act, 1992*, S.S. 1992, c.P-6.001, and the Regulations thereunder, as amended from time to time.
- (17) **“Pensionable Service”** means the period of employment during which contributions were made to the Plan by or on behalf of a Member, and includes any service credited pursuant to Article 4, subject to a maximum of 35 years.
- (18) **“Plan”** means this Saskatchewan Telecommunications Pension Plan.
- (19) **“Provincial Employment”** means an Employee’s previous employment with the Government of Saskatchewan or with a department, branch, bureau, board, commission, Crown corporation or other agency of the Government of Saskatchewan.

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- (20) **“Retired Member”** means a Member who has ceased to be an Employee and commenced receiving a pension in accordance with the Plan; or a Member who continues to be an Employee and has commenced receiving a pension in accordance with Section 7.3(2).

- (21) **“Salary”** means:

- (a) the regular remuneration received by a Member for service rendered whether as periodic payments, commissions or bonuses and whether paid as earned or on a deferred basis, but does not include remuneration received by a Member with respect to overtime worked; or
- (b) the salary that is the basis for the determination of the amount to be paid to a Member in accordance with a disability income plan established for Employees increased by the percentage rate equal to the percentage rate by which the amount paid to the Member in accordance with the disability income plan increases from time to time; and

shall be subject to a maximum of:

- (c) for the period after April 30, 1970 and before May 1, 1972, \$16,000 per annum; and
- (d) for the period after April 30, 1972 and before May 1, 1973, \$18,000 per annum.

- (22) **“Spouse”** means:
- (1) a person who is married to a Member; or
  - (2) if a Member is not married, a person with whom the Member is cohabiting as spouses at the relevant time and who has been cohabiting continuously with the Member as his or her spouse for at least one year before the relevant time.
- (23) **“Superannuation Act”** means:
- (a) *The Liquor Board Superannuation Act;*
  - (b) *The Power Corporation Superannuation Act;*
  - (c) *The Public Service Superannuation Act;*
  - (d) *The Workmen’s Compensation Board Superannuation Act;* and
  - (e) *The Superannuation (Supplementary Provisions) Act;*
- as they may be amended from time to time.
- (24) **“Surplus”** means the excess of the Plan assets over the Plan liabilities, as determined in accordance with an actuarial valuation of the Plan prepared by the Actuary.
- (25) **“Total and Permanent Disability”** means, in relation to a Member, a disability throughout which the Member is physically or mentally impaired and that prevents the Member from engaging in any employment for which the Member is reasonably suited by virtue of the Member’s education, training or experience and that can reasonably be expected to last for the remainder of the Member’s lifetime.
- (26) **“Union”** means the Communications, Energy and Paperworkers Union of Canada.
- (27) **“YMPE”** means the Year's Maximum Pensionable Earnings as defined under the *Canada Pension Plan*.

**ARTICLE 3  
ELIGIBILITY**

**3.1 Membership**

(1) All Employees who were participants of the pension scheme under *The Saskatchewan Telecommunications Superannuation Act* as at December 31, 1998 are Members of the Plan.

(2) An Employee:

(a) to whom a Superannuation Act applied at any time prior to his or her present employment and whose contributions and interest have been transferred to the Fund; or

(b) whose contributions and interest in a prior plan have been transferred to the Fund pursuant to a reciprocal agreement between the Board and the administrator of the prior plan;

is eligible to join the Plan.

(3) Subject to subsection (2), an Employee:

(a) who was not a participant of the pension scheme under *The Saskatchewan Telecommunications Superannuation Act* as at December 31, 1998; or

(b) who commences employment on or after October 1, 1977;

is not eligible to join the Plan.

**ARTICLE 4  
CONTRIBUTIONS**

**4.1 Required Contributions**

- (1) Each Member shall contribute by payroll deduction a percentage of the Member's Salary, according to the Member's age at the date his or her employment commenced, as follows:

<i>Age at Commencement of Employment</i>	<i>Contribution Percentage</i>
Under 30 years	7%
30 years and under 40 years	8%
40 years and over	9%

less an amount equal to 1.8% multiplied by the difference between the YMPE and the Member's basic exemption under the Canada Pension Plan.

- (2) Contributions shall cease on the earlier of:
- (a) the day on which the Member has made contributions for 35 years;
  - (b) subject to subsection 4.6(1), the Member's normal retirement date; and
  - (c) the day on which the Member has commenced receiving a pension.

**4.2 Leave Without Pay**

- (1) Subject to subsection 4.3(1), where a Member has been granted an unpaid leave of absence, or is on a lay-off list for a period not exceeding one year, the sums that would have been deducted from the Member's Salary had the Member continued to receive a Salary during the period of absence or lay-off, shall be deducted from the Member's Salary after his or her return to active employment and during the absence or lay-off the Member shall be deemed to be a Member for the purposes of this Plan at the Salary the Member was receiving at the time the absence or lay-off commenced. If a pension becomes payable under this Plan

before the expiration of the period of absence or lay-off those sums shall be deducted from the pension in such manner as the Board may determine.

- (2) A Member who ceases to be employed in a position to which the Plan applies by way of leave of absence and who engages on a regular basis in another position to which the Plan applies shall contribute on the Salary received by the Member in the latter position and, for the purposes of the Plan, is deemed not to be on leave without pay from the former position.
- (3) If a Member ceases to be employed in a position to which the Plan applies by way of leave of absence and engages on a regular basis in another position to which a Superannuation Act applies:
  - (a) the Member shall contribute on the Salary received by him or her in the latter position;
  - (b) the Superannuation Act that applies to that latter position applies to the Member; and
  - (c) the Board of this Plan shall transfer to the board administering the Superannuation Act applicable to the latter position an amount equal to twice the contributions made by the Member to the Plan, together with Credited Interest.

#### **4.3 Leave Without Pay for Official Union Duties**

- (1) Where a Member is granted an unpaid leave of absence for the purpose of working in an official capacity with the Union, the Member shall be entitled to the benefits of the Plan only if:
  - (a) the Member continues to make the monthly contributions; and
  - (b) the Union makes a monthly contribution to the Fund in an amount equal to the Member's monthly contribution, together with Credited Interest calculated from the last day of the month following the month in respect of which the payment is made. The Contribution by the union is subject to the recommendation of the Actuary and the approval of the Board.

#### **4.4 Contributions from Members Receiving Disability Benefits**

- (1) A Member who has not attained the normal date of retirement and is in receipt of benefits under the Corporation's disability income plan shall make contributions as if the Member's Salary were the amount with respect to which the disability benefit is calculated.
- (2) The Corporation shall pay on behalf of a Member mentioned in subsection (1), subject to the recommendation of the Actuary and the approval of the Board, an amount equal to the difference between:
  - (a) an amount equal to twice the Member's contributions; and
  - (b) the amount paid by the disability income plan as contributions with respect to the Member.

#### **4.5 Maximum Service**

- (1) Where the total of all periods of absence occurring on and after January 1, 1991 with respect to which a Member is entitled to benefits exceeds five years, the Member is not entitled to accrue benefits under the Plan with respect to any additional periods of absence.
- (2) Subsection (1) does not apply to:
  - (a) periods of disability; or
  - (b) periods of absence for the purpose of working in an official union capacity pursuant to subsection 4.3(1).

#### **4.6 Option to contribute after Age 65**

- (1) A Member who:
  - (a) would have been entitled to a pension if he or she had retired on his or her normal retirement date and, on that day, had made contributions for less than 35 years;
  - (b) has postponed his or her retirement pursuant to subsection 7.3(1);
  - (c) elects by notice in writing to the Board, at any time prior to the first day of his or her last month of employment, to contribute with respect to all or any portion of the Member's service accrued after his or her normal retirement date;
  - (d) makes contributions to the Plan during the period of service accrued after the Member's normal retirement date until he or she has contributed for 35 years; and
  - (e) is an Employee on October 1, 1977;

shall have the period of service accrued after the Member's normal retirement date with respect to which he or she has elected to contribute credited for the purposes of calculating the Member's Pensionable Service.

#### **4.7 Corporation Contributions**

- (1) All pensions, lump sum payments and refunds, together with any Credited Interest thereon, are payable out of the Fund; provided that, if there are insufficient monies in the Fund for such purposes, any amount by which the liabilities of the Fund exceed the assets of the Fund shall be the responsibility of, and payable by, the Corporation, as required by applicable legislation subject to the recommendation of the Actuary.
- (2) Where an actuarial valuation report or cost certificate reveals that the Plan has a Surplus, the Surplus shall, as determined by the Corporation, be used for one or more of the following:

- (a) to establish a contingency reserve within the Fund in an amount which the Corporation considers adequate; or
  - (b) to provide the Corporation contributions, subject to the recommendation of the Actuary; or
  - (c) to increase benefits under the Plan; or
  - (d) subject to applicable legislation, Surplus may be transferred to the Corporation, provided that an amount equal to the amount to be transferred to the Corporation has been utilized to increase pension benefits provided under the Plan.
- (3) Notwithstanding clause (2)(d), where the pension benefits provided under the Plan are such that:
- (a) the lifetime pension calculated under Section 8.1 may not be increased without exceeding the maximum lifetime pension limit contained in subsection 8.4(1), and for this purpose subsection 8.4(1) shall be applied as if the limit applied to all Pensionable Service under the Plan;
  - (b) the benefits payable to a Spouse or Child on the death of a Member may not be increased without exceeding the maximum benefit limits contained in the *Income Tax Regulations*;
  - (c) the early retirement pension calculated under Article 8 may not be increased without exceeding the maximum benefit limits contained in the *Income Tax Regulations*; and
  - (d) the benefits payable to a Retired Member, a Spouse or a Child of a deceased Member, or a Member whose employment has terminated but who remains entitled to a deferred pension from the Plan, have been indexed to reflect increases in the cost of living at the rate of 100% of the Consumer Price Index from the date of pension commencement or termination, as the case may be;

the condition attached to the transfer of Surplus to the Corporation contained in clause 2(d) shall not apply and the Corporation may, at its sole discretion, withdraw Surplus from the Fund.

- (4) For the purposes of clause (2)(d), the value of an increase in pension benefits shall be determined by the Actuary on the basis of increases in pension benefits which occur on or after January 1, 1999.
- (5) Where the Corporation is entitled to withdraw Surplus pursuant to this Section, but defers the withdrawal of the Surplus to a future date, the amount of Surplus to be transferred to the Corporation shall be adjusted at the date of payment based on the Fund net rate of return from the date of entitlement.

#### **4.8 Contribution Limits**

- (1) Pursuant to paragraph 8503(4)(a) of the *Income Tax Regulations*, the total amount of current service contributions made by a Member in respect of a calendar year after 1990 shall not exceed the lesser of:
  - (a) 9% of the Member's Salary for the year from the Corporation; and
  - (b) the sum of \$1,000 and 50% of the total of all amounts each of which is the amount that would be the Member's pension credit for the year in respect of the Corporation.

#### **4.9 Excessive Contributions**

- (1) Where a Member has made contributions in a year that exceed, in total, the maximum contributions permitted by the *Income Tax Act* with respect to the Member for the year, the amount of the excess contributions shall be refunded to the Member so as to avoid the revocation of the Plan's registration under the *Income Tax Act*.

#### **4.10 Existing Reciprocal Agreements**

- (1) Existing reciprocal agreements entered into pursuant to *The Saskatchewan Telecommunications Superannuation Act* or *The Superannuation (Supplementary Provisions) Act* between the Board and other employers are valid according to their terms.

**ARTICLE 5**  
**PRIOR SERVICE**

**5.1 Prior Service**

- (1) Subject to subsections (2) and (3), a Member who has served in Provincial Employment may elect to make contributions with respect to the whole or any portion of such Provincial Employment and is entitled to have the period in respect of which contributions are made credited as Pensionable Service for the purposes of the Plan.
- (2) A Member to whom a Superannuation Act applied while he or she served in Provincial Employment shall not be entitled to the benefits of subsection (1) unless:
  - (a) the Member repays any contributions and interest refunded under the Superannuation Act or former Superannuation Act in respect of the Provincial Employment, together with Credited Interest calculated from the day the amount was refunded until the day the notice of election is received by the Board; and
  - (b) the Member requests cancellation of any deferred pension granted under the Superannuation Act or former Superannuation Act in respect of the Provincial Employment and, upon receiving the request, the board administering the deferred pension pays to the Fund the amount of contributions and interest payable to the Member as a result of such cancellation.
- (3) A Member to whom a Superannuation Act did not apply while the Member served in Provincial Employment shall not be entitled to the benefits of subsection (1) unless:
  - (a) the Member pays an amount equal to the amount of contributions and interest that would have been refunded to the Member under the Superannuation Act applicable to him or her in respect of the period of Provincial Employment mentioned in subsection (1), as if the Provincial Employment had been subject to that Act and had been terminated;

- (b) the Member pays an amount equal to the amount of the previous employer's contribution which would have been paid to the Member as a result of leaving the Provincial Employment mentioned in subsection (1), together with interest paid or payable thereon;
- (c) the Member pays Credited Interest on the amounts payable under clauses (a) and (b), calculated from the day on which the period of Provincial Employment ceased until the day on which the notice of election is received by the Board; and
- (d) the period of Provincial Employment complies with section 8503(3)(a) of the *Income Tax Regulations*.

## **5.2 Purchase of Prior Service after Receipt of Refund**

- (1) Notwithstanding any other provision of the Plan, a Member who receives a refund of contributions and accrued interest after April 18, 1975 shall not be granted credit for any service accrued prior to that day unless the Member pays to the Fund:
  - (a) contributions at the rate of 4% of the Member's Salary received in respect of such service accrued prior to August 1, 1951; and
  - (b) contributions after that date in accordance with the Plan;

together with Credited Interest calculated from the last day of the month in respect of which the contributions are paid.

## **5.3 Elections**

- (1) An election made pursuant to subsection 5.1(1) may be made at any time prior to the first day of the Member's last month of employment by notice in writing to the Board.

- (2) Where a Member makes an election pursuant to Subsection 5.1(1), that election ceases to be valid on the later of 90 days after the Board receives the election and 90 days after the Board advises the Member of the amount payable to the Fund in respect of the election, unless prior to the expiry of that period:
- (a) the Member advises the Board in writing with respect to the period of service to be credited for the purposes of the Plan; and
  - (b) the Member makes arrangements satisfactory to the Board for payment of all amounts payable in respect of that period of service and commences and continues to make payments thereon until the entire indebtedness is discharged.

**ARTICLE 6**  
**CREDITED INTEREST**

**6.1 On the Purchase of Previous Service**

- (1) Where a Member elects to pay contributions and to receive credit for a period of service under the Plan, the Credited Interest payable on the contributions shall be calculated at the rate of 7% per annum, compounded annually.
- (2) Where a Member elects to pay any amount to the Fund by instalments, Credited Interest on that portion that remains unpaid from time to time shall be calculated at the rate of 9% per annum, compounded annually.

**6.2 On the Sums Payable to the Member**

- (1) Credited Interest payable to a Member shall be calculated at the rate:
  - (a) fixed by the Superannuation Act applicable to the Member with respect to any period prior to June 1, 1977;
  - (b) of 6% per annum with respect to any period commencing on or after June 1, 1977, but ending before April 1, 1982; and
  - (c) of 7% per annum with respect to any period commencing on or after April 1, 1982.
- (2) Credited Interest payable to a Member is to be calculated for the period commencing on the day on which the contributions are received.
- (3) Credited Interest shall be calculated at least annually, after the end of each fiscal year.

**ARTICLE 7  
RETIREMENT DATES**

**7.1 Normal Retirement Date**

- (1) The normal retirement date of a Member shall be the last day of the month in which the Member attains age 65.

**7.2 Early Retirement Date**

- (1) A Member may elect to retire early and receive an unreduced pension pursuant to subsection 8.2(1) at any time on or after the earlier of:
- (a) the day on which the Member has attained at least age 60 and completed at least 20 years of Pensionable Service; and
  - (b) the day on which the Member has completed 35 years of Pensionable Service.
- (2) A Member may elect to retire early and receive a reduced pension that is calculated pursuant to subsection 8.2(2) or (3), as the case may be, at any time on or after the earlier of:
- (a) the day on which the Member has attained at least age 55 and completed at least 30 years of Pensionable Service; and
  - (b) the day on which the Member has attained at least age 60 and completed at least 15 years of Pensionable Service.

**7.3 Postponed Retirement Date**

Change takes effect as of January 1, 2009

- Change acknowledged by: (1) A Member may opt to postpone his or her retirement past age 65 but not later than the end of the calendar year in which the member attains age 71, or such other age as is prescribed under the Income Tax Act (Canada) for the latest commencement of retirement benefits from a registered pension plan.
- \_\_\_\_\_
- (authorized rep. of SaskTel)

Change takes effect as of January 1, 1999

Change acknowledged by:

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(authorized rep. of SaskTel)

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(authorized rep. of the Union)

Change takes effect as of January 1,  
1999

Change acknowledged by:

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(authorized rep. of SaskTel)

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(authorized rep. of the Union)

- (2) In addition, a Member referred to in Section 7.3(1), who must start receiving his or her pension in accordance with the Income Tax Act (Canada), may continue to be an Employee, but will not continue to accrue Pensionable Service.

#### **7.4 Retirement at the Corporation's Option**

- (1) Where the Corporation is of the opinion that a Member is not able to meet the requirements of his or her employment and the Member has at least 15 years of continuous employment with the Corporation, the Member may be retired at the option of the Corporation and shall, on retirement, be entitled to a pension reduced in accordance with subsection (2).
- (2) The amount of the reduction to a pension payable pursuant to subsection (1) shall be determined by the Board, subject to the following conditions:
- (a) the amount of the reduction shall not be less than the minimum reduction required by the *Income Tax Regulations*; and
  - (b) the amount of the reduction shall not be greater than:
    - (i) 1/12 of 3.75% for each month that the Member's age on his or her retirement date precedes age 60; and
    - (ii) 1/4 of 1% for each full year and any portion thereof that the Member's years of Pensionable Service on his or her retirement date are less than 35 years.

#### **7.5 Retirement on Account of Disability**

- (1) A Member who:
- (a) has completed at least 15 years of continuous employment with the Corporation; and
  - (b) has a Total and Permanent Disability, which is certified by a medical

doctor who is licensed to practise under the laws of a province of Canada;

may, at the option of the Board, be entitled to retire and receive a pension from the Plan.

## **7.6 Special Provisions Re Early Retirement**

- (1) In this Section, “Member” means a Member:
  - (a) who has attained age 60;
  - (b) who has completed at least 30 years of Pensionable Service;
  - (c) whose age, together with years of Pensionable Service, is not less than 80 years; or
  - (d) whose age and years of Pensionable Service meet any criteria established by the Corporation;on the day on which the Member retires.
- (2) Notwithstanding any other provision of this Plan, a Member may, subject to subsection (3), be retired at the Member’s option and is, on retirement, entitled to a pension calculated in accordance with Section 8.1.
- (3) The Corporation may determine:
  - (a) which Members are eligible to elect to be retired pursuant to this Section; and
  - (b) the time period during which an early retirement program may be offered to Members pursuant to this Section.
- (4) The option provided pursuant to subsection (2) to a Member must be exercised by the Member within 30 days of the Member becoming entitled to retire, unless otherwise provided by the Corporation.

- (5) A Member who exercises an option pursuant to subsection (2) shall retire within 30 days of having exercised that option unless otherwise provided by the Corporation.

**ARTICLE 8**  
**RETIREMENT BENEFITS**

**8.1 Normal Retirement Pension**

- (1) A Member who retires pursuant to sections 7.1 or 7.2 shall be entitled to an annual pension equal to an amount calculated by multiplying 2% of the Member's Best Average Salary by the total number of years of Pensionable Service and any fraction of a year.
- (2) The annual pension calculated pursuant to subsection (1) shall be reduced, on the day on which the Member attains age 65, by an amount equal to the aggregate of:
  - (a) 0.7% multiplied by the product of the Member's years of Pensionable Service accrued after December 31, 1965, excluding the years mentioned in clause (b), and the lesser of:
    - (i) the Member's Best Average Salary determined pursuant to the Plan for the purpose of calculating the Member's annual pension if the years mentioned in clause (b) were excluded; and
    - (ii) the average of the Member's YMPE with respect to the Member's actual periods of Pensionable Service in each of the last three years ending on the last day of the month preceding the day:
      - (A) on which the Member ceased to contribute after contributing for a period of 35 years; or
      - (B) where paragraph (A) does not apply, on which the Member ceased to be employed; and
  - (b) 0.7% multiplied by the Member's YMPE with respect to the Member's actual periods of Pensionable Service in each year during which the Member's Salary exceeded the maximum amount with respect to which contributions were permitted in that year pursuant to the *Income Tax Act*.

## 8.2 Early Retirement Pension

- (1) A Member who elects to retire early pursuant to subsection 7.2(1), and who:
  - (a) has attained age 60 and completed at least 20 years of Pensionable Service; or
  - (b) has completed at least 35 years of Pensionable Service;shall be entitled to an unreduced pension calculated in accordance with Section 8.1.
- (2) A Member who elects to retire early pursuant to subsection 7.2(2), and who has attained age 55 and completed at least 30 years of Pensionable Service, shall be entitled to a pension calculated in accordance with Section 8.1 and reduced by:
  - (a)  $\frac{1}{12}$  of 3.75% for each month that the Member's age on his or her retirement date precedes age 60; and
  - (b)  $\frac{1}{4}$  of 1% for each full year and any portion thereof that the Member's years of Pensionable Service on his or her retirement date are less than 35 years.
- (3) A Member who elects to retire early pursuant to subsection 7.2(2), and who has attained age 60 and completed at least 15 years of Pensionable Service, shall be entitled to a pension calculated in accordance with Section 8.1 and reduced by:
  - (a)  $\frac{1}{8}$  of 1% for each month that the Member's age on his or her retirement date precedes age 65; and
  - (b)  $\frac{1}{8}$  of 1% for each month that the Member's years of Pensionable Service on his or her retirement date are less than 20 years.
- (4) For the purposes of clauses (2)(a) and (3)(a) and (b), any portion of a month that consists of:
  - (a) 15 days or less is disregarded; and
  - (b) 16 days or more is counted as one month.

### 8.3 Postponed Retirement Pension

- (1) A Member who:
  - (a) elects to postpone his or her retirement pursuant to subsection 7.3(1); and
  - (b) on his or her normal retirement date has made contributions for:
    - (i) 35 years; or
    - (ii) less than 35 years and does not, pursuant to Section 4.6, elect to make contributions to the Plan during the period of service accrued after the Member's normal retirement date until he or she has contributed for 35 years;

shall be entitled to a pension calculated in accordance with subsection (2).

- (2) The pension mentioned in subsection (1) shall be equal to the greater of:
  - (a) the pension calculated in accordance with Section 8.1 based on Pensionable Service accrued to the Member's normal retirement date and Best Average Salary at the Member's actual retirement date; and
  - (b) the pension calculated in accordance with Section 8.1 based on Pensionable Service accrued, and Best Average Salary at, the Member's normal retirement date and adjusted on an Actuarial Equivalent basis to the date of the Member's actual retirement.

- (3) A Member who:
  - (a) elects to postpone his or her retirement pursuant to subsection 7.3(1); and
  - (b) on his or her normal retirement date has made contributions for less than 35 years and elects, pursuant to Section 4.6, to make contributions to the Plan during the period of service accrued after the Member's normal retirement date until he or she has contributed for 35 years;

shall be entitled to a pension calculated in accordance with Section 8.1 based on the Member's Pensionable Service accrued to the Member's actual retirement date.

#### **8.4 Maximum Retirement Pension**

- (1) The amount of an annual lifetime pension payable under this Article 8 in respect of Pensionable Service after December 31, 1991 shall not exceed the lesser of:
  - (a) the Defined Benefit Limit for the year in which the pension commences to be paid; and
  - (b) 2% of the Member's Best Average Salary, adjusted for indexing in accordance with the *Income Tax Act*, during any three non-overlapping periods of 12 consecutive months when the Member's total Salary was the highest.
  
- (2) The amount of annual bridge benefit provided before age 65 under this Article 8 shall not in itself exceed:
  - (a) the maximum annual amount of benefits payable under the Canada Pension Plan at the time of retirement; plus
  - (b) the maximum annual amount of Old Age Security payable at the time of retirement;

provided however;

- (c) if the member has not attained age sixty (60), the amount determined in paragraphs (a) and (b) above shall be reduced by 0.0025 for each month between the time the benefit commences to be paid and the time the Member will attain age sixty (60); and
- (d) if the Member has not completed ten (10) years of Pensionable Service, the amounts determined in clauses (a) and (b) above shall be prorated in the same proportion as the years of Pensionable Service bears to ten (10) years.

- (3) The amount of annual lifetime pension plus the amount of annual bridge benefit provided before age 65 under this Article 8 in respect of pensionable service after December 31, 1991 shall not exceed the Defined Benefit Limit for the year in which the pension commences to be paid plus the product of  $1/35 \times 0.25 \times$  the average of the final three calendar years of pensionable Salary up to the YMPE.

## **8.5 Return of Excess Contributions**

- (1) At the time of retirement, the value of a Member's required contributions made to the Plan on and after January 1, 1999, together with Credited Interest, shall not be used to fund more than 50% of the Commuted Value of the Member's pension that is attributable to benefits accrued on and after January 1, 1999, and the value of the Member's contributions, together with Credited Interest, that exceeds 50% of the Commuted Value of the pension shall, at the option of the Member, be:

- (a) refunded to the Member;
- (b) transferred to an RRSP;
- (c) transferred to another registered pension plan;
- (d) transferred to an Insurance Company to purchase a deferred pension; or
- (e) used to increase the amount of the pension under the Plan;

provided that any transfer of such excess contributions to an RRSP or another registered pension plan is in conjunction with a transfer of some or all of the Member's lifetime retirement benefits to the same RRSP or registered pension plan.

- (2) Subsection (1):
  - (a) applies only to benefits that accrue to a Member in respect of Pensionable Service rendered on and after January 1, 1999, including service in respect of which a Member has credit as service on and after January 1, 1999 under a Superannuation Act; and
  - (b) does not apply to benefits that accrue to a Member in respect of Pensionable Service on or before December 31, 1998, including:

- (i) past service benefits voluntarily funded entirely by the Member on or after January 1, 1999; and
- (ii) benefit improvements made on or after January 1, 1999 with respect to Pensionable Service rendered on or before December 31, 1998.

**ARTICLE 9**  
**PAYMENT OF RETIREMENT BENEFITS**

**9.1 Normal Form of Pension**

- (1) **Members Without a Spouse:** The pension of a Member without a Spouse at the date of retirement shall be payable monthly during the Member's lifetime, the first payment to be made on the last working day of the month next following the month in which the Member's retirement date occurs.
- (2) **Members With a Spouse:** Provided that an election in accordance with subsection 9.2(1) has not been made, the pension of a Member with a Spouse at the date of retirement shall be payable monthly during the Member's lifetime, the first payment to be made on the last working day of the month next following the month in which the Member's retirement date occurs. Following the death of the Member, monthly payments shall continue to the Spouse for life at 60% of the amount paid to the Member.

**9.2 Optional Form**

- (1) A Member may elect by notice in writing to the Board to receive a 100% joint annuity with the Member's Spouse payable monthly during the Member's lifetime, the first payment to be made on the last working day of the month following the Member's retirement date. Following the death of the Member, monthly payments shall continue to the Member's Spouse for life at 100% of the amount paid to the Member.
- (2) The joint annuity mentioned in subsection (1) shall be the Actuarial Equivalent of the normal form of pension and shall not exceed the maximum retirement pension contained in Section 8.4.
- (3) A Member may give or withdraw a notice under this Section at any time prior to the day his or her pension is to commence.

### **9.3 Calculation of Joint Annuity**

- (1) Where a Member elects, by notice in writing to the Board, to receive a 100% joint annuity for the Member and his or her Spouse, the joint annuity shall be calculated in accordance with the tables approved by the Board.
- (2) The Board shall establish the tables mentioned in subsection (1) in accordance with the GAM83 Table, as published on pages 880 and 881 of Volume XXXV of the *Transactions* of the Society of Actuaries, and interest at the rate of 7% per annum, compounded annually.

### **9.4 Variation of Amount of Pension**

- (1) In this Section, “additional pension” means the amount obtained by applying the tables determined by the Board to the amount of the pension payable under the *Old Age Security Act* (Canada) in effect on the day that a pension under the plan first becomes payable. The value of the adjusted pension must be actuarially equivalent to the pension payable in the normal form.
- (2) Subject to subsections (3) and (4), a Member who is entitled to receive a pension may elect by notice in writing to the Board to vary the pension before and after attaining age 65, in which case the pension is to be:
  - (a) increased, on the day the pension commences until the first day of the month following the month in which the Member attains age 65, by the amount of the additional pension; and
  - (b) reduced, on the first day of the month following the month in which the Member attains age 65, by an amount equal to the amount of the pension payable under the *Old Age Security Act* (Canada) in effect on the day that the pension becomes payable.
- (3) Where the amount of a pension, together with the amount of the additional pension, is less than the amount of the pension payable under the *Old Age*

*Security Act* (Canada), the additional pension is not payable to the Member, but the pension is to be:

- (a) increased from the day the pension commences until the first day of the month following the month in which the Member attains age 65 by an amount calculated by:
    - (i) multiplying the amount of the pension by the amount of the additional pension; and
    - (ii) dividing the sum determined under subclause (i) by the amount of the pension payable under the *Old Age Security Act* (Canada) in effect on the day that the pension becomes payable less the amount of the additional pension; and
  - (b) reduced, on the first day of the month following the month in which the Member attains age 65, by an amount equal to the sum of the pension together with the amount of the increase in that pension determined in accordance with clause (a).
- (4) Where a Member with a Spouse makes an election, the ages of both the Member and the Spouse are to be taken into account in determining the amount of the increased pension.
- (5) The age of a Member, Spouse or other person to whom this Section is applicable is the completed years and months of age on the day a pension becomes payable, and any portion of a month that consists of:
- (a) 15 days or less is to be disregarded; and
  - (b) 16 days or more is to be counted as a full month.
- (6) The Board shall establish the tables mentioned in subsection (1) in accordance with the GAM83 Table, as published on pages 880 and 881 of Volume XXXV of the *Transactions* of the Society of Actuaries, and interest at the rate of 7% per annum, compounded annually.
- (7) A Member may give or withdraw a notice under this Section at any time prior to the first day of the Member's last month of employment.

## **9.5 Time of Payment**

- (1) Subject to subsection (2) and subsection 9.6(2), a pension is to be paid in equal monthly instalments on the last working day of each month.
- (2) A pension for the month of December shall be paid, for the full month:
  - (a) on December 23;
  - (b) on December 22 where December 23 falls on a Saturday; or
  - (c) on December 21 where December 23 falls on a Sunday.

## **9.6 Calculation**

- (1) Where the monthly instalment of any pension payable under the Plan is calculated to be an amount that includes a fraction of a cent, the fraction is to be considered one cent.
- (2) Where the period with respect to which a pension is payable commences on a day other than the first day of the month, the first payment is to be in such proportion as the balance of the month bears to the whole month.

## **9.7 Death**

- (1) A person in receipt of a pension on behalf of a Retired Member, Spouse or Child shall notify the Board immediately in the event of the death of the Retired Member, Spouse or Child.
- (2) The Board may periodically require any person in receipt of a pension on behalf of a Retired Member, Spouse or Child to furnish, within a reasonable period of time and in any form that the Board considers appropriate, proof that the Retired Member, Spouse or Child is living.

- (3) Where a pension ceases by reason of death:
  - (a) payment of the pension is to be made for the full month in which the death occurs; and
  - (b) any pension or additional pension that becomes payable to a person following the death becomes payable to the person with effect from the first day of the month immediately following the month in which the death occurred.

## **9.8 Benefits to Children**

- (1) A benefit to a Child is to be paid for the exclusive benefit of the Child:
  - (a) to the Spouse of the Member or Retired Member;
  - (b) if the Spouse is not living, to the legal guardian of the Child, if any; or
  - (c) if there is no legal guardian, to any person and in any manner that the Board may determine.

## **9.9 Benefits to Incapacitated Persons**

- (1) Where any person to whom a pension or benefit is payable is, in the opinion of a duly qualified medical practitioner, mentally unfit to manage his or her affairs, or through physical incapacity is unable to write, the Board may determine the manner in which the pension or benefit is payable.

## 9.10 Postponement of Pension Where Moneys Owing to Fund

Change takes effect as of January 1, 2009

Change acknowledged by:

\_\_\_\_\_  
(authorized rep. of SaskTel)

\_\_\_\_\_  
(authorized rep. of the Union)

(1) Where a pension becomes payable under the Plan before payment of any amount owing to the Fund is completed, payment of the pension shall not commence until arrangements satisfactory to the Board have been made for payment of the outstanding amount. Arrangements satisfactory to the Board for payment of the outstanding amounts must be finalized prior to the end of the year in which the member turns age 71, or such other age as is prescribed under the Income Tax Act (Canada) for the latest commencement of retirement benefits from a registered pension plan.

## 9.11 Retired Member Recommencing Employment

Change takes effect as of January 1, 1999

Change acknowledged by:

\_\_\_\_\_  
(authorized rep. of SaskTel)

\_\_\_\_\_  
(authorized rep. of the Union)

(1) Except where a Retired Member or Member is an Employee under Section 7.3(2), where a Retired Member becomes entitled to receive a salary from the Corporation:

- (a) payment of his or her pension is to be suspended from the day on which such salary entitlement commences;
- (b) the Retired Member shall make contributions to the Plan from the day on which such salary entitlement commences at the rate in effect prior to his or her retirement; and
- (c) the amount of the pension payable at the subsequent commencement of the pension of the Retired Member shall be determined in accordance with the regulations made pursuant to the Pension Benefits Act.

(2) Subsection 9.11(2) was removed effective January 1, 2005.

(3) Subsection 9.11(3) was removed effective January 1, 2005.

## 9.12 Retirement on Account of Disability

- (1) The Board may review from time to time the case of a Member who has retired on account of a Total and Permanent Disability pursuant to subsection 7.5(1), and where the Member recovers the Board shall report his or her case to the Corporation which may offer the Member further employment. If employment is not available the Member's pension shall continue.

- (2) Where a Member who has retired on account of a Total and Permanent Disability pursuant to subsection 7.5(1) is offered upon recovery, but does not accept, re-employment, the Board may discontinue the Member's pension, but in that case the Member shall be paid a sum equal to the amount of his or her contributions, together with Credited Interest, less the total sums paid to the Member on account of his or her pension.
- (3) Where a Member who has retired on account of a Total and Permanent Disability pursuant to subsection 7.5(1) is re-employed, the Member's pension shall be suspended during the period of re-employment and the time during which the re-employment continues shall be counted in calculating the Member's pension to which he or she is entitled on his or her final retirement.
- (4) Where a Member who has retired on account of a Total and Permanent Disability pursuant to subsection 7.5(1):
  - (a) obtains employment elsewhere; or
  - (b) receives notice from the Board to attend for examination before it or before a duly qualified medical practitioner on a date stated in the notice and fails to do so;

the Board may suspend his or her pension in whole or in part.

### **9.13 Production of Certain Documents**

- (1) At the request of the Board, a Member shall submit a birth certificate to the Board.
- (2) Before commencing the payment of a pension to the Spouse or Child of a Member or Retired Member, the Board may require the production of:
  - (a) a marriage certificate;
  - (b) any relevant birth certificates; and
  - (c) any other document that the Board considers necessary.

- (3) Where the Board is satisfied that a birth certificate is not readily available with respect to a person, the Board may accept evidence of the age of the person in the form of a certified extract from an insurance policy, a certified extract from the family Bible, a baptismal certificate or any other document satisfactory to the Board.

**ARTICLE 10**  
**DEATH BENEFITS**

**10.1 Interpretation of Sections 10.2 and 10.3**

- (1) In Sections 10.2 and 10.3, “Spouse” of a Retired Member means a person who is the Spouse of the Retired Member at the date on which the Retired Member commences receiving a pension.
- (2) For the purposes of Sections 10.2 and 10.3:
  - (a) a Retired Member who was separated from a Spouse whose whereabouts are unknown to the Board is deemed to be predeceased by the Spouse unless the Spouse notifies the Board in writing within two years after the date of death of the Retired Member;
  - (b) a Retired Member is deemed to have been predeceased by a Spouse where there is no person who is a Spouse of the Retired Member on the date of the Retired Member’s death; and
  - (c) where a Retired Member was receiving a pension that was reduced because of the payment of benefits pursuant to the Canada Pension Plan with respect to a disability, the payments to a Spouse or to children must be calculated on the amount of the pension to which the Retired Member would have been entitled if the pension had not been reduced.
- (3) Where a Retired Member dies before attaining age 65 and a pension or other amount is being paid pursuant to Section 10.2 or 10.3 to a Spouse or Child of the Retired Member, the pension or other amount shall be reduced:
  - (a) at the time when the Retired Member’s pension would have been reduced pursuant to subsection 8.1(2);
  - (b) where the Retired Member elected to vary his or her pension pursuant to Section 9.4, at the time when the Retired Member’s pension would have been reduced pursuant to Section 9.4; and
  - (c) in proportion to the reduction that would have been made to the Retired Member’s pension if the Retired Member had been living at that time.

- (4) Any amounts payable to children pursuant to sections 10.2 and 10.3 shall be divided equally among the children who are entitled to receive that payment.

## **10.2 Death Before Retirement**

- (1) Where a Member dies prior to retirement, the Member's Spouse is entitled to receive:
  - (a) where an election under subsection 9.2(1) has not been made, 60% of the pension to which the Member would have been entitled; and
  - (b) where an election under subsection 9.2(1) has been made, 100% of the pension to which the Member would have been entitled;

had the Member commenced his or her pension on the day of death, calculated on the basis of his or her actual Pensionable Service at that date and payable to the Spouse for life.

- (2) Notwithstanding subsection (1), where a Member dies on or after January 1, 1999 and prior to the earliest day on which the Member could have elected to receive a pension from the Plan, in the event the value of the pension in subsection (1) that is attributed to benefits accrued on and after January 1, 1999 is less than the sum of:
  - (a) 100% of the Commuted Value of the Member's pension that is attributable to benefits accrued on and after January 1, 1999; and
  - (b) the value of the Member's excess contributions determined pursuant to Section 8.5;

the pension in subsection (1) shall be increased such that its value is equal to this sum, subject to the limits under Section 8503(2)(e) of the *Income Tax Regulations*.

- (3) Where a Member dies prior to retirement and the Member's Spouse is entitled to the pension pursuant to subsection 10.2(1)(a), each Child of the Member who is under age 18 is entitled to 10% of the pension to which the Member would have been entitled had the Member commenced his or her pension on the day of death, calculated on the basis of his or her actual pensionable Service at that date and payable to the Child until he or she attains the age of 18 years.
- (4) The maximum total amount payable to all children who are entitled to a pension pursuant to subsection (3) is 25% of the pension to which the Member would have been entitled if the Member had commenced his or her pension on the date of death, calculated on the basis of the Member's Pensionable Service at that date.
- (5) Where the Spouse of a Member:
- (a) has predeceased the Member; or
  - (b) having survived the Member, dies;

60% of the pension to which the Member would have been entitled had the Member commenced his or her pension on the day of death, calculated on the basis of his or her actual Pensionable Service at that date, shall be paid to those children of the Member, if any, who have not attained the age of 18 years and shall be paid until they attain that age, in lieu of the sums to which they were entitled before the death of the Spouse.

Where an election under subsection 9.2(1) has been made, 100% of the pension adjusted as per subsection 9.2(2) shall be paid to those children of the Member, if any, until they attain the age of 18.

- (6) If a Member dies prior to retirement leaving neither Spouse nor children, the Member's personal representative or nominee, or a member of his or her family, as the Board may direct, is entitled to receive one lump sum payment equal to the sum of:
- (a) the contributions made by the Member as at December 31, 1998, together with Credited Interest accrued to the date of payment; plus
  - (b) the value of the pension determined in subsection (1) that is attributable to benefits accrued on and after January 1, 1999.

In the event the sum determined in paragraphs (a) and (b) exceeds the greater of:

- (c) 100% of the Commuted value of the Member's pension that is attributable to benefits accrued for all of the Member's pensionable service; or
- (d) twice the Member's contributions made to the Plan together with Credited Interest accrued to the date of payment;

then the lump sum payment determined in paragraphs (a) and (b) shall be limited to the greater of the amounts determined in paragraphs (c) or (d).

- (7) Where a Member dies prior to retirement, a Spouse may elect to have the whole of the Commuted Value of any portion of a pension that is attributable to benefits accrued on and from January 1, 1999 paid in the form of:
  - (a) a transfer to another registered pension plan;
  - (b) a transfer to an RRSP that is prescribed by the *Pension Benefits Act*; or
  - (c) a transfer to an Insurance Company to purchase a deferred pension that is not commutable and that will not commence earlier than the day on which the Spouse attains age 55; or
  - (d) a lump sum cash payment.

Notwithstanding the foregoing, a Spouse as defined in paragraphs (2) and (3) of Subsection 2.1(22) is not entitled to make a transfer under paragraphs (a), (b) or (c) unless the transfer is permitted by the Income Tax Act.

- (8) At any time before the death of a Member who has not commenced his or her pension, the Member's Spouse may waive the Spouse's entitlements under this Article 10.2 by delivering a written and signed waiver to the Corporation in the form prescribed by the Pension Benefits Act. If such a waiver is in effect on the date of death of a Member who has not commenced his or her pension, survivor benefits shall be paid as if the Member died leaving no surviving Spouse.
- (9) A Spouse who has filed with the Corporation a waiver of Spousal entitlement as described in Subsection (8) may, prior to the death of the Member, revoke such waiver by delivering a written and signed notice of revocation to the Corporation.

### 10.3 Death after Retirement

- (1) Where an election under subsection 9.2(1) has not been made, the following death benefits shall be paid:
- (a) The surviving Spouse shall receive a Spouse's pension equal to 60% of the pension the Retired Member was entitled.
  - (b) Each Child under the age of 18 of a Retired Member is entitled to 10% of the pension to which the Retired Member was entitled payable until the Child attains age 18, but the total amount payable to the children shall not exceed 25% of the pension.
  - (c) Where the Spouse of a Retired Member:
    - (a) has predeceased the Retired Member; or
    - (b) having survived the Retired Member, dies;

the Spouse's pension shall be paid to those children of the Retired Member, if any, who have not attained the age of 18 years and shall be paid until they attain that age, in lieu of the sums to which they were entitled before the death of the Spouse.

Where an election under subsection 9.2(1) has been made, the following death benefits shall be paid:

- (a) the surviving Spouse shall receive a Spouse's pension equal to 100% of the pension the Retired Member was entitled.
- (b) where the Spouse of a Retired Member
  - (a) has predeceased the Retired Member; or
  - (b) having survived the Retired Member, dies;

100% of the pension to which the Retired Member was entitled shall be paid to those children of the Retired Member, if any, who have not attained the age of 18 years and shall be paid until they attain that age.

#### **10.4 Spouses' and Children's Pensions Increased**

- (1) Subject to subsection (2), where a pension commenced prior to May 1, 1982, and is being paid on that day to the Spouse or to the Child or children of a deceased Member or Retired Member, the pension being paid shall be increased by an amount equal to 20% of that pension, and the increased pension is payable with effect on and from May 1, 1982.
- (2) This section does not apply to a joint annuity being paid pursuant to subsection 9.2(1).

#### **10.5 Lump Sum Payments to Estate**

- (1) If, at any time after the death of a Retired Member or Member, no person is eligible for a benefit pursuant to this Plan in respect of the Pensionable Service of the Retired Member or Member, a lump sum payment is to be made to the personal representative or nominee, or to a member of the family, of the deceased Retired Member or Member, as the Board may direct, in an amount equal to the positive difference between:
  - (a) the total contributions made to the Plan by the Retired Member or Member, together with Credited Interest accrued to the date of retirement; and
  - (b) the total sum of all benefits paid pursuant to the Plan to the Retired Member or Member and to his or her surviving Spouse and children, if any.

#### **10.6 Variable Pension**

- (1) Notwithstanding any other provision of this Plan, where a Retired Member dies and where he or she had elected to vary the amount of his or her pension pursuant to Section 9.4, the pension payable to his or her Spouse is 60% of the pension that would have been payable to the Retired Member, whether as increased before age 65 or as decreased thereafter.

**ARTICLE 11**  
**TERMINATION BENEFITS**

**11.1 Entitlement to Deferred Pension**

- (1) Where a Member's employment with the Corporation is terminated, the Member may elect to receive a deferred pension from the Plan:
  - (a) that is calculated in accordance with Section 8.1 based on the total number of years of Pensionable Service at the date of termination; and
  - (b) that will become payable to the Member on the day on which he or she attains age 65.
- (2) Where a Member dies after having elected to receive a deferred pension pursuant to subsection (1), the Member's surviving Spouse and children, if any, shall be entitled to the benefits payable pursuant to Section 10.2 or 10.3 of the Plan.

**11.2 Refunds or Transfer of Contributions**

- (1) Where a Member's employment with the Corporation is terminated and the Member does not elect to receive a deferred pension pursuant to subsection 11.1(1), the Member may, at his or her option receive one lump sum payment equal to the sum of:
  - (a) an amount equal to the Member's contributions made to the Plan as at December 31, 1998, together with Credited Interest accrued to the date of payment; and
  - (b) an amount equal the following:
    - (i) 100% of the Commuted Value of the Member's pension that is attributable to benefits accrued on and after January 1, 1999 to one of the retirement vehicles mentioned in subsection (3);  
  
plus
    - (ii) the Member's excess contributions in accordance with Section 11.4

In the event the sum determined in paragraphs (a) and (b) exceeds the greater of:

- (c) 100% of the Commuted Value of the Member's pension that is attributable to benefits accrued for all of the Member's pensionable service; or
- (d) twice the Member's contributions made to the Plan together with Credited Interest accrued to the date of payment;

then the lump sum payment determined in paragraphs (a) and (b) shall be limited to the greater of the amounts determined in paragraphs (c) or (d).

- (2) The amount of a refund mentioned in clause (1)(a) shall, at the Member's option, be returned, transferred or used in accordance with the options available to a Member pursuant to subsection 11.4(1).
- (3) The transfer mentioned in clause (1)(b) may be made to:
  - (a) another registered pension plan;
  - (b) an RRSP that is prescribed by the *Pension Benefits Act*; or
  - (c) an Insurance Company to purchase a deferred pension that is not commutable and that will not commence earlier than the earliest day on which the pension could have commenced pursuant to the Plan.
- (4) Where a Member's employment is terminated so that the Member may enter the employ of the Liquor and Gaming Authority, Saskatchewan Power Corporation or The Workers' Compensation Board or of the Government in the public service, the Member's contributions to the Plan, together with Credited Interest, may, at the option of the Member and to the extent permitted by the importing plan, be transferred pursuant to a reciprocal agreement to the Liquor Board Superannuation Fund, the Power Corporation Superannuation Fund, The Workmen's Compensation Board Superannuation Fund or the consolidated fund, as the case may require, to the Member's credit, and on such termination this Plan shall not apply to the Member.
- (5) Subject to subsection (7), where a Member retires before becoming entitled to a pension pursuant to this Plan, resigns or is dismissed from the service of the Corporation or where the Member's office is abolished and the Member is no

longer employed, at the Member's option and to the extent permitted by The Public Employees Pension Plan Act, all contributions to the Fund that have been deducted from a Member's Salary and standing to the Member's credit in the Fund, together with Credited Interest and an amount equal to the amount deducted from the Member's Salary together with Credited Interest, shall be transferred pursuant to a reciprocal agreement to an account in the Member's name in the Public Employees Pension Plan continued pursuant to section 7 of *The Public Employees Pension Plan Act* and administered in accordance with that Act if:

- (a) the Member has not elected pursuant to subsection (1) to receive a refund of contributions and interest; or
  - (b) the Member has not elected pursuant to subsection 11.1(1) to receive a deferred pension.
- (6) In the event that The Public Employees Pension Plan Act does not permit a transfer pursuant to subsection (5), the Member may transfer an amount equal to the greater of:
- (a) the value of all contributions to the Fund that have been deducted from a Member's Salary and standing to the Member's credit in the Fund, together with Credited Interest and an amount equal to the amount deducted from the Member's Salary together with Credited Interest; and
  - (b) the value of:
    - (i) all contributions to the Fund that have been deducted from a Member's Salary and standing to the Member's credit in the Fund as at December 31, 1998, together with Credited Interest and an amount equal to the amount deducted from the Member's Salary and standing to the Member's credit in the Fund as at December 31, 1998 together with Credited Interest;
    - (ii) 100% of the Commuted Value of the Member's pension that is attributable to benefits accrued on and after January 1, 1999; and
    - (iii) the value of the Member's excess contributions determined pursuant to subsection 11.4(1);

to an RRSP that is prescribed by the Pension Benefits Act.

In the event the greater of the amounts determined in paragraphs (a) and (b) exceeds the greater of:

- (c) 100% of the Commuted Value of the Member's pension that is attributable to benefits accrued for all of the Members pensionable service; or
- (d) twice the Member's contributions made to the Plan together with Credited Interest accrued to the date of payment;

then the greater of the amounts determined in paragraphs (a) and (b) shall be limited to the greater of the amounts determined in paragraphs (c) or (d).

- (7) The Corporation may prescribe the date after which the options mentioned in subsections (5) and (6) may no longer be exercised by a Member, and after that date the options mentioned in subsections (5) and (6) cease to exist.

### **11.3 Election for Reduced Pension**

- (1) A Member who has elected to receive a deferred pension under subsection 11.1(1), and who has attained age 60 and completed at least 20 years of Pensionable Service, shall be entitled to retire and receive an unreduced pension calculated in accordance with Section 8.1.
- (2) A Member who has elected to receive a deferred pension under Subsection 11.1(1), and who has attained age 60 and completed at least 15 years of Pensionable Service, shall be entitled to retire and receive a pension calculated in accordance with Section 8.1 and reduced by:
  - (a) 1/8 of 1% for each month by which the Member's age is less than 65; and
  - (b) 1/8 of 1% for each month by which the Member's years of Pensionable Service are less than 20 years;determined at the Member's retirement date.
- (3) A Member who has elected to receive a deferred pension under Subsection 11.1(1), and who has attained age 55 and completed at least 30 years of Pensionable Service, shall be entitled to retire and receive a pension calculated in accordance with Section 8.1 and reduced by:

- (a) 1/12 of 3.75% for each month that the Member's age on his or her retirement date precedes age 60; and
  - (b) 1/4 of 1% for each full year and any portion thereof that the Member's years of Pensionable Service on his or her retirement date are less than 35 years.
- (4) For the purposes of clauses (2)(a) and (b) and (3)(a), any portion of a month that consists of:
- (a) 15 days or less is disregarded; and
  - (b) 16 days or more is counted as one month.

#### **11.4 Return of Excess Contributions**

- (1) At the time of termination, the value of a Member's required contributions made to the Plan on and after January 1, 1999, together with Credited Interest, shall not be used to fund more than 50% of the Commuted Value of the Member's pension that is attributable to benefits accrued on and after January 1, 1999, and the value of the Member's contributions, together with Credited Interest, that exceeds 50% of the Commuted Value of the pension shall, at the option of the Member, be:
- (a) refunded to the Member;
  - (b) transferred to an RRSP;
  - (c) transferred to another registered pension plan;
  - (d) transferred to an Insurance Company to purchase a deferred pension; or

- (e) used to increase the amount of the pension under the Plan;

provided that any transfer of such excess contributions to an RRSP or another registered pension plan is in conjunction with a transfer of some or all of the Member's lifetime retirement benefits to the same RRSP or registered pension plan.

(2) Subsection (1):

- (a) applies only to benefits that accrue to a Member in respect of Pensionable Service rendered on and after January 1, 1999, including service in respect of which a Member has credit as service on and after January 1, 1999 under a Superannuation Act; and
- (b) does not apply to benefits that accrue to a Member in respect of Pensionable Service on or before December 31, 1998, including:
  - (i) past service benefits voluntarily funded entirely by the Member on or after January 1, 1999; and
  - (ii) benefit improvements made on or after January 1, 1999 with respect to Pensionable Service rendered on or before December 31, 1998.

## **11.5 Deemed Retirement in Certain Cases**

- (1) Notwithstanding any other provision of the Plan, no Member whose employment is terminated and who is entitled to an immediate pension payable without reduction is entitled to a refund of contributions.

## **11.6 Elections**

- (1) For the purposes of this Section, where a Member who is subject to a collective bargaining agreement has been involuntarily discharged from the Corporation's employment, "date of termination" means the earlier of:
  - (a) the day on which the Member has exhausted any grievance procedure established by the collective agreement;

- (b) the day which is 42 months from the day on which the Member's employment terminated; and
  - (c) the day which is determined by the Member and the Union to be the Member's date of termination.
- (2) An election made pursuant to Section 11.1 or 11.2 shall be made within four months from the Member's date of termination by notice in writing to the Board.
- (3) Where a Member does not, within four months from the date of termination, elect to receive a refund of contributions or make a transfer pursuant to Section 11.2, the Member shall be deemed to have elected to receive a deferred pension from the Plan.
- (4) A Member who is deemed pursuant to subsection (3) to have elected to receive a deferred pension may at any time elect by notice in writing to the Board to receive a refund of contributions or make a transfer pursuant to Section 11.2.
- (5) Upon receipt of a request mentioned in subsection (4), the Board shall refund the Member's contributions, together with Credited Interest calculated up to the day on which the Board receives the request, or make a transfer in accordance with Section 11.2, as the case may be.

## **ARTICLE 12**

### **INDEXING**

#### **12.1 Increases in Pensions**

- (1) The Corporation may, from time to time, increase the pensions payable under the Plan by a proportion equal to or less than the increase in the Consumer Price Index, as it may determine, subject to any restrictions under the *Income Tax Act* on such increases. Effective April 1, 2001, and at each April 1 thereafter, pensions in payment under the Plan in March of each calendar year will be increased by 100% of the increase in the Consumer Price Index from the previous year, subject to a maximum increase of 2% in each year. The increase in the pension will be effective April 1 of each calendar year. Such increase is subject to any restrictions under the *Income Tax Act*. In the event that 100% of the change in the Consumer Price Index is less than zero in any particular year, the pensions in payment will not be decreased in that year.
- (2) Where a Member commences receiving a pension in a year with respect to which pensions are increased pursuant to subsection (1), the Member is entitled to an increase equal to the amount of the increase in the Consumer Price Index during the portion of the year during which the Member was receiving a pension. Such increase is subject to any restrictions under the *Income Tax Act*.

#### **12.2 Transitional Provision**

- (1) Notwithstanding Section 12.1, and subject to subsection (2), the Corporation shall increase the pensions payable under the Plan by an amount equal to any increase approved by the Lieutenant Governor in Council pursuant to section 36.1 of *The Superannuation (Supplementary Provisions) Act*, subject to any restrictions under the *Income Tax Act* on such increases.
- (2) The Corporation's obligation to increase pensions pursuant to subsection (1) shall cease on January 1, 2001.

**ARTICLE 13**  
**DIVISION ON SPOUSAL RELATIONSHIP BREAKDOWN AND**  
**ENFORCEMENT OF MAINTENANCE ORDERS**

**13.1 Division on Spousal Relationship Breakdown**

- (1) The Board shall, on the breakdown of the spousal relationship of a Member, divide a pension or other benefit to which the Member is entitled, in accordance with this Section.
- (2) Subject to subsection (3), a pension or other benefit shall be divided:
  - (a) where a court has made an order for the division of matrimonial property pursuant to the *Family Property Act*, of Saskatchewan, in accordance with the order; or
  - (b) where the Member and his or her Spouse have entered into an agreement to divide their matrimonial property that is an interspousal agreement within the meaning of the *Family Property Act*, of Saskatchewan, in accordance with the agreement.
- (3) A division of a pension pursuant to subsection (2) must not reduce the Member's benefit remaining in the Plan to less than 50% of the greater of:
  - (a) the Commuted Value of the Member's pension; and
  - (b) the value of the Member's contributions made to the Plan, together with Credited Interest;  
for the total period of Plan membership.
- (4) Subsection (3) does not apply to a Retired member or a former Employee who remains entitled to benefits under the Plan.

### 13.2 Value of Pension to be Divided

- (1) Where a Member has not become eligible to receive a pension without reduction, the value of the pension for spousal relationship breakdown purposes is to be calculated as the greater of:
  - (a) the Commuted Value of the pension; and
  - (b) the value of the Member's contributions made to the Plan, together with Credited Interest

for the period beginning on the date of the spousal relationship and ending on the date mentioned in the order or agreement, and calculated as if the member terminated membership on the date mentioned in the order or agreement.

Change takes effect as of May 18, 1999  
Change acknowledged by:

- (2) Where the Member has become eligible to receive a pension without reduction, the value of the pension or benefit is to be calculated as either the value of the pension calculated pursuant to subsection (1) or as a division of the unreduced pension when the pension becomes payable, as provided in the order or agreement.
- (3) Where a Retired Member has commenced receiving a pension under the Plan, the division of the pension shall be in accordance with the order or agreement.

\_\_\_\_\_  
(authorized rep. of SaskTel)

\_\_\_\_\_  
(authorized rep. of the Union)

### 13.3 Spouse's Portion of Divided Pension

- (1) Where the Spouse or former spouse of a Member is entitled to a division of the Commuted Value of a pension, the portion of the Commuted Value to which the Spouse or former spouse is entitled shall be transferred to an RRSP that is prescribed by the Pension Benefits Act and:
  - (a) the Spouse or former spouse has no further claim or entitlement to any pension or benefit pursuant to the Plan; and
  - (b) neither the Board nor the Plan is liable to any person by reason of having complied with an order or agreement.

### 13.4 Member's Pension after Division

- (1) After a division of a Member's pension has occurred and an amount is transferred to a Spouse or former spouse pursuant to Section 13.3, the Member's remaining pension entitlement is the amount that is determined by the formula:

$$A - B$$

where

- A is the Member's pension at his or her pension commencement date calculated as if no division had occurred; and
- B is the amount determined by the formula:

$$\frac{C \times E}{D}$$

where

- C is the amount transferred on behalf of a Spouse or former spouse to a locked-in RRSP;
- D is the greater of:
- (a) the Commuted Value of the Member's pension at the date mentioned in the order or agreement and calculated as if the Member's employment terminated on the date mentioned in the order or agreement; and
  - (b) the Member's contributions made to the Plan, together with Credited Interest; and
- E is the amount of the Member's pension accrued at the date mentioned in the order or agreement.

### **13.5 Notice to Member**

- (1) Except where an order or agreement has been filed with the Board by the Member and his or her Spouse or former spouse jointly, the Board shall give a notice in writing to the Member that an order or agreement has been filed.
- (2) Unless the Board receives a notice in writing within 30 days of providing the notice mentioned in subsection (1) that the Member objects to the division of the pension or benefit on the grounds that:
  - (a) the order or agreement has been varied or is of no force or effect;
  - (b) the terms of the order or agreement have been or are being satisfied by other means; or
  - (c) proceedings have been commenced in a court of competent jurisdiction in Canada to appeal or review the order or to challenge the terms of the agreement;

the Board shall comply with the order or agreement in accordance with Sections 13.1 to 13.3.

- (3) A Member who submits a notice of objection pursuant to subsection (2) shall include with the notice documentary evidence to establish the grounds for objection.
- (4) Where a notice of objection pursuant to subsection (2) is received by the Board, the Board shall apply to Her Majesty's Court of Queen's Bench for Saskatchewan for directions.

### **13.6 Enforcement of Maintenance Orders**

- (1) Notwithstanding any other provision of this Plan, for the purpose of enforcing a maintenance order as defined in *The Enforcement of Maintenance Orders Act* a pension:
  - (a) that is payable to a Member is subject to garnishment pursuant to that Act; and

- (b) that is payable to a Member at a future date is subject to attachment pursuant to that Act.
- (2) Where an amount has been attached pursuant to subsection (1), the Commuted Value of the pension to which the Member is entitled shall be reduced by:
  - (a) \$200;
  - (b) the total amount of taxes, if any, that are required to be deducted or withheld as a result of the attachment; and
  - (c) the lesser of:
    - (i) the amount attached; and
    - (ii) the remainder of the Commuted Value of the Member's pension.
- (3) Where an amount has been attached pursuant to subsection (1):
  - (a) the Member has no further claim or entitlement to any pension or benefit pursuant to the Plan respecting the amount attached;
  - (b) the Member's pension is to be calculated on the basis of the Commuted Value of his or her pension after the attachment; and
  - (c) neither the Board nor the Plan is liable to any person by reason of having made payment pursuant to an attachment mentioned in subsection (1).

**ARTICLE 14**  
**ADMINISTRATION**

**14.1 Board**

- (1) The Board shall consist of:
  - (a) two members appointed by the Corporation;
  - (b) two members appointed by the Union, at least one of whom shall be a representative of the Retired Members; and
  - (c) the person appointed as chairperson pursuant to subsection 14.3(1).

**14.2 Members other than Chairperson**

- (1) The members appointed to the Board pursuant to subsection 14.1(1), other than the chairperson, shall hold office as follows:
  - (a) one member appointed by the Corporation and one member appointed by the Union, shall initially hold office for a term of three years and until a successor is appointed;
  - (b) the remaining members shall initially hold office for a term of two years and until a successor is appointed; and
  - (c) thereafter all members shall hold office for a term of three years and until a successor is appointed.
- (2) Each member of the Board is eligible for reappointment.
- (3) Any member may at any time resign and be discharged as a member of the Board by filing written notice to the respective appointing body. Each appointing body shall have the right at any time and from time to time to remove any one or more of its appointed members from their office.

- (4) In the case of the resignation or removal of a member or in case a vacancy shall arise, each appointing body shall have the right at any time and from time to time to appoint a successor member or an alternate member for the balance of the term.

### **14.3 Chairperson and Vice-Chairperson**

- (1) Subject to subsection 14.7(3), the members of the Board shall appoint as chairperson a person who is not a Member or an employee of the Corporation or a member or an employee of the Union.
- (2) The chairperson:
  - (a) holds office for a term of one year and until a successor is appointed; and
  - (b) is eligible for reappointment.
- (3) The chairperson may at any time resign and be discharged as chairperson of the Board by filing written notice to the other members of the Board. Subject to subsection 14.7(3), the Board shall have the right at any time and from time to time to remove the chairperson.
- (4) In the case of the resignation or removal of the chairperson or in case a vacancy shall arise, the members of the Board shall appoint another person in accordance with subsection (1) to act as chairperson.
- (5) The members of the Board shall elect one of their number to be vice-chairperson to act in the place of the chairperson during the chairperson's absence.

### **14.4 Duties of Board**

- (1) The Board shall be the administrator of the Plan and the Fund.
- (2) The Board may:
  - (a) employ staff;
  - (b) acquire any services or accommodations; and
  - (c) enter into any agreement, including any reciprocal agreement;

necessary for the administration of the Plan or the Fund.

- (3) The Fund may indemnify and save harmless the Board members from time to time in accordance with such indemnification agreements or policies of insurance as the Board deems appropriate.

#### **14.5 Meetings of the Board**

- (1) The Board shall meet at least once every three months and more often as is required, in the opinion of the Board, to transact its business,
- (2) Meetings of the Board are to be held:
  - (a) at the call of the chairperson;
  - (b) at any times that may be fixed by resolution of the Board.
- (3) Members of the Board who participate in its proceedings by telephone conference call are deemed to be present at the meeting.
- (4) Meetings of the Board are to be conducted in camera unless the Board decides otherwise.
- (5) Meetings of the Board are to be held at any place that may be fixed by resolution of the Board.

#### **14.6 Quorum**

- (1) Four members of the Board constitute a quorum.

#### **14.7 Procedure at Meetings**

- (1) All questions are to be submitted to the Board on the motion of the chairperson or any other member of the Board, and no seconder is required.

- (2) Subject to subsection (3), questions before the Board are to be decided by a majority of votes but, where there is a tie vote, the question is deemed to be decided in the negative.
- (3) For the purposes of:
  - (a) appointing or removing an investment manager;
  - (b) appointing or removing an investment advisor;
  - (c) appointing or removing the chairperson of the Board;
  - (d) interpreting the Plan provisions;
  - (e) setting actuarial assumptions;
  - (f) establishing asset mix parameters and investment policies and goals;
  - (g) establishing any pension committee and the terms of reference for such committee; and
  - (h) entering into or amending reciprocal agreements;the action must be supported by at least four of the members of the Board.
- (4) The chairperson has the right to vote on all questions before the Board.

#### **14.8 Expenses of Administration**

- (1) The members of the Board appointed by the Corporation and the Union shall be granted time away from their regular duties of employment at their regular rate of salary.
- (2) The Board shall determine the remuneration to be paid to the chairperson and to any member of the Board who is not an employee of the Corporation or of the Union, for his or her services.
- (3) The expenses incurred in the administration of the Plan shall be paid out of the Fund.

**ARTICLE 15**  
**THE PENSION FUND**

**15.1 Pension Fund**

- (1) All the contributions, investment income, and any other assets received for the purposes of the Plan, will be deposited in the Fund, and all the benefits under the Plan paid therefrom.
- (2) The Fund shall be administered by the Board.

**15.2 Fund Holder**

- (1) The Fund shall, at the option of the Board, be held by:
  - (a) an insurance company pursuant to a contract for insurance;
  - (b) a trust governed by a written trust agreement pursuant to which the trustees are:
    - (i) a trust corporation, as defined in *The Trust and Loan Corporations Act*, that is licensed to carry on business in Canada; or
    - (ii) three or more individuals at least three of whom reside in Canada and at least one of whom is not a significant shareholder, partner or employee of the Corporation or a proprietor of the business of the Corporation.

**15.3 Investment of the Fund**

- (1) The Board shall invest the assets of the Fund in accordance with the requirements for the investment of pension funds contained in the Pension Benefits Act and the Income Tax Act.

(2) The Board may:

- (a) enter into any agreement;
- (b) engage the services of or retain any technical, professional or other advisers, specialists or consultants; or
- (c) do any other things;

that it considers necessary for the purpose of managing, investing or disposing of all or any part of the assets of the Fund.

(3) The:

- (a) costs incurred pursuant to subsection (1) in; and
- (b) other expenses related to;

managing, investing or disposing of all or any part of the assets of the Fund are a charge on and payable out of the Fund.

**ARTICLE 16**  
**AMENDMENTS OR TERMINATION**  
**OF THE PLAN**

**16.1 Amendments**

- (1) The Corporation retains the exclusive right to amend or modify the Plan, in whole or in part, at any time and from time to time in such manner and to such extent as it may deem advisable, subject to the following conditions:
- (a) no amendment shall have the effect of reducing any Member's, Spouse's, Child's or estate's then existing entitlements under the Plan;
  - (b) no amendment shall be made to:
    - (i) Section 4.1;
    - (ii) Section 4.3;
    - (iii) Section 4.7;
    - (iv) the provisions of Article 14; or
    - (v) the provisions of this Article 16;unless the amendment has been approved by the Union; and
  - (c) the Corporation shall amend the Plan to reflect any changes negotiated between the Corporation and the Union.

**16.2 Termination of the Plan**

- (1) The Corporation reserves the right to terminate the Plan either in whole or in part, at any time or times in such manner and to such extent as it may deem advisable, subject to the provisions of the *Pension Benefits Act* and the *Income Tax Act*.

- (2) In the event that the Plan is terminated, the assets of the Plan shall first be allocated to provide for the payment of all benefits in accordance with the terms of the Plan, the *Income Tax Act* and the *Pension Benefits Act*.
- (3) In the event that the Plan is terminated, the Corporation shall ensure that all benefits earned and all allowances granted as at the date of termination shall be paid in full, and no benefits or allowances shall be reduced as a result of the termination of the Plan.

For purposes of clarification, in the event that the obligation under Article 12.2(2) of the Plan has application at the time of the termination of the Plan, the payment of “all benefits earned and all allowances granted as at the date of termination” shall include future increases approved pursuant to Section 36.1 of the Superannuation (Supplementary Provisions) Act as determined by the Actuary.

- (4) Any Surplus remaining in the Fund after all benefits under the Plan have been provided and all liabilities discharged shall be allocated as follows:
  - (a) if the Actuary determines that the level of benefits payable under the Plan at the date of termination is less than the average of the level of benefits provided by those pension plans then governed by The Superannuation (Supplementary Provisions) Act, Surplus shall be utilized to increase the benefits payable under the Plan in an amount which would, in the opinion of the Actuary, make the level of benefits payable under the Plan equal to the average of the level of benefits provided by those pension plans to which The Superannuation (Supplementary Provisions) Act applies; and
  - (b) any Surplus not allocated pursuant to clause (a) shall be transferred to the Corporation.

**ARTICLE 17**  
**GENERAL**

**17.1 No Contract of Employment**

- (1) The adoption and maintenance of the Plan shall not be deemed to constitute a contract of employment or otherwise between the Corporation and any Member. Nothing contained herein shall be deemed to give any Member the right to be retained in the employment of the Corporation or to interfere with the right of the Corporation to terminate the employment of any Member at any time.

**17.2 Pension Monies Not Assignable**

- (1) No right of any person under the Plan is capable of being assigned, charged, anticipated, given as security or surrendered, and, for the purposes of this condition:
- (a) assignment does not include:
- (i) assignment pursuant to a decree, order or judgement of a competent tribunal or a written agreement in settlement of rights arising as a consequence of the breakdown of a marriage or other conjugal relationship between the Member and the Member's Spouse or former spouse; or
  - (ii) assignment by the legal representative of the deceased Member on the distribution of the Member's estate; and
- (b) surrender does not include a reduction in benefits to avoid the revocation of the registration of the Plan under the *Income Tax Act*.

**APPENDIX A**  
**LIST OF PLAN AMENDMENTS**

<b>Amendment Number</b>	<b>Sections Affected</b>	<b>Effective Date of Change</b>
First amendment – text revised as of May 18, 1999	10.2 heading	May 18, 1999
	10.2 (3)	May 18, 1999
	10.2 (4)	May 18, 1999
	10.2 (5)	May 18, 1999
	10.3	May 18, 1999
	11.2	May 18, 1999
	13.1(3)	May 18, 1999
	13.1(4)	May 18, 1999
	13.2	May 18, 1999
Amendment No P-2	2.1(22) definition of spouse	July 31, 2000
	10.2(7)	July 31, 2000

**APPENDIX A**  
**LIST OF PLAN AMENDMENTS**

<b>Amendment Number</b>	<b>Sections Affected</b>	<b>Effective Date of Change</b>
Amendment No. P-3	2.1(7)	January 1, 1999
	4.3(b)	January 1, 1999
	4.4(2)	January 1, 1999
	4.7(1)	January 1, 1999
	4.7(1)(b)	January 1, 1999
	4.9(1)	January 1, 1999
	5.1(3)(c)	January 1, 1999
	5.1(3)(d)	January 1, 1999
	7.6(2)(a)	January 1, 1999
	7.6(2)(b)	January 1, 1999
	8.1(1)	January 1, 1999
	8.1(3)	January 1, 1999
	8.1(4)	January 1, 1999
	8.1(5)	January 1, 1999
	8.4(1)	January 1, 1999
	8.4(2)	January 1, 1999
	8.4(3)	January 1, 1999
	8.5(1)	January 1, 1999
	9.4(1)	January 1, 1999
	9.10(1)	January 1, 1999
	9.11(3)	January 1, 1999
	10.2(2)	January 1, 1999
	10.2(6)	January 1, 1999
11.2(1)	January 1, 1999	
11.2(6)	January 1, 1999	
11.4(1)	January 1, 1999	
12.1(1)	January 1, 1999	
12.2(1)	January 1, 1999	
Amendment No. P-4	2.1(22)(2)	July 10, 2001
	13.1(2)(a)	July 10, 2001
	13.1(2)(b)	July 10, 2001
Amendment No. P-5	2.1(3)	January 1, 2001
	2.1(7)	January 1, 2001
	8.4(1)(b)	January 1, 2001
	12.1	January 1, 2001

<b>Amendment Number</b>	<b>Sections Affected</b>	<b>Effective Date of Change</b>
Amendment No. P-5 (cont'd)	12.2	January 1, 2001
	Appendix B	January 1, 2001
Amendment No. P-6	2.1(10)	January 1, 2004
	Title of Article 13	January 1, 2004
	13.1(1)	January 1, 2004
	13.2(1)	January 1, 2004
	14.7(3)(f)	January 1, 2004
Amendment No. P-7	9.11(2)	January 1, 2005
	9.11(3)	January 1, 2005
	10.2(7)	June 1, 2005
	10.2(8)	June 1, 2005
	10.2(9)	June 1, 2005
Amendment No. P-8	2.1 (3)(a)	January 1, 1999
	2.1 (3)(b)	January 1, 1999
	2.1 (3)(c)	January 1, 1999
	2.1(20)	January 1, 1999
	7.3 (1)	January 1, 2009
	7.3 (2)	January 1, 1999
	9.10 (1)	January 1, 2009
	9.11 (1)	January 1, 1999
	13.2 (2)	May 18, 1999

**APPENDIX B**  
**RECALCULATION OF PENSION BENEFITS EFFECTIVE JANUARY 1, 2001**

**B.1 Recalculation of Pension Benefits**

- (1) Each pension benefit being paid from the Plan on December 31, 2000 to a Retired Member, surviving Spouse or surviving Child, will be recalculated as of the date that the pension benefit originally commenced by replacing the Best Average Salary that was used in the original calculation of the pension benefits with the Best Average Salary effective January 1, 2001.
- (2) All other rules, provisions and administrative practices of the Plan as of the time that the pension benefit was originally calculated will be applied in the recalculation of the pension benefits referred to in subsection (1).
- (3) All other aspects of the original calculation, including but not restricted to: early retirement reductions, maximum pension limits, provisions of early retirement packages, integration with the Canada Pension Plan and/or Old Age Security benefits, or optional forms of payment will be incorporated in the recalculation of the pension benefits referred to in subsections (1) and (2).
- (4) The pension benefits recalculated pursuant to subsections (1), (2), and (3) will then be increased in accordance with each post retirement increase granted by the Plan after the original commencement date and before January 1, 2001.
- (5) The recalculated pension benefits pursuant to subsections (1), (2), (3), and (4) shall become payable with the pension payable for the month of January, 2001 and shall replace the Retired Member's, surviving Spouse's, or surviving Child's pension benefits otherwise payable thereafter.

**B.2 Recalculation of Deferred Pension Benefits**

- (1) All deferred pensions in the Plan as of December 31, 2000 will be recalculated as of the date that the deferred pension was originally calculated by replacing the Best Average Salary that was used in the original calculation of the deferred pension with the Best Average Salary effective January 1, 2001.

- (2) All other rules, provisions and administrative practices of the Plan as of the time that the deferred pension benefit was originally calculated will be applied in the recalculation of the pension benefits referred to in subsection (1).
- (3) All other aspects of the original calculation, including but not restricted to: early retirement reductions, maximum pension limits, integration with Canada Pension Plan and/or Old Age Security benefits, or optional forms of payment will be incorporated in the recalculation of the deferred pension benefits referred to in subsections (1) and (2).