

**Saint Mary's University
Pension Plan**

(Consolidated as at April 11, 2018)

Registration No. 0393801

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Section 1 – Introduction

- 1.01** The Pension Plan for Faculty and Administrative Staff of Saint Mary's University ("Faculty and Administrative Plan") was established by Saint Mary's University ("University") effective May 1, 1985. The Faculty and Administrative Plan succeeded two prior registered pension arrangements, known as GP710 and GA2276, both fully insured defined benefit arrangements with The Manufacturers Life Insurance Company, under which some members of the Faculty and Administrative Plan retained an entitlement to benefits.
- 1.02** The Pension Plan for Support Staff of Saint Mary's University ("Support Staff Plan") was established by the University effective July 1, 1985. The Support Staff Plan succeeded a prior registered pension arrangement, known as GA1515, a fully insured defined benefit arrangement with The Manufacturers Life Insurance Company, under which some members of the Support Staff Plan retained an entitlement to benefits.
- 1.03** Effective June 1, 2007, the Support Staff Plan merged with the Faculty and Administrative Plan. The resulting merged plan continues as the Saint Mary's University Pension Plan ("Plan"), under the registration number assigned to the Faculty and Administrative Plan. Account balances of members of the Support Staff Plan will be transferred in full to the Plan and will be subject to the terms and conditions set out herein. Such individuals will participate as Members of the Plan for all service on and after June 1, 2007. The registration of the Support Staff Plan is terminated effective May 31, 2007. Members of the Faculty and Administrative Plan continue to participate as Members of the Plan for all service on and after June 1, 2007.
- 1.04** The Plan as set out in this text is amended and restated to incorporate changes necessary and incidental to the merger of the Faculty and Administrative Plan and Support Staff Plan and to incorporate all amendments up to June 1, 2007.
- 1.05** The University delegates to the Saint Mary's University Pension Committee ("Committee") the role of Administrator of the Plan under section 14 of the *Pension Benefits Act* and section 147.1 of the *Income Tax Act*. The Committee shall administer the Plan in accordance with its provisions and in accordance with the *Pension Benefits Act* and the *Income Tax Act*, and in consideration of the Plan's mission, as stated in Section 1.06.
- 1.06** The University and the Committee will assist Plan Members to achieve financial security by the time of retirement. This assistance will take two forms. The primary focus will be the optimization of the Plan. The secondary focus will be the timely provision of information to enable Plan Members to make more informed and rational decisions

regarding the Members' retirement income. In the context of assisting Plan Members, the objective is to be competitive with other Canadian universities.

- 1.07** Unless stated otherwise, the terms of the Plan as restated in this text apply to Members whose Continuous Service terminates on or after June 1, 2007. The benefits of Members whose Continuous Service terminated before June 1, 2007 are determined by the terms of the Plan that were in effect at the time of that event.

Section 2 – Definitions

In this Plan, the following words and phrases have the meanings described below, unless a different meaning is clearly and specifically required by the context.

- 2.01** *Actual Retirement Date* means the date a Member's pension commences to be paid, which may not precede the Member's attainment of age 55.
- 2.02** *Actuarial Equivalent* means a pension of an equivalent value determined using actuarial tables and other methods and assumptions that are adopted by the Committee on the recommendation of the Actuary for the purposes of the Plan, subject to any requirements of the *Pension Benefits Act* and the *Income Tax Act*.
- 2.03** *Actuary* means a person or firm retained by the Committee who is, or one of whose employees is, a Fellow of the Canadian Institute of Actuaries.
- 2.04** *Administrator* means the Committee.
- 2.05** *Beneficiary* means a beneficiary designated by a Member in accordance with Section 11.
- 2.06** *Committee* means the Saint Mary's University Pension Committee.
- 2.07** [Intentionally deleted]
- 2.08** *Continuous Service* means, subject to Section 9.03, an Employee's uninterrupted period of employment since the Member's last date of hire by the University, without regard to periods of temporary suspension of employment, membership or service and without regard to periods of lay-off from employment. For greater certainty, in respect of Members who became Members on June 1, 2007 immediately following a period of membership in the Support Staff Plan, Continuous Service shall include any period that formerly qualified as continuous service under the Support Staff Plan.
- 2.09** *Earnings* means base salary, including income in respect of shift differentials and market differentials, as determined by collective agreement or other employment contract, received by a Member from the University during a Plan Year, plus, with respect to periods of Continuous Service during which a Member is not remunerated or is remunerated at less than the full rate of Earnings by the University, an amount deemed to be received based on the rate of Earnings of the Member immediately preceding that period. However, deemed Earnings shall not exceed the amount of compensation that is prescribed for this purpose by the *Income Tax Act*.

- 2.10** *Effective Date* means May 1, 1985, in respect of the Faculty Plan; July 1, 1985 in respect of the Support Staff Plan; and June 1, 2007 in respect of the Plan as it results from the merger of the Faculty Plan and Support Staff Plan.
- 2.11** *Employee* means for purposes of the Plan, a person in employment with the University as a faculty member, professional librarian, administrative staff employee, or support staff employee.
- 2.12** *Faculty and Administrative Member* means a Member of the Plan who is a Member by virtue of employment with the University as a faculty member, professional librarian, or member of administrative staff.
- 2.13** *Faculty and Administrative Plan* means the Pension Plan for Faculty and Administrative Staff of Saint Mary's University, predecessor to the Plan, and having the same registration number as the Plan for purposes of the *Income Tax Act* and *Pension Benefits Act*.
- 2.14** *Funding Agent* means an insurance company authorized to carry on a life insurance business in Canada or a trust company and includes any combination or successors thereof selected by the Committee to hold, administer and invest the Pension Fund.
- 2.15** *Funding Agreement* means any agreement or agreements now or hereafter executed with the Funding Agent for purposes of this Plan.
- 2.16** *Income Tax Act* means the *Income Tax Act*, Statutes of Canada and the Regulations thereunder, as amended or replaced from time to time.
- 2.17** *Interest* means all investment income or loss resulting from the investment of the Member's Account. Interest shall be allocated not less than annually to the Member's Account.
- 2.18** *Member* means an Employee or a former Employee who has become a Member of the Plan pursuant to Section 3 and who continues to be entitled to benefits under the Plan. Member excludes a person by whom or in respect of whom all benefits have been transferred out of the Plan.
- 2.19** *Member's Account* means the aggregate of contributions made in accordance with Section 4.01, 4.02 or 9.04, plus Interest, less any fees or expenses deducted from the Member's Account in accordance with Section 13.04(1).
- 2.20** *Normal Retirement Date* means the Normal Retirement Date of a Member described in Section 5.01.

- 2.21** *Pension Benefits Act* means the *Pension Benefits Act*, Statutes of Nova Scotia and the Regulations thereunder, as amended or replaced from time to time.
- 2.22** *Pension Fund* means the fund maintained to provide benefits under or related to the Plan.
- 2.23** *Plan* means the Saint Mary's University Pension Plan, having registration number 0393801 under the *Income Tax Act* and the *Pension Benefits Act*, and as may be amended from time to time.
- 2.24** *Plan Year* means the 12 calendar months from April 1 to March 31.
- 2.25** *Spouse* means either of two persons who:
- (1) are married to each other;
 - (2) are married to each other by a marriage that is voidable and has not been annulled by a declaration of nullity;
 - (3) have gone through a form of marriage with each other, in good faith, that is void and are cohabiting or, where they have ceased to cohabit, have cohabited within the twelve-month period immediately preceding the date of entitlement;
 - (4) are domestic partners within the meaning of the Nova Scotia Vital Statistics Act;
 - (5) not being married to each other, are cohabiting in a conjugal relationship with each other for a period of at least three years if either of them is married, or a period of at least one year if neither of them is married.

Notwithstanding the foregoing, for all applications of the Income Tax Act, the applicable definition therein shall apply. Should more than one person qualify as a Spouse pursuant to this definition at a time when a determination is required for benefit purposes, the Plan's responsibility and liability shall be limited to the amount payable had only one individual qualified as Spouse under this definition.

- 2.26** *Support Staff Member* means a Member of the Plan who is a Member by virtue of employment with the University as a member of support staff.
- 2.27** *Support Staff Plan* means the former Pension Plan for Support Staff of Saint Mary's University, which had registration number 0360305 under the *Income Tax Act* and *Pension Benefits Act*, and which was terminated on merger with the Faculty and Administrative Plan to form the Plan, effective June 1, 2007.
- 2.28** *Total Disability* means a period of disability throughout which the Member is physically or mentally impaired so that the Member is prevented from performing the duties of employment in which the Member was engaged prior to the impairment and which is

certified, in writing, by a medical doctor licensed to practice in Canada or where the Member resides.

2.29 *University* means Saint Mary's University, and where any reference in the Plan is made to any action to be taken, consent, approval or opinion to be given, discretion or decision to be exercised by the University, "University" means Saint Mary's University acting through its Board of Governors or any person authorized by its Board of Governors to so act.

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

Section 3 – Eligibility for Membership

3.01 Full-Time Employees

A full-time Employee of the University hired on or after July 1, 2004 shall become a Member of the Plan upon commencement of the Member's Continuous Service. A full-time Employee of the University hired before July 1, 2004 may join the Plan upon commencement of Continuous Service or at any time thereafter, but, in any event, such Employee must become a Member of the Plan upon the Member's attainment of age 30.

3.02 Other Than Full-time Employees

Subject to the terms of any applicable collective agreement or contract of employment, an Employee who is employed on other than a full-time basis may be eligible to become a Member on the first day of the month coincident with or next following the completion of 24 months of Continuous Service, provided the Member has attained at least one of the following:

- (1) earnings of at least 35% of the YMPE from employment with the University; or
- (2) at least 700 hours of employment with the University,

in each of the two immediately preceding consecutive calendar years.

3.03 Termination of Participation Not Permitted

Subject to Section 5.03, a Member's participation in the Plan must continue while the Member remains an Employee. A Member does not cease to be a Member merely because the Member earns less than 35% of the YMPE or works less than 700 hours in a calendar year.

3.04 Re-Employment

If a former Employee is re-hired by the University, the Employee is a new Employee for purposes of eligibility for membership and benefits under the Plan, except with respect to any vested benefits which the Member may have to the Member's credit in the Plan for the Member's previous service. Any benefit earned after the date of re-hire shall be calculated based on Continuous Service after that date.

3.05 Enrollment

To become a Member of the Plan, an Employee will be required to complete, sign and deliver to the Administrator any enrollment forms and other information required by the Plan including an authorization allowing the University to make deductions from the Employee's Earnings in accordance with Section 4.02.

Section 4 – Contributions

4.01 University Contributions

- (1) The University shall contribute to the Pension Fund on behalf of each Member who is making contributions under Section 4.02 an amount equal to 8% of the Member's Earnings.
- (2) The University shall remit to the Funding Agent, for deposit to the Pension Fund, its required contributions within 30 days following the end of the payroll period to which the contributions are applicable.

4.02 Member Contributions

- (1) Subject to Section 9.01, each Member who is an Employee shall contribute, by regular payroll deduction, 6% of the Member's Earnings.
- (2) The University shall remit to the Funding Agent, for deposit to the Pension Fund, all sums received by the University from a Member or deducted from a Member's pay within 30 days following the date on which the sums are received or deducted.

4.03 Voluntary Contributions and Transfers

A Member who is contributing under Section 4.02 may elect to make voluntary contributions, in the amount and manner approved by the University, which contributions will be allocated to an individual account on behalf of the Member. Such contributions are not locked-in.

A Member may also transfer funds from another registered pension plan or other registered retirement savings arrangement to the Plan, to be held in an individual account on behalf of the Member. Such amounts subject to the locking-in restrictions of the *Pension Benefits Act* or any other pension legislation shall be administered to maintain such locked-in status. Transferred amounts not subject to locking-in restrictions are not locked-in by the Plan.

Voluntary contributions and transferred amounts may be withdrawn or transferred from the Plan, as applicable, at any time in the Member's discretion. Amounts that are subject to locking-in restrictions may be transferred from the Plan only in circumstances where locking-in restrictions are maintained. Voluntary contributions and transfer amounts remaining to the credit of a Member at the time his or her membership in the Plan ceases will be settled in accordance with the applicable Plan terms.

4.04 Maximum Contributions

The sum of the contributions by the University in accordance with Section 4.01(1) and the Member in accordance with Section 4.02(1) and Section 4.03 shall not exceed the maximum amount that is permitted by the *Income Tax Act* for that Plan Year.

4.05 Pension Adjustment

In no event shall the contributions made by the University in accordance with Section 4.01(1) and the Member in accordance with Section 4.02(1) and Section 4.03 result in a pension adjustment for the Member as defined by the *Income Tax Act* in excess of the limits for the year, as prescribed by the *Income Tax Act*.

4.06 Forfeitures

Any portion of a Member's Account that is attributable to University contributions and is forfeited for any reason shall be:

- (1) paid to the University, subject to any approvals required under the *Pension Benefits Act*;
- (2) re-allocated to the Member Accounts of other Members, thereby reducing the amount of contributions to be paid by the University under Section 4.01;
- (3) used to pay Plan expenses,

or any combination of the above, as determined by the University, before the end of the Plan Year subsequent to the Plan Year in which the forfeiture arises.

4.07 Refund to Avoid Revocation of Registration

University contributions under Section 4.01 and Member contributions made under Sections 4.02 and 4.03 and Interest thereon shall be refunded to the University or the Member, as applicable, where such refund is required in order to avoid revocation of the registration of the Plan under the *Income Tax Act*.

Section 5 – Retirement Dates

5.01 Normal Retirement Date

Normal Retirement Date means one of the following, as applicable:

(1) For a Faculty and Administrative Member who is a faculty member or professional librarian, August 31 coincident with or next following the date on which the Member attains age 65; or

(2) For a Faculty and Administrative Member who is a member of administrative staff or for a Support Staff Member, June 30 next following the date on which the Member attains age 65, except where the Member attains age 65 in June, in which case the Member's Normal Retirement Date will be July 31 next following the date on which the Member attains age 65.

5.02 Early Retirement Date

If the Continuous Service of a Member terminates on or after the Member attains age 55 and before the Member's Normal Retirement Date, the Member is considered to have retired on the Member's Early Retirement Date. The Member's Early Retirement Date is the first day of the calendar month coincident with or next following the date on which the Member's Continuous Service terminates. The Member's benefits shall be determined in accordance with the rules and options set out in Section 6.

5.03 Postponed Retirement Date

If either:

- (1) the Continuous Service of a Member terminates after the Member's Normal Retirement Date; or
- (2) a Member is still employed on December 1 in the calendar year in which the Member attains or will attain age 71, or such other age prescribed for this purpose under the *Income Tax Act* from time to time,

the Member is considered to have retired on the Member's Postponed Retirement Date. The Member's Postponed Retirement Date is the first day of the calendar month coincident with or next following the earlier of the events in (1) and (2), above, and in any event, shall be no later than December 1 in the calendar year in which the Member attains or will attain age 71, or such other age prescribed for this purpose under the *Income Tax Act* from time to time.

Section 6 – Retirement Benefits

6.01 Retirement Benefit

A Member who terminates Continuous Service in accordance with Section 5.01, 5.02, or 5.03 shall be considered to have retired, and shall be entitled to receive, from the Member's Actual Retirement Date, the annual pension that can be purchased with the value of the Member's Account at the Actual Retirement Date.

A Faculty and Administrative Member may also have entitlement to benefits from a prior pension plan of the University, specifically those known as GP710 and GA2276, both fully insured defined benefit arrangements with The Manufacturers Life Insurance Company. A Support Staff Member may also have entitlement to benefits from a prior pension plan of the University, specifically that known as GA1515, a fully insured defined benefit arrangement with The Manufacturers Life Insurance Company.

6.02 Purchase of Pensions

Any pension payable to a Member (or to the Member's Spouse in accordance with Section 10) under Section 6.01 will be provided by means of the purchase of an annuity from a life insurance company that is licensed to transact business in Canada.

6.03 Transfer of Member's Account

In lieu of the pension described in Section 6.02 and in full satisfaction of any entitlement to a pension from the Plan, the Member may elect to have the value of the Member's Account:

- (1) transferred directly on the Member's behalf on a locked-in basis to another registered pension plan, provided that the administrator of that pension plan agrees to accept the transfer;
- (2) transferred directly on the Member's behalf on a locked-in basis to a registered retirement savings plan or life income fund or any other retirement funding arrangement that may be prescribed for this purpose by the *Pension Benefits Act*; or
- (3) applied to purchase a deferred life annuity under which the Member is the annuitant from an insurance company licensed to transact business in Canada provided payment of the annuity will not commence before the earliest date on which the Member was entitled to receive pension payments under the Plan,

all subject to and in accordance with the requirements of the *Pension Benefits Act* and the *Income Tax Act*.

6.04 Benefit from Voluntary Contributions and Transfers

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

- (1) subject to Section 6.06, a refund of the Member's voluntary contributions and any transferred amounts not subject to locking-in restrictions ; or
- (2) an annuity purchased from an insurance company licensed to transact business in Canada with the amount of contributions and non-locked-in transfers made by the Member under Section 4.03, with Interest.

A Member with amounts transferred to the Plan under Section 4.03 subject to locking-in restrictions may transfer any such amount in accordance with the options described in Section 6.03, subject to any limitations or requirements imposed by applicable legislation.

6.05 Small Benefits

If the annual lifetime pension payable at the Member's Normal Retirement Date is not more than 4% of the YMPE in the year of the Member's termination of Continuous Service, or if the value of the Member's Account is less than 20% of the YMPE in the year of the Member's termination of Continuous Service, or such other amount as may be prescribed for this purpose by the *Pension Benefits Act*, the Member will receive a lump sum payment equal to the value of the Member's Account in full satisfaction of the Member's entitlement under the Plan.

6.06 Transfer of Refund to RRSP

A Member who is entitled to receive a refund of voluntary contributions or non-locked-in transfer amounts under Section 6.04, or a lump sum settlement of benefits under Section 6.05, may elect to have that refund or settlement transferred directly on the Member's behalf to a registered retirement savings plan, if the *Income Tax Act* permits.

Section 7 – Form of Pension Benefits

7.01 Pension Calculation According to Normal Form

The amount of pension to be provided to a Member is calculated according to the normal form of pension and is payable in that normal form of pension unless the automatic form of pension applies or the Member elects an optional form of pension.

7.02 Normal Form of Pension Benefit

The normal form of pension is an annuity payable in equal monthly instalments for the life of the Member and in any event for a period of not less than 120 months. If the Member dies before receiving 120 monthly payments, the Member's Beneficiary is entitled to receive the value of the remaining balance of the 120 payments in a lump sum. If the Member dies after receiving 120 monthly payments, the last payment shall be the payment for the month in which the Member's death occurs.

7.03 Automatic Form of Pension Benefit

(1) Automatic Form for a Member with a Spouse

Subject to Sections 7.03(2), for a Member who has a Spouse on the date on which pension payments are due to commence, the pension must be paid as a joint and survivor annuity which is payable in equal monthly instalments for the life of the Member and payable after the Member's death to the Member's Spouse for life in monthly instalments equal to at least 60% of the amount the Member was receiving immediately before the Member's death.

(2) Waiver of Automatic Form of Pension

Notwithstanding Section 7.03(1), where the Member has a Spouse on the date on which pension payments are due to commence and,

- (a) the Member delivers to the Administrator, within the 12-month period immediately preceding the date upon which payment of the pension is to commence, a waiver in the form and manner required for this purpose under the *Pension Benefits Act* and the Member and Spouse meet all qualifying criteria to exercise such waiver; and
- (b) this waiver is not revoked by the Member and Spouse prior to the commencement of the pension,

such Member shall receive a pension in the normal form described under Section 7.02 or may elect an optional form of pension in accordance with Section 7.05.

7.04 Election of Optional Forms

In lieu of the normal form of pension payable according to Section 7.02 or the automatic form of pension payable according to Section 7.03(1), and subject to the requirements of Section 7.03(2) where it applies, a Member may elect before pension commencement to receive the Member's pension benefit in one of the optional forms of pension specified in Section 7.05.

7.05 Optional Forms of Pension Benefit

Optional forms of pension benefit, each of which is payable in equal monthly instalments, shall be the Actuarial Equivalent of the normal form of pension payable according to Section 7.02. The optional forms are, subject to availability from an insurance company licensed to transact business in Canada:

- (1) a life pension ending with the payment for the month in which the Member's death occurs;
- (2) a life pension guaranteed for up to 15 years in favour of the Member's Beneficiary;
- (3) a life pension continuing after the death of the Member to the Member's Spouse or former Spouse, who shall be named at the time the pension commences, in any percentage of the amount that would have been paid to the Member if the Member had lived, up to 100%; or
- (4) a life pension combining the features of (2) and (3) above.

7.06 Additional Features

A Member may further elect the following additional features for the Member's pension under Section 7.05, subject to the availability of the feature from the insurance company providing the pension:

- (1) If the pension is to commence before the Member attains age 65, the Member may elect to receive the Member's pension in a higher monthly amount before the Member attains age 65 and lower monthly amounts after the Member has attained age 65, with the difference in the monthly amounts calculated so that the Member's combined pension from the Canada Pension Plan or the Quebec Pension Plan, Old Age Security and the Plan will be as level as possible before and after age 65, provided that the portion of the pension ceasing at age 65 does not exceed the Canada Pension Plan or Quebec Pension Plan and Old Age Security benefit that would be payable to the Member if the Member were age 65.

- (2) The Member's pension, and any payments made after the Member's death, may be indexed so that the otherwise equal instalments are increased in accordance with any index of economic change that is acceptable for this purpose under the *Income Tax Act*.

7.07 Transfer of Lump Sum to RRSP

If the person who is entitled to receive a lump sum payment under any of the forms of pension payable under the Plan is the Member's Spouse or former Spouse, that person may elect to have that amount transferred directly on the Member's behalf to a registered retirement savings plan, subject to eligibility for such transfer under the *Income Tax Act*.

Section 8 – Termination Benefits

8.01 Termination Benefits

A Member whose Continuous Service terminates for any reason other than death, or retirement in accordance with Section 6, is not permitted to withdraw any of the Member's required contributions and is entitled to receive a pension, commencing at the Member's Actual Retirement Date, in such amount as may be purchased with the value of the Member's Account attributable to the Member's contributions and the contributions made by the University to the Plan on the Member's behalf, plus Interest.

8.02 [Intentionally deleted]

8.03 Refund/Transfer of Voluntary Contributions and Transfer Amounts

Upon termination of Continuous Service for any reason, a Member is entitled to receive a refund of the Member's voluntary contributions and any transfer amounts under Section 4.03 not subject to locking-in restrictions, if any, plus Interest. A Member with amounts transferred to the Plan under Section 4.03 subject to locking-in restrictions may transfer any such amount in accordance with the options described in Section 8.05.

8.04 Early Commencement of Deferred Pension

A Member whose Continuous Service terminates before the Member has attained age 55 and who is entitled to receive a pension under Section 8 may elect to commence receiving this pension on the first day of any calendar month coincident with or following the Member's attainment of age 55 and prior to the Member's Normal Retirement Date. The amount of this pension will be the annual pension which can be purchased with the value of the Member's Account at the actual pension commencement date.

8.05 Transfer of Value of Member's Account

- (1) Subject to Section 8.05(2), a Member who is entitled to receive a pension in accordance with Section 8.01 may elect to have the value of the Member's Account:
 - (a) transferred directly on the Member's behalf on a locked-in basis to another registered pension plan, provided that the administrator of that pension plan agrees to accept the transfer;
 - (b) transferred directly on the Member's behalf on a locked-in basis to a registered retirement savings plan or life income fund or any other retirement funding arrangement that may be prescribed for this purpose by the *Pension Benefits Act*; or
 - (c) applied to purchase a deferred life annuity under which the Member is the annuitant from an insurance company licensed to transact business in Canada provided payment of the annuity will not commence before the earliest date on which the Member was entitled to receive pension payments under the Plan.
- (2) No transfer or purchase under Section 8.05(1) shall be permitted unless the transfer or purchase complies with the requirements of the *Pension Benefits Act* and the *Income Tax Act*.

8.06 Transfer of Refund to RRSP

A Member who is entitled to a refund under Section 8.03, or a payment under Section 8.07, may elect to have that amount transferred directly on the Member's behalf to a registered retirement savings plan, subject to the application of the maximum prescribed for this purpose by the *Income Tax Act*.

8.07 Small Benefits

If the annual lifetime pension payable at the Member's Normal Retirement Date is not more than 4% of the YMPE in the year of the Member's termination of Continuous Service, or if the value of the Member's Account is less than 20% of the YMPE in the year of the Member's termination of Continuous Service, or such other amount as may be prescribed for this purpose by the *Pension Benefits Act*, the Member will receive a lump sum payment equal to the value of the Member's Account in full satisfaction of the Member's entitlement to a pension under the Plan.

Section 9 – Periods of Leave

9.01 Member Contributions during Statutory and Other Approved Leaves

A Member may continue to make contributions in accordance with Section 4.02(1) to the Plan during a period of leave permitted under the Nova Scotia *Labour Standards Code*, or other periods of leave approved by the University (excluding periods of Total Disability, which are subject to Section 9.04), that are included in Continuous Service. Continued accrual under the Plan for periods of leave is subject to the overall limits on the accrual of benefits for such periods imposed by Regulation 8507 of the *Income Tax Act*. A Member who elects to continue making contributions hereunder shall make arrangements with the University to remit the required amounts when due during the period of absence.

9.02 University Contributions

The University's obligation to contribute under Section 4.01(1) in respect of periods of leave in accordance with Section 9.01 applies only if the Member elects to continue to contribute in accordance with Section 9.01. If the Member ceases to make contributions during such period, University contributions shall also cease.

9.03 Continuation and Termination of Continuous Service

During a period of Total Disability a Member's Continuous Service is deemed to continue until the earlier of:

- (1) the Member's Normal Retirement Date; and
- (2) the day on which the Member ceases to receive benefits from a long-term disability plan of the University if the Member does not return to active employment with the University.

9.04 Total Disability Contributions

During a period of Total Disability while in receipt of income replacement benefits from a long-term disability plan sponsored by the University or to which the University contributes on a Member's behalf, neither the Member or University shall contribute directly to the Plan. Instead, contributions payable by the insurer of the applicable long-term disability plan, if any, shall be credited to the Member's Account for as long as such payments continue from the insurer, including any such period following the Member's termination of employment unless the Member elects otherwise. Such contributions shall be considered required contributions under the Plan.

Section 10 – Death Benefits

10.01 Death Benefits

If a Member's Continuous Service terminates due to the Member's death, a death benefit which is the value of the Member's Account is payable to the Member's Spouse or, where the Member has no Spouse, to the Member's Beneficiary.

Notwithstanding the foregoing, where the Member had a Spouse at the date of death and that Spouse has waived his or her entitlement hereunder, before the Member's death, whether through a court order, written agreement or waiver form approved for this purpose under the *Pension Benefits Act* and having met all conditions applicable for this purpose under the *Pension Benefits Act*, benefits hereunder shall be paid to the Member's Beneficiary.

10.02 Form of Payment

(1) Payment to a Beneficiary

Any amount payable to a Member's Beneficiary under this Section 10 is payable in a lump sum.

(2) Payment to a Spouse

Any amount payable to a Member's Spouse under this Section 10 will be in either of the following forms, at the Spouse's option:

(a) a lump sum payment; or

(b) an annuity payable for the Spouse's lifetime in such amount as may be provided by (a) above and in any form available under Section 7, commencing at any time prior to the end of the calendar year in which the Spouse attains age 71 (or, if the Spouse has already attained age 71, within one year after the death of the Member).

10.03 Refund of Voluntary Contributions and Transfer Amounts

In addition to any other death benefit payable under Section 10, the Member's Beneficiary is entitled to receive a refund of the Member's voluntary contributions and transfer amounts under Section 4.03, if any, plus Interest. Where transfer amounts are subject to locking-in restrictions that prevent a refund to a Beneficiary, the Beneficiary shall be entitled to transfer such amounts from the Plan to any vehicle permitted for such purpose by applicable legislation.

10.04 Payment of Death Benefit and Transfer to RRSP

(1) Any death benefit payable in a lump sum under Section 10 shall be paid as soon as is practicable after the death of the Member.

- (2) If the person to whom a lump sum amount is payable under Section 10 is the Member's Spouse or former Spouse, that person may elect to have the amount transferred directly on the Member's behalf to a registered retirement savings plan, subject to eligibility for such transfer under the terms of the *Income Tax Act*.

10.05 Death Benefit After Commencement of Pension

Any death benefit payable upon the death of a Member after the date on which the Member's pension commenced is determined in accordance with the form of the pension being paid to the Member pursuant to Section 7.

Section 11 – Designation of Beneficiary

11.01 Designation of Beneficiary

A Member may, by written notice delivered to the Administrator, designate a Beneficiary to receive any benefits payable to a Beneficiary on the death of the Member. A Member may revoke or amend such designation in the same manner at any time, subject to any applicable laws governing the designation of beneficiaries.

11.02 No Beneficiary

If a Member does not validly designate a Beneficiary, any benefits payable upon the Member's death will be paid in a lump sum to the estate of the Member.

Where a designated Beneficiary predeceases the Member, and the Member makes no subsequent Beneficiary designation, any benefits payable upon the Member's death will be paid in a lump sum to the estate of the Member.

11.03 Death of Beneficiary

If a Beneficiary, as a result of a Member's death, is entitled to payments under the Plan and if the Beneficiary dies before receiving any or all of the payments due to the Beneficiary, the remainder of the payments will be paid in a lump sum to the estate of the Beneficiary.

Section 12 – Administration

12.01 Responsibility for Administration

The Administrator of the Plan is the Committee, which shall be responsible for all matters relating to the administration of the Plan. The Committee may delegate any matters it deems appropriate to one or more agents. The Committee may decide conclusively all matters relating to the operation, interpretation and application of the Plan.

12.02 Rules for Administration

The Committee may enact rules and regulations relating to the administration of the Plan and may amend those rules and regulations from time to time. Such rules and regulations shall not conflict with any provision of this Plan.

12.03 Plan Summary

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

12.04 Notice of Amendment

The Committee shall provide a notice and written explanation of an amendment to the Plan to each Member, or any other person entitled to payment from the Pension Fund, who is affected by the amendment, within the applicable time period prescribed by the *Pension Benefits Act*.

12.05 Annual Statement

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

12.06 Statement on Termination of Employment or Membership

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

12.07 Inspection of Documents

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

Section 13 – Pension Fund and Investments

13.01 Pension Fund

A Pension Fund shall be established and maintained for the purpose of receiving contributions and paying benefits in accordance with the Plan.

13.02 Funding Agent

The Pension Fund shall be held and administered by the Funding Agent in accordance with the terms of the Funding Agreement, and in compliance with the provisions of the *Income Tax Act* and the *Pension Benefits Act*. The Committee shall have the sole right to select the Funding Agent and determine the form and terms of the Funding Agreement.

13.03 Claim on Pension Fund

Any Member or other person having any claim under the Plan must look solely to the assets of the Pension Fund for such benefit. No person shall have any right or interest in any part of the assets of the Pension Fund except as, and to the extent, provided from time to time under the Plan and the Funding Agreement.

13.04 Expenses of the Plan

Expenses related to the administration or operation of the Plan, and expenses related to investment management, may, at the discretion of the Committee, be

- (1) deducted from each Member's Account;
- (2) with the agreement of the University, paid from the Pension Fund under Section 4.06(3); or
- (3) with the agreement of the University, paid by the University.

13.05 Compliance with Legislation

The Committee shall ensure that the Pension Fund is invested in compliance with the provisions of the *Pension Benefits Act* and the *Income Tax Act*.

13.06 Investment Policy

The Committee shall establish an investment policy and appoint appropriate investment managers for the Pension Fund.

13.07 Member-Directed Investment

Each Member is required to direct the investment of the Member's Account in accordance with the investment options made available by the Committee.

13.08 Investment Options

The Committee shall determine the options to be offered from time to time to Members with respect to Member Accounts.

13.09 Investment Election

A Member's allocation of assets in the Member's Account, and of contributions entering the Member's Account, may be changed periodically as permitted under the terms of the Funding Agreement.

13.10 Foreign Investment Limit

- (1) Each Member may be required to limit the aggregate investment in foreign property in accordance with the limits, if any, in force from time to time under the *Income Tax Act*.
- (2) Should such limits apply and should a Member's Account exceed those limits at any time, then the Member must re-direct the Member's Account to comply with the limits, and the Funding Agent may refuse to act on the Member's investment directions to allocate assets to foreign investments until the foreign investments are reduced to comply with the limits.

Section 14 – Future of the Plan

14.01 Continuation of the Plan

It is intended that the Plan shall be maintained indefinitely, but subject to applicable laws and collective agreements, the Plan may be discontinued either in whole or in part.

14.02 Amendment to the Plan

The Committee may, from time to time, amend the Plan, but shall have no authority to establish or change Member or University contribution rates under the Plan, which authority is reserved to the University in accordance with any agreement to which it is bound. No amendment shall operate to reduce the pension benefits that have accrued to any Member before the date of the amendment.

14.03 Termination of the Plan

- (1) If the Plan is wound up, in whole or in part, the assets of the Pension Fund shall be used to provide benefits in accordance with the terms of the Plan and the *Pension Benefits Act*.
- (2) If the Plan is wound up, in whole or in part, the University and the Members shall not make further contributions to the Pension Fund in respect of the Plan or the portion of the Plan being wound up, as applicable, except for amounts due, or that have accrued up to the effective date of the wind-up that have not been paid into the Pension Fund as required by the Plan and the *Pension Benefits Act*.

Section 15 – General Provisions

15.01 Non-Alienation

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

(1) **Non-Enforceable Transactions**

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

(2) **Exemption from Seizure**

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

15.02 Alienation of Benefits

(1) **Maintenance and Support**

Payments under the Plan are subject to execution, seizure or attachment in satisfaction of an order for maintenance or support in accordance with the *Nova Scotia Maintenance Enforcement Act*.

(2) **Relationship Breakdown**

Up to 50% of the benefits earned during a spousal relationship may be assigned to the Spouse pursuant to a court order or separation agreement, to be determined and administered in accordance with the *Pension Benefits Act*.

15.03 No Right to Employment

The Plan shall not be construed to create or enlarge any right of any person to remain in the employment of the University, nor shall it interfere in any manner with the right of the University to discharge any person.

15.04 No Right to University Contributions

Contributions made by the University shall not constitute an enlargement of the amount of any benefit defined in the Plan and shall not at any time create for any person other than the University any right, title or interest in the assets of the University or the Pension Fund except as specifically provided in the Plan.

15.05 Information to be Provided before Benefits are Paid

Payment of benefits shall not be made until the person entitled to payment of the benefit delivers to the Administrator:

- (1) satisfactory proof of age of the person and any other person who may become entitled to payment of the pension and any other information that is required to calculate and pay the benefit; and
- (2) if the benefit is payable to a Member or Spouse, a signed declaration of marital status or equivalent proof of relationship status,

provided that in the event of late delivery of the required documents and information, payment of a pension shall be made retroactively to the date on which the pension was to have commenced, to the extent that such retroactive payment is permitted under the terms of the *Income Tax Act*.

15.06 University Records

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

15.07 Severability

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

15.08 Captions and Headings

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

15.09 Construction

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

15.10 Currency

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

15.11 Contractual Arrangements

The University will facilitate contractual arrangements on behalf of the Committee and the Plan.

15.12 Benefits Payable to Spouse– Multiple Claims

If on the determination of any benefit under this Plan to a Spouse there is more than one person claiming to be the Spouse of a Member or former Member, the Plan shall not be liable for any payment of benefits in excess of the benefit that would have been payable had there been only one such person.

15.13 Interpretation

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