

Cape Breton Regional Municipality

By-Law

Respecting Pension Plan

CBRM Charter Sections 408 and 368(126)

PLAN RULES

**Consolidated and Restated Effective January 1, 2014
(includes amendments January 1, 1992 to 2014-01 to the
Restated Document Effective January 1, 1999)**

August 2015

**CAPE BRETON REGIONAL MUNICIPALITY
DEFINED BENEFIT PENSION PLAN**

(This text incorporates all amendments January 1, 1992 to 2014-01)

Resolution to Adopt Consolidated and Restated Plan Text Effective January 1, 2014

WHEREAS the Cape Breton Regional Municipality (“Employer”) has established the Cape Breton Regional Municipality Defined Benefit Pension Plan (“Plan”);

WHEREAS the Employer retains the right to amend the Plan; and

WHEREAS the Employer wishes to incorporate into the Plan Rules all amendments January 1, 1992 to 2014-01.

BE IT RESOLVED The Plan is hereby consolidated and restated effective January 1, 2014 as follows:

The pension plan text is revised in its entirety as shown in the attached consolidated and restated pension plan text.

Signed on behalf of the Employer on this 10th day of March, 2016.

Original Signed By

Authorized Signature

Mayor Cecil P. Clarke

Name and Title

Original Signed By

Authorized Signature

Deborah Campbell, Municipal Clerk

Name and Title

Introduction

The Cape Breton Regional Municipality Defined Benefit Pension Plan (the “Plan”) was originally established January 1, 1964. Various municipal units amalgamated to form the Cape Breton Regional Municipality in 1995. Many of the pre-amalgamation municipal units provided pension benefits under defined contribution arrangements. All of the various retirement arrangements sponsored by the various amalgamating municipal units continued to operate after amalgamation for a period of time. Effective February 1, 1997, the Registered Pension Plan for Employees of Cape Breton Regional Municipality (the “Clarica DC Plan”) was established by the Cape Breton Regional Municipality to be the ongoing defined contribution pension plan. Members who had previously participated in other defined contribution arrangements sponsored by municipal units were required to participate in the Clarica DC Plan for future service on and after February 1, 1997. Member account balances in the original defined contribution arrangements have remained in those arrangements.

Effective May 1, 2001, the Plan was amended to allow members participating in the DC Plans to a one-time opportunity to elect to join the Cape Breton Regional Municipality Defined Benefit Pension Plan (the “Plan”). Members were given the opportunity to join the Plan during one of the following six-month windows, in accordance with the category of employment in which the Member was engaged at the date of election:

■ Police and Fire:	May 1 – October 31, 2001
■ Inside Workers and Confidential Employees:	July 1 – December 31, 2001
■ Outside Workers:	August 1, 2001 – January 31, 2002

This was a one-time, irrevocable decision to either join the Plan for future service or remain in the Clarica DC Plan for future service. Members who elected to join the Plan could select a date to commence participation in the Plan on the first day of any month during the applicable six-month window. Once an individual joined the Plan, his contributions to the Clarica DC Plan ceased.

In addition, any individual who elected to join the Plan was given an opportunity to transfer all or a portion of his account balance(s) in the DC Plans to the Plan to buy back service in the Plan, subject to the approval of the Nova Scotia Superintendent of Pensions.

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Section I Definitions

- 1.1 "***Act***" means the Pension Benefits Act of Nova Scotia, and by extension, the Regulations made thereunder.
- 1.2 "***Actuary***" shall mean a person qualified as a Fellow of the Canadian Institute of Actuaries, or a firm employing such a person, appointed as Actuary for the Plan by the Employer.
- 1.3 "***Annual Rate of Earnings***" shall mean,
 - (i) in respect of an hourly-paid Employee, his hourly rate of Earnings multiplied by his number of regularly scheduled hours per annum, or
 - (ii) in respect of a monthly-paid Employee, his monthly rate of Earnings multiplied by 12.
- 1.4 "***Child***" shall mean an unmarried Child under 18 years (or 25 years, if Child is in full-time attendance at an educational institution, or otherwise, 18 years of age or older and is mentally or physically disabled, having been continuously disabled since the time the Child attained age 18 or the Member died if later) of age, issue of any marriage contracted by the Member at least one year prior to the date on which such Member commenced to receive a pension under these Rules, or one year prior to his termination of employment, or one year prior to his death if such death occurs while in the employment of the Employer. "***Child***" shall also include a Member's legally adopted unmarried Child under 18 years (or 25 years, if Child is in full-time attendance at an educational institution or otherwise, 18 years of age or older and is mentally or physically disabled, having been continuously disabled since the time the Child attained age 18 or the Member died if later) of age and the Retirement Committee shall also have the discretion of designating as a Child for the purposes of these Rules any unmarried Child of a former marriage of the Member's Spouse or Common Law Partner under 18 years (or 25 years, if Child is in full-time attendance at an educational institution or otherwise, 18 years of age or older and is mentally or physically disabled, having been continuously disabled since the time the Child attained age 18 or the Member died if later) of age.
- 1.4A "***Common Law Partner***" of an individual means another individual who has cohabited with the individual in a conjugal relationship for a period of at least two years, neither of them being a Spouse. For purposes of the Plan, an individual may have only one Common Law Partner at any given time.

Any right, benefit or privilege available to a Common Law Partner under or incidental to this Plan is subject to the limits of applicable legislation in force at the relevant time. Notwithstanding this definition, for all applications of the Income Tax Act, the applicable portion of the definition of "spouse" therein shall apply.

- 1.5 "**Commututed Value**" of a pension means the lump sum amount which is the Equivalent Actuarial Value of such pension. Such amount shall not be less than that computed in accordance with the Act.
- 1.6 "**Continuous Service**" except where otherwise specifically provided shall mean continuous employment as an Employee with the Employer. Employment shall be deemed continuous notwithstanding absences due to leave of absence or furlough by permission or direction of the Employer with or without pay, or lay off, provided there has been no severance of employment or loss of seniority and provided employment is resumed forthwith at the end of such absence. Any such period without pay, lay off, or any period of temporary or unestablished service shall be excluded as service counting for pension purposes except as otherwise specifically included in the Plan.
- 1.7 "**Credited Service**" means the years and parts thereof of the following periods of a Member's service with the Employer in Canada while a Member of the Plan:
 - i. periods in respect of which the Member receives remuneration from the Employer and makes the required contributions pursuant to subsection 6.1;
 - ii. unpaid leaves of absence in respect of a period of Total Disability during which the Member receives or is in the waiting period to receive long-term disability benefits from a plan sponsored by the Employer, provided that he is not in receipt of a disability pension under subsection 4.1 and further provided that contributions are made to the Plan by the Member or on behalf of the Member by the Member's long-term disability insurer;
 - iii. any period of absence required by law to be granted in respect of maternity or parental leave provided that the Member continues to make required contributions during the absence;
 - iv. any other unpaid leave of absence approved by the Retirement Committee provided the Member continues to make required contributions during the absence or within 2 years after the end of such absence or under such other terms and conditions as may be prescribed by the Retirement Committee; and

v. any period of service purchased or otherwise credited to the Member in accordance with section 10 of the Plan;

provided that in respect of unpaid periods of absence after December 31, 1990 under subsections 1.7(iii) and 1.7(iv), the aggregate of Credited Service so granted is limited to a maximum full-time equivalent of 5 years plus an additional 3 years in respect of absences that commence immediately after the birth or adoption of a child of the Member, each of which is not longer than 12 months in duration.

1.7A **"DC Plans"** means defined contribution pension plan arrangements sponsored by Cape Breton Regional Municipality.

1.8 **"Disability Retirement Date"** shall mean the date on which a Member actually retires pursuant to subsection 4.1 from the service of the Employer on account of Total and Permanent Disability.

1.9 **"Early Retirement Date"** shall mean the date on which a Member actually retires from the service of the Employer pursuant to subsection 4.2.

1.10 **"Earnings"** shall mean basic salary or wages, excluding overtime and bonuses, and any other special form of remuneration or emoluments as determined by the Retirement Committee.

With respect to a period of absence that is included in Credited Service under Sections 1.7(ii), 1.7(iii) or 1.7(iv), Earnings shall include an amount deemed to be received by the Member based on the Earnings which the Member was receiving at commencement of the period of absence.

Notwithstanding the foregoing, for a Member accruing a benefit in accordance with Sections 1.7(ii), 1.7(iii) or 1.7(iv) on or before December 31, 2013, Earnings for periods up to December 31, 2013 shall be based upon Earnings which the Member would have received from the Employer had he not been absent up to December 31, 2013. In such case Earnings for periods after December 31, 2013 shall be based upon the deemed Earnings for the Member as at December 31, 2013.

However, deemed Earnings shall not exceed the amount of compensation that is prescribed for this purpose by the Income Tax Act.

1.11 **"Employee"**, in this By-Law shall mean a person, other than a casual or seasonal Employee, or School Patrolman, in the employ of the Employer.

1.12 "**Employer**", in this By-Law shall mean, prior to August 1, 1995, the former City of Sydney, former City Board of School Commissioners, former Sydney Water Commission, and, on and after August 1, 1995, the Cape Breton Regional Municipality (CBRM).

1.13 "**Equivalent Actuarial Value**" shall mean a benefit of equal value computed upon an actuarial basis approved by the Retirement Committee on the recommendation of the Actuary provided that for benefits accruing after 1987 gender may not be taken into account.

1.14 "**Excess Earnings**" means the excess of Earnings over YMPE in a year.

1.15 "**Income Tax Act**" means the Income Tax Act, Statutes of Canada and the regulations thereunder, as amended or replaced from time to time.

1.16 "**Interest**" shall mean Interest with respect to contributions made pursuant to subsection 6.1 at the rate of 3% per annum compounded annually, or such other rate as may be adopted from time to time by the Regional Council. After December 31, 1987, such rate shall not be less than the average rate of five (5) year personal fixed term chartered bank deposit rate (CANSIM Series B14045) with such average to be determined over a reasonably recent period not exceeding twelve (12) months, or such other minimum rate as may be specified in the Act. For greater clarity, such average shall be determined over the 12 months of the preceding calendar year. This average shall continue to be used until the next such average is available.

Member voluntary contributions made pursuant to subsection 6.3 shall be credited with Interest each year at the rate of return which is reasonably attributable to the portion of the pension fund in which Member voluntary contributions were invested, net of investment expenses.

For the purpose of determining the amount of Interest to be added to Employee contributions, contributions made in any Plan Year shall have been made in one sum at the end of such year up to 1987; thereafter Interest shall be credited assuming that contributions made in any Plan Year were made in one sum in the middle of such year.

1.17 "**Member**" shall mean any eligible Employee or Part-time Employee who is enrolled as a Member of the Plan. A Member shall cease to be a Member on commencing to receive a pension under these Rules, or on his earlier death or termination of employment.

1.18 "**Normal Pension Date**" shall mean the first day of the month following the Member's sixty-fifth birthday.

1.19 "**Normal Retirement Date**" in this By-Law shall mean the Normal Pension Date as herein defined.

1.20 "**Part-time Employee**" means any person employed by the Employer on a part-time, casual, or seasonal basis other than a School Patrolman.

1.21 "**Past Service**" shall mean Continuous Service rendered prior to the Effective Date.

1.22 "**Plan**" shall mean the Cape Breton Regional Municipality Defined Benefit Pension Plan.

1.23 "**Plan Year**" shall mean each period of 12 consecutive months ending on December 31. The first Plan Year for a Member shall be the period from the date of becoming a Member to the 31st day of December next following.

1.24 "**Postponed Retirement Date**" shall mean the date on which a Member actually retires from the service of the Employer pursuant to subsection 4.3.

1.25 "**Regional Council**" shall mean the duly elected Council of the Cape Breton Regional Municipality.

1.26 "**Retirement Committee**" shall mean the Committee established pursuant to subsection 13.1.

1.27 "**Rules**" shall mean the Rules of the Plan as amended from time to time and contained in this By-Law.

1.28 "**Spouse**" means either of a man and woman who,

- (i) are married to each other,
- (ii) are married to each other by a marriage that is voidable and has not been annulled by a declaration of nullity, or
- (iii) have gone through a form of marriage with each other, in good faith, that is void and are cohabiting, or if they have ceased to cohabit, have cohabited within the 12-month period immediately preceding the date of entitlement.

Where applicable, "Spouse" shall include a "registered domestic partner" within the meaning of the Vital Statistics Act.

Notwithstanding this definition, for all applications of the Income Tax Act, the definition therein shall apply. Any right, benefit or privilege available to a Spouse under or incidental to this Plan is subject to the limits of applicable legislation in force at the relevant time.

- 1.29 **"Total Disability"** means a disability throughout which the Member is physically or mentally impaired so that he is prevented from performing the duties of employment in which he has engaged prior to the impairment and which is determined by the Regional Council, in consultation with the Retirement Committee, to exist based on a written report of a medical doctor licensed to practice in Canada or where the Member resides.
- 1.30 **"Total and Permanent Disability"** means a physical or mental impairment which prevents a Member from engaging in any employment for which he is reasonably suited by virtue of his education, training or experience and that can reasonably be expected to continue for the remainder of the Member's lifetime and which is determined by the Regional Council, in consultation with the Retirement Committee, to exist, based on a written report of a medical doctor licensed to practice in Canada or where the Member resides.
- 1.31 **"Trust Agreement"** shall mean the Trust Agreement entered into by the Regional Council with the Trustee to implement this Plan and to which these Rules are attached and form part thereof.
- 1.32 **"Trustee"** shall mean the Trustee or Trustees designated by the Regional Council and named in the Trust Agreement or any successor Trustee or Trustees acting as such thereunder.
- 1.33 **"Year's Maximum Pensionable Earnings"** or "YMPE" means the amount defined as such under the Canada Pension Plan, from time to time.
- 1.34 Words in the masculine gender include the feminine gender and vice versa and the singular includes the plural and vice versa unless the context particularly provides otherwise.

Section II Effective Date

2.1 The Effective Date of the Plan shall be January 1, 1964.

2.2 The Plan has been amended from time to time.

Effective August 1, 1995, the Plan was amended to reflect the amalgamation of the former City of Sydney with other municipal units to form the Cape Breton Regional Municipality.

Effective January 1, 1996, the Plan was amended to incorporate the following benefit improvements:

- ad hoc cost of living increase for pensioners; and
- unreduced early retirement upon attainment of Rule of 85, minimum age 55.

Effective January 1, 1999, the Plan was amended to incorporate the following benefit improvements:

- ad hoc cost of living increase for pensioners;
- 1997 base year upgrade for active members;
- 1998 base year upgrade for active members;
- introduction of a 0.6% bridge benefit (1997 and 1998 base year); and
- unreduced early retirement upon attainment of Rule of 80, minimum age 55.

Section III Eligibility

- 3.1 Any Employee in the service of the Employer on the Effective Date shall be eligible to become a Member of the Plan on that date provided that he has then completed six months of Continuous Service and has attained the age of 18 years, and that his age on the date he last became an Employee of the Employer was less than 60 years.
- 3.2 Any Employee who enters the service of the Employer after the Effective Date but before August 1, 1995 must, as a condition of employment, become a Member of the Plan. Any Employee who could not become a Member of the Plan because of the provisions of subsection 3.2 as it was prior to 1988 may become a Member on the first day of any month on and after January 1, 1988.

Any union Employee (being an Employee represented in collective bargaining with the Employer by a bargaining agent certified in respect of the Employer) who enters the service of the Employer on or after August 1, 1995 must, as a condition of employment, become a Member of this Plan or such other plan sponsored by the Employer as specified in the applicable collective agreement.

Any non-union Employee (being an Employee other than a Union Employee) who enters the service of the Employer on or after August 1, 1995 must, as a condition of employment, become a Member of either this Plan or the Registered Pension Plan for Employees of Cape Breton Regional Municipality (NS/CRA Registration Number 0939306) at the Employee's option.

Effective May 1, 2001, this Plan and the DC Plans have been amended to allow members of the DC Plans the option to participate in the Plan for future service (service on and after May 1, 2001). Members were given the opportunity to join the Plan during one of the following six-month windows, in accordance with the category of employment in which the Member was engaged at the date of election:

■ Police and Fire:	May 1 – October 31, 2001
■ Inside Workers and Confidential Employees:	July 1 – December 31, 2001
■ Outside Workers:	August 1, 2001 – January 31, 2002

Members of the DC Plans shall make a one-time, irrevocable decision to either join the Plan for future service or remain in the Clarica DC Plan for future service. Members who elect to join the Plan shall select a date to commence participation in the Plan on the first of any month during the applicable six-month window. Once an individual joins the Plan, his contributions to the DC Plans cease.

Notwithstanding any other provision of the Plan to the contrary, any individual who enters the service of the Employer on or after May 1, 2001, shall be required to join the Plan for future service on or after May 1, 2001, in accordance with, and on satisfaction of, the other conditions of this Section III.

- 3.3 A Member shall enrol in the Plan by completing such forms as may be required by the Retirement Committee, including a written authorization to deduct the prescribed contributions from his Earnings.
- 3.4 A Member shall, at the time of joining the Plan, or as soon thereafter as possible, provide to the satisfaction of the Retirement Committee, proof of age.
- 3.5 As and after the first day of January, A.D. 1968, any Employee of the Employer, not presently a Member of the Plan, may become a Member of the Plan on the same basis as a new Employee, with no accrued Past Service benefits.
- 3.6 Any Part-time Employee may become a Member of the Plan if, in each of the two immediately prior consecutive calendar years, he has attained at least one of the following:
 - (i) Earnings from employment with the Employer of not less than 35% of the Year's Maximum Pensionable Earnings for such years; or
 - (ii) worked at least seven hundred hours with the Employer.

Section IV Disability and Early Retirement

- 4.1 A Member who, in the opinion of the Regional Council, meets the criteria for Total and Permanent Disability prior to December 31, 2013, may retire on the first day of any month, and commence to receive a pension, provided he has then completed ten years of Continuous Service. A member who meets the criteria under this subsection will need to elect to retire and commence a pension on or before July 1, 2014.
- 4.2 A Member may retire on the first day of any month after his fifty-fifth birthday, and commence to receive a pension, provided he has been a Member of the Plan for two years.
- 4.3 A Member who continues in employment beyond his Normal Retirement Date may postpone commencement of pension but not beyond the end of the calendar year in which the Member attains age 69. During such period the Member may elect to continue to make contributions and accrue benefits provided the maximum pension provided under subsection 5.6 has not been accrued.
- 4.4 A Member who has attained age 55, and the sum of his attained age, years of Credited Service, and years of Past Service total at least 80 may retire and shall have his pension calculated without the reduction specified in subsection 5.3. Both age and years of service will be calculated in completed years and months. Years of Past Service are counted only for a Member who becomes a Member of the Plan at the Effective Date.
- 4.5 During a period of absence that is included in Credited Service under Sections 1.7(ii), 1.7(iii) or 1.7(iv), a Member's Continuous Service continues until the earliest of:
 - (i) entitlement to retire under Section 4.1;
 - (ii) his Normal Retirement Date;
 - (iii) the day on which the period ends if the Member does not return to active employment with the Employer within 30 days of that event;
 - (iv) termination of employment; and
 - (v) death.

- 4.6 Notwithstanding anything otherwise contained in these Rules, any pension granted to a Member under the provisions of subsection 4.1 shall continue to be payable only so long as such pensioner shall, in the opinion of the Regional Council, continue to meet the definition of Total and Permanent Disability, and the Regional Council reserves the right to reduce or suspend any such pension if it establishes to its satisfaction that such pensioner is engaged in any occupation or employment for wage or profit. The provisions of this subsection 4.6 shall not apply in respect of any such pensioner after he has attained the age of 65 years.

Section V Retirement Benefits

5.1 Pension Benefit

Each Member shall, on the attainment of Normal or Postponed Retirement Date or retirement under the provisions of subsection 4.4 on or after January 1, 2006, retire and receive an annual pension equal to the sum of:

- (a) **For Service Prior to the Effective Date**
0.7% of Earnings in 2004 plus 0.3% of Excess Earnings in 2004 multiplied by Past Service, provided the Member became a Member of the Plan on the Effective Date; and
- (b) **For Service from the Effective Date to January 1, 2005**
1.5% of Earnings in 2004 and 0.5% of Excess Earnings in 2004, if any, multiplied by Credited Service to December 31, 2004; and
- (c) **For Service from January 1, 2005**
1.5% of Earnings and 0.5% of each year's Excess Earnings, if any, for each year of Credited Service from January 1, 2005.

The foregoing shall also apply to members whose pensions commenced on or after January 1, 2005, applicable to pension payments made on and after January 1, 2006.

Fractional parts of a year shall provide a proportionate amount of a full year's pension.

No contributing Member may receive a pension with respect to service prior to 2005 smaller than that to which the Member was entitled under subsection 5.1 as it existed prior to January 1, 2005. Such entitlement is set out in Appendix "A".

Effective January 1, 1976, the pension fund is assuming the liability for the improvement in pensioner's benefits granted on July 1, 1974, whereby pensions to existing pensioners were increased by the greater of 30% of the pension being paid or \$30 per month.

Effective January 1, 1976, any Member who had retired prior to that date shall have his pension, otherwise payable as of that date, increased by 5%.

Effective January 1, 1980, any Member who retired prior to that date shall have his pension, otherwise payable as of that date, increased by $\frac{1}{3}\%$ for each month from January 1, 1976, or the date of retirement if later, to January 1, 1980.

Effective January 1, 1985, any Member who retired prior to that date shall have his pension, otherwise payable as of that date, increased by 1/4% for each month from January 1, 1980, or the date of retirement if later, to January 1, 1985.

Effective January 1, 1990, any Member who retired prior to that date shall have his pension, otherwise payable as of that date, increased by 1/3 of 1% for each month from January 1, 1985, or the date of retirement if later, to October 1, 1990. Any pension after such increase that is less than \$100 per month shall be increased to \$100. Any pension after such increase that is at least \$100 per month, but less than \$150 per month shall be increased to \$150.

Effective January 1, 1993, any Member who retired prior to that date shall have his pension, otherwise payable as of that date, increased by 1/3% for each month from October 1, 1990, or the date of retirement if later, to January 1, 1993.

Effective January 1, 1994, any Member who retired prior to that date shall have his pension, otherwise payable as of that date, increased by 1/6 of 1% for each month from January 1, 1993, or the date of retirement if later, to January 1, 1994.

Effective January 1, 1996, any Member who retired prior to that date shall have his pension, otherwise payable as of that date, increased by 0.1% for each month from January 1, 1994, or the date of retirement if later, to January 1, 1996.

Effective January 1, 1999, pensions in respect of any Member who retired prior to that date and still in the course of payment as of December 1, 1999, shall be increased by 0.11167% for each month from January 1, 1996, or the date of retirement if later, to January 1, 1999.

Effective January 1, 2002, pensions in respect of any Members who retired prior to that date and still in the course of payment as of November 1, 2002 shall be increased by 0.18389% for each month from January 1, 1999, or date of retirement if later, to January 1, 2002.

Effective January 1, 2006, pensions in respect of any Members who retired prior to that date and still in the course of payment as of June 30, 2006 shall be increased by 0.228% for each month from January 1, 2002, or date of retirement if later, to January 1, 2005 (maximum increase of 8.2%).

- 5.2 Each Member who retires before his Normal Pension Date on account of Total and Permanent Disability under the provisions of subsection 4.1 shall receive an annual pension, commencing at the date he actually retires, calculated in accordance with subsection 5.1. Any Member who commences to receive a pension under this subsection 5.2 after January 1, 1966, shall, for any period during which he does not receive a pension under the Canada Pension Plan, have his pension calculated at the full rate rather than at the integrated rate.
- 5.3 Each Member who retires before his Normal Pension Date under the provisions of subsection 4.2 shall receive an annual pension, commencing at the date he actually retires, equal to the amount which would have been payable had he retired under the provisions of subsection 4.1, except that such pension shall be reduced by 1/4 of 1% for each complete month between his Early Retirement Date and Normal Pension Date. The payment of any pension on early retirement shall be subject to the limits of Regulation 8503(3)(c) of the Income Tax Act.
- 5.4 In addition to any other retirement benefits payable under this Plan, a Member who retires is entitled to receive either:
 - (a) a refund of his additional voluntary contributions, if any, plus Interest; or
 - (b) an annuity purchased from an insurance company licensed to transact business in Canada with the amount described in (a).A Member entitled to receive a refund of additional voluntary contributions under subsection 5.4(a) may elect to have that refund transferred directly on his behalf to a registered retirement savings plan.
- 5.5 Each Member who retires on his Normal Pension Date, but before January 1, 1970, shall receive an additional pension equal to 2.5% of the total Earnings less 2.5% of the total Excess Earnings, if any, received by him since January 1, 1966, and on which he has made required contributions in accordance with subsection 6.1. Such pension shall be payable from his Normal Retirement Date until such date on which he is first eligible by reason of age to receive a pension under the Canada Pension Plan, but in no event beyond December 31, 1969.
- 5.6 No pension payable under this Plan at retirement, termination of service, or termination of the Plan including a pension paid to the Spouse or Common Law Partner of the Member as a result of marriage breakdown shall exceed the lesser of:

- (a) 2% of the average annual remuneration of the Member during the three consecutive years in which his remuneration was the greatest multiplied by his number of years of pensionable service, not exceeding 35 years; and
- (b) \$1,715 multiplied by his number of years of pensionable service, not exceeding 35 years.

The above maximum applies only to pensions that become payable on or after September 1, 1976. For pensions that first become payable prior to September 1, 1976, "\$1,715" is replaced by "\$1,143".

The Equivalent Actuarial Value of a pension payable to a Member who retires before his sixtieth birthday may not exceed that of the maximum pension provided in this subsection 5.6, payable from the earlier of age 60 or the Disability Retirement Date, in the normal form.

The maximum pension determined under this subsection 5.6 is subject to the requirements of Regulation 8503(3)(c) of the Income Tax Act.

- 5.7 If the Commuted Value of that portion of the pension accrued before January 1, 1988, is less than the Member's contributions made pursuant to subsection 6.1 before such date, plus Interest thereon, such pension shall be increased so its Commuted Value equals such contributions.
- 5.8 No more than 50% of the Commuted Value of that portion of the pension accrued after December 31, 1987, may be provided by the Member's contributions made pursuant to subsection 6.1 after such date, plus Interest thereon. The excess of such contributions over such 50% with Interest thereon shall be refunded to the Member in a lump sum at retirement.

5.9 ***Bridge Benefit***

In addition to any other benefits provided under this Section 5, a Member who retires before his Normal Pension Date under the provisions of subsection 4.4 shall receive an annual bridge benefit (payable in equal monthly instalments) equal to the sum of:

- (a) **For Service Prior to the Effective Date**
0.3% of Earnings in 2004 up to the YMPE for 2004 multiplied by Past Service, provided the Member became a Member of the Plan on the Effective Date;
- (b) **For Service from the Effective Date to January 1, 2005**
0.5% of Earnings in 2004 up to the YMPE in 2004 multiplied by Credited Service to December 31, 2004; and
- (c) **For Service from January 1, 2005**
0.5% of each year's Earnings up the YMPE for each year of Credited Service from January 1, 2005.

The foregoing shall also apply to members whose bridge benefits commenced on or after January 1, 2005, applicable to bridge payments made on and after January 1, 2006.

Fractional parts of a year shall provide a proportionate amount of a full year's bridge benefit.

When, from time to time, the Earnings and YMPE base year used to calculate the pension benefits under subsection 5.1 and bridge benefits under this subsection 5.9 is changed, the same base year is to be used for both subsections 5.1 and 5.9 and shall be chosen so as to maximize the pension benefits under subsection 5.1.

The bridge benefit is payable from the Member's retirement date pursuant to subsection 4.4 in the normal form of pension applied to the Member's pension benefit but in no event will the bridge benefit be payable beyond the date the Member attains (or would have attained) age 65.

Any optional form of pension elected by the Member under Section 9 shall be applicable to both the pension and bridge benefits and both shall be adjusted to be of Equivalent Actuarial Value to the benefits payable in the normal form of pension.

5.10 **Maximum Bridge Benefit**

(a) **Bridge Limitation**

The annual bridge benefit payable under subsection 5.9 shall not exceed the sum of the maximum benefits payable to the Member under the Canada Pension Plan and the maximum Old Age Security benefit payable to individuals aged 65 as at the member's pension commencement date, reduced proportionately in the case of

a Member who has completed less than 10 years of pensionable service as at that date.

The maximum bridge benefit so determined shall be further reduced by $\frac{1}{4}$ of 1% for each month by which the Member's pension commencement date precedes his attainment of age 60.

(b) **Combined Pension and Bridge Limitation**

The combined pension benefit and bridge benefit payable to a Member in respect of periods after December 31, 1991 shall not exceed the sum of:

- (i) \$1,722.22 or such greater amount as may be prescribed for this purpose by the Income Tax Act, multiplied by the pensionable service of the Member after December 31, 1991; plus
- (ii) $\frac{1}{35}^{\text{th}}$ of 25% of the average of the YMPE in the year of retirement and each of the two immediately preceding years, multiplied by the pensionable service of the Member after December 31, 1991, not exceeding 35 years.

5.11 Notwithstanding any other provisions of this Plan, the annual pension paid in each calendar year subsequent to the year of pension commencement shall not exceed the amount determined in subparagraphs (a), (b), and/or (c) of Section 5.1 multiplied by the ratio of A to B where:

A is the Average Consumer Price Index for a calendar year not earlier than the calendar year in which the pension benefits commence to be paid and not later than the particular year; and

B is the Average Consumer Price Index for the year in which the pension benefits commence to be paid.

When used in this subsection 5.11, "Average Consumer Price Index" for a calendar year means one-twelfth of the sum of the Consumer Price Index for each month in the twelve-month period ending September 30 of the previous calendar year. Consumer Price Index for a month is as published by Statistics Canada.

Section VI Contributions

6.1 Each Member shall be required to contribute to the Plan, by payroll deduction, from May 1, 2001, or the date he becomes a Member of the Plan, whichever date is later, in accordance with the following schedule:

For service up to and including March 31, 2013: 5.25% of Earnings

For service from April 1, 2013: 8.0% of Earnings

provided that a Member's contributions for any Plan Year (and after January 1, 1992) shall not exceed the maximum amount permitted by the Income Tax Act for that Plan Year.

Contribution rates in effect prior to May 1, 2001 are as shown in Appendix "A".

Such contributions shall continue so long as the Member remains a Member of the Plan and shall cease on retirement, death, or termination of employment.

An Employee who has attained his sixty-fifth birthday on the Effective Date shall not contribute to the Plan but shall, nevertheless, be considered to be a Member for the purpose of entitlement to benefits pursuant to subsection 5.1 and Section 7, if his age on the date he last became an Employee was less than 60 years.

Member contributions shall be remitted to the Trustee no later than thirty (30) days following the month in which they were made.

6.2 The Employer shall, each month, contribute from May 1, 2001:

- (a) an amount equal to 100% of the contributions deducted from Members' Earnings during that month under the provision of subsection 6.1, plus
- (b) such amounts as may be required from time to time, on the certification of the Actuary, to discharge any unfunded actuarial liability, solvency deficiency and Employer current service cost to the extent that the payment in paragraph (a) is not sufficient.

The contribution by the Employer shall be no less than the minimum required to be contributed by employers to plans regulated under the Act. Such contributions shall be

remitted to the Trustee no later than thirty (30) days following the month to which they are applicable.

- 6.3 Each Member may make additional voluntary contributions over and above the contributions required under subsection 6.1, except that the amount of such Member's additional voluntary contributions shall not exceed in any one year the maximum amount permitted in such year as a deduction from personal income by the Income Tax Act.
- 6.4 All reasonable fees and expenses relating to the administration of the Plan, including but not limited to the compensation of the Trustee and Actuary, shall be paid directly from the fund.
- 6.5 Notwithstanding Section 6.1 during a period of Total Disability that is included in Credited Service under Section 1.7(ii), a Member is exempted from the requirement to make contributions to the Plan, provided his long-term disability insurer makes contributions on his behalf. Where the disabled Member's long-term disability insurer does not make contributions to the Plan on the Member's behalf, the Member may continue to accrue benefits under the Plan at his sole discretion provided the Member makes the contributions described under Section 6.1.

Participation in the Plan for any Member participating under this Section 6.5 may continue only while employment with the Employer continues.

Notwithstanding Section 6.1, during a period of maternity or parental leave that is included in Credited Service under Section 1.7(iii), a Member shall remit the contributions required under Section 6.1 by cash or cheque payable to the Employer at the time or times agreed upon by the Employer and the Member.

Notwithstanding Section 6.1, during a period of absence that is included in Credited Service under Section 1.7(iv), a Member shall make the required contributions during the absence or within two years after the end of such absence or under such other terms and conditions as may be prescribed by the Retirement Committee.

Section VII Death Benefits

7.1 *Death Benefits – Member Without a Spouse or Common Law Partner*

If a Member without a Spouse or Common Law Partner dies while in Continuous Service or after termination of Continuous Service but prior to commencement of his deferred pension, death benefits are payable as follows:

- (a) an amount to the Member's designated beneficiary or estate equal to the Member's required contributions with Interest if there are no Children eligible for a pension under subsection 7.1(b); or
- (b) if there is a dependent Child (or Children), an amount of pension in respect of each such Child shall be payable until he attains age 18 years (or 25 years, if Child is in full-time attendance at an educational institution or otherwise during the Child's qualifying period of disability in accordance with Section 1.4) equal to 10% of the pension accrued by the Member under subsection 5.1 provided that the aggregate of such Children's pensions shall not at any time exceed 48% of the pension accrued by the Member pursuant to subsection 5.1.

7.2 *Death Benefits – Member With a Spouse or Common Law Partner*

(a) Death Before 10 Years of Service

If a Member with a Spouse or Common Law Partner dies while in Continuous Service or after termination of Continuous Service but prior to commencement of his deferred pension, and has not completed 10 years of Continuous Service, a death benefit is payable to the Member's Spouse or Common Law Partner equal to the sum of:

- (i) the Member's required contributions made before January 1, 1988 with Interest; and
- (ii) 60% of the Commuted Value of the Member's pension accrued under subsection 5.1 for Credited Service on and after January 1, 1988 and pursuant to any benefit improvement granted to him on and after January 1, 1988.

(b) Death After 10 Years of Service

If a Member with a Spouse or Common Law Partner dies while in Continuous Service or after termination of Continuous Service but prior to commencement of his deferred pension, and has completed 10 years of Continuous Service, a death benefit is payable as follows:

- (i) an amount of pension to the Member's Spouse or Common Law Partner equal to 66 $\frac{2}{3}\%$ of the pension accrued by the Member under subsection 5.1; and
- (ii) if there is a dependent Child (or Children), an amount of pension in respect of each such Child shall be payable until he attains age 18 years (or 25 years, if Child is in full-time attendance at an educational institution or otherwise during the Child's qualifying period of disability in accordance with Section 1.4) equal to 10% of the pension accrued by the Member under subsection 5.1, provided that the aggregate of such Children's pensions shall not at any time exceed 48% of the pension accrued by the Member pursuant to subsection 5.1.

Should such Spouse or Common Law Partner be more than 15 years younger than the Member, the Spouse or Common Law Partner and Child's pensions shall be reduced by 1% for each full year's difference in age over 15 years.

Notwithstanding the provisions of this subsection 7.2(b), the aggregate value of pensions payable to a Spouse and/or dependent Child(ren) is subject to the limits of Regulation 8503(2)(e) of the Income Tax Act.

In no event shall the value of benefits payable in accordance with this subsection 7.2(b) be less than the value payable had the benefit been determined in accordance with subsection 7.2(a).

(c) Death after Pension Division

Notwithstanding any other provision of this Section 7, if a Member dies while in Continuous Service or after termination of Continuous Service but prior to commencement of his deferred pension, and has a Spouse or Common Law Partner from whom he is living separate and apart at the date of his death and in respect of whom the Member's pension benefit has been divided in accordance with Section 11.6, but the portion assigned to the Spouse or Common Law Partner has not been

transferred out of the Plan (which would otherwise discharge all entitlements as Spouse or Common Law Partner under the Plan), such Spouse or Common Law Partner shall be entitled to receive a proportionate share (as defined in the Act) of the benefit described in this Section 7 determined without taking such Spouse or Common Law Partner into account, in accordance with the Act. Any remaining benefit payable on account of the Member's death shall then be determined and paid in accordance with the provisions of Section 7 and the Act without reference to such Spouse or Common Law Partner.

7.3 *Adjustment to Spouse or Common Law Partner and Child Pensions if No CPP Benefit*

Any Spouse or Common Law Partner or Child receiving a pension under subsection 7.1 or 7.2 for a death that occurred prior to January 1, 2015 shall, for any period during which he/she does not receive a pension under the Canada Pension Plan, receive a pension calculated at the full rate rather than at the integrated rate, subject to the requirements of Regulation 8503(2)(e) of the Income Tax Act.

Should any such Spouse or Common Law Partner receive a reduced pension under the Canada Pension Plan, an equitable adjustment will be made in his/her pension under the Plan using the principle described in this Section VII.

7.4 *Refund of Voluntary Contributions and Excess Contributions*

Upon the death of a Member:

- (a) the Member's designated beneficiary or estate is entitled to a refund of the Member's voluntary contributions, if any, with Interest; and
- (b) the Member's Spouse or Common Law Partner, or, if there is no Spouse or Common Law Partner, his designated beneficiary or estate is entitled to receive a refund of excess contributions determined under subsection 8.5.

7.5 *Minimum Death Benefit*

If the aggregate of all payments to or in respect of a Member shall be less than the total of the Member's Contributions with Interest to the date of death, or retirement, if earlier, the balance, if any, shall, upon compliance with all necessary legal formalities, be paid to the Member's Spouse or Common Law Partner, designated beneficiary or estate, or the estate of the surviving Spouse or Common Law Partner, as may be appropriate.

7.6 *Payment of Death Benefit and Transfer to RRSP*

- (a) Any death benefit payable in a lump sum shall be paid as soon as is practicable after the death of the Member.
- (b) If the person to whom a lump sum amount is payable is the Member's spouse or former spouse as defined in the Income Tax Act, that person may elect to have the amount transferred directly on his/her behalf to an RRSP.
- (c) In no circumstance shall a benefit be paid for any period after the expiry of the eligible survivor benefit period, as defined in the Income Tax Act.

7.7 *Death Benefit After Commencement of Pension*

Any death benefit payable upon the death of a Member after the date of pension commencement is determined in accordance with the form of pension being paid to the Member under Section 9.

7.8 *Multiple Claims*

If on the determination of any benefit under this Plan to a Spouse or Common Law Partner of a Member, there is more than one person claiming to be the Spouse or Common Law Partner of the 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.

Section VIII Termination Benefits

- 8.1 A Member whose employment with the Employer has been terminated other than by death or retirement may elect either
 - (a) to receive a refund of all his own required contributions accumulated with Interest to his date of termination, or
 - (b) if he has then completed at least ten years of Continuous Service and has not elected to receive a refund of his own required contributions in accordance with paragraph (a) of this subsection, to receive in lieu thereof a deferred pension payable from his Normal Pension Date equal to the pension calculated in accordance with paragraphs (b) and (c) of subsection 5.1.
- 8.2 A Member whose employment with the Employer has been terminated other than by death or retirement shall receive a refund of all his additional voluntary contributions accumulated with Interest to his date of termination, or, at his option, may transfer such amount to his RRSP.
- 8.3 Notwithstanding subsections 8.1 and 8.2, if a Member terminates employment after he has completed at least ten (10) years of Continuous Service or Plan membership (whichever occurs first) and has attained age 45, then he shall not be entitled to a refund of any contributions made after January 1, 1977, but prior to January 1, 1988, in accordance with subsection 6.1. He shall receive instead, at Normal Pension Date, the pension benefits accrued from January 1, 1977, to December 31, 1987, calculated in accordance with subsection 5.1.

However, such a Member may elect to receive, on or after termination of employment or of Plan membership before his Normal Pension Date, in partial discharge of the above defined pension benefits, a lump sum not exceeding 25% of the Equivalent Actuarial Value of those deferred pension benefits provided under this subsection 8.3.
- 8.4 Notwithstanding subsections 8.1 and 8.2, if a Member terminates employment after he has completed at least two years of plan membership, he shall not then be entitled to a refund of any contributions made after January 1, 1988, in accordance with subsection 6.1. He shall receive instead, at Normal Pension Date, the pension benefits accrued from January 1, 1988, to his date of termination, calculated in accordance with subsection 5.1.
- 8.5 No more than 50% of the Commuted Value of the portion of the pension provided under subsection 5.1 accrued after December 31, 1987 may be provided by the Member's

contributions made pursuant to subsection 6.1 after December 31, 1987, plus Interest thereon. The excess, if any, of such contributions over such 50% with Interest thereon shall be refunded to the Member in a lump sum at termination.

8.6 ***Early Commencement of Deferred Pension***

A Member whose Continuous Service terminates before age 55 and who is entitled to a deferred pension may elect to commence receiving his pension on the first of any month on or after attaining age 55 and prior to Normal Retirement Date. The amount of this pension shall be of Equivalent Actuarial Value to the deferred pension payable at Normal Retirement Date. The payment of any pension on early retirement shall be subject to the limits of Regulation 8503(3)(c) of the Income Tax Act.

Section IX Normal and Optional Forms of Pension

9.1 The annual amount of pension payable to a pensioner will normally be paid by 12 equal instalments each year, the first of which will fall due on his Normal Pension Date, or on his actual date of retirement if earlier, and the last on the first day of the month in which the pensioner dies.

The annual amount of pension payable to a surviving Spouse or Common Law Partner or Children will normally be paid by 12 equal instalments each year, the first of which will fall due on the first day of the month following the Member's or pensioner's death and the last on the first day of the month in which the surviving Spouse or Common Law Partner dies in the case of a surviving Spouse or Common Law Partner's pension, and the first day of the month in which a Child reaches the age of 18 years (or 25 years, if Child is in full-time attendance at an educational institution or otherwise during the Child's qualifying period of disability in accordance with Section 1.4) in the case of a Child's pension.

Subject to subsection 9.5, if a Member has a Spouse or Common Law Partner at his date of pension commencement, his pension shall continue to such surviving Spouse or Common Law Partner after his death in the full amount until a total of 60 monthly payments have been made since the pension commencement date, then reducing to 66 $\frac{2}{3}\%$ of the amount the Member was receiving immediately before his death, payable for life of the Spouse or Common Law Partner.

If a Member does not have a Spouse or Common Law Partner at his date of pension commencement, his pension will be payable for his lifetime and, should he die within 10 years of his pension commencement, will continue to his designated beneficiary until a total of 120 monthly payments have been made since the pension commencement date. In lieu of continuing monthly payments, the designated beneficiary may elect to receive the commuted value of the remaining guarantee payments. If, at the pensioner's death, there is no designated beneficiary, the designated beneficiary is no longer alive, or the designated beneficiary is the pensioner's estate, the commuted value of the remaining guarantee payments will be paid to the pensioner's estate in a lump sum.

If, upon the death of a pensioner (being a former Member who has commenced to receive his pension under the Plan), such pensioner has a dependent Child (Children), an amount of pension in respect of each such Child shall be payable until he attains age 18 years (or 25 years, if Child is in full-time attendance at an educational institution or otherwise during the Child's qualifying period of disability in accordance with Section 1.4) equal to 10% of the amount the pensioner was receiving immediately before his death provided

that the aggregate of such Children's pensions shall not at any time exceed 48% of the pension the pensioner was receiving immediately before his death.

If the Member's Spouse or Common Law Partner at date of pension commencement is more than 15 years younger than the Member, the pension payable to the Member shall be reduced so that it, plus the continuation to the surviving Spouse or Common Law Partner and Children was an Equivalent Actuarial Value to the pension, plus the continuation, that would have been paid had the Spouse or Common Law Partner been 15 years younger.

Any child receiving a pension under this subsection shall, for any period during which he/she does not receive a pension under the Canada Pension Plan, receive a pension calculated at the full rate rather than at the integrated rate.

In no event will the aggregate of monthly pensions payable to a Pensioner's Spouse or Common Law Partner, designated beneficiary, estate and Child(ren) exceed the monthly pension payable to the Pensioner prior to his death.

9.2 A Member may at any time six months or more prior to his Normal Pension Date or earlier retirement, by written authorization made to the Retirement Committee and duly acknowledge and filed by the Retirement Committee at the time of electing the option, elect to convert the form of pension otherwise payable on his account after retirement into such other form as may be approved from time to time by the Retirement Committee and as permitted under the Income Tax Act.

For a Member who has a Spouse or Common Law Partner at his date of pension commencement and who elects a form of pension providing more than 66 $\frac{2}{3}\%$ continuation to such Spouse or Common Law Partner after his death, the annual amount of such optional form of pension shall be of Equivalent Actuarial Value to the annual amount of pension payable under the normal form of pension for Members with a Spouse or Common Law Partner under subsection 9.1 (Joint & Survivor 66 $\frac{2}{3}\%$, Guaranteed 5 Years). In no event will the annual amount of pension payable in the optional form of pension exceed the annual amount of pension payable in said normal form of pension.

For a Member who does not have a Spouse or Common Law Partner at his date of pension commencement or for a Member who has a Spouse or Common Law Partner at his date of pension commencement who elects a form of pension providing less than 66 $\frac{2}{3}\%$ continuation to such Spouse or Common Law Partner after his death, the annual amount of such optional form of pension shall be of Equivalent Actuarial Value to the annual amount of pension payable under the normal form of pension for a Member

without a Spouse or Common Law Partner under subsection 9.1 (Life, Guaranteed 10 years). In no event will the annual amount of pension payable in the optional form of pension exceed the annual amount of pension payable in said normal form of pension.

Subject to subsection 9.5, should a Member have a Spouse or Common Law Partner at his date of pension commencement, election of an optional form of pension providing less than 66 $\frac{2}{3}\%$ continuation to such Spouse or Common Law Partner after his death may only be made if the Spouse or Common Law Partner gives consent in the manner prescribed by the Act.

9.3 Subject to subsection 9.5, should a Member or former Member have a Spouse or Common Law Partner at the date of retirement who is not entitled to a continuation of his pension under subsection 9.1, the Member must elect under subsection 9.2, unless the Spouse or Common Law Partner gives consent in the manner prescribed by the Act, a form of pension of which at least 60% continues to the Spouse or Common Law Partner after the Member's death.

9.4 ***Minimum Death Benefit***

If the aggregate of all payments to or in respect of a pensioner is less than the total of the former Member's contributions with Interest to the date of pension commencement, the balance, if any, shall, upon compliance with all necessary legal formalities, be paid to the Member's Spouse or Common Law Partner, designated beneficiary or estate, or the estate of the surviving Spouse or Common Law Partner, as may be appropriate.

9.5 ***Member and Spouse/Common Law Partner Living Separate and Apart***

Notwithstanding the foregoing or any other provision in this Plan to the contrary, where a Member or former Member has a Spouse or Common Law Partner from whom the Member or former Member is living separate and apart on the date that payment of the first instalment of the Member's or former Member's pension is due, and the Member or former Member makes an election and provides such certifications as may be required by the Retirement Committee, the pension of such Member or former Member shall be determined as if the Member or former Member did not have such Spouse or Common Law Partner.

Section X Transfer of Monies To and From the Fund

- 10.1 If an Employee on entering the service of the Employer shall, immediately prior to entering such service, have been a participant in a pension plan registered under the Income Tax Act, he shall have the right to transfer to the fund any monies accruing to his credit from such previous plan, if permitted by the provisions of such plan. The Retirement Committee, in accordance with its regulations, shall determine the terms and conditions on which the monies so transferred shall be accepted and the benefits that shall be payable with respect thereto. Any such Employee shall become a Member of the Plan immediately after such monies have been transferred but, unless the Retirement Committee shall determine otherwise, he shall not be required to make contributions nor shall he be entitled to receive benefits in respect of that period of employment prior to satisfying the eligibility requirements outlined in Section III.
- 10.2 Upon termination of employment, prior to attainment of age 55, a Member may authorize the Retirement Committee in writing to transfer his contributions under the Plan with Interest thereon to date of termination, or if the Member is entitled to deferred benefits under the provisions of subsections 8.1(b), 8.3, and 8.4, the Commuted Value of such deferred benefits to the registered pension plan of his new employer if it will accept it, to a retirement savings arrangement as prescribed in the Act, or to a deferred life annuity as prescribed by the Act under which payments may not commence prior to the Member's fifty-fifth birthday. In this event, such transfer shall discharge all liability of the Retirement Committee and Trustee in regard to the benefits of such Member under this Plan.

10.3 Transfer from DC Plans

Members of prior DC Plans who elect to join the Plan for future service in accordance with subsection 3.2, may elect to transfer all or a portion of their DC Plans account balances to purchase service for defined benefit credit under the Plan. The purchase of such service will be subject to such terms and conditions as approved by the Retirement Committee on the recommendation of the Actuary, and the cost for such purchase shall in no event exceed the full actuarial cost. Purchase of service hereunder shall be subject in all cases to the limits and requirements imposed by the Income Tax Act.

10.4 Service in Plan

Notwithstanding any other provisions of this Plan, the following periods shall be counted in this Plan for purposes of satisfying any requirements for vesting, locking-in, eligibility

for early retirement, and the determination of eligibility for benefits upon termination, death or retirement:

- (i) For Members of prior DC Plans who elect to join the Plan for future service in accordance with subsection 3.2, periods of service with the Employer and periods of membership in the DC Plans prior to the date a Member joins the Plan; and
- (ii) Any service purchased under subsection 10.5 for defined benefit credit under the Plan, such service being included in Credited Service under subsection 1.7 upon completion of the purchase.

10.5 ***Purchase of Past Service***

Members of the Plan as of January 1, 2009 may make a one-time election, in the form and manner required by the Retirement Committee, to purchase service for defined benefit credit under the Plan in respect of service with the Employer which was otherwise not included in Credited Service under the Plan. Such additional service shall be subject to the limits on Credited Service as set out in subsection 1.7. The purchase of such service will be subject to such terms and conditions as approved by the Retirement Committee on the recommendation of the Actuary, and the cost for such purchase shall in no event exceed the full actuarial cost. Purchase of service hereunder shall be subject in all cases to the limits and requirements imposed by the Income Tax Act.

Section XI Payment of Benefits

- 11.1 Should the annual pension benefit payable at the Member's Normal Retirement Date be less than 4% of the YMPE in the year of termination of service, or should the Commuted Value of the pension benefit be less than 10% of the YMPE in the year of termination of service, or such greater amount as may be permitted under the Act, the Commuted Value of such pension shall be paid, in full discharge of all liability in respect of such benefit.
- 11.2 If the Retirement Committee receives evidence satisfactory to it that a Member or other person entitled to receive any benefit hereunder is physically or mentally incompetent to receive such benefit and to give a valid release therefor, or is a minor, and that another person or an institution is then maintaining or has custody of such Member or other person and that no tutor, curator, guardian, committee or other representative of such Member, or other person has been duly and legally appointed, the Retirement Committee may authorize payment of such benefit to such other person or institution and the release of such other person or institution shall be a valid and complete discharge for the payment of such benefit.
- 11.3 Before becoming entitled to any pension benefits under these Rules, the Member or other recipient thereof shall furnish the Retirement Committee with such information, including but not limited to proof of age, relating to himself and any other beneficiary, as it shall require to determine his entitlement to and the amount of such pension.
- 11.4 If a Member's age, period of membership, Earnings, or other relevant fact affecting the amount or date or dates of any payments under these Rules, shall have been found to be misstated, no greater amount shall be payable out of the fund than that which would have been provided on the basis of the correct information. Any over-payment or excess credit to a Member, former Member, pensioner, surviving Spouse or Common Law Partner, Child, or other recipient of benefits paid out of the fund may be charged against any further payments or credits by reason of the pension of such Member, former Member, pensioner, surviving Spouse or Common Law Partner, Child, or recipient of benefits under the Plan, or recovered in such other manner as deemed advisable.
- 11.5 None of the benefits herein provided for shall be subject to the claims of or to execution, attachment, garnishment, or other legal or equitable process by any creditor of a Member or any other recipient of benefits. No Member or other recipient of benefits under this Plan shall have any right to alienate, encumber, assign, or anticipate any of the benefits herein provided or any Interest arising out of or created by this Plan.

11.6 Notwithstanding subsection 11.5:

- (a) up to 50% of the pension or pension benefit earned during the relationship between a Member or former Member and that person's Spouse or Common Law Partner may be assigned to such Spouse or Common Law Partner pursuant to a court order or separation agreement. Any such assignment shall be determined and administered in accordance with the Act; and
- (b) money payable under the Plan is subject to garnishment or attachment for the purpose of enforcing a maintenance order in accordance with the Maintenance Enforcement Act.

Section XII Designated Beneficiary

12.1 A Member may, by written declaration communicated to the Retirement Committee during his lifetime, designate a person or persons to receive any refund of contribution benefits payable under the Plan on his death and may also by written declaration similarly communicated to the Retirement Committee during his lifetime alter or revoke such designation from time to time, subject always to the provisions of any law governing designation of beneficiaries from time to time in force which may apply. If a Member has a Spouse or Common Law Partner, the Spouse or Common Law Partner is considered to be the beneficiary in all events.

In any instance where the beneficiary of a deceased Member is the Spouse or Common Law Partner of such Member, the beneficiary may elect that settlement of any refund of contributions provided under the provisions of the Plan be made in any one of the following ways:

- (a) in the form of an immediate life annuity, with or without a guaranteed period, provided such guaranteed period does not exceed the lesser of 15 years and the period running to the day preceding the Spouse or Common Law Partner's eighty-sixth birthday.
- (b) in a lump sum.

If, however, such beneficiary is any one person other than the Member's Spouse or Common Law Partner, the settlement must be in a lump sum.

If on the death of a Member there should be no designated beneficiary or if the person designated by the Member as his beneficiary shall not be living, or at the discretion of the Retirement Committee should such beneficiary not be recognized by prevailing law, such sums that may be payable on or after his death shall be payable to the estate of such Member.

Section XIII Administration of the Plan

- 13.1 The Retirement Committee shall be appointed annually by the Regional Council and shall include representatives of the following groups:
 - Regional Council;
 - Union Employees;
 - Non-union Employees; and
 - Pensioners
- 13.2 The Retirement Committee shall administer the Plan and shall have the powers necessary to enable it to carry out properly its duties excluding, however, the power to determine and direct the nature and extent of the investments to be made by the Trustee and including, without any other limitation whatsoever, the power
 - (a) to authorize all disbursements made by the Trustee, and
 - (b) to determine questions involving the interpretation and application of the Rules of the Plan.
- 13.3 The Retirement Committee may refer matters for decision to the Regional Council. The Regional Council, with or without such referral, may review decisions or policies of the Retirement Committee.
- 13.4 Subject to sanction and approval by the Regional Council, the Retirement Committee shall from time to time adopt such regulations as it shall deem necessary or proper for the efficient administration of the Plan and may amend the same. It may prescribe forms and may require, as a condition precedent to membership, the filing of a written application in such form as it may prescribe whereby the eligible Employee agrees for himself, his heirs, executors, and administrators to be bound by all the terms and conditions of the Plan.
- 13.5 The fund of the Plan shall be held in trust by the Trustee under the Trust Agreement. The Trustee shall have such powers as to investment or reinvestment, control, and disbursement of the fund as shall be approved by the Regional Council and as shall be in accordance with these Rules. No part of the corpus or income of such fund shall be used for or diverted to purposes other than for the exclusive benefit of Members, former Members, pensioners, surviving Spouses or Common Law Partners, Children, and other recipients of benefits under the Plan unless the Actuary has certified that sufficient assets

remain in the fund to provide for the satisfaction of all liabilities with respect to such persons. The Regional Council may at any time upon 60 days notice in writing delivered to the Trustee, remove any Trustee, and on such removal or upon resignation of any Trustee, the Regional Council may designate a successor Trustee all in prior consultation with the Retirement Committee.

- 13.6 The fund shall be invested in accordance with the investment requirements of the Act.
- 13.7 The Retirement Committee will provide each Member and each person who is eligible or is required to become a Member with a written explanation of the terms and conditions of the Plan and amendments thereto, together with an explanation of the rights and duties of the Member with reference to the benefits available to him under the terms of the Plan, and such other information as may be required under the Act.
- 13.8 Any official changes or amendments should be brought before the Retirement Committee prior to approval.

Section XIV Valuation

- 14.1 The Actuary shall, at intervals of not more than three years, make a valuation of the assets and liabilities of the Plan and report on the financial position thereof to the Retirement Committee, which report shall include recommendations as to the disposal of any surplus or deficiency that may then exist.

Section XV Amendment or Termination of the Plan

- 15.1 The provisions of this Plan shall be set out in a By-Law of the Employer and may be amended at any time and from time to time as any other By-Law of the Employer and, more particularly, the Plan may be so amended in the event of adoption of Provincial or Federal legislation or Orders-in-Council concerning annuities, pensions, or arrangements similar thereto. No such amendment shall, however, have the effect of diminishing the benefits accrued to each Member at the time such amendment comes into effect.
- 15.2 The Plan may be discontinued at any time by By-Law of the Cape Breton Regional Municipality but only upon condition that such action shall render it impossible at any time for any part of the corpus of the fund or income thereon to be used for or diverted to purposes other than for the exclusive use of Members, former Members, pensioners, surviving Spouses or Common Law Partners, Children, or other recipients of benefits under the Plan, subject to the provisions of subsection 5.6.
- 15.3 If the Plan is discontinued, the fund shall be allocated in an equitable and suitable manner agreed upon by the Regional Council, upon the recommendation of the Actuary and in accordance with the Act, among Members, former Members, pensioners, surviving Spouses or Common Law Partners, Children, and any other recipients of benefits under the Plan to the maximum extent allowed under the provisions of subsection 5.6. Any surplus then remaining shall revert to the Cape Breton Regional Municipality.
- 15.4 The Employer shall have no liability to make any payments to the fund except as expressly provided in the Plan. Each Member for himself, his heirs, executors, administrators, or other personal representatives expressly releases the Regional Council, Employer, and Retirement Committee as they may be constituted at any time during the operation of the Plan, and the Trustee, from any and all liability for any loss or damage whatsoever in connection with the Plan, except where caused by wilful negligence or misconduct.
- 15.5 The establishment of the Plan shall not be construed as conferring any legal rights upon any Employee or other person for a continuation of employment, nor shall it interfere with the rights of the Employer to discharge any Employee and to treat him without regard to the effect which such treatment might have upon him as a Member of the Plan.

Section XVI Retirement Policy

- 16.1 All Employees of the Employer shall retire on the first day of the month following their sixty-fifth (65th) birthday.

Appendix "A"

1. Compassionate Pensions

- 15.1 Notwithstanding anything otherwise contained in these Rules, there shall be payable to each person who, immediately prior to the Effective Date, was in receipt of a Compassionate Pension from the City or Water Commission an annual pension, payable for life and commencing on the Effective Date, equal to the greater of
 - (a) his present annual compassionate pension, and
 - (b) 1% of his Annual Rate of Earnings as at the date of his retirement from employment multiplied by his number of years (completed months being taken into account proportionately) of Continuous Service prior to the date of his retirement except that years of such service in excess of 30 shall be excluded.
- 15.2 Any person in receipt of a pension pursuant to this Section XV shall not be entitled to any other benefits under these Rules.

2. Amount of Pension Benefit Prior to January 1, 1976:

- 5.1 Each Member, not being a fire dispatcher, shall on the attainment of his Normal Pension Date, retire and receive an annual pension equal to the sum of:
 - (a) (i) for a Member who was age 57 nearest birthday, or older, on January 1, 1966, 1.75% of the total Earnings received by him since the Effective Date and on which he has made required contributions in accordance with subsection 6.1;
 - (ii) for a Member who was age 56 nearest birthday on January 1, 1966, 1.75% of the total Earnings received by him from the Effective Date to December 31, 1965, plus 1.5% of the total Earnings received by him since January 1, 1965, plus 0.25% of the total Excess Earnings, if any, received by him since January 1, 1965, and on all of which he has made required contributions in accordance with subsection 6.1;

- (iii) for a Member who was age 55 nearest birthday, or younger, on January 1, 1966, 1.75% of the total Earnings received by him from the Effective Date to December 31, 1965, plus 1.25% of the total Earnings received by him since January 1, 1965, plus 0.5% of the total Excess Earnings, if any, received by him since January 1, 1965, and on all of which he has made required contributions in accordance with subsection 6.1; and
- (b) such a percentage of his Annual Rate of Earnings at December 31, 1963 as is obtained by multiplying his number of years of Past Service (completed months of such service being taken into account proportionately) by 1%, except that such percentage shall be reduced, if necessary, to such a percentage as when added to the Member's Future Service Percentage Credit equals 30%.

3. *Contribution Rates Prior to January 1, 1976:*

- 6.1 Each Member shall be required to contribute to the Plan, by payroll deduction, from the Effective Date or the date he becomes a Member of the Plan, whichever is the later, up to December 31, 1965, 6% of his Earnings if a male, or 5% of her Earnings if a female. From January 1, 1966, the contributions shall be:
 - (a) for Members age 57 nearest birthday, or older, on January 1, 1966, 6% of Earnings if a male, or 5% of her Earnings if female,
 - (b) for Members age 56 nearest birthday, on January 1, 1966, 5% of Earnings plus 1% of Excess Earnings, if any, if a male, or 4.25% of Earnings plus 0.75% of Excess Earnings, if any, if a female,
 - (c) for Members age 55 nearest birthday, or younger, on January 1, 1966, 4.25% of Earnings plus 1.75% of Excess Earnings, if any, if a male, or 3.5% of Earnings plus 1.5% of Excess Earnings, if any, if a female.

4. *Contribution Rates from January 1, 1976 to December 31, 1979:*

- 6.1 Each Member shall be required to contribute to the Plan, by payroll deduction, from January 1, 1976 or the date he becomes a Member of the Plan, whichever is the later, 5.25% of Earnings plus 1.75% of Excess Earnings, if any, if a male, or 4.5% of Earnings plus 1.5% of Excess Earnings, if any, if a female.

5. *Amount of Pension Benefit Prior to January 1, 1980:*

5.1 Each Member, not being a fire dispatcher, shall on the attainment of his Normal Pension Date after January 1, 1976, retire and receive an annual pension equal to the sum of:

- (a) 1.25% of his total Earnings in 1974 and 0.5% of his total Excess Earnings in 1974, if any, multiplied by the number of years of contributory membership in the Plan from the Effective Date to December 31, 1974; plus 1.4% of his total Earnings received from January 1, 1975, and 0.6% of his total Excess Earnings, if any, received from January 1, 1975, and on all of which he has made the required contributions, and
- (b) 1% of his total Earnings in 1974 multiplied by his number of years of Past Service.

Fractional parts of a year shall provide a proportionate amount of a full year's pension.

Each Member who is a fire dispatcher shall retire on such date, not being earlier than the first day of the month following his sixty-fifth birthday, nor later than the day preceding his seventy-first birthday, as Regional Council may at its discretion determine, and shall receive an annual pension calculated as above and increased so that it is of Equivalent Actuarial Value as the pension that would have been payable had the Member retired on the first day of the month following his sixty-fifth birthday.

A Member shall not be entitled to receive any pension in respect of his Past Service unless he became a Member of the Plan as of the Effective Date.

Effective January 1, 1976, the pension fund is assuming the liability for the improvement in pensioners' benefits granted on July 1, 1974, where by pensions to existing pensioners were increased by the greater of 30% of the pension being paid or \$30 per month.

Effective January 1, 1976, any Member who had retired prior to that date shall have his pension, otherwise payable as of that date, increased by 5%.

No contributing Member or pensioner may receive a pension smaller than that to which he was entitled under this subsection 5.1 as it existed prior to January 1, 1976. Such entitlement is set out in Appendix "A".

6. Amount of Pension Benefit Prior to January 1, 1984:

5.1 Each Member, not being a fire dispatcher, shall on the attainment of his Normal Pension Date after January 1, 1980, retire and receive an annual pension equal to the sum of:

- (a) 1.25% of his Earnings in 1977 and .5% of his Excess Earnings in 1977, if any, multiplied by the number of years of contributory membership in the Plan from the Effective Date to December 31, 1974; plus 1.4% of his Earnings in 1977 and .6% of his Excess Earnings in 1977 multiplied by the number of years of contributory membership in the Plan from January 1, 1975, to December 31, 1977; plus 1.4% of his total Earnings received from January 1, 1978, and .6% of his total Excess Earnings, if any, received from January 1, 1978, and on all of which he has made the required contributions, and
- (b) 1% of his total Earnings in 1977 multiplied by number of years of Past Service.

Fractional parts of a year shall provide a proportionate amount of a full year's pension.

Each Member who is a fire dispatcher shall retire on such date, not being earlier than the first day of the month following his sixty-fifth birthday, nor later than the day preceding his seventy-first birthday, as Regional Council may at its discretion determine, and shall receive an annual pension calculated as above and increased so that it is of Equivalent Actuarial Value as the pension that would have been payable had the Member retired on the first day of the month following his sixty-fifth birthday.

A Member shall not be entitled to receive any pension in respect of his Past Service unless he became a Member of the Plan as of the Effective Date.

7. *Amount of Pension Benefit Prior to January 1, 1990:*

5.1 Each Member shall on the attainment of his Normal or Postponed Pension Date after January 1, 1984, retire and receive an annual pension equal to the sum of:

- (a) 1.25% of his Earnings in 1983 and .5% of his Excess Earnings in 1983, if any, multiplied by the number of years of contributory membership in the Plan from the Effective Date to December 31, 1974; plus 1.4% of his Earnings in 1983 and .6% of his Excess Earnings in 1983 multiplied by the number of years of contributory membership in the Plan from January 1, 1975, to December 31, 1983; plus 1.4% of his total Earnings received from January 1, 1984, and .6% of his total Excess Earnings, if any, received from January 1, 1984, and on all of which he has made the required contributions, and
- (b) 1% of his total Earnings in 1983 multiplied by number of years of Past Service.

Fractional parts of a year shall provide a proportionate amount of a full year's pension.

A Member shall not be entitled to receive any pension in respect of his Past Service unless he became a Member of the Plan as of the Effective Date.

No contributing Member or pensioner may receive a pension smaller than that to which he was entitled under this subsection 5.1 as it existed prior to January 1, 1984. Such entitlement is set out in Appendix "A".

8. *Amount of Pension Benefit Prior to January 1, 1993*

5.1 Each Member shall, on the attainment of his Normal or Postponed Pension Date or who retires under the provisions of subsection 4.4 after January 1, 1990, retire and receive an annual pension equal to the sum of:

- (a) 1.4% of his Earnings in 1988 and 0.6% of his Excess Earnings in 1988, if any, multiplied by the number of years of contributory membership in the Plan from the Effective Date to December 31, 1988; plus 1.4% of his total Earnings received from January 1, 1989, and 0.6% of his total Excess Earnings, if any, received from January 1, 1989, and on all of which he has made the required contributions; and

(b) 0.7% of his total Earnings in 1988 plus 0.3% of his Excess Earnings in 1988 multiplied by his number of years of Past Service.

Fractional parts of a year shall provide a proportionate amount of a full year's pension.

A Member shall not be entitled to receive any pension in respect of his Past Service unless he became a Member of the Plan at the Effective Date.

No contributing Member may receive a pension with respect to service prior to 1990 smaller than that to which he was entitled under subsection 5.1 as it existed prior to January 1, 1990.

9. Unreduced Early Retirement Prior to January 1, 1996

4.4 A Member who has attained age 60, and the sum of his attained age, years of contributory membership, and years of Past Service total at least 90 may retire and shall have his pension calculated without the reduction specified in subsection 5.3. Both age and years of service will be calculated in completed years and months. Years of Past Service are counted only for a Member who becomes a Member of the Plan at the Effective Date.

10. Amount of Pension Benefit Prior to January 1, 1999

5.1 Each Member shall, on the attainment of Normal or Postponed Pension Date or who retires under the provisions of subsection 4.4 after January 1, 1993, retire and receive an annual pension equal to the sum of:

(a) **For Service Prior to the Effective Date**
0.7% of total Earnings in 1992 plus 0.3% of Excess Earnings in 1992 multiplied by years of service prior to the Effective Date, provided the Member became a Member of the Plan on the Effective Date; and

- (b) **For Service from the Effective Date to January 1, 1993**
1.4% of Earnings in 1992 and 0.6% of Excess Earnings in 1992, if any, multiplied by the number of years of contributory membership in the Plan from the later of the Effective Date or date of Plan membership to December 31, 1992; and
- (c) **For Service from January 1, 1993**
1.4% of each year's Earnings and 0.6% of each year's Excess Earnings, if any, on which required contributions were made.

Fractional parts of a year shall provide a proportionate amount of a full year's pension.

No contributing Member may receive a pension with respect to service prior to 1993 smaller than that to which the Member was entitled under subsection 5.1 as it existed prior to January 1, 1993.

11. Unreduced Early Retirement Prior to January 1, 1999

- 4.4 A Member who has attained age 55, and the sum of his attained age, years of contributory membership, and years of Past Service total at least 85 may retire and shall have his pension calculated without the reduction specified in subsection 5.3. Both age and years of service will be calculated in completed years and months. Years of Past Service are counted only for a Member who becomes a Member of the Plan at the Effective Date.

12. Amount of Pension Benefit Prior to January 1, 1999

- 5.1 Each Member shall, on the attainment of Normal or Postponed Pension Date or who retires under the provisions of subsection 4.4 after January 1, 1999, retire and receive an annual pension equal to the sum of:

- (a) **For Service Prior to the Effective Date**
0.7% of total Earnings in 1997 plus 0.3% of Excess Earnings in 1997 multiplied by years of service prior to the Effective Date, provided the Member became a Member of the Plan on the Effective Date; and
- (b) **For Service from the Effective Date to January 1, 1998**
1.4% of Earnings in 1997 and 0.6% of Excess Earnings in 1997, if any, multiplied by the number of years of contributory membership in the Plan

from the later of the Effective Date or date of Plan membership to December 31, 1997; and

(c) **For Service from January 1, 1998**

1.4% of each year's Earnings and 0.6% of each year's Excess Earnings, if any, on which required contributions were made.

Fractional parts of a year shall provide a proportionate amount of a full year's pension.

No contributing Member may receive a pension with respect to service prior to 1999 smaller than that to which the Member was entitled under subsection 5.1 as it existed prior to January 1, 1999.

13. Member Contribution Rates from January 1, 1980 to April 30, 2001

6.1 Each Member shall be required to contribute to the Plan, by payroll deduction, from January 1, 1980, or the date he becomes a Member of the Plan, whichever is the later, 5.25% of Earnings plus 1.75% of Excess Earnings.

14. Employer Contribution Rate Prior to May 1, 2001

6.2 The Employer shall, each month, contribute:

- (a) an amount equal to 115% of the contributions deducted from Members' Earnings during that month under the provision of subsection 6.1, plus
- (b) such amounts as may be required from time to time, on the certification of the Actuary, to discharge any unfunded actuarial liability, solvency deficiency and Employer current service cost to the extent that the payment in paragraph (a) is not sufficient.

The contribution by the Employer shall be no less than the minimum required to be contributed by employers to plans regulated under the Act. Such contributions shall be remitted to the Trustee no later than ninety (90) days following the month to which they are applicable.

15. Amount of Pension Benefit Prior to January 1, 2002

5.1 Each Member shall, on the attainment of Normal or Postponed Retirement Date or who retires under the provisions of subsection 4.4 after January 1, 1999, retire and receive an annual pension equal to the sum of:

- (a) **For Service Prior to the Effective Date**
0.7% of Earnings in 1998 plus 0.3% of Excess Earnings in 1998 multiplied by Past Service, provided the Member became a Member of the Plan on the Effective Date; and
- (b) **For Service from the Effective Date to January 1, 1999**
1.4% of Earnings in 1998 and 0.6% of Excess Earnings in 1998, if any, multiplied by Credited Service to December 31, 1998; and
- (c) **For Service from January 1, 1999**
1.4% of each year's Earnings and 0.6% of each year's Excess Earnings, if any, for each year of Credited Service from January 1, 1999.

Fractional parts of a year shall provide a proportionate amount of a full year's pension.

No contributing Member may receive a pension with respect to service prior to 1999 smaller than that to which the Member was entitled under subsection 5.1 as it existed prior to January 1, 1999.

16. Amount of Bridge Benefit Prior to January 1, 2002

5.9 Bridge Benefit

In addition to any other benefits provided under this Section 5, a Member who retires before his Normal Pension Date under the provisions of subsection 4.4 shall receive an annual bridge benefit (payable in equal monthly instalments) equal to the sum of:

- (a) **For Service Prior to the Effective Date**
0.3% of Earnings in 1998 up to the YMPE for 1998 multiplied by Past Service, provided the Member became a Member of the Plan on the Effective Date;

- (b) **For Service from the Effective Date to January 1, 1999**
0.6% of Earnings in 1998 up to the YMPE in 1998 multiplied by Credited Service to December 31, 1998; and
- (c) **For Service from January 1, 1999**
0.6% of each year's Earnings up to the YMPE for each year of Credited Service from January 1, 1999.

17. Normal Form of Pension Prior to January 1, 2002

If a Member has a Spouse at his date of pension commencement, his pension shall continue to such surviving Spouse after his death in 60% of the amount the Member was receiving immediately before his death.

18. Amount of Pension Benefit Prior to January 1, 2006

5.1 Each Member shall, on the attainment of Normal or Postponed Retirement Date or who retires under the provisions of subsection 4.4 after January 1, 2002, retire and receive an annual pension equal to the sum of:

- (a) **For Service Prior to the Effective Date**
0.7% of Earnings in 2001 plus 0.3% of Excess Earnings in 2001 multiplied by Past Service, provided the Member became a Member of the Plan on the Effective Date; and
- (b) **For Service from the Effective Date to January 1, 2002**
1.5% of Earnings in 2001 and 0.5% of Excess Earnings in 2001, if any, multiplied by Credited Service to December 31, 2001; and
- (c) **For Service from January 1, 2002**
1.5% of each year's Earnings and 0.5% of each year's Excess Earnings, if any, for each year of Credited Service from January 1, 2002.

Fractional parts of a year shall provide a proportionate amount of a full year's pension.

No contributing Member may receive a pension with respect to service prior to 2002 smaller than that to which the Member was entitled under subsection 5.1 as it existed prior to January 1, 2002.

19. *Amount of Bridge Benefit Prior to January 1, 2006*

5.9 *Bridge Benefit*

In addition to any other benefits provided under this Section 5, a Member who retires before his Normal Pension Date under the provisions of subsection 4.4 shall receive an annual bridge benefit (payable in equal monthly instalments) equal to the sum of:

- (a) **For Service Prior to the Effective Date**
0.3% of Earnings in 2001 up to the YMPE for 2001 multiplied by Past Service, provided the Member became a Member of the Plan on the Effective Date;
- (b) **For Service from the Effective Date to January 1, 2002**
0.5% of Earnings in 2001 up to the YMPE in 2001 multiplied by Credited Service to December 31, 2001; and
- (c) **For Service from January 1, 2002**
0.5% of each year's Earnings up the YMPE for each year of Credited Service from January 1, 2002.