

## CANON IX LAY RETIREMENT PLAN

## REGULATIONS

## 1. DEFINITIONS

In these Regulations, the terms defined in section 1(b) of the Canon VIII, as modified by Section 3 of Canon IX, shall have the meanings ascribed therein, and

1. "**Active Service**" refers to the service of any Member with respect to which Contributions are made pursuant to Regulation 3;
2. "**Continuous Service**" means that period of unbroken employment of a person by any Participating Employer. For purposes of this definition, periods of approved leave of absence do not constitute a break in employment;
3. "**Contributions**" means the contributions required pursuant to Regulation 3;
4. "**Interest**" means interest credited on Contributions at the rate or rates as may be declared by the Trustees from time to time. Notwithstanding the above, the Interest to be credited shall be at a rate not less than that prescribed and calculated in the manner prescribed in applicable pension legislation;
5. "**Member's Account**" means the separate account maintained for the Member to which is allocated the Contributions made by and on behalf of the Member, together with Interest;
6. "**Normal Retirement Date**" means the first day of the month following the Member's 65th birthday;
7. "**Partner**" means a person who is either of the following:
  - (a) the "**Spouse**" of the Member, defined as a person of the opposite sex to the Member who is married to the Member and not living separate and apart, or
  - (b) the "**Domestic Partner**" of the Member defined as a person of either sex who, although not married to the Member, is living with the Member in a relationship (hereinafter called a "Cohabitational Relationship") which is of a conjugal nature, and which
    - (i) has been continuous for a period of at least three years, or
    - (ii) is of some permanence, if they are jointly caring for a child who is their natural or adoptive child, all applicable terms being as defined in the Family Law Act, R.S.O. 1990, c. F.3 Ontario and any successor legislation amended from time to time,

provided that not more than one person may be considered as a Partner of any Member hereunder at any one time and, in the event of more than one person having claims to be such, the determination of the Trustees as to which person shall be the Partner, on the basis of evidence available to them which they consider sufficient for the purposes of the determination, shall be final;

**NOTE: The above definition is provided for the sole purpose of ensuring that benefits may be paid as required by applicable Federal or Provincial law; in no way does it change Canon XXI entitled "On Marriage in the Church"**

8. **"Pension"** means any payment of benefits made under the terms of the Plan;

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9. "Plan" means the Lay Retirement Plan as governed by Canon IX and these Regulations:

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~~9.~~ 10. **"Salary"** means the remuneration of the Member received from the Participating Employer;

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~~10.~~ 11. **"Y.M.P.E."** means Year's Maximum Pensionable Earnings as defined in the Canada Pension Plan.

## 2. ELIGIBILITY & MEMBERSHIP

1. All lay employees of a Participating Employer shall be Members except as provided under sections 2 and 3 of this Regulation.
2. A Participating Employer may exclude from membership in the Plan a part-time lay employee unless, in each of the two consecutive calendar years immediately prior to membership, the employee either:
  - (a) has been employed for a minimum of 700 hours, or
  - (b) has received earnings of at least 35% of the Y.M.P.E.
3. The Pension Committee may, at its sole discretion, application having been made by the person concerned, exempt from membership any person otherwise required to become a Member, providing there is set forth in full in the application:
  - (a) the grounds upon which the exemption is sought; and
  - (b) a statement from the person's employer that it concurs in the application for exemption and that the person will receive no monetary benefit by virtue of non-membership.
4. In the event the Trustees determine that, as of a specified date, a Participating Employer has ceased to satisfy the eligibility criteria for a Participating Employer set out in Canon IX, has ceased to comply with the terms of its participation as agreed to by the Pension Committee or has ceased to comply with the terms of Canon IX or the Plan:
  - (a) no Contributions shall be paid by the Participating Employer or by Members employed by the Participating Employer in respect of Members' service on or after the specified date;
  - (b) the Active Service and Continuous Service of Members employed by the Participating Employer shall continue to accrue until their employment by the Participating Employer terminates or they commence receipt of Pension, if earlier; and
  - (c) the Trustees may, in their sole discretion and subject to such terms as they consider appropriate and to applicable legislation, authorize the transfer of assets and liabilities pertaining to Members employed by the Participating Employer to a pension plan established by the Participating Employer, in full settlement of such Members' rights under the Plan.

### 3. CONTRIBUTIONS

1. The Contributions required from each Participating Employer shall be 5% of Salary for all Members in Active Service.
2. The Contributions required from the Member in Active Service shall be 5% of Salary.
3. It shall be the responsibility of the Participating Employer to remit to the Pension Fund the Contributions required pursuant to sections 1 and 2 of this Regulation with respect to each month within thirty days following the end of the month. Interest at a rate determined by the Trustees shall be charged on any Contributions which are not remitted before the due date and until paid.
4. Notwithstanding the foregoing, no Contributions shall be made:
  - (a) in respect of a Member who is in receipt of Pension after the December 31 coincident with or next following the Member's attainment of the age of sixty-nine years,
  - (b) which exceed the maximum permissible Contribution limits under the Income Tax Act (Canada).

## 4. RETIREMENT

### 1. **Normal Retirement**

A Member may retire on the Member's Normal Retirement Date and receive a Pension calculated in accordance with Regulation 5 accruing from the Member's Normal Retirement Date.

### 2. **Early Retirement**

A Member may retire at any time within the ten year period preceding the Member's Normal Retirement Date and receive a Pension calculated in accordance with Regulation 5 accruing from the first day of the month following the Member's retirement date.

### 3. **Deferred Retirement**

A Member who continues in Active Service subsequent to the Member's Normal Retirement Date shall receive a Pension calculated in accordance with Regulation 5 accruing on the first day of the month following the Member's retirement date. For purposes of the Plan, the Member's retirement date must be no later than the December 31<sup>st</sup> coincident with or next following the Member's attainment of the age of sixty-nine years.

## 5. RETIREMENT BENEFIT

### 1. Annual Retirement Pension

The amount of annual Pension payable on a Member's retirement shall be equal to that amount of life annuity which can be provided at date of retirement by the then application of the Member's Account.

### 2. Form of Pension

When a Member has a Partner at date of retirement, the Pension shall be calculated on a joint and survivor basis that reduces by not more than 40% of its amount on the death of the Member and is payable thereafter for the life of the Member's Partner. The Member may elect any form of life annuity then available which is in compliance with the Income Tax Act (Canada) and regulations thereunder provided:

- (a) the Member and the Member's Partner waive the joint and last survivor provision, or
- (b) the Member has no Partner at date of retirement.

### 3. Cessation of Pension

Pension payable pursuant to this Regulation shall cease at the end of the month in which the Member dies, except as may be otherwise provided under the form of Pension elected by the Member in accordance with Regulation 5.2.

## 6. DISABILITY BENEFIT

### 1. Eligibility for Disability Benefit

On the disability of a Member in Active Service, a disability benefit shall be payable accruing from the first day of the month following the later of:

- (a) the date on which the Member's employment terminated for pension purposes; or
- (b) the date on which a medical examination form in support of the Member's application for disability benefits was completed.

### 2. Determination of Disability

- (a) For the purpose of this Regulation, disability shall mean the total and permanent inability of the Member to engage in any gainful occupation for which the Member is reasonably fitted by education, training or experience.
- (b) The determination of disability shall be made by the Director on the recommendation of a medical referee appointed by the Trustees, on the basis of such medical or other reports as the Director and/or medical referee consider appropriate, and subject to approval by the Trustees.
- (c) Evidence that the Member is in receipt of disability benefits under the Canada Pension Plan or the Quebec Pension Plan will generally be accepted in the determination of such Member's disability.

### 3. Amount of Disability Pension

The amount of annuity which can be provided shall be equal to that amount which can be provided at the date of commencement of the disability Pension by the then application of the Member's Account.

### 4. Commutation of Disability Pension

The Trustees may, at their sole discretion, authorize the payment to the Member of the Member's Account as a single payment in lieu of a disability Pension provided that:

- (a) the Member is eligible for a disability benefit pursuant to Regulation 6.1

and 6.2;

- (b) the Trustees have received written certification from a licensed medical doctor acceptable to the Trustees that the disability is expected to shorten considerably the Member's life expectancy;
- (c) the Member has requested in writing a payment in accordance with this Regulation 6.4; and
- (d) if the Member has a Partner, the Partner after having received independent legal advice has consented in writing to such a payment and has waived the right to any Pension in the event of the Member's death.

## 7. DEATH BENEFIT

1. On the death of a Member in Active Service or of an inactive Member entitled to a deferred annuity, the Member's Partner shall elect to receive either the value of the Member's account or an immediate or deferred Pension that can be provided by the then application of the Member's account. The election shall be made within 90 days after receipt of notice from the Director. If the election is not made within this period, the Partner shall be deemed to have elected an immediate Pension.
2. On the death of a Member in receipt of a Pension, the death benefit payable will be determined in accordance with the form of Pension chosen by the Member under the terms of Regulation 5.2.
3. When benefits become payable under this section, the Partner may elect to transfer to a retirement savings arrangement or registered pension fund or any other qualified fund of all or part of any amount owing from the Lay Retirement Fund.
4. A Member may, by written notice to the ~~Administrator~~ Executive Director, designate or appoint a beneficiary to whom in the event of death, shall be paid in one lump sum the value of the Member's account in the event the Member does not have a Partner at the time of death. The Member may from time to time revoke or alter the designation or appointment. In the absence of an effective designation of a beneficiary, or if the designated beneficiary predeceases the Member, the Member's estate shall be considered as the beneficiary for the purposes of the Plan.

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## 8. TERMINATION OF ACTIVE SERVICE

1. In the event of a Member's termination of Active Service:
  - (a) if the Member has had less than two years of Continuous Service, the Member shall receive a lump sum payment equal to the Member's Contributions pursuant to Regulation 3.2, together with Interest;
  - (b) if the Member has had at least two years of Continuous Service and if the Member's Account is not sufficient to provide a deferred life annuity at least equal to 2% of the Y.M.P.E., the Member shall receive a lump sum payment equal to the accumulation of all Contributions made by and on behalf of the Member together with Interest.
  - (c) if the Member has had at least two years of Continuous Service and does not receive a lump sum settlement under section 1(b) of this Regulation, the Member shall become an inactive Member of the Plan in accordance with the terms of Regulation 9.
2. A Member who has become an inactive Member in accordance with section 1(c) of this Regulation may elect to have the Member's Account transferred to:
  - (a) a retirement savings arrangement;
  - (b) the registered pension plan of a successor employer if the administrator of the successor employer's pension plan agrees to accept the transfer; or
  - (c) a licensed life insurance company for the purchase of a life annuity that will not commence more than ten years prior to the Member's Normal Retirement Date;subject to compliance with applicable pension legislation.
3. When settlement is made under section 1(a), 1(b) or 2 of this Regulation, the Member's membership in this Plan shall cease and no further benefits shall be payable hereunder.
4. When settlement is made under section 1(a) of this Regulation, the Contributions made by the Member's Participating Employer pursuant to Regulation 3.1, together with Interest, shall be paid to the Participating Employer in the calendar year in which the settlement is made or within 120 days after the end of the year.
5. (a) Where a Member's employment by a Participating Employer terminates upon the Member becoming an employee of another Participating Employer, the Member's Active Service shall be deemed not to have terminated.

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(b) Where a Member's employment by a Participating Employer terminates upon the Member becoming an employee of a participating employer in the Lay Retirement Plan of the Anglican Church of Canada, the Member's Active Service shall be deemed not to have terminated. However, the member's active service shall be deemed to terminate in the event the Member subsequently ceases to be employed either by such an employer or by any Participating Employer.

## 9. INACTIVE MEMBERS

1. When a Member has become inactive in accordance with Regulation 8.1(c), has not received a settlement in accordance with Regulation 8.2 and has not returned to Active Service, the Member shall be entitled to benefits in accordance with this Regulation.

2. **Retirement Benefit**

Upon the retirement pursuant to Regulation 4 of an inactive Member, there shall be payable a Pension calculated in accordance with the terms of Regulation 5.

3. **Disability Benefit**

Upon the disability of an Inactive Member, there shall be payable a disability Pension calculated in accordance with Regulation 6.

4. **Death Benefit**

Upon the death of an inactive Member, the death benefit will be calculated in accordance with the terms of Regulation 7.

## 10. ADDITIONAL RETIREMENT BENEFITS

1. At time of retirement a Member may make a single lump sum payment to the Pension Fund in order to provide additional Pension subject to compliance with the Income Tax Act (Canada) and regulations thereunder.
2. The single payment may include all or part of the Member's accumulation in a Retirement Savings Plan, a retiring allowance or any other funds.

## 11. GENERAL PROVISIONS

### 1. Valuation

The Trustees shall arrange for a valuation of the Plan at intervals not exceeding three years, subject to compliance with applicable pension legislation.

### 2. Breakdown of a Marriage or Cohabitational Relationship

Any variation in the payment of Pension subsequent to a breakdown of a Marriage or Cohabitational Relationship shall be made in accordance with the terms of a valid domestic contract or court order and the requirements of Applicable Pension Legislation governing the division of a Member's Pension entitlement between the Member and the Member's Partner.

### 3. Non-Alienation of Benefits

All Pensions provided under the Plan are for the Member's own use and benefit, are not capable of surrender, commutation, assignment or alienation, and do not confer on any Member, personal representative, dependant or any other person any right or interest capable of being surrendered, commuted, assigned or otherwise alienated.

### 4. Payment of Pensions

Pensions payable for any month shall be paid at the end of the month in which they accrue.

### 5. Transfer

- (a) A Member on entering the Plan may transfer into the Pension Fund monies from a pension plan of the Member's previous employer and they shall be credited to the Member's Account.
- (b) A Member may, subject to Applicable Pension Legislation, transfer into the Pension Fund monies from a registered retirement savings plan of the Member and they shall be credited to the Member's Account.

## 12. ADMINISTRATION

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1. All applications for membership or Pension shall be made in writing to the ~~Director~~ Executive Director on forms prescribed by the Trustees and persons applying for Pension shall provide such proof of age and other necessary documentation as is required from time to time. Any information received by the Pension Office regarding the identity of a Member's Partner shall be held in confidence and may not be communicated to the Member's diocese or employer.
2. The fiscal year of the Pension Fund shall end on 31st December in each year.
3. The Trustees shall provide:
  - (a) annually to each Member a written statement containing the information prescribed by applicable pension legislation;
  - (b) to any person becoming entitled to any Pension under the Plan, a written statement containing the information prescribed by applicable pension legislation; and
  - (c) to any Member, on request, such other information or documents as are prescribed by applicable pension legislation.

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4. Each Participating Employer shall inform the ~~Director~~ Executive Director within 30 days of:
  - (a) the termination of a Member's employment;
  - (b) the transfer of a Member to another Participating Employer;
  - (c) the death of a Member;
  - (d) a Member being granted leave of absence; and
  - (e) if known to the Participating Employer, any change in the identity of the person who is the Member's Partner.

### 13. AMENDMENTS & TERMINATION OF THE PLAN

1. No amendment to the Plan shall reduce the value of any Member's Account.
2. On termination of the Plan, the assets of the Plan shall be applied to provide for all Pensions accrued under the Plan prior to the effective date of its termination. Any surplus monies remaining after providing for such benefits shall be paid to the Participating Employers in a manner determined by the Pension Committee, subject to the approval of the General Synod or Council of General Synod and subject to compliance with applicable pension legislation.

## 14. TRANSITIONAL RULES

1. Notwithstanding any other provision of this Plan, if at any date the General Synod ceases to exist ("the transition date"), the following transition rules apply:

- a) Any reference to "Pension Committee" shall mean a committee consisting of the persons who, immediately before the transition date, served as members of the Pension Committee of the General Synod. Such committee shall report to the Office of the Primate; who shall have the power and authority to remove and appoint members of such committee from time to time.
- b) "Trustees" or "Board of Trustees" means the persons who served as Trustees of the Plan immediately prior to the transition date. The Pension Committee shall have the power and authority to remove and appoint members of the Board of Trustees from time to time.
- c) Any reference in the Plan to the duties or responsibilities of the General Synod or the Council of the General Synod shall be read as a reference to the person holding the Office of the Primate.
- d) In the event that Canon VIII of the General Synod ceases to have force and effect, all provisions thereof immediately prior to the transition date which relate to the operation and administration of the Plan shall be considered to be part of this Plan, subject to such changes as are necessary to achieve consistency with these transition rules.

2. For purposes of determining the "transition date" under Regulation 14.1, the General Synod will be deemed to have ceased to exist upon the occurrence of any of the following events:

- (a) Dissolution - The General Synod is wound up, dissolved or liquidated under any law or otherwise, or becomes subject to any provision of the Winding-Up and Restructuring Act (Canada) which has the effect of removing management or control of its functions from the General Synod, or has its existence terminated in any other manner.
- (b) Insolvency - The General Synod makes a general assignment for the benefit of its creditors or is declared or becomes bankrupt under the Bankruptcy and Insolvency Act (Canada).
- (c) Appointment of Trustee or Receiver - Any interim receiver, receiver, receiver and manager, custodian, sequestrator, administrator or liquidator or any other person with similar powers is appointed in respect of the General Synod, or

the General Synod's property, assets and undertaking ("Property") which has the effect of removing management or control of its functions from the General Synod.

(d) Enforcement Against General Synod Property - Any holder of any security interest, mortgage, lien, charge, claim, trust or encumbrance enforces against, delivers any notices relating to its rights or its intention to enforce against, or becomes entitled to enforce against, or otherwise takes possession of, the Property or the interest of the General Synod therein, or any part thereof which has the effect of removing management or control of its functions from the General Synod; or

(e) Loss of Control- The General Synod, for any other reason, fails to remain in management and control of its functions.

## **15. COMPLIANCE WITH QUEBEC SUPPLEMENTAL PENSION PLANS ACT**

### **1. Application**

- (a) Regulation 15.2 applies only to Members whose Active Service terminates on or after January 1, 2001, and whose last employment by a Participating Employer was in the Province of Quebec.
- (b) Regulation 15.3 applies only to Members whose last employment by a Participating Employer was in the Province of Quebec and whose Pension commences on or after January 1, 2001.
- (c) In the circumstances described in Regulations 15.1(a) and 15.1(b), the applicable provisions of this Regulation take precedence over any other provisions of the Plan that would otherwise be applicable

### **2. Immediate Vesting**

- (a) If, on the termination of a Member's Active Service, the amount of the Member's Account is less than 20% of the maximum pensionable earnings under the Quebec Pension Plan for the year in which the Member's Active Service terminated, the Member shall receive a lump sum payment equal to the amount of the Member's Account.
- (b) If, on the termination of a Member's Active Service, the amount of the Member's Account is greater than or equal to 20% of the maximum pensionable earnings under the Quebec Pension Plan for the year in which the Member's Active Service terminated, the Member shall become an inactive Member of the Plan in accordance with the terms of Regulation 9 and shall have the same rights as a Member who becomes an inactive Member pursuant to Regulation 8.1(c).

### **3. Pension Guaranteed for 10 Years**

- (a) A Member referred to in Regulation 15.1(b) who has a Partner at date of retirement may elect at time of retirement to receive a Pension calculated on a joint and survivor basis that reduces by not more than 40% of its amount on the death of the Member and is payable thereafter for the life of the Member's Partner, except that payment will continue in full for 120 months in the event of the Member's death within 120 months following the commencement of Pension payments
- (b) If the Member's Partner at the Member's retirement date is then living, any Pension payments made after the death of a Member who has made an election pursuant to Regulation 15.3(a) shall be paid to the surviving Partner,

and otherwise to the Member's designated beneficiary or, in the absence of a living designated beneficiary, to the estate of the last survivor of the Member and the Partner

(c) A Member referred to in Regulation 15.1(b) who does not have a Partner at date of retirement may elect at time of retirement to receive a Pension, payable for the Member's remaining lifetime except that payment will continue for 120 months in the event of the Member's death within 120 months following the commencement of Pension payments.

(d) Any Pension payments made after the death of a Member who has made an election pursuant to Regulation 15.3(c) shall be paid to the Member's designated beneficiary or, in the absence of a living designated beneficiary, to the Member's estate.