

**THE UNIVERSITY OF OTTAWA**  
**SUPPLEMENTAL RETIREMENT PENSION PLAN**

**Effective January 1, 1999**

**Restated January 2005**

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## **ARTICLE 1 ESTABLISHMENT OF THE SUPPLEMENTAL PLAN**

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The University of Ottawa (hereinafter referred to as the "University") has implemented with effect from January 1, 1999 a Supplemental Pension Plan for those Members defined as eligible under the terms and conditions of this Supplemental Plan.

The main intent of the Supplemental Plan is to provide an amount or amounts to participating Members which, when added to the pension benefits under the Basic Plan, will provide them with benefits in excess of the maximum pension benefits imposed under the Income Tax Act subject to the terms and conditions as outlined in this Supplemental Plan.

Since January 1, 1999 an amendment has been made to the Plan. This restated version of the Plan reflects the Plan terms and conditions up to and including Board By-Law Number 3, 2004.

The Supplemental Plan is not registered with the Canada Customs and Revenue Agency or the Financial Services Commission of Ontario.

References in the Supplemental Plan to the male gender will include the female gender unless the context requires otherwise. Words used in the Supplemental Plan importing the singular number may be construed to extend to and include the plural number and vice versa.

In the Supplemental Plan the following words and phrases shall have the following meanings unless a different meaning is specifically required by the context. The words defined in this section are hereinafter capitalized.

- 2.1 "Actuarial Interest"** is defined to be the investment return, calculated on the basis of generally accepted actuarial principles, realized on the Actuarial Value of Assets for the period of calculation
- 2.2 "Actuarial Value of Assets"** is defined to be the value of assets determined at any time based on the method employed for the determination of assets in the last actuarial valuation filed with the government for the Basic Plan immediately prior to such determination
- 2.3 "Actuary"** means the Actuary retained by, but independent of, the University and qualified through Fellowship in the Canadian Institute of Actuaries.
- 2.4 "Administrator"** has the meaning assigned by section 16.1.
- 2.5 "Average Wage Index"** means such index as used to establish the increase in the Year's Maximum Pensionable Earnings as defined under the Canada Pension Plan.
- 2.6 "Basic Plan"** means The University of Ottawa Retirement Pension Plan as amended from time to time.
- 2.7 "Board"** means the Board of Governors of the University of Ottawa, the Executive Committee of the Board of Governors, or such representative of either as has been authorized from time to time to act in respect of the Supplemental Plan.
- 2.8 "Child" or "Children"** shall be as defined under the Basic Plan.
- 2.9 "Commutated Value"** means the value of a person's Pension Benefits and other benefits under the Supplemental Plan, determined in accordance with the same method and assumptions as used to calculate the Commuted Value under the Basic Plan.
- 2.10 "Credited Service"** means service as defined under section 7.3 of this Supplemental Plan.

- 2.11 **"Deferred"** means, in relation to a Pension Benefit, a Pension Benefit other than an Immediate Pension Benefit.
- 2.12 **"Designated Beneficiary"** means a person as defined in Article 14.
- 2.13 **"Employee"** shall be as defined under the Basic Plan.
- 2.14 **"Excess Contribution"** means a contribution by a Member under the Basic Plan on Pensionable Earnings in excess of an amount equal to the average Pensionable Earnings for the year of contribution which produces a pension amount equal to the maximum pension permitted under the Income Tax Act for that year.
- 2.15 **"Family Law Act"** means the Family Law Act, 1986, of the Province of Ontario as amended from time to time and includes any other applicable legislation of a substantially similar nature adopted by any other Province or by the Government of Canada.
- 2.16 **"Future Service Excess Contribution Account"** is as defined under subparagraph 5.3.
- 2.17 **"Future Supplemental Reserve"** means the reserve established under the Basic Plan to offset contributions made or benefits paid under the Supplemental Plan for service after 1998.
- 2.18 **"Immediate"** means, in relation to a Pension Benefit, a Pension Benefit that is to commence not later than one (1) month after a Member or the Member's Spouse and/or the Member's Child is entitled to it.
- 2.19 **"Income Tax Act"** means the Income Tax Act, S.C. 1995, c.21, and the Regulations thereunder, each as amended from time to time.
- 2.20 **"Lifetime"** means, in relation to a Pension Benefit, a Pension Benefit which, once the periodic payments commence to be paid to a Member or the Member's Spouse, will continue to be paid until the death of such person unless the benefit is suspended or commuted prior to that time.
- 2.21 **"Maximum Pensionable Earnings"** means for any year the Pensionable Earnings on which a Member was required to contribute under the Basic Plan.
- 2.22 **"Member"** means a member of the Basic Plan whose Pensionable Earnings are or were such that he is entitled to benefits under this Supplemental Plan.

- 2.23** "Number of Years" wherever used in the Supplemental Plan with reference to Pensionable Service and Credited Service, means the number of years, months and days of service.
- 2.24** "Past Service Excess Contribution Account" is as defined under subparagraph 5.5.
- 2.25** "Past Supplemental Reserve" means the reserve established under the Basic Plan to offset contributions made to or benefits paid under the Supplemental Plan for service prior to 1999.
- 2.26** "Pension Benefit" means a periodic payment to which a Member or the Member's Spouse and/or Child is or may become entitled under the Supplemental Plan.
- 2.27** "Pensionable Earnings" means the pensionable earnings of the Member as defined under the Basic Plan but not to exceed 120% of the maximum of the salary scale of a professor.
- 2.28** "Pensionable Service" has the meaning assigned by subparagraph 7.2.
- 2.29** "Period of Disability" is as defined under the Basic Plan.
- 2.30** "Plan Year" means a period from January 1, 1999 to December 31, 1999 and thereafter as established under the Basic Plan.
- 2.31** "Retirement" means normal, postponed or early Retirement as defined in Article 6 of this Supplemental Plan.
- 2.32** "Salary Continuance Plan" means the group long-term disability income plan provided by the University to its Employees.
- 2.33** "Spouse" is as defined under the Basic Plan.
- 2.34** "Supplemental Plan" means The University of Ottawa Supplemental Retirement Pension Plan as amended from time to time.
- 2.35** "Supplemental Fund" means the special purpose fund established by the University to provide benefits under the Supplemental Plan.
- 2.36** "University" means the University of Ottawa.

**3.1 EFFECTIVE DATE**

The Supplemental Plan is effective on and after January 1, 1999.



**4.1 MEMBERSHIP**

An Employee shall become a Member under the Supplemental Plan if his pension benefits earned in any plan year under the Basic Plan are restricted by the maximum pension limit under the Income Tax Act (\$1,722.22 in 1999).

**4.2 MEMBERS IN RECEIPT OF BENEFITS UNDER THE SALARY CONTINUANCE PLAN**

A Member who is in receipt of benefits from the University's Salary Continuance Plan shall remain a Member of the Supplemental Plan during the period for which such benefits are paid.

**4.3 FORMER EMPLOYEES RE-HIRED BY UNIVERSITY**

If the service of an Employee with the University, who is a Member, terminates and he is later re-employed he shall, for the purposes of the Supplemental Plan, be regarded as a new Employee.

If at the time of the prior termination of employment the Member was required or elected to receive a Deferred Benefit or received a cash refund or transfer in full settlement of the Pension Benefits and other benefits earned for that period of prior employment, such previously vested rights shall be considered separately in the computation of the benefits earned for such period of re-employment unless the University elects, with the Member's agreement, and under such terms and conditions as the University may set, to combine the prior period(s) of service with the current period.

**5.1 REQUIRED MEMBER CONTRIBUTIONS**

A Member shall not be required to contribute under the Supplemental Plan as the Member will contribute on the Member's Pensionable Earnings under the Basic Plan.

**5.2 CONTRIBUTIONS BY THE UNIVERSITY**

- (a) The University shall, from time to time, contribute to the Supplemental Fund such amounts as are required on the advice of the Actuary after recognition of the assets available under the Supplemental Fund to fund benefits which accrue for service after 1998 under the Supplemental Plan to the extent there are funds available in the Future Supplemental Reserve Fund to offset, to the same extent, such contributions. The University will be entitled to reduce its contribution to the Basic Plan by the amount of such contributions to the Supplemental Fund. Such Future Supplemental Reserve Fund may be replenished from new surplus funds under the Basic Plan as agreed to by the parties eligible to make such a decision at a future date.
- (b) Further, the University will fund the cost of benefits earned under this Supplemental Plan for service prior to January 1, 1999 with such funding to occur by way of a reduction in its contributions to the Basic Plan with such reduction in contributions to the Basic Plan to be a charge against the Past Supplemental Reserve. The University shall be required to fund the balance of the cost of any benefits for service prior to January 1, 1999 under the Supplemental Plan directly without offset to its contributions to the Basic Plan should there be no further funds available in the Past Supplemental Reserve.

**5.3 FUTURE SERVICE EXCESS CONTRIBUTION ACCOUNT**

An Excess Contribution account shall be maintained for each Member who contributes under the Basic Plan on Pensionable Earnings in excess of an amount equal to the average Pensionable Earnings for the year of contribution which produces a pension amount equal to the maximum pension permitted under the Income Tax Act for that year. The amount credited to this Excess Contribution Account each year shall be the Member's required contribution under the Basic Plan on the excess Pensionable Earnings. Such sums shall be credited annually with a rate of interest equal to the rate credited on the Member's required contributions under the Basic Plan.

**5.4 REFUND OF TWO TIMES CONTRIBUTIONS - BASIC PLAN**

Should a Member receive an increase in his pension benefit or commuted value under the Basic Plan as a result of the application of the minimum value formula of two times employee contributions under the Basic Plan, then the value of his benefit payable under the Supplemental Plan shall be reduced by an amount equal to the lesser of the value of this increase or two times his Excess Contribution Account as defined under section 5.3 above.

**5.5 REFUND OF MEMBER CONTRIBUTIONS – NON-ACCRUAL OF BENEFITS:**

Should a Member at the time of retirement, termination of employment, or death have any years of service which were not included as Credited Service pursuant to paragraph 7.3 then an additional lump sum payment will be provided to the Member at that time. The payment will be equal to those contributions for the years not included as Credited Service made by the Member under the Basic Plan on that part of his Pensionable Earnings which were in excess of the Pensionable Earnings which produced the maximum pension permitted under the Income Tax Act in each such year, plus interest to the date of payment at a rate equal to the rate of interest credited on the Member's required contributions under the Basic Plan.

**6.1 NORMAL RETIREMENT DATE**

The normal Retirement date of a Member shall be determined as follows:

- (a) for a Member employed as support staff of the University, the normal Retirement date shall be the first day of the month coincident with or next following the day on which such Member attains the age of 65;
- (b) for a Member employed as teaching staff of the University, the normal Retirement date shall be the first day of July coincident with or next following the day on which such Member attains the age of 65;
- (c) for a Member in receipt of monthly disability payments under the University's Salary Continuance Plan, the normal Retirement date shall be the first day of the month coincident with or next following the day on which such Member attains the age of 65 or, for a Member who immediately prior to becoming entitled to such disability payments was on the teaching staff at the University the first day of July, coincident with or next following the day on which such Member attains the age of 65.

**6.2 POSTPONED RETIREMENT DATE**

If a Member is retained by the University beyond the normal Retirement date, such Member may, with the consent of the Board, defer the commencement of such Member's Pension Benefit year by year, but not later than the end of the calendar year in which such Member attains the age of 69, providing that such Member continues as an Employee of the University during the entire period of deferment.

The date one month before such later date of commencement of pension shall be known as the postponed Retirement date.

**6.3 EARLY RETIREMENT DATE**

A Member will only receive a Pension Benefit for early Retirement purposes prior to his normal Retirement date if he elects to receive an early Retirement benefit under the Basic Plan and such early Retirement benefit will commence at the same time as it commences under the Basic Plan.

Such a Member shall be considered as having elected early Retirement and the date of such commencement of the Pension Benefit shall be known as the early Retirement date.

**7.1 PERIODS OF RECOGNIZED SERVICE**

Pensionable Service and Credited Service are those periods specifically described as such in this Article 7, as well as those periods of special leave included as such pursuant to Article 12.

**7.2 PENSIONABLE SERVICE**

Pensionable Service includes the Number of Years represented by the following periods:

(a) *Service While With the University*

Any such period which has been credited as at January 1, 1999 under the Basic Plan for service prior to January 1, 1999 and any year after 1998 for which funds are available in the Future Supplemental Reserve to fund such benefits for that year under paragraph 5.2 of the Supplemental Plan or for which other funding from the surplus or otherwise has been provided to cover the cost of benefit accruals for that year.

(b) *Service While on Salary Continuance*

The period during which the Member was in receipt of benefits under the University's Salary Continuance Plan and for which he has earned pension benefits under the Basic Plan, and for service after 1998, any year for which funds are available in the Future Supplemental Reserve to fund such benefits for that year or for which other funding from the surplus or otherwise has been provided to cover the cost of benefit accruals for that year.

(c) *Service With Another Employer*

The period of any service with another employer credited under the Basic Plan as at January 1, 1999, plus any service after 1998 under which the actuarial liability of benefits, if any, under this Supplemental Plan for such service at the time the service is credited under the Basic Plan, has been paid into the Supplemental Fund.

**7.3 CREDITED SERVICE**

For a Member's Number of Years of Pensionable Service determined under paragraph 7.2 of this Supplemental Plan, the Member shall be credited with an equal period of Credited Service multiplied by the ratio of the Member's hours worked for the period to the hours the Member would have worked on a full-time basis during the same period with such ratio not to exceed one. If a Member is accruing Pensionable Service for a period which is a period of leave, the Member's hours worked for the period shall be determined on the basis of the regular number of hours worked by the Member immediately prior to such leave period.

Pensionable Service is to be fully credited to December 31, 2002 but no service is to be credited for Pensionable Service after December 31, 2002 under this Supplemental Plan until such time as paragraph 21.2 (a) of the Basic Plan is applicable.

Upon paragraph 21.2(a) of the Basic Plan becoming applicable, a retroactive accrual of Credited Service under this Supplemental Plan will apply to all then active Members (including those on disability, on leaves of absence or otherwise deemed to be active) as well as to those Members who retired after December 31, 2002 in the manner provided for under said paragraph 21.2(a). However, where any such Members have received their reimbursement of contributions for previously uncredited years under section 5.5 of this Supplemental Plan, the additional credits for such years will be calculated to have accrued on a pro-rata basis attributable to the portion funded by the Future Supplemental Reserve, and paid accordingly under article 8.

**8.1 PENSION PAYABLE PER YEAR OF CREDITED SERVICE**

The pension payable under the Supplemental Plan per year of Credited Service, for those Members who accrued pension benefits under the Basic Plan after 1997, shall be the amount determined as follows for each such year of Credited Service:

- (a) *For Credited Service After 1965 and before 2004*

The sum of

- (i) 1.3% of that portion of the Member's average annual Pensionable Earnings over the Member's sixty highest monthly Maximum Pensionable Earnings with the University recorded from the earliest months available with such Maximum Pensionable Earnings, that is not greater than (Y) which is defined to be the lesser of 85% of the YMPE for the 1999 calendar year or 85% times the average annual YMPE in effect over the same months used to calculate the Member's average Pensionable Earnings, and
- (ii) 2.0% of the excess of such average annual Pensionable Earnings over (Y) as defined in (i) above;

but with this sum for each year of Credited Service prior to 1999 not to exceed:

- (1) \$1,722.22 pursuant to the restrictions under the Income Tax Act, or
- (2) \$1,150 if the Pension Benefit for such Pensionable Service under the Basic Plan is restricted pursuant to the restrictions under the Income Tax Act to two-thirds of the limit in (1),

with both (1) and (2) as increased by the greater of the increase in the Average Wage Index from the year 1997 to the year of pension calculation or by the percentage increase in the Consumer Price Index (with such index being the one utilized under the Basic Plan for purposes of the indexation of pension benefits) from the year 1997 to the year of pension calculation;

less the Pension Benefit provided under the Basic Plan for each such year.



(b) *For Credited Service Before 1966*

2.0% of the Member's average Pensionable Earnings, found by dividing by five the Member's sixty highest monthly Maximum Pensionable Earnings with the University, but with the amount for Credited Service prior to 1999 not to exceed:

- (i) \$1,722.22 pursuant to the restrictions under the Income Tax Act,  
or
- (ii) \$1,150 if the Pension Benefit for such Pensionable Service under the Basic Plan is restricted pursuant to the restrictions under the Income Tax Act to two-thirds of the limit in (i),

with both (i) and (ii) as increased by the greater of the increase in the Average Wage Index from the year 1997 to the year of pension calculation or by the percentage increase in the Consumer Price Index (with such index being the one utilized under the Basic Plan for purposes of the indexation of pension benefits) from the year 1997 to the year of pension calculation;

less the benefit provided under the Basic Plan for each such year.

(c) *Less than Full-Time Employment*

For purposes of the calculations in subparagraphs 8.1(a), 8.1(b), 8.1(e), and 8.1(f) the Pensionable Earnings for a Member for any period of Pensionable Service which is less than full-time shall be the Pensionable Earnings that the Member would have received for this period had the Member worked on a full-time basis.

(d) *Less Than 60 Months Service*

For purposes of calculating the Pension in section 8.1 where the Member has less than sixty (60) months of service with the University, the average Pensionable Earnings will be based on the Member's full period of service with the University.

- (e) For Credited Service after 2003

The sum of:

- (i) 1.3% of that portion of the Member's average annual Pensionable Earnings over the Member's sixty highest monthly Maximum Pensionable Earnings with the University recorded from the earliest months available with such Maximum Pensionable Earnings, that is not greater than (Y) which is defined to be the lesser of 85% of the YMPE for the 1999 calendar year indexed at 55% of the percentage increase in the YMPE from year to year since 2003 or 85% times the average annual YMPE in effect over the same months used to calculate the Member's average Pensionable Earnings, and
- (ii) 2.0% of the excess of such average annual Pensionable Earnings over (Y) as defined in (i) above.

less the Pension Benefit provided under the Basic Plan for each such year.

- (f) Notwithstanding sub-paragraph 8.1(e) above, upon paragraph 21.2(b) of the Basic Plan becoming applicable, the formula in 8.1(e) above shall be replaced by the formula in 8.1(a) for years of Credited Service after 2003, with retroactive adjustment applying to all then active Members (including those on disability, on leaves of absence or otherwise deemed to be active) for any such years of Credited Service.

**8.2 PENSION PAYABLE ON EARLY RETIREMENT DATE****8.2.1 Unreduced Pension**

The annual Pension Benefit payable to a Member who retires in accordance with section 6.3 shall be an amount determined by the methods described in section 8.1. If at such Member's date of Retirement the Member is age 60 or more, or the Member's age plus Credited Service is equal to 90 or more, then the Pension Benefit payable is not reduced on account of early Retirement.

**8.2.2 Reduced Pension**

Should the Member at such Member's date of Retirement be less than age 60, and the Member's age plus Credited Service be less than 90, then the Pension Benefit payable in accordance with this subparagraph 8.2.2 shall be adjusted so that it is Actuarially Equivalent to the Pension Benefit otherwise payable from the earlier of:

- (a) the Member's attainment of age 60; or
- (b) the date at which the Member's age plus Credited Service would have totaled 90 had the Member remained in employment with the University,

provided that where the Member had terminated employment with the University prior to attainment of age 55, the factor of 90 in subclause (b) above shall be calculated based on the Member's actual Credited Service in determining the early retirement reduction.

**8.3 FORM OF PENSION PAYMENT**

All pensions under this Article 8 are payable monthly in installments equal to one-twelfth of the annual amount determined pursuant to section 8.1. The first payment to the retired Member is payable one month after the normal, postponed or early Retirement date as the case may be, and the first payment to be made to any other person as a consequence of the death of the Member or another person is payable at the end of the month of such death.

**8.4 RETIREMENT PENSION INDEXATION**

## 8.4.1 Application

All Immediate Pension Benefits payable on or after January 1, 1999 or such Deferred Pension Benefits as provided for under paragraph 9.1, may be subject to adjustment for inflation on each January 1 following the date of commencement of such Pension Benefit or termination of employment at the sole discretion of the University.

- 8.4.2 Notwithstanding the above, the Pension Benefits referred to in paragraph 8.4.1 shall be automatically increased on January 1 of any year if pension benefits are fully indexed under the Basic Plan on an automatic basis in accordance with the provisions of the Basic Plan as at January 1 of such year. The amount of the increase shall be equal to the rate of increase under the Basic Plan for the increase in the Consumer Price Index for the year ending December 31 just prior to such January 1.

**9.1 DEFERRED PENSION ENTITLEMENT**

In the event of the termination of a Member's service, except because of death or Retirement, the pension earned for Credited Service up to the date of such termination as determined under the Supplemental Plan shall become payable commencing on the first day of the month coincident with or next following the day on which the Member attains the age of 60, or age plus actual Credited Service is equal to 90 or more and the age is greater than 55. The Member may elect prior to attaining the age at which the pension is first payable without reduction (i.e., age 60 or 65, or age plus actual Credited Service is equal to 90 or more, as applicable) to retire early on or after age 55, in accordance with section 6.3.

**9.2 LUMP-SUM REFUND**

A Member who terminates employment with the University, except because of death or Retirement, may elect to receive, in lieu of the Pension Benefit pursuant to section 9.1, a lump sum payment equal to the present value of the pension payable, with such value determined based on the same method and assumptions as used under the Basic Plan to calculate the commuted value of benefits.

**10.1 DEATH PRIOR TO RETIREMENT**

In the event of the death of a Member prior to having retired in accordance with any of the paragraphs of Article 6, there shall become payable in a lump sum the amount which would have been payable to the Member under section 9.2, as a lump sum payment had he terminated employment just prior to his date of death.

**10.2 DEATH PRIOR TO RETIREMENT AFTER TERMINATION OF  
EMPLOYMENT**

In the event of death prior to the normal Retirement date of a Member who became entitled to a Deferred Pension Benefit in accordance with section 9.1, there shall become payable in full settlement of the Member's rights under the Supplemental Plan, a lump sum equal to the present value of the deferred pension entitlement as at the date of death.

**10.3 FORM OF PAYMENT OF PRE-RETIREMENT DEATH BENEFIT**

Any monies becoming payable by virtue of section 10.1 or 10.2 hereof shall be paid as follows, unless otherwise required in accordance with Article 14:

- (a) if upon death, the Member leaves surviving him a Spouse, then to such Spouse, in a lump sum;
- (b) if upon his death, the Member leaves no Spouse surviving him, then to his Designated Beneficiary, or estate if there is no Designated Beneficiary, in a lump sum.

**10.4 DEATH BENEFITS AFTER RETIREMENT**

The normal form in which the Pension Benefit pursuant to Article 8 is payable is as follows:

- (a) Such pension shall be payable in any case until the Member's death.
- (b) Upon the death of the Member following Retirement, a pension shall become payable to the Member's surviving Spouse, if any, and upon the death of the latter or in the absence of such a survivor on the Member's death, to or on behalf of the Member's surviving Children.

- (c) The Pension Benefit payable to the Member's survivors under clause (b) hereof during the first five (5) years or such other period as may have been elected under section 10.5, following the Member's Retirement shall be the amount that was being paid to the Member, and the Pension Benefit payable thereafter shall be 60% thereof, with the survivor pensions subject to any indexation applicable to Retirement pensions.

Where a Pension Benefit payment is payable to the surviving Children of the Member, the total amount of such Pension Benefit payment according to the preceding limits shall be divided equally amongst the then eligible Children at the time each such payment is due.

- (d) If the date of the very last payment made in accordance with subparagraphs (a) and (b) falls within the first five (5) years, or such other period as may have been elected under section 10.5, following the Member's Retirement on pension, such payments nevertheless shall continue to be made for the remainder of such five-year period or other period as elected:
- (i) to the Member's Designated Beneficiary or, if none, to the estate if the very last payment was made to the Member;
  - (ii) to the beneficiary or, if none, to the estate of the Spouse, if the last payment was made to such person; or
  - (iii) to the beneficiary of the Member or Spouse or, if none, to the estate of the Member or Spouse, depending on who last received a payment prior to the last payment made to the Child.

In lieu of a continuation of payments in each such case, a lump sum may be paid equal to the Commuted Value of these payments.

### **10.5 PENSION PAYOUT OPTIONS**

A Member on or before his Retirement date may elect to waive the five-year guarantee period provided for in section 10.4 and in its place elect a Pension Benefit of Actuarially Equivalent value to reflect no guarantee period or a guarantee period of 10 or 15 years. In no event shall the Member be entitled to waive the survivor pension benefits provided for under sub-section 10.4(b). The Member may, however, elect on or before his retirement date, to increase the survivor pension but in no event shall it exceed the amount of the pension benefit to which the Member is entitled after adjustment for the revised survivor pension benefit. The actuarial value of the Member's and the Survivor's pension benefit prior to and after the adjustment shall be equal.

### **10.6 SPOUSE ACQUIRED AFTER RETIREMENT**

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A Member who acquires a Spouse after retirement on pension may elect that a portion of his pension continue to be paid to his Spouse following his death. The Member is only entitled to make such an election within one year of the Spouse first qualifying as a Spouse under the terms of the Supplemental Plan.

In order to provide for the survivor pension, the Member's pension will be adjusted on an actuarial basis such that the value of the Member's pension prior to the election is of the same value as the Member's and the Survivor's pensions after the election. The pension payable to the Spouse upon the Member's death cannot exceed the pension the Member was receiving immediately prior to his death.



**11.1 PENSION BENEFIT ACCRUAL WHILE ON DISABILITY**

## 11.1.1 No Earnings

Where a Member is receiving a benefit from the University's Salary Continuance Plan, Pension Benefits in regard to such Member shall continue to accrue during this Period of Disability. Such Period of Disability shall be included as Credited Service in the determination under Article 8 of the Pension Benefit payable at Retirement subject to its qualification under sub-paragraph 7.2 (b).

The Member's Pensionable Earnings for the period the Member is disabled shall be his Pensionable Earnings at the beginning of said period, increased whenever a scale increase in general salary levels comes into effect at the same rate of increase as is applicable to other Members of the same class as the Member subject to the maximum level for Pensionable Earnings.

## 11.1.2 Reduced Earnings

Should the Member, while in receipt of benefits from the University's Salary Continuance Plan, receive remuneration for a period of reduced employment with the University, his Pensionable Earnings for said period shall be the greater of:

- (a) the Pensionable Earnings as defined in subparagraph 11.1.1; or
- (b) the sum of
  - (i) the Pensionable Earnings as defined in sub-paragraph 11.1.1 times the percentage of the full disability benefits which the Member is receiving during the period of reduced employment, and
  - (ii) the Pensionable Earnings actually received during the period of reduced employment,

but with such sum not to exceed the maximum level for Pensionable Earnings.

## 11.1.3 Certified Disability

In order to qualify for the benefits provided by this section 11.1, the Member must be in receipt of a benefit from the University's Salary Continuance Plan as a result of a disability as certified in writing by a medical practitioner licensed to practice under the laws of a Province of Canada.

**12.1 MEMBER ON LEAVE - DEFINITION**

A Member who is credited with service under the Basic Plan while on leave from employment, will also have this leave credited under the Supplemental Plan in accordance with the terms and conditions as set out in this Supplemental Plan.

- 13.1** The University may enter into a reciprocal transfer agreement with another employer. The terms and conditions of such transfer agreement will be as determined by the University in its sole discretion.

- 14.1** A Member, by written notice communicated to the University during such Member's Lifetime, may designate a person or persons or the Member's estate to receive all or a stipulated portion of the benefits payable under the Supplemental Plan on the Member's death.

Also by written notice communicated to the University during such Member's Lifetime, the Member may alter or revoke such designation from time to time, subject always to the provisions of any annuity, insurance or other contract or law governing designation of beneficiaries from time to time in force which may apply to such Member.

Such written notice shall be in such form and shall be executed in such manner as the University in its discretion may from time to time determine.

Such Designated Beneficiary shall cease to be a Designated Beneficiary upon the death of such person.

In no event shall the designation of a beneficiary under this Article 14 void the entitlement to the Spouse of the Member to the death benefits provided under Articles 8 and 10 of the Supplemental Plan.

- 15.1** The University will establish a special purpose fund, known as the Supplemental Fund, to be designated for payment of benefits under this Supplemental Plan unless otherwise paid from general operating funds. Such fund will be held exclusively and separate from the general assets of the University. The University shall not contribute the funds to a trust or to any person or legal entity and shall ensure that the assets set aside in the fund do not constitute separate and distinct trust property. The University will retain ownership of the funds set aside in the Supplemental Fund. The Supplemental Fund shall not be subject to the direct claim of any Member in respect of their benefits payable thereunder. In addition, the funds shall be subject to the claims of the University's creditors in accordance with applicable bankruptcy legislation in the event of the University's receivership, bankruptcy or wind-up.

- 16.1** The Supplemental Plan shall be administered by the Board which shall conclusively decide all matters relating to the administration, overall operation, interpretation and application of the Supplemental Plan, consistent, however, with the provisions of the Supplemental Plan and the terms of any other Supplemental Plan documents as may be in effect.
- 16.2** The Board may enact such rules and regulations relating to the operation of the Supplemental Plan as it may deem necessary to carry out properly the terms thereof, and may amend such rules and regulations from time to time.
- 16.3** The University shall provide each Member of the Supplemental Plan with a written explanation of the terms and conditions of the Supplemental Plan and amendments thereto applicable to him, 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 Supplemental Plan.
- 16.4** The Supplemental Plan Committee shall be composed of six persons, as follows :
- (a) two Members designated by the Association of Professors of the University of Ottawa (APUO), and
  - (b) four persons designated by the Board, including at least one Member; the Chair of the Supplemental Plan Committee will be appointed by the Board amongst these four persons.
- 16.5** The Supplemental Plan Committee shall be responsible for reviewing the Supplemental Plan and advising and making recommendations to the Board on all matters pertaining to the Supplemental Plan.

- 17.1** In the event that for a period of 5 consecutive years, commencing after the later of January 1, 2007 or the date at which section 21.2 of the Basic Plan becomes applicable, there are no funds remaining in the Past Supplemental Reserve, the vested portion of the Future Supplemental Reserve and that there are no surplus funds in the Supplemental Fund, the University reserves the right to amend, to alter, to modify or to discontinue the Supplemental Plan at any time.
- 17.2** Any amendments or discontinuance of the Supplemental Plan made in accordance with paragraph 17.1 shall not adversely affect the rights and privileges accrued to any Member in respect of pension earned by him for Credited Service up to the date of such amendment.
- 17.3** In the event of discontinuance of the Supplemental Plan, the University shall determine, in consultation with the representatives of the Members, the procedures to be applied for the payment of all benefits earned to the date of the discontinuance and for the distribution, for the benefit of Members, of the Supplemental Fund plus any funds remaining in the Past Supplemental Reserve and in the vested portion of the Future Supplemental Reserve.
- 17.4** Notwithstanding paragraph 17.3, a Member's entitlement under the Supplemental Plan at time of discontinuance shall be at least equal to the actuarial liability of the benefits earned under this Supplemental Plan to the date of discontinuance. Such actuarial liability shall be determined based on the assumptions last used prior to the date of discontinuance to value the benefits under the Supplemental Plan for normal on-going purposes, including the projection of salaries and maximum benefits under the Income Tax Act to the assumed date of retirement under these actuarial assumptions. Further Member shall, for purposes of this Article 17, be deemed to include any Employee who would be projected to have an actuarial liability at retirement under the Supplemental Plan based on the actuarial valuation conducted at the time of discontinuance for service to the date of discontinuance.

However, should the Supplemental Fund, plus any funds remaining in the Past Supplemental Reserve and in the vested portion of the Future Supplemental Reserve, not be sufficient to provide for the full foregoing actuarial liability, the difference between such funds and the accrued benefits as per paragraph 17.2 will be allocated to the Members on a pro-rata basis to be determined by the University, in consultation with the representatives of the Members, so that the total of all Members' adjusted entitlements is equal to such funds, but not below the amount payable to each Member for accrued benefits as per paragraph 17.2.

- 18.1** The establishment of the Supplemental Plan shall not be presumed to give any Employee, whether or not a Member of the Supplemental Plan, the right to be retained in the service of the University, to prevent the University from discharging the Employee at any time, nor to give rise to any claim against the University for any cause whatsoever other than for benefits accrued under the Supplemental Plan.
- 18.2** Every person to whom benefits under the Supplemental Plan may be extended shall upon request furnish satisfactory proof of age or other information required to establish such person's entitlement to such benefits.
- 18.3** All benefits to be provided under the Supplemental Plan for any person shall be for such person's own use and benefit and shall not be capable of anticipation, surrender, commutation, sale assignment, alienation, transfer, pledge or charge by any person, nor shall there exist in any person any right or interest in any benefits provided under the Supplemental Plan that is capable of being anticipated, surrendered, commuted, sold, assigned, alienated, transferred, pledged or charged.

However, such rights under the Supplemental Plan may be;

- (a) assigned pursuant to subparagraph 18.4.2; or
- (b) assigned by the legal representative of a deceased person on the distribution of the person's estate; or
- (c) commuted as permitted under the Supplemental Plan.

#### **18.4 MARRIAGE BREAKDOWN**

##### **18.4.1 Application**

For purposes of this section 18.4, if a Member's benefits become subject to provincial property law, the term "spouse" shall be as defined under this Supplemental Plan.

##### **18.4.2 Assignment to Spouse**

Subject to any limitations imposed by applicable legislation, a Member may, pursuant to a decree, order or judgment of a competent tribunal or in accordance with a written separation agreement relating to a division of property between the Member and the Member's Spouse, assign all or part of the Member's Pension Benefit under the Supplemental Plan to that person's Spouse.



**18.4.3 Calculation of Pension Benefit**

In the event that all or part of a Member's Pension Benefit is assigned under subparagraph 18.4.2, the sum of the resulting Pension Benefits provided to each of the Member and the Member's Spouse shall be Actuarially Equivalent to the Member's accrued Pension Benefit immediately before assignment.

**18.5 PAYOUT OF A MINIMUM PENSION BENEFIT**

The University reserves the right to pay in a lump sum to any Member, surviving Spouse or Children, the present value of the Pension Benefits payable to such individual where such annual Pension Benefit is equal to or less than 10% of the Yearly Maximum Pensionable Earnings under the Canada Pension Plan.

**18.6 PAYOUT OF A LUMP SUM**

A Member who is entitled to a Pension Benefit under the Supplemental Plan may elect to receive in lieu of the Pension Benefit, a lump sum payment equal to the present value of the pension payable, with such value determined based on the same method and assumptions as used under the Basic Plan to calculate the commuted value of benefits.

**18.7 APPLICABLE LAW**

The Supplemental Plan shall be administered in accordance with the laws applicable in the Province of Ontario.

**18.8 SUCCESSION AND ASSIGNMENT**

In the event that any legislation, regulation, bylaw, resolution, court order or other act provides for the discontinuance, amalgamation or succession of the University of Ottawa or the assignment of its obligations under the Supplemental Plan, and the terms do not provide for the continuance of the Supplemental Plan in the same form and with the same terms and conditions then in place, including the terms for its funding, or do not provide that the Supplemental Plan continues and is binding on the University's successors or assigns, then prior to the effective date of such discontinuance, amalgamation or succession, this Supplemental Plan shall be wound up and the provisions of Article 17 shall apply.