

**CTVglobemedia Publishing Inc
Employees' Retirement Plan**

Effective as of May 31, 2010

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ARTICLE 1 – INTRODUCTION

1.01 The Plan

This document constitutes the CTVglobemedia Publishing Inc. Employees' Retirement Plan.

1.02 Primary Purpose of Plan

The primary purpose of the Plan is to provide retirement income until death for and on behalf of Employees who are Participants in the Plan in respect of their service as Employees. Prior to January 1, 2001, Employees accrued benefits under the Thomson Newspapers Employees' Retirement Plan (the Prior Plan).

1.03 Prior Plan

The Plan incorporates and preserves the benefits accrued under the Prior Plan in respect of Employees who were members of the Prior Plan as of December 31, 2000 and whose employment was transferred to a Participating Employer as at the Effective Date. Following regulatory approval, a portion of the assets accumulated under the Prior Plan was transferred to the Fund established for the Plan, and all liabilities under the Prior Plan with respect to service accrued under the Prior Plan prior to the Effective Date by eligible Employees (except benefits fully insured by annuities), were correspondingly assumed under the terms of the Plan. For greater certainty the benefits, rights and entitlements in respect of such fully insured annuities are incorporated into the Plan.

1.04 Entire Plan

- (a) This document shall constitute the entire pension plan.
- (b) Nothing contained in this document shall be construed as decreasing any benefits that have been accrued in respect of any Participant by virtue of participation in the Prior Plan prior to the Effective Date.
- (c) Notwithstanding any other provision of the Plan or Prior Plan to the contrary, the Participant shall not earn benefits under both the defined benefit and defined contribution provisions of the Plan or Prior Plan in respect of the same period of Continuous Employment.
- (d) Unless stated otherwise herein, the terms of the Plan as restated in this text apply to Participants whose Continuous Employment terminates on or after May 31, 2010. The benefits of Participants whose Continuous Employment terminated prior to May 31, 2010 are determined by the terms of the Plan that were in effect at the relevant time, unless stated otherwise.

1.05 Registration

- (a) It is the intention of the Company that the Plan shall meet the requirements of Applicable Pension Legislation and Revenue Rules. The continued registration of the Plan under Applicable Pension Legislation and under the Income Tax Act (Canada) is a pre-condition for the Plan as amended and restated herein to remain operative.
- (b) If the Plan fails to comply with any such requirements, the Company may in its sole and absolute discretion amend the Plan to so comply, or discontinue the Plan.

1.06 Governing Law

The Plan shall be governed and administered in accordance with the Income Tax Act (Canada) and Applicable Pension Legislation, and shall be construed in accordance with the laws of the Province of Ontario.

1.07 Invalidity of Part

If any provision of the Plan or part thereof is determined to be void or unenforceable in whole or in part, such determination shall not affect the validity or enforcement of any other provision or part thereof.

1.08 Construction

Notwithstanding any provision of this Plan, it shall be construed to comply with the requirements of Applicable Pension Legislation and Revenue Rules as of the date that any such requirement comes into force, or such earlier date as the Plan may provide.

ARTICLE 2 – DEFINITIONS

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

2.01 "Actuarial(ly) Equivalent" shall mean an amount of equal value when computed at such rate of interest and on the basis of such other assumptions as are adopted by the Company on the recommendation of the Actuary for the purposes of this Plan, in accordance with Applicable Pension Legislation and Revenue Rules.

Notwithstanding the foregoing, the Company may adopt a basis that eases administration of the Plan, including the use of unisex factors, provided that such basis is not precluded by Applicable Pension Legislation and Revenue Rules.

2.02 "Actuary" shall mean an individual qualified through Fellowship in the Canadian Institute of Actuaries, or a firm, one of whose participants is so qualified, that is retained by, but independent of, the Company.

2.03 "Applicable Pension Legislation" shall mean the *Pension Benefits Act (Ontario)* and regulations thereunder each as amended or replaced from time to time, and where applicable to an Employee, shall include the legislation of another province or the Government of Canada and designated under the *Pension Benefits Act (Ontario)* as substantially similar.

2.04 "Bargaining Employee" shall mean an Employee who is a member of a union or subject to a collective bargaining agreement between the union and a Participating Employer.

2.05 "Bargaining Participant" shall mean a Participant who is a Bargaining Employee who remains eligible to participate in the Plan.

2.06 "Basic Contributions" shall mean Basic Contributions as defined in Appendix A.

2.07 "Basic Retirement Income" shall mean the amount of defined benefit pension to which a Participant is entitled pursuant to Section 7.01.

2.08 "Beneficiary" shall mean the person or persons last validly designated by a Participant pursuant to the provisions of Section 11.04.

2.09 "Board" shall mean the board of directors of the Company

2.10 "Commutated Value" shall mean, in relation to benefits that a person has a present or future entitlement to receive, a lump sum amount which is the actuarial present value of those benefits computed using rates of interest, actuarial tables and other assumptions as may be selected by the Company, subject to Applicable Pension Legislation and Revenue Rules.

2.11 "Company" shall mean CTVglobemedia Publishing Inc. and any successor corporation, whether by amalgamation, merger or otherwise.

2.12 "Continuous Employment" shall be as defined in accordance with Section 4.01.

- 2.13 "Credited Interest" shall mean:
- (a) the annually compounded interest credited to Required Contributions. Credited Interest shall be calculated each year as the average yield on five-year personal fixed term chartered bank deposit rates as published in the Bank of Canada Review as CANSIM Series B 14045 for the immediately preceding calendar year. Notwithstanding the foregoing, Credited Interest on Required Contributions in respect of a Quebec Participant or former Participant shall, in accordance with Applicable Pension Legislation, be calculated each year as the investment earnings of the Fund (or that portion of the Fund that holds these contributions).
 - (b) interest on the payment of a Commuted Value out of the Fund, compounded annually and calculated from the date at which the Commuted Value was determined to the date of payment, at the same rate that was used to determine the Commuted Value, or at such other rate, if any, as required by Applicable Pension Legislation.
- 2.14 "Credited Service" shall be as defined in accordance with Section 4.02.
- 2.15 "DB Participant" shall mean a Participant who is accruing benefits on a defined benefit basis under Schedule A, B, C, D, or E, as applicable.
- 2.16 "DC Participant" shall mean a Participant who is accruing benefits under the defined contribution provisions of the Plan as set out in Appendix A.
- 2.17 "Early Retirement Date" shall mean the first day of the month coincident with or next following the date a Participant's Continuous Service terminates in accordance with Section 6.02.
- 2.18 "Earnings" for a Participant shall mean the annual amount of remuneration received from and determined by a Participating Employer for the purposes of the Plan, subject to the inclusions and exclusions contained in the applicable Appendix or Schedule attached hereto.
- Earnings with respect to periods prior to the Effective Date shall be as defined in the Prior Plan.
- With respect to any period of Continuous Employment included in the Participant's Credited Service and during which the Participant has not actually received Earnings from a Participating Employer, the Participant's Earnings for such period shall be deemed to have continued unchanged at the Participant's regular rate in effect immediately before such period commenced.
- 2.19 "Effective Date" shall mean January 1, 2001.
- 2.20 "Employee" shall mean a regular full-time employee or a part-time or temporary employee of a Participating Employer who is a participant of any employee group which is designated by the Company as being eligible to participate in this Plan.

- 2.21 "Fund" shall mean the pension fund provided for in the Funding Agreement consisting of all assets held for the payment of benefits under provisions of the Plan.
- 2.22 "Funding Agency" shall mean such trust companies or insurance companies, licensed to do business in Canada, as the Company may appoint from time to time to hold the Fund.
- 2.23 "Funding Agreement" shall mean an agreement or contract between the Company and the Funding Agency.
- 2.24 "Inactive Participant" shall mean a Participant who by reason of a change in employment status is not an active Participant under the Plan or a Participant who is deemed to be an Inactive Participant in accordance with the provisions of Article 12.
- 2.25 "Maximum Pension Accrual" shall mean, for any Plan Year, the lesser of:
- (a) 2% of the Participant's Earnings in respect of such year; and
 - (b) \$2,494.44 or such higher "defined benefit limit", as such term is defined in the Revenue Rules, as is applicable in the year of determination.
- 2.26 "Non-Bargaining Employee" shall mean an Employee who is not a Bargaining Employee but excludes a Participant covered by Schedule E.
- 2.27 "Non-Bargaining Participant" shall mean a Participant who is a Non-Bargaining Employee who remains eligible to participate in the Plan.
- 2.28 "Normal Retirement Date" shall be as defined in accordance with Section 6.01.
- 2.29 "Optional Contributions" shall mean Optional Contributions as defined in Section A2.7 of Appendix A.
- 2.30 "Participant" shall mean an Employee or a former Employee who has enrolled in the Plan in accordance with Article 3, and who continues to be entitled to benefits under the Plan and excludes a person by whom or in respect of whom all benefits have been transferred out of the Plan under Section 9.06 or Article A10 . A Participant of a Province shall mean a Participant who, at the earliest of his Retirement Date, date of termination of Continuous Employment, date of termination of membership in the Plan, or such other date of determination as may be required for purposes of the Plan, was employed in such Province and subject to its Applicable Pension Legislation.
- 2.31 "Participating Employer" means the Company and any Related Employer, or a division of the Company or a Related Employer, that is invited by the Company from time to time to participate in the Plan in accordance with such terms as the Company shall deem reasonable, provided that by appropriate action of the Related Employer's board of directors it has elected to make the Plan applicable to its employees. Acceptance of a Related Employer as a Participating Employer shall be evidenced by a resolution of the Board.

- As of January 1, 2001, the Company is a Participating Employer. Between January 1, 2002 and May 31, 2003, Bell Globemedia Interactive Inc. was a Participating Employer with respect to Employees in its Globe Interactive division.
- 2.32 "Plan" shall mean the CTVglobemedia Publishing Inc. Employees' Retirement Plan, as stated herein in its entirety, and any subsequent amendments hereto.
- 2.33 "Plan Year" shall mean the 12-month period extending from January 1 through December 31.
- 2.34 "Postponed Retirement Date" shall mean the first day of the month coincident with or next following the date a Participant's Continuous Employment ceases or is deemed to cease after his Normal Retirement Date in accordance with Section 6.03.
- 2.35 "Pre-Reform Vested Benefit" shall mean the benefit described in Section 9.02(a).
- 2.36 "Post-Reform Vested Benefit" shall mean the benefit described in Section 9.02(b).
- 2.37 "Prior Employer" shall mean any predecessor corporation or division acquired by a Participating Employer or a Related Employer.
- 2.38 "Prior Plan" shall mean the "Thomson Newspapers Employees' Retirement Plan" under which eligible Employees accrued benefits prior to the Effective Date.
- 2.39 "Province", with respect to a Participant, shall mean the province of Canada whose pension legislation is applicable to the Participant.
- 2.40 "Reform Date" shall mean the dates given in the following table in respect of the applicable Province, unless otherwise stated herein:

<i>Province</i>	<i>Reform Date</i>
Alberta	January 1, 1987
Ontario	January 1, 1987
British Columbia	January 1, 1993
Manitoba	July 1, 1976
New Brunswick	January 1, 1992
Nova Scotia	January 1, 1988
Quebec	January 1, 1990
Saskatchewan	January 1, 1994

- 2.41 "Related Employer" means an employer that is a company that is related within the meaning of the Income Tax Act (Canada) to a Participating Employer, or a partnership or joint venture in which a Participating Employer is a partner or joint venture and in respect of which such Participating Employer does not act at arm's length.

- 2.42 "Required Contributions" shall mean required contributions made prior to the Effective Date under the Prior Plan, together with contributions made to the Plan on or after the Effective Date in accordance with Section 5.01.
- 2.43 "Retirement Date" shall mean a Participant's Early Retirement Date, Normal Retirement Date or Postponed Retirement Date, as the case may be.
- 2.44 "Retirement Income" shall mean the annual defined benefit, payable monthly, provided under the terms and conditions of the Plan to a Participant.
- 2.45 "Revalorization Account" means a separate bookkeeping account in the name of an affected DB Participant as described in Section 7.05.
- 2.46 "Revenue Rules" means the provisions of the *Income Tax Act (Canada)* and the regulations adopted thereunder from time to time pertaining to employees' pension plans or funds registered under the *Income Tax Act (Canada)* as they are applicable to the Plan, each as amended or replaced from time to time.
- 2.47 "Schedules" shall mean the Schedules appended to this Plan providing additional terms and conditions not contained in the main body of the Plan.
- (a) Schedule A - shall apply to Non-Bargaining Employees of the Globe and Mail.
 - (b) Schedule B - shall apply to Bargaining Employees of the Globe and Mail not covered by Schedule C.
 - (c) Schedule C - shall apply to Bargaining Employees of the Globe and Mail represented by the Graphical Communications International Union.
 - (d) Schedule D - shall apply to Non-Bargaining Employees of Globe Interactive.
 - (e) Schedule E - shall apply to such Employees as are designated.
- 2.48 "Suspended Non-Bargaining Participant" shall mean the Participant described in Section 3.02(c).
- 2.49 "Spouse" shall mean the person who, at the relevant date of determination:
- (a) if there is no person described in (b), is married to the Participant and is not living separate and apart from such Participant; or
 - (b) qualifies as the spouse of the Participant, as defined in Applicable Pension Legislation;

and who qualifies as a "spouse" as defined at the relevant time by Revenue Rules for purposes of registered pension plans, provided that not more than one person shall be a Spouse hereunder and in the event of more than one person having claims to be such, the determination of the Company as to which person shall be the Spouse, on the basis of evidence available to it which it considers sufficient for the purposes of such determination, shall be final.

For the purposes of determining under Section 8.02 whether a Quebec DB Participant has a Spouse, the relevant date of determination shall be the date on which the Quebec DB Participant begins receiving a pension.

- 2.50 "Total Disability" shall mean a disability throughout which the Participant is physically or mentally impaired so that he is prevented from performing the duties of employment in which he was engaged prior to the impairment, as certified in writing by a qualified medical doctor licensed to practice in Canada or the place where the Participant resides.
- 2.51 "Total and Permanent Disability" shall mean a physical or mental impairment:
- (a) which prevents the Participant from engaging in any occupation or work for compensation or profit;
 - (b) which is likely to be permanent and continuous during the remainder of the Participant's lifetime;
 - (c) was not intentionally self-inflicted or did not result from the Participant having engaged in a criminal act for which he was duly convicted in a court of law; and
 - (d) which is certified by a medical doctor licensed to practice in Canada satisfactory to the Participating Employer.
- 2.52 "Year's Maximum Pensionable Earnings" shall mean, in respect of any Plan Year, the Year's Maximum Pensionable Earnings established each year under the Canada Pension Plan.

Reference to the male gender will include the female gender unless the context requires otherwise. Words importing the singular number may be construed to extend to and include the plural number and words importing the plural number may be construed to extend to and include the singular number.

ARTICLE 3 – ELIGIBILITY

3.01 Participants in Prior Plan

Each Employee who was participating in the Prior Plan immediately before January 1, 2001 shall become a Participant on January 1, 2001. Subject to Section 3.02, the Participant shall accrue benefits under the Plan on and after January 1, 2001 on the same basis, defined benefit or defined contribution, as he was under the Prior Plan on December 31, 2000.

3.02 Non-Bargaining Participants on Effective Date

Notwithstanding Section 3.01, and subject to any subsequent election permitted or required under the applicable Schedule in effect at the relevant time:

- (a) A Non-Bargaining Participant who becomes a Participant under Section 3.01 and who was accruing defined benefits under the Prior Plan on December 31 2000, shall accrue benefits under the Plan on and after January 1, 2001 on a defined benefit basis.
- (b) A Non-Bargaining Participant who becomes a Participant under Section 3.01 and who was accruing future benefits under the defined contribution provisions of the Prior Plan on of December 31, 2000, shall continue membership in the Plan on a defined contribution basis.
- (c) A Non-Bargaining Participant who discontinued active membership in the Prior Plan as of December 31, 1997, shall remain suspended and such member's accrued defined benefits shall remain frozen based on the Non-Bargaining Participant's Earnings and Credited Service up to January 1, 1998 and shall be payable on the earlier of the Non-Bargaining Participant's termination of employment, retirement or death. Such Participant is a "Suspended Non-Bargaining Participant".

3.03 New Participants

(a) Full-time Employees

A full-time Employee who was employed on December 31, 2000 by the Prior Employer but who was not a member of the Prior Plan and who becomes a full-time Employee on the Effective Date, or an Employee who is hired by a Participating Employer on a full-time basis on or after the Effective Date, shall be eligible to become a Participant in accordance with the applicable Schedule attached hereto in effect at the relevant time.

Notwithstanding the foregoing, each person who is employed in the Province of Manitoba and who becomes an Employee on a regular full-time basis on or after January 1, 1984 must, as a condition of employment but subject to Applicable Pension Legislation, join the Plan on the first day of the month on or after completion of two (2) years of Continuous Employment.

(b) **Part-time Employees**

Subject to the applicable Schedule hereto

- (i) Subject to paragraphs (ii) and (iii) below, as applicable, each Employee who was not a member of the Prior Plan and who is employed by a Participating Employer on a part-time or temporary basis shall be eligible to become a Participant in accordance with the applicable Schedule in effect at the relevant time.
- (ii) Each Employee who was not a member of the Prior Plan, who is employed in the Province of Manitoba and who becomes an Employee on a part-time or temporary basis on or after January 1, 1984 must, as a condition of employment but subject to Applicable Pension Legislation, join the Plan on the first day of the month immediately following completion of two (2) years of Continuous Employment, provided that in each of the two immediately preceding calendar years, the Employee earned at least 35% of the Year's Maximum Pensionable Earnings for the applicable calendar year or worked 700 hours, or on such earlier date as the applicable Schedule may permit.

Each Employee who was not a member of the Prior Plan, who is employed in the Province of Quebec and who is employed by a Participating Employer on a part-time or temporary basis is eligible to join the Plan on the January 1st immediately following any calendar year of employment in which such person either worked 700 hours or earned at least 35% of the Year's Maximum Pensionable Earnings in such year, or on such earlier date as the applicable Schedule may permit.

- 3.04 Each Employee who elects, or is required to become, a Participant shall enrol in the Plan and designate in writing a Beneficiary to receive any death benefits under the Plan, upon a form prescribed by the Company; and shall, at such time, authorize the deductions from his Earnings required by the Plan.
- 3.05 An Employee who elects not to participate in the Plan when first eligible to do so shall be required to state in writing, on a form provided by the Company, that he does not wish to become a Participant in the Plan and waives all rights to pension benefits relating to service prior to such time as he subsequently becomes a Participant.
- 3.06 If an Employee terminates his service with a Participating Employer and is later re-employed, he shall, for the purposes of the Plan, be regarded as a new Employee who has not had previous service with a Participating Employer, except that any previously vested rights under the Plan will not be affected by his subsequent re-employment. Notwithstanding the foregoing, the Company may, at its discretion, grant a restoration of Continuous Employment and/or Credited Service for a former Participant who is subsequently re-employed, but without duplication of benefits.

- 3.07 An Employee, once having become a Participant, shall continue to hold such status until such time as all benefit entitlements under the Plan shall have been fulfilled.
- 3.08 Notwithstanding the foregoing, any Employee or class of Employees who participates in any other pension plan or arrangement to which a Participating Employer contributes shall be ineligible for participation in the Plan. Further, in the event that a Participant of the Plan becomes a participant in any other pension plan to which a Participating Employer contributes, he shall cease to make Required Contributions under Section 5.01 or Appendix A, as applicable, and he shall accrue no further Credited Service.

ARTICLE 4 – SERVICE

4.01 Continuous Employment

(a) Full-time

Subject to Section 4.01(b) and (c), Continuous Employment means the period of uninterrupted, full-time employment of an Employee with a Participating Employer or a Related Employer, beginning with the date on which the Participant last entered into employment with a Participating Employer or a Related Employer or a Prior Employer, as determined conclusively from the employment records of the Participating Employer.

(b) Part-time

Subject to Section 4.01(c), with respect to Employees who are employed on a part-time or temporary basis, Continuous Employment shall include uninterrupted, part-time employment with the Participating Employer, beginning with the date on which the Participant last entered into employment with a Participating Employer or a Related Employer or a Prior Employer, as determined conclusively from the employment records of the Participating Employer.

With respect to Employees who were participating in the Prior Plan as of January 1, 1981, Continuous Employment may include periods of uninterrupted part-time employment with a Prior Employer for specific Employees or specific classes of Employees, but only when so designated by the Company.

(c) Absences

Absence as a result of various status changes may be included or excluded in Continuous Employment in accordance with the applicable Schedule or Appendix attached hereto.

Notwithstanding the preceding sentence, however, no such absence shall serve to reduce continuous employment as defined by Applicable Pension Legislation for the purpose of determining a Participant's vested entitlement to benefits under this Plan or the locking-in of vested benefits .

(d) Temporary Suspension of Employment

As applicable, a temporary suspension or interruption of employment, as defined in Applicable Pension Legislation, shall not constitute a break in an Employee's Continuous Employment for the purposes of benefit eligibility, vesting, and locking-in.

(e) **Termination of Continuous Employment**

- (i) Continuous Employment with a Participating Employer shall be considered to have been broken if the Employee:
 - (A) terminates his employment with the Participating Employer for any reason; or
 - (B) is discharged by the Participating Employer; or
 - (C) fails to return to work within 14 days of the expiry of an approved leave of absence, without an excuse approved by the Participating Employer; or
 - (D) fails to return to work within 14 days of the date he is recalled from layoff, without an excuse approved by the Participating Employer; or
 - (E) fails to return to work after recovery from Total Disability.
- (ii) Continuous Employment shall cease upon the discontinuance of the Plan without immediate substitution of a successor employees' pension plan.

4.02 **Credited Service**

- (a) Credited Service means the sum of (i) and (ii) where:
 - (i) is the number of years and completed months (months expressed as twelfths of a year) of Continuous Employment on and after the Effective Date while a DB Participant is accruing benefits under a defined provision of the Plan, subject to the provisions and exclusions contained in the Plan and the applicable Schedule attached hereto; and
 - (ii) is Credited Service determined immediately prior to the Effective Date under the Prior Plan.
- (b) For greater certainty, Credited Service shall exclude any periods of such employment during which the Participant did not join the Plan or elected to suspend membership in the Plan or elected to accrue benefits under the defined contribution provisions of the Plan and, subject to Applicable Pension Legislation, shall exclude periods of temporary suspension or interruption of employment described under Section 4.01(d).
- (c) In no event, however, shall the total periods of absence without Earnings on and after January 1, 1991 included in a Participant's Credited Service and periods during which a DC Participant elects to make Basic Contributions under Section A3.5(b) or Section A11 of Appendix A, but excluding those throughout which the Participant suffers from a Total Disability exceed:
 - (i) five years; and

- (ii) the periods of parenting, as defined in Revenue Rules, subject to a maximum of 36 months of such periods of parenting and a maximum of 12 months for any one period of parenting.
- (d) With respect to any period of Continuous Employment during which the DB Participant renders service on a part-time basis, Credited Service for each month of such period shall be adjusted in the ratio that:
 - (i) the number of regular hours the DB Participant actually worked during such month, as determined by the Participating Employer, bears to
 - (ii) the number of regular hours the DB Participant would have worked during such month had the Participant worked on a full-time basis in the same category of employment during such month, as determined by the Participating Employer, such ratio not to exceed one.

ARTICLE 5 – CONTRIBUTIONS

5.01 Employee Required Contributions

Subject to Section 10, each DB Participant who is an Employee shall contribute to the Fund, by regular payroll deduction, an amount in each Plan Year or part thereof determined in accordance with the applicable Schedule attached hereto.

Such contributions, for a DB Participant, shall be made until the earliest of his transfer to a category of employment such that he ceases to be an Employee, his termination of Continuous Employment, his Retirement Date, the date he receives benefits in accordance with Subsection 7.05(b)(ii), his death, the discontinuance of the Plan, or his suspension of active membership under the defined benefit provisions of the Plan.

In no event shall the Required Contributions made by a DB Participant during any calendar year exceed the product of:

- (a) 4.5; and
- (b) \$2,494.44 or such other amount that is permitted under Revenue Rules as the defined benefit limit for retirements during that calendar year.

Subject to the Section 4.02(c) and the applicable Schedule, a DB Participant who is on a leave of absence due to maternity or parental leave, sickness or accident, emergency, illness of a family member, or such other reason, for which a period of absence from work is required to be granted by law, may, in accordance with the minimum standards employment and/or labour legislation of the jurisdiction applicable to the DB Participant, elect to continue to make Required Contributions during such absence, provided the DB Participant was earning benefits under the defined benefit provisions of the Plan immediately prior to commencement of such absence, in which case Credited Service would continue to accrue during such absence. Such Required Contributions will be based on the DB Participant's rate of Earnings in effect immediately prior to such absence.

5.02 Payment of Employee Contributions to Funding Agency

All contributions made by or on behalf of DB Participants under Section 5.01 retained by the Participating Employer shall be paid to the Funding Agency within the calendar month following the month in which such contributions were deducted from the Participant's Earnings.

5.03 Employer Contributions

The Participating Employers shall contribute to the Fund such amounts, as may be recommended by the Actuary having regard to the existence of any surplus determined by actuarial valuation, as may be necessary to provide for the benefits accruing in that year and to fund any unfunded liability and any solvency deficiency in accordance with, and within the time limits specified in, Applicable Pension Legislation. The liability of the Participating Employers at any time to make contributions to the fund is limited to such contributions as should have theretofore been made by them in accordance with Applicable Pension Legislation and the terms of the Plan. Notwithstanding the foregoing, contributions made to the Plan by the Participating Employers shall only be made if they are eligible contributions in accordance with Revenue Rules.

5.04 Non-Withdrawal of Contributions

A Participant shall not be permitted to withdraw any portion of his Required Contributions, until such time as he terminates employment with a Participating Employer (provided that he does not transfer his employment to another Participating Employer) and then only to such extent as is permitted under the terms and conditions of the Plan.

5.05 Excess Contributions

In the event that a Participating Employer or a Participant makes a contribution to the Plan which would render the Plan's registration revocable under the Income Tax Act (Canada) then, subject to the conditions or approval procedures under Applicable Pension Legislation, such contributions shall be returned to the Participating Employer or the Participant, as applicable.

ARTICLE 6 – RETIREMENT DATES

6.01 Normal Retirement Date

Normal Retirement Date shall be the first day of the month coincident with or next following the date on which the Participant attains age 65.

6.02 Early Retirement Date

If the Continuous Employment of a Participant terminates after he has attained age 55 and prior to his Normal Retirement Date, the Participant is considered to have retired on his Early Retirement Date, which is the first day of the calendar month coincident with or next following the date on which the Participant's Continuous Employment terminates.

6.03 Postponed Retirement Date

If a Participant's Continuous Employment terminates after his Normal Retirement Date, the Participant's Postponed Retirement Date shall be the first day of the month coincident with or next following the earlier of the date the Participant's Continuous Employment terminates and December 1 of the calendar year during which the Participant attains age 71, or such other date as may be permitted by Revenue Rules.

ARTICLE 7 – RETIREMENT BENEFITS

7.01 Basic Retirement Income

- (a) Upon retirement in accordance with Section 6, each DB Participant shall be entitled to the Basic Retirement Income calculated in accordance with the applicable Schedule attached hereto.
- (b) In no event shall the Commuted Value of the benefit payable to or in respect of a DB Participant be less than the Participant's Required Contributions together with Credited Interest.
- (c) A DB Participant's Basic Retirement Income shall be subject to the provisions of Section 9.05.

7.02 Normal or Postponed Retirement Pension

Subject to Section 7.04, a DB Participant whose Continuous Employment terminates on his Normal Retirement Date in accordance with Section 6.01 shall be entitled to receive the Basic Retirement Income, based on the amount of pension accrued to his Normal Retirement Date, commencing on his Normal Retirement Date.

Subject to Section 7.04 and 7.05, a DB Participant whose Continuous Employment terminates or is deemed to terminate on his Postponed Retirement Date in accordance with Section 6.03 shall be entitled to receive the Basic Retirement Income, based on the amount of pension accrued to his Postponed Retirement Date, commencing on his Postponed Retirement Date. In no event shall the Basic Retirement Income to which a Manitoba DB Participant is entitled to receive on his Postponed Retirement Date in accordance with this paragraph be less than the Actuarial Equivalent of the Basic Retirement Income that would have been payable if the Manitoba DB Participant had commenced receiving his Basic Retirement Income at his Normal Retirement Date.

7.03 Early Retirement Pension

Subject to Section 7.04, a DB Participant who is accruing Continuous Service and whose Continuous Employment terminates prior to his Normal Retirement Date in accordance with Section 6.02 shall be entitled to receive the Basic Retirement Income commencing on his Early Retirement Date but reduced as specified in the applicable Schedule attached hereto.

7.04 Maximum Retirement Income

The total Retirement Income payable at an annual rate under the defined benefit provisions of the Plan, determined upon the earlier of termination of Continuous Employment and Retirement Date, and including any portion of pension payable to a Participant's Spouse or former Spouse pursuant to Section 16.07, shall not exceed the product of (a), (b) and (c), where:

- (a) is the lesser of:

- (i) 2% of the annual average of the Participant's highest 36 consecutive months of Earnings; and
 - (ii) \$2,494.44, or such higher amount as determined under Revenue Rules at the date the Participant's Continuous Employment ceases.
- (b) is the lesser of:
- (i) the Participant's Credited Service; and
 - (ii) 35 years plus the Participant's Credited Service on and after January 1, 1992.
- (c) is 100%, reduced, if the Participant's Retirement Income commences prior to his Normal Retirement Date, by 0.25% for each month by which his Retirement Date precedes the earliest of:
- (i) the date the Participant attains age 60;
 - (ii) the date the Participant completed, or would have completed if the Participant continued in employment after his Retirement Date, 30 years of Continuous Employment; and
 - (iii) the date on which the sum of the Participant's age and Continuous Employment is, or would have been if the Participant continued in employment after his Retirement Date, equal to 80 years.

This Section 7.04 does not apply to additional benefits payable as a result of any Actuarial Equivalent increase due to deferral of the commencement of Retirement Income after age 65.

7.05 Postponed Retirement – Quebec Employees

- (a) In the event that a Quebec DB Participant's Continuous Employment continues after his Normal Retirement Date until his Postponed Retirement Date, such Quebec DB Participant shall receive in lieu of retirement benefits otherwise provided under Section 7.02 Retirement Income equal to the sum of:
- (i) Retirement Income computed in accordance with Section 7.02 but assuming that the Quebec DB Participant had commenced receipt of his Retirement Income on his Normal Retirement Date, and
 - (ii) additional Retirement Income, payable in the form as specified in Article 8 from his Postponed Retirement Date, equivalent to the Accumulated Value (as defined in Section 7.05(b) of his Revalorization Account at his Postponed Retirement Date on an Actuarial Equivalent basis reflecting the then current annuity purchase rates.

(b) **Revalorization Account**

- (i) A separate Revalorization Account in the name of the Quebec DB Participant affected by Section 7.05(a) shall be maintained and will be credited, each month commencing from his Normal Retirement Date, with the Retirement Income computed in accordance with Subsection 7.05(a)(i) and the Required Contributions, if any, made by the Quebec DB Participant during the month.
- (ii) In any month between his Normal Retirement Date and his Postponed Retirement Date the Quebec DB Participant may draw from his Revalorization Account an amount not exceeding the monthly amount computed under Subsection 7.05(a)(i) to compensate for any reduction in his wages, salary or remuneration in accordance with Applicable Pension Legislation.
- (iii) At the end of each month following his Normal Retirement Date, the Participant's Revalorization Account shall be adjusted as follows:
 - (A) addition of the monthly normal retirement income as computed in accordance with Subsection 7.05(a)(i),
 - (B) addition of the Required Contributions, if any, made by the Quebec DB Participant during the month,
 - (C) addition of interest at a rate determined by the Company but not less than any applicable minimum rate under the Applicable Pension Legislation,
 - (D) subtraction of the amount, if any, withdrawn from his Revalorization Account in accordance with Subsection 7.05(b)(ii) during the month.

At any computation date, the Accumulated Value of the Revalorization Account shall equal the balance of the Quebec DB Participant's Revalorization Account adjusted as of the month-end concurrent with or immediately preceding the computation date.

Notwithstanding the above, if a Quebec DB Participant elects to receive the payment of all or a portion of his retirement benefit prior to his Postponed Retirement Date, the payment of Required Contributions and accrual of Credited Service shall cease.

- (iv) In the event of the death of the Quebec DB Participant after his Normal Retirement Date but prior to commencing receipt of his Retirement Income on his Postponed Retirement Date, there shall be paid to his Beneficiary an amount equal to the Accumulated Value of his Revalorization Account, in addition to any benefit under Article 5 and Article 11.

7.06 **Phased Retirement – Quebec Employees**

- (a) A Quebec DB Participant whose working time is reduced pursuant to an agreement with his Participating Employer within 10 years of his Normal Retirement Date or after his Normal Retirement Date, may elect to receive phased retirement benefits, and subject to the conditions specified, in Section 7.06(c) and (d).
- (b) The Quebec DB Participant's benefit entitlement shall be reduced to account for the value of any phased retirement benefits received under Section 7.06(a). Such reduction shall be determined in accordance with Section 7.06(c) and (d).
- (c) A Quebec DB Participant whose working time is reduced in accordance with paragraph 7.06(a) may receive, on request, for each calendar year covered by the agreement with his Participating Employer, a lump sum payment equal to the least of:
 - (i) 70% of the reduction in the Participant's remuneration resulting from the reduction in his working time during that year;
 - (ii) 40% of the YMPE for that year or, where applicable, a part of this amount proportional to the number of months in that year covered by the agreement; and
 - (iii) the lump sum Actuarial Equivalent of the benefits that the Quebec DB Participant would have been eligible to receive in accordance with Article 9 or Section 7.05, as applicable, had the Quebec DB Participant terminated Continuous Employment on the date the lump sum payment is made.
- (d) In the event that a Quebec DB Participant elects to receive a payment in accordance with paragraph (c):
 - (i) subject to the other provisions of the Plan, the payment of Required Contributions and accrual of Credited Service shall continue;
 - (ii) the Participant's Accounts, as defined in Section A6.01, if any, are first reduced by the payment received by the Member in the following order:
 - (A) the Basic Account;;
 - (B) the Retirement Account
 - (C) the Optional Account;
 - (iii) and then a reducing Retirement Income payable in accordance with Article 8, commencing at Normal Retirement Date and for which the lump sum Actuarial Equivalent is equal to the payment received by

the Quebec DB Participant determined as at the date the payment under Section 7.06(c) is made; and

- (iv) any benefit subsequently payable under the other provisions of the Plan shall be reduced by the Actuarial Equivalent of the reducing retirement income specified in Section 7.06(d)(iii).
- (e) A Quebec DB Participant may not receive, in the same calendar year, the benefit provided under this Section and a Retirement Income payable under Section 7.05(b)(ii).

ARTICLE 8 – PAYMENT OF PENSIONS

8.01 Normal Form

Except as otherwise provided in this Article, the payment of a DB Participant's Retirement Income shall be in the form of equal monthly instalments payable over the lifetime of the DB Participant, with the first instalment due on the first day of the month coincident with or next following the DB Participant's Retirement Date and the final instalment due on the first day of the month in which the DB Participant dies. Should the DB Participant die before having received such instalments for a period of 60 months, his Beneficiary will receive the monthly instalments for the remainder of the period. At the option of the Company and with the consent of the Beneficiary, such monthly instalments may be replaced by a lump sum payment which is the Actuarial Equivalent thereof, except that such monthly instalments must be replaced by an Actuarial Equivalent lump sum payment if the Beneficiary is the DB Participant's estate.

8.02 Optional Forms of Payment

In lieu of the normal form as specified in Section 8.01, and subject to Section 8.02(e), a DB Participant may elect to receive his Retirement Income in one of the forms specified in Sections 8.02(a) and (b). The benefit payable under this Section 8.02 shall be the Actuarial Equivalent of the benefit payable under Section 8.01. However, in no event shall any actuarial increase due to the election of an optional form cause the annual amount of the DB Participant's retirement income to exceed the maximum amount of retirement income that is applicable in accordance with the other provisions of the Plan nor shall it cause the benefit accrual rate within the meaning of Revenue Rules, with respect to any portion of the DB Participant's remuneration, to exceed 2%.

(a) Life Annuity - Guaranteed Term

The Retirement Income is paid in equal monthly instalments for the life of the DB Participant with the last payment due on the first day of the month in which the death of the Participant occurs and, if elected by the Participant, with a guarantee that if the Participant dies before 120 or 180 payments are made, the remaining payments shall continue to be paid to the DB Participant's Beneficiary.

(b) Life Annuity Continuing to Spouse

The Retirement Income is paid in equal monthly instalments for the life of the DB Participant with the last payment due to the DB Participant on the first day of the month in which the death of the DB Participant occurs and with or without a guarantee that if the Participant dies before 60 payments are made, the remaining payments shall be paid to the DB Participant's Spouse or Former Spouse, and 50%, 60%, 75% or 100% of this Retirement Income, as elected by the DB Participant, continuing to be paid to the DB Participant's Spouse or Former Spouse commencing on the first day of the month following the later of the month in which the death of the DB Participant

occurs and, if applicable, the expiry of the 60 month guarantee period, and ending on the first day of the month in which the death of the DB Participant's Spouse or former Spouse occurs, provided that, if the 60 month guarantee was elected and if both the DB Participant and the Spouse or former Spouse die before 60 payments have been made, then the remaining payments shall be paid to the Beneficiary.

(c) **Temporary Pension Option Quebec Employees**

The Quebec DB Participant who elects to receive his retirement income prior to his Normal Retirement Date and who files a duly signed form prescribed by Applicable Pension Laws with the administrator prior to the payment of the first instalment of the benefit, may elect to receive his retirement income, in the form of a life annuity plus a temporary annuity ceasing the month preceding the Quebec DB Participant's Normal Retirement Date, both payable in equal monthly instalments. The annual amount of the temporary annuity shall be fixed by the Quebec DB Participant before payment begins, but shall not exceed the lesser of:

- (i) 40% of the YMPE in the year of payment commencement; and
- (ii) the maximum annual amount of temporary retirement income permitted by Revenue Rules;

If the Quebec DB Participant elects the temporary pension option described in this Section, any benefits payable to the Quebec DB Participant's Beneficiary or Spouse after the Quebec DB Participant's death shall be determined in accordance with such other form of payment elected by the Quebec DB Participant in accordance with Sections 8.01 and 8.02(a), (b), (c) and (e), any guarantee or continuance being applied to the annuity payment pattern resulting from the temporary pension option.

The value of the benefits payable under the temporary pension option shall be the Actuarial Equivalent of the benefit which would have been otherwise payable had the Participant not elected the temporary pension option.

A Spouse of a Quebec DB Participant who becomes entitled to the payment of a Retirement Income under the Plan may elect the temporary pension option described in the foregoing provisions of this Section, adapted as required.

(d) A DB Participant with a Spouse who has not waived, in the prescribed form in accordance with Applicable Pension Legislation, her right to a survivor pension, shall receive any Retirement Income as if the DB Participant had elected to receive his Retirement Income in accordance with this Section 8.02(d) and had elected a 60% joint and survivor pension payable to his Spouse for her life commencing on the first day of the month following the month in which the death of the DB Participant occurs and ending on the first day of the month in which the death of the Participant's Spouse occurs. Otherwise, Retirement Income shall be payable in accordance with paragraphs 8.02(a), (b), or (c).

(e) **Additional Options**

A DB Participant may elect a pension in such other optional form of pension payment as made available and approved by the Company from time to time, provided such optional basis is permitted under Applicable Pension Laws and Revenue Rules.

8.03 Election of an Optional Form

Each DB Participant who desires payment in a form other than that provided in Section 8.01 must complete and file with the Company a form provided by it for the election of such option. Such written designation may be made at any time prior to the DB Participant's Retirement Date.

Each DB Participant, once having elected an option, may, by written designation made to the Company, cancel or change such election subject to the same timing constraints described earlier in this Section.

8.04 Rules Regarding Amount of Payment under Optional Forms

The amount of any optional form of pension, elected pursuant to Sections 8.02 and 8.03, will depend on the option elected, the age of the DB Participant at retirement, and the age of the Spouse or former Spouse, if any.

The election of a DB Participant, who has selected a form of payment involving a Spouse or former Spouse, shall be automatically cancelled should the Spouse or former Spouse die prior to the Participant's Retirement Date. In such case, his pension shall be payable at his Retirement Date as if no election under Section 8.02 had been made unless the DB Participant, in accordance with Section 8.03, notifies the Company in writing of a new election.

ARTICLE 9 – TERMINATION OF EMPLOYMENT

9.01 Non-Vested Termination

If a DB Participant's Continuous Employment terminates for any reason other than death, retirement, or transfer of employment to another Participating Employer, and prior to becoming partially or completely vested in accordance with Section 9.02, he shall be entitled to receive a refund of his Required Contributions together with Credited Interest thereon accumulated to the date of termination.

9.02 Vesting Requirements

(a) Pre-Reform

Benefits earned by a DB Participant prior to the Reform Date shall be fully vested and shall be referred to herein as the "Pre-Reform Vested Benefit."

(b) Post-Reform

Subject to the provisions of Subsections 9.02(b) (i), (ii) and (iii) below, benefits earned by a DB Participant on and after the Reform Date shall be fully vested in the Participant upon the earlier of completion of five 5 years of Continuous Employment and 2 years of Continuous Employment as a Participant. For the purposes of this Section 9.02(b), the benefits earned after the Reform Date shall include any Retirement Income improvements granted by amendments to the Plan after the Reform Date in respect of Credited Service prior to that date. The benefit described in this Section 9.02(b) shall be termed the "Post-Reform Vested Benefit".

- (i) For a DB Participant under Schedule E, benefits earned under Schedule E on and after the Reform Date shall be fully vested immediately upon becoming a DB Participant under Schedule E.
- (ii) For a Saskatchewan DB Participant, benefits earned on and after the Reform Date shall be fully vested in the DB Participant upon the completion of 2 years of Continuous Employment.
- (iii) For a Manitoba or Quebec DB Participant, benefits earned on and after the Reform Date shall be fully vested in the Manitoba or Quebec DB Participant.

9.03 Vested Termination - Not Locked-In

If a DB Participant terminates Continuous Employment for any reason other than death, retirement, or transfer of employment to another Participating Employer, and after becoming partially or completely vested in accordance with Section 9.02, but whose benefit is not locked-in pursuant to Section 9.04, he shall be entitled to receive one of the following forms of benefit:

- (a) a lump sum payment determined in accordance with Section 9.01; or

- (b) a Retirement Income commencing on his Normal Retirement Date payable in the form specified in Section 8.01 based on the DB Participant's Continuous Employment up to the date on which the DB Participant's Continuous Employment terminated. The annual amount of such Retirement Income shall be equal to the sum of:
 - (i) the DB Participant's annual amount of Pre-Reform Vested Benefit and post Reform Vested Benefit determined in accordance with the provisions of Section 7.01 and Section 9.02; plus
 - (ii) the annual amount of pension that is the Actuarial Equivalent of the excess, if any, of the DB Participant's Required Contributions made prior to the Reform Date together with Credited Interest thereon accumulated to his date of termination over the Commuted Value of the Pre-Reform Vested Benefit, determined in accordance with Subsection 9.03(b)(i) above. In the case of a Manitoba DB Participant, "Reform Date" shall, for the purposes of this paragraph, mean January 1, 1985.
- (c) A DB Participant who is entitled to a Retirement Income under Section 9.03(b) may elect to start receiving payments commencing on the first day of any month within 10 year period preceding his Normal Retirement Date in an amount that is the Actuarial Equivalent of the amount payable on his Normal Retirement Date, subject to the reduction on account of the actuarial equivalence not being less than the reduction required by paragraph 8503(3)(c) of the Income Tax Act Regulations.
- (d) Notwithstanding Section 9.03(b), but subject to Revenue Rules, for a DB Participant whose Continuous Employment terminates or terminated on or after the DB Participant's attainment of age 55 but who did not begin receiving a Retirement Income, and who continues on or after January 1, 2001 to have a benefit entitlement under the Plan, the reduction resulting from the calculation made under Section 9.03(c) shall not exceed the reduction, applicable as if the DB Participant's Continuous Employment had terminated and his Retirement Income had commenced on an Early Retirement Date under Section 6.02, calculated as at the date of commencement of the DB Participant's Retirement Income. For the purposes of this Section 9.03(d), the determination of the reduction shall be made in accordance with the applicable provisions of the Plan in effect as at the date on which the DB Participant's Continuous Employment terminates or terminated.

9.04 **Vested Terminations - Locked-In**

- (a) If a DB Participant terminates employment with a Participating Employer:
 - (i) after he has completed 10 years of Continuous Employment, and
 - (ii) after he has attained age 45,

he shall be entitled to receive an annual Retirement Income for benefits earned prior to the Reform Date determined in accordance with Section 9.03(b), (c), and (d) and based on the service rendered in the province where locking-in is required, assuming he was fully vested in his accrued benefit.

- (b) If a DB Participant terminates Continuous Employment with a Participating Employer after satisfying the conditions in Section 9.02(b), he shall receive a Retirement Income in respect of benefits earned on and after the Reform Date determined in accordance with Section 9.03(b), (c) and (d) and assuming he was fully vested in his accrued benefit.

9.05 **Additional Statutory Benefits**

- (a) Where a DB Participant terminates Continuous Employment and is entitled to an annual Retirement Income with respect to Credited Service on or after the Reform Date, or with respect to any Retirement Income improvements granted by amendments to the Plan after such date, any Required Contributions made on or after the Reform Date, together with Credited Interest, in excess of 50% of the Commuted Value of such annual Retirement Income may be refunded to the DB Participant. In the case of a British Columbia, Saskatchewan or Alberta DB Participant, such excess may, at the discretion of the DB Participant, be used to provide additional Retirement Income, or be transferred to a registered retirement savings plan or, if such plan so permits, to another registered employees pension plan, subject to the Revenue Rules. In the case of a Manitoba DB Participant, such excess may, at the discretion of the DB Participant, be transferred to a registered retirement savings plan or, if such plan so permits, to another registered employees pension plan, subject to the Revenue Rules.

In the case of a Saskatchewan DB Participant, the above paragraph shall read without the phrase "on or after the Reform Date". In the case of a Manitoba DB Participant, "Reform Date" shall mean, for the purposes of this section 9.05(a), "January 1, 1985"

Notwithstanding the foregoing, in the case of an Alberta DB Participant, excess contributions may, at the discretion of the Company, be calculated and paid at the time the Alberta DB Participant begins to receive a Retirement Income from the Plan.

- (b) The Retirement Income with respect to Credited Service on or after January 1, 2001 for a Quebec DB Participant who is entitled to a benefit under Section 9.03 and does not elect a transfer in accordance with Section 9.06 shall be adjusted in the form and manner acceptable under Applicable Pension Legislation and Revenue Rules to reflect the value of pre-retirement indexation included in the Commuted Value of such Retirement Income.

9.06 **Transfer**

- (a) A DB Participant who ceases Continuous Employment for reasons other than by death, including termination of Continuous Employment at the Participant's Early Retirement Date or Normal Retirement Date, and who is entitled to a deferred or immediate Retirement Income under Article 7 or Article 9, may direct within the time period prescribed under Applicable Pension Legislation or as otherwise permitted at the discretion of the Company, that the Commuted Value of such Retirement Income plus Credited Interest be transferred to:
- (i) another registered employees' pension plan if the administrator of such plan agrees in writing to administer such transferred pension credit in accordance with Applicable Pension Legislation; or
 - (ii) a registered retirement savings plan of a type prescribed by Applicable Legislation; or
 - (iii) a locked-in retirement account of a type prescribed by Applicable Legislation; or
 - (iv) a life income fund of a type prescribed by Applicable Legislation, provided that the DB Participant has reached his Early Retirement Date;
 - (v) a locked-in retirement income fund, of a type prescribed by Applicable Legislation and provided that the DB Participant has reached his Early Retirement Date; or
 - (vi) applied to purchase an immediate life annuity (but only if the DB Participant has reached his Early Retirement Date) or a deferred life annuity from an insurance company licensed to transact business in Canada provided payment of the annuity will not commence before the earliest date on which the DB Participant was entitled to retire under the Plan and in such form as may be required by Applicable Pension Legislation.

An Alberta DB Participant shall, subject to Applicable Pension Legislation, be required to make a transfer under this paragraph if the sum of the Commuted Value of his Retirement Income and the value of his Basic and Retirement Accounts, if any, under Appendix A of the Plan, is less than 20% of the Year's Maximum Pensionable Earnings in the calendar year in which his Continuous Employment ceases or, where applicable, in the year in which such Commuted Value is redetermined.

A British Columbia DB Participant shall, subject to Applicable Pension Legislation, be required to make a transfer under this paragraph if the sum of the Commuted Value of his Retirement Income and the value of his Basic and Retirement Accounts, if any, under Appendix A of the Plan, is less than

20% of the Year's Maximum Pensionable Earnings in the calendar year in which his Continuous Employment ceases.

A Quebec DB Participant may, subject to Applicable Pension Legislation, make such election under Section 9.06(a) above:

- (A) upon termination of Continuous Employment with a Participating Employer,
 - (B) at each 5th anniversary occurring after such termination of employment is more than 10 years prior to Normal Retirement Date, and
 - (C) on the date that is 10 years prior to Normal Retirement Date
- (b) The Company shall not permit a transfer or purchase under this Section 9.06 unless the Company is satisfied that:
- (i) the transfer or purchase is in accordance with Applicable Pension Legislation; and
 - (ii) any restrictions under Applicable Pension Legislation with regard to the solvency of the Plan have been met.
- (c) Lump sum payments pursuant to Article 9 in respect of DB Participants who have terminated employment shall not exceed the maximum transfer amount permitted under Revenue Rules.
- (d) Subject to Applicable Pension Legislation and notwithstanding Section 9.04 and Section 9.06(a), an Alberta or Manitoba DB Participant who is entitled to an immediate or deferred Retirement Income under Article 7 or Article 9 may elect to receive the Commuted Value of his Retirement Income as a cash lump sum or to transfer his Commuted Value on a non-locked-in basis to a registered retirement savings plan provided that:
- (i) the Alberta or Manitoba DB Participant provides satisfactory evidence that he has been declared by the Canada Revenue Agency to be, for income tax purposes, a non-resident of Canada under the *Income Tax Act* (Canada), and
 - (ii) where the Alberta or Manitoba DB Participant has a Spouse, the Alberta DB Participant's Spouse has, where required by Applicable Pension Legislation, provided a written waiver or consent, as applicable, in the form prescribed by Applicable Pension Legislation;

provided that the Participant completes any other forms or otherwise satisfies any additional requirements set out in Applicable Pension Legislation, and subject to the Revenue Rules.

(e) 50% Unlocking

Notwithstanding Section 9.06(a):

- (i) an Alberta DB Participant who elects to transfer the Commuted Value of his Retirement Income in accordance with Section 9.06(a)(iv) to a Life Income Fund or (vi) for the purchase of an annuity (provided he is at least age 50), may, subject to Applicable Pension Legislation and Revenue Rules, and subject to the receipt by the Company of a written waiver in the prescribed form from the Alberta DB Participant's Spouse, if any, elect to receive up to 50% of the Commuted Value as cash, or to transfer the Commuted Value to a non-locked-in registered retirement savings plan or registered retirement income fund.
- (ii) A Manitoba DB Participant who is at least age 55 and who elects to transfer the Commuted Value of his Retirement Income in accordance with Section 9.06, may, subject to Applicable Pension legislation and Revenue Rules, elect to transfer up to 50% of the Commuted Value to a RRIF prescribed by Applicable Pension Legislation.

ARTICLE 10 – BENEFITS ON TOTAL DISABILITY

10.01 Continuation of Benefit Accrual

During an unpaid leave of absence due to Total Disability during which the DB Participant qualifies for benefits under the Participating Employer's long-term disability income plan established separate and apart from the Plan, other than a period described in Section 10.02:

- (a) a DB Participant's Earnings shall, for the purposes of the Plan, be deemed to continue at the rate of the DB Participant's Earnings in effect immediately prior to his becoming Totally Disabled;
- (b) the DB Participant shall continue to accrue Credited Service until the earlier of the date on which the DB Participant ceases to suffer from a Total Disability in accordance with this Section 10.01, the date on which the DB Participant's Continuous Employment ceases, or the date on which the DB Participant reaches his Normal Retirement Date, provided the DB Participant was earning benefits under the defined benefit provisions of the Plan immediately prior to the commencement of the Total Disability; and
- (c) notwithstanding any other provisions of the Plan, the DB Participant's Required Contributions under Section 5.01 will be waived by the Participating Employer during the Total Disability.

10.02 Workers' Compensation Benefits

A DB Participant who suffers from a Total Disability and is in receipt of Workers' Compensation benefits may elect to continue to make Required Contributions during such period, based on the his rate of Earnings in effect immediately prior to his becoming Totally Disabled, provided the DB Participant was earning benefits under the defined benefit provisions of the Plan immediately prior to commencement of Workers' Compensation benefits. If such a DB Participant continues to make Required Contributions during such period:

- (a) Earnings shall, for the purposes of the Plan, be deemed to continue at the rate of the DB Participant's Earnings in effect immediately prior to his becoming Totally Disabled; and
- (b) the DB Participant shall continue to accrue Credited Service during such period until the earlier of the date on which he ceases to suffer from a Total Disability in accordance with this Section 10.02, the date on which the DB Participant's Continuous Employment ceases, or the date on which the DB Participant reaches his Normal Retirement Date.

ARTICLE 11 - BENEFITS ON DEATH

11.01 Death Prior to both Normal Retirement Date and Actual Retirement Date

In the event of the death of a DB Participant, prior to both his Normal Retirement Date and his actual Retirement Date, there shall be paid to the DB Participant's Beneficiary an amount, determined as of the date of death, as outlined below or in Schedule E in case of benefits payable under such Schedule:

- (a) in the event of the death of a DB Participant prior to satisfying the vesting conditions in Section 9.02(b) with respect to Credited Service on or after the Reform Date, the Beneficiary will receive a lump sum payment equal to (i) less (ii):
 - (i) the Participant's Required Contributions with Credited Interest thereon to his date of death;
 - (ii) if applicable, any lump sum amount paid to the DB Participant on his termination of Continuous Employment, prior to his death, together with Credited Interest thereon to his date of death.

Notwithstanding the foregoing, in the case of a Manitoba DB Participant who has a Spouse at his date of death, the benefit shall be payable to the Manitoba DB Participant's Spouse. Notwithstanding the foregoing, the benefit in respect of an Alberta DB Participant shall be payable to the Alberta DB Participant's Spouse, or if there no Spouse at the Alberta DB Participant's date of death or if the Spouse has waived the entitlement to any pre-retirement death benefit in accordance with Applicable Pension Legislation, to the Alberta DB Participant's Beneficiary, who cannot be the Alberta DB Participant's Spouse.

- (b) In the event of the death of a DB Participant or a former DB Participant (excluding a Saskatchewan DB Participant), prior to his Retirement Date and on or after satisfying the vesting conditions in Section 9.02(b) with respect to Credited Service on and after the Reform Date, there shall be paid a lump sum death benefit equal to the sum of:
 - (i) the DB Participant's Required Contributions made prior to the Reform Date with Credited Interest thereon to his date of death, and
 - (ii) the sum of:
 - (A) a percentage (as described below) of the Commuted Value of the Retirement Income to which the DB Participant would otherwise have been entitled under the Plan, calculated only with respect to Credited Service on or after the Reform Date or with respect to any Retirement Income improvements granted by amendments to the Plan on or after such date, where such Retirement Income is calculated for an active DB Participant

as though he terminated his Continuous Employment or retired, whichever is applicable, on his date of death, and

- (B) any Required Contributions made on or after the Reform Date, or, in the case of a Manitoba DB Participant, on and after January 1, 1985, with Credited Interest thereon to his date of death in excess of 50% of such Commuted Value.

For the purposes of Subsection (A), the percentage is:

- (C) 100% for a Manitoba, Quebec, or Ontario DB Participant or former Participant and for benefits earned after December 31, 1999 for an Alberta DB Participant or former Participant; and
 - (D) 60% for a British Columbia or Nova Scotia DB Participant or former DB Participant, and for benefits earned prior to January 1, 2000 for an Alberta DB Participant or former Participant.
- (iii) Notwithstanding the foregoing, the lump sum death benefit for such Alberta, British Columbia or Nova Scotia DB Participant or former DB Participant shall not be less than the Participant's Required Contributions made on or after the Reform Date with Credited Interest thereon to his date of death. Notwithstanding the foregoing, the lump sum death benefit for such Manitoba DB Participant or former DB Participant for service on or after the Reform Date but prior to January 1, 1985 shall not be less than the Participant's Required Contributions made on or after January 1, 1985 and prior to January 1, 1985 with Credited Interest thereon to his date of death.

If applicable, such lump sum death benefit shall be adjusted to reflect any lump sum amount paid to the DB Participant on his termination of employment prior to his death.

- (iv) **British Columbia, Ontario, Quebec, New Brunswick or Nova Scotia Participants**

Such lump sum death benefit shall be paid to the Ontario, Quebec or Nova Scotia DB Participant's Spouse, or if there is no Spouse at such DB Participant's date of death, to such DB Participant's Beneficiary. Where such benefit is payable to the Ontario DB Participant's Spouse, the Spouse may elect to receive such benefit in the form of a lifetime retirement income (without any guarantee period). Where such benefit is payable in respect of a British Columbia DB Participant, such benefit shall be payable by way of a pension to the surviving spouse, or if such pension is waived by the spouse in accordance with Applicable Pension Legislation, by way of a lump sum payment. In the event there is no surviving spouse of a British Columbia DB Participant, a lump sum death benefit shall be payable to the DB Participant's Beneficiary; subject to the locking-in provisions under Applicable Pension Legislation. Where such benefit is payable to the

Spouse of a New Brunswick DB Participant, such Spouse may transfer such lump sum death benefit to a registered retirement savings plan or, if such plan permits, to another registered employees' pension plan.

(v) **Manitoba Participants**

Such death benefit for a Manitoba DB Participant shall be paid in the form of:

- (A) a lifetime Retirement Income to his Spouse, or
- (B) a lump sum to his Beneficiary if he does not have a Spouse at his date of death or if the Spouse has waived the entitlement to any pre-retirement death benefit in accordance with Applicable Pension Legislation.

The surviving Spouse of a Manitoba DB Participant may elect to transfer such amount to a registered retirement savings plan or, if such plan permits, to another registered employees pension plan, provided the administrator of such plan agrees in writing to administer such transferred pension credit in accordance with Applicable Pension Legislation.

A surviving Spouse of a Manitoba DB Participant who is at least age 55 and who elects to transfer the Commuted Value of his Retirement Income in accordance with Section 9.06, may, subject to Applicable Pension legislation and Revenue Rules, elect to transfer up to 50% of the Commuted Value to a RRIF prescribed by Applicable Pension Legislation.

(vi) **Alberta Participants**

Such lump sum death benefit shall be payable to the Alberta DB Participant's Spouse, or if there is no Spouse at the Participant's date of death or if the Spouse has waived the entitlement to any pre-retirement death benefit in accordance with Applicable Pension Legislation, to the Alberta DB Participant's Beneficiary. Subject to Applicable Pension Legislation, where such benefit is payable to the Alberta DB Participant's Spouse, such Spouse may elect to transfer such the lump sum death benefit in accordance with Section 9.06(a), or to receive the benefit in the form of a life pension that is the Actuarial Equivalent of such lump sum, payable on or after the date that is ten (10) years prior to the Spouse's Normal Retirement Date to a registered retirement savings plan or, if such plan so permits, to another registered employees' pension plan, provided the administrator of such plan agrees in writing to administer such transferred pension credit in accordance with Applicable Pension Legislation.

An Alberta DB Participant's Spouse shall, subject to Applicable Pension Legislation, be required to make a transfer under Section 9.06(a) if the sum of the lump sum death benefit under Section 11.01(b) and the lump sum pre-retirement benefit, if any, payable to the Spouse under Appendix A of the Plan, is less than 20% of the Year's Maximum Pensionable Earnings in the calendar year in which the Alberta DB Participant dies or, where applicable, in the year in which such Commuted Value is redetermined.

An Alberta DB Participant's Spouse may, in accordance with Applicable Legislation, waive entitlement to any pre-retirement death benefits payable to a Spouse under this Section 11.01(b)(vi) by signing a written waiver in the prescribed form, provided that the Spouse will thereafter not be eligible to receive pre-retirement death benefits under this Section 11.01(b)(vi) as the Alberta DB Participant's Beneficiary, and, for greater certainty, will not be eligible to receive a pre-retirement death benefit under the Plan.

Subject to Applicable Pension Legislation, an Alberta DB Participant's Spouse may elect to receive or transfer any lump sum death benefit payable to a Spouse under this Section 11.01(b)(vi) on a non-locked in basis provided that the Alberta DB Participant's Spouse provides satisfactory evidence that the Spouse has been declared by the Canada Revenue Agency to be, for income tax purposes, a non-resident of Canada under the Income Tax Act (Canada).

An Alberta DB Participant's Spouse who is at least age 50 and who elects to transfer the death benefit in accordance with Section 9.06(a)(iv) or (vi) may, subject to Applicable Pension Legislation and Revenue Rules, elect to withdraw on an unlocked basis an amount not exceeding 50% of the lump sum death benefit in the form of cash, a transfer to a registered retirement savings plan or a transfer to a registered retirement income fund.

(c) **Saskatchewan Participants**

In the event of the death on or after satisfying the vesting conditions in Section 9.02(b) of a Saskatchewan DB Participant or a former Saskatchewan DB Participant prior to his Retirement Date, and who has a Spouse at his date of death, there shall be paid a lump sum death benefit equal to the sum of:

- (i) the DB Participant's Required Contributions made prior to Reform Date with Credited Interest thereon to his date of death; and
- (ii) if the DB Participant would not have been eligible to retire in accordance with Article 6:
 - (A) the Commuted Value of the Retirement Income to which the DB Participant would otherwise have been entitled under the

- Plan, calculated only with respect to Credited Service on or after Reform Date or with respect to any Retirement Income improvements granted by amendments to the Plan on or after such date, where such Retirement Income is calculated for an active DB Participant as though he had terminated his employment on his date of death, plus
- (B) the DB Participant's Required Contributions made on or after Reform Date with Credited Interest thereon to his date of death in excess of 50% of the Commuted Value of such Retirement Income; and
- (iii) if the DB Participant would have been eligible to retire in accordance with Article 6:
- (A) the greater of:
 - a) the Commuted Value of a retirement income payable for the lifetime of the Spouse and equal to 60% of the Retirement Income to which the DB Participant would otherwise have been entitled under the Plan, calculated only with respect to Credited Service on or after Reform Date or with respect to any Retirement Income improvements granted by amendments to the Plan on or after such date, where such Retirement Income is calculated as though he had retired on his date of death and elected to receive his Retirement Income in accordance with Section 8.02(e); and
 - b) the amount of the DB Participant's Required Contributions made on or after January 1, 1994 with Credited Interest; and
 - (B) the DB Participant's Required Contributions made on or after the Reform Date with Credited Interest thereon to his date of death in excess of 50% of the Commuted Value of such Retirement Income.

Such lump sum death benefit payable under Subsections 11.01(c)(ii) and (iii) shall be subject to the locking-in provisions under Applicable Pension Legislation. If applicable, such lump sum death benefit shall be adjusted to reflect any lump sum amount paid to the DB Participant on his termination of employment prior to his death.

- (d) Notwithstanding the foregoing, in lieu of the total benefits payable under Sections 11.01(a), 11.01(b) and 11.01(c), should the death of a DB Participant occur following both the attainment of age 60 and the completion of 15 years of Continuous Employment, his Spouse or Beneficiary shall be eligible to receive the Retirement Income, for 60 months, that would have been payable had the DB Participant retired immediately prior to his death.

11.02 Death After Retirement

In the event of the death of a DB Participant subsequent to his Retirement Date, there shall be paid to his designated Beneficiary or Spouse or former Spouse, as the case may be, any payments due in accordance with the form of pension payment applicable under Article 8.

11.03 Death after Normal Retirement Date but Before Retirement

Notwithstanding anything to the contrary contained herein, in the case of a DB Participant who dies after his Normal Retirement Date but prior to his Retirement Date, such DB Participant shall be deemed, for the purpose of this Article, to have retired and commenced receipt of his Retirement Income on the first day of the month in which his death occurred.

11.04 Designation of Beneficiary

- (a) A DB Participant may, by notice in writing to the Company, designate a person or persons to receive the benefits that may be payable under the Plan on his death. The designated Beneficiary under the Prior Plan, in effect as at the Effective Date, shall automatically become the Beneficiary under this Plan as at the Effective Date.
- (b) A DB Participant may, by notice in writing during his lifetime, alter or revoke such designation from time to time, subject always to the provisions of any annuity, insurance or other contract, or any law governing the designation of a Beneficiary which may apply to such DB Participant. Such notices shall be in such form and shall be executed in such manner as the Company may in its discretion determine from time to time.
- (c) If, on the death of a DB Participant, there should be no designated Beneficiary or if the person or persons designated by the DB Participant as his Beneficiary shall not be living, the Company reserves the right, in its full discretion, to pay such benefits to the estate of the DB Participant.
- (d) If the Spouse of an Alberta DB Participant waives his entitlement to a pre-retirement death benefit in accordance with Section 11.01(a) or 11.01(b)(vi), any designation by the Alberta DB Participant of that Spouse as a Beneficiary under the Plan shall not be recognized for the purposes of pre-retirement death benefits payable under Section 11.01.

11.05 Settlement of Death Benefits

If the DB Participant has designated his Spouse as his Beneficiary then, in lieu of any lump sum payment of benefits due upon his death, the DB Participant may elect, or in default of such election his Spouse may elect, to have such benefits paid in the form of:

- (a) a life pension to the Spouse with a guaranteed period which may not exceed the lesser of 15 years or the life expectancy of the Spouse; or

- (b) on such other basis as may be permitted from time to time by the Company and under Revenue Rules.

ARTICLE 12 – TRANSFERS

12.01 Transfers between Schedules A, B, C and D

In the event that a DB Participant who participates under one of Schedules A, B, C or D of the Plan is transferred to a category of employment in which he is eligible to participate under any other of Schedules A, B, C and D such DB Participant shall automatically cease to accrue Credited Service under the applicable Schedule of the Plan from which he has transferred and begin accruing Credited Service under the applicable Schedule of the Plan to which he has transferred, unless otherwise required under the applicable Schedule. With respect to benefits accrued under the applicable Schedule of the Plan from which he transferred, the DB Participant shall be deemed to be an Inactive Participant. Any period of Credited Service under the Schedule from which a DB Participant transferred shall be included as Credited Service when determining benefits under the Schedule to which he is transferred, except that benefits provided under the Schedule to which he transferred shall be inclusive of all benefits under the Schedule from which he transferred.

12.02 Transfers between Schedule E and Other Schedules

- (a) In the event that a Participant who participates under any of Schedules A, B, C, or D becomes eligible to participate under Schedule E, such Participant shall automatically cease to accrue benefits under the applicable Schedule from which he transferred and commence participation under Schedule E. The benefits provided to such a Participant under Schedule E shall, where applicable, be inclusive of all benefits under the Schedule from which he transferred.
- (b) In the event that a Participant who participates under Schedule E, is transferred to a category of employment in which he is no longer eligible for participation under Schedule E, such Participant shall automatically cease to accrue benefits under Schedule E, and shall commence participation under the Schedule applicable to such category of employment. Such Participant's benefits under Schedule E shall be based on his Credited Service as at the date of such transfer of employment. Such a Participant's Credited Service under the Schedule to which he has transferred shall commence as at the date of such transfer of employment.

12.03 Transfer to Other Plans

In the event that a Participant is transferred to a category of employment such that he ceases to be an Employee for the purposes of this Plan, such Participant shall become an Inactive Participant with respect to benefits provided under this Plan. Such Participant's Continuous Employment shall continue to accrue until the earliest of his death, Retirement Date, termination of employment or termination of the Plan, but his Credited Service shall not include any period of time while he is an Inactive Participant.

12.04 Transfer from Other Plans

In the event that a Participant is transferred to a category of employment such that he becomes eligible to participate under this Plan, his Credited Service shall include the period of uninterrupted regular employment immediately prior to such date of transfer which was included in determining benefit accruals under another pension plan sponsored by a Participating Employer. To the extent that Credited Service under this Plan includes a period of service with respect to which benefits were accrued and payable under another pension plan sponsored by a Participating Employer, the benefits payable under this Plan shall be reduced by the amount of such other benefits.

12.05 Workopolis Transfers

- (a) A Participant who was accruing Credited Service, who ceased to be employed by the Company as of July 31, 2003 and who became employed by Workopolis on August 1, 2003 shall cease to accrue Credited Service as of July 31, 2003 and shall become an Inactive Participant. Such Inactive Participant's Continuous Employment shall continue to accrue until the earliest of his death, Retirement Date, Unreduced Early Retirement Date as defined in the applicable Schedule to the Plan, termination of employment with Workopolis or termination of the Plan, at which time his benefit will be determined based on his Earnings, Credited Service, and the Plan's formula as of July 31, 2003.
- (b) A Participant who ceased accruing Credited Service as of December 31, 2001 and began participating in the Defined Contribution Plan for Employees of Bell Globemedia Inc. and Associated Companies, now the Defined Contribution Plan for Employees of CTVglobemedia Inc. and Associated Companies, on and after January 1, 2002, and who ceased to be employed by the Company as of July 31, 2003 and who became employed by Workopolis on August 1, 2003 shall continue to be an Inactive Participant. Such Inactive Participant's Continuous Employment shall continue to accrue until the earliest of his death, Retirement Date, Unreduced Early Retirement Date as defined in the applicable Schedule to the Plan, termination of employment with Workopolis or termination of the Plan, at which time his benefit will be determined based on his Earnings, Credited Service, and the Plan's formula as of December 31, 2001.

12.07 Foreign Service

If a Participant is employed outside Canada by a Participating Employer, the Participant may continue accruing Credited Service under the applicable Schedule or making contributions to his Basic Account under Appendix A, as applicable, subject to the Revenue Rules.

ARTICLE 13 – CUSTODY OF THE FUND AND FINANCIAL ARRANGEMENTS

13.01 Funding Agency

The Company shall conclude a Funding Agreement with a Funding Agency, in order to maintain a Fund for the provision of benefits under the Plan. The Funding Agency will act as custodian of the Fund. The Company shall have the right to execute such documents as it may deem proper or desirable relating to the definition of the powers, duties, and liabilities of the Funding Agency, and the manner and times of accounting thereof, and generally for any other purpose relating to the administration of the Plan and Fund. The Company may, at any time and from time to time, appoint an additional Funding Agency, or successor or new Funding Agency. Neither the Company, nor the Board, nor any participant thereof, shall be held accountable for any loss occasioned by or resulting from the appointment, removal or discharge of any Funding Agency made in good faith.

13.02 Deposits and Payment of Benefits

The Company shall ensure that the amounts of all contributions are periodically and promptly transferred to the Fund, in accordance with Applicable Pension Legislation to be applied only in accordance with the provisions of the Plan as may be amended from time to time. Neither any Participant, nor any of his Spouse, former Spouse or his designated Beneficiary shall have any title to or ownership of the Fund or any property or asset forming part thereof. Neither shall any Participant, nor any Spouse, or designated Beneficiary, have any claim to an accounting by any Funding Agency. Any such claim shall be directed to the Company and shall be limited to the right to receive those benefits expressly provided for in the Plan or any amendments thereto.

13.03 Investment of the Fund

The Company shall direct the investment of the Fund and the Fund shall be administered in accordance with Applicable Pension Legislation and Revenue Rules. Subject thereto and further subject to the provisions of Article A6.3, the Fund may be invested in such investments as the Company may in its absolute discretion deem advisable. The Company shall not be held responsible for any loss which may be occasioned by retaining investments or making investments, in good faith, in securities other than those authorized by law for trustees, provided that the investment of the Fund shall be made in accordance with the requirements of the Revenue Rules and any Applicable Provincial Legislation so as not to subject the Fund to any income tax liability.

13.04 Payment of Expenses

All expenses with respect to the operation or administration of the Plan or Fund shall be payable from the Fund, unless such expenses are otherwise assumed by the Company.

At the discretion of the Company, fees paid and expenses incurred in respect of the Basic Account, the Optional Contribution Account, or the Retirement Account of a former Participant (or Spouse or Beneficiary of a deceased Participant) may be charged directly against such account.

13.05 Actuarial Surplus

Subject to the requirements of Applicable Pension Legislation, any surplus determined by actuarial valuation, or a portion thereof, may be used to reduce the contributions of the Participating Employers otherwise required under the Plan including, for greater certainty, such contributions required to provide the benefits under both the defined benefit and the defined contribution portions of the Plan, or may, to the extent allowed and subject to any conditions or approval procedures under Applicable Pension Legislation and Revenue Rules, be returned to the Participating Employers.

ARTICLE 14 – ADMINISTRATION OF THE PLAN

14.01 Administrator

The Company is the designated administrator of the Plan and as such is responsible for the overall operation and administration of the Plan. The Company shall have the power, subject to the provisions of the Plan, to take action with respect to any questions arising out of or in connection with the administration of the Plan, to prescribe forms and to make rules and regulations there under. The Company shall, from time to time, designate one or more officials or a group of officials of the Company, Participating Employers or a Related Employer to act on its behalf and may specify procedures under which such official or officials shall operate. Such designation shall be sufficient authority for any Funding Agency.

14.02 Indemnification of the Administrator

The Company shall indemnify and save harmless any officials of the Company, Participating Employers and Related Employers designated by the Company to act on its behalf in accordance with Section 14.01, and any other officials, officers or companies who are involved in the administration of the Plan from the effects and consequences of their acts, omissions and conduct in their formal capacity to the extent permitted by law, except for their own wilful and intentional malfeasance or misconduct.

14.03 Reliance Upon Information

The Company and the Participating Employers, and any official of the Company, Participating Employers or Related Employers designated by the Company to act on its behalf in accordance with Section 14.01, shall be entitled to rely conclusively upon all tables, valuations, certificates, opinions, advice and reports which shall be furnished by any actuary, accountant, counsel or other expert who shall be employed or engaged for such purposes. Any act performed or omitted by any official in good faith in reliance upon the said opinion, advice, or information shall be conclusive and binding upon the Company, the Participating Employers, the Related Employers and the Participants.

14.04 Uniform Administration

Whenever, in the administration of the Plan, any action by the Company or a Participating Employer is required with respect to eligibility or classification of Employees or benefits, such action shall be uniform in nature as applied to all persons similarly situated.

14.05 Proof of Age

No payment of pension benefit shall commence until the Participant has filed satisfactory proof of his age with the Company. A Participant who has elected a form of Retirement Income which requires payments to a Spouse or former Spouse, shall also be required to provide satisfactory proof of the spousal status and the age of such person.

14.06 Explanation to Employees

On or before the date an Employee becomes a Participant of the Plan or otherwise as is in accordance with Applicable Pension Legislation, the Company shall provide to such Employee a written description of the Plan. Such description shall explain the terms and conditions of the Plan applicable to the Employee and amendments thereto applicable to the Employee, and shall explain the rights and obligations of the Employee in respect of the Plan.

Except as otherwise permitted or required under Applicable Pension Legislation, the Company shall provide a written explanation of an amendment to each Employee affected by the amendment not later than 60 days after registration of any amendment to the Plan.

The Company also undertakes to allow a Participant or his authorized agent, so designated in writing by the Participant, to inspect or make extracts from such documents relating to the Plan as are prescribed under the Applicable Pension Legislation.

The Company shall provide such other information regarding the Plan, statistical or otherwise, as is required under Applicable Pension Legislation.

14.07 Right to Require Evidence

Where there is uncertainty as to whether a person is entitled to a payment under the Plan, the Company reserves the right, in its sole discretion, to require that person to provide the Company with such releases, consents, affidavits, or other evidence or documentation including an order of a Court of competent jurisdiction, that the Company may require to satisfy itself as to the entitlement of that person.

ARTICLE 15 – AMENDMENT OR DISCONTINUANCE OF THE PLAN

15.01 Amendment

The Company expects to continue the Plan indefinitely, but nevertheless reserves the right to:

- (a) amend the Plan,
- (b) modify the Plan,
- (c) terminate the Plan,
- (d) merge or consolidate the Plan with any other pension plan adopted by the Board, or
- (e) transfer any assets or liabilities of the Plan to any other pension plan adopted by the Board,

provided that no such action shall adversely affect any right with respect to benefits which have accrued immediately prior to the time such action is taken, except as provided in Sections 15.02 and 15.04. Such accrued benefits will be computed as of the earlier of the date the Participant ceases to accrue Continuous Employment and the date of the amendment, modification, termination, merger or consolidation of the Plan.

Any amendment shall be made by the adoption of a resolution by the Board or as otherwise authorized by the Board.

15.02 Amendment Required to Maintain Registration

Notwithstanding any other provisions of the Plan, the Company shall amend the Plan as is necessary to maintain the registration of the Plan under Applicable Pension Legislation and the Revenue Rules. Section 15.01 shall not act to restrict the Company's ability to amend the Plan, including, but without limiting the generality of the foregoing, an amendment providing for benefits to be reduced, when the purpose of the amendment is to maintain such registration of the Plan.

15.03 Effective Date of Amendment

An amendment to the Plan will normally be effective on the date specified in the amendment but, if the amendment creates additional benefits in respect of a period of employment after 1989 which must be certified by the Minister of National Revenue in accordance with Revenue Rules, and no benefits will be paid as a result of that amendment prior to certification. The Participating Employers shall not make any contributions to the Plan in respect of the amendment until such certification has been applied for.

15.04 Discontinuance

In the event the Plan is discontinued at any time either in whole, or in part with respect to a specified group of Participants only, the assets of the Fund (or the interest therein of Participants affected by a partial discontinuance) shall be allocated, to provide to the extent of said assets subject to the Applicable Pension Legislation, the Retirement Income and other benefits then accrued under this Plan. The accrued benefits will be computed as of the date the Participant ceases to accrue Continuous Employment. Such allocation shall be made in accordance with an allocation schedule then established by the Company in consultation with the Actuary and filed with and approved by the appropriate authorities in accordance with the Applicable Pension Legislation.

15.05 The provision for the accrued retirement income and other benefits described in Section 15.04 may be in the form of cash or annuity contracts, or a combination thereof, at the discretion of the Company and as permitted under the Applicable Pension Legislation.

15.06 Upon discontinuance of the whole Plan, any assets of the Fund remaining after full provision has been made for the accrued retirement income and other benefits as described in Section 15.04 shall be returned to the Participating Employers.

ARTICLE 16 – GENERAL PROVISIONS

16.01 No Right to Employment

Participation in the Plan shall not be construed as conferring any legal rights upon any Participant to continuation of employment or any right or claim to benefits unless the right or claim to such benefits has specifically accrued under the terms of the Plan, and shall not constitute an enlargement of any rights which an Employee may have apart from this Plan. Participation in the Plan shall not interfere with the right of the Participating Employers to discharge any Participant and to treat such Participant without regard to the effect which such treatment might have upon him as a Participant, and the benefits conferred herein shall not be used to increase damages in respect of the dismissal or termination of employment of any Participant nor be considered in the awarding of reasonable notice or damages in lieu thereof..

16.02 Small Benefits

- (a) Notwithstanding anything to the contrary contained herein and subject to Applicable Pension Legislation, if:
- (i) the sum of the Participant's Basic Account and Retirement Account would, upon application to purchase an annual annuity that would be payable at the Participant's Normal Retirement Date in accordance with Sections A10.1, A10.2, A10.3 or A10.4, whichever is applicable, together with any annual Retirement Income to which the Participant is entitled to be paid at his Normal Retirement Date, result in total annual income of less than 2% of the Year's Maximum Pensionable Earnings (or such other amount as may be prescribed by Applicable Pension Legislation) in the year in which the Participant's Continuous Employment ceases;
 - (ii) in the case of an Alberta Participant, the sum of the Commuted Value of the deferred Retirement Income and the value of the Basic Account and Retirement Account under Appendix A, if any, of the Alberta Participant is less than 20% of the Year's Maximum Pensionable Earnings (or such other amount as may be prescribed by Applicable Pension Legislation) in the calendar year in which the Alberta Participant's Continuous Employment ceases; or
 - (iii) in the case of a Manitoba Participant, the sum of the Commuted Value of the Manitoba Participant's deferred Retirement Income, the value of the Manitoba Participant's Basic Account and Retirement Account under Appendix A, if any, and the commuted value of a benefit to which he is entitled under any other registered pension plan sponsored by a Participating Employer, if any, is less than 20% of the Year's Maximum Pensionable Earnings (or such other amount as may be prescribed by Applicable Pension Legislation) in the calendar year in which the Manitoba Participant's Continuous Employment ceases or there is a division of the benefit due to the cessation of a spousal relationship in accordance with Applicable Pension Legislation;

the Commuted Value of his Retirement Income and the value of his Basic Account and Retirement Account shall be paid, at the direction of the Company or at the election of the Participant, Spouse or Beneficiary as applicable and as specified in Applicable Pension Legislation, in a lump sum to the Participant, Spouse or Beneficiary, as applicable.

- (b) Notwithstanding anything to the contrary contained herein, and subject to Applicable Pension Legislation, when an Alberta Participant who elected a deferred pension under Section 9.03(b) or his surviving Spouse who elected a deferred pension under Section 11.01(b) requests payment of the deferred pension, if:
 - (i) as calculated at the time of the request, the sum of the Commuted Value of the deferred Retirement Income and the value of the Basic Account and Retirement Account under Appendix A, if any, of an Alberta Participant who elected a deferred pension under Section 9.03(b) is less than 20% of the Year's Maximum Pensionable Earnings (or such other amount as may be prescribed by Applicable Pension Legislation), in the calendar year in which the Participant or Spouse requests payment of the deferred pension, or
 - (ii) if the sum of the Basic Account and Retirement Account would, upon application to purchase an annual annuity, together with any annual Retirement Income to which the Participant or surviving Spouse is entitled to be paid at the date the deferred pension is to commence in accordance with the Participant's or Spouse's request, results in total annual income that is less than 4% of the Year's Maximum Pensionable Earnings in that year (or such other amount as may be prescribed by Applicable Pension Legislation),

the Participant or his surviving Spouse, as applicable, may elect, instead of commencing receipt of the deferred Retirement Income, to receive the Commuted Value of the deferred Retirement Income and the value of his Basic Account and Retirement Account as a lump sum.

16.03 **Short Life Expectancy**

Notwithstanding Section 16.02:

- (a) the Commuted Value of a Participant's benefits under the Plan may, at the Company's option, subject to Applicable Pension Legislation, be paid on termination of the Participant's termination of Continuous Employment in lieu of all other Plan benefits if such Participant is disabled and his resulting life expectancy has been significantly shortened in the opinion of a medical doctor licensed to practice in Canada.

- (b) an Ontario Participant's benefits under the Plan may, at the Participant's election, be paid in the form acceptable under Applicable Pension Legislation in lieu of all other Plan benefits if such Participant is disabled and, in the opinion of a medical doctor licensed to practice in Canada, his resulting life expectancy is less than two years. Such election shall only become effective when the Participant submits to the administrator all information prescribed in accordance with Applicable Pension Legislation.

16.04 Inalienability of Benefits

Except as permitted under Section 16.07 and the portability and commutation provisions of any other Article of the Plan, no benefit, right or interest provided under the Plan shall be:

- (a) capable of anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, seizure, attachment or other legal or equitable process; or
- (b) capable of being given as security or surrendered;

and, for the purposes of this Section:

- (c) assignment does not include assignment by the legal representative of a deceased individual on the distribution of the individual's estate; and
- (d) surrender does not include a reduction in benefits to avoid the revocation of the registration of the Plan under Applicable Pension Legislation or Revenue Rules.

16.05 Payment Due Certain Persons

If the Company shall receive evidence, which in its absolute discretion is satisfactory to it, that any person to whom a payment is due hereunder is unable to care for his affairs because of physical or mental disability, or is a minor, or has died, the Company shall have the authority to cause the payments becoming due to such person to be made to the Spouse, child, parent, or other person or institution deemed by the Company to have incurred expenses for such person otherwise entitled to payment (unless prior claim shall have been made by a guardian or other legal representative) without responsibility of the Company to see to the application of such payments. Payments made pursuant to such authority shall operate as a complete discharge of the liabilities of the Plan.

16.06 Purchase of Annuities

In the event that any pension benefit to which a Participant is entitled is secured by the purchase of an annuity contract from an insurance company licensed to transact business in Canada, the terms and conditions of such contract shall govern with respect to benefits payable there under.

Upon the purchase of such an annuity, the obligations of the Company and the Plan to the Participant in respect of the benefits secured by the annuity shall be fully discharged and the Participant shall have no further benefits or rights under the Plan or claim against the Company in respect of such benefits.

16.07 Support and Division of Property on Marriage or Relationship Breakdown

- (a) Subject to Applicable Pension Legislation and pursuant to a written agreement, decree, order or judgement of a competent tribunal, a benefit payable under the Plan may be subject to execution, seizure or attachment in satisfaction of an order for support or maintenance or may be assigned, pledged, charged, encumbered or alienated to satisfy a division of matrimonial property, a division of property on relationship breakdown, or a support obligation.
- (b) The determination of the benefit payable to a person under paragraph (a) and of the Participant's remaining benefit entitlements shall be subject to Applicable Pension Legislation and Revenue Rules.

ARTICLE 17 – INCREASE TO PENSIONS IN PAYMENT

17.01 Ad Hoc Increases

In its sole discretion, the Company may amend the Plan to provide ad hoc increases to the amounts of Retirement Income being paid to Participants under the defined benefit provisions of the Plan.

17.02 Maximum Payment Amount

Notwithstanding section 17.01, in no event shall

- (a) the amount of Retirement Income paid exceed such portion of Retirement Income in the year of commencement, adjusted from that time to reflect increases in the Consumer Price Index as published by Statistics Canada; and
- (b) the amount of retirement income paid to the Member in respect of any temporary Retirement Income payable under the Plan, exceed such portion of Retirement Income in the year of commencement, adjusted from that time to reflect increases in the Consumer Price Index as published by Statistics Canada.

The above paragraph shall also apply to any portion of Retirement Income continuing to the Member's Spouse, former Spouse or Beneficiary after the Member's death.

17.03 Notwithstanding the foregoing, the Retirement Income of a retired Participant covered under Schedule E shall be subject to adjustments as stated in Schedule E.

Article A1 – Introduction

The purpose of this Appendix A is to describe the benefits provided on a defined contribution basis under the Plan.

This Appendix A applies to a Participant who has elected to or is required to participate in the defined contribution provisions of the Plan in accordance with the provisions of Section 3.02, Section 3.03 and/or an applicable Schedule;

For purposes of the Plan, all capitalized words and phrases used in this Appendix A shall have the same meaning ascribed to them within the body of the Plan text, unless specifically stated otherwise.

Article A2 – Definitions

In this Appendix A, the following terms, unless the context clearly indicates otherwise, shall have the following meanings:

- A2.1 "Account" means one of the Accounts described below, each of which is maintained within the Fund:
- (a) "Basic Account" means the separate account maintained on behalf of a DC Participant in accordance with Section A6.1(a).
 - (b) "Company Account" means the separate account maintained in accordance with Section A6.2.
 - (c) "Optional Contribution Account" means the separate account maintained on behalf of a DC Participant in accordance with Section A6.1(b).
 - (d) "Retirement Account" means the separate account maintained on behalf of a DC Participant in accordance with Section A6.1(c).
- A2.2 "Basic Contributions" means contributions made by a DC Participant in accordance with Section A3.1.
- A2.3 "Earnings" means the amount of base salary plus commissions and vacation pay, but excluding the Company's Variable Incentive award compensation, overtime pay, bonuses, fringe benefits, taxable benefits, talent fees and any other special payments received by an Employee in a Plan Year from a Participating Employer, as determined by the Participating Employer.
- A2.4 "Eligible Disability Leave" means an unpaid leave of absence, during which the Participant suffers from a Total Disability, that qualifies the DC Participant for benefits under the Participating Employer's long-term disability income plan established separate and apart from the Plan.
- A2.5 "Eligible Unpaid Leave" means:
- (a) a period of absence without Earnings during a Total Disability that is due to workplace injury and for which a DC Participant is in receipt of Workers' Compensation benefits;
 - (b) any leave of absence without Earnings, other than a leave of absence described in A2.5(a), where legislation applicable to the DC Participant requires the Participating Employer to permit the DC Participant to continue to make Required Contributions with respect to such period and/or requires the Participating Employer to make Retirement Contributions with respect to such period.

- A2.6 "Locked-in Retirement Savings Vehicle" means, in relation to the transfer of a benefit, a registered employees' pension plan or such other registered vehicle as designated by the DC Participant and as may be approved under Applicable Pension Legislation and Revenue Rules provided, however the administrator of such plan or vehicle agrees in writing to administer the transferred benefit on a locked-in basis as a deferred life annuity within the conditions of Applicable Pension Legislation.
- A2.7 "Optional Contributions" means the optional contributions made by a DC Participant in accordance with Section A3.2 prior to January 1, 2003.
- A2.8 "Retirement Contributions" means contributions made by the Participating Employer in respect of a DC Participant in accordance with Section A4.1.
- A2.9 "RRSP" means a registered retirement savings plan which is registered as such under the Income Tax Act (Canada).
- A2.10 "Valuation Date" means a day on which the Funding Agency determines the value of each Account within the Fund in accordance with Section A6.4.

Article A3 – DC Participant Contributions

A3.1 DC Participant's Required Contributions

Subject to Sections A3.4, A3.5, and A5.2, in each calendar year or portion thereof, a DC Participant shall be required to contribute to the Plan, by regular payroll deduction, 2.5% of Earnings that do not exceed the YMPE and 5% of Earnings in excess of the YMPE. Such contributions shall be referred to as the DC Participant's "Basic Contributions".

A3.2 DC Participant's Optional Contributions

Prior to January 1, 2003, in addition to amounts contributed under Section A3.1 above, the DC Participant could elect to contribute additional optional contributions, by payroll deduction, in whole percentages from 1% to 13% of his Earnings up to allowable limits under Revenue Rules, referred to hereafter as "Optional Contributions." Effective January 1, 2003, DC Participants are not permitted to make Optional Contributions to the Plan.

A3.3 Disability

Subject to Section A3.5, a DC Participant who is on Eligible Disability Leave shall not be required to make Basic Contributions to the Plan during the Eligible Disability Leave. A DC Participant who is on an Eligible Unpaid Leave under Section A2.5(a) is not required to make Basic Contributions to the Plan during the Eligible Unpaid Leave.

A3.4 Continuance of DC Participants Contributions During Eligible Unpaid Leave

Subject to Section A3.5, a DC Participant who is on Eligible Unpaid Leave under Section A2.5(b) may elect to make Basic Contributions at the rate of 2.5% of Earnings as if he were in active employment during such period, based on the DC Participant's Earnings rate in effect immediately prior to the commencement of such period of Eligible Unpaid Leave.

A3.5 Limitations and Conditions

Basic Contributions are subject to the following limitations and conditions:

- (a) Basic Contributions shall cease upon the earliest of the following events: the DC Participant's transfer to a category of employment such that he ceases to be an Employee eligible to participate in the defined contribution provisions of this Plan; his termination of Continuous Employment; his Retirement Date; his suspension of active membership; his election to accrue benefits under the defined benefit portion of the Plan; the date of discontinuance of the Plan; or participation in any other pension plan to which a Participating Employer contributes.
- (b) Basic Contributions shall reduce or cease, as applicable, on the date of any amendment to the Plan effecting such reduction or cessation of such contributions.
- (c) Basic Contributions shall be paid into the Fund within the time limits specified in Applicable Pension Legislation.

- (d) Basic Contributions shall be subject to the provisions of Sections A3.4, A3.5 and Article A5.
- (e) A Participant shall not be permitted to withdraw Basic Contributions until such time as he terminates Continuous Employment with a Participating Employer (other than due to a transfer of employment to another Participating Employer) and then only to such extent as is permitted under the terms and conditions of the Plan and Applicable Pension Legislation.
- (f) In no event shall the total periods for which Basic Contributions are made during an Eligible Unpaid Leave under Section A2.5(b) or A11 and an unpaid leave of absence without Earnings included in Credited Service under Section 4.02 (other than an unpaid leave of absence due to Total Disability), exceed the sum of:
 - (i) five years; and
 - (ii) the number of months of parenting leaves, as defined in the Revenue Rules, subject to a maximum of 36 months of such parenting leaves and a maximum of 12 months for any one parenting leave.

Article A4 – Company Contributions

A4.1 Retirement Contributions

- (a) Subject to A4.4, in each Plan Year or portion thereof during which the DC Participant makes Basic Contributions in accordance with Section A3 or during which the DC Participant is on an Eligible Disability Leave or an Eligible Unpaid Leave described in Section A2.5(a), the Participating Employer shall contribute in respect of the DC Participant during each Plan Year or portion thereof an amount equal to 5% of the DC Participant's Earnings. Notwithstanding the foregoing, subject to Applicable Pension Legislation, any surplus described in Section 13.05 may be used to reduce the contributions of the Participating Employers otherwise required under this Appendix A.
- (b) For the purposes of an Eligible Unpaid Leave or an Eligible Disability Leave, the Participating Employer's contributions, if any, under Section A4.1(a) shall be based on the DC Participant's Earnings rate in effect immediately prior to the commencement of the leave.
- (c) The contributions made by a Participating Employer on behalf of a DC Participant under Section A4.1 shall be termed the Retirement Contributions for the purposes of the Plan.

A4.2 Limitations and Conditions

The Retirement Contributions shall be subject to the following limitations and conditions:

- (a) Retirement Contributions shall cease upon the earliest of the following events: the DC Participant's transfer to a category of employment such that he ceases to be an Employee eligible to participate in the defined contribution provisions of this Plan; the termination of his Continuous Employment; his Retirement Date; his suspension of active membership; his election to accrue benefits under the defined benefit portion of the Plan; the date of discontinuance of the Plan; or participation in any other pension plan to which a Participating Employer contributes.
- (b) Retirement Contributions shall reduce or cease, as applicable, on the date of any amendment to the Plan effecting such reduction or cessation of such contributions.
- (c) Retirement Contributions shall be paid into the Fund within the time limits specified in Applicable Pension Legislation.
- (d) Retirement Contributions shall be subject to the provisions of Section A3.3, A3.4, A3.5 and Article A5.

- (e) A DC Participant shall not be permitted to withdraw such contributions until such time as he terminates Continuous Employment with a Participating Employer (other than due to a transfer of employment to another Participating Employer) and then only to such extent as is permitted under the terms and conditions of the Plan and Applicable Pension Legislation.

A4.3 Allocation of Company Account

At the discretion of the Company and subject to the provisions of Applicable Pension Legislation, the balance of the Company Account shall, within the time limits specified in Revenue Rules:

- (a) to the extent allowed and subject to any conditions or approval procedures under Applicable Pension Legislation, be returned to the Participating Employers;
- (b) be used to reduce the contributions of the Participating Employers otherwise required under the Plan by means of transfer of monies from the Company Account to the Retirement Accounts;
- (c) be used to reduce the contributions of the Participating Employers otherwise required under the Plan under Section 5.03; or
- (d) be used to pay fees and expenses of the Plan in accordance with Section 13.04.

A4.4 The liability of the Participating Employers at any time to make contributions to the Fund under this Appendix A is limited to such contributions as should have theretofore been made by them in accordance with Applicable Pension Legislation and the terms of the Plan.

Article A5 – Maximum Contributions

A5.1 Maximum Contribution Limit

- (a) For the purposes of the provisions of Articles A3 and A4, the maximum contribution limit in respect of any calendar year shall be eighteen percent (18%) of the DC Participant's Earnings in that calendar year, subject to the money purchase maximum dollar limit under Revenue Rules as is applicable in that calendar year.
- (b) The maximum contribution limit calculated in accordance with Section A5.1(a) shall be reduced by the amount of the DC Participant's expected pension adjustment, as defined in Revenue Rules, for any benefits accrued or contributions made in the calendar year under the Plan or any other registered pension plan or deferred profit sharing plan of the Company.

A5.2 Maximum Contributions

- (a) In no event shall the sum of a DC Participant's Basic Contributions and the Participating Employer's Retirement Contributions made in respect of a DC Participant exceed the maximum contribution limit specified in Section A5.1 for such calendar year.
- (b) In no event shall the DC Participant's Basic Contributions during any calendar year exceed one-half of the maximum contribution limit specified in Section A5.1.

A5.3 Special Inclusion in Earnings

For the purposes of Section A5.1 only, the DC Participant's Earnings shall include the amount of deemed remuneration which corresponds, based on the contribution rate elected by the DC Participant as specified in Section A3.1, to any contributions made by the DC Participant in accordance with Sections A3.4 and A3.5.

A5.4 Excess Contributions

In the event that a Participating Employer or a DC Participant makes a contribution to the Plan which would cause the Plan's registration to be revocable under Revenue Rules then, subject to conditions or approval procedures under Applicable Pension Legislation, such contribution shall be returned to the Participating Employer or the DC Participant, as applicable.

Article A6 – Accounts

A6.1 DC Participant Accounts

Three individual accounts shall be maintained by the Funding Agency in the Fund with respect to each DC Participant, as follows:

- (a) the Basic Contributions shall be allocated to the Basic Account;
- (b) the Optional Contributions of a Non-Bargaining Participant as permitted under the terms of the Plan prior to January 1, 2003, are allocated to the Optional Contribution Account; and
- (c) the Retirement Contributions shall be allocated to the Retirement Account.

A6.2 Company Account

The Company Account shall be a separate account maintained by the Funding Agency in the Fund on behalf of the Participating Employers. The Company Account shall represent the Participating Employer's share of undistributed Retirement Accounts which have been forfeited in accordance with Section A8.1(b) or Section A9.3. At each Valuation Date, the Funding Agency shall decrease the Company Account by the amount of any applications since the previous Valuation Date which have been made in accordance with Section A4.3.

A6.3 Investment of Accounts

- (a) A DC Participant's Basic Account, Optional Contribution Account, and Retirement Account, as applicable, shall be invested, pursuant to directions provided by the DC Participant, subject to any investment requirements of the Revenue Rules, in a number of investment options to be made available by the Funding Agency under the terms of the Funding Agreement. If the DC Participant fails to provide investment instructions or provides incomplete investment instructions, then the DC Participant's Basic Account, Optional Contribution Account, and/or Retirement Account, as applicable or the applicable portion thereof for which no instructions have been provided, shall be invested in a default investment option specified by the Company.
- (b) The Company Account shall be invested, pursuant to directions provided by the Company, in a number of investment options to be made available by the Funding Agency under the terms of the Funding Agreement.

A6.4 Valuation of Accounts

The value of each Account shall be determined by the Funding Agency or its agent at each Valuation Date to take account of the allocation of net investment income and net realized and unrealized capital gains and losses. Valuation Dates shall occur at such times as may be required or permitted by the Funding Agreement but not less frequently than monthly. The value of such Account shall be computed on the basis of market

values at the Valuation Date concerned, having regard to the terms of the Funding Agreement.

Article A7 – Retirement

A7.1 Retirement Benefit

Upon retirement in accordance with Section 6, a DC Participant shall be entitled to the distribution of the value of the Basic Account, Optional Contribution Account, and Retirement Account, as applicable, determined as of the Valuation Date immediately prior to distribution. Such distribution shall be made available in the form elected by the DC Participant in accordance with Section A10.1. No further allocations or contributions shall be made to the Basic Account, the Optional Contribution Account, or the Retirement Account.

Article A8 – Death

A8.1 Death Benefits Prior to Normal Retirement Date

(a) **Vested**

If a DC Participant's Continuous Employment terminates due to his death prior to retirement under Section 6 after he has completed at least two years of Continuous Employment as a Participant, or such shorter period as required under Applicable Pension Legislation, the DC Participant's Spouse or, if there is no Spouse or if the Spouse has waived the right to the pre-retirement death benefit in prescribed form and in accordance with Applicable Pension Legislation, the DC Participant's Beneficiary shall be entitled to the distribution in accordance with Article A10 of the value of the DC Participant's Basic Account, Optional Contribution Account, if any, and Retirement Account determined as of the Valuation Date immediately prior to distribution.

(b) **Not Vested**

Where the DC Participant's Continuous Employment terminates due to his death prior to retirement under Section 6 and prior to the completion of two years of Continuous Employment as a Participant, or such shorter period as required under Applicable Pension Legislation, the DC Participant's Beneficiary (or such other person as may be required by Applicable Pension Legislation) shall be entitled to the value of the DC Participant's Basic Account and Optional Contribution Account, if any, determined as of the Valuation Date immediately prior to distribution. The value of the DC Participant's Retirement Account shall be forfeited and allocated to the Company Account.

Article A9 – Termination of Employment

A9.1 Vested

Subject to Section A10.3, if the Continuous Employment of a DC Participant terminates for any reason other than death or retirement and the DC Participant has completed the lesser of two years of Continuous Employment as Participant and five years of Continuous Employment, or such earlier date as required under Applicable Pension Legislation, the DC Participant shall be entitled to the distribution of the value of his Basic Account, Optional Contribution Account, if any, and Retirement Account determined as of the Valuation Date immediately prior to the respective dates of distribution of such Basic Account, Optional Contribution Account and Retirement Account.

A9.2 Not Vested

Where a DC Participant's Continuous Employment terminates for any reason other than death or retirement prior to the lesser of the DC Participant's completion of two years of Continuous Employment as a Participant and five years of Continuous Employment, or such earlier date as required under Applicable Pension Legislation, such DC Participant shall be entitled to the distribution of the value of his Basic Account and Optional Contribution Account, if any, determined as of the Valuation Date immediately prior to the respective dates of distribution of such Basic Account and Optional Contribution Account. The value of the DC Participant's Retirement Account shall be forfeited and allocated to the Company Account.

Article A10 – Payment of Benefits

A10.1 Retirement

- (a) If a DC Participant's Continuous Employment ceases or is deemed to have ceased in accordance with Article A7, the DC Participant shall thereupon elect distribution of the value of his Basic Account and the Retirement Account, determined on the Valuation Date immediately prior to distribution, in any one of the following forms, subject to Sections A10.4, and A10.5:
- (i) a lump sum transfer to a Locked-in Retirement Savings Vehicle subject to such procedures as may apply under Applicable Pension Legislation, or
 - (ii) a single premium purchase of a life annuity from an Insurance Company, in a form acceptable under Applicable Pension Legislation and Revenue Rules;

and he shall elect to receive the value of his Optional Contribution Account, if any, as a cash lump sum or to transfer it in accordance with Section A10.6.

If, at the date the first instalment of the life annuity purchased in accordance with Subsection A10.1(a)(ii) or ultimately purchased with the amount transferred in accordance with Subsection A10.1(a)(i) is due, the former DC Participant has a Spouse then the annuity shall be in the form of a joint and survivor annuity payable in equal monthly instalments for the life of the DC Participant and payable after the DC Participant's death to the Spouse for her life in equal monthly instalments equal to at least 60% of the amount the DC Participant was receiving immediately prior to his death, unless the Spouse has waived, in prescribed form in accordance with Applicable Pension Legislation, the right to a survivor pension.

- (b) Notwithstanding Section A10.1(a), subject to Applicable Pension Legislation and Revenue Rules, an Alberta or Manitoba DC Participant whose Continuous Employment ceases or is deemed to cease in accordance with Article A7 may elect to receive or transfer the value of his Basic Account and Retirement Account on a non-locked-in basis provided that:
- (i) the Alberta or Manitoba DC Participant provides satisfactory evidence to the Company that he has been declared by the Canada Revenue Agency to be, for income tax purposes, a non-resident of Canada under the Income Tax Act (Canada), and
 - (ii) where the Alberta or Manitoba DC Participant has a Spouse, the Alberta DC Participant's Spouse has, where required by Applicable Pension Legislation, provided a written waiver in the form prescribed by Applicable Pension Legislation.

provided that the DC Participant completes any other forms or otherwise satisfies any additional requirements set out in Applicable Pension Legislation.

- (c) The Company shall not permit a transfer or purchase under this Section A10.01 unless the Company is satisfied that the transfer or purchase is in accordance with Applicable Pension Legislation and Revenue Rules.

A10.2 Death

- (a) Vested

Subject to Section A10.5 and Applicable Pension Legislation, if a DC Participant dies in the circumstances described in Article A8.1(a), the value of the DC Participant's Accounts, determined as of the Valuation Date immediately prior to distribution, shall be paid to his Spouse as a lump sum cash payment or in such form as is otherwise required by Applicable Pension Legislation.

Notwithstanding the foregoing and subject to Applicable Pension Legislation and Revenue Rules, an Alberta or Manitoba DC Participant's Spouse may elect to receive or transfer any distribution of the Basic and Retirement Accounts payable to a Spouse under Section A8.1(a) on a non-locked in basis provided that the Alberta or Manitoba DC Participant's Spouse provides satisfactory evidence that he has been declared by the Canada Revenue Agency to be, for income tax purposes, a non-resident of Canada under the Income Tax Act (Canada).

An Alberta DC Participant's Spouse who is at least age 50 and who elects to transfer the death benefit payable under this Section A10.2(a) to a LIF or to purchase a deferred annuity, may, subject to Applicable Pension Legislation and Revenue Rules, elect to withdraw on an unlocked basis an amount not exceeding 50% of the death benefit in the form of cash, a transfer to a registered retirement savings plan or a transfer to a registered retirement income fund.

Notwithstanding the foregoing and subject to Applicable Pension Legislation and Revenue Rules, a surviving Spouse of a Manitoba DC Participant who is at least age 55 and who elects to transfer the death benefit payable under this Section A10.2(a) to a locked-in prescribed retirement savings vehicle, may, subject to Applicable Pension legislation and Revenue Rules, elect to unlock and transfer up to 50% of the death benefit to a RRIF prescribed by Applicable Pension Legislation.

- (b) Not Vested

Subject to Section A10.5 and Applicable Pension Legislation, if a DC Participant dies in the circumstances described in Article A8.1(b), the value of the DC Participant's Accounts, determined as of the Valuation Date immediately prior to distribution, shall be paid to the DC Participant's Beneficiary (or such other person as required by Applicable Pension Legislation) as a lump sum cash payment or in such form as is otherwise required by Applicable Pension Legislation.

- (c) The Company shall not permit a transfer or purchase under this Section A10.2 unless the Company is satisfied that the transfer or purchase is in accordance with Applicable Pension Legislation and Revenue Rules.

A10.3 Termination of Service

- (a) Upon termination of Continuous Employment in accordance with Section A9.2, the value of the DC Participant's Basic Account and Optional Contribution Account, if any, determined as of the Valuation Date immediately prior to distribution, will be paid to the DC Participant as a lump sum cash payment.
- (b) Upon termination of Continuous Employment in accordance with Section A9.1, the DC Participant shall elect, subject to Section A10.5, to have the value of his Basic Account and Retirement Account, determined as of the Valuation Date immediately prior to distribution:
 - (i) transferred to a Locked-in Retirement Savings Vehicle; or
 - (ii) used to purchase a life annuity from an Insurance Company in a form acceptable under Applicable Pension Legislation and Revenue Rules;and he shall elect to receive the value of his Optional Contribution Account, if any, as a cash lump sum or to transfer it in accordance with Section A10.6..
- (c) Notwithstanding any other provision of this Plan and subject to Applicable Pension Legislation and Revenue Rules, an Alberta or Manitoba DC Participant who ceases Continuous Employment in accordance with Section A9.4 may elect to receive or transfer the value of his Basic Account and Retirement Account on a non-locked-in basis in accordance with Section A10.3(a) provided that:
 - (i) the Alberta or Manitoba DC Participant provides satisfactory evidence that he has been declared by the Canada Revenue Agency to be, for income tax purposes, a non-resident of Canada under the Income Tax Act (Canada), and
 - (ii) where the Alberta or Manitoba DC Participant has a Spouse, the Alberta DC Participant's Spouse has, where required by Applicable Pension Legislation, provided a written waiver in the form prescribed by Applicable Pension Legislation.
- (d) The Company shall not permit a transfer or purchase under this Section A10.03 unless the Company is satisfied that the transfer or purchase is in accordance with Applicable Pension Legislation and Revenue Rules.

A10.4 Other Termination of Membership

- (a) If the Plan is discontinued in whole or in part and the DC Participant is eligible for retirement in accordance with Article A7, the DC Participant shall be entitled to benefits in accordance with Section A10.1.
- (b) If the Plan is discontinued in whole or in part and the DC Participant is not eligible for retirement in accordance with Article A7, the DC Participant shall be entitled to benefits in accordance with Section A10.3 and Article A9.

A10.5 Small Benefits

- (a) In the event that:
- (i) the sum of the Basic Account and Retirement Account would upon application to purchase an annuity that would be payable at the DC Participant's Normal Retirement Date in accordance with Sections A10.1, A10.2, A10.3 or A10.4, whichever is applicable, together with any Retirement Income payable under the defined benefit provisions of the Plan at Normal Retirement Date provide annual instalments of less than 2% of YMPE in the year in which the DC Participant's Continuous Employment ceases (or such other amount as may be prescribed by Applicable Pension Legislation);
 - (ii) in the case of an Alberta or Manitoba DC Participant, the sum of the Commuted Value of his Retirement Income payable at Normal Retirement Date and the value of the Basic Account and of his Retirement Account is less than 20% of the Year's Maximum Pensionable Earnings in the calendar year in which his Continuous Employment ceases (or such other amount as may be prescribed by Applicable Pension Legislation);

the value of the Basic Account and Retirement Account shall be paid, at the direction of the Company or at the election of the DC Participant, Spouse or Beneficiary as applicable and as specified in Applicable Pension Legislation, in a lump sum to the DC Participant, Spouse or Beneficiary, as applicable.

- (b) Notwithstanding the foregoing, an Alberta Participant shall be required to make a transfer in accordance with Section 9.06(a), Section A10.1 or Section A10.3, as applicable, if the sum of the Commuted Value of his Retirement Income and the value of the Basic Account and of his Retirement Account is less than 20% of the Year's Maximum Pensionable Earnings in the calendar year in which his Continuous Employment ceases, other than due to death or disability

A10.6 Transfer Options for Cash Settlements

Any cash settlement to which the DC Participant is entitled in accordance with Section A10.1, Section A10.3 or Section A10.5 may be:

- (a) transferred to another registered employees' pension plan, if this other plan so permits;
- (b) transferred to an RRSP in the name of the DC Participant;
- (c) used to purchase a life annuity from an Insurance Company in a form acceptable under Applicable Pension Legislation and Revenue Rules; or
- (d) transferred to such other registered vehicle as may be approved under Applicable Pension Legislation and Revenue Rules.

provided that such transfer complies with Applicable Pension Legislation and Revenue Rules.

A10.7 **Default Annuity Purchase**

If a DC Participant, his Spouse or Beneficiary, as applicable, fails either to select an insurance company for the purchase of an annuity or to elect a transfer for locked-in amounts payable pursuant to Section A10.1, A10.2 or A10.3, as applicable, within the specified time frame after receiving his retirement or termination statement from the Company, then the Company may select an insurance company and purchase an annuity on behalf of the DC Participant, Spouse or Beneficiary, as applicable. Such annuity shall be payable commencing at the DC Participant's Normal Retirement Date and in the normal form specified in Section A10.1 or as otherwise required by Applicable Pension Legislation.

A10.8 **Discharge of Liability**

Upon the distribution of a DC Participant's Accounts in accordance with Sections A10.1, A10.2, A10.3, A10.4, A10.5, A10.6, or A10.7, there shall be no further liability under the Plan to any person for any other defined contribution benefit in respect of such DC Participant with respect to the amount paid. An acceptance of the benefit shall constitute a full acquittal and discharge of the Fund and the Funding Agency by the recipient.

A10.9 **Forced Transfer**

A DC Participant who is an Alberta Participant who became a Participant on or after August 10, 2006 and:

- (a) whose Continuous Employment ceases in accordance with Sections A7.1 or A9.1; and
- (b) who is not entitled to any defined benefits under the Plan;

must transfer, subject to Applicable Pension Legislation and Revenue Rules, his Basic Account and Retirement Account in accordance with Section A10.3 within 90 days of the date his Continuous Employment ceases.

A10.10 **50% Unlocking**

- (a) Alberta DC Participant

Notwithstanding any other Section of the Plan, an Alberta DC Participant who elects to transfer the value of his Basic Account and Retirement Account in accordance with Section A10.1 or A10.03, as applicable, to a life income fund or to purchase an immediate or deferred annuity, provided in the case of a transfer to purchase an annuity that he is at least age 50, may, subject to Applicable Pension Legislation and Revenue Rules, and subject to the receipt by the Company of a written waiver in the prescribed form from the Alberta DC Participant's Spouse, if any, elect to receive up to 50% of the value of his Basic

Account and Retirement Account as cash, or by a transfer to a non-locked-in registered retirement savings plan or registered retirement income fund.

(b) Manitoba DC Participant

A Manitoba DC Participant who is at least age 55 and who elects to transfer the value of his Basic Account and Retirement Account in accordance with Section A10.1 or A10.03, as applicable, may, subject to Applicable Pension legislation and Revenue Rules, elect to transfer up to 50% of the value of his Basic Account and Retirement Account to a RRIF prescribed by Applicable Pension Legislation.

Article A11 – Deferred Compensation Leave Plan

A11.1 Rules

If a DC Participant is eligible for and elects to participate in the Company's deferred compensation leave plan, the following provisions shall apply with respect to such Participant's Basic, Optional and Retirement Contributions:

- (a) During both the deferral and leave periods of the arrangement, the DC Participant's Earnings (for purposes of the Plan) shall be equal to his Earnings, before adjustment for the deferral of earnings. Notwithstanding the foregoing, any deemed earnings during the deferral period of the arrangement shall be subject to limitations under Regulation 8507(2) of Revenue Rules.
- (b) During the deferral period, Basic Contributions will be deducted at source as normal. Prior to commencing the leave, the DC Participant will make a payment for the Basic Contributions in respect of the period of leave, provided that such period would otherwise qualify as Credited Service in accordance with Section 4.02 if such Section applied and with Revenue Rules. Such Basic Contributions shall be made at a rate equal to that in force immediately prior to the commencement of the leave.
- (c) The DC Participant's Continuous Employment shall include the leave period of the arrangement.
- (d) The Participating Company shall make Retirement Contributions during both the deferral and leave periods of the arrangement, provided the DC Participant was earning benefits under the defined contribution provisions of the Plan immediately prior to such leave, based on the Basic Contributions made by the DC Participant.

Schedule B – Bargaining Globe and Mail (Except GCIU)

This Schedule is applicable to Bargaining Employees, excluding any Bargaining Employees represented by the Graphic Communications International Union.

1. Eligibility (see Sections 3.01 and 3.03)

Bargaining Employees shall be eligible to join the Plan as follows:

- (a) Subject to (b), (c) and (d) below:
 - (i) A full-time Bargaining Employee who has not yet reached age 30 and has at least one year of Continuous Employment shall be eligible to become a Participant and to accrue benefits under the defined contribution provisions of the Plan as set out in Appendix A for future Continuous Employment only as of the first day of the month coincident with or next following the date on which the Company receives the enrolment form, provided that he has not attained his Normal Retirement Date.
 - (ii) A full-time Bargaining Employee who has reached age 30 and has at least one year of Continuous Employment and has not become a Participant under paragraph 2(a)(i) above, must, as a condition of employment, become a Participant and accrue benefits under the defined contribution provisions of the Plan as set out in Appendix A for future Continuous Employment only as of the first day of the month coincident with or next following the date on which the Employee reaches age 30, provided that he has not attained his Normal Retirement Date.
 - (iii) A part-time Bargaining Employee shall be eligible to become a DC Participant and accrue benefits under the defined contribution provisions of the Plan as set out in Appendix A on the first day of the month coincident with or next following the completion of 24 months of Continuous Employment provided that he has earned at least 35% of the YMPE or worked 700 hours in each of the two immediately preceding consecutive calendar years, or on such earlier date as Applicable Pension Legislation may require, provided that he has not attained his Normal Retirement Date.

Each Bargaining Employee shall retire on or before his Normal Retirement Date.

(b) Eligible to Join Prior to July 3, 2009

A Bargaining Employee who was eligible to become a Participant on or prior to July 2, 2009 in accordance with the Plan, as it then read, and who elected, in writing in accordance with Section 3.04 after June 30, 2009 but prior to July 3, 2009, to become a Participant shall participate on and after October 1, 2009 in the defined benefit provisions of the Plan in accordance with this Schedule B, provided that he has not attained his Normal Retirement Date.

(c) **Eligible to Join on or After July 3, 2009**

A Bargaining Employee hired prior to July 3, 2009 who did not elect to become a Participant in accordance with (b) above, and a Bargaining Employee who is hired on or after July 3, 2009 shall not be eligible accrue Credited Service under this Schedule B, but shall be eligible to become a Participant in accordance with (a) above and accrue benefits under the defined contribution provisions of the Plan as set out in Appendix A, provided that he has not attained his Normal Retirement Date.

(d) **January 1, 2011 – Election**

Each Bargaining Participant who, on December 31, 2010, is accruing Credited Service under this Schedule B may elect, in writing on the form provided by the Company and within the time specified by the Company, to cease accruing Credited Service as of December 31, 2010 and to accrue benefits under the defined contribution provisions of the Plan as set out in Appendix A in respect of Continuous Employment on and after January 1, 2011 while a Participant. Such election shall be final and irrevocable. Upon cessation of Continuous Employment due to the earliest of termination of employment, retirement and death, the defined benefits of a Participant who makes an election under this paragraph (d) will be determined using Credited Service to December 31, 2010 and the terms of the Plan in effect as at that date. If a Participant who is eligible to make an election under this paragraph (d) does not do so within the time specified by the Company, the Participant will not later be eligible to make an election under this paragraph.

2. **Continuous Employment** (see Section 4.01)

Continuous Employment shall include authorized leaves of absence, with or without pay, that have been granted by the Participating Employer in accordance with its recognized and established practices.

3. **Credited Service** (see Section 4.02)

Credited Service shall be the sum of the following:

- (a) in respect of a Bargaining Employee who was a Participant of the Prior Plan as of December 31, 2001, Credited Service under the Prior Plan;
- (b) the period of a Bargaining Participant's Continuous Employment on and after January 1, 2001 while a Participant under the defined benefit provisions of the Plan, excluding any periods of leave of absence without pay during which the Bargaining Participant does not make Required Contributions, other than those which are covered under Article 10 or provided for under (c) below; and

- (c) the period or periods of authorized sabbatical, educational, sickness, maternity or parental leave of absence without pay, if any, which occurs on or after January 1, 2001 and in respect of which the Bargaining Employee subsequently makes contributions upon his return to active service in accordance with the terms of "Employee Required Contributions" in this Schedule B, provided the Bargaining Participant was earning benefits under the defined benefit provisions of the Plan immediately prior to such period.

4. **Earnings** (see Section 2.18)

Earnings for a Participant shall mean, base wages or salary plus vacation pay, payments under the Company's Merit Award program and earned commission only, and excludes any other bonuses, overtime, night differential or statutory holiday differential. With respect to a Participant's period of leave of absence with pay, or sabbatical, educational, total disability, maternity or parental leave of absence without pay, the Participating Employer may, in its sole discretion and for the purpose of determining contributions and Basic Retirement Income, assume that the Bargaining Participant's Earnings during such leave of absence were a continuation of the Bargaining Participant's rate of Earnings immediately prior to the leave of absence.

5. **Deferred Compensation Leave Plan**

If a Bargaining Participant elects to participate in the Company's deferred compensation leave plan, the following provisions shall apply with respect to his pension contributions and pension benefit accruals:

- (a) During both the deferral and Leave periods of the arrangement, the Bargaining Participant's Earnings (for purposes of the Plan) shall be equal to his Earnings, before adjustment for the deferral of earnings. Notwithstanding the foregoing, any deemed Earnings during the deferral period of the arrangement shall be subject to limitations under Regulation 8507(2) of Revenue Rules.
- (b) During the deferral period, Required Contributions will be deducted at source as normal. Prior to commencing the leave, the Bargaining Participant will make a payment for the Required Contributions in respect of the period of leave which would be included in Credited Service in accordance with paragraph (d).
- (c) The Bargaining Participant's Continuous Employment shall include the leave period of the arrangement.
- (d) Subject to Section 4.02 and Revenue Rules, the Bargaining Participant's Credited Service shall include his Continuous Employment during both the deferral and leave periods of the arrangement, provided the Bargaining Participant was earning benefits under the defined benefit provisions of the Plan immediately prior to such leave.

6. Employee Required Contributions (see Section 5.01)

- (a) Annual Required Contributions made by a Bargaining Participant shall amount to 3 1/2% of the Bargaining Participants Earnings up to the Year's Maximum Pensionable Earnings and 5% of that portion of his Earnings, if any, in excess thereof. Such contributions shall not exceed \$3,500 (or such higher limit as may be adopted by the Company from time to time) in a Plan Year.
- (b) Notwithstanding the provisions of Section 5.01 of the Plan, any Bargaining Participant covered under Schedule B may, upon return from an authorized sabbatical, or educational, sickness, maternity or parental leave of absence without pay, voluntarily elect to make such contributions that would have been payable had the Bargaining Participant continued in active employment during the period of the leave, provided the Bargaining Participant was earning benefits under the defined benefit provisions of the Plan immediately prior to such leave of absence. The election to make such missed contributions must be made in writing to the Participating Employer not more than 30 days following the date of the Bargaining Participant's return to employment with the Participating Employer. The payment schedule for making such missed contributions shall be over a period acceptable to the Participating Employer and agreed upon, prior to commencement of payment of such contributions, by the Bargaining Participant and the Participating Employer.
- (c) Notwithstanding Section 10.02, any Bargaining Participant covered under Schedule B who is in receipt of Workers' Compensation benefits shall not make Required Contributions while in receipt of such benefits, but shall continue to accrue Credited Service during such period.

7. Basic Retirement Income (see Section 7.01)

The Basic Retirement Income of a Bargaining Participant shall be the sum of:

- (a) the pension benefit in respect of such Credited Service accrued to his credit under the Prior Plan to December 31, 2000,
- (b) for each Plan Year on or after January 1, 2001, the sum of:
 - (i) 1.4% of the Bargaining Participant's Earnings which are not in excess of the Year's Maximum Pensionable Earnings; and
 - (ii) 2% of the Bargaining Participant's Earnings, if any, which are in excess thereof,

Notwithstanding the foregoing, the annual benefit in respect of each Plan Year subsequent to 1989 shall not exceed the Maximum Pension Accrual.

8. Pension Upgrades Effective January 1, 2001 or Later

Effective January 1, 2001, the Basic Retirement Income for each Bargaining Participant shall not be less than the sum of:

- (a) in respect of Credited Service on or prior to December 31st of the Base Year, the greater of (i) and (ii), except that (i) shall not apply for a Bargaining Participant who is deemed to be an Inactive Participant or who is not accruing Credited Service as at the effective date of the most recent pension upgrade:
- (i) 1.4% of the Bargaining Participant's Earnings during the Base Year which are not in excess of the Year's Maximum Pensionable Earnings in the Base Year and 2.0% of such Earnings, if any, in excess thereof, all multiplied by his Credited Service to December 31st of the Base Year; and
 - (ii) the pension benefit in respect of such Credited Service accrued to his credit under the Plan as amended immediately preceding the effective date of the most recent pension upgrade,

except that, for a Bargaining Participant who participated in the Revised Pension Plan for the Printing Trades of the Globe and Mail Division of F.P. Publications (Eastern) Limited as at September 1, 1979, the phrase in sub-paragraph (i) "multiplied by his Credited Service to December 31st of the Base Year" is replaced by "multiplied by the sum of 50% of his Credited Service prior to September 1, 1979 and 100% of his Credited Service between September 1, 1979 and December 31st of the Base Year"; and

- (b) in respect of Credited Service following December 31st of the Base Year, the sum of:
- (i) 1.4% of the Bargaining Participant's Earnings which are not in excess of the Year's Maximum Pensionable Earnings; and
 - (ii) 2% of the Bargaining Participant's Earnings, if any, which are in excess thereof,

for each Plan Year, except that the annual benefit in respect of each such Plan Year shall not exceed the Maximum Pension Accrual,

For a Bargaining Participant whose Continuous Employment during the Base Year includes a period during which he renders service on a part-time basis, then, for purposes of this section, the Bargaining Participant's Earnings during such period shall equal the amount it is reasonable to expect would have been the Bargaining Participant's Earnings for the period if he had rendered services on a full-time basis throughout such period.

The schedule of pension upgrades effective January 1, 2001 or later is as follows:

<u>Effective Date of Pension Upgrade</u>	<u>Base Year</u>
January 1, 2001	1997
January 1, 2003	1999
January 1, 2008	2003

9. **Early Retirement Reduction** (see Section 7.03)

"Unreduced Early Retirement Date" means the first day of the month coincident with or next following the date on which the Bargaining Participant attains age 62.

A Bargaining Participant who is accruing Continuous Service and whose Continuous Employment terminates on or after his Unreduced Early Retirement Date shall not have any early retirement reduction applied to his Basic Retirement Income.

A Participant who is accruing Continuous Service and whose Continuous Employment terminates prior to his Unreduced Early Retirement Date shall have his Basic Retirement Income reduced by:

- (a) 1/3% for each complete month, to a maximum of 24 months, by which the date of commencement of his Retirement Income precedes his Unreduced Early Retirement Date; plus
- (b) 1/2% for each complete month in excess of 24 months by which the date of commencement of his Retirement Income precedes his Unreduced Early Retirement Date.

10. **Early Retirement due to Total and Permanent Disability** (see Section 7.03)

This section shall apply only to those Bargaining Participants who suffer from a Total and Permanent Disability.

(a) **Disability Early Retirement Date**

If a Bargaining Participant begins to suffer from a Total and Permanent Disability, on or after attainment of age 55 and completion of 15 years of Continuous Employment, then provided he is not in receipt of or likely to become eligible to receive benefits under any plan of long term disability insurance maintained by the Participating Employer, he may retire at his disability early retirement date. The Bargaining Participant's disability early retirement date will be established by the Participating Employer following determination of the Bargaining Participant's total and permanent disability.

(b) **Disability Early Retirement Benefit**

A Bargaining Participant who retires on a disability early retirement date under this section will receive an annual disability early retirement benefit, commencing on his disability early retirement date and ceasing upon the earliest of:

- (i) his date of death,
- (ii) the date of recovery from total and permanent disability; and
- (iii) the date as at which benefits commence under a plan of long-term disability insurance maintained by the Participating Employer in respect of the same disability

in the amount accrued to his credit under Section 7.01 to his disability early retirement date, reduced by 1/4% for each complete month by which the date of commencement of payment precedes his Normal Retirement Date.

(c) **Recovery from Total and Permanent Disability**

- (i) If a Bargaining Participant in receipt of a disability early retirement benefit under this section recovers sufficiently to return to active employment with the Participating Employer, his disability early retirement benefit will cease with the payment for the month immediately preceding the month in which he resumes employment, and the period during which he was in receipt of the disability early retirement benefit will constitute Continuous Employment but not Credited Service.
- (ii) If it is determined that a Bargaining Participant in receipt of a disability early retirement benefit is no longer suffering from a Total and Permanent Disability and he does not return to active employment with the Participating Employer, his disability early retirement benefit will cease with the payment for the month in which the determination of his recovery is made. He will be considered to have terminated his employment with the Participating Employer as at his disability early retirement date, and the provisions of Section 7.03 will apply.
- (iii) A Bargaining Participant in receipt of a disability benefit pursuant to this section maybe required by the Participating Employer to submit to medical examination at any time prior to his Normal Retirement Date to determine whether he continues to be eligible for the disability benefit. A Bargaining Participant will be deemed to be recovered and the payment of his disability benefit will cease immediately if:
 - (A) on the basis of medical information it is established that he is no longer suffering from a Total and Permanent Disability, or
 - (B) notwithstanding any such examination he engages in substantially gainful employment, or
 - (C) he refuses to submit to medical examination, provided however, that if he later submits to medical examination and it is determined that he is still Totally and Permanently Disabled, payment of the disability benefit will be resumed. However, no disability benefit will be payable in respect of the period from the date of deemed recovery to the date that disability is confirmed.

The decision of the Participating Employer as to whether a Bargaining Participant is to retire on account of Total and Permanent Disability shall be final and conclusive.

11. **Provisions for Non-Ontario Employees**

For a Bargaining Participant who is employed in a province other than Ontario, the benefits payable under the Plan in the event of the Bargaining Participant's retirement,

termination of employment or death shall not be less than the benefits that would be payable if the Bargaining Participant were employed in Ontario.

