

Appendix 2 Supplemental Retirement Pension (SRP) for CUFA Employees of Concordia University: Summary of Plan Provisions (Article 42)

Definitions

The terms "Average Yearly Maximum Pensionable Earnings", "Credited Service", "Earnings" and "Final Average Earnings" when used herein shall have the same meaning as defined in the Registered Plan, except that "Credited Service recognized under the SRP" only refers to service on or after 1 January 2003, the effective date of the SRP. The "Registered Plan" is the "Pension Plan for the Employees of Concordia University." The "SRP" is the Supplemental Retirement Pension plan.

Membership

An employee covered by the CUFA Collective Agreement whose pension under the Registered Plan is affected by the maximum pension rules for years of Credited Service on or after 1 January 2003 shall automatically become a Member of the SRP.

Contributions

A Member's required contributions under the Registered Plan are based on the Member's total Earnings, without any maximum amount of contribution. Therefore, no Member contributions are required under the SRP.

Retirement Dates

The Normal Retirement Date is the first day of the month coinciding with or following the date on which the Member attains age 65.

A Member may elect to retire early or postpone retirement in accordance with the terms and conditions of the Registered Plan.

The retirement date of a Member for the purpose of the SRP shall be the same date as the retirement date under the Registered Plan.

Retirement Benefits

Normal Retirement Pension

A Member who retires on the Normal Retirement Date shall receive an annual pension, payable in the normal form as defined below, in equal monthly instalments of:

- i) 2% of Final Average Earnings less 0.5% of this average up to the Average Yearly Maximum Pensionable Earnings (AYMPE) for each year of Credited Service recognized under the SRP during which the Member was a contributor under the Registered Plan;

plus

- ii) 1.1% of Final Average Earnings less 0.25% of this average up to the AYMPE for each year of Credited Service recognized under the SRP during which the Member was not a contributor under the Registered Plan;

less

- iii) the annual pension payable under the Registered Plan for years of Credited Service recognized under the SRP.

In no event shall the total pension payable under the Registered Plan and the SRP exceed the amount of pension that would have been payable in the absence of the maximum pension limitations under the Registered Plan.

Early Retirement Pension

A Member who retires early will receive an annual pension equal to the benefits determined as for normal retirement (without the 0.5% and 0.25% reductions for payments prior to attainment of age 65), reduced in accordance with the provisions of the Registered Plan,

less

the annual pension payable under the Registered Plan for years of Credited Service recognized under the SRP.

Postponed Retirement Pension

When a Member postpones retirement, the Member's annual pension under the SRP will be equal to the benefits determined as for normal retirement, revalorized in accordance with the provisions of the Registered Plan,

less

the annual pension payable under the Registered Plan for years of Credited Service recognized under the SRP.

Payment of Pension

The normal form of pension is a life annuity with a ten-year guarantee.

In lieu of the normal form of pension, a Member may elect any optional form of pension offered under the Registered Plan. The amount of pension payable shall be determined in accordance with the terms and conditions of the Registered Plan.

The Member shall be deemed to have elected to receive the pension payable under the SRP in the same form as the pension payable under the Registered Plan.

Automatic Indexation

Pensions in payment under the SRP are increased on each June 1 at the same rate as for those in payment under the Registered Plan: the rate is equal to the percentage increase in the Consumer Price Index over the 12-month period ending on the previous January 1, less 2%. The excess interest indexation of the Registered Plan shall not apply. The rate of increase shall be reduced on a prorated basis for pensions which have been payable for less than 12 months during the prior calendar year.

Benefits on Termination of Employment

No benefits are payable in case of termination of employment.

Benefits on Death

Any death benefit payable under the SRP shall be calculated in accordance with the provisions of the Registered Plan.

Minimum Pension

In any event, a Member's total pension (pension payable from the Registered Plan plus pension payable from the SRP) shall be at least equal to the sum of the pension provided by the Member's accumulated contributions under the Registered Plan plus the pension to which the Member would have been entitled if the Member had made no required contributions.

Taxation of Benefits

Any amount payable from the SRP is taxable at the time of payment.

Administration of the Plan

The SRP plan shall be administered by the Employer. The Employer shall establish a Supplementary Pension Committee, which will develop and recommend:

- The text of the document governing the SRP plan; this document will include the provisions contained in this appendix as well as the administrative procedures and regulations governing the administration of the SRP.
- A funding policy for the SRP plan that will include a policy for dealing with any surplus or deficit. It is expected that within five years of the coming into effect of the SRP plan, at least one half of the present value of future costs, as determined by an actuarial consultant, will be funded. The modalities of the funding and a plan to fund the balance shall be determined by the Supplementary Pension Committee.
- An investment policy for the SRP funds.

The Supplementary Pension Committee shall be composed of five (5) persons, all voting: the Manager, Pension Services, who shall act as Chair; two appointed by the Employer; two appointed by the Association.

The Association's representatives shall have the right and responsibility of full disclosure to the Association of all policies and determinations of the Supplementary Pension Committee, except for nominative information.

The Supplementary Pension Committee will engage the services of a consultant, as required. These services shall be paid for by the Employer.