

**PENSION PLAN OF
THE PRESBYTERIAN CHURCH IN CANADA**

**CONSOLIDATED TO INCLUDE AMENDMENTS
APPROVED BY 2004 GENERAL ASSEMBLY**

JULY, 2004

PLAN OF THE PRESBYTERIAN CHURCH IN CANADA

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FOREWORD

This document is a consolidation of the provisions of the Constitution of the Pension Plan of The Presbyterian Church in Canada, which was last consolidated effective April, 2001. The purpose of this consolidation of the Constitution is to incorporate amendments approved by the General Assembly in 2002, 2003 and 2004.

This document is effective July 1, 2004, (or such earlier dates, as stipulated in Section 3).

Although this document incorporates many of the benefit provisions in effect prior to July 1, 2004 for historical purposes, benefits payable on death, Disability, Retirement or withdrawal prior to July 1, 2004 are based on the provisions of the Constitution in effect at the time of such death, Disability, Retirement or withdrawal, subject to compliance with Applicable Legislation. In particular, the amendments specified in Section 3 as being effective January 1, 1992 (for compliance with the Income Tax Act, Canada) shall apply to benefits payable on and after such date.

1. DEFINITIONS

Whenever used in this Constitution, unless the context requires otherwise:

- 1.1 "Actuarial Equivalent" or Actuarially Equivalent means an amount of actuarially equal value computed by the use of actuarial tables recommended by the Actuary and in such a manner as to comply with Applicable Legislation, provided that the sex of a Member shall not be taken into account in its calculation except where Applicable Legislation requires otherwise.
- 1.2 "Actuary" means a Fellow of The Canadian Institute of Actuaries appointed by the Church for the purposes of the Plan.
- 1.3 "Applicable Legislation" means the provisions of pension legislation of the province with which this Plan must comply, the Income Tax Act (Canada) and regulations thereunder and any other legislation or binding directive of any governmental regulatory authority to which the Plan is or may become subject as the same may be amended from time to time.
- 1.4 "Back Service" means any period of Pensionable Service in respect of which a Member has received a refund of contributions under Section 16.1 or a lump sum transfer under Section 16.7.
- 1.5 "Church" means The Presbyterian Church in Canada.
- 1.6 "Commutated Value" means a lump sum amount of actuarially equal value computed by use of actuarial tables recommended by the Actuary and in such a manner as to comply with Applicable Legislation, provided that the sex of a Member shall not be taken into account in its calculation except where Applicable Legislation requires otherwise.
- 1.7 "Congregation" means a congregation of the Church.
- 1.8 "Constitution" means the Constitution of the Plan as set out herein, as amended from time to time.
- 1.9 "Disabled" and "Disability" mean such degree of physical or mental incapacity as prevents a Member from carrying out the Member's normal duties, and otherwise continuing in Pensionable Service, as provided in Section 11.2.

- 1.10 "Employer" means the Church, a Congregation, a Board of the Church or any other employer, organization or institution which has in its employ a Member in Pensionable Service.
- 1.11 "General Assembly", "Synod", "Presbytery", refer to courts of the Church as they are known and recognized by the Church.
- 1.12 "Interest" in respect of a year shall mean the interest calculated at a rate which, in respect of a year prior to 1988, shall be determined by the Pension and Benefits Board and, in respect of any subsequent year, shall be the greater of:
- (a) that rate, determined by the Board with the advice of the Actuary, which reasonably represents the rate of return obtained over that year on the assets of the Pension Fund, and
 - (b) the rate of interest declared under Applicable Legislation for crediting interest on member contributions;
- and credited in a manner prescribed by any Applicable Legislation.
- 1.13 "Maximum Qualifying Income" for any calendar year means the maximum amount of Pensionable Income for such year, such amount being set annually by the Pension and Benefits Board under the rules authorized by the General Assembly. The maximum amount shall be \$48,000 for the calendar year 1998, \$48,418 for the calendar year 1999 and the maximum amount for each subsequent calendar year shall be equal to 160% of the top level of the minimum stipend as established for that year by General Assembly (rounded to the nearest multiple of \$60).
- 1.14 "Member" means a person who has become a member of the Plan as provided in Section 5.
- 1.15 "Paid-up Member" means a member who has ceased to be in Pensionable Service for any reason other than death, retirement or disability and who remains entitled to benefits under the Plan.
- 1.16 "Pension and Benefits Board" means the board appointed by the General Assembly to administer the Plan.

- 1.17 "Pension Fund" means the Pension Fund of the Church.
- 1.18 "Pensionable Income" of a Member for any calendar year or part of a calendar year is the stipend or salary paid to such Member by an Employer for that year or for that part of a year during which the Member is in Pensionable Service, to a maximum equal to the Maximum Qualifying Income for such calendar year. For the purpose of this provision, after 1999, "stipend" shall include an allowance of 60% of actual stipend paid, which shall be in lieu of housing, utilities and other allowances, where these are authorized as part of the minimum earnings by the General Assembly, and "salary" shall include any emolument paid by the Employer in respect of premiums for the extended health care and dental insurance plans, but shall not include any payments of bonus, overtime or other fluctuating emoluments.

In the case of a Member who is in part-time service during any calendar year, the Member's Pensionable Income for such period shall be equal to the Pensionable Income which the Member would have received if he or she had worked on a full-time basis.

- 1.19 "Pensionable Service" of a Member means the total of those periods of full-time and pro-rated part-time service during which the Member made contributions to the Plan, and any periods of Back Service purchased pursuant to Section 20 and Prior Service pursuant to Section 1.23. Pensionable Service shall also include any periods for which pension rights were granted prior to September 30, 1972 – with or without Member contributions – under the Previous Plan, or the Retirement Fund for Church Employees.

For the purpose of this provision, pro-rated part time service of a professional church worker in any calendar year shall be based on the ratio of actual service to full-time service during such year, as advised by the relevant Presbytery or other Church Agency. The pro-rated part time service of any other Member in any calendar year shall be based on the ratio of the Member's hours of employment to the full-time hours of employment for that position during such year. The Pension and Benefits Board may adopt such other pro-rating basis as it deems to be equitable.

In the case of an Employer other than the Church or a Congregation, such service shall rank as Pensionable Service only if it has been recommended as a valid ministry by Presbytery and recognized by the Pension and Benefits Board, and then only so long as the employer makes the contributions required from the Employer in respect of such Member.

Pensionable Service shall also include any service with an employer recognized in accordance with an agreement entered into between the Church and such employer pursuant to Sections 18.5 and 18.6 hereof, and any periods of disability pursuant to Section 11.

Notwithstanding the above, any period of Pensionable Service shall be recognized only to the extent and subject to the conditions allowed under Applicable Legislation.

- 1.20 "Plan" means the Pension Plan of the Church, and any successor plan of the Church, as amended from time to time.
- 1.21 "Previous Plan" means the pension plan of the Church in effect immediately prior to January 1, 1974, to which this plan is the successor.
- 1.22 "Prior Fund" means a pension fund which has been assimilated into the Pension Fund. The Prior Funds are:
- (a) The Pension Fund as described in the Book of Forms which was revised and issued by authority of the 95th General Assembly;
 - (b) The Aged and Infirm Ministers' Fund;
 - (c) The Widows' and Orphans' Fund;
 - (d) The Retirement Fund for Church Employees.
- 1.23 "Prior Service" of a Member means any period of service before joining the Plan which was elected to be included as Pensionable Service by the Member prior to December 31, 1971, pursuant to Recommendation No. 2 approved by General Assembly in 1970 for those persons who had not elected to join the Plan when first eligible. Prior Service shall also include any periods of service before joining the Plan which are approved as such by the Pension and Benefits Board as being fair and reasonable, after suitable representation by, or on behalf of the Member, and after due investigation of the matter.
- 1.24 "Retirement" means a withdrawal from Pensionable Service by normal retirement, postponed retirement, or early retirement, as provided for in Sections 8, 9, and 10 respectively.

1.25 "Spouse" of a Member on any date means a person, who:

- (a) is married to the Member, or
- (b) is not married to the Member but has been living with the Member in a conjugal relationship
 - (i) continuously for a period of at least three years, or
 - (ii) in a relationship of some permanence if they are the natural or adoptive parents of a child, both as defined in the Family Law Act, 1986 (Ontario)

provided that, for the purposes of the Plan, a person shall be deemed not to be the Spouse of a Member if the person is living separate and apart from the Member as of the relevant date.

1.26 "Trustee Board" means the Board appointed in accordance with the Act of Incorporation of the Church.

2. PURPOSE

The purpose of the Plan is to provide pensions for retired and disabled Members and for the widows or widowers and dependent children of deceased Members.

3. EFFECTIVE DATE

The effective date of the Plan is January 1, 1974. This consolidated version takes effect from July 1, 2004, except that

- Sections 1.19, 4.1, 6.2, 7.3, 8.5, 10.1, 10.2, 12.2, 13.3, 14.4, 15.2, 18.1, 18.6, 18.7, 18.10 and 20.2 are amended effective January 1, 1992 (for compliance with the Income Tax Act, Canada).

4. THE PENSION FUND

- 4.1 The Assets of the Pension Fund shall consist of the assets received from the prior Funds, described herein, together with the following:
- (a) Receipts in respect of investments held by the Pension Fund;
 - (b) Contributions by Members;
 - (c) Premiums paid by Members pursuant to Section 16.5;
 - (d) Contributions by the Church;
 - (e) Contributions by Congregations;
 - (f) Contributions or payments by other contributing Employers;
- 4.2 Investments of the Pension Fund shall comply with the requirements of Applicable Legislation and shall be held in the custody of a life insurance company or trust company appointed by the Trustee Board of The Presbyterian Church in Canada and licensed to transact business in Canada, in a segregated account in the name of the Trustee Board. The Trustee Board is responsible for the investment, management and control of the assets of the Pension Fund, including the appointment of one or more custodians and one or more firms to provide investment counsel.
- 4.3 The Pension and Benefits Board shall direct the company holding investments of the Pension Fund in writing:
- (a) to pay out of the Pension Fund all benefit payments in accordance with these provisions directly from the Pension Fund or to arrange for all or part of such benefit payments to be purchased from an insurance company licensed in Canada and authorized to act in that capacity; and
 - (b) to pay out of the Pension Fund all expenses incurred in accordance with these provisions to the extent that such expenses are not paid directly by the Pension and Benefits Board.

4.4 The amount and form of contributions and the timing of their remittance to the Pension Fund shall be in accordance with Applicable Legislation.

5. MEMBERSHIP

- 5.1 Any of the following shall be eligible to become a Member of the Plan while in Pensionable Service:
- (a) Any minister, associate or assistant minister, or assistant to the Minister (whether inducted into that office or not);
 - (b) Any ordained missionary;
 - (c) Any overseas missionary (lay or ordained) under the direct control of the Life and Mission Agency of the Church;
 - (d) Any minister, teacher, or professor serving in a college or school under the direct control of and reporting to the General Assembly;
 - (e) Any executive staff member of the General Assembly boards of the Church who shall be approved by the Pension and Benefits Board to become a Member of the Plan;
 - (f) Any graduate of Ewart College or member of the Order of Diaconal Ministries;
 - (g) Any person appointed as a salaried employee of the Church or of a Synod, Presbytery or Congregation, from the date of appointment provided that, in the case of a person who is employed by an Employer, other than the Church, eligibility to join the Plan shall be conditional upon such employer submitting an undertaking in writing to make the required employer contributions during the period of such employment.
- 5.2 A person who was a member of the Retirement Fund for Church Employees on December 31, 1986 shall be deemed to become a Member of this Plan as of January 1, 1987.
- 5.3 A person who is eligible for membership in the Plan shall become a Member upon receipt by the Pension and Benefits Board of that person's application for membership, and shall remain a Member during the period of Pensionable Service and thereafter while entitled to benefits under the Plan.

6. MEMBER'S CONTRIBUTIONS

6.1 Contributions shall be made by each Member at the following rates:

- (a) 4% of Pensionable Income in each calendar year or part of a calendar year up to and including 1990;
- (b) 5% of Pensionable Income in each calendar year or part of a calendar year from 1991 to 1997 inclusive;
- (c) 4.5% of Pensionable Income in each calendar year or part of a calendar year from 1998 to 1999 inclusive; and
- (d) at the following rates in subsequent calendar years:

Calendar Year	Member's Contribution Rate as % of Pensionable Income
2000	4.4%
2001	4.8%
2002	5.2%
2003	5.6%
after 2003	6.0%

Such contributions shall be deducted monthly from the Member's stipend or salary by the Employer and remitted to the Pension Fund either quarterly in advance or within thirty days following the end of the month of the deduction.

For any period during which a Member is in part-time service, the Member's contributions as determined above shall be reduced based on the ratio of actual service to full-time service, with such ratio being determined using the formula specified in Section 1.19.

6.2 In addition to the contributions required to be made under the terms of Section 6.1, prior to July 1, 2003 voluntary contributions may be received from or on behalf of any contributing Member within the limits prescribed under the Income Tax (Canada). Such additional contributions shall be accumulated for such Member separately from those required to be made in accordance with Section 6.1. The accumulation of such additional contributions and Interest shall be applied to provide additional benefits Actuarially Equivalent thereto at

retirement, death or withdrawal from Pensionable Service, as the case may be. In accordance with Applicable Legislation, any pension benefits provided under this Section 6.2 shall be purchased from a licensed life insurance company.

Effective from July 1, 2003:

- a) no voluntary contributions may be made by or on behalf of any Member, and
- b) a Member may elect at any time to receive the accumulation of additional contributions and Interest in cash (provided there are no locking-in restrictions) or as a transfer to a registered retirement savings plan or any other registered arrangement allowable under Applicable Legislation (provided such plan includes any locking-in restrictions or other provisions required by Applicable Legislation).

7. EMPLOYER CONTRIBUTIONS

- 7.1 Each Congregation paying stipend for the services of a Member, within the past 4 years, shall pay each calendar year into the Pension Fund a percentage, as stated below, of the amount reported as "total raised for all congregational purposes" for that Congregation in the latest statistics reported to General Assembly for which an amount has been reported by the Congregation under that heading, less any amount that has been included in that total on account of payment in reduction of mortgage or capital raised for the erection of a new church or manse, including any amount raised for payment of interest thereon.

<u>Calendar Year</u>	<u>Congregational Contribution Rate</u>
up to and including 1999	2.0%
2000	2.2%
2001	2.4%
2002	2.6%
2003	2.8%
after 2003	3.0%

- 7.2 In the case of a Member who is a salaried employee of the Church or a Synod, Presbytery or Congregation or in Pensionable Service with a Board of the Church, an organization directly under the control of the Church or any other Employer, the Employer shall contribute at the following rates:

- (a) 6% of the Pensionable Income of the Member for each calendar year, or part of a calendar year, during which the Member is in Pensionable Service up to and including 1999; and
- (b) 7% of the Pensionable Income of the Member for each calendar year, or part of a calendar year, during which the Member is in Pensionable Service after 1999.

For any period during which such a Member is in part-time service, the Employer's contributions as determined above shall be reduced based on the ratio of actual service to full-time service, with such ratio being determined using the formula specified in Section 1.19.

7.3 Notwithstanding Sections 7.1 and 7.2, the contributions made by the Employers to the Plan in any calendar year shall not exceed the amounts recommended by the Actuary in the most recent actuarial valuation of the Plan and the maximum amounts permitted as contributions to a pension plan registered under the Income Tax Act, Canada.

8. NORMAL RETIREMENT PENSION

- 8.1 The normal retirement date shall be the first day of the month next following the month in which the Member attains age 65.
- 8.2 The normal retirement pension is payable monthly during the lifetime of the Member, the first payment falling due on the normal retirement date. The amount of each payment shall be one-twelfth of the product of the following amounts:
- (a) 1.5% of the Average Maximum Qualifying Income; multiplied by
 - (b) the Member's Average Pensionable Income Ratio; multiplied by
 - (c) the period of the Member's Pensionable Service (measured in years and complete months) as defined in Section 1.19.
- 8.3 For the purpose of this Section 8:
- (a) "Average Maximum Qualifying Income" means the average of the Maximum Qualifying Incomes in the calendar year of a Member's retirement (or death or termination of employment) and immediately preceding four calendar years or during all the years of a Member's Pensionable Service if the number of applicable years is less than 5.
 - (b) "Average Pensionable Income Ratio" means the average of the Member's highest Pensionable Income Ratios in any 5 calendar years (not necessarily consecutive), or during all the years of a Member's employment if the number of such years is less than 5. For this purpose, the Pensionable Income Ratio in any calendar year is the ratio of the Member's Pensionable Income to the Maximum Qualifying Income for that year.
- 8.4 Notwithstanding Section 8.2, the monthly amount of the normal retirement pension payable to a Member who was contributing to the Plan on December 31, 1989 shall not be less than the amount of normal retirement pension that would have been payable to the Member under the terms of Constitution in effect on December 31, 1989.

- 8.5 The amount of pension being paid under this Plan to a Member or to the surviving Spouse or dependent child of a deceased Member may be increased from time to time in amounts approved by the General Assembly and set out in an Appendix to this Constitution, provided that any such increases shall not exceed the maximum amounts allowable under Applicable Legislation.

9. POSTPONED RETIREMENT

9.1 A member who postpones Retirement beyond age 65 and remains in Pensionable Service shall continue to make contributions to the Plan until actual Retirement. However, the payment of pension must begin before the end of the calendar year in which the Member attains the following ages:

71 if the Member was born in or before the year 1926;

70 if the Member was born in the year 1927; and

69 if the Member was born in or after the year 1928.

9.2 In the case of a postponed Retirement, the Member shall receive a pension commencing on the first day of the month next following the date of such Retirement equal to the Actuarial Equivalent of the amount determined in accordance with Section 8.

10. EARLY RETIREMENT

- 10.1 A Member may elect early Retirement at any time after attaining age 55 and may elect to receive either (a) or (b) as follows:
- (a) a deferred pension payable from the Member's normal retirement date, determined in accordance with Section 8; or
 - (b) an immediate pension commencing on the first day of the month next following the date of the Member's Retirement equal to the deferred pension determined in accordance with option (a) above, reduced by one-half of one percent for each month or part of a month by which the date of commencement is earlier than the Member's 65th birthday, provided that such reduced pension shall be limited to the maximum amount allowable under Applicable Legislation.
- 10.2 A Member who elects option (a) above may subsequently elect to have the Member's deferred pension commence on the first day of the month after the date of subsequent election but before it would normally commence under that option (a) in a reduced amount equal to the amount of such deferred pension, reduced by one-half of one percent for each month or part of a month by which the date of commencement is earlier than the Member's 65th birthday, provided that such reduced pension shall be limited to the maximum amount allowable under Applicable Legislation. Such a Member shall be entitled to benefits under Sections 14 and 15 as if the Member were a Paid-up Member in accordance with Sections 16.5 and 16.6.
- 10.3 Notwithstanding Section 10.1 above, a Member whose combined years of age (calculated in years and complete months) and Pensionable Service (calculated in years and complete months) total 95 or more may elect to receive an immediate pension commencing on the first day of the month next following the Member's Retirement equal to the pension determined in accordance with Section 8, with no reduction for early payment.

11. DISABILITY

11.1 On the disability of a Member in Pensionable Service:

- (a) Contributions shall not be required from the Member or the Member's employer pursuant to Sections 6 and 7.2 during the period of Disability;
- (b) the Member's Pensionable Service shall be deemed to continue during the period of Disability; and
- (c) the Member shall continue to accrue pension throughout the period of Disability pursuant to Section 8 and, for this purpose, the Member's annual Pensionable Income during the period of Disability shall be deemed to be equal to the Pensionable Income of the Member immediately prior to the date the Disability commenced, increased on each subsequent January 1 by the same percentage increase applied to the Maximum Qualifying Income as specified under Section 1.13.

11.2 For purposes of this Section 11, a Member shall be considered to be Disabled if the Member is prevented prior to the Member's Normal Retirement Date by a physical or mental impairment from carrying out the Member's normal duties, and with respect to such impairment:

- (a) the Member is in receipt of disability income benefits under any disability income plan arranged by the Church or by the Member's employer and administered by an insurance company licensed to conduct business in Canada; or
- (b) the Member is in receipt of disability benefits under the Canada Pension Plan or the Quebec Pension Plan.

11.3 A Member's period of Disability shall be deemed to commence on the later of the date on which the Member becomes disabled in accordance with Section 11.2 or the date on which the Member's employer ceases to remit contributions on behalf of the Member pursuant to Sections 6 and 7.

- 11.4 A Member's period of Disability shall be deemed to cease on the earliest of:
- (i) the date on which the Member ceased to be Disabled in accordance with Section 11.2 above;
 - (ii) the date on which the Member dies;
 - (iii) the Member's Normal Retirement Date.

12. DEATH AFTER COMMENCEMENT OF PENSION

- 12.1 Except as otherwise provided under Section 13, on the death of a Member or Paid-up Member who is in receipt of a pension and who leaves no surviving Spouse and no surviving child entitled to benefits under Section 15, pension payments shall then cease.
- 12.2 Except as otherwise provided under Section 13, on the death of a Member or Paid-up Member who is in receipt of a pension under Section 8, 9 and 10 and who leaves a surviving Spouse who was
- (a) also the Spouse of the Member at the effective date of the commencement of such pension or,
 - (b) if such previous Spouse had subsequently died, had been the Spouse of the Member for a period of at least one year prior to the Member's death,

a monthly pension shall be payable to that Spouse for the balance of that Spouse's lifetime. The amount of such pension shall be $66 \frac{2}{3}\%$ of the pension which was payable to the Member as at the date of death.

13. OPTIONAL RETIREMENT BENEFITS

- 13.1 A Member or Paid-up Member may elect, by giving notice in writing to the Pension and Benefits Board prior to the commencement of pension payments, to take an optional form of pension in lieu of the pension payable under Sections 8, 9 and 10 and any pension that may otherwise have been payable under Section 12.2. In each case, the amount of optional pension shall be the Actuarial Equivalent of the pension to which the Member or Paid-up Member would otherwise be entitled under the Plan.
- 13.2 Optional forms of pension which are available in accordance with Section 13.1 to a Member or Paid-up Member who, at the date when the first instalment of pension becomes payable, does not have a Spouse, are pensions payable throughout the lifetime of the Member or Paid-up Member and with payments guaranteed for 5, 10, or 15 years.
- 13.3 A Member or Paid-up Member who, at the date when the first instalment of pension becomes payable, has a Spouse may elect an optional form of pension in accordance with Section 13.1 so that, in lieu of the benefits otherwise payable under Section 12.2, more than 66 2/3% but not more than 100% of the initial amount of optional pension continues to be payable for the life-time of such Spouse after the death of the Member or Paid-up Member, and with payments guaranteed for 0, 5, 10 or 15 years.
- 13.4 All elected options are irrevocable once payment of the pension has commenced.

14. DEATH BEFORE COMMENCEMENT OF PENSION

- 14.1 In the event of the death of a Member or Paid-up Member who is not in receipt of a pension under the Plan and who leaves no surviving Spouse and no surviving child entitled to benefits under Section 15, a lump sum benefit shall be payable equal to the greater of:
- (a) the Member's or Paid-up Member's contributions made pursuant to Section 6 of the Plan (including any premiums paid pursuant to Section 16.5), with Interest; and
 - (b) the Commuted Value of all benefits accrued in respect of Pensionable Service on and after January 1, 1987.
- 14.2 In the event of the death of a Member or Paid-up Member who is not in receipt of a pension under the Plan and is survived by a dependent child or children but is not survived by a Spouse, a lump sum benefit shall be payable equal to the excess, if any, of:
- (a) the amount determined in accordance with Section 14.1, over
 - (b) the Commuted Value of the children's benefits payable under Section 15.2(b).
- 14.3 The lump sum benefit under Sections 14.1 and 14.2 shall be payable to the beneficiary last nominated by the Member or Paid-up Member by notice in writing to the Pension and Benefits Board. If there shall be no such nominated beneficiary or if any beneficiary so nominated shall not be living at the death of the Member or Paid-up Member, benefits shall be paid to the Member's or Paid-up Member's estate or as a court of competent jurisdiction may decide.
- 14.4 If, on the death of a Member in Pensionable Service, the Member is survived by a Spouse, a monthly pension shall be payable to that Spouse for the balance of the Spouse's lifetime. The amount of such pension shall be $66 \frac{2}{3}\%$ of the pension which has accrued to the Member under Section 8 or 9 to the date of death of the Member, but shall, in any event, not be less than $66 \frac{2}{3}\%$ of the pension which would have accrued to the Member in respect of twelve (12) years of Pensionable Service [or, if less, the Pensionable Service the Member would have accumulated if the Member had continued in Pensionable Service until the Member's Normal Retirement Date], nor less than the amount of pension whose Commuted Value is equal to the Commuted Value of the pension accrued to the Member under Section 8 or 9 on and after January 1, 1987. Notwithstanding the foregoing, the

amount of pension payable to any Member's Spouse shall not exceed the maximum amount allowable under Applicable Legislation.

Notwithstanding the foregoing, the surviving Spouse of a Member may elect to receive either:

- (a) a lump sum equal to the Commuted Value of the pension accrued to the Member under Section Sections 8 or 9 on and after January 1, 1987, or
- (b) an immediate or deferred lifetime pension, in the amount which can be provided, as of the date of the Member's death, by such Commuted Value, provided that such pension shall be paid in a form allowable under Applicable Legislation.

In the event of such an election being made, the pension otherwise payable to the Spouse shall be reduced by an amount having a Commuted Value equal to that of the benefit paid pursuant to such election.

- 14.5 The first payment of any pension provided herein to the surviving Spouse of a Member shall fall due on the first day of the month next following the death of the Member, and the last payment shall fall due on the first day of the month in which the death of such Spouse occurs.

15. CHILDREN'S BENEFITS

15.1 On the death of a Member, who is not in receipt of a pension under Section 8, 9, or 10, and who is survived by a dependent child or children, an additional annual benefit shall be payable to the surviving Spouse of the Member or to the guardian of the child or children during continuance of dependency of such child or children.

15.2 The amount of the benefits payable under Section 15.1, in respect of a dependent child or children shall be as follows:

- (a) While a surviving Spouse of the Member is living and is entitled to a pension in accordance with Section 12, 13, or 14, the annual benefit shall be payable for the child/children of the Member on the following basis:
 - (i) For the first child: one-sixth of the benefit payable to the Spouse.
 - (ii) For a second child: 80% of the benefit payable for the first child.
 - (iii) For a third child: 70% of the benefit payable for the first child.
 - (iv) For a fourth child: 50% of the benefit payable for the first child.
- (b) If a Member dies and is survived by a dependent child or children, but is not survived by the Member's Spouse, or if a deceased Member's Spouse dies while any dependent child qualifies for a child's benefit, the annual amount of the child's benefit for the first child shall be equal to the annual amount of the Spouse's pension which was payable, or would have been payable, under Section 12 or 14.
- (c) If there is more than one such child, a benefit shall be payable for each child after the first on the following basis:
 - (i) For the second child: One-sixth of the benefit payable to the first child;
 - (ii) For a third child: 80% of the benefit payable for the second child.

- (iii) For a fourth child: 70% of the benefit payable for the second child.
- (iv) For a fifth child: 50% of the benefit payable for the second child.

Notwithstanding the foregoing, the total amount of benefits payable in any month to the surviving Spouse and dependent child/children of the Member under Sections 15.1 and 15.2 shall not exceed 100% of the retirement pension which would have accrued to the Member in respect of twelve (12) Years of Pensionable Service (or, if less, the Pensionable Service the Member would have accumulated if the Member had continued in Pensionable Service until the Member's Normal Retirement Date) or the maximum benefit allowable under Applicable Legislation.

- 15.3 On the death of a Member who is in receipt of a pension under Sections 8, 9, or 10, and who is survived by a dependent child or children, an additional annual benefit shall be payable to the surviving spouse of the Member or to the guardian of the child or children during continuance of dependency of such child or children.
- 15.4 The amount of the benefits payable under Section 15.3, in respect of such a dependent child or children, shall be as follows:
 - (a) While a surviving Spouse of the Member is living and is entitled to a pension in accordance with Section 12, 13, or 14, the annual benefit shall be payable for the child/children of the Member on the following basis:
 - (i) For the first child: one-sixth of the benefit payable to the Spouse;
 - (ii) For a second child 80% of the benefit payable for the first child;
 - (iii) For a third child 70% of the benefit payable for the first child;
 - (iv) For a fourth child 50% of the benefit payable for the first child.

- (b) If a Member dies and is survived by a dependent child or children, but is not survived by the Member's Spouse, or if a deceased Member's Spouse dies while any dependent child qualifies for a child's benefit, the annual amount of the child's benefit for the first child shall be equal to the annual amount of the Spouse's Pension which was payable, or would have been payable, under Section 12 or 14.
- (c) If there is more than one such child, a benefit shall be payable for each child after the first on the following basis:
 - (i) For the second child: one-sixth of the benefit payable to the first child;
 - (ii) For a third child: 80% of the benefit payable for the second child;
 - (iii) For a fourth child: 70% of the benefit payable for the second child;
 - (iv) For a fifth child: 50% of the benefit payable for the second child.

Notwithstanding the foregoing, the total amount of benefits payable in any month to the surviving Spouse and dependent child/children of the Member under Sections 15.3 and 15.4 (including amounts payable pursuant to any guaranteed period that may be provided under Section 13) shall not exceed 100% of the retirement pension that would have been payable to the Member for that month.

15.5 For the purpose of this Section 15:

- (a) A "dependent child" is a natural or adoptive child of the Member (or of the Member's Spouse) who at the time of the Member's death was supported by and was dependent upon the Member and who has not attained age 18, as established by evidence satisfactory to the Pension And Benefits Board;
- (b) "Dependency" is the period during which a dependent child, not having attained age 18, is supported by and is dependent upon the surviving Spouse of the Member or a guardian, as established by evidence satisfactory to the Pension and Benefits Board.

- 15.6 Notwithstanding the above, in the sole discretion of the Pension and Benefits Board, the age for a child's benefit may be extended from 18 to 25, provided that the child is unmarried, dependent, and continues to attend school, college, or university.

16. WITHDRAWAL AND PAID-UP MEMBERSHIP

- 16.1 A Member who ceases to be in Pensionable Service for any reason other than death, Retirement, or Disability prior to the completion of two years of membership in the Plan or five years of Pensionable Service shall receive a refund of the Member's required contributions to the Plan, payable in accordance with Section 16.1, with Interest.
- 16.2 A Member who ceases to be in Pensionable Service after completing at least two years of membership in the Plan or five years of Pensionable Service for any reason other than death, Retirement or Disability shall become a Paid-up Member entitled to receive from normal retirement date the pension which has accrued in respect of such Member under Section 8.
- 16.3 A Member who has become a Paid-up Member shall be entitled, after attainment of age 55, to elect to receive an immediate pension according to the provisions of Section 10.
- 16.4 A Member who has become a Paid-up Member shall not be entitled to any benefits or any rights under Section 11.
- 16.5 A Member who has become a Paid-up Member prior to July 1, 2004 may retain all the benefits and rights under Sections 14 and 15 of a Member in Pensionable Service by paying to the Pension Fund annually in advance a premium equal to 3% of the amount of the annual pension which has accrued to the Member in accordance with Section 8, subject to a minimum premium of \$60.00 per annum.

If at any time after becoming a Paid-up Member, such Member fails to pay the necessary premium, the benefits payable on the subsequent death of the Member prior to commencement of pension shall be determined in accordance with Section 14.1. In such event, all benefits and rights under Sections 14.4 and 15 shall terminate and shall be reinstated to the Member in lieu of benefits under Section 14.1 only if the Member ceases to be a Paid-up Member and again becomes a Member in Pensionable Service and full contributions are again made in respect of the Member's subsequent Pensionable Income.

Notwithstanding the above, a Member who has become a Paid-up Member prior to July 1, 2004 shall not be required to pay a premium for the continuance of the benefits and rights under Sections 14.4 and 15 in respect of the first three months after having become a Paid-up Member and such benefits and rights shall continue during this period in lieu of any benefits pursuant to Section 14.1. If, by the end of this period of three months, such

Member has not returned to Pensionable Service and resumed contributions in accordance with Section 6.1, the benefits and rights under Sections 14.4 and 15 shall terminate and benefits payable on the death of the Paid-up Member prior to commencement of pension shall thereafter be determined in accordance with Section 14.1 unless the Member pays the appropriate annual premium to the Pension Fund as described in Section 16.5

16.6 Effective from July 1, 2004:

- a) a Member who has become a Paid-up Member on or after July 1, 2004 shall not have the option to retain the benefits and rights under Sections 14.4 and 15 of a Member in Pensionable Service. The benefits payable on the death of such a Paid-up Member prior to commencement of pension shall be determined in accordance with Section 14.1. The benefits and rights under Sections 14.4 and 15 shall be reinstated only if the Paid-up Member returns to Pensionable Service and resumes contributions in accordance with Section 6.1.
- b) any Member who as of June 30, 2004 is paying the premium referred to in Section 16.5 may continue to pay the premium to retain the benefits and rights under Sections 14.4 and 15 of a Member in Pensionable Service in line with Section 16.5.

16.7 A Member who has become a Paid-up Member and who, at the date of so becoming, has not attained age 55 may elect, in lieu of all other benefits under the Plan, to have the pension and all other benefits accrued to the Member under the Plan commuted and the Commuted Value thereof transferred to:

- (a) the registered pension plan of the Member's new employer, if the terms of such plan provide for receipt of such amounts, or
- (b) a registered retirement savings plan, or any other registered arrangement allowable under Applicable Legislation, of the Member and designated by the Member, provided such plan includes any locking-in restrictions or other provisions required by Applicable Legislation, or
- (c) an insurance company for the purchase therefrom of a life annuity that will commence not earlier than the Member's 55th birthday.

16.8 The amount of the pension accrued to a Paid-up Member may be increased from time to time in amounts approved by the General Assembly and set out in an Appendix to this Constitution, provided that any such increases shall not exceed the maximum amounts allowable under Applicable Legislation.

17. ADMINISTRATION

- 17.1 The fiscal year of the Plan and the Pension Fund shall be the calendar year.
- 17.2 The Church shall administer the Plan in accordance with these provisions and Applicable Legislation. Without in any way detracting from the responsibility of The Church towards the Plan, The Church shall appoint a Pension and Benefits Board which shall carry out such day-to-day administrative duties in connection with the Plan as The Church shall determine.
- 17.3 The Pension and Benefits Board shall appoint an Actuary whose duties shall include submission of reports on all matters relevant to the proper administration of the Plan and payments into the Pension Fund, making regular valuations of the Plan in accordance with Applicable Legislation and recommending the Commuted Values and Actuarial Equivalents required under the Plan.
- 17.4 The Pension and Benefits Board may appoint such persons or firms to provide assistance to the Board including but not limited to those providing legal, actuarial, administrative, clerical or accounting services, as it deems necessary or desirable. The Pension and Benefits Board and the General Assembly shall be free to act or not to act on the advice of the Actuary or other persons or firms appointed in accordance with the provisions of this Section. In accordance with Section 4.2 hereof, the appointment of persons or firms to provide custodianship and investment counsel is the responsibility of the Trustee Board.
- 17.5 All applications for benefits and all elections by persons shall be submitted in writing to the Pension and Benefits Board on forms prescribed by it from time to time, and the Pension and Benefits Board shall be required to act only on the authority of such written documents that are so submitted to it.
- 17.6 The Member, Paid-up Member or any other person entitled to benefits under the Plan shall furnish such proof of age as may be required by the Pension and Benefits Board.
- 17.7 Any decision or determination of the Pension and Benefits Board in any matter or issue arising out of or as a result of the Plan, its interpretation or administration, whether made in writing or implied from its acts, shall be subject to Applicable Legislation and shall be final and binding on all concerned parties. The Pension and Benefits Board shall interpret the Plan and resolve all ambiguities, inconsistencies and omissions.

18. GENERAL PROVISIONS

18.1 Solvency of Pension Fund:

In the event that the total contributions payable into the Pension Fund shall be insufficient to secure the benefits payable under the terms of the Plan, such additional contributions as may be recommended by the Actuary in the most recent actuarial valuation of the Plan as being required to maintain the solvency of the Pension Fund in accordance with Applicable Legislation shall be made from the General Assembly budget.

18.2 Disposition of Surplus:

Where an actuarial valuation prepared in accordance with Section 17.3 shows the Plan to have surplus monies during the continuation of the Plan, such monies may, subject to compliance with any Applicable Legislation, be either:

- (a) retained as part of the Pension Fund; or
- (b) applied to increase pensions and other benefits payable under the Plan in a manner determined by the Pension and Benefits Board, subject to the approval of the General Assembly; or
- (c) applied to reduce contributions otherwise payable in accordance with Sections 6 and 7 and in a manner determined by the Pension and Benefits Board, subject to the approval of the General Assembly; or
- (d) refunded to the Church and other Employers in a manner determined by the Pension and Benefits Board, subject to the approval of the General Assembly.

18.3 Excess Member Contributions:

If, upon a Member's Retirement, death or withdrawal from Pensionable Service, the contributions made by such Member to the Plan in accordance with Section 16.1 on and after January 1, 1987, with Interest, exceed 50% of the Commuted Value of the benefit arising at the time of such Retirement, death or withdrawal in respect of Pensionable Service on and after withdrawal in respect of Pensionable Service on and after January 1, 1987, such

Member (or the Spouse of such Member in the case of a benefit arising under Section 14.4) may elect :

- (a) to leave the excess in the Plan to provide additional benefits on a money accumulated basis; or
- (b) to receive the excess in a lump sum payment.

18.4 Maximum Pension:

The maximum annual pension payable to a Member at retirement, termination of employment or termination of the Plan shall not exceed the maximum pension allowed under Applicable Legislation.

18.5 Agreements with Other Employers:

The Church may enter into an agreement or agreements with other employers to permit recognition under the Plan of service with such other employers and to permit recognition under the pension plans of such employers of service with the Church, subject to such terms and conditions as the Pension and Benefits Board deems appropriate. Any such agreement entered into in accordance with this Section 18.5 shall comply with all requirements of any Applicable Legislation.

18.6 Persons in Cognate Work:

Upon application of a person who is not employed directly by the Church, a Congregation or a Board of the Church but who has been employed in cognate work for which an employer has provided pension benefits and has returned to direct employment in the Church, that person shall have the right to transfer to this Plan the value of any benefits which that person became entitled to receive under the previous employer's pension plan, provided that such transfer value and any benefits arising under the Plan therefrom shall be subject to any Applicable Legislation.

18.7 Non-Alienation of Benefits:

Except as permitted under the Plan, the benefits provided under the Plan are not capable of being assigned, charged, anticipated, given as security or surrendered, nor do they confer upon any Member, Paid-up Member, Spouse, child or other person any right or interest therein that is capable of being assigned, charged, anticipated, given as security or

surrendered. No benefit shall in any manner be subject to the debts or liabilities of any Member, Paid-up Member, Spouse or children entitled to any benefit, nor shall the Pension and Benefits Board be required to make any payment towards such debts or liability other than in accordance with relevant sections of Applicable Legislation.

18.8 Explanation to Members:

The Pension and Benefits Board shall provide to each Member a periodic statement of benefits, a written explanation of the terms and conditions of the Plan and amendments thereto applicable to the Member, an explanation of the rights and duties of the Member with reference to the benefits available to the Member under the provisions of the Plan, and any other information prescribed by Applicable Legislation. If any information contained in an explanation or benefit statement provided in accordance with this Section 18.8 or in any other explanation or document provided to the Member or any other person conflicts with the Constitution of the Plan as it may be amended from time to time, the Constitution of the Plan will govern in every case. If any information contained in such an explanation or document is incorrect for any reason, the correct information will be used in determining the rights of any person under the Plan and the benefits available to such person thereunder.

18.9 Examination of Constitution:

The Pension and Benefits Board shall make available for examination the Constitution of the Plan and any other information prescribed by Applicable Legislation. Such documents and information shall be made available to any Member, or any other person prescribed by Applicable Legislation at any reasonable time at such offices of the Church as it may designate.

18.10 Doctoral Students

A Member who is a full-time doctoral student and who immediately prior to becoming such a student was a minister or a member of the Order of Diaconal Ministries, may elect to continue making contributions under the Plan, as follows:

- (a) Member contributions shall be made in accordance with Section 6.1 except that the rate shall be increased by 2% of Pensionable Income;

- (b) notwithstanding Section 1.18, the Pensionable Income for a full-time doctoral student in any year shall be deemed to be based on the Pensionable Income of the student for the last complete calendar year of employment prior to becoming such a student, adjusted annually thereafter by the percentage increase in the Maximum Qualifying Income as specified under Section 1.13, provided that such Pensionable Income shall be limited to the maximum amounts prescribed under Applicable Legislation;
- (c) during the period that the Member makes contributions in accordance with (a) above, employer contributions shall be made by the General Assembly as specified under Section 7.1 and the Member shall continue to accrue Pensionable Service under Section 1.19.

18.11 Small Payments

Where any person becomes entitled to a monthly benefit from this Plan, the amount or value of which is less than such amount as is prescribed by Applicable Legislation, the Pension and Benefits Board shall have the right to:

- a) make payments less frequently than monthly, but not less frequently than annually,

or
- b) provide a lump sum cash payment equal to the Commuted Value of the annual pension.

18.12 Commutation

Where any person becomes entitled under Applicable Legislation to the commutation of a benefit from this Plan whether due to shortened life expectancy or for any other reason, such person may elect to receive a lump sum cash payment equal to the Commuted Value of the annual pension, provided the person files with the Pension and Benefits Board any documents required by Applicable Legislation.

18.13 Maternity and Paternal Leave

When a Member is granted maternity or paternal leave, in accordance with Applicable Legislation:

- (a) except as provided in (c) and (d) below, the Member shall continue to accrue Pensionable Service during the period of the leave and the Member and the Member's employer shall continue to make contributions pursuant to Sections 6 and 7 during such period;
- (b) for the purpose of (a), the Member's annual Pensionable Income during the period of the leave shall be deemed to be equal to the Pensionable Income of the Member immediately prior to the date the leave commenced;
- (c) notwithstanding (a) above, the aggregate of such periods of leave that may be counted as Pensionable Service shall be limited to 3 years, or such other period as may be allowed under Applicable Legislation;
- (d) notwithstanding (a) above, the Member may elect, by giving notice in writing to the Pension and Benefits Board prior to the commencement of the leave, not to participate in the Plan during such leave, in which case the period of the leave shall not be included in the Member's Pensionable Service and the Member shall not make contributions pursuant to Section 6 and Member's employer shall not make contributions pursuant to Section 7.2 during the period of the leave.

19. AMENDMENT TO AND TERMINATION OF THE PLAN

- 19.1 Notwithstanding anything contained herein, the Church reserves the right to modify or amend the Plan for any reason at any time. No modification or amendment of the Plan shall reduce the amount or the Commuted Value of pension and other benefits which have accrued under the Plan to the date of such modification or amendment, unless such modification or amendment is required in order to enable the Plan to continue to qualify for registration as a pension plan under Applicable Legislation.
- 19.2 Notwithstanding anything contained herein, the Church reserves the right to terminate the Plan in whole or in part for any reason at any time. In the event of termination of the Plan, the assets of the Pension Fund shall be applied to provide for all pension and other benefits which have accrued under the Plan prior to the effective date of such termination to Members, Paid-up Members and other persons entitled to benefits under the Plan. Any surplus monies remaining in the Pension Fund after providing for such benefits may, subject to compliance with Applicable Legislation, either:
- (a) be applied to increase pensions and other benefits payable under the Plan in a manner determined by the Pension and Benefits Board, subject to the approval of the General Assembly, provided that no Member or Paid-up Member shall receive benefits exceeding amounts described in Section 18.4; or
 - (c) be refunded to the Church and other Employers in a manner determined by the Pension and Benefits Board, subject to the approval of the General Assembly.
- 19.3 In the event that the Plan is terminated in part, the rights and entitlements of those Members, Paid-up Members and other persons entitled to benefits under the Plan shall not be less than the rights and entitlements that would attach to them if the whole Plan were terminated.

20. ADDITIONAL PENSION FOR BACK SERVICE

- 20.1 A Member, may elect, within one year following enrolment into the Plan to purchase additional pension with respect to the Member's Back Service, if any, provided however that the Member shall not be permitted to contribute more than the maximum amount allowed under Applicable Legislation to purchase Back Service.
- 20.2 A Member who elects to purchase additional pension for Back Service shall contribute to the Plan a lump sum amount equal to the refund of contributions or lump sum transfer previously received from the Plan together with Interest from the time of payment of the refund of contributions or lump sum transfer until the time of such repayment. The payment of such a lump sum shall comply with the requirements of Applicable Legislation (in particular the Income Tax Act, Canada).
- 20.3 In lieu of the lump sum payment pursuant to Section 20.2 a Member may enter into an agreement with the Pension and Benefits Board to spread the repayment over a period of time not exceeding the lesser of five years or the period ending on the Member's normal retirement date, in which case the payment shall include Interest on the unpaid portion of the payment. In the event of the death, Disability, Retirement or withdrawal of a Member who has entered into such an agreement and where the purchase has not been completed, the benefits payable shall be based on the additional period of Back Service purchased at such time, taking into account the amount of Back Service contributions made to that date.

APPENDIX

1. The pension increases under Section 8.5 approved by the General Assembly on and after January 1, 1988 are as follows:

Effective Date	% of Pension Increase Payable to		
	Retired Members	Deferred Paid-up Members	Spouses and Children of Deceased Members
January 1, 1988	12%	12%	18%
January 1, 1990	10%	10%	10%
January 1, 1993	- based on year of retirement of Member:		
1992	1.0%	same percentages as Retired Members	same percentages as Retired Members
1991	2.2%		
1990	8.2%		
1989	10.8%		
1988	12.8%		
1987	14.8%		
1986	16.8%		
1985	18.8%		
1984	20.8%		
1983	22.8%		
1982	24.8%		
1981	26.8%		
1980	28.8%		
1979	31.8%		
1978	34.8%		
1977	37.8%		
1976	40.8% (plus \$25 p.m.)		
1975	43.8% (plus \$50 p.m.)		
1974	46.8% (plus \$75 p.m.)		
1973	50.0% (plus \$100 p.m.)		
1972	50.0% (plus \$125 p.m.)		
1971	50.0% (plus \$150 p.m.)		
1970	50.0% (plus \$175 p.m.)		
1969	50.0% (plus \$200 p.m.)		
1968	50.0% (plus \$225 p.m.)		
1967 or earlier	50.0% (plus \$250 p.m.)		

Effective Date	% of Pension Increase Payable to		
	Retired Members	Deferred Paid-up Members	Spouses and Children of Deceased Members
January 1, 1994	1.7%	1.7%	1.7%
January 1, 1995	0.2%	0.2%	0.2%
January 1, 1996	3.0%	3.0%	3.0%
January 1, 1997	1.9%	1.9%	1.9%
January 1, 1998	1.8%	1.8%	1.8%
January 1, 1999	0.9%	0.9%	0.9%
January 1, 2000	2.1%*	2.1%	2.1%*
January 1, 2001	2.5%*	2.5%	2.5%*

** applies only to pensions which have been in the course of payment for at least 12 months as of the effective date of the increase.*

2. Effective January 1, 2000, the annual pension payable to a Member who retired (or terminated) before January 1, 1989 shall be increased by the amount, if any, necessary to provide a minimum normal pension entitlement, including any and all pension increases or bonuses already granted since retirement, equal to \$450 per annum per year of Pensionable Service (hereinafter referred to as "the Minimum Pension"). Such Minimum Pension shall be further adjusted as follows:
 - (a) by the application of subsequent increases as in Section 1 above.
 - (b) if the Member retired before or after the Normal Retirement Date, as currently defined in Section 8.1:
 - (i) by the deduction of 0.5% from the said Minimum Pension for each complete month that the actual retirement date was earlier than the Normal Retirement Date, or
 - (ii) by the addition of 0.5% to the said Minimum Pension for each complete month that the actual retirement date was later than the Normal Retirement Date.

- (c) if the Member elected an optional form of pension, by the actual percentage adjustment that would apply to such pension option, based on the factors in use on January 1, 2000.
- (d) if the Member died before or after retirement but before January 1, 2000, the Minimum Pension payable to any surviving Spouse, or dependent child or children, shall be determined as follows:
 - (i) by calculating the Minimum Pension that would have applied if the Member had still been alive on January 1, 2000, and
 - (ii) by adjusting the amount in (i) above by the applicable percentage of the Member's pension that is payable to the surviving Spouse, or dependent child or children, provided that the percentage used for a surviving Spouse shall not be less than 66 2/3%.

Notwithstanding the above, the Minimum Pension shall not exceed the maximum pension allowable under Applicable Legislation.

3. Effective July 1, 2003, the annual pension payable to a Member who retired (or terminated) during 1989 shall be increased by the amount, if any, necessary to provide a minimum normal pension entitlement, including any and all pension increases or bonuses already granted since retirement, equal to \$470.94 per annum per year of Pensionable Service (hereinafter referred to as "the Minimum Pension"). Such Minimum Pension shall be further adjusted as follows:

- (a) by the application of subsequent increases as in Section 1 above.
- (b) if the Member retired before or after the Normal Retirement Date, as currently defined in Section 8.1:
 - (i) by the deduction of 0.5% from the said Minimum Pension for each complete month that the actual retirement date was earlier than the Normal Retirement Date, or
 - (ii) by the addition of 0.5% to the said Minimum Pension for each complete month that the actual retirement date was later than the Normal Retirement Date.

- (c) if the Member elected an optional form of pension, by the actual percentage adjustment that would apply to such pension option, based on the factors in use on July 1, 2003.
- (d) If the member died before or after retirement but before July 1, 2003, the Minimum Pension payable to any surviving Spouse, or dependent child or children, shall be determined as follows:
 - (i) by calculating the Minimum Pension that would have applied if the Member had still been alive on July 1, 2003, and
 - (ii) by adjusting the amount in (i) above by the applicable percentage of the Member's pension that is payable to the surviving Spouse, or dependent child or children, provided that the percentage used for a surviving Spouse shall not be less than 66 2/3%.

Notwithstanding the above, the Minimum Pension shall not exceed the maximum pension allowable under Applicable Legislation.

**SUPPLEMENT TO THE CONSTITUTION
OF THE PENSION PLAN OF
THE PRESBYTERIAN CHURCH IN CANADA
APPLICABLE TO SERVICE IN THE PROVINCE OF ALBERTA**

This Supplement indicates modifications to the Constitution of the Pension Plan of The Presbyterian Church in Canada in respect of retirements, deaths and terminations arising while the relevant members are employed in the Province of Alberta and, in each Section enumerated in this Supplement, the provisions of this Supplement are to be applied in lieu of the corresponding Section of the Constitution.

1.25 "Spouse" of a Member on any date means a person, who:

- (a) is married to and, at the relevant date, has not been living separate and apart from the Member for 3 or more consecutive years; or
- (b) if there is no person who qualifies under (a) above, has been living with the Member in a conjugal relationship
 - (i) continuously for the 3-year period immediately preceding the relevant date, or
 - (ii) of some permanence if there is a child of the relationship by birth or adoption.

14.4 If, on the death of a Member in Pensionable Service, the Member is survived by a Spouse, a monthly pension will be payable to that Spouse for the balance of the Spouse's lifetime. The amount of such pension shall be 66 2/3% of the pension which has accrued to the Member under Section 8 or 9 to the date of death of the Member, but shall, in any event, not be less than the amount of pension whose Commuted Value is equal to the Commuted Value of the pension accrued to the Member under Section 8 or 9 on and after January 1, 1987.

**SUPPLEMENT TO THE CONSTITUTION
OF THE PENSION PLAN OF
THE PRESBYTERIAN CHURCH IN CANADA
APPLICABLE TO SERVICE IN THE
PROVINCE OF BRITISH COLUMBIA**

This Supplement indicates modifications to the Constitution of the Pension Plan of The Presbyterian Church in Canada in respect of retirements, deaths and terminations arising while the relevant members are employed in the Province of British Columbia and, in each Section enumerated in this Supplement, the provisions of this Supplement are to be applied in lieu of the corresponding Section of the Constitution.

1.25 "Spouse" of a Member on any date means a person, who:

- (a) is married to the Member and who, if living separate and apart from the Member at the relevant date, did not live separate and apart from the Member for longer than the 2 year period immediately preceding the relevant date, or
- (b) if there is no person who qualifies under (a) above, is living and cohabiting with the Member in a marriage-like relationship and who has been living and cohabiting in that relationship for a period of at least 2 years immediately preceding the relevant date.

**SUPPLEMENT TO THE CONSTITUTION
OF THE PENSION PLAN OF
THE PRESBYTERIAN CHURCH IN CANADA
APPLICABLE TO SERVICE IN THE PROVINCE OF MANITOBA**

This supplement indicates modifications to the Constitution of the Pension Plan of The Presbyterian Church in Canada in respect of service in the Province of Manitoba and, in each Section enumerated in this Supplement, the provisions of this Supplement are to be applied in lieu of the corresponding Section of the Constitution.

- 1.25 "Spouse" with respect to a Member means a person designated by the Member, who at the relevant time;
- (a) was married to the Member,
 - (b) not being married to the Member, cohabited with the Member in a conjugal relationship
 - (i) for a period of at least three years, if either of them is married, or
 - (ii) for a period of at least one year, if neither of them is married.
- 5.1 Any of the following shall become a Member of the Plan while in Pensionable Service:
- (a) Any minister, associate or assistant minister, or assistant to the minister (whether inducted into that office or not);
 - (b) Any ordained missionary;
 - (c) Any overseas missionary (lay or ordained) under the direct control of the Life and Mission Agency of the Church;
 - (d) Any minister, teacher, or professor serving in a college or school under the direct control of and reporting to the General Assembly;

- (e) Any executive staff member of the General Assembly boards of the Church who shall be approved by the Pension and Benefits Board to become a Member of the Plan;
- (f) Any graduate of Ewart College or member of the Order of Diaconal Ministries;
- (g) Any person appointed as a salaried employee of the Church or of a Synod, Presbytery or Congregation, from the date of the attainment of two years of service as such, provided however, that, in the case of a person who is employed by an employer other than the Church eligibility to join the Plan shall be conditional upon such employer submitting to the Pension and Benefits Board an undertaking in writing to make the required employer contributions during the period of such employment.

14.1 In the event of the death of a Member or Paid-up Member who is not in receipt of a pension under the Plan and who leaves no surviving Spouse, a lump sum benefit shall be payable equal to the greater of:

- (a) the Member's or Paid-up Member's contributions made pursuant to Section 6 of the Plan (including any premiums paid pursuant to Section 16.5), with Interest; and
- (b) the Commuted Value of all benefits accrued in respect of Pensionable Service on and after January 1, 1985.

14.4 If, on the death of a Member in Pensionable Service, the Member is survived by a Spouse, a monthly pension will be payable to that Spouse for the balance of the Spouse's lifetime. The amount of such pension shall be 66 2/3% of the pension which has accrued to the Member under Section 8 or 9 to the date of death of the Member, but shall, in any event not be less than the amount of pension whose Commuted Value is equal to the Commuted Value of the Pension accrued to the Member under Section 8 or 9 on and after January 1, 1985.

18.3 Excess Member Contributions:

If, upon a Member's Retirement, death or withdrawal from Pensionable Service, the contributions made by such Member to the Plan in accordance with Section 6.1 on and after January 1, 1985, with Interest, exceed 50% of the Commuted Value of the benefit arising at the time of such Retirement, death or withdrawal in respect of Pensionable Service on and

after January 1, 1985, such Member (or Spouse in the case of a benefit arising under Section 14.4) may elect:

- (a) to leave the excess in the Plan to provide additional benefits on a money accumulation basis; or
- (b) to receive the excess in a lump sum payment.

**SUPPLEMENT TO THE CONSTITUTION
OF THE PENSION PLAN OF
THE PRESBYTERIAN CHURCH IN CANADA
APPLICABLE TO SERVICE IN THE PROVINCE OF
NEWFOUNDLAND AND LABRADOR**

This Supplement indicates modifications to the Constitution of the Pension Plan of The Presbyterian Church in Canada in respect of retirements, deaths and terminations arising while the relevant members are employed in the Province of Newfoundland and Labrador and, in each Section enumerated in this Supplement, the provisions of this Supplement are to be applied in lieu of the corresponding Section of the Constitution.

1.25 “Spouse” of a Member on any date means a person, who:

- (a) is married to and, at the relevant date, has not been living separate and apart from the Member for 3 or more consecutive years; or
- (b) if there is no person who qualifies under (a) above, has been living with the Member in a conjugal relationship for the 1-year period immediately preceding the relevant date.

**SUPPLEMENT TO THE CONSTITUTION
OF THE PENSION PLAN OF
THE PRESBYTERIAN CHURCH IN CANADA
APPLICABLE TO SERVICE IN THE
PROVINCE OF NOVA SCOTIA**

This Supplement indicates modifications to the constitution of the Pension Plan of The Presbyterian Church in Canada in respect of service in the Province of Nova Scotia and, in each Section enumerated in this Supplement, the provisions of this Constitution are to be applied in lieu of the corresponding Section of the Constitution.

- 1.25 "Spouse" with respect to a Member means a person designated by the Member, who at the relevant time:
- (a) is married to the Member,
 - (b) is married to the Member by a marriage that is voidable and has not been annulled by a declaration of nullity,
 - (c) has gone through a form of marriage with the Member in good faith that is void and is cohabiting with the Member or, if such person has ceased to cohabit with the Member, has cohabited within the 12-month period immediately preceding the date of entitlement, or
 - (d) has cohabited in a conjugal relationship with the Member for 2 years where neither the Member or the person is a Spouse.
- 14.4 If, on the death of a Member in Pensionable Service, the Member is survived by a Spouse, a monthly pension will be payable to that Spouse, for the balance of the Spouse's lifetime. The amount of such pension shall be 66 2/3% of the pension which has accrued to the Member under Section 8 or 9 to the date of death of the Member, but shall, in any event, not be less than the amount of pension whose Commuted Value is equal to the Commuted Value of the Pension accrued to the Member under Section 8 or 9 on and after January 1, 1987.

**SUPPLEMENT TO THE CONSTITUTION
OF THE PENSION PLAN OF
THE PRESBYTERIAN CHURCH IN CANADA
APPLICABLE TO SERVICE IN THE PROVINCE OF QUEBEC**

This Supplement indicates modifications to the Constitution of the Pension Plan of The Presbyterian Church in Canada in respect of service in the Province of Quebec and, in each Section enumerated in this Supplement, the provisions of this Supplement are to be applied in lieu of the corresponding Section of the Constitution.

- 1.25 "Spouse" of a Member on any date means a person, who:
- (a) is married to or in a civil union with the Member, or
 - (b) is not married to nor in a civil union with the Member but has been living with the Member in a conjugal relationship
 - (i) continuously for a period of at least three years, or
 - (ii) for a period of at least one year if
 - at least one child is born, or to be born, of their union;
 - they have adopted, jointly, at least one child while living together in a conjugal relationship; or
 - one of them has adopted at least one child who is the child of the other, while living in a conjugal relationship.
- 9.2 In the case of a postponed Retirement, the Member shall receive a pension commencing on the first day of the month next following the date of such Retirement equal to the Actuarial Equivalent of the amount determined in accordance with Section 8.

Subsequent to normal retirement date and prior to any postponed retirement date, such a Member may elect to receive, in whole or in part, a normal retirement pension accrued to the Member's normal retirement date calculated in accordance with Section 8, but only to the extent necessary to compensate for a reduction in earnings. A Member who so elects

will cease to make contributions to the Plan. The Member may make such election not more frequently than once every twelve months.

- 16.1 This Section shall not apply to Quebec Members.
- 16.2 A Member who ceases to be in Pensionable Service for any reason other than death, Retirement or Disability shall become a Paid-up Member entitled to receive from normal retirement date the pension which has accrued in respect of such Member under Section 8.
- 16.8 The amount of the pension accrued to a Paid-up Member may be increased from time to time in amounts approved by the General Assembly and set out in an Appendix to this Constitution, provided that any such increases shall not exceed the maximum amounts allowable under Applicable Legislation and shall not be less than the minimum amounts required under Applicable Legislation.

**SUPPLEMENT TO THE CONSTITUTION
OF THE PENSION PLAN OF
THE PRESBYTERIAN CHURCH IN CANADA
APPLICABLE TO SERVICE IN THE
PROVINCE OF SASKATCHEWAN**

This Supplement indicates modifications to the Constitution of the Pension Plan of The Presbyterian Church in Canada in respect of retirements, deaths and terminations arising while the relevant members are employed in the Province of Saskatchewan and, in each Section enumerated in this Supplement, the provisions of this Constitution are to be applied in lieu of the corresponding Section of the Constitution.

1.25 "Spouse" of a Member on any date means a person, who:

- (a) is married to the Member; or
- (b) if there is no person who qualifies under (a) above, is cohabiting with the Member at the relevant date and has been cohabiting with the Member as the Member's spouse for at least 1 year prior to the relevant date.

16.1 A Member who ceases to be in Pensionable Service for any reason other than death, Retirement or Disability prior to the completion of two years of membership in the Plan or five years of Pensionable Service or the date when:

- (a) the Member has completed at least one year of Pensionable Service, and
- (b) the sum of the Member's age and Pensionable Service is at least 45,

shall receive a refund of the Member's required contributions to the Plan, payable in accordance with Section 6.1, with Interest.

16.2 A Member who ceases to be in Pensionable Service for any reason other than death, Retirement or Disability and who has completed at least two years of membership in the Plan or five years of Pensionable Service or:

- (a) who has completed at least one year of Pensionable Service, and

- (b) whose age and Pensionable Service total at least 45.

shall become a Paid-up Member entitled to receive from normal retirement date the pension which has accrued in respect of such Member under Section 8.

18.3 Excess Member Contributions:

If, upon a Member's Retirement, death or withdrawal from Pensionable Service, the contributions made by such Member to the Plan in accordance with Section 6.1 on and after January 1, 1981, with Interest, exceed 50% of the Commuted Value of the Benefit arising at the time of such Retirement, death or withdrawal in respect of Pensionable Service on and after January 1, 1981, such Member (or the Spouse in the case of a benefit arising under Section 14.4) may elect:

- (a) to leave the excess in the Plan to provide additional benefits on a money accumulation basis; or
- (b) to transfer the excess to:
 - (i) the registered pension plan of the Member's new employer, if the terms of such plan provide for receipt of such amounts, or
 - (ii) a registered retirement savings plan of the Member, provided such Plan includes any locking-in restrictions or other provisions required by Applicable Legislation, or
 - (iii) an insurance company for the purchase therefrom of a life annuity.

October, 2004

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