

RECIPROCAL TRANSFER AGREEMENT

This agreement is between:

the Ontario Municipal Employees Retirement Board
(the "Board")

and

the Manitoba Municipal Employees Pension Plan

Introduction

1. Each of the parties administers a pension plan.
2. The parties wish to have common rules and procedures for the establishment of pension credits for persons changing plan membership between their respective pension plans.

Now Therefore the parties hereto, in consideration of the covenants and agreements hereinafter set forth, covenant and agree as follows:

1. Definitions

- (a) **Actuarial Value** means the value of a pension and ancillary benefits calculated in the same manner as benefits are valued under the actuarial valuation of the Importing Plan or Exporting Plan, as the case may be, and subject to Article 4.
- (b) **Credited Service** is the years and months of credit for pension benefits accrual under the Importing Plan or the Exporting Plan, as the case may be.
- (c) **Eligible Person** means a person who meets the conditions for eligibility of transfer contained in Article 2.
- (d) **Employer** means an organization whose employees participate in a pension plan administered by a party to this agreement.
- (e) **Exporter** means the organization which administers the Exporting Plan.
- (f) **Exporting Plan** means the pension plan which may be required to Transfer on behalf of a person who has terminated plan membership.
- (g) **Importer** means the organization which administers the Importing Plan.
- (h) **Importing Plan** means the pension plan which may receive a Transfer on behalf of a plan participant who was previously a participant in the Exporting Plan.
- (i) **Salary** means the annual salary rate of the Eligible Person as used by the Exporting Plan or the Importing Plan, as the case may be, to determine pension and ancillary benefits.
- (j) **Transfer** means a transfer under this agreement.
- (k) **Transfer Amount** means the amount of money to be transferred from the Exporting Plan to the Importing Plan as determined under Article 4 of this agreement.
- (l) **Transferring Member** means an eligible Person who has applied to Transfer under Article 5.

2. Eligibility for Transfer

A person is eligible to transfer if that person satisfies all the following conditions:

- (a) Terminates employment with an Employer and was a member of the Exporting plan;
- (b) Ceases participation in the Exporting Plan and has commenced participation under the Importing Plan;
- (c) Has completed and fully paid for or abandoned all purchases of periods of past service under the Exporting Plan;
- (d) Has within twelve months commenced employment with another Employer whose employees participate in the Importing Plan;
- (e) Became a member of the Importing Plan within twelve months of first becoming eligible to do so; and
- (f) The person has credited service under the Exporting Plan and is not receiving pension benefits from the Exporting Plan, for the period being transferred.

3. Request for Determination of Transfer Amount

- 3.1 At the request of an Eligible Person the Importer shall provide Appendix A.
- 3.2 An Eligible Person may within twelve months of the later of becoming a member of the Importing Plan or the effective date of the agreement deliver a completed and signed copy of Appendix A to the Importer.
- 3.3 The Importer shall deliver a copy of the signed Appendix A to the Exporter within 45 days of receiving a signed copy of Appendix A from the Eligible Person. The Exporter will provide the salary, credited service information required by the Importer, and the amount available for transfer to the Importer, within 60 days of the date the Importer provides the Exporter with a copy of Appendix A.
- 3.4 On receipt of the information required, the Importer will, within 90 days prepare and issue to that person a determination of Transfer Amount as calculated under article 4 in the form of Appendix B.

4. Calculation of Transfer Amount

- 4.1 The amount which shall be paid to the Importing Plan, the Transfer Amount, shall be the lesser of the following two amounts
- (a) the Actuarial Value of the Transferring Member's Credited Service with the Exporting Plan calculated by the Exporter, reduced, where applicable, by any amount paid to the Eligible Person as a refund of excess contributions under the 50% Rule, plus valuation interest, from the date the person terminated employment to the end of the month in which Appendix A was received by the Importing Plan; and
 - (b) the Actuarial Value of the same period of Credited Service Calculated by the Importer, as if the total service with the Exporting Plan had been accumulated with the Importing Plan.
- 4.2
- (a) The Actuarial Value available from the Exporting Plan shall be calculated by the Exporter as of the Eligible Person's date of termination of employment with an Employer whose employees participate in the Exporting Plan, using the Salary of the individual as at the date of termination of employment.
 - (b) The Actuarial Value required by the Importing Plan shall be calculated by the Importing Plan as of the date Appendix A is received by the Importing Plan, using the salary of the member as at that date.
 - (c) If a person is entitled to pension benefits from the Exporting Plan for an earlier period of service, and if the Exporting Plan treats this earlier period of service as separate and distinct from the most recent period of service, the Transfer shall be in respect of only the most recent period of service.
 - (d) For the purposes of this agreement, service shall be measured in years and months, with each participating pension plan following its normal practice in this regard.
 - (e) Additional Voluntary Contributions are not covered by this reciprocal agreement. A person who elects to transfer pension credits pursuant to this reciprocal agreement may receive a refund of any AVC's that have accumulated in the Exporting Plan, with interest. The person may, if the Importer permits, transfer his AVC's to the Importing Plan, in which case they will be treated in accordance with the Importer's normal administrative practices.

5. Application for Transfer

The Eligible Person must apply for Transfer by completing, signing and delivering Appendix B to the Importer, within 60 days of the issue date (as it appears on Appendix B as "Issue Date") of Appendix B.

6. Transfer of Funds

- 6.1 When the Importer receives from the Transferring Member a completed Appendix B, the Importer shall deliver to the Exporter a copy of Appendix B along with a request for the Transfer Amount.
- 6.2 When the Exporter receives from the Importer a copy of Appendix B with request for payment, the Exporter shall forthwith pay the Transfer Amount to the Importer.
- 6.3 Despite any other provision in this Agreement, where the Transfer Amount is not received by the Importing Plan within one year after the Importer has received Appendix A, the Actuarial Value shall be recalculated, using the date which is one year after the date Appendix A was originally received by the Importing Plan as the valuation date to determine the Transfer Amount.

7. Service Credited by the Importing Plan

- 7.1 If the Transfer Amount required by the Importer for full service is equal to the Actuarial Value, together with interest payable, of the Transferring Member's Credited Service with the Exporting Plan as calculated by the Importer, the Transferring Member's full period of Credited Service in the Exporting Plan shall be recognized in the Importing Plan.
- 7.2 If the Transfer Amount is less than the amount required by the Importer to fully recognize the person's Credited Service in the Exporting Plan, all or part of the difference may be paid in which case the Transferring Member will receive additional Credited Service in the Importing Plan in the amount which is directly proportional to the additional amount contributed over the Transfer Amount. Any contribution required of the person may be made in accordance with the policies of the Importer.
- 7.3 Where the difference is not paid the Transferring Member shall receive credit in the Importing Plan for an amount of service which is directly proportional to the Transfer Amount.
- 7.4 If the Actuarial Value of the Transferring Member's Credited Service in the Exporting Plan as determined under article 4 exceeds the Transfer Amount, the difference shall be dealt with in accordance with the provisions of the Exporting Plan.

7.5 The Importer shall attribute the service to the most recent time period for which the person had credited service in the Exporting Plan and in no case shall the Credited Service allocated exceed the amount of Credited Service the Transferring Member had in the Exporting Plan.

7.6 No member shall receive more than one year of credit in respect of any twelve month period.

8. Administrative Procedures

Each Party agrees to maintain and provide to the other party records concerning all transfers.

9. Establishment of Benefits In Accordance with the Terms of the Importing Plan

Following the Transfer of the Transfer Amount, pension plan benefits of the Transferring Member shall be exclusively determined in accordance with the terms of the Importing Plan in the same way as if the person had participated in the Importing Plan during the period of pensionable service.

10. Compliance with Legislation

The Parties to this Agreement must comply with the provincial and/or federal legislation that applies, as the case may be.

11. Amendment or Termination of Agreement

This Agreement may be amended or modified at any time by agreement in writing executed by the parties hereto and at any time either party may terminate this agreement upon six months notice in writing to the other party, provided that no transfer of pension contributions and credits hereunder, which was initiated by completion of Appendix A or was in process during the six month notice period, shall be adversely affected by such amendment or termination. Any such amendment or modification shall be effective from the effective date of such amendment, subject to government approval, if required.

12. Effective Date

This agreement is made and effective as of the date of final execution of this Agreement.

13. Prior Agreement

On the effective date of this agreement, this agreement supersedes and takes the place of all prior reciprocal transfer agreements entered into between the Parties except in respect of persons who terminated employment before the effective date of this agreement.

In witness whereof the parties have caused this Agreement to be executed by their proper officers duly authorized in that behalf:

Dated: Paul Iveson.

February 12, 2004
President, Ontario Municipal Employees Retirement Board

Dated: NOVEMBER 20, 2003

L. Neufeld
Executive Director, Manitoba Municipal Employees Pension Plan



APPENDIX A - REQUEST FOR TRANSFER QUOTATION

Date: _____

Re: Transfer from _____ (Exporting Plan) to _____ (Importing Plan)

MEMBER INFORMATION:

Name: _____

Date of Birth: _____

Importing Plan: _____

Name of Employer: _____

Reference No: _____

Date of Hire: _____

Date of Enrolment in
Pension Plan: _____

Exporting Plan: _____

Name of Employer: _____

Reference No.: _____

Date of Termination: _____

I hereby authorize _____ to release the information necessary to produce a transfer quotation, including my social insurance number and, in the event I elect to proceed with the transfer, any information relevant to the Family Law Act, 1986.

Signature of Member: _____

Date: _____

Home Telephone: _____ Business Telephone: _____

APPENDIX B - REQUEST FOR TRANSFER

Issue Date:
Reference No:

Re: Transfer from _____ (Exporting Plan) to _____ (Importing Plan)

PART 1

The amount available for transfer under the reciprocal agreement is sufficient to provide you with equivalent pensionable service.

Estimated Transfer Amount: \$

Pensionable Service to be Established by the Transfer Amount: _____ months

OR

The amount available for transfer under the reciprocal agreement is insufficient to provide you with equivalent pensionable service.

Estimated Transfer Amount: \$

Pensionable Service to be Established by the Transfer Amount: _____ months

Additional Pensionable Service that may be Purchased: _____ months

Approximate Cost of the Additional Pensionable Service: \$

Upon completion of your transfer, you will be given the option of purchasing the additional pensionable service not provided by the transfer. The actual figures may change due to interest charges.

PART 2 - TO BE COMPLETED BY THE MEMBER

I have reviewed the information provided in Part 1 and select the following option with respect to my request to transfer: *(Please initial the option you wish to select.)*

Option 1

I elect to proceed with my request for transfer and hereby relinquish all further claims with respect to my previous pension plan.

Option 2

I elect NOT to proceed with my request for transfer. I understand that my pension benefits with respect to my previous pensionable service will remain with _____ *(Exporter)* in accordance with the rules of that plan.

Signature of Member: _____ Date: _____

Home Telephone: _____ Business Telephone: _____

Note: The completed Appendix B must be returned to _____ by _____, 200 .