

TRANSFER AGREEMENT

BETWEEN: The Joint Board of Trustees of the Canadian Union of Public Employees' Pension Plan, hereinafter identified as "the Board", represented for the purposes of this agreement by its Chair and Co-Chair,

OF THE FIRST PART

AND: The Joint Board of Trustees of the Manitoba Municipal Employees Pension Plan, hereinafter identified as "the Trustees", represented for the purposes of this agreement by its Executive Director,

OF THE SECOND PART

In accordance with the provisions of Section 17 of the Canadian Union of Public Employees' Pension Plan, hereinafter identified as "the CUPE Plan", the Board may enter into a reciprocal transfer agreement with an organization having a registered pension plan, and/or with the organization administering such plan, for the employees covered by the CUPE Plan.

Section XVI of the Pension Plan for Employees of the Manitoba Municipal Employees Pension Plan, hereinafter identified as "the Municipal Plan", permits the Board to enter into this agreement.

This agreement applies to transfers between the CUPE Plan and the Municipal Plan.

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1. DEFINITIONS

In this agreement, words importing masculine gender shall include the feminine gender and words importing singular include the plural.

Exporting Plan: Plan under which the person has ceased participation and from which he applies for a transfer of his accumulated pension benefits.

Importing Plan: Plan in which a person is participating and from which he requests recognition of benefits following a transfer.

Exporting Organization: Organization qualified to administer the exporting plan.

Importing Organization: Organization qualified to administer the importing plan.

2. ELIGIBILITY CRITERIA

A transfer of funds shall be made in accordance with the terms of this agreement in respect of a person who satisfies all of the following conditions:

(a) Termination of Employment

Has terminated employment from the employer who participates in the exporting plan and becomes employed by an employer who participates in the importing plan.

(b) Termination of Participation

Ceased participation under the exporting plan and has commenced participation under the importing plan at the time the transfer is requested.

(c) Non Beneficiary

Has not received a full refund of accrued pension benefits and is not receiving monthly pension benefits from either the exporting or the importing plan.

(d) Transfer Application

Has sent to the exporting organization and the importing organization a transfer application as provided in Appendix A within five (5) years following the effective date of this agreement or within three (3) years following the date the person began contributing to the importing plan if this date is later.

(e) Acceptance of Transfer

Has signed the transfer estimate prescribed in Appendix B, and sent it to the importing plan within six (6) months of the date the transfer estimate was sent unless the person is able to prove that he was absolutely unable to do so for medical reasons.

3. TRANSFERABLE AMOUNT

The transferable amount is the lesser of the following amounts:

- (a) The actuarial value on the date the exporting organization received Appendix A of benefits to be credited to the person in accordance with the terms and conditions of the importing plan with respect to the pensionable service of the person under the exporting plan.
- (b) The actuarial value on the date the person ceased participating in the exporting plan of benefits credited to the person in accordance with the terms and conditions of the exporting plan. However, the actuarial value must not be less than the person's contributions, with interest, including the excess contribution (the 50% rule), when applicable, that would have been payable if there had been a reimbursement.

The actuarial value prescribed in paragraphs (a) and (b) must be calculated according to the actuarial assumptions, including assumed rates of salary projections, prescribed in Appendix F if the organization is the Trustees and the actuarial assumptions prescribed in Appendix D if the organization is the Board. Those actuarial values shall be accumulated to the date of payment, according to the interest rates prescribed in Appendices C and E, that are in use by the exporting and the importing organizations, as the case may be.

4. EMPLOYEE PAYMENTS MADE IN RESPECT OF PAST SERVICE

Any person who, at the time of execution of the transfer estimate, was making payments to the exporting organization in respect of past service, has one (1) month from the date of notice from the exporting organization to pay the outstanding amount, completely or a part, according to his choice.

If all or a part of the outstanding amount is not paid within the time limit prescribed above, the transferable amount shall be calculated only with reference to the period of service that has been purchased with the payments made within the period ending one month from the date of a notice from the exporting plan referred to above.

Any arrangements between the person and the exporting organization with respect to the purchase of past service shall expire and terminate thirty (30) days from the date of the notice referred to above, and any such arrangement shall not

be binding and shall be of no force or effect vis-à-vis the importing organization and the importing plan.

5. ADMINISTRATION

Upon receipt of Appendix A, the exporting organization must complete the first section of the Appendix B and send it, with a statement of participation of the person, to the importing organization who will complete its section. The importing organization shall thereafter send two (2) copies of Appendix B to the person and one (1) copy to the exporting organization.

6. TRANSFER OF FUNDS.

Upon receipt of Appendix B, duly signed by the person, the exporting organization must pay the importing organization the transferable amount within the twelve (12) month period following the date of receipt of the appendix.

7. MINIMUM BENEFITS

If the amount transferred by the exporting organization is less than the value to which the member is entitled upon termination of employment, the difference shall be made available to the member in accordance with the applicable pension legislation.

8. SERVICE CREDITED BY THE IMPORTING PLAN

- (a) If the amount transferred is equal to the actuarial value calculated in accordance with article 3(a), including the interest referred to in the final section of that article, the importing plan recognizes the total pensionable service credited to the person in the exporting plan.
- (b) If the amount transferred is less than the actuarial value calculated in accordance with article 3(a), including the interest referred to in the final section of that article, the importing plan recognizes a portion of the pensionable service credited to the person in the exporting plan. This portion of service is established on the basis of the actuarial values calculated under article 3(a) and (b).

The period of credited pensionable service which will be recognized shall be as deemed most appropriate by the importing plan.

9. POSSIBILITY TO MAKE UP THE DIFFERENCE

All or part of the unrecognized pensionable service, if any, under article 8(b) may be credited as recognized pensionable service, under the importing plan if the person so requests within three (3) months following the date of a proposal to that effect made by the importing organization.

The person must then pay or have paid with interest, according to the rates specified in Appendixes C or E which apply to his case, the total or a portion of the difference between the actuarial value calculated in accordance with article 3(a) and the amount transferred.

10. BENEFITS ESTABLISHED IN ACCORDANCE WITH THE TERMS OF THE IMPORTING PLAN

Following the transfer of funds, benefits are exclusively determined in accordance with the terms of the importing plan in the same way as if the person had participated in that plan during the period of recognized service.

11. AMOUNT TRANSFERRED

Following the transfer of an amount under this agreement, the pension and ancillary benefits of the transferring member shall be exclusively determined in accordance with the Importing Plan in the same way as if the transferring member had participated in the Importing Plan during the period of recognized credited service.

When the Importing Plan is the Canadian Union of Public Employees, the amount transferred is credited to the transferring member as contributions for past service. This amount will be credited with interest and will be the minimal value of the associated pension benefits.

12. AMENDMENT OF APPENDICES

The Appendices may be amended by either one of the parties to this agreement. Any such amendments will be effective from the date of acceptance, in writing, by the parties.

However, an amendment will not affect any transfer requested before the effective date of said modifications.

13. SUPPLEMENTAL PENSION PLAN REGULATIONS

This agreement is not intended to restrict the rights and benefits on termination of employment acquired by a person in accordance with the Pension Benefits Standards Act, the Ontario Pension Benefits Act, the Manitoba Pension Benefits Act, or any other federal or provincial legislation applicable to the parties to this agreement.

Moreover, a person who is entitled to a compulsory deferred pension according to any of these laws may receive such benefit in lieu of a transfer under this agreement.

14. TERMINATION OF AGREEMENT

This agreement may be terminated by mutual consent of both parties or at the end of a twelve (12) month period following the date of receipt, by one of the parties, of a notice to that effect sent by the other party.


However, the rights of any person who has applied for transfer before the date of termination of this agreement will not be affected.

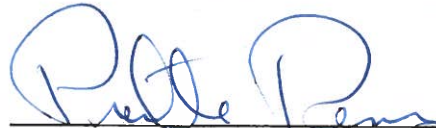
15. EFFECTIVE DATE


This agreement is effective on the 17th day of September, 2002.

In witness whereof the parties of both parts have signed the present agreement.

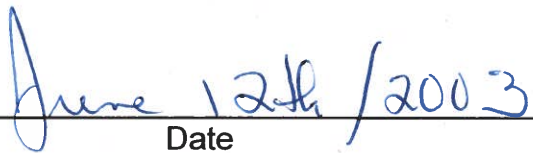
**THE JOINT BOARD OF TRUSTEES OF THE CANADIAN UNION OF PUBLIC
EMPLOYEES EMPLOYEES' PENSION PLAN**

By , Chair

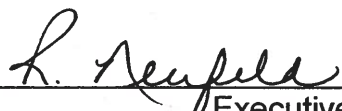

Witness

By , Co-Chair

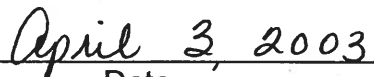

Witness


Date

**THE JOINT BOARD OF TRUSTEES OF THE MANITOBA MUNICIPAL
EMPLOYEES PENSION PLAN**

By 
Executive Director


Witness


Date

d) IMPACT OF THE TRANSFER ON YOUR RRSP CONTRIBUTION ROOM

The transfer of post-1989 service might have an impact on the amount you can contribute to an RRSP in the future. This is known as a Past Service Pension Adjustment (a "PSPA"). The amount of the PSPA is not related to the actual amount being transferred. The additional PSPAs resulting from the transfer are shown below:

YEAR	ADDITIONAL PAST SERVICE PENSION ADJUSTMENT
TOTAL	

Should you wish to proceed with the transfer, we will have to apply for approval from Canada Customs and Revenue Agency before the transfer can actually take place. Canada Customs and Revenue Agency will approve or deny the application for certification of the additional PSPA based on your available RRSP room. If you have enough RRSP contribution room, the transfer will proceed before Canada Customs and Revenue Agency approval.

e) POSSIBILITY TO MAKE UP THE DIFFERENCE

If the Transfer Amount is less than the amount required by the Importer to fully recognize the Transferring Member's Credited Service in the Exporting Plan, the Transferring Member can request to make up the difference. The Transferring Member will have 90 days following the date the funds were transferred from the Exporting Plan to request to make up the difference.

4. ISSUE DATE: _____

IV. ACCEPTANCE

I agree to the transfer to _____
(Name of Importing Plan)

my entitlements under _____
(Name of Exporting Plan)

such transfer established in accordance with the provisions of the transfer agreement between these two plans.

In consideration of the payment to be made by the Exporting Plan to the Importing Plan, I release the administrator of the Exporting Plan from all future obligations of the Exporting Plan except those specified in article 12 of the agreement, to me or my beneficiary, dependents and estate.

I understand that the information supplied in this form is an estimate and that the final amounts will not be determined until the date of transfer. A confirmation of the final values and credits will be given to me.

In witness whereof I have signed this on _____
Date

Signature

A duly signed copy of this form must be returned to each of the following addresses within limit specified in this Appendix.

Former Employer:

Present Employer:

APPENDIX C

INTEREST RATES USED BY THE JOINT BOARD OF TRUSTEES OF THE CUPE EMPLOYEES' PENSION PLAN

1. Interest rates

Prior to January 1, 1971	4.00%
From January 1, 1971 to December 31, 1980	5.50%
From January 1, 1981	7.00%

From January 1, 1982 the interest rate is based on Section 5.2.2 (a) of the plan text, which reads as follows:

"the average of the rates of CANSIM Series B 14045, for the last three months of the plan year immediately prior to the plan year for which interest is to be credited; provided that the rate applied shall not be less than prescribed by an applicable government pension legislation".

2. Method of calculation

Calculations are made from the beginning of the month following the date used to establish the actuarial value, to the end of the month in which the payment is made.

APPENDIX D

ACTUARIAL ASSUMPTIONS USED BY THE JOINT BOARD OF TRUSTEES OF THE CUPE EMPLOYEES' PENSION PLAN

1. Actuarial method

The actuarial method used is the Projected Unit Credit pro-rated on service. The salary used is the one established under the agreement.

2. Actuarial Assumptions

The economic and demographic assumptions used to calculate the present value of benefits are those used for the funding of the pension plan, as described in the actuarial valuation report that was most recently filed with the Financial Services Commission of Ontario, at the date of calculation established in accordance with the agreement.

APPENDIX E

INTEREST RATES USED BY THE JOINT BOARD OF TRUSTEES OF THE MANITOBA MUNICIPAL EMPLOYEES PENSION PLAN

1. Interest rates

Dates	Rate
Prior to 1982	8%
Prior to December 11, 1992	Average of rates of interest on non-chequing accounts during the previous 60-month period, rounded down to the next lower $\frac{1}{4}$ of 1%, calculated annually
After December 10, 1992	As per following definition

The interest rate is based on the definition of "with interest" of the plan text, which reads as follows:

"with interest" means the accumulation of a member's contributions at such rate(s) of interest which the Board, from time to time, decides is appropriate and fulfills the requirements of the Pension Benefits Act. Effective December 11, 1992, the rate of interest to be credited is calculated annually and is equal to the average yields on 5-year personal fixed term deposits as published in the Bank of Canada Review as CANSIM Series B14045 rounded down to the nearest 1/10 of 1%.

2. Method of calculation

Calculations are made from the beginning of the month following the date used to establish the actuarial value, to the date on which the payment is made.

APPENDIX F

ACTUARIAL ASSUMPTIONS USED BY THE JOINT BOARD OF TRUSTEES OF THE MUNICIPAL EMPLOYEES PENSION PLAN

1. Actuarial Method

The actuarial method used is the Projected Unit Credit pro-rated on service. The salary used is the one established under the agreement.

2. Actuarial Assumptions

The economic and demographic assumptions used to calculate the present value of benefits are those used for the funding of the pension plan, as described in the actuarial valuation report that was most recently filed with the Pension Commission of Manitoba, at the date of calculation established in accordance with the agreement.