

**MUNICIPAL RETIREE BENEFIT TRUST AGREEMENT**

**OCTOBER 1, 2021**

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**MUNICIPAL RETIREE  
BENEFIT TRUST AGREEMENT**

**THIS RETIREE BENEFIT TRUST AGREEMENT** is made with force and effect as of the 1st day of October, 2021,

**BETWEEN:**

**Her Majesty the Queen in Right of the Province of British Columbia** as represented by the Minister Responsible for the *Public Sector Pension Plans Act*, the **Union of British Columbia Municipalities**, and the **Health Employers Association of British Columbia**

**AND:**

The **Municipal Employees' Pension Committee** constituted by the Hospital Employees' Union, the Canadian Union of Public Employees, B.C. Division, the Health Sciences Association of British Columbia, the British Columbia Nurses' Union, the British Columbia Police Association, the British Columbia Professional Fire Fighters' Association, and the Council of Joint Organizations and Unions.

**WHEREAS:**

- A. The parties to this Retiree Benefit Trust Agreement are also the Signatories to the Joint Trust Agreement made the 2<sup>nd</sup> day of April, 2001 and entered into pursuant to the *Public Sector Pension Plans Act*, S.B.C. 1999, c. 44 (the "**Act**"), under which the Municipal Pension Plan and the Municipal Pension Fund were continued for the benefit of certain public service employees; and
- B. The parties now wish to enter into this Retiree Benefit Trust Agreement to provide for, among other things, the joint management of the Municipal Retiree Benefit Plan and the Municipal Retiree Benefit Fund and for that purpose have made this Benefit Trust Agreement.

THEREFORE THE PARTIES AGREE as follows:

**PREAMBLE**

The purpose of this Agreement is to establish an ELHT to provide access to Designated Employee Benefits to current and future retired members of the Municipal Pension Plan and their spouses and dependents who meet the definition of Beneficiary on a sustainable, efficient and cost-effective basis subject to the level of available funding and governed by a jointly sponsored board of trustees who stand in a fiduciary capacity in relation to the beneficiaries of the trust.

## ARTICLE 1.- INTERPRETATION

### 1.1. Definitions

In this Agreement, unless the context requires another meaning, the following defined terms have the following meanings:

“**Act**” means the *Public Sector Pension Plans Act*, S.B.C. 1999, c. 44.

“**Agreement**” means this retiree benefit trust agreement which is an ELHT coming into force and effect as of the day and year first above written, as amended from time to time.

“**Beneficiary**” means an individual who is a Plan Member or the spouse or common law partner of the Plan Member or is related to the Plan Member and is either a member of the Plan Member’s household or dependent on the Plan Member for support, but does not include a “key employee” as defined by the ELHT Rules.

“**Benefits**” means those Designated Employee Benefits provided for under the Retiree Benefit Plan from time to time.

“**Board**” or “**Board of Trustees**” means the Municipal Retiree Benefit Board of Trustees constituted under this Agreement, which Board shall consist of the individuals appointed from time to time to act as Trustees in accordance with the terms of this Agreement.

“**Chair**” means the chair of the Board appointed pursuant to Section 5.1.

“**Designated Employee Benefits**” means any employee benefit permitted under the ELHT Rules.

“**Effective Date**” means January 1, 2022.

“**ELHT**” means an employee life and health trust that complies with the ELHT Rules.

“**ELHT Rules**” means the provisions applicable to employee life and health trusts under section 144.1 of the ITA;

“**Employer**” means a past or current participating employer of the Pension Plan.

“**Employer Contributions**” means those contributions which the Signatories determine in their absolute discretion are to be deducted from Employer contributions required to be made under the Pension Plan Rules which would otherwise be added to the inflation adjustment account of the Pension Fund and allocated to the supplemental benefits account of the Pension Fund for the purpose of transfer to the Retiree Benefit Fund.

“**Employer Trustees**” means those Trustees appointed by the Plan Employer Partner as described in Section 4.1.

“**Funding Policy**” means the initial funding policy of the Retiree Benefit Plan referred to in Section 14.5 as may be amended from time to time by the Trustees.

“**Government**” means Her Majesty the Queen in Right of the Province of British Columbia as represented by the Minister Responsible for the *Public Sector Pension Plans Act*.

“**Group Benefit Administrator**” means the Pension Corporation or another similarly qualified service provider.

“**HEABC**” means the Health Employers Association of British Columbia, a society incorporated under the *Society Act*, R.S.B.C. 1996, c. 433.

“**ITA**” means the *Income Tax Act* (Canada).

“**Investment Management Corporation**” means the British Columbia Investment Management Corporation established under s. 16 of the Act.

“**Joint Trust Agreement**” or “**JTA**” means the Joint Trust Agreement which continued the Pension Plan and Pension Fund entered into by the parties hereto pursuant to the Act and described in Recital A.

“**Member Trustees**” means those Trustees appointed by the Plan Member Partner as described in Section 4.1.

“**MEPC**” means the Municipal Employees’ Pension Committee.

“**Pension Board**” or “**MPBT**” means the Municipal Pension Board of Trustees appointed under the Joint Trust Agreement.

“**Partners**” means the Plan Employer Partner and the Plan Member Partner, and “**Partner**” means either of them.

“**Pension Corporation**” means the British Columbia Pension Corporation established under s. 5 of the Act.

“**Pension Fund**” means the Municipal Pension Fund continued by the Joint Trust Agreement.

“**Pension Plan**” means the Municipal Pension Plan continued under the Joint Trust Agreement.

“**Pension Plan Rules**” means the plan rules of the Pension Plan.

“**Plan Employer Partner**” means the Government and the UBCM.

“**Plan Investment Agent**” means the Investment Management Corporation or an investment manager referred to in Section 7.3.

“**Plan Member**” means an individual who is a former employee of an Employer and who is enrolled for benefit coverage under the Retiree Benefit Plan Rules.

“**Plan Member Contributions**” means the premiums or contributions required to be made by Plan Members towards the cost of their benefit coverage under the Retiree Benefit Plan Rules.

“**Plan Member Partner**” means the MEPC, which represents:

- (i) the British Columbia Nurses' Union;
- (ii) the Canadian Union of Public Employees, B.C. Division;
- (iii) the Health Sciences Association of British Columbia;
- (iv) the Hospital Employees' Union, also known as the Healthcare Division of the Canadian Union of Public Employees, B.C. Division;
- (v) the British Columbia Police Association;
- (vi) the British Columbia Professional Fire Fighters' Association; and
- (vii) the other unionized Plan Members, as represented by the Council of Joint Organizations and Unions.

**“Post-Retirement Group Benefits”** or **“PRGB”** means the program of post-retirement group benefits established by the Pension Board in effect immediately prior to the Effective Date.

**“Retiree Benefit Fund”** means the Municipal Retiree Benefit Fund as described in Section 3.2.

**“Retiree Benefit Plan”** means Municipal Retiree Benefit Plan set out in the Retiree Benefit Plan Rules.

**“Retiree Benefit Plan Rules”** means the initial rules pertaining to the Retiree Benefit Plan referred to in Section 14.3 as may be amended from time to time.

**“Seed Funding”** means funding in the amount of \$100,000,000 to be advanced through the Supplemental Benefits Account of the Pension Fund to establish the Retiree Benefit Fund.

**“SIPP”** means the initial Statement of Investment Policies and Procedures of the Retiree Benefit Plan referred to in Section 14.4 as amended from time to time.

**“Signatories”** means the Partners and HEABC.

**“Trustees”** means those initial individuals appointed pursuant to the terms of this Agreement to administer the Retiree Benefit Plan and manage the Retiree Benefit Fund and those individuals appointed from time to time in accordance with this Agreement as their successors.

**“Unions”** means the unions and other organizations described in the definition of Plan Member Partner.

**“UBCM”** means the Union of British Columbia Municipalities, a body corporate incorporated by the *Union of British Columbia Municipalities Act*, [R.S.B.C. 2006], c. 1.

## 1.2. Use of Plural or Other Terms

In this Agreement according to the context:

- (a) “individual” refers to a natural person and the use of the word “person” refers to a natural person, a corporation, partnership or party;
- (b) words in the singular include the plural and words in the plural include the singular; and
- (c) where a word or expression is defined, other parts of speech and grammatical forms of the same word or expression will have corresponding meanings.

### 1.3. Headings

The headings used in this Agreement are for ease of reference only and shall form no part of this Agreement.

### 1.4. Use of Certain Terms

The expressions “herein”, “hereof”, “hereto”, “above”, “below” and similar expressions used in any Article, Section, subsection or paragraph of this Agreement refer and relate to the whole of this Agreement and not to that Article, Section, subsection or paragraph only, unless otherwise expressly provided and a reference to an Article, Section, subsection or paragraph by number refers to the corresponding Article, Section, subsection or paragraph of this Agreement.

### 1.5. Statutory References

In this Agreement, any reference to a statute shall include the regulations promulgated under that statute and any final judicial decisions interpreting the same, with all amendments made thereto and in force from time to time, and to any statute or regulation that may be passed which has the effect of supplementing or superseding the statute so referred to or the regulations made pursuant to that statute.

### 1.6. Recitals, Preamble and Appendices

The recitals, the Preamble and the various Appendices hereto form part of this Agreement. However, unless the context or the terms of this Agreement require otherwise, all references to “this Agreement” shall be interpreted as references to the main body of this Agreement.

### 1.7. Survival of Provisions

The provisions of this Agreement which, by their context are meant to survive the termination of this Agreement, shall so survive the termination of this Agreement.

### 1.8. Conflict Between Retiree Benefit Plan Rules and Agreement

If there is any conflict between the provisions of the main body of this Agreement and the provisions of the Retiree Benefit Plan Rules, the provisions of the main body of this Agreement shall prevail and govern.

## **ARTICLE 2.- RETIREE BENEFIT TRUST AGREEMENT**

### 2.1. Acknowledgement by the Parties

This Agreement is made pursuant to and is intended to constitute an ELHT for the purposes of the ITA and is made with force and effect as of the day and year first written above.

### 2.2. Effective Date

On the Effective Date, the Retiree Benefit Plan Rules shall come into force and thereafter govern the Retiree Benefit Plan.

## **ARTICLE 3.-THE RETIREE BENEFIT PLAN AND RETIREE BENEFIT FUND**

### 3.1. Retiree Benefit Plan

- (a) Effective the Effective Date, the Retiree Benefit Plan Rules shall continue the Post Retirement Group Benefits.
- (b) An individual who immediately before the Effective Date was enrolled under the PRGB continues to be a Plan Member under the Retiree Benefit Plan on and after the Effective Date.
- (c) Any benefit entitlement or coverage of an individual under the PRGB immediately before the Effective Date continues to apply to the individual, in the same manner and to the same extent, under the Retiree Benefit Plan established under this Agreement and the Retiree Benefit Plan Rules provided the individual is a Plan Member or the spouse or common law partner of the Plan Member or related to the Plan Member and is either a member of the Plan Member's household or dependent on the Plan Member for support.
- (d) The fiscal year end of the Retiree Benefit Plan is December 31st, or any other date that the Board may establish as the fiscal year end for the Retiree Benefit Plan.

### 3.2. Retiree Benefit Fund Established

- (a) The Seed Funding shall be conveyed to the Board in trust to establish the Retiree Benefit Fund, and the Board shall hold the Retiree Benefit Fund in trust in accordance with this Agreement. The Signatories shall take all necessary steps to ensure that legal title to the Retiree Benefit Fund is vested in the Board, and that the Board can exercise and discharge all rights and obligations associated with the ownership of the Retiree Benefit Fund.
- (b) The Retiree Benefit Fund shall consist of the Seed Funding and cash, investments and other assets held by the Board.
- (c) The Employer Contributions and Plan Member Contributions and any other payments or assets paid or delivered to and received by the Board for the purposes of the Retiree

Benefit Fund, including returns on investments, shall also form part of the Retiree Benefit Fund.

- (d) Benefits and disbursements payable under this Agreement and the Retiree Benefit Plan Rules must be paid from the Retiree Benefit Fund and, for this purpose, the Retiree Benefit Fund must be considered one and indivisible.
- (e) The following fees, expenses and disbursements, as are reasonably necessary and approved by the Board, must be paid from the Retiree Benefit Fund:
  - (i) the fees, expenses and disbursements incurred in the transitional activities associated with the establishment of the Retiree Benefit Plan, the Retiree Benefit Fund, the administrative support requirements of the Board of Trustees, the initial SIPP, the initial Funding Policy and the related agreements with service providers;
  - (ii) the fees, expenses and disbursements of the Board incurred in administering the Retiree Benefit Plan and managing the Retiree Benefit Fund;
  - (iii) any expenses incurred by a Trustee in attending or participating in any program of trustee education;
  - (iv) the fees, expenses and disbursements of, and amounts invoiced by, the Group Benefit Administrator and the Investment Management Corporation, or the amounts payable to other investment managers, to operate and administer the Retiree Benefit Plan and to manage the Retiree Benefit Fund; and
  - (v) any other expenses incurred in the administration of this Agreement and the Retiree Benefit Plan Rules.

### 3.3. Retiree Benefit Fund Held for Purposes Set Out in Agreement

The Retiree Benefit Fund is for the sole benefit of the Plan Members and their spouses, common law partners and dependents as provided for in the Retiree Benefit Plan Rules. The Signatories, the Pension Board and the Employers shall have no claim on the assets of the Retiree Benefit Fund.

## **ARTICLE 4. - APPOINTMENT AND REPLACEMENT OF TRUSTEES**

### 4.1. Board of Trustees Established

The Board shall consist of eight Trustees appointed as follows:

- (a) four individuals appointed by the Plan Employer Partner; and
- (b) four individuals appointed by the Plan Member Partner.

In the process of considering the appointment of Trustees the appointing parties shall confer among themselves with a view to including where reasonably possible at least one Retiree Benefit Plan Member and one active Pension Plan member to be appointed as Employer Trustees and at least

one Retiree Benefit Plan Member and one active Pension Plan member to be appointed as Member Trustees. Before the third anniversary of the Effective Date the Partners will review the board size.

#### 4.2. Duty to Appoint

The Partners have a duty to make the appointments to the Board of Trustees described in Section 4.1.

#### 4.3. Acceptance by Trustees

Each Trustee and successor Trustee, upon signing an Acceptance of Trust in the form set forth in Appendix A attached hereto, thereby accepts the trusts established by this Agreement and consents to act as a Trustee. Each Acceptance of Trust shall be filed with the Plan Administrative Agent.

#### 4.4. Terms for Trustees

The first eight Trustees shall each be appointed for an initial term of one, two or three years with at least one Trustee appointed by each appointing party to be appointed for a one year term, a two year term and a three year term. The term of every Trustee shall be stated on the individual's Acceptance of Trust completed pursuant to Section 4.3.

#### 4.5. Term

Trustees shall serve for terms ending on December 31<sup>st</sup>. The initial terms described in Section 4.4 shall be for the periods ending December 31, 2022, 2023 and 2024 respectively. Upon the expiration of the initial term of the initial Trustees, the subsequent term for Trustees appointed under Section 4.6 shall be made for three years. If an individual is appointed Trustee pursuant to Section 4.10, his or her initial term shall be for the balance of what would have been the remainder of the term of the Trustee whose death, resignation or removal from office necessitated the appointment of that Trustee.

#### 4.6. Renewal

An appointment under Section 4.1 may be renewed by the party that made the appointment. An Acceptance of Trust shall not be required upon a renewal of an appointment of Trustee.

#### 4.7. Removal

Despite Section 4.1 a Trustee appointed to the Board under that Section may be removed at any time by the party who appointed that Trustee.

#### 4.8. Residency

Each Trustee must be a permanent resident of British Columbia.

#### 4.9. Appointment of Trustees on Expiration of Term

No later than six months prior to the expiry date of a Trustee's term, the Chair shall give written notice to the party who appointed the Trustee and that party shall renew the appointment of the Trustee or appoint a successor Trustee.

#### 4.10. Appointment of Trustees on Death, etc.

If a Trustee dies, resigns or is removed from office, the party who appointed the Trustee must forthwith appoint a successor Trustee. If that party fails to appoint a successor Trustee within two months of the Trustee ceasing to serve, the Chair shall give written notice to the party who appointed the Trustee. The party who appointed the Trustee shall have a further two months from the date upon which the notice is received to appoint a successor Trustee.

#### 4.11. Resignation of a Trustee

A Trustee may resign by giving written notice thereof to the party or parties who appointed him or her who shall promptly notify all the other Trustees. The effective date of a resignation shall be stated in the notice of resignation, which date may be no earlier than the date the Trustee signs the resignation, failing which it shall be the date when the party or parties who appointed the Trustee receives the written notice of resignation.

#### 4.12. Death of a Trustee

If a Trustee dies, his or her heirs, administrators, executors and assigns shall be fully discharged from all future duties and responsibilities in respect of this Agreement as of the date of the Trustee's death. A deceased Trustee's estate shall not be discharged from, and shall remain liable for, any of the deceased's liabilities arising hereunder prior to the date of death.

#### 4.13. Discharge of Trustees

If a Trustee resigns, is removed or the Trustee's term expires, he or she shall be fully discharged from all future duties and responsibilities in respect of this Agreement as of the date of such resignation, removal or the expiration of his or her term, as the case may be. However, a Trustee who resigns, is removed or whose term expires shall not be discharged from, and shall remain liable for, any of the Trustee's liabilities arising hereunder prior to the effective date of his or her resignation, removal or the expiration of his or her term, as the case may be.

#### 4.14. Termination of Trusteeship

A Trustee who resigns, is removed or whose term expires without being reappointed and the personal representatives of any deceased Trustee, all as the case may be, must forthwith turn over to the Trustees any and all records, books, documents, money and other property and assets in his or her possession, forming part of the Retiree Benefit Fund or incidental to his or her duties as Trustee under this Agreement or relating to the administration of the Retiree Benefit Fund or the Retiree Benefit Plan. In addition, any such individual shall convey, assign or transfer to the Trustees any or all rights or property of that individual in the Retiree Benefit Fund, excluding any rights or property that individual has in his or her capacity as a Plan Member, and shall, if necessary, convey, assign or transfer to the Trustees any or all rights or property of that individual in the Retiree Benefit Fund as the Trustees may direct. Despite the foregoing, if the Board considers it appropriate, a former Trustee, or the personal representatives of any deceased former Trustee, may have reasonable access to any of the former Trustee's records, books or documents turned over to the Trustees as described above.

#### 4.15. Former Trustee Purporting to Act

If a Trustee resigns, is removed or is not reappointed upon the expiration of his or her term but purports to continue to act as a Trustee, the Board may do such things and take such action at law or equity as it determines necessary to cause the individual to cease to purport to act as a Trustee including, without limitation, making application to a court of competent jurisdiction for the relief, including injunctive relief, as may be appropriate in the circumstances.

### **ARTICLE 5. - BOARD OPERATION**

#### 5.1. Chair of Board

The Trustees shall appoint an individual from among their number as Chair of the Board. The office of Chair shall initially be held by either an Employer Trustee or a Member Trustee for a term designated by the Trustees under Section 5.2. Thereafter the office of Chair shall rotate as between an Employer Trustee and a Member Trustee from term to term.

#### 5.2. Term of Chair

The Chair shall serve for a term designated by the Trustees. The Trustees may remove a Chair from office before the term expires provided that person shall not cease to be a Trustee until that individual's term as Trustee expires without being renewed or the Trustee resigns, dies, or is removed as a Trustee by the party who appointed the Trustee. If the Trustee so removed is an Employer Trustee the Trustees shall appoint a replacement Employer Trustee for the balance of the term and if the Trustee so removed is a Member Trustee the Trustees shall appoint a replacement Member Trustee for the balance of the term.

#### 5.3. Voting

Each Trustee appointed pursuant to this Agreement shall have one vote at any duly called and constituted meeting of the Board of Trustees. The Chair shall not have a second or casting vote in the event of a tie.

#### 5.4. Quorum

- (a) A quorum at a meeting of the Board shall consist of a majority of Trustees in office which must include at least one Employer Trustee and one Member Trustee.
- (b) If a quorum is not present within one-half hour of the time specified for a meeting of the Board, the Trustees present may adjourn the meeting to a fixed time and place but may not transact any other business. The Trustees present shall cause notice of such adjourned meeting to be given to all Trustees in accordance with Section 5.9.
- (c) If during a meeting a quorum is lost, the Trustees remaining at the meeting shall not transact any business except to fix a time and place for a continuation of the meeting. The Trustees present shall cause notice of such continued meeting to be given to all Trustees in accordance with Section 5.9.

- (d) If the Trustees meet when a Trustee position is vacant, the meeting is validly constituted as long as a quorum is present.

#### 5.5. Decisions

All decisions of the Board must be made by a resolution passed by a majority vote of the Trustees present at a duly called and constituted meeting of the Board.

#### 5.6. Resolutions in Writing

Despite Section 5.5, if all of the Trustees then in office could form a quorum if they met, any decision of the Board may be made by unanimous consent signified in any form of written or electronic record or communication evidencing approval by all Trustees then in office without a meeting of the Trustees.

#### 5.7. Trustee Expenses and Remuneration

The Board may pay from the Retiree Benefit Fund:

- (a) to a Trustee or an individual appointed to a committee of the Board an allowance or reimbursement for reasonable travel and other expenses necessarily incurred by that individual in carrying out the business of the Board;
- (b) to a Trustee or an individual appointed to a committee of the Board, if the Trustee or individual is not receiving remuneration from any other source for acting as a Trustee or as a committee member, remuneration that has been set by the Board; and
- (c) to an organization specified by a Trustee or an individual appointed to a committee of the Board, remuneration for the services of the Trustee or individual at the rate set by the Board under this Section 5.7.

#### 5.8. Frequency of Meetings

- (a) The Trustees shall meet no less frequently than three times per calendar year. The Chair shall set the date and location of each meeting.
- (b) Any four Trustees may request the Chair to call a meeting of the Board, which request shall be in writing and shall include the information reasonably required by the Chair to fulfil the agenda provisions contained herein. If requested as described above, the Chair shall call a meeting no later than 14 days following receipt of the written request.
- (c) If the office of Chair is vacant, any two Employer Trustees and any two Member Trustees acting jointly may exercise the powers otherwise given to the Chair to set the date and location of a meeting, and give notice of it to the other Trustees.

#### 5.9. Notice of Meeting

The Chair, or any other person delegated to do so by the Board, shall cause written notice of each meeting of the Board to be given to the Trustees no less than seven days prior to the date of the

meeting. The notice of a meeting shall specify the date, time and location of the meeting, and shall include an agenda of matters to be addressed at the meeting. The agenda for each meeting shall be distributed with the notice of meeting. Whenever possible, any reports or other documentation to be considered at a meeting shall be provided to the Trustees with the notice of the meeting. For greater certainty, nothing in this Section 5.9 precludes a Trustee from bringing forth any matter for discussion at a meeting, and business not included in the agenda for a meeting may be conducted at a meeting.

#### 5.10. Waiver of Notice

A Trustee may waive notice of a meeting of the Board in writing. A Trustee shall be deemed to have waived notice of a meeting of the Board by attending at the meeting without objection.

#### 5.11. Recording Secretary

The Trustees shall appoint a recording secretary who need not be a Trustee to keep minutes or records of all meetings, proceedings and acts of the Trustees. Those minutes or records of Trustee meetings must be provided to the Trustees for verification at the next meeting of the Board.

#### 5.12. Chair of Meeting

The Chair shall act as chair of a meeting of the Board of Trustees. If the Chair is not in attendance at a meeting or there is a vacancy in the office of Chair, the Trustees present at the meeting shall select a chair for the meeting from their number. The Trustee so selected to chair the meeting shall be entitled to cast one vote.

#### 5.13. Virtual Meetings

A meeting of the Board or any committee of the Board may be held, or a Trustee may participate in a meeting of the Board or any committee of the Board, by means of telephone or such other communication facilities which permit all individuals participating in the meeting to speak to and hear each other, and a Trustee participating in a meeting by that means is deemed to be present at the meeting and will be counted in determining whether a quorum is present.

#### 5.14. Defect in Appointment, etc

Despite that it is subsequently discovered or determined that there exists some defect in the appointment, removal or qualification of any Trustee, all acts and proceedings of the Trustees done and carried on in good faith while the defect existed shall be valid and effective.

#### 5.15. Execution of Documents

All agreements and other documents to be executed by the Board shall after being approved by the Board be signed by one Employer Trustee and one Member Trustee, or by other individuals as the Board may from time to time direct. All cheques or electronic transfer of funds payable out of the Retiree Benefit Fund shall be signed or approved by one Employer Trustee and one Member Trustee, or by other individuals or in other manners as the Board may from time to time direct.

#### 5.16. Legal Capacity of the Board

The Board has the necessary legal capacity to sue and be sued in its own name for the purposes of any matter arising under this Agreement or the Retiree Benefit Plan Rules.

#### 5.17. Procedures and Meetings

The Board must make rules regarding the conduct of the business of the Board including, but not limited to:

- (a) appointing committees of the Board and delegating functions to them;
- (b) allowing non-Board members to serve as members of a committee;
- (c) setting the remuneration of eligible Board members and individuals serving on committees; and
- (d) establishing the practice and procedure for appeals to the Board.

#### 5.18. Formal Name of Board

The Board shall enter into agreements and act in all matters in the name of the “Municipal Retiree Benefit Board of Trustees”.

### **ARTICLE 6. - POWERS, FUNCTIONS AND DUTIES OF THE BOARD**

#### 6.1. General

The Board has all powers necessary to enable it to administer the Retiree Benefit Plan and manage the Retiree Benefit Fund, subject only to the limitations set out in this Agreement and the ITA.

#### 6.2. Management and Investment of Retiree Benefit Fund

The Board must administer the Retiree Benefit Plan and invest and manage the Retiree Benefit Fund in a prudent manner. Without limitation, the Board must:

- (a) monitor the performance of the Group Benefit Administrator and the Plan Investment Agents;
- (b) ensure that the money and assets of the Retiree Benefit Fund are invested or loaned in the best interests of the Plan Members and, in doing that, must:
  - (i) make investments without undue risk of loss and with a reasonable expectation of a return on the investments commensurate with the risk, all having regard to the Retiree Benefit Plan liabilities; and
  - (ii) make the investments and loans in compliance with the ELHT Rules and other regulatory requirements; and

- (iii) not make investments in or loan money to an Employer or any party that does not deal at arms' length from each Employer.
- (c) ensure that the Group Benefit Administrator keeps an account of all money and assets received and paid out of the Retiree Benefit Fund and keeps an accounting of the assets and liabilities of the Retiree Benefit Fund;
- (d) ensure that the Group Benefit Administrator keeps an individual record of Plan Member Contributions made by each Plan Member; and
- (e) ensure that the Retiree Benefit Plan and Retiree Benefit Fund are administered in compliance with this Agreement, the ELHT Rules and all applicable laws.

### 6.3. Direction to Group Benefit Administrator

The Board must direct the Group Benefit Administrator respecting:

- (a) the application of the Retiree Benefit Plan Rules;
- (b) the negotiation of agreements on behalf of the Board with a person, class of persons or body, including any agreements the Board considers to be advisable; and
- (c) the implementation of any agreements entered into by the Board.

### 6.4. Functions and Duties

The Board must carry out the following functions and duties:

- (a) adopt an annual budget for Retiree Benefit Plan administration, investment management of the Retiree Benefit Fund and the activities of the Board;
- (b) prepare an annual report, including audited financial statements prepared in accordance with generally accepted principles on the Retiree Benefit Plan and Retiree Benefit Fund;
- (c) obtain an actuarial valuation and report on the Retiree Benefit Plan and the Retiree Benefit Fund no less frequently than every three years;
- (d) retain professional, technical and other advisors that it considers necessary and determine the remuneration and reimbursement for expenses to which they are entitled;
- (e) provide for the financial administration of the Retiree Benefit Plan by:
  - (i) having an accounting system established for the proper reporting and accountability to the Board in a timely manner and at a reasonable cost;
  - (ii) having annual financial statements of the Retiree Benefit Plan prepared in accordance with generally accepted accounting principles; and

- (iii) having a financial reporting audit performed on the financial statements referred to in subparagraph (ii).
- (f) assess the administration of the Retiree Benefit Plan as of the first anniversary of the Effective Date, and thereafter no less frequently than triennially, including without limitation:
  - (i) the Retiree Benefit Plan's compliance with the ELHT Rules,
  - (ii) the Retiree Benefit Plan's governance,
  - (iii) the funding of the Retiree Benefit Plan,
  - (iv) the investment of the Retiree Benefit Fund,
  - (v) the performance of the Trustees, and
  - (vi) the performance of the administrative staff and any agents of the Board;
- (g) establish a written governance policy and review same annually and update as appropriate;
- (h) review the Funding Policy annually and update as appropriate; and
- (i) review the SIPP annually and update as appropriate.

For greater certainty the Trustees shall have the power and authority to amend the Funding Policy and SIPP from time to time as of and from the first anniversary of the Effective date.

#### 6.5. Resolutions, Committees and Appointments

The Board may:

- (a) pass resolutions it considers necessary or advisable to administer the Retiree Benefit Fund and the Retiree Benefit Plan and to exercise the Board's powers and perform its duties;
- (b) establish committees or panels of the Board, and determine the composition, duties, responsibilities, limitations and operating procedures of those committees or panels;
- (c) appoint individuals other than Trustees to a committee or panel, and set the term of appointment to the committee or panel that applies to those individuals;
- (d) rescind an appointment made under this Section 6.5;
- (e) retain the services of agents or employees;
- (f) subject to reasonable and prudent supervision delegate administrative functions and duties to such persons the Board deems appropriate;

- (g) in extenuating or exceptional circumstances approve a waiver, modification or exception to the application of the Retiree Benefit Plan Rules in respect of an individual or individuals or authorize the Group Benefit Administrator to make such determinations;
- (h) pay or transfer from the Retiree Benefit Fund any funds or assets received improperly or by mistake; and
- (i) enter into any agreements and take such actions as the Board considers necessary or appropriate to discharge its responsibilities, including the agreements contemplated by Section 6.3.

#### 6.6. Amalgamation or Merger

With the written approval of the Partners, the Trustees may amalgamate or merge the Retiree Benefit Plan and Retiree Benefit Fund created by this Agreement with another ELHT provided the Trustees are satisfied that any amalgamation or merger will not have the effect of depriving any Beneficiary of any right to Benefits to which such Beneficiary has become entitled, and that the rights of such Beneficiary under the amalgamated fund and the benefit plan thereunder will, at the effective date of the amalgamation or merger, be substantially equivalent to their rights under this Agreement and the Retiree Benefit Plan. In connection with such amalgamation or merger the Trustees may enter into an amalgamation or merger agreement in a form approved by the Partners to carry out and implement the amalgamation or merger and execute and deliver all such other documents and instruments and do or cause to be done such further acts as may be required to carry out the amalgamation or merger.

#### 6.7. Power to Settle Claims

The Board may, if and as it thinks fit, compromise, compound, abandon, submit to arbitration or otherwise settle a debt, account, claim or other thing relating to the Retiree Benefit Plan or the Retiree Benefit Fund. For any of these purposes, the Board may enter, give, execute and do the agreements, instruments of composition or arrangement, releases and other things that the Board considers expedient without being responsible for loss caused by an act or thing so done in good faith and in accordance with the Board's fiduciary responsibilities.

### **ARTICLE 7. - PLAN ADMINISTRATION AND INVESTMENT**

#### 7.1. Group Benefit Administrator

The Board must retain the services of a Group Benefit Administrator upon terms satisfactory to the Board, which terms shall be set out in a service agreement between the Board and the Group Benefit Administrator, to carry out the Board's responsibilities respecting the administration of the Retiree Benefit Plan.

#### 7.2. Investment Management Corporation

The Board must appoint the Investment Management Corporation for funds management services upon terms satisfactory to the Board, which terms shall be set out in a funds management services agreement between the Board and the Investment Management Corporation.

### 7.3. Other Investment Managers

Despite Section 7.2, the Board may place some or all of the Retiree Benefit Fund with other investment managers for funds management services if:

- (a) a period of at least one year has elapsed from the Effective Date; and
- (b) in the opinion of the Board, the alternative funds management services are in the best financial interests of the Plan Members. If the Board appoints investment managers other than the Investment Management Corporation, it shall do so upon terms satisfactory to the Board, which terms shall be set out in an investment management agreement between the Board and the investment manager.

### 7.4. Service and Investment Management Agreements

The service and investment management agreements required under Sections 7.1 through 7.3 may contain performance standards and such other service objectives as are agreed to by the Board and the Group Benefit Administrator, the Investment Management Corporation or the other investment managers, as the case may be.

## **ARTICLE 8.- INDEMNIFICATION, LIMITATION OF LIABILITY AND INSURANCE**

### 8.1. Indemnification

A Trustee or an employee or former employee of the Board must be indemnified out of the Retiree Benefit Fund against all costs, charges and expenses actually and reasonably incurred by that individual, including an amount paid to settle an action or satisfy a judgment in a civil, criminal or administrative action or proceeding to which the individual is made a party because of being or having been a Trustee or an employee of the Board, and including an action brought by the Board, if:

- (a) the individual acted in good faith and carried out his or her fiduciary responsibilities under this Agreement;
- (b) in the case of a criminal action or proceeding, the individual had reasonable grounds for believing that his or her conduct was lawful; and
- (c) the act(s) or omission(s) which gave rise to the claim for indemnification occurred on or after the date this Agreement came into force and effect.

### 8.2. Liability for Losses in Retiree Benefit Fund

The Trustees, individually or collectively, shall not be liable for the making, retention or sale of any investment or reinvestment made by them in accordance with this Agreement or in accordance with any other legal duties nor for any loss to or diminution of the Retiree Benefit Fund, except a loss or diminution that resulted from a Trustee not acting in good faith or an action that was inconsistent with the Trustee's fiduciary responsibilities and no individual Trustee shall incur any

liability for any loss or diminution unless he or she was a party to the action that resulted in the loss or diminution.

### 8.3. Liability for Other Matters

The Trustees, individually or collectively, shall not be responsible or liable for:

- (a) any matter, cause or thing arising due to the invalidity of all or any part of this Agreement or the Retiree Benefit Plan Rules;
- (b) any delay occasioned by any restriction or provision in:
  - (i) this Agreement;
  - (ii) the Retiree Benefit Plan Rules;
  - (iii) any contract procured in the course of the administration of the Retiree Benefit Plan or Retiree Benefit Fund; or
  - (iv) by any other procedure;
- (c) any contributions required to be paid to the Retiree Benefit Fund other than the contributions a Trustee may be required or permitted to make under the Retiree Benefit Plan in the Trustee's capacity as a Plan Member.

### 8.4. Reliance on Documents, etc.

The Trustees shall incur no liability, either collectively or individually, in acting upon any documents, data or information believed by them to be genuine and accurate and to have been made, executed, delivered or assembled by the appropriate parties.

### 8.5. Reliance on Advisors

So long as the Trustees exercise reasonable care in the selection, instruction and supervision of a professional advisor, then subject to Section 13.4 the Trustees shall incur no liability, either collectively or individually, in acting and relying upon the opinions or advice of the professional advisor.

### 8.6. Further Assurances

The Trustees shall do such things and execute and deliver such documents in order that any and all funds required to be paid out of the Retiree Benefit Fund by way of indemnity as herein set forth are paid as required from time to time.

### 8.7. Recourse Solely Against Retiree Benefit Fund

A Plan Member or individual claiming through a Plan Member shall have recourse solely to the Retiree Benefit Fund for any benefit or other payment under the Retiree Benefit Plan.

#### 8.8. Financial Responsibility for the Retiree Benefit Plan

The Partners, the Signatories, the Pension Board, the Employers and the Plan Members sole financial obligation in respect of the Retiree Benefit Plan is to make contributions and other payments to the Board and the Pension Fund in the amounts and at the times specified in the JTA, the Pension Plan Rules and the Retiree Benefit Plan Rules. Without limitation, the Partners, the Signatories, the Pension Board, the Plan Members, the Employers, and any Union or association that represents any of the Plan Members shall not be liable or responsible for any debts, liabilities, obligations, or deficiencies of the Board, the Retiree Benefit Plan or the Retiree Benefit Fund.

#### 8.9. No Liability for Trustees Appointed

A party is not liable for any of the acts or obligations of a Trustee solely because the Trustee is or was an officer or employee of the party, or the party appointed the Trustee.

#### 8.10. Extended Meaning of Trustee, etc.

Any reference in this Agreement to the indemnification or other protection of a Trustee shall, unless the context clearly indicates otherwise, include an individual appointed to a committee or a panel under Section 6.5. Any reference in this Agreement to the indemnification or other protection of a Trustee, an individual appointed to a committee or panel under Section 6.5 shall, unless the context clearly indicates otherwise, apply to individuals who formerly held those positions on or after the date this Agreement came into force and effect, and to the personal representatives of any such individuals.

#### 8.11. Bonding

The Board may procure insurance or fidelity bonds for those individuals the Board considers appropriate. Those individuals may be insured or bonded in the amounts and in the manner decided by the Board. The cost of the insurance or bonds must be paid out of the Retiree Benefit Fund.

#### 8.12. Fiduciary Liability and Other Insurance

The Board may purchase and maintain the errors and omissions insurance or fiduciary liability insurance, or insurance of a similar nature or description, it considers necessary for the Board, any Trustee or anyone else engaged in the administration or operation of the Retiree Benefit Plan or Retiree Benefit Fund. The cost of this insurance must be paid from the Retiree Benefit Fund.

### **ARTICLE 9. - ENGAGEMENT OF ACTUARY AND AUDITOR**

#### 9.1. Appointment of an Actuary

The Board must engage the services of an actuary to prepare all actuarial reports and perform all actuarial valuations required by the Board. The fees of the actuary must be paid from the Retiree Benefit Fund.

### 9.2. Appointment of an Auditor

The Board must engage the services of an auditor to perform, at least once in each year, an audit of the financial statements of the Retiree Benefit Plan, including the accounts of the Board. The fees of the auditor must be paid from the Retiree Benefit Fund.

### 9.3. Actuarial Valuation Reports

The Board must have the Retiree Benefit Plan reviewed no less frequently than every 3 years and the results of the review set out in the form of an actuarial valuation report prepared in accordance with accepted actuarial standards and practices appropriate for an ELHT. The Trustees shall review each actuarial valuation report with reference to the Funding Policy and take such action, if any, as may be appropriate.

## **ARTICLE 10.- MUNICIPAL RETIREE BENEFIT PLAN RULES**

### 10.1. Retiree Benefit Plan Rules

- (a) Beginning the Effective Date, the Post Retirement Group Benefits are continued and replaced with the Retiree Benefit Plan Rules.
- (b) Subject to the ELHT Rules and the Funding Policy, the Board may amend, repeal or replace the Retiree Benefit Plan Rules.
- (c) The Signatories shall determine the rate of contribution toward payment of the cost of Benefits required to be deducted from Employer contributions to the Pension Fund and the methods by which those contributions can be made.
- (d) The Board may determine the type and level of Benefits, the eligibility to receive Benefits, the terms and conditions of how Benefits are provided and the rate of Plan Member Contributions and the methods by which those contributions can be made.
- (e) The Plan Members constitute one class of member. Subject to the ELHT Rules additional classes of member may be created.
- (f) Benefits may be provided directly or by entering contracts of insurance. A contract may be a contract under which an insurer assumes the risk or the Board assumes the risk and under which the insurer disburses benefits and generally manages a scheme of insurance on the Board's behalf.
- (g) In making Retiree Benefit Plan Rules under this Agreement, the Board may delegate a matter to a person or agent of the Board and confer a discretionary power on a person or agent of the Board.
- (h) The Board shall keep the Pension Board informed of all amendments to the Retiree Benefit Plan Rules and coordinate any administrative requirements associated with any amendment.

### 10.2. Amendment Requested by Partners

The Partners may direct the Board to amend the Retiree Benefit Plan Rules, and the Board must so amend the Retiree Benefit Plan Rules if:

- (a) the Partners have first received and considered the advice of the Board respecting both the cost and the administrative impact of implementing the proposed amendment; and
- (b) the proposed amendment is not inconsistent with the ELHT Rules or the Trustees' fiduciary responsibilities.

### 10.3. Retroactive Amendment

Where extenuating or exceptional circumstances make it expedient to do so, an amendment to the Retiree Benefit Plan Rules may take effect retroactively or otherwise as the Partners or the Board, as the case may be, direct.

## **ARTICLE 11. – DISPUTE RESOLUTION**

### 11.1. Disputed Matters

- (a) Each Trustee shall use his or her best efforts to resolve any item of business considered at a meeting of the Trustees.
- (b) If the Trustees are unable to resolve any matter they may by resolution to that effect declare that matter to be a "disputed matter". Upon such a resolution being passed, the disputed matter shall be dealt with in accordance with this Article 11.

### 11.2. Mediator or Facilitator

The Board may engage the services of a mediator or facilitator to help it resolve any disputed matter that arises among the Trustees.

### 11.3. Reconsideration by Trustees

If a mediator or facilitator is engaged under Section 11.2 the Chair may convene a meeting of the Trustees in accordance with Section 5.9 to consider any recommendation made by the mediator or facilitator regarding the disputed matter or to otherwise reconsider the disputed matter. The disputed matter may then be put to another vote.

### 11.4. Council of Partners

- (a) The Council of Partners shall consist of one individual appointed by the Plan Employer Partner and one individual appointed by the Plan Member Partner.
- (b) The parties appointing individuals to the Council of Partners may terminate and replace their appointees at any time, and for any reason.
- (c) The Council of Partners may act only by resolution approved by both of the individuals appointed to it.

#### 11.5. Resolution by Council of Partners

- (a) If the Board does not resolve a disputed matter under Section 11.3, the disputed matter must be referred to the Council of Partners. In that event, the Chair must relay a full written description of the disputed matter to the Council of Partners, together with any other written materials or submissions any Trustee wishes to have presented to the Council of Partners regarding the disputed matter.
- (b) If a disputed matter is referred to the Council of Partners, the Council must meet within one month of such referral to consider and resolve the disputed matter. At the request of any of the Partners a mediator will be engaged to assist in resolving the disputed matter. Selection of the mediator and establishment of the mediator's terms of reference will be the responsibility of the Council of Partners.
- (c) The Council of Partners' decisions regarding a disputed matter shall be deemed a resolution of the Board resolving the disputed matter in the manner decided by the Council of Partners.

#### 11.6. Resolution by Arbitrator

- (a) If the Council of Partners is unable to resolve a disputed matter under Section 11.5 within one month of the reference to it pursuant to Section 11.5 the Council shall present the dispute for arbitration under the *Arbitration Act*, [SBC 2020] c.2.
- (b) If the Council of Partners cannot agree on an arbitrator then they shall apply to a judge of the Supreme Court of British Columbia to appoint a single arbitrator pursuant to the said *Arbitration Act*.

### **ARTICLE 12.– AMENDMENT AND TERMINATION**

#### 12.1. Amendment to Agreement

This Agreement may be amended at any time by the Signatories but only after first consulting with the Trustees. This power of amendment is to be construed as being subject to no restrictions other than those imposed by law including without limitation the ELHT Rules. For greater certainty this Agreement may not be amended in any manner which would result in the Retiree Benefit Plan to no longer qualify as an ELHT. Without limitation, the power of amendment reserved to the Signatories under this Section 12.1 includes the power to revoke, in whole or in part, the trusts created under this Agreement or the Retiree Benefit Plan.

#### 12.2. Amendment by Board

Despite any other provision in this Agreement, the Board may amend this Agreement without the approval of the Signatories in the manner necessary to maintain the Retiree Benefit Plan's status as an ELHT under the ELHT Rules, or as is otherwise necessary to comply with applicable law.

### 12.3. Retroactive Amendment

Any amendment to this Agreement may take place retroactively or otherwise as the Signatories or the Board, as the case may be, may direct, provided that no amendment shall be made which retroactively increases the duty of care required of a present or former Trustee or retroactively diminishes their right to indemnity under this Agreement.

### 12.4. Termination of Agreement or Retiree Benefit Plan

- (a) This Agreement or the Retiree Benefit Plan may be terminated, in whole or in part, at any time by the Signatories but only after first consulting with the Trustees.
- (b) If the Retiree Benefit Plan is terminated in its entirety, the assets of the Retiree Benefit Fund shall be disbursed in accordance with the Retiree Benefit Plan Rules, provided that the Retiree Benefit Plan Rules must always, and shall be deemed to always, provide that if any surplus assets remain in the Retiree Benefit Fund after full provision has been made for windup and termination expenses and all entitlements to receive Benefits in respect of the Plan Members' membership in the Retiree Benefit Plan to the date of termination, the surplus assets may be paid or transferred to another ELHT or distributed to each remaining Plan Member, or after the death of the last remaining Plan Member Her Majesty in right of the Province of British Columbia.

## **ARTICLE 13. – FIDUCIARY RESPONSIBILITIES**

### 13.1. Duty of Care

In administering the Retiree Benefit Plan and Retiree Benefit Fund, each Trustee must:

- (a) act honestly, in good faith and in the best interests of the Plan Members and former Plan Members and any other individuals to whom a fiduciary duty is owed; and
- (b) exercise the care, diligence and skill that an individual of ordinary prudence would exercise when dealing with the property of another individual.

### 13.2. No Conflict of Interest

- (a) No Trustee shall knowingly permit his or her other interests to conflict with his or her powers, duties and responsibilities in respect of the Retiree Benefit Plan and Retiree Benefit Fund.
- (b) Entitlement to a Benefit under the Retiree Benefit Plan does not create a conflict of interest.
- (c) Without limiting the foregoing Trustees must at all times deal at arms' length with each Employer.

### 13.3. Committee and Panel Members

If the Board appoints an individual to a committee or panel under Section 6.5, the Board shall personally select the individual and be satisfied of the individual's qualifications and ability to perform the duties for which such individual is appointed, and the Board shall carry out such supervision of the committee and panel members as is prudent and reasonable. An individual appointed to a committee or panel under Section 6.5 shall be subject to the same duty of care as the Board, and, in particular, shall be subject to Sections 13.1 and 13.2, and is not entitled to any payment from the Retiree Benefit Fund other than a Benefit provided in accordance with the Retiree Benefit Plan Rules, if applicable, and the reasonable fees and expenses for services provided by the committee or panel members as determined by the Board.

### 13.4. Use of Agents and Employees

Subject to Article 7, the Board may employ or appoint employees or agents to carry out any act required to be done in the administration of the Retiree Benefit Plan or in the administration and investment of the Retiree Benefit Fund. If the Board employs or appoints an employee or an agent, the Board shall personally select the employee or agent and be satisfied of the employee's or agent's qualifications and suitability to perform the duties for which the employee or agent is employed or appointed, and the Board shall supervise these employees and agents. Any agent or employee so appointed or employed is subject to the same duty of care as the Board and, in particular, each agent and employee is subject to Sections 13.1 and 13.2, and is not entitled to any payment from the Retiree Benefit Fund other than a Benefit provided in accordance with the Retiree Benefit Plan Rules, if applicable, and the reasonable fees, expenses or compensation for the services provided by the agent or employee as determined by the Board.

### 13.5. Restrictions on Benefits Payable to Trustees

No Trustee is entitled to any Benefit from the Retiree Benefit Plan or Retiree Benefit Fund other than a Benefit provided for in the Retiree Benefit Plan Rules, and any remuneration and reimbursement of expenses related to holding the office of Trustee provided for in this Agreement.

## **ARTICLE 14. – TRANSITIONAL PROVISIONS**

### 14.1. Validation of Existing Calculations

All benefits payable under the PRGB remaining unpaid on the Effective Date continue to be payable under this Agreement and the Retiree Benefit Plan Rules. All such benefits must be adjudicated and calculated based on the rules that were in effect at the time of the claim being submitted under the PRGB. For greater certainty, the continuation of the PRGB under this Agreement and the Retiree Benefit Plan Rules shall not cause any recalculation of the benefits previously payable under the PRGB. All pending claims under the PRGB on the Effective Date shall be adjudicated based on the rules under the PRGB in effect immediately prior to the Effective Date.

#### 14.2. PRGB Agreements

This Agreement shall apply to all agreements made by the MPBT pertaining to the adjudication and administration of benefits under the PRGB that were in effect on the Effective Date as if those agreements had been made by the Board under the authority of this Agreement.

#### 14.3. Retiree Benefit Plan Rules

The Partners shall establish and provide the Board with written notice of the initial Retiree Benefit Plan Rules which shall take effect as of the Effective Date. Thereafter the Board may make such Retiree Benefit Plan Rules as it considers necessary or advisable for meeting or removing any difficulty arising out of the continuation of the PRGB under this Agreement, and for preserving and giving effect to the rights of all individuals accrued or accruing under PRGB except as those rights are expressly varied by this Agreement, and those plan rules may be made to apply generally or to a particular case.

#### 14.4. SIPP

The Partners shall establish and provide the Board with written notice of the initial SIPP

#### 14.5. Funding Policy

The Partners shall establish and provide the Board with written notice of the initial Funding Policy which shall take effect as of the Effective Date. The Retiree Benefit Plan Rules shall be amended where necessary to implement the terms of the Funding Policy.

### **ARTICLE 15.– MISCELLANEOUS PROVISIONS**

#### 15.1. Reporting to Partners

The Board shall provide the Partners with an annual report including the audited financial statement of the Retiree Benefit Plan and if applicable the actuarial valuation report of the Retiree Benefit Plan for the three year period ending with the year of the annual report, and such further documentation, data, reports and information as the Partners in writing request. The Board shall also provide the Pension Board with a copy of each annual report.

#### 15.2. Methods of Giving Notice

All notices, requests, demands or other communications provided for herein shall be given in writing and shall be effectively given if delivered personally, or sent by prepaid post, facsimile or email transmission to the respective last known address, facsimile number or email address of the recipient of the communication. A notice, request, demand and other communication shall be deemed to have been received when delivered, or if mailed, on the fifth business day after the mailing thereof, or, if sent by facsimile, on the day that the sending facsimile machine confirms that the facsimile transmission has been sent, or, if sent by email, on that day satisfactory proof that the email transmission has been sent, provided that in the event of a strike or other interruption in the normal delivery of the mail after the mailing of any notice, request, demand or other communication hereunder, but before the deemed receipt thereof as provided herein, that notice, request, demand or other communication shall not be deemed to have been received by the party

for whom the same is intended, unless the same is actually delivered or sent via facsimile to such party as contemplated herein.

#### 15.3. No Duty to Inquire

All persons dealing with the Board do not have to inquire into any decision or authority of the Board or into the ability of the Board to receive any monies, securities or other property paid or delivered to the Board and may rely upon any document required to be executed by the Board which has been executed as provided herein, as having been duly authorized.

#### 15.4. Severance of Illegal Provisions

If any provision of this Agreement or the Retiree Benefit Plan Rules is held to be illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining portions of this Agreement or the Retiree Benefit Plan Rules unless the illegality or invalidity materially prevents the accomplishment of the respective objectives and purposes of the Retiree Benefit Plan Rules or this Agreement as determined by the Board.

#### 15.5. Binding Effect of Retiree Benefit Plan Rules, etc.

The Retiree Benefit Plan Rules and amendments thereto and all of the Board's decisions, rules, regulations, policies and procedures made or established in accordance with this Agreement or the Retiree Benefit Plan Rules, shall be binding upon the Trustees, the Signatories, the Unions, the Employers, the Plan Members and their respective beneficiaries, dependents, estates, heirs, executors, administrators, successors and assigns.

#### 15.6. Further Assurances

Each Trustee shall from time to time and at any time hereafter, upon each reasonable written request to do so, make, do, execute and deliver or cause to be made, done, executed and delivered all further acts, deeds, assurances, things and written instruments as may be necessary in the opinion of any party, for more effectively implementing and carrying out the intent of this Agreement.

#### 15.7. Governing Law

The Province of British Columbia is the location for legal purposes of the Retiree Benefit Fund. All questions pertaining to the validity, construction and administration of this Agreement or the Retiree Benefit Plan Rules shall be determined in accordance with the laws of the Province of British Columbia and the laws of Canada as are applicable. Any litigation which arises pursuant to or in connection with this Agreement, the Retiree Benefit Plan Rules or any of their respective provisions, shall be referred to the courts in the Province of British Columbia.

#### 15.8. Counterpart Execution

This Agreement and any document prepared in connection with the Retiree Benefit Plan or the Retiree Benefit Fund may be signed in counterparts.

15.9. Binding Effect of Agreement

This Agreement is binding upon the Trustees, the Signatories, the Unions, the Employers and the Plan Members and their respective beneficiaries, dependants, estates, heirs, executors, administrators, successors and assigns.

15.10. Authority of Signatories

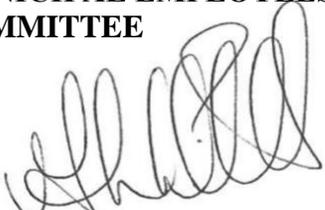
Each Signatory represents and warrants to the other Signatories that this Agreement has been duly executed and delivered by its authorized signatory or signatories as a valid and binding agreement of the Signatory and those the Signatory represents including without limitation the Unions represented by MEPC.

15.11. Time of Essence

Time shall be of the essence of this Agreement and of every part hereof. All time limits shall be strictly observed.

**IN WITNESS WHEREOF** the parties have executed this Agreement as of the date first written above.

**MUNICIPAL EMPLOYEES' PENSION COMMITTEE**



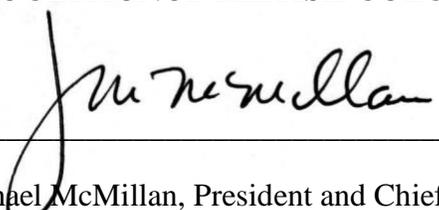
Per: \_\_\_\_\_  
Gordon Ditchburn, Secretary, Municipal Employees' Pension Committee

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented by the Minister Responsible for the *Public Sector Pension Plans Act***



Per: \_\_\_\_\_  
Angie Sorrell, Government Partner Representative

**THE HEALTH EMPLOYERS ASSOCIATION OF BRITISH COLUMBIA**



Per: \_\_\_\_\_  
Michael McMillan, President and Chief Executive Officer, Health Employers' Association of British Columbia

**THE UNION OF BRITISH COLUMBIA MUNICIPALITIES**



Per: \_\_\_\_\_  
Brian Frenkel, President, Union of British Columbia Municipalities

APPENDIX A

<b>THE MUNICIPAL RETIREE BENEFIT PLAN</b> <b>Appointment and Acceptance of Trust</b>
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**TO: THE MUNICIPAL RETIREE BENEFIT BOARD OF TRUSTEES**

The undersigned acknowledges receipt of a copy of the Municipal Retiree Benefit Trust Agreement (the “**Agreement**”) pursuant to which the Municipal Retiree Benefit Plan (the “**Retiree Benefit Plan**”) and the Municipal Retiree Benefit Fund (the “**Retiree Benefit Fund**”) are established.

The undersigned is hereby appointed to act as a Trustee of the Retiree Benefit Plan and the Retiree Benefit Fund by the appointing party or parties described below for a term of \_\_\_\_\_ years ending on \_\_\_\_\_.

The undersigned confirms that the undersigned is a permanent resident of British Columbia, and agrees to immediately notify the other Trustees if this ever ceases to be the case.

The undersigned consents to act as a Trustee of the Retiree Benefit Plan and Retiree Benefit Fund pursuant to the terms of the Agreement.

The undersigned hereby accepts the trusts created and established by the Agreement, and agrees to administer the Retiree Benefit Plan and Retiree Benefit Fund in accordance with the provisions of the Agreement.

The undersigned agrees that until further notice communications may be sent to the undersigned at the following addresses or number appropriate to the communication:

\_\_\_\_\_  
[Street address]

\_\_\_\_\_  
[Facsimile number]

\_\_\_\_\_  
[E-mail address]

DATED at \_\_\_\_\_, British Columbia, this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
[Name of Appointing Party or Parties]

\_\_\_\_\_  
Trustee

Per: \_\_\_\_\_

\_\_\_\_\_  
Witness

