

**PUBLIC SERVICE PENSION PLAN  
JOINT TRUST AGREEMENT**

**AMENDING AGREEMENT NO. 2**

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**THIS AMENDING AGREEMENT NO. 2** is made the \_\_\_\_\_ day of \_\_\_\_\_, 2013,

**BETWEEN:**

Her Majesty the Queen in Right of the Province of British  
Columbia as represented by the Minister of Finance

(the “**Government**”)

**AND:**

the B.C. Government and Service Employees’ Union

(the “**BCGEU**”)

**WHEREAS:**

- A. The Government and the BCGEU, the Professional Employees Association and the Union of Psychiatric Nurses entered into a Joint Trust Agreement made December 8, 2000, as amended by Amending Agreement No. 1 made April 2, 2001 (the “**Joint Trust Agreement**”), which provides for the joint management of the Public Service Pension Fund and the Public Service Pension Plan;
- B. Under the Joint Trust Agreement, the BCGEU is the “Plan Member Partner” and the Government is the “Plan Employer Partner”, and the Plan Member Partner and the Plan Employer Partner together are referred to as the “Partners”;
- C. Section 13.1 of the Joint Trust Agreement provides that the Partners may amend the Joint Trust Agreement at any time after having first received a recommendation to do so from the Trustees appointed pursuant to the Joint Trust Agreement, which recommendation must be evidenced by a resolution of the Trustees passed pursuant to Article 5 of the Joint Trust Agreement;
- D. At a meeting of the Trustees held on December 10 and 11, 2012, the Trustees passed a resolution recommending that the Partners amend the Joint Trust Agreement to comply with the *Pension Benefits Standards Act*, S.B.C. 2012, c. 30, remove obsolete and spent provisions and make certain other housekeeping amendments; and
- E. Having received and considered the Trustees’ recommendation, the Government and the BCGEU, in their capacity as the Partners, wish to amend the Joint Trust Agreement in accordance with the Trustees’ recommendation.

**THEREFORE THE PARTIES AGREE** that the Joint Trust Agreement is amended as follows with effect from the date that the *Pension Benefits Standards Act*, S.B.C. 2012, c. 30 comes into force:

1. Section 1.1 is amended by deleting all paragraph references and listing the definitions therein in alphabetical order.
2. The definition of “Effective Date” in Section 1.1 is deleted and replaced with the following:
 

“**Effective Date**” means January 1, 2001, being the date ss. 114 and 121 of the Act came into force.”
3. The definition of “Excess Assets” is added to Section 1.1 as follows:
 

“**Excess Assets**” means, in respect of the benefits payable from the Basic Account as of a certain date, the sum of i) the value of the Basic Account as of that date and ii) the actuarial present value as of that date of all future contributions which will be made in accordance with the contribution rate schedules established by the Plan actuary in accordance with the PBSA going concern funding requirements and identified as such in the then most recent actuarial valuation of Plan filed with the Superintendent of Pensions, minus iii) the actuarial present value as of that date of all benefit and expense payments to be made from the Basic Account in respect of accrued and future service by the Plan Members, all as determined by the Plan actuary.”
4. The definition of “Family Relations Act” in Section 1.1 is deleted.
5. The definition of “PBSA” in Section 1.1 is deleted and replaced with the following:
 

“**PBSA**” means the *Pension Benefits Standards Act*, S.B.C. 2012, c. 30.”
6. The reference to “s. 12” of the PBSA in Section 2.5 is deleted and replaced with “s. 47”.
7. Section 4.2 is spent and therefore deleted.
8. Existing Sections 4.3 through 4.16 are renumbered accordingly.
9. The references to “Section 4.3” in renumbered Sections 4.3 and 4.4 (Sections 4.4 and 4.5 prior to this amendment) are deleted and replaced with “Section 4.2”.
10. The phrase “one of whom must be an individual nominated by the Professional Employees Association pursuant to Section 4.2,” in paragraph (b) of renumbered Section 4.4 (Section 4.5 prior to this amendment) cross references deleted Section 4.2 and is therefore deleted.
11. The references to “Sections 4.4 and 4.5” and “Section 4.11” in renumbered Section 4.5 (Section 4.6 prior to this amendment) are deleted and replaced with “Sections 4.3 and 4.4” and “Section 4.10”, respectively.

12. The reference to “Sections 4.10 and 4.11” in renumbered Section 4.7 (Section 4.8 prior to this amendment) is deleted and replaced with “Sections 4.9 and 4.10”.
13. Paragraphs (b), (c) and (d) of Section 10.3 are deleted and replaced by the following:
  - “(b) If an actuarial valuation report indicates that there is a requirement to increase contribution rates to the Basic Account, except the contribution rates relating to the benefits for provincial court judges, deputy ministers, officers of the legislature and Plan Members employed by correctional centre employees, the increase must be shared equally between the Employers and the Plan Members, and the Board must amend the Pension Plan Rules accordingly. If an actuarial valuation report indicates that there is a requirement to increase or decrease the contribution rates relating to the benefits for provincial court judges, deputy ministers, officers of the legislature or Plan Members employed by correctional centre employees, any increase or decrease must be applied to the contribution rate of the relevant Employers, and the Board must amend the Pension Plan Rules accordingly.
  - (c) If an actuarial valuation report indicates that the Pension Plan has Excess Assets, such Excess Assets will be considered unallocated Excess Assets of the Pension Fund unless and until the Board elects to apply the Excess Assets in one or more of following manners:
    - (i) transfer all or a portion of the Excess Assets to the reserve established within the Pension Fund for stabilizing contribution rates;
    - (ii) transfer all or a portion of the Excess Assets to the Inflation Adjustment Account;
    - (iii) apply all or a portion of the Excess Assets to an equal reduction or elimination of Employer and Plan Member contributions to the Basic Account for a period of time;
    - (iv) apply all or a portion of the Excess Assets to fund changes to the benefit provisions set out in the Pension Plan Rules as provided in Section 11.5.
  - (d) Any reference in subsection (c) to Excess Assets shall be interpreted as a reference to the Excess Assets associated with the benefits payable from the Basic Account.”
14. The reference to “the Family Relations Act” in Section 11.2 is deleted.

15. Sections 15.4, 15.5, 15.6 and 15.7 are spent and therefore deleted.

**IN WITNESS WHEREOF** the parties have executed this Amending Agreement No. 2 as of the date first written above.

**HER MAJESTY THE QUEEN IN RIGHT OF THE  
PROVINCE OF BRITISH COLUMBIA,  
as represented by the Minister of Finance**

\_\_\_\_\_  
Minister of Finance

**B.C. GOVERNMENT AND SERVICE  
EMPLOYEES' UNION**

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

Per: \_\_\_\_\_  
Secretary-Treasurer