## SCHEDULE A – OPTRUST SELECT

### ARTICLE A1
### APPLICATION

(1) The provisions of OPTrust Select apply to employees of any employer who enters into an OPTrust Select Participation Agreement and who join the Plan.

(2) Articles 1, 14, 18 and 19 of the Plan, in their entirety, Article 2 (as specified below in Article A2), subsection 3.4(1), ~~and~~ sections 4.1, 6.2 and 6.4, ~~and~~ subsections 6.3 (4) and (5) and clause 6.3(3)(c) ~~of Article 6~~ of the Plan also apply~~, with necessary modifications,~~ to OPTrust Select, OPTrust Select employers, OPTrust Select members, OPTrust Select former members and OPTrust Select retired members. **[NTD: Confirm.]**

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~~(3) Articles 3, 4, 5, 7, 8, 9, 10, 11, 12, 13, 15, 16 and 17 of the Plan do not apply to OPTrust Select.~~

### ARTICLE A2
### DEFINITIONS

Notwithstanding anything to the contrary in Article 2 of the Plan, in this Schedule,

“annualized pensionable pay” means the amount of pensionable pay that an OPTrust Select member working on a full-time basis earns or would be deemed to earn in a calendar year and, for an OPTrust Select member who works fewer hours than the hours of a full-time employee in the same or a comparable position, the amount of pensionable pay that he or she would earn or would be deemed to earn in a calendar year if he or she worked full time hours;

“employee” means a person who is employed by an OPTrust Select employer;

”employer”, other than as used ~~in the final paragraph of subsection A3.5(1) and~~ in sections A4.2, A4.3 and A13(1), excludes an employer that participates in the main~~a~~ component of the Plan ~~other than OPTrust Select~~;

"OPTrust Select credit", when used in reference to credit in OPTrust Select, means the total period of time, calculated in years of full-time employment, for which contributions are made to the Fund on behalf of the OPTrust Select member or for which an OPTrust Select member is employed and for which contributions to the Fund have been made, and where the OPTrust Select member's employment is less than full-time employment in a year, OPTrust Select credit for that year shall be given on the basis of the proportion of full-time employment represented by the OPTrust Select member's employment for which contributions are made to the Fund for that year, and shall include periods of service purchased by an OPTrust Select member in accordance with section A6.4;

“OPTrust Select employer” means an employer that participates in OPTrust Select;

“OPTrust Select former member” has the same meaning as “former member” in the Pension Benefits Act and applies only to a former member who is entitled to benefits under this Schedule A;

"OPTrust Select member" has the same meaning as "member" in the Pension Benefits Act and applies only to a member who is entitled to benefits under this Schedule A;

"OPTrust Select retired member" has the same meaning as "retired member" in the Pension Benefits Act and applies only to a retired member who is entitled to, or in receipt of, a pension determined under this Schedule A;

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"OPTrust Select Participation Agreement" means a written agreement, in such form as is approved by the Board, between the Board and an employer that elects to become an OPTrust Select employer and participate in OPTrust Select in accordance with such terms and conditions as the Sponsors and the Board shall deem appropriate and shall include the OPTrust Select employer's Plan Participation Date;

"pensionable pay" means the amount of money paid to an OPTrust Select member by an OPTrust Select employer during a calendar year, computed by reference to the hours, days, weeks or other specific periods of time for which the member is employed by the OPTrust Select employer, but does not include overtime pay, lump sum payments other than those representing retroactive salary or wages, performance bonuses, any payment to the member in lieu of a benefit provided by the OPTrust Select employer, payments expressly set out in the relevant OPTrust Select Participation Agreement to be excluded; or any other payment determined by the Board, in its sole and exclusive discretion, not to be part of pensionable pay.

"Plan Participation Date" means the date on which an OPTrust Select employer commences to participate in OPTrust Select, in accordance with the relevant OPTrust Select Participation Agreement;

all other terms used in this Schedule have the same meanings as set out in Article 2 of the Plan.

## ARTICLE A3
## MEMBERSHIP

### A3.1 Mandatory Membership

(1) Employees in continuous full-time employment who belong to a class of employees eligible to participate in OPTrust Select under an OPTrust Select Participation Agreement, who have not attained sixty-five years of age and who commence employment with an OPTrust Select employer on or after the OPTrust Select employer's Plan Participation Date, shall become OPTrust Select members on their date of hire with the OPTrust Select employer.

(2) Employees in continuous full-time employment who belong to a class of employees eligible to participate in OPTrust Select under an OPTrust Select Participation Agreement, who have not attained sixty-five years of age and who commenced employment with an OPTrust Select employer before the OPTrust Select employer's Plan Participation Date shall become OPTrust Select members on the OPTrust Select employer's Plan Participation Date.

(3) Employees who belong to a class of employees eligible to participate in OPTrust Select under subsections (1) or~~to~~ (2), who were in continuous full-time employment and who are on any type of leave of absence on the OPTrust Select employer's Plan Participation Date shall, in the case of each such employee, become an OPTrust Select member on the date on which such

employee returns to work from the leave, except as otherwise specified in the OPTrust Select Participation Agreement.

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(4) Employees who are not in continuous full-time employment and who have not made an election to become OPTrust Select members under section A3.2, who subsequently become employed in continuous full-time employment with the OPTrust Select employer in a class of employees who are eligible to participate in OPTrust Select, shall, in the case of each such employee, become an OPTrust Select member on the date on which such employee becomes employed in continuous full-time employment.

**A3.2 Elective Membership**

(1) Persons to whom section A3.1 does not apply, who are employed by an OPTrust Select employer and belong to a class of employees who are eligible to participate in OPTrust Select under the terms of an OPTrust Select Participation Agreement, may, in the case of each such person, elect to become an OPTrust Select member upon filing a written election (in a form approved by the Board) with the Board to be a member.

**A.3.3 Continuation of Membership**

A person who is required to participate in OPTrust Select in accordance with section A3.1 or who elects to become an OPTrust Select member under section A3.2 shall, subject to sections A4.2 and A4.3, continue to be an OPTrust Select member unless he or she satisfies the criteria in section A3.5.

**A3.4 Prohibited Membership**

Notwithstanding any other provision of this Schedule, the following persons are not entitled to become OPTrust Select members:

(i) ~~a person who is~~ a member of the main component of the Plan under sections 3.1, 3.2, 3.3 or 3.4(2) of the Plan~~, and~~ whose membership is not terminated; and,

(ii) ~~a person who is~~ an OPTrust Select retired member in receipt of a pension under the Plan or a former member under the main component of the Plan ~~-~~in receipt of a pension under the Plan ~~under eitherany component of the Plan~~.

**A3.5 Termination of OPTrust Select Membership**

(1) An OPTrust Select member ceases to be an OPTrust Select member upon,

(i) death;

(ii) termination of employment with an OPTrust Select employer where the OPTrust Select member does not continue to participate in OPTrust Select by virtue of his or her employment by another OPTrust Select employer;

(iii) termination of the office or other circumstance that required or entitled the person to be a member of OPTrust Select;

(iv) attaining the latest date for contributions to a pension fund or plan as set out in the *Income Tax Act* (Canada) and its applicable regulations for the registration of pension plans and/or pension funds; or

(v) the date on which the OPTrust Select employer that employs the OPTrust Select member ceases to participate in the Plan.

~~Notwithstanding the foregoing, an OPTrust Select member to whom clause (ii) or (iii) applies and who continues to participate in the Plan by virtue of his or her employment with another employer who participates in the Plan, or by virtue of holding an office that requires the person to be a member of the Plan, does not terminate membership in the Plan.~~

(2) Notwithstanding subsection (1), subsection 3.4(1) of the Plan governs termination of membership in the Plan.

(3) Notwithstanding sections A3.1 and A3.2 and subsection (2), an OPTrust Select member may terminate membership in ~~OPTrust Select~~the Plan upon satisfying the Board, on the basis of medical evidence presented that he or she has a life expectancy of less than twenty-four months.

## ARTICLE A4
## CONTRIBUTIONS

### A4.1 Regular Contributions

(1) An OPTrust Select member shall contribute 3% of pensionable pay.

(2) Contributions under subsection (1) shall be deducted from the OPTrust Select member's pay by the person or organization who pays the OPTrust Select member's salary and shall be paid to the credit of the Fund within fifteen days from the date the contribution was deducted or within such longer time as the Board authorizes in writing.

(3) On each payment date, each OPTrust Select employer shall pay an amount equal to the aggregate amount of all contributions remitted under subsection (2) by or on behalf of the OPTrust Select members who are employees of the OPTrust Select employer in the month ended next before the month in which the payment date occurs, or made by or on behalf of the OPTrust Select members in respect of the month ended next before the month in which the payment date occurs.

(4) The provisions of clause 6.3(3)(c) and subsections 6.3(4) and (5) of the Plan apply~~, with necessary modifications,~~ for the purposes of this Schedule ~~[~~in respect of the use of actuarial gains and losses applicable to OPTrust Select~~?~~]. For purposes of this Schedule,

(a) the references to "OPSEU" and "members" in the Plan provisions referenced above shall be interpreted to mean "OPTrust Select members";
(b) the references to "employers" in the Plan provisions referenced above shall be interpreted to mean "OPTrust Select employers", and
(c ) the references to "or such other amount as may be collectively bargained" in clause 6.3(3)(c) of the Plan shall be disregarded for purposes of this Schedule. ~~[NTD: We should discuss whether greater clarity is~~ **[NTD: The way that I have approached drafting of these provisions in the Schedule and in the Plan attempts to prevent cross-**

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**subsidization (hence the reference here to gains and losses applicable to OPTrust Select), so that even though you may have a single rate stabilization reserve, you will be keeping track of assets/liabilities applicable to each part.]**

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(5) ~~Contributions required to be made under this Schedule by an OPTrust Select employer or by any OPTrust Select member, including interest required to be paid to the Fund, shall be paid into the Fund, and any payment required by this Schedule to be made to any person shall be paid out of the Fund, and all moneys not required to be paid out shall be invested to meet the obligations and liabilities of the Plan~~Section 4.1 of the Plan applies to contributions made under this Article.

(6) In the event that an OPTrust Select employer terminates from participation in the Plan and the Plan is not fully funded on a going concern basis as of the date of withdrawal, the Board shall determine the amount, if any, that the withdrawing OPTrust Select employer is required to pay into the Fund in order to eliminate any unfunded liability associated with the pension benefits of OPTrust Select members, OPTrust Select former members, OPTrust Select retired members or any other person, in each case associated with the withdrawing OPTrust Select employer's participation in the Plan. The Board shall, in its discretion, determine the amount and manner of payment required to be made by the OPTrust Select employer. For greater certainty, any such amount determined by the Board shall be in addition to the OPTrust Select employer's other contribution obligations as set out in this Article.

### A4.2 When No Contribution Required

An OPTrust Select member under either section A3.1 or A3.2 who becomes employed by an employer that contributes to the main component of the Plan and becomes a member of the main component of the Plan under sections 3.1 or 3.2 of the Plan shall cease to make contributions under OPTrust Select.

### A4.3 When Contributions Must Resume

An OPTrust Select member to whom section A4.2 applies, shall resume making contributions under OPTrust Select on the day after the date on which the member terminates employment with an employer that contributes to the main component of the Plan and ceases to be eligible for membership in the main component of the Plan.

## ARTICLE A5
## INTEREST

### A5.1 Interest on OPTrust Select Member Contributions

Interest on OPTrust Select members' accumulated contributions, including interest previously credited to the OPTrust Select member, shall be credited, as to the frequency and rate of interest, as determined by the Board from time to time, provided that, in any event, such interest shall be calculated not less frequently and at a rate not less than as prescribed by the Pension Benefits Act.

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### A5.2 Interest on Lump Sum Payments

Interest on a lump sum amount payable to the OPTrust Select member, his or her beneficiary, payment or refund recipient as a result of the termination, retirement, or death of an OPTrust Select member shall accrue at the rate used in Section A5.1 from the date the lump sum payment is due until the date payment is made from the Fund.

### A5.3 Interest on Transfer Amounts

In the event that an election is made pursuant to either of subsections A8(3)(i) or A9.2(5), interest shall accrue on the commuted value of the pension from the date of termination or death, as applicable, to the date the payment is made from the Fund at a rate of interest determined by the Board from time to time, provided that, in any event, such interest shall be calculated at a rate not less than as prescribed by the Pension Benefits Act.

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## ARTICLE A6
## LEAVES OF ABSENCE AND PURCHASES OF OPTRUST SELECT CREDIT

### A6.1 Leaves of Absence with Pay

(1) If an OPTrust Select member has been granted a leave of absence from employment with an OPTrust Select employer and continues to receive a part or all of his or her salary from the OPTrust Select employer during the leave, the OPTrust Select member and OPTrust Select employer shall, subject to sections A4.2 and A4.3, make the contributions required by subsections A4.1(1) and (3).

### A6.2 Leaves of Absence without Pay

(1) If an OPTrust Select member is granted a leave of absence from employment with an OPTrust Select employer for more than one month and receives no salary from the OPTrust Select employer during the leave and does not make contributions to the Fund during the leave, no OPTrust Select credit shall be given to the OPTrust Select member in the Plan for the period of the leave of absence unless the member makes payments to the Fund in accordance with section A6.4;

(2) An OPTrust Select member who is granted a leave of absence of more than one month without pay because of illness may, subject to sections A4.2 and A4.3, elect to make contributions to the Fund during the leave, in which case the OPTrust Select member shall contribute an amount equal to the amount the OPTrust Select member would have contributed under subsection A4.1(1) if the leave had not been granted.

(3) An OPTrust Select member who is granted a leave of absence, of more than one month without pay in accordance with Part XIV of the *Employment Standards Act 2000*, other than Reservist Leave, shall, subject to sections A4.2 and A4.3, contribute an amount equal to the amount the OPTrust Select member would have contributed under subsection A4.1(1) if the leave had not been granted, unless the OPTrust Select member elects in writing not to do so, using a form approved by the Board.

(4) An OPTrust Select member who is granted a leave of absence of more than one month without pay for special or educational purposes may, subject to sections A4.2 and A4.3, elect to make contributions to the Fund during the leave, in which case the OPTrust Select member shall

contribute twice the amount the OPTrust Select member would have contributed to the Fund under subsection A4.1(1) if the leave had not been granted.

(5) The amount an OPTrust Select member contributes under subsections (2), (3), and (4), shall be based on the annualized pensionable pay of the OPTrust Select member immediately prior to the commencement of the leave of absence.

(6) In determining contributions to be made under this section, the annualized pensionable pay on which contributions under this section are based shall be increased in each year subsequent to the year in which the leave of absence commenced by the maximum percentage that a pension may be increased in that year under Article A10 to adjust for inflation.

(7) If an OPTrust Select member is granted a leave of absence for less than one month and receives no salary during the leave, the OPTrust Select member shall make contributions to the Fund during the leave or after the end of the leave, and shall contribute, in accordance with subsections A4.1(1), an amount equal to the amount the OPTrust Select member would have contributed if the leave had not been granted.

(8) The annualized pensionable pay on which contributions are based under this section shall be included in the computation of the pensionable pay of an OPTrust Select member.

(9) Subject to subsection (10), the combined OPTrust Select credit obtained by an OPTrust Select member with respect to periods after 1990 under subsections (3), (4) and (7) and leaves of absence purchased under section A6.4, except for a leave of absence because of illness, shall not exceed a total of five years.

(10) Where an OPTrust Select member is granted a leave of absence for a period of parenting, as defined in the *Income Tax Act* (Canada) and its applicable regulations, the five-year limit on the OPTrust Select member's combined OPTrust Select credit specified in subsection (9) shall be increased by the total of such periods of leave, or by three years, whichever is less.

(11) In the case of an OPTrust Select member who is entitled to a pension for participation in the main~~another~~ component of the Plan, the determinations in (9) and (10) above shall be applied to the aggregate pension credits determined under all components of the Plan.

(12) Where an OPTrust Select member makes a payment under subsections (2), (3), or (7), the OPTrust Select employer shall pay into the Fund an amount equal to the aggregate amount of contributions paid by the member under these subsections.

**A6.3 Disability**

(1) In this section, "long term income protection plan" means the Long Term Income Protection Plan from time to time applicable to members who are employed under Part III of the *Public Service of Ontario Act, 2006* to mitigate the loss of income resulting from a lengthy disability, and includes any plan that applies to OPTrust Select members if the Board considers the plan to be ~~substantially~~ similar to the Long Term Income Protection Plan applicable to public servants employed under Part III of the *Public Service of Ontario Act, 2006*.

(2) If an OPTrust Select member qualifies for a benefit under a long term income protection plan or for worker's compensation benefits from the Workplace Safety and Insurance Board as a result of a disability incurred on or after the OPTrust Select employer's Plan Participation Date,

the OPTrust Select employer that employed the OPTrust Select member on the date when the OPTrust Select member qualified for the benefit shall, subject to subsection (6), contribute to the Fund on behalf of the OPTrust Select member the amounts set out in subsections (3), (4) and (5) while the OPTrust Select member continues to qualify for the benefit. **[NTD: OPTrust to confirm whether to add this reference here.]**

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(3) Subject to subsection (4), the contributions mentioned in subsection (2) shall be calculated in accordance with Article A4 and paid based on the annualized pensionable pay of the OPTrust Select member immediately before the disability was incurred in respect of which he or she qualifies for a benefit.

(4) If the OPTrust Select member mentioned in subsection (2) was, in the opinion of the Board, employed on a part-time basis in the month before the disability was incurred, the contributions mentioned in subsection (2) shall be calculated in accordance with Article A4 and paid only for that part of each month in which the OPTrust Select member continues to qualify for the benefit that is equal to the ratio that, in the twelve months ending on the last day of the month immediately preceding the month when the disability was incurred, the OPTrust Select member's part-time employment is of full-time employment in the position occupied by the OPTrust Select member or in a comparable position.

(5) In determining contributions to be made under this section, the annualized pensionable pay on which contributions under this section are based shall be increased in each year subsequent to the year the disability was incurred ~~(on the same basis as an adjustment is made under subsection 7.3(5) of the Plan) by the same percentage as that~~ by the maximum percentage that a pension may be increased in that year under Article A10 to adjust for inflation.

(6) Subsections (2), (3), (4) and (5) continue to apply whether or not the OPTrust Select Member is in receipt of a benefit under a long term income protection plan or from the Workplace Safety and Insurance Board, but those subsections cease to apply when the OPTrust Select member ceases to be a member of the Plan or attains sixty-five years of age, whichever first occurs.

(7) A person on whose behalf contributions are made under subsection (2) continues to be an OPTrust Select member and to accrue OPTrust Select credit in the Plan for the time in respect of which contributions are made on his or her behalf under this section.

(8) The annualized pensionable pay on which contributions pursuant to subsection (2) are based shall be included in the computation of the pensionable pay of an OPTrust Select member.

### A6.4 Purchase of Prior OPTrust Select Service

(1) On such terms and conditions as are fixed by the Board and provided that OPTrust Select credit shall not be purchased in respect of any period of time for which OPTrust Select credit or credit in ~~either~~ the main~~any~~ component of the Plan has been previously purchased or otherwise provided, an OPTrust Select member may purchase OPTrust Select credit ~~in OPTrust Select~~ for a period of service with the OPTrust Select employer that employs the OPTrust Select member, occurring prior to the OPTrust Select employer's Plan Participation Date but after December 31, 1986 (referred to as "OPTrust Select prior service" in this section A6.4), as well as any leave of absence, or part of a leave of absence, from such OPTrust Select employer occurring after the OPTrust Select employer's Participation Date, by submitting a completed application in such manner as is determined by the Board and paying to the Fund the amount determined by the

Board, on the recommendation of the Board actuary, to be equal to the higher of the actuarial value of the additional expected benefits to which the OPTrust Select member will become entitled as a result of obtaining the OPTrust Select credit, calculated on the assumption that the OPTrust Select member will retire at the normal retirement age under this Schedule, and the amount equal to twice the product of,

(i) the annualized pensionable pay of the OPTrust Select member;
(ii) the contribution rate in effect under section A4.1(1); and,
(iii) the length in years

for the period of OPTrust Select prior service for which OPTrust Select credit is being purchased.

(2) Where an OPTrust Select member commits in writing to purchase OPTrust Select credit for less than the entire period of the OPTrust Select prior service for which an application under subsection (1) was made, the cost of the purchase will be re-determined accordingly and the unpurchased portion of the OPTrust Select prior service cannot be purchased unless a new complete application is submitted and a new cost is calculated by the Board in accordance with the provisions of subsection (1).

(3) If the amount payable by an OPTrust Select member under subsections (1) or (2), as the case may be, exceeds $500, the amount may be paid in instalments and interest over a period of not more than ten years as the Board permits in accordance with the terms and conditions established for instalment payments and for the completion of payment on the termination from employment or termination of membership in the Plan of the OPTrust Select member.

(4) The rate of interest for the amortization period under subsection (3) will equal the discount rate used when determining the actuarial value in subsection (1).

(5) Where the OPTrust Select member does not pay the full amount required under this section, the amount of OPTrust Select credit will be pro-rated accordingly.

(6) The period for which a member may purchase OPTrust Select credit under this section is limited to that permitted in the *Income Tax Act* (Canada) and its applicable regulations.

**A6.5 Contribution, Pensionable Pay and Service Record**

The Board shall cause a record to be kept of each OPTrust Select member's contributions to the Fund, of the total period of service for which an OPTrust Select member has OPTrust Select credit in the Plan, and of the annualized pensionable pay of each OPTrust Select member while an OPTrust Select member and of all other information necessary for the administrative, actuarial and financial requirements of the Plan.

**ARTICLE A7**
**TERMINATION BENEFITS**

**A7.1 50 Per Cent Rule**

The amount by which the total of the contributions, other than contributions made under subsection A6.4(1) to the Fund, by or on behalf of the OPTrust Select member under subsections A4.1(1) and A6.3(2) and the interest credited to the OPTrust Select member in the Fund on those contributions exceeds one-half of the commuted value, excluding OPTrust Select credit in the Plan for contributions made under subsection A6.4(1) in respect of purchased employment or service, of the pension or deferred pension in respect of that employment or service to which the OPTrust Select member is entitled on ceasing to be an OPTrust Select member, shall be refunded to the OPTrust Select former member.

### A7.2 Excess Past Service Payments Refunded

The amount by which the total of the payment to the Fund ~~and any predecessor fund~~ made under subsection A6.4(1) and the interest credited to the OPTrust Select member on that payment in accordance with the Pension Benefits Act exceeds the commuted value of the OPTrust Select credit in the Plan that was purchased with that payment and that is included in a deferred pension that the OPTrust Select member has elected to transfer under subsection A9.2(5) shall be refunded to the OPTrust Select former member.

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### A7.3 Lump Sum Payments

A payment or refund to be made under this Article shall be paid in a lump sum payment.

### A7.4 Return of Unauthorized Contributions

Where in the opinion of the Board, a payment made to the Fund by a person in purported reliance on Articles A4 or A6 is found to have been made without proper authority, the Board shall return to the person the unauthorized payment, together with interest.

### A7.5 Designation of Recipient

~~The designation by a~~An OPTrust Select member may designate ~~of~~ a beneficiary for purposes of receiving the payment refund made under this Article in the event of an OPTrust Select member's death prior to retirement. Such designation shall be made and delivered to the Board in such form and manner as the Board may require. If no such beneficiary is designated, the payment shall be made to the OPTrust Select member's estate. **[NTD to OPTrust: Please confirm this works from your perspective.]**

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## ARTICLE A8
## PRE-RETIREMENT DEATH BENEFITS

### A8.1 Pre-retirement Death Benefits

(1) If an OPTrust Select member or OPTrust Select former member,

(i) dies while a member of the Plan; or

(ii) dies after ceasing to be a member of the Plan and before the beginning of the month when payment of his or her pension is to commence,

the commuted value of the OPTrust Select member's or OPTrust Select former member's pension benefit determined immediately prior to his or her death is payable,

(iii) to the spouse of the OPTrust Select member or OPTrust Select former member from whom the OPTrust Select member or OPTrust Select former member was not living separate and apart at the date of death;

(iv) if no payment under clause (iii) can be made, or if the OPTrust Select member or OPTrust Select former member has no spouse who survives the date of death of the OPTrust Select member or OPTrust Select former member, to the beneficiary designated in accordance with this section by the OPTrust Select member or OPTrust Select former member; or

(v) if no payment can be made under clause (iii) or (iv), to the estate of the OPTrust Select member or OPTrust Select former member.

(2) Subject to subsection (3), the commuted value payable under subsection (1) to the spouse of an OPTrust Select member or OPTrust Select former member shall be paid in the form of an immediate pension for the lifetime of the spouse, and the commuted value of the pension so payable shall be equal to the commuted value payable under subsection (1), and payment thereof shall commence in the month following the month when the OPTrust Select member or OPTrust Select former member dies.

(3) The spouse to whom an immediate pension is payable under subsection (2) may, in writing in the approved form delivered to the Board in the time fixed by the Board, elect to receive the commuted value payable under subsection (1) in the form of,

(i) a single lump sum payment equal to the commuted value payable under subsection (1); or

(i) a deferred pension the commuted value of which is equal to the commuted value payable under subsection (1).

(4) An OPTrust Select member or OPTrust Select former member may deliver, in the approved form to the Board, a written waiver by the OPTrust member's or OPTrust former member's spouse waiving the spouse's entitlement under subsection (1) and, while the waiver is in effect, that subsection shall be applied as if the OPTrust Select member or OPTrust Select former member does not have a spouse on the date of the death of the OPTrust Select member or OPTrust Select former member.

(5) A waiver under subsection (4) may be cancelled by written notice of cancellation signed by the spouse and delivered to the Board.

(6) The designation of a beneficiary shall be made and delivered to the Board in such form and manner as the Board may require.

## ARTICLE A9
## RETIREMENT AND JOINT AND SURVIVOR BENEFITS

### A9.1 Computation of Pension

(1) For the purposes of the Pension Benefits Act, the normal retirement date for an OPTrust Select member is the date on which the member attains sixty-five years of age.

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(2) Every OPTrust Select member who ceases to be member of the Plan pursuant to subsection 3.4(1) of the Plan~~A3.5(1)~~ on or after attaining his or her normal retirement date shall commence payment of his or her pension in the month following the month when the member ceases to be a member of the Plan.

(3) Any OPTrust Select member who ceases to be a member of the Plan and is not entitled to an immediate pension in accordance with subsection (4) is entitled to the pension payable in accordance with section A9.2.

(4) Subject to Section A9.4, t~~T~~he annual amount of every pension payable under this Schedule to an OPTrust Select former member ~~who applies to commence payment of the pension~~ on or after attaining his or her normal retirement date shall be determined as follows:

the OPTrust Select former member shall have earned for each calendar year that the OPTrust Select member participates in OPTrust Select, 0.6 per cent of his or her annualized pensionable pay for that year, multiplied by his or her OPTrust Select credit accrued in that year. **[NTD to OPTrust: Does this work from your perspective? These are changes proposed by BMKP in their mark up.]**

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### A9.2 Deferred Pension

(1) An OPTrust Select member who terminates membership in the Plan pursuant to subsection ~~A3.5(1~~3.4(1) of the Plan~~)~~ and who is not entitled to a pension under subsection A9.1~~1(1) or~~ (2), is entitled to a pension computed in accordance with this section A9.2.

(2) Payment of the pension provided for in subsection (1) shall, subject to A9.4, commence in the month following the month when the OPTrust Select former member will attain sixty-five years of age, or if the OPTrust Select former member so elects in writing to the Board, payment of the pension, subject to the reductions mentioned in subsection A9.2(4) shall commence in the month following any month that is not earlier than the later of the month in which the OPTrust Select former member ceases to be ~~an OPTrust Select member~~a member of the Plan or attains fifty-five years of age~~, whichever is later~~.

(3) An election made under subsection (2) may, with the approval of the Board, be revoked by the OPTrust Select member or OPTrust Select former member, and a new election in writing to the Board may be made if the commencement of payment therein provided for is neither earlier than the month following the month when the new election is delivered to the Board nor earlier than is permitted by subsection (2) and is not later than the month following the month when the OPTrust Select former member will attain sixty-five years of age, but no election may be revoked after payment of the pension is due to commence.

(4) The annual amount of every pension provided for in subsection (1) shall, after computation in accordance with section A9.1, be actuarially reduced for each month in the period commencing with the first day of the month in which payment of the pension is to commence and ending with the last day of the month when the OPTrust Select retired member will attain sixty-five years of age.

(5) Upon his or her election, an OPTrust Select former member who is entitled to a deferred pension under this section and who has not attained fifty-five years of age, may require the commuted value of the pension to be paid, subject to the applicable requirements of the Pension Benefits Act,

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(i) to the pension fund of another pension plan that agrees to accept the payment;

(ii) to a retirement savings arrangement prescribed under the Pension Benefits Act;

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(iii) for the purchase for the OPTrust Select former member of a deferred life annuity which will not commence before the former member attains fifty-five years of age provided the contract to purchase the annuity meets the requirements prescribed under the Pension Benefits Act.

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(6) Despite subsection (5) and subject to subsections (8) and (9), the Board will pay the commuted value referred to in subsection (5) in a lump sum to an OPTrust Select retired member or an OPTrust Select former member who applies to the Board for the payment and who is determined by the Board, on the basis of medical evidence presented, to have a life expectancy of less than twenty-four months.

(7) Any payments under subsection (6) will be subject to the provisions of a domestic contract or family arbitration award, each as defined in Part IV of the *Family Law Act*, and to any order under Part I of that Act, to the extent permitted by the Pension Benefits Act.

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(8) Where the OPTrust Select retired member or OPTrust Select former member makes the application in subsection (6), no payment shall be made by the Board unless the OPTrust Select retired member or OPTrust Select former member provides the Board with the statement about or by a spouse as required by the Pension Benefits Act.

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(9) A payment under subsection (6) discharges and releases the Board, the Plan and the Fund from all claims.

**A9.3 Pension to Surviving Spouse**

(1) Where an OPTrust Select retired member has a spouse, from whom the OPTrust Select retired member is not living separate and apart on the first day of the month in which payment of the pension is to commence, the OPTrust Select retired member's pension will be actuarially reduced to provide the benefit under subsection (2).

(2) A spouse who satisfies the eligibility requirements of subsection (1) is, if he or she survives the death of the OPTrust Select retired member, entitled to be paid for his or her lifetime an annual amount of pension equal to 60 per cent of the annual amount of pension that the OPTrust Select retired member was receiving in the month when the OPTrust Select retired member died and payment thereof shall commence in the month following the month when the OPTrust Select retired member died.

(3) Despite subsection (1), an OPTrust Select member or OPTrust Select former member and the spouse of the OPTrust Select member or OPTrust Select former member from whom the OPTrust Select member or OPTrust Select former member is not living separate and apart, may waive the spouse's entitlement to a survivor pension under subsection (2), by delivering to the Board within twelve months prior to the month when payment of the pension to the OPTrust Select member or OPTrust Select former member is to commence a written waiver in the approved form that has been signed by both of them or a certified copy of a domestic contract, within the meaning of Part IV of the *Family Law Act*, containing the waiver.

(4) Persons who have delivered a waiver under subsection (3) may jointly cancel the waiver by written notice of cancellation signed by them and delivered to the Board before the month when the pension is to commence to be paid to the OPTrust Select member or OPTrust Select former member.

(5) The reduction required by subsection (1) shall not be made if a waiver made as permitted by subsection (3) is in force in the month when the pension is to commence to be paid to the OPTrust Select member or OPTrust Select former member.

### A9.4 Application for Pension

The Board is not required to commence payment of a pension to which a person is entitled under this Schedule until a written application is delivered to the Board setting out such information as is prescribed and such information as is, in the opinion of the Board, necessary to establish the person's entitlement to the pension and the amount thereof.

### A9.5 Payment of Pension

Unless otherwise expressly provided in this Schedule A, a pension,

(i) is payable in monthly instalments for life; and

(ii) ceases to be payable after the month when the person in receipt of the pension dies or entitlement to payment of the pension ceases.

### A9.6 Commutation of Pension

If a person is entitled to be paid a pension, the annual amount of which, before the reduction mentioned in subsection A9.2(4) or the commuted value of that pension, is not more than the thresholds set out in the Pension Benefits Act in the year when the OPTrust Select member, OPTrust Select former member or OPTrust Select retired member for whose OPTrust Select credit the pension is payable ceased to be a member of the Plan~~OPTrust Select~~, the Board may pay the commuted value of the pension to the person as permitted by the Pension Benefits Act. In the case of an OPTrust Select member, OPTrust Select former member or OPTrust Select retired member who is entitled to credit for participation in the main~~another~~ component of the Plan, this determination shall apply to the aggregate pension or commuted value of pension determined under all applicable components of the Plan.

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### A9.7 Increased Survivor Pension

(1) The amount of the survivor pension payable under section A9.3 may be increased to 65 per cent, 70 per cent or 75 per cent of the pension of the OPTrust Select former member, after taking into account the reduction required by subsection (4), by a written direction signed by the OPTrust Select member or OPTrust Select former member on whose pension the survivor pension is based specifying the percentage to which the survivor pension is to be increased, and the direction shall be delivered to the Board at least two years prior to the month when payment of the pension to the OPTrust Select member or OPTrust Select former member is to commence.

(2) The Board shall accept a direction mentioned in subsection (1) that is delivered to the Board after the time mentioned in that subsection and before the month when the pension is to commence to be paid to the OPTrust Select member or OPTrust Select former member if the Board is satisfied that the OPTrust Select member or OPTrust Select former member is in good health having regard to his or her age.

(3) A direction delivered in accordance with subsection (1) or accepted in accordance with subsection (2) is of no effect if the OPTrust Select member who gives it dies while a member of the Plan.

(4) The annual amount of pension computed in accordance with section A9.1 payable to an OPTrust Select former member who has given a valid direction delivered in accordance with subsection (1) or accepted in accordance with subsection (2) shall be actuarially reduced in a manner approved by the Board to reflect the increased survivor pension specified in the direction, and the increased survivor pension shall be paid in lieu of that provided for in section A9.3.

(5) A person who gives a direction mentioned in subsection (1) or (2) may revoke the direction by a written revocation delivered to the Board before the month when payment of the person's pension is to commence.

**A9.8 Refund on Death ~~Where No Survivor~~**

The amount, if any, by which the total of contributions made to the Fund by or on behalf of an OPTrust Select member under subsections A4.1(1) and A6.3(2) and the interest credited to the OPTrust Select member to the date of payment under Article A5 exceeds the total payments made from the Fund to the OPTrust Select member as an OPTrust Select retired member and as a survivor pension to the OPTrust Select retired member's spouse as a result of the OPTrust Select retired member's death, shall be paid to a person designated by the OPTrust Select member in accordance with ~~this~~ section 9.9 or, if no such payment recipient is designated, to the OPTrust Select retired member's estate.

**A9.9 Designation of Recipient**

The designation of a beneficiary shall be made and delivered to the Board in such form and manner as the Board requires.

**ARTICLE A10**
**INFLATION ADJUSTMENT**

(1) Inflation adjustments to the pension and/or pension benefits of OPTrust Select members, OPTrust Select former members and /or OPTrust Select retired members may occur at such times and in such ways as the Board, in its sole and exclusive discretion, may decide. In making its decision, the Board may consider criteria as may be set out in any funding policy established by the Board and any information as may be provided by the Board's actuary. Any inflation adjustment granted by the Board under this section shall be documented by resolution of the Board and recorded in a schedule that is available to OPTrust Select members, OPTrust Select former members, OPTrust Select retired members and OPTrust Select employers.

(2) For greater certainty, Article 11 (Inflation Adjustment) of the Plan does not apply to benefits payable under this Schedule. The Board shall have no obligation to grant an inflation adjustment under section A10(1) even where an inflation adjustment is granted under Article 11 (Inflation Adjustment) of the Plan.

**ARTICLE A11**
**ANNUALIZED PENSIONABLE PAY ADJUSTMENT**

For the purposes of determining a pension in accordance with sections A9.1 or A9.2, the annualized pensionable pay for OPTrust Select members for any prior calendar years may be adjusted by an amount no greater than the percentage increase in the Average Industrial Wage (AIW) for the preceding year. These adjustments may occur at such times and be determined in such ways as the Board, in its sole and exclusive discretion, may decide. In making its decision, the Board may consider criteria as may be set out in any funding policy established by the Board and any information as may be provided by the Board's actuary. Any adjustment granted by the Board under this section shall be documented by resolution of the Board and recorded in a schedule that is available to OPTrust Select members and OPTrust Select employers. For the purposes of this Article A11, Average Industrial Wage means the "wage measure", as defined in section 147.1 of the *Income Tax Act* (Canada).

**ARTICLE A12**
**INCOME TAX ACT**

(1) All provisions of OPTrust Select shall be interpreted, read and administered so as to comply with the *Income Tax Act* (Canada) and regulations.

(2) Without limiting the generality of subsection (1), and for the purpose of reading, interpreting and administering OPTrust Select in compliance with the *Income Tax Act* (Canada) and regulations for all OPTrust Select credit and contributions,

(a) the total amount of contributions by an OPTrust Select member in Article A4 cannot exceed the limit set out in the *Income Tax Act* (Canada) and regulations;

(b) the computation of a pension under section A9.1 is subject to those provisions of the *Income Tax Act* (Canada) and regulations that limit the lifetime retirement benefits, as defined in the regulations to the *Income Tax Act* (Canada), that may be paid to an OPTrust Select former member; and

(c) any adjustment of a pension under Article A10 is limited to the extent permitted in the *Income Tax Act* (Canada) and regulations.

(3) In the case of an OPTrust Select member who is entitled to a pension benefit for participation in ~~another~~ the main component of the Plan, the determinations in (2)(b) and (c) above shall be applied to the aggregate pension benefit determined under all components of the Plan.

**ARTICLE A13**
**RE-EMPLOYMENT**

(1) If ~~a person who is~~ an OPTrust Select former member becomes, in the opinion of the Board, re-employed or engaged in any capacity by an OPTrust Select employer who contributes to the Fund or employed or engaged in any capacity by an employer who contributes to the main component of the Plan and, in either case, becomes an OPTrust Select member or a member of the main component of the Plan, as applicable, the provisions of this Article A13 apply.

(2) The ~~OPTrust member, or where the OPTrust former member has become a member of the main component of the Plan, such member,~~person referenced in subsection (1) is not entitled to commencement of payment of the pension provided for in subsection A9.2(1) and is not permitted to make an election under subsection A9.2(2) to commence receipt of the deferred pension in respect of the earlier period of employment as long as he or she remains ~~an OPTrust Select member or member of the Plan~~a member of either component of the Plan.

(2) If the person referenced in subsection (1) becomes an OPTrust Select member, the person shall repay to the Fund any refund he or she received pursuant to section A7.1 ~~of the Plan~~; otherwise the monthly pension and any refund payable at the date of last termination of employment shall be reduced by an amount determined by the Board, on the recommendation of the Board's actuary, on account of the refund.