

SCHEDULE “A” COMPENSATION CLAIMS METHODOLOGY

1. Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the Compensation Claims Process Order.
2. This Schedule sets out the methodology for calculating all Compensation Claims and includes without limitation, claims of active Employees as of the date of the Compensation Claims Process Order (“**Active Employee**”), Employees whose employment with the Applicant was terminated by the Applicant or who received notice of termination of employment between the Filing Date and the date of the Compensation Claims Process Order (“**Terminated Employees**”), former employees whose employment with the Applicant ended on or before the Filing Date, other than Retirees (“**Former Employees**”) and retirees who retired from employment with the Applicant and were eligible to receive Registered Pension Plan payments or to make claims under the RHBP prior to the Filing Date (“**Retirees**”).
3. Any claim of Active Employees, Terminated Employees, Former Employees, or Retirees that is not a Compensation Claim must be filed in accordance with the Claims Process Order.
4. The methodology set out in this Schedule has primarily been based upon the provisions of applicable collective agreements, employment contracts, terms and conditions of employment, or internal policies. However, in the case of any difference as between this Schedule and any applicable agreement, contract or policy, the specific methodology set out in this Schedule shall govern.
5. The methodology set out in this Schedule has been established solely for the purpose of determining Compensation Claims within the Compensation Claims Process. For greater certainty, this methodology shall not otherwise be used to establish any precedent for future employee related entitlements following the emergence of LU from the CCAA proceeding.

Part I – Termination and Severance Claim Methodology

6. The methodology set forth in this Part I (the “**Termination and Severance Claim Methodology**”) shall be utilized to calculate termination and severance claims of Terminated Employees (“**Termination and Severance Claim**”).

A. LUFA and Academic Senior Leaders

7. The Termination and Severance Claims of Terminated Employees who were members of the bargaining unit set out in the collective agreement between LUFA and the Applicant (the “**LUFA CA**”) (the “**LUFA Terminated Employees**”) will be calculated as follows:
 - (a) Pay in lieu of Notice/ Severance Claim: Subject to any cap or other limitations provided for herein, each LUFA Terminated Employee shall be entitled to a

Termination and Severance Claim equal to an amount of base salary calculated as follows:

- (i) 12 months' notice less working notice or pay in lieu of (the "**LUFA Notice Claim**"); plus
- (ii) 6 months base severance plus 1 month severance for each year of service (rounded to the nearest whole year) (the "**LUFA Severance Claim**");

(LUFA Notice Claim and LUFA Severance Claim together, the "**LUFA Notice and Severance Claim**").

- (b) Subject to any cap or other limitations provided for herein, no tenured LUFA Terminated Employees will receive less than 18 months LUFA Severance Claim.
- (c) Subject to any cap or other limitations provided for herein, LUFA Terminated Employees in their probationary period at the date of termination: i) with less than 3 years service will receive no less than 9 months LUFA Severance Claim; and ii) with 3 years or more service will receive no less than 18 months LUFA Severance Claim.
- (d) For purposes of the calculation of the LUFA Severance Claim, years of service shall be calculated for the period from the date of full-time LUFA employment to the date of termination for such LUFA Terminated Employee.
- (e) For purposes of the calculation of the LUFA Notice Claim, working notice shall be calculated for the period from April 12, 2021 to the date of termination (being April 30, 2021 or May 15, 2021 as the case may be) for such LUFA Terminated Employee.
- (f) Notwithstanding any other provisions herein, a maximum or cap shall apply to the LUFA Severance Claim or any claims arising therein, being the number of months from the completion of the notice period as reflected by the LUFA Notice Claim to the month in which such LUFA Terminated Employee reaches age 65.
- (g) To the extent a LUFA Terminated Employee was hired on the basis of a limited term, the LUFA Notice and Severance Claim shall be calculated for the period from the date of termination to the original end date of the term.
- (h) The base salary to be utilized for calculating the LUFA Notice and Severance Claim or any claims arising pursuant to this Termination and Severance Claim Methodology shall be the base salary of such LUFA Terminated Employee as at April 30, 2021.
- (i) Employees who elected to retire pursuant to the Retirement Incentive Program set out in the LUFA Term Sheet and announced on March 28, 2021 (excluding those individuals who previously gave notice of retirement or resignation prior to

electing to retire pursuant to the Retirement Incentive Program) are eligible for a LUFA Notice and Severance Claim as provided for herein.

- (j) LUFA Terminated Employees who gave notice of retirement or resignation prior to April 12, 2021 (including those that subsequently elected to retire pursuant to the Retirement Incentives Program) will have their LUFA Notice and Severance Claim limited to the period from the date of termination to their original planned date of retirement or resignation.
- (k) Recall Rights: To the extent a LUFA Terminated Employee is recalled for a permanent full time position during the CCAA Proceeding prior to the distribution of any amounts pursuant to a Plan, their LUFA Notice and Severance Claim will be reduced to any base salary for the period from the date of termination to the date of the recall.
- (l) Employee Benefits Claim: a claim for loss of all employee benefits including but not limited to, pension accruals, group insurance, medical, dental and similar benefits, but excluding RHBP, SuRP, and vacation pay (“**Employee Benefits**”) shall be calculated at a rate of 13.69% of the amount provided for in the LUFA Notice and Severance Claim.
- (m) Employee Overload Teaching Credits Claim: A claim for accrued and unpaid overload teaching credits as at the LUFA Terminated Employee’s date of termination calculated as follows:
 - (i) Total number of overload teaching credits existing as at April 30, 2021, pursuant to the books and records of the Applicant, multiplied by \$1,777.67 (\$5,333 for every three credits).
- (n) Other Employee Claims or Benefits: The calculation provided for in this Termination and Severance Claim Methodology shall constitute the full Termination and Severance Claim of the LUFA Terminated Employees. For clarity, other than any potential RHBP Claim, SuRP Claim, Vacation Pay Claim, Pre-Filing Grievance Claim or Pension Plan Claim, as applicable and as set out in this Schedule, no additional claim shall be provided regarding any other employee benefits or claims in respect of the LUFA Terminated Employee’s prior employment with, or termination from the Applicant, or any amendments to the terms and conditions of employment provided for in the LUFA Term Sheet (inclusive of the Pension Term Sheet dated April 7, 2021 (the “**Pension Term Sheet**”)), including amendments to the LUFA CA or the Registered Pension Plan.
- (o) Any RHBP Claim of a LUFA Terminated Employee shall be as provided for in the RHBP Claim Methodology section herein.
- (p) Any SuRP Claim of a LUFA Terminated Employee shall be as provided for in the SuRP Claim methodology section herein.

- (q) Any Vacation Claim of a LUFA Terminated Employee shall be as provided for in the Vacation Claim Methodology section herein.
- (r) Any Grievance Award Claim shall be as provided for in the Grievance Award Claim Methodology section herein.
- (s) Any Pension Plan Claim shall be zero as provided for in the Pension Plan Claim Methodology section herein.
- (t) Any Employment/Professional/Research Allowances shall be zero as provided for in the Employment/Professional/Research Allowances Methodology section herein.

B. Academic Senior Leaders

- 8. The Termination and Severance Claims of Academic Senior Leaders, who had the right to return or join the faculty upon the termination of their appointment as an Academic Senior Leader (the “**Terminated Academic Senior Leaders**”) shall be calculated in accordance with the LUFA Termination and Severance Methodology above.

Administrative Leave – Terminated Academic Senior Leaders Claim

- 9. Terminated Academic Senior Leaders previously entitled to administrative leave based on the Senior Leaders Terms and Conditions with Laurentian University dated June 21, 2019 shall have an Administrative Leave Claim calculated as:
 - (a) the base salary for the period of their unused accrued academic leave as at April 30, 2021 (the “**Accrued Leave Period**”).
 - (b) the base salary to be utilized for calculating the Administrative Leave Claim shall be the base salary as at April 30, 2021 of the Terminated Academic Senior Leader.
 - (c) Benefits Claim: a claim for loss of Employee Benefits, calculated at the rate of 13.69% of the base salary for the Accrued Leave Period.

C. LUSU

- 10. The Termination and Severance Claims of Terminated Employees who were members of the bargaining unit set out in the collective agreement between LUSU and the Applicant (the “**LUSU CA**”) (the “**LUSU Terminated Employees**”) will be calculated as follows:
 - (a) Pay in lieu of Notice/ Severance Claim: Subject to any cap or other limitations provided for herein, the LUSU Terminated Employee shall be entitled to a Termination and Severance Claim equal to an amount of base salary calculated as follows:
 - (i) 2 months’ notice plus:

- a) in the case of LUSU Terminated Employees with greater than twenty-five (25) years of service, one hundred (100) working days' notice;
- b) in the case of LUSU Terminated Employees with greater than fifteen (15) years of service but less than twenty-five (25) years of service, eighty-eight (88) working days' notice;
- c) in the case of LUSU Terminated Employees with greater than ten (10) years of service but less than fifteen (15) years of service, sixty-six (66) working days' notice;
- d) in the case of LUSU Terminated Employees with greater than five (5) years of service but less than ten (10) years of service, forty-four (44) working days' notice; and
- e) in the case of LUSU Terminated Employees with less than five (5) years of service, twenty-two (22) working days' notice,

in all cases, less any working notice or pay in lieu of notice provided to any LUSU Terminated Employee (the "**LUSU Notice Claim**"); plus

- (ii) 3 months base severance plus 0.5 months severance for each year of service (rounded to nearest whole year), (the "**LUSU Severance Claim**");

(together, the LUSU Notice Claim and LUSU Severance Claim shall be referred to as the "**LUSU Notice and Severance Claim**").

- (b) For purposes of the calculation of the LUSU Notice Claim, working notice shall be calculated for the period from April 12, 2021 to the date of termination.
- (c) For purposes of the calculation of the LUSU Severance Claim, years of service shall be calculated for the period from the continuous service date to the date of termination of such LUSU Terminated Employee plus the LUSU Notice Claim.
- (d) The base salary to be utilized for calculating the LUSU Notice and Severance Claim or any claims arising pursuant to this Termination and Severance Claim Methodology shall be the base salary of such LUSU Terminated Employee as at April 30, 2021.
- (e) LUSU Terminated Employees who gave notice of retirement or resignation prior to April 12, 2021 will have their LUSU Notice and Severance Claim limited to the period from the date of termination to their original planned date of retirement or resignation.
- (f) Recall Rights: To the extent a LUSU Terminated Employee is recalled for a permanent full time position during the CCAA Proceeding prior to the distribution of any amounts pursuant to a Plan, their LUSU Notice and Severance

Claim will be reduced to any base salary from the period from the date of termination to the date of the recall.

- (g) Employee Benefits Claim. The LUSU Terminated Employees shall be entitled to an Employee Benefits Claim calculated at a rate of 17.72% of base salary for the maximum statutory notice period of 8 weeks less working notice. The LUSU Severance Claim shall be based on the base salary of such LUSU Terminated Employee as at April 30, 2021 and such LUSU Terminated Employee shall not be entitled to any other Employee Benefits Claim for the period of the LUSU Severance Claim or any Employee Benefits Claim in respect of any notice claim in excess of the statutory notice period, and/or as a result of their prior employment with or termination from Laurentian.
- (h) Other Employee Claims or Benefits. The calculation provided for in this Termination and Severance Claim Methodology shall constitute the full Termination and Severance Claims of the LUSU Terminated Employees. For clarity, other than any potential RHBP Claim, SuRP Claim, Vacation Pay Claim, or Pension Plan Claim, as applicable and as set out in this Schedule, no additional claim shall be provided regarding any other employee benefits or claims in respect of the LUSU Terminated Employee's prior employment with or termination from the Applicant, or any amendments to terms and conditions provided for in the LUSU Term Sheet (inclusive of the Pension Term Sheet), including amendments to the LUSU CA or the Registered Pension Plan.
- (i) Any RHBP Claim of a LUSU Terminated Employee shall be as provided for in the RHBP Claim Methodology section herein.
- (j) Any SuRP claim of a LUSU Terminated Employee shall be as provided for in the SuRP Claim Methodology section herein.
- (k) Any Vacation Claim of a LUSU Terminated Employee shall be as provided for in the Vacation Claim Methodology section herein.
- (l) Any Pension Plan Claim shall be zero as provided for in the Pension Plan Claim Methodology section herein.

D. LUAPS

11. The Termination and Severance Claims of Terminated Employees who were LUAPS Members (the "**LUAPS Terminated Employees**") will be calculated as follows:
 - (a) Pay in lieu of Notice/ Severance Claim. Subject to any cap or other limitations provided for herein, the LUAPS Terminated Employee shall be entitled to a Termination and Severance Claim equal to an amount of base salary calculated as follows:
 - (i) 6 months' notice less working notice or pay in lieu of (the "**LUAPS Notice Claim**"); plus

- (ii) 3 months base severance plus 0.5 month severance for each year of service (rounded to the nearest whole year), (the “**LUAPS Severance Claim**”)

LUAPS Notice Claim and LUAPS Severance Claim together, (the “**LUAPS Notice and Severance Claim**”).

- (b) For purposes of the calculation of the LUAPS Notice Claim, working notice shall be calculated for the period from April 12, 2021 to the date of termination.
- (c) The base salary to be utilized for calculating the LUAPS Notice and Severance Claim or any claims arising pursuant to this Termination and Severance Claim Methodology shall be the base salary of such LUAPS Terminated Employee as at April 30, 2021.
- (d) LUAPS Terminated Employees who gave notice of retirement or resignation prior to April 12, 2021 will have their LUAPS Notice and Severance Claim limited to the period from the date of termination to their original planned date of retirement or resignation.
- (e) Impact of rehire: To the extent an employee is rehired during the CCAA Proceedings for a permanent full time position prior to the distribution of any amounts pursuant to a Plan, their LUAPS Notice and Severance Claim will be reduced to any base salary from the period from the date of termination to the date of the rehire.
- (f) Employee Benefits Claim. The LUAPS Terminated Employee shall be entitled to an Employee Benefits Claim calculated at a rate of 18.05% of base salary for the maximum statutory notice period of 8 weeks less working notice. The LUAPS Severance Claim and any Notice Claim in excess of the statutory notice period shall be based on only the base salary of such Terminated LUAPS Employee as at April 30, 2021, and the Terminated LUAPS Employees shall not be entitled to any other Employee Benefits Claim for the period of the LUAPS Severance Claim or Employee Benefits Claim in respect of any Notice Claim in excess of the statutory notice period and/or as a result of their prior employment with or termination from the Applicant.
- (g) Other Employee Claims or Benefits. The calculations provided for in this Termination and Severance Claim Methodology shall constitute the full Termination and Severance Claim of the LUAPS Terminated Employee. For clarity, other than any potential RHBP Claim, SuRP Claim, Vacation Claim, or Pension Plan Claim, as applicable and as set out in this Schedule, no additional claim shall be provided regarding any other employee benefits or claims in respect of LUAPS Terminated Employee’s prior employment with or termination from the Applicant or any amendments to the terms and conditions of employment including those set out in the LUAPS Terms and Conditions, the Pension Term Sheet, including amendments to the Registered Pension Plan.

- (h) Any RHBP Claim shall be as provided for in the RHBP Claim Methodology section herein.
- (i) Any SuRP claim shall be as provided for in the SuRP/ISuRP Claim Methodology section herein.
- (j) Any Vacation Claim shall be as provided for in the Vacation Claim Methodology section herein.
- (k) Any Pension Plan Claim shall be zero as provided for in the Pension Plan Claim Methodology section herein.

E. Other Non-Unionized Employees and Executives

12. The Termination and Severance Claims of non-unionized Terminated Employees (other than LUAPS members) who were terminated or received notice of termination after the Filing Date (the “**Non-Unionized Terminated Employees**”) will be calculated in accordance with the Non-Unionized Terminated Employee’s employment agreement with the Applicant, or in the event that no employment agreement exists, in accordance with their common law entitlements or pursuant to the *Employment Standards Act* as outlined herein.
13. The Termination and Severance Claims of Non-Unionized Terminated Employees shall include and be calculated as follows:
 - (a) the amounts provided for in the Non-Unionized Terminated Employee’s employment agreement; or
 - (b) where there is no employment agreement, Termination and Severance Claims will be based on entitlements as assessed in accordance with common law taking into account the age, years of service, compensation and position of the Non-Unionized Terminated Employee

(the “**Non-Unionized Employees Termination and Severance Claim**”)
 - (c) For purposes of the calculation of the Non-Unionized Employees Termination and Severance Claim, working notice shall be calculated for the period from April 12, 2021 to the date of termination.
 - (d) The base salary to be utilized for calculating the Non-Unionized Employees Termination and Severance Claim or any claims arising pursuant to this Termination and Severance Claim Methodology shall be the base salary as at April 30, 2021 of the Non-Unionized Terminated Employee.
 - (e) Employee Benefit Claims. The Non-Unionized Terminated Employee shall be entitled to an Employee Benefits Claim calculated at a rate of 18.05% of base salary for the maximum statutory notice period of 8 weeks less working notice. The Non-Unionized Termination and Severance Claim shall be based on only the

base salary of such Non-Unionized Terminated Employee as at April 30, 2021, and the Non-Unionized Terminated Employees shall not be entitled to any other Employee Benefits Claim for the period of the Non-Unionized Employees Termination and Severance Claim in excess of the statutory notice period and/or as a result of their prior employment with or termination from the Applicant.

- (f) Other Employee Claims or Benefits. The calculations provided for in this Termination and Severance Claim Methodology shall constitute the full entitlement owing to the Non-Unionized Employees. For clarity, other than any potential RHBP Claim, SuRP Claim, Vacation Claim, or Pension Plan Claim, as applicable and as set out in this Schedule, no additional claim shall be provided in respect of any other employee benefits or claims in respect of Non-Unionized Employee's prior employment with or termination from the Applicant, or any amendments to terms and conditions of employment adopted by the Applicant including as set out in the Pension Term Sheet including amendments to the Registered Pension Plan.
- (g) Any Vacation Claim shall be as provided for in the Vacation Claim Methodology section herein.
- (h) Any RHBP Claim shall be as provided for in the RHBP Claim Methodology section herein.
- (i) Any SuRP Claim shall be as provided for in the SuRP Claim Methodology Section herein.
- (j) Any Pension Plan Claim shall be zero as provided for in the Pension Plan Claim Methodology section herein.

F. Active Employees

- 14. As appropriate, the Termination and Severance Claim Methodology will apply to Active Employees or employees who receive notice of termination subsequent to April 12, 2021 in the event that they become Terminated Employees as a result of termination of their employment without just cause, with such modifications to reflect the relevant date of termination, including salary as of the date of termination and working notice period, as applicable.

G. Salary Continuance

- 15. Where a Former Employee was party to a salary continuance or benefit continuance agreement with the Applicant as at the Filing Date, and such salary continuance or benefit continuance was stayed as a result of the CCAA Proceedings, such Former Employee shall be entitled to a Salary and/or Benefit Continuance Claim calculated as:
 - (a) In terms of a claim for salary continuance, the present value calculation of the remaining salary owing to the extent provided for in the salary continuance

agreement discounted at a rate of 4% until the end of the period stated in the agreement.

- (b) In terms of a claim for benefit continuance (including early retirement supplement), the present value calculation of the remaining benefits to the extent provided for in the benefit continuance agreement discounted at a rate of 4% until the end of the period in the agreement and calculated based on the cost to LU of providing the benefit at the commencement of the period.
- (c) For either a Salary and/or Benefit Continuance Claim, only agreements with a remaining term greater than 2 years will be discounted. Agreements with a remaining term of less than 2 years will not be discounted.
- (d) For greater certainty, there shall be no Salary and/or Benefit Continuance Claim in respect of ongoing pension accrual on and after the Filing Date.

Part II – Vacation Claim Methodology

Vacation Claim – Terminated Employees

- 16. The methodology set forth in this Part II (the “**Vacation Claim Methodology**”) shall be utilized to calculate any potential vacation claims (“**Vacation Claims**”) of Terminated Employees.
- 17. Subject to the provisions herein, Terminated Employees shall be entitled to a Vacation Claim calculated as the daily base salary (determined by taking the base salary and dividing by 260) multiplied by the outstanding number of days of vacation that such Terminated Employee has accrued on or before the Filing Date in accordance with the collective agreement, employment agreement, LU terms and conditions or LU vacation policy for such employee, and not otherwise paid for and/or time taken for vacation purposes.
- 18. For LUFA Terminated Employees, the Vacation Claim shall be calculated as follows:
 - (a) no carry forward from the period prior to June 30, 2020 unless prior written approval provided in accordance with the collective agreement and/or Senior Leader Terms and Conditions; and
 - (b) vacation accrued from July 1, 2020 - January 31, 2021, less amounts/time take during this time period.
- 19. For LUSU Terminated Employees, LUAPS Terminated Employees and Non-Unionized Terminated Employees, the Vacation Claim shall be calculated as follows:
 - (a) the vacation entitlement earned in the period from July 1, 2019 to June 30, 2020,
 - (b) plus vacation accrued from July 1, 2020 to January 31, 2021,

- (c) less amounts / time taken subsequent to July 1, 2020.
- 20. The base salary to be utilized for calculating the Vacation Claim shall be the base salary of the Terminated Employee as at April 30, 2021.
- 21. If an Employee resigns or retires after the Filing Date and during the duration of the CCAA Proceedings, any vacation entitlements accruing prior to the Filing Date and owing to the Employee during the CCAA Proceedings shall be dealt with in accordance with this Vacation Claim Methodology.

Post Filing Vacation Pay

- 22. Any vacation pay accrued from and/or payable after the Filing Date to the date of termination (the “**Post CCAA Vacation Period**”) has been paid to Terminated Employees as of July 9, 2021, and as such no Vacation Claim exists for the post filing time period.
- 23. Where it was determined by the Applicant and Monitor that the Terminated Employee, after the Filing Date, used more vacation time than they had accrued during the Post CCAA Vacation Period, the Vacation Claim shall be reduced accordingly by the number of vacation days taken in excess of the vacation entitlement accrued for the Post CCAA Vacation Period.

Part III – RHBP Claim Methodology

- 24. The methodology set forth in this Part III (the “**RHBP Claim Methodology**”) shall be utilized to calculate any Compensation Claims related to the termination of the RHBP (“**RHBP Claims**”).

RHBP Claims – LU Retirees

- 25. LU Retirees or the surviving spouses of LU Retirees who, as of April 30, 2021, had an entitlement to benefits under the RHBP will have a RHBP Claim calculated as follows:

the present value as at April 30, 2021 based on the Maximum Annual Benefit permitted for the Retiree, for i) if the primary member is still living - the greater of the number of years remaining to age 90 or 3 years, or ii) if the primary member is deceased, the remaining benefit term for the surviving spouse being 2 years from the date of death of the primary member, using a discount rate of 4%.

- 26. The Maximum Annual Benefits to be utilized for purposes of the RHBP Claim shall be based upon the current maximum annual benefits as follows, adjusted going forward for an annual increase of 1.7%:

- (a) LUFA Members: \$1,587/\$977 for family plan and single plans, respectively;
- (b) LUSU Members: \$1,373/\$686 for family plan and single plans, respectively;

- (c) LUAPS Members: \$1,587/\$977 for family plan and single plans, respectively;
- (d) Executives Members: \$1,587/\$977 for family plan and single plans, respectively;
- (e) Non-Unionized Employees: \$1,373/\$816 for family plan and single plans, respectively.

27. For greater clarity, LU Retirees do not include retirees of any Third Parties.

RHBP Claims – Terminated Employees

A. LU Terminated Employees

- 28. For LU Terminated Employees who were eligible to receive benefits under the RHBP as of April 30, 2021, as outlined below, the RHBP Claim will be calculated using the same methodology as the LU Retirees using the date of termination as the commencement of their benefit term.
- 29. To be eligible to receive benefits under the RHBP as of April 30, 2021, LU Terminated Employees must have met the following criteria:
 - (a) LU Terminated Employees must have made at least 15 years of contributions to the RHBP; and
 - (b) LU Terminated Employees must be at least 55 years of age as of April 30, 2021.
- 30. For LU Terminated Employees who were not eligible to receive benefits under the RHBP as of April 30, 2021 as outlined above, the RHBP Claim for such LU Terminated Employees will be zero.
- 31. For greater clarity, LU Terminated Employees do not include terminated employees of any Third Parties.

B. Active LU Employees

- 32. For LU Active Employees, who are not LU Terminated Employees or LU Retirees, and were eligible to receive benefits under the RHBP as of April 30, 2021 as outlined below, the RHBP Claim will be calculated using the same methodology as the LU Retirees.
- 33. For greater certainty, to be eligible to receive benefits under the RHBP as of April 30, 2021, LU Active Employees must have met the following criteria:
 - (a) LU Active Employees must have made at least 15 years of contributions to the RHBP; and
 - (b) LU Active Employees must be at least 55 years of age as of April 30, 2021.
- 34. The RHBP Claim for LU Active Employees is based on the assumption that age 65 is the commencement of the benefit term for LUFA Members and Senior Leadership Members

(as defined in the Registered Pension Plan) and that age 62 is the commencement of the benefit term for all other Active Employees.

35. For LU Active Employees who were not eligible to receive benefits under the RHBP as of April 30, 2021 as outlined above, the RHBP Claim for such LU Active Employees will be zero.
36. For greater clarity, LU Active Employees do not include active employees of any Third Parties.
37. Former Employees: for greater certainty there shall be no RHBP Claim in respect of Former Employees other than LU Retirees as set out above.

C. Third Parties

38. The methodology with respect to Third Party RHBP Claims continues to be under discussion among LU and the Third Parties and will be subject to further Order of the Court.

Part IV – SuRP Claim Methodology

39. The methodology set forth in this Part IV (the “**SuRP Claim Methodology**”) shall be utilized to calculate any Compensation Claim related to the termination of the SuRP (“**SuRP Claims**”).

A. Retirees and Former Employees

40. For Retirees who were entitled to receive SuRP benefits under the Laurentian University Supplemental Retirement Plan as at April 30, 2021, the Retiree shall be entitled to a SuRP Claim calculated as follows:

the present value of: (i) the annual payment amount due under the SuRP as determined by Eckler Ltd., Laurentian’s SuRP actuary, in accordance with the terms of the Laurentian University Supplemental Retirement Plan text, and (ii) the number of payment years remaining, calculated using a discount rate consistent with the interest rates (the “Select” and “Ultimate” rates calculated based on the Canadian Institute of Actuaries Standard of Practice for Determining Pension Commuted Values) used by Eckler Ltd. for purposes of converting the Retiree’s pension streams to an immediate lump sum payment as at the individual’s retirement date.

41. For Former Employees who were entitled to a benefit under the Laurentian University Supplemental Retirement Plan as at April 30, 2021, the SuRP Claim will be calculated using the same methodology as the LU Terminated Employees described below.

B. LU Terminated Employees

42. For LU Terminated Employees who were entitled to a benefit under the Laurentian University Supplemental Retirement Plan as at April 30, 2021, the SuRP Claim will be

calculated by Eckler Ltd. on a lump sum basis, based on a settlement date of April 30, 2021. In particular, the SuRP Claim is equal to the difference between the value that would have been paid from the Registered Pension Plan if the income tax limits applicable to registered pension plans did not apply, and what would be actually payable from the Registered Pension Plan. The assumptions used to calculate the value of the SuRP Claim are:

- (i) The member's age at April 30, 2021;
 - (ii) Interest rates used to convert the pension to an immediate lump sum: 1.9% for 10 years; 3.5% thereafter;
 - (iii) Inflation rates used for pension escalation adjustments: 1.1% for 10 years; 2.0% thereafter;
 - (iv) Mortality Table: CPM2014 with generational projection using improvement scale CPM-B (60% male / 40% female);
 - (v) Form of pension: lifetime with 10-year guarantee;
 - (vi) Pension commencement age: 50% probability that pension will commence at the age that maximizes the commuted value; 50% probability that pension will commence at the earliest age at which the member would be entitled to an unreduced lifetime pension;
 - (vii) The maximum registered pension allowed under the *Income Tax Act* is assumed to increase by 2.1% for 10 years; 3.0% thereafter.
43. For greater clarity, this calculation represents the SuRP entitlement that has been earned, if any, as of April 30, 2021 based upon years of service and earnings as of April 30, 2021 utilizing the maximum registered pension plan income tax limit as forecast for the year the LU Terminated Employee attains age 62.

C. Active Employees

44. For Active Employees who were entitled to a benefit under the Laurentian University Supplemental Retirement Plan as of April 30, 2021, the SuRP Claim will be calculated using the same methodology as the LU Terminated Employees.

D. Individual Supplemental Pension Claim Methodology

45. For a Former Employee or Active Employee entitled to a SuRP under the terms of an individual contract of employment (ISuRP), the individual shall be entitled, in addition to any SuRP Claim described above, to a further SuRP claim calculated as follows:
- (a) For a Former Employee, the ISuRP entitlement calculated as at the Former Employee's last day of employment, as determined by Eckler Ltd. in accordance

with the terms and conditions of the individual employment agreement of the Former Employee, plus interest at 1.7% per annum to the Filing Date;

- (b) For an Active Employee, the ISuRP entitlement earned based on earnings and service credited as at April 30, 2021 as determined by Eckler Ltd. in accordance with the terms and conditions of the individual employment agreement of the Active Employee.

Part V – Grievances Award Claim Methodology

- 46. Laurentian and LUFA, with the assistance of the Monitor and Mediator/Arbitrator William Kaplan, have reviewed all Grievances filed by LUFA in respect of any matter that is based in whole or in part on facts existing prior to the Filing Date, related to a time period prior to the Filing Date, or arising as a result of the restructuring of the Applicant prior to the date of this Order, including for greater certainty any grievance related to the Union Restructuring Agreements (“**Pre-Filing Grievances**”).
- 47. All Pre-Filing Grievances have been resolved and/or a process agreed to have the Pre-Filing Grievances determined.
- 48. Where Pre-Filing Grievances have resulted in monetary Claims to be allocated to an individual LUFA Member pursuant to Awards/Settlements as a result of the resolution process set out above, such individual shall have a Grievance Award Claim as awarded / allocated.

Part VI - Section 33 Claims / Other Union Claims / Changes to Future Compensation

- 49. This Compensation Claims Methodology sets out all Compensation Claims arising as a result of the restructuring of the Applicant that may be made by Active Employees, Terminated Employees, Former Employees and Retirees.
- 50. For greater certainty, no further Compensation Claims exist, including but not limited to : (i) claims by the Unions pursuant to section 33 of the CCAA, (ii) any concessions provided/amendments to collective agreements negotiated during the CCAA, or (iii) any changes to policies or terms of employment of any Active Employees, Terminated Employees, Former Employees and Retirees.

Part VII – Pension Plan Claim

- 51. No Compensation Claims exist in respect of amendments made to the Registered Pension Plan for any Person.
- 52. No Compensation Claims exist in respect of the administration of commuted value payments, including the payment of commuted values in installments, under the Registered Pension Plan.

Part VIII - Employment / Professional / Research Allowances

53. Carry-forward, accrued but unused Employment/Professional/Research Allowances as at April 30, 2021 have been reduced to zero in accordance with the LUFA Term Sheet and LU amended policy. For Active Employees, Allowances accruing thereafter may be used during the course of employment in accordance with the LUFA Term Sheet and/or changes to existing terms and conditions of employment. In respect of Active, former or Terminated Employees, or Active Employees terminated during the course of the CCAA Proceedings, no Compensation Claims exist in respect of accrued but unused Employment / Professional / Research Allowances as of April 30, 2021, or in respect of any time period prior to the individual's date of termination.