

**MEMORANDUM OF AGREEMENT
(TRANSFER OF PENSION FUNDS AND RELATED SERVICE)**

BETWEEN: *THE GOVERNMENT OF CANADA*, represented by the
President of the Treasury Board of Canada (**the Minister**),

And

THE UNIVERSITY OF OTTAWA (**the Eligible
Employer**),

EFFECTIVE FEB 21 2006

SECTION 1: PREAMBLES

WHEREAS the *Public Service Superannuation Act* (*the Act*) authorizes the President of the Treasury Board to enter into a pension transfer agreement with an “eligible employer” on terms approved by the Treasury Board; and

WHEREAS the provisions of this Agreement conform with the terms approved by the Treasury Board; and

WHEREAS the Eligible Employer, as administrator of The University of Ottawa Retirement Pension Plan (*the Plan*), is an eligible employer as described in the Act; and

WHEREAS the Plan authorizes the Eligible Employer to enter into a pension transfer agreement with the Government of Canada; and

WHEREAS, by Resolution, the Eligible Employer has authorized the Rector (*designated representative*) to enter into this Agreement,

NOW THEREFORE the parties to this Agreement agree with each other as follows:

SECTION 2: DEFINITIONS

1. Any terms used but not defined in this Agreement have the meaning ascribed to them in the provisions of the Act or the Plan, as applicable. The following definitions shall be used for the purposes of this Agreement:
 - a) “*Account*” means the Superannuation Account or the Public Service Pension Fund as described in the Act, or both, as the case may be;
 - b) “*Act*” means the *Public Service Superannuation Act* and includes the *Public Service Superannuation Regulations*;
 - c) “*commuted value*” means the actuarial present value of the future benefits payable under the Plan;
 - d) “*credited service*” means service as defined under paragraph 7.4 in the Plan. Only credited service that is to the credit of the eligible employee upon terminating employment with the Eligible Employer can be considered for purposes of Section 3 of this Agreement. Where an eligible employee has not completed payment for a period of service upon terminating employment with the Eligible Employer, only the paid-up portion of that period will be counted as credited service, unless he or she completes payment in accordance with Clause 3 of this Agreement;
 - e) “*eligible employee*” means:
 - i) for purposes of Section 3, a person who, being or having been employed with the Eligible Employer and a member under the Plan, ceases or ceased to be so employed, does not receive or has not received any amount as a return of contributions or any other benefit under the Plan in respect of any period of credited service to his or her credit under the Plan upon ceasing to be so employed, is less than age 55, and is employed in the Public Service and a contributor under the Act; and

- ii) for the purposes of Section 4, a person who, being or having been employed in the Public Service and a contributor under the Act, ceases or ceased to be so employed, does not receive or has not received any amount as a return of contributions or any other benefit under the Act in respect of any period of pensionable service to his or her credit under the Act upon so ceasing to be employed, and is employed by the Eligible Employer and a member under the Plan for at least 3 months;
- f) “**Employer Transfer Amount**” means an amount calculated by the Eligible Employer as being equal to the value of:
- For purposes of Section 3, all benefits accrued under the Plan in respect of the service countable as credited service by that employee under the Plan, and payable in cases of termination for reasons other than retirement or death, as provided by the Plan, i.e.: the maximum between A) and B) as follows:
- A) the value of the person’s accrued benefits, together with the excess contributions determined in accordance with the Plan. The value of the benefits shall be calculated using the method and assumptions contained in Appendix C.
- B) 2 times the person’s required contributions with interest, reduced by the contributions refunded by the plan together with interest.
- or
- For purposes of Section 4, all benefits which would have accrued under the Plan in respect of the service countable as pensionable service under the Act had such service been counted as credited service under the Plan. The value of the benefits shall be calculated using the method and assumptions contained in Appendix C.
- Interest from the valuation date to the payment date is credited in accordance to the method and assumptions contained in Appendix C
- g) “**Federal Transfer Amount**” means an amount calculated by the Minister’s Actuary as being equal to the value of all benefits accrued under the Act in respect of the service countable as pensionable service by that employee under the Act, or all benefits which would have accrued under the Act in respect of the service countable as credited service under the Plan had such service been counted as pensionable service under the Act, together with interest from the valuation date to the end of the month preceding the payment date at a rate equal to the rate contained in Appendix D. The value of the benefits shall be calculated using the method and assumptions contained in Appendix D;
- h) “**Fund**” means the Pension Fund as defined in the Plan;
- i) “**pensionable service**” has the same meaning as in the Act. However, only pensionable service that is to the credit of the eligible employee upon terminating employment in the Public Service can be considered for purposes of Section 4 of this Agreement. Where an eligible employee has not completed payment for a period of service upon terminating employment in the Public Service, only the paid-up portion of that period will be counted as pensionable service, unless he or she completes payment in accordance with Clause 15 of this Agreement;
- j) “**Plan**” means The University of Ottawa Retirement Pension Plan;
- k) “**valuation date**” means:
- i) the date on which the Minister receives a copy of Appendix B1 (**Request for Transfer of Service Credits**) from the eligible employee, for purposes of Section 3;

- ii) the date on which the Eligible Employer receives a copy of Appendix B2 (*Request for Transfer of Service Credits*) from the eligible employee, for purposes of Section 4; or
- iii) such later date as is agreed to by the Minister and the Eligible Employer where a payment is to be made more than three months from the payment deadline contained in Clause 7 or Clause 19, as applicable.

SECTION 3: TRANSFERS FROM THE ELIGIBLE EMPLOYER TO THE PUBLIC SERVICE

- 2. To participate under this Agreement, an eligible employee must submit a copy of Appendix A1 (*Request for Transfer Estimate*) to the Eligible Employer while that employee is a contributor under the Act and no later than one year from the effective date of this Agreement, or one year from the date on which a written notice of contributory status is sent to that employee by the Minister, whichever is later. The Minister may extend this period for submitting Appendix A1 where the delay in forwarding the appendix is not due to fault on the part of the employee.
- 3. A person who, at the time Appendix A1 (*Request for Transfer Estimate*) is sent, was making payments to the Eligible Employer for the purchase of past service, has one month from the date of notice from the Eligible Employer to pay the outstanding amount. If part of the outstanding amount is not paid within the time limit, benefits shall be adjusted in accordance with the buy back provisions of the Plan.
- 4. The Eligible Employer shall complete the relevant portions of Appendix A1 and forward it to the Minister within 3 months from receipt of Appendix A1 from the eligible employee.
- 5. The Minister shall complete the relevant portions of Appendix B1 (*Request for Transfer of Service Credits*) and forward it to the eligible employee within 3 months from receipt of Appendix A1 from the Eligible Employer.
- 6. The eligible employee shall complete and sign Part 2 of Appendix B1 and forward it to the Minister within 3 months from the date on which the Minister has forwarded Appendix B1 to the eligible employee. The Minister will advise the Eligible Employer of the eligible employee's decision, and where applicable, advise the Eligible Employer of the Federal Transfer Amount.
- 7. The Eligible Employer will pay or direct that a payment be made into the Account in respect of an eligible employee the lesser of the Employer Transfer Amount or the Federal Transfer Amount. This payment shall be made within 3 months from the date the Minister notifies the Eligible Employer of the Federal Transfer Amount.
- 8.1 Where the amount paid under Clause 7 is equal to the Federal Transfer Amount, the period of credited service countable by the eligible employee under the Plan at the time he or she ceased to be employed by the Eligible Employer, taking into account Clause 3, shall be counted as pensionable service under the Act; and
- 8.2 Where the amount paid under Clause 7 is less than the Federal Transfer Amount, only such portion of that period of credited service under the Plan as is determined in accordance with the provisions of the Act shall be counted as pensionable service under the Act.
- 8.3 Where a division of pension benefit credit has been made in favour of the spouse of an eligible employee, who was a contributor under the Plan, the eligible employee may not count under the Act the portion affected by a division of pension benefit credit in favour of his or her spouse.
- 9. If the amount paid by the Eligible Employer under Clause 7 is less than the return of contributions or the commuted value that would have been calculated in respect of the eligible employee under the Plan, whether or not that employee would otherwise be entitled to that commuted value, the difference shall be payable to the eligible employee in accordance with the provisions of the Plan.
- 10. Where the Minister has received a payment from the Eligible Employer under Clause 7, he or she shall send a notice to the eligible employee advising of the

amount that has been transferred on that employee's behalf and the pensionable service that is countable by that employee under the Act in respect of the transferred amount. Where the amount transferred is less than the Federal Transfer Amount, the notice shall also inform the employee of the outstanding balance and the payment options available should that employee wish to establish the balance of the period not counted under Clause 8.2 as pensionable service under the Act.

11. The employee may elect to count all or part of the period of credited service under the Plan which was not purchased under Clause 8.2 within 6 months from the date the notice described in Clause 10 is sent to the eligible employee by the Minister.
12. If an election is not made by the eligible employee within the six month period described in Clause 11, the employee may make an election at any time prior to ceasing to be a contributor under the Act. In such case, however, the cost of purchasing such service as pensionable service under the Act will be redetermined in accordance with the methodology used to establish the Federal Transfer Amount, using the date on which the election is made as the valuation date.
- 13.1 Where an eligible employee elects to pay for the unpurchased service by instalments, he or she shall undergo and pass a medical examination on the same terms and conditions as those applicable to an election made for a period of service under clause 6(1)(b)(iii)(K) of the Act.

Where the medical examination is not passed, the Minister shall send a notice to the eligible employee advising of the outstanding balance and providing the employee with a period expiring 30 days from the date of that notice to complete payment in full or in part. Additionally, the notice shall explain the consequences of completing or not completing payment in full within the specified period, as contained in Clauses 13.2 and 13.3.

- 13.2 Where payment is made in full by the eligible employee within the 30 day period specified in Clause 13.1, the balance of the period not counted under Clause 8.2 shall be established as pensionable service under the Act.
- 13.3 Where payment is not made in full within the 30 day period specified in Clause 13.1, but the employee requests in writing within that period that all payments made prior to the end of that 30 day period be applied against the cost of the election, only that portion of the balance of the period of service not counted under Clause 8.2 that is equal to the portion purchased by the amount actually paid by that employee, as calculated by the Minister in accordance with the Act, shall be established as pensionable service under the Act.

Otherwise, the election shall be considered null and void and any payments made by the eligible employee shall be returned to that employee, without interest.

SECTION 4: TRANSFERS FROM THE PUBLIC SERVICE TO THE ELIGIBLE EMPLOYER

14. To participate under this Agreement, an eligible employee must submit a copy of Appendix A2 (*Request for Transfer Estimate*) to the Minister while that employee is an active member under the Plan and no later than one year from the effective date of this Agreement or one year from the date on which the first contribution is made by or on behalf of that employee into the Fund, whichever is later. The Eligible Employer may extend this period for submitting Appendix A2 where the delay in forwarding the appendix is not due to fault on the part of the employee.
15. Where an eligible employee, immediately prior to ceasing to be a contributor under the Act, has not fully paid for a period of service that he or she was entitled to count as pensionable service, the Minister shall provide that employee with a written notice of the balance owing in respect of that period of service and the employee may pay all or part of the balance owing within two months of the date that notice is sent.

If the eligible employee remits the entire balance owing within the time provided, the entire period of service will be counted as pensionable service; otherwise, the eligible employee shall be deemed to have to his or her credit only that portion of

the pensionable service that is equal to the portion purchased by the amount actually paid by him or her into the Account, as calculated by the Minister in accordance with the Act.

16. The Minister shall complete the relevant portions of Appendix A2 and forward it to the Eligible Employer within 3 months from receipt of Appendix A2 from the eligible employee.
17. The Eligible Employer shall complete the relevant portions of Appendix B2 (*Request for Transfer of Service Credits*) and forward it to the eligible employee within 3 months from receipt of Appendix A2 from the Minister.
18. The eligible employee shall complete and sign Part 2 of Appendix B2 and forward it to the Eligible Employer within 3 months from the date on which the Eligible Employer has forwarded Appendix B2 to the eligible employee. The Eligible Employer will advise the Minister of the employee's decision and, where applicable, advise the Minister of the Employer Transfer Amount.
19. The Minister will pay or direct that a payment be made into the Fund in respect of an eligible employee the lesser of the Federal Transfer Amount or the Employer Transfer Amount. This payment shall be made within 3 months from the date the Eligible Employer notifies the Minister of the Employer Transfer Amount.
- 20.1 Where the amount paid under Clause 19 is equal to the Employer Transfer Amount, the period of pensionable service countable by the eligible employee under the Act at the time he or she ceased to be employed in the Public Service, taking into account Clause 15, shall be counted as credited service under the Plan; and
- 20.2 Where the amount paid under Clause 19 is less than the Employer Transfer Amount, only such portion of that period of pensionable service under the Act as is determined in accordance with the provisions of the Plan shall be counted as credited service under the Plan.
21. If the amount paid by the Minister under Clause 19 is less than the return of contributions or the transfer value that would have been calculated in respect of the employee under the Act, whether or not that employee would otherwise be entitled to that transfer value, the difference shall be payable to the eligible employee in accordance with the provisions of the Act.
22. Where the Eligible Employer has received a payment from the Minister under Clause 19, he or she shall send a notice to the eligible employee advising that employee of the amount that has been transferred on that employee's behalf and the credited service that is countable by that employee under the Plan in respect of the transferred amount. Where the amount transferred is less than the Employer Transfer Amount, the notice shall also inform the employee of the outstanding amount and the payment options available should that employee wish to count the balance of the period not purchased under Clause 20.2 as credited service under the Plan.
23. The employee may elect to count all or part of the period of credited service under the Act which was not purchased under Clause 20.2 by electing to pay an additional amount directly to the Eligible Employer, in accordance with the terms of the Plan, for all or part of the service not credited. No interest is added if the amount needed to credit this additional service is paid within 6 months of the date a notice to that effect is sent. However, if the amount needed to credit this additional service is paid after the 6 month delay, a new calculation is then performed with an applicable delay of 90 days following the date a new notice to that effect is sent.

The person must then pay or have paid with interest, according to the rates specified in Appendix C in accordance with relevant fiscal legislation all or part of the difference between the Employer Transfer Amount and the amount transferred to his credit.

24. Where a division of pension benefit credit has been made in favour of the spouse of an eligible employee, who was a contributor under the Act, the eligible employee may not count under the Plan the portion affected by a division of pension benefit credit in favour of his or her spouse.

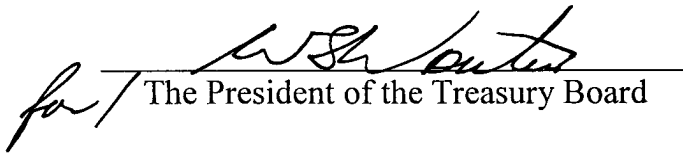
SECTION 5: GENERAL PROVISIONS

25. Nothing in this Agreement shall permit or obligate the Minister or the Eligible Employer to contravene applicable legislation.
26. This Agreement may be amended at any time by an agreement in writing signed by both parties to this Agreement, stating the date upon which the amendment or amendments are effective.
27. The Eligible Employer may amend Appendix C to this Agreement by providing notice in writing to the Minister at least 60 days prior to the effective date of the proposed amendment. The amendment, however, shall not affect any transfer where the eligible employee completes or has completed an Appendix B1 or B2, as applicable, prior to the effective date.
28. The Minister may amend Appendix D to this Agreement by providing notice in writing to the Eligible Employer at least 60 days prior to the effective date of the proposed amendment. The amendment, however, shall not affect any transfer where the eligible employee completes or has completed an Appendix B1 or B2, as applicable, prior to the effective date.
29. Either party to this Agreement may terminate its participation in this Agreement by forwarding a written notice to the other party no less than 90 days prior to the termination date. Notwithstanding the termination of this Agreement, its provisions shall continue to apply to those persons who complete or have completed an Appendix A1 or A2, as applicable, prior to the said termination date, to the extent permitted by and in accordance with the terms of this Agreement as it reads immediately prior to the said termination date.
30. The headings used in this Agreement are for convenience only and are not considered part of this Agreement and do not in any way limit or amplify the terms of this Agreement.
31. It is intended that all provisions of this Agreement shall be fully binding and effective between the parties to this Agreement, but in the event that any particular provision is found to be void, voidable or unenforceable in whole or in part, for any reason whatever, then the provision, as affected, shall be deemed severed from the remainder of this Agreement and all other provisions shall remain in full force.
32. No condition or term of this Agreement may be waived except by the written consent of the parties to this Agreement.
33. This Agreement shall continue to the benefit of and be binding upon the successors and assigns of the parties to this Agreement.

34. The parties to this Agreement agree that this Agreement, including its appendices, constitutes the entire agreement of the parties with regard to the matters with which it deals and that no understandings or agreements, verbal or otherwise, concerning such matters exist between the parties except as expressly set out in this Agreement.
35. A French version of this Agreement is also available upon demand.
36. The effective date of this Agreement shall be the date of signature by the President of the Treasury Board.

ACCORDINGLY, by signing below, the parties to this Agreement signify their acceptance of its provisions.

THE GOVERNMENT OF CANADA


The President of the Treasury Board

FEB 21 2006

Date

THE UNIVERSITY OF OTTAWA


Rector

Feb 1, 2006

Date

**APPENDIX A1
(REQUEST FOR TRANSFER ESTIMATE)**

Re: Transfer from the University of Ottawa to the Government of Canada

**PART I: EMPLOYEE INFORMATION – GOVERNMENT OF CANADA
(To be completed by the Superannuation Sector)**

Employee's Name:
Employee's Date of Birth:
Employee's Superannuation Number:
Name of Department:
Date Employment Commenced:
PSSA Contributor Effective:

Completed by: (Print Name and Title) _____

Signature

Date

PART II: EMPLOYEE'S AUTHORIZATION (To be completed by the Employee)

Employee's name and address:

I hereby authorize the University of Ottawa to release the information necessary to produce a transfer estimate, including my social insurance number.

I understand that completion of this document does not constitute a request for transfer. I am aware that, to become eligible for a transfer of funds under the terms of the pension transfer agreement, I must complete form **APPENDIX B1 (Request for Transfer of Service Credits)** while employed and an active contributor under the *Public Service Superannuation Act* and within the time limits set out in the pension transfer agreement.

Employee's signature: _____ Date: _____

Home Telephone: _____ Business Telephone: _____

Once Part II has been completed, this form should be forwarded to:

University of Ottawa
Human Resources, Pension
Tabaret Hall
550 Cumberland, Room 019
Ottawa, ON K1N 6N5

**PART III: EMPLOYEE INFORMATION – THE UNIVERSITY OF OTTAWA
(To be completed by Human Resources)**

Name of Employer:
Employee's Reference Number:
Date Employment Commenced:
Date of Enrolment in the Plan:
Date Employment Terminated:

Estimated Transfer Amount: \$ _____ Calculated as of: _____ (YY/MM/DD)

Completed by: (Print Name and Title) : _____

Signature

Date

**APPENDIX A2
(REQUEST FOR TRANSFER ESTIMATE)**

Re: Transfer from the Government of Canada to the University of Ottawa

PART I: EMPLOYEE INFORMATION – THE UNIVERSITY OF OTTAWA
(To be completed by Human Resources)

Employee's Name:
Employee's Date of Birth:
Employee's Reference Number:
Name of Employer:
Date Employment Commenced:
Date of Enrolment in the Plan:

Completed by: (Print Name and Title) _____

Signature

Date

PART II: EMPLOYEE'S AUTHORIZATION *(To be completed by the Employee)*

Employee's name and address:

I hereby authorize the President of the Treasury Board to release the information necessary to produce a transfer estimate, including my social insurance number.

I understand that completion of this document does not constitute a request for transfer. I am aware that, to become eligible for a transfer of funds under the terms of the pension transfer agreement, I must complete form **APPENDIX B2 (Request for Transfer of Service Credits)** while employed and an active member under The University of Ottawa Retirement Pension Plan, and within the time limits set out in the pension transfer agreement.

Employee's signature: _____ Date: _____

Home Telephone: _____ Business Telephone: _____

Once Part II has been completed, this form should be forwarded to:

**Public Works and Government Services Canada
Public Service Pension Centre Mail Facility
150 Dion Blvd, O Box 8000
Matane QC G4W 4T6
Att : Pension Transfer Services Section**

PART III: EMPLOYEE INFORMATION – GOVERNMENT OF CANADA
(To be completed by the Superannuation Sector)

Name of Employer:
Employee's Reference Number:
Date Employment Commenced:
PSSA Contributor Effective:
Date Employment Terminated:
Estimated Transfer Amount: \$ _____ Calculated as of: _____ (YY/MM/DD)

Completed by: (Print Name and Title) _____

Signature

Date

**APPENDIX B1
(REQUEST FOR TRANSFER OF SERVICE CREDITS)**

Re: Transfer from the University of Ottawa to the Government of Canada

Employee's Name and Address: <i>(Forwarded via Superannuation Sector)</i>	Employee's Superannuation or Reference Number/S.I.N.: Issue Date: <i>(Date Appendix B1 is forwarded to employee)</i>
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PART 1: (To be completed by the Superannuation Sector)

The amount available for transfer under the pension transfer agreement *is estimated to be sufficient* to provide you with equivalent (credited service) under the *Public Service Superannuation Act (the Act)*:

Estimated transfer amount: _____ Calculated as of: _____ (YY/MM/DD)
 (Credited service) to be established by the transfer amount: _____ (years/days)

or

The amount available for transfer under the pension transfer agreement *is estimated not to be sufficient* to provide you with the equivalent (credited service) under the Plan, but will provide the following:

Estimated transfer amount: _____ Calculated as of: _____ (YY/MM/DD)
 (Credited service) to be established by the transfer amount: _____ (years/days)
 Additional (credited service) that may be purchased: _____ (years/days)
 Approximate cost of the additional (credited service): \$ _____
 Date of termination: _____ (years/days)

Completed by: (Print Name and Title): _____

 Signature Date

Upon completion of your transfer, you will be given the option of purchasing the additional (credited service) not established by the transfer. The actual figures may change due to interest charges.

PART 2: (To be completed by the employee)

I have reviewed the information provided in Part 1 and select the following option with respect to my request to transfer: *(Please indicate the option you wish to select.)*

Option 1: I elect to transfer my accrued pension credits to establish pensionable service under the Public Service Superannuation Act (the Act). I understand that this transfer is subject to the terms and conditions of the agreement made between the above parties, that the monies transferred under the said agreement are subject to the terms and conditions of the Act, and that the transferred amount determined will be in accordance with the provisions of The University of Ottawa Retirement Pension Plan, the Act and the Income Tax Act (Canada), including maximum benefit limit restrictions and prescribed allowable transfer amounts between pension plans. I hereby release and forever discharge the University of Ottawa, its members, officers, employees and agents from all actions, causes of action, claims and demands of whatever kind that I or my heirs, executors, administrators or assigns ever had, now have or can, shall or may have for damage, loss or injury as a result of, or in any way arising out of, my past participation under *The University of Ottawa Retirement Pension Plan* or my decision to transfer my pension credits.

I also understand that once the transfer payment has been made by The University of Ottawa to the Government of Canada, I will cease to be entitled to any benefit under *The University of Ottawa Retirement Pension Plan* in respect of the period of credited service to which the transfer payment relates.

Option 2: I elect **NOT** to proceed with my request for transfer. I understand that my pension benefits with respect to my previous (credited service) will remain under *The University of Ottawa Retirement Pension Plan* and will be paid in accordance with the terms of that plan.

Employee's signature: _____ **Date:** _____

Employee's Home Telephone: _____ **Business Telephone:** _____

NOTE: *(To be completed by the Superannuation Sector)*

THE COMPLETED APPENDIX B2 MUST BE RETURNED BY _____, TO:

**Public Works and Government Services Canada
 Public Service Pension Centre Mail Facility
 150 Dion Blvd, O Box 8000
 Matane QC G4W 4T6
 Att : Pension Transfer Services Section**

APPENDIX B2
(REQUEST FOR TRANSFER OF SERVICE CREDITS)
Re: Transfer from the Government of Canada to The University of Ottawa Pension Plan

Employee's Name and Address: <small>(Forwarded via personnel Office)</small>	Employee's Superannuation or Reference Number/S.I.N.: Issue Date: <small>(Date Appendix B2 is forwarded to employee)</small>
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PART 1: (To be completed by The University of Ottawa's Human Resources)

The amount available for transfer under the pension transfer agreement *is estimated to be sufficient* to provide you with equivalent (credited service) under *The University of Ottawa Retirement Pension Plan (the Plan)*:

Estimated transfer amount: _____ Calculated as of: _____ (YY/MM/DD)

(Credited service) to be established by the transfer amount: (years/days):

or

The amount available for transfer under the pension transfer agreement *is estimated not to be sufficient* to provide you with the equivalent (credited service) under the Plan, but will provide the following:

Estimated transfer amount: _____ Calculated as of: _____ (YY/MM/DD)

(Credited service) to be established by the transfer amount: _____ (years/days)

Additional (credited service) that may be purchased: _____ (years/days)

Approximate cost of the additional (credited service): \$ _____

Date of termination: _____ (years/days)

Completed by: (Print Name and Title): _____

Signature
Date

Upon completion of your transfer, you will be given the option of purchasing the additional (credited service) not established by the transfer. The actual figures may change due to interest charges.

PART 2: (To be completed by the employee)

I have reviewed the information provided in Part 1 and select the following option with respect to my request to transfer:
(Please indicate the option you wish to select.)

Option 1: I elect to transfer my accrued pension credits to establish credited service under The University of Ottawa Retirement Pension Plan (the Plan). I understand that this transfer is subject to the terms and conditions of the agreement made between the above parties, that the monies transferred under the said agreement are subject to the terms and conditions of the Plan, and that the transferred amount determined will be in accordance with the provisions of the Public Service Superannuation Act, the Plan and the Income Tax Act (Canada), including maximum benefit limit restrictions and prescribed allowable transfer amounts between pension plans. I hereby release and forever discharge the Government of Canada, its members, officers, employees and agents from all actions, causes of action, claims and demands of whatever kind that I or my heirs, executors, administrators or assigns ever had, now have or can, shall or may have for damage, loss or injury as a result of, or in any way arising out of, my past participation under the PSSA or my decision to transfer my pension credits.

I also understand that once the transfer payment has been made by the Government of Canada to the University of Ottawa, I will, pursuant to subsection 40.2(6) of the Public Service Superannuation Act, cease to be entitled to any benefit under that Act in respect of the period of pensionable service to which the transfer payment relates.

Option 2: I elect NOT to proceed with my request for transfer. I understand that my pension benefits with respect to my previous pensionable service will remain under the *Public Service Superannuation Act* and will be paid in accordance with the terms of that Act.

Employee's signature: _____ **Date:** _____

Employee's Home Telephone: _____ **Business Telephone:** _____

NOTE: (To be completed by The University of Ottawa's Human Resources)

THE COMPLETED APPENDIX B2 MUST BE RETURNED BY _____, TO:

University of Ottawa
 Human Resources, Pension Section
 Tabaret Hall – Room 019
 550 Cumberland Street
 Ottawa, Ontario K1N 6N5

APPENDIX C

METHODS AND ACTUARIAL ASSUMPTIONS USED BY THE UNIVERSITY OF OTTAWA

I. METHOD

As applicable to determine the actuarial value of benefits payable in case of termination, for a reason other than retirement or death. The actuarial value is calculated in accordance with the *Standard of Practice for Determining Pension Commuted Values* of the Canadian Institute of Actuaries.

II. ASSUMPTIONS

As applicable to determine the value of benefits payable in case of termination other than retirement or death.

- 1) Mortality: UP-94, projected up to 2015 according to projection scale AA, weighted at 80% male and 20% female.
- 2) Annual interest rate: In accordance with the *Standard of Practice for Determining Pension Commuted Values* of the Canadian Institute of Actuaries.
- 3) Annual rate of increase of the pensions index: In accordance with the Plan and the underlying inflation rate obtained from the *Standard of Practice for Determining Pension Commuted Values* of the Canadian Institute of Actuaries.
- 4) Annual rate of increase of the defined benefit limit: Inflation rate in accordance with the *Standard of Practice for Determining Pension Commuted Values* of the Canadian Institute of Actuaries, plus 1%.
- 5) Annual rate of increase of the salary scale: N/A
- 6) Withdrawal rate: N/A
- 7) Disability rate: N/A
- 8) Proportion of participants with a spouse at the time of their death: 80%
- 9) Age of spouse: spouse is 2 years younger than the member if the latter is male and 2 years older if the latter is female.
- 10) Age at retirement: 60 years old or Factor 90 if earlier.

III. INTEREST RATES

The actuarial value of benefits is credited with the select interest rate used for its calculation. The contributions are credited at the rate credited by the plan on required contributions.

Interest is credited from the valuation date up to the payment date. The actuarial value is calculated at termination date. If the transfer is not completed by January 1st following the actuarial value calculation, the accrued benefit is increased in accordance with the pensions index and the actuarial value is recalculated as of January 1st.

APPENDIX D

METHODS AND ACTUARIAL ASSUMPTIONS USED BY THE GOVERNMENT OF CANADA

The Government of Canada will use the actuarial assumptions contained in the Actuarial Report on the Pension Plan for the Public Service of Canada (*Public Service Superannuation Act*) as at the most recent date of tabling of the report (the Actuarial Report), except for and/or as noted in the following:

1. the rate of interest shall be 7.0 % per annum.
2. the rate of increase in the Consumer Price Index shall be 2.7 % per annum.
- 3(a) for the purposes of Clause 7, the rate of increase in salaries shall be 3.6% per annum, plus the seniority and promotional increases contained in the Actuarial Report.
- 3(b) for the purposes of Clause 19, the rate of increase in salary shall be 3.6% per annum, plus the seniority and promotional increases contained in the Actuarial Report, except as noted in 3(c) below.
- 3(c) for the purpose of Clause 19, in the case of a person who becomes a member under the Plan more than 2 years from the date of ceasing to be employed in the Public Service, or where this agreement is not signed within 2 years of the date of so ceasing to be employed, the rate of increase in salary shall be equal to the rate of increase in the Average Industrial Wage from time to time until the first of the month in which the eligible employee becomes a member under the Plan or the first of the month in which the agreement is signed, as the case may be, and 3.6% per annum plus the seniority and promotional increases contained in the Actuarial Report thereafter.
- 3(d) for the purpose of Clauses 7 and 19, the rate of increase in the Year's Maximum Pensionable Earnings and the Maximum Pensionable Earnings shall be 3.8% per annum.

Method of Evaluation of Liability

The projected accrued benefit actuarial cost method (projected unit credit method), will be used to evaluate the actuarial liability. Under this method, the actuarial liability in respect of a given year corresponds to the actuarial value of all future benefits considered to accrue in respect of that year, with pensionable earnings projected to retirement. The initial salary used for purposes of Clause 7 will be the salary authorized to be paid to the eligible employee on the most recent occasion of becoming a contributor under the *Public Service Superannuation Act* or on the date the agreement is signed, as the case may be, and for the purposes of Clause 19, the salary upon ceasing to be a contributor under the *Public Service Superannuation Act*.

Interest rate for the update of the federal transfer amount

The interest rate to be used in establishing the interest payable for the period between the valuation date and the end of the month preceding the payment date for purposes of the **federal transfer amount** defined in this agreement shall be 7.0% per annum.

Amendment to Assumptions

Each time a new Actuarial Report is laid before Parliament in accordance with the Public Pensions Reporting Act, the assumptions contained in that new report, other than those noted in paragraphs 1, 2 and 3 above, will be used effective the 1st day of the second month following the tabling of that report. The amendment, however, shall not affect any transfer in respect of which a Request for Transfer has been signed prior to the effective date.