

SPECIAL FORCES PENSION PLAN

AMENDMENT NO. 4

1. The Plan is amended, effective April 1, 2020, as follows:

(a) Section 2.69 is deleted and replaced with the following:

“2.69 ***Vesting Date*** means, in relation to a Member, the earliest of:

- (1) prior to April 1, 2020, the date the Member has accumulated five (5) years of Pensionable Service; or
- (2) on and after April 1, 2020, if the Member is an Active Member on or after that date, the date the Member has accumulated two (2) years of Pensionable Service; and
- (3) the date the Active Member attains the age of 65 years or the date the Active Member joins the Plan if older than age 65 at the time participation in the Plan commences,

where, for the purposes of Subsection 2.69(1) and 2.69(2), when determining a Member’s Benefit under Sections 10.02, 10.06, or 11.02, or Subsections 11.03(1) or 11.03(3), Pensionable Service considered for the Vesting Date shall exclude all periods of service purchased with Refundable Contributions.”

(b) Section 11.02 is deleted and replaced with the following:

“11.02 Non-Vested Death Benefits before Pension Commencement

(1) Death with No Pension Partner

Subject to Subsection 11.04(1), if a Member dies before the Member’s Vesting Date and, at the date of death, the deceased Member either had:

- (a) no Pension Partner; or
- (b) a Pension Partner but there is a Valid Pension Partner Waiver,

then the Beneficiary shall receive a lump-sum cash payment, less applicable withholding tax, equal to (c) plus (d) plus (e) where:

- (c) equals, the Member Contributions with Credited Interest;
- (d) equals, the Member’s Additional Contributions with Credited Interest; and
- (e) equals, the Member’s Refundable Contributions.

(2) Death with a Pension Partner

- (a) Where a Member dies before the Member’s Vesting Date, and the Member had a

Pension Partner at the date of death, provided there is no Valid Pension Partner Waiver, the Member's Pension Partner is entitled to an amount equal to (i) plus (ii) plus (iii) where:

(i) equals, in respect of Pensionable Service after December 31, 1991, (A) plus (B), where:

(A) equals, the Member Contributions with Credited Interest; and

(B) equals, the Member's Refundable Contributions;

(ii) equals, in respect of Pensionable Service before January 1, 1992:

(C) if the Member died while an Employee, the sum of:

I two times the Member Contributions with Credited Interest;

II the Member's Refundable Contributions;

III the lesser of:

a. the part of a sum transferred into the Plan under a Reciprocal Transfer Agreement that is recognized as the Member's Refundable Contributions, and

b. the total sum transferred into the Plan with Credited Interest under the Reciprocal Transfer Agreement less the Member's Refundable Contributions with respect to the Reciprocal Transfer Agreement; and

IV the Member's Refundable Contributions related to Prior Service that was previously considered Current Service in the Plan.

(D) if the Member died while not an Employee, the Member Contributions with Credited Interest plus the Member's Refundable Contributions; and

(iii) equals, the Member's Additional Contributions with Credited Interest.

(b) A Pension Partner who is entitled to a payment from the Plan under paragraph (a) shall have the option of receiving the payment as:

(i) a lump-sum cash payment, less applicable withholding tax;

(ii) a transfer to the Pension Partner's registered retirement savings plan; or

(iii) a transfer to another registered pension plan willing to accept the transfer, subject to the requirements under the Income Tax Act."

(c) Section 11.03 is deleted and replaced with the following:

“11.03 Vested Death Benefits before Pension Commencement

(1) Death with No Pension Partner

Subject to Subsection 11.04(1), if a Member dies on or after the Member’s Vesting Date and before the Member’s Pension Commencement Date, and, at the date of death, the deceased Member had either:

- (a) no Pension Partner; or
- (b) a Pension Partner but there is a Valid Pension Partner Waiver,

then the Member’s Beneficiary shall receive a lump-sum cash payment, less applicable withholding tax, equal to the sum of (c) plus (d) plus (e) where:

- (c) equals, in respect of Pensionable Service after December 31, 1991:
 - (i) the Commuted Value of the Member’s Vested Benefit; and
 - (ii) the Member’s Excess Employee Contributions;
- (d) equals, in respect of Pensionable Service before January 1, 1992, the Member Contributions with Credited Interest; and
- (e) equals, the Member’s Refundable Contributions.

(2) Death with a Pension Partner

- (a) Subject to Subsection 11.04(2), if a Member dies on or after the Member’s Vesting Date and before the Member’s Pension Commencement Date, and the deceased Member had a Pension Partner at the date of death, and there is no Valid Pension Partner Waiver, then the Pension Partner shall be entitled to elect an annual lifetime pension equal to:

- (i) in respect of Pensionable Service after December 31, 1991, the pension the Member would have received had the Member Terminated immediately prior to death, as it incorporates Subsection 13.02(1), and elected the joint life option under Subsection 9.03(4), and will be the Actuarial Equivalent of the pension that would be payable as outlined in Subsection 9.02(1). Such annual lifetime pension shall be deemed to have commenced on the day immediately following the Member’s date of death, and shall be payable in equal monthly instalments during the Pension Partner’s lifetime with the guaranteed period elected by the Pension Partner being:

- (A) single life only;

- (B) a guaranteed period of 60 months;
- (C) a guaranteed period of 120 months; or
- (D) a guaranteed period of 180 months.

The resulting pension will be the Actuarial Equivalent of the pension payable as outlined in Subsection 11.03(2)(a)(i)(B). The last payment will occur in the later of the month in which the death of the Pension Partner occurs or the end of the selected guarantee period, if any. If the Pension Partner has chosen a guaranteed period of pension payments and dies before the selected guaranteed period has expired, any remaining payments shall continue to be paid to the Pension Partner's beneficiary.

If the Commuted Value of the pension described under this Subsection 11.03(2)(a)(i) is less than (E) plus (F), where:

- (E) equals, the Commuted Value described under Subsection 11.03(3)(a)(i), and
- (F) equals, in respect of Pensionable Service after December 31, 1991, the Member's Refundable Contributions,

the pension described under this Subsection 11.03(2)(a)(i) shall be increased such that its Commuted Value is equal to (E) plus (F); and

- (ii) in respect of Pensionable Service before January 1, 1992, the pension that would be payable to the Pension Partner as outlined in Subsection 9.02(2) and calculated in accordance with Section 9.01. The amount of this pension will be paid in the same form as elected by the Pension Partner under Subsection 11.03(2)(a)(i) and will be the Actuarial Equivalent of the pension that would be payable to the Pension Partner as outlined in Subsection 9.02(2).
- (b) In addition to the amounts described in paragraph (a), the Pension Partner shall also be entitled to a payment equal to the amount, if any, by which the Member Contributions with Credited Interest, in respect of Pensionable Service after December 31, 1991, exceeds the Commuted Value of the pension payable to the Pension Partner under Subsection 11.03(2)(a)(i). For the purposes of this Subsection 11.03(2)(b), the Commuted Value excludes any periods of Pensionable Service that were purchased with Refundable Contributions. The Pension Partner shall have the option of receiving the payment as:
 - (i) a lump-sum cash payment, less applicable withholding tax;

- (ii) a transfer to the Pension Partner's registered retirement savings plan; or
- (iii) a transfer to another registered pension plan willing to accept the transfer, subject to the requirements under the Income Tax Act.

(3) Subject to the Member's Vesting Date, in lieu of the monthly pension under paragraph 11.03(2)(a), the surviving Pension Partner may elect an amount equal to (a) plus (b) where:

- (a) equals, in respect of Pensionable Service after December 31, 1991,
 - (i) the Commuted Value of the Member's Vested Benefit. This shall be transferred from the Plan to a locked-in retirement account, as defined under the EPPA, or to another registered pension plan willing to accept the transfer, subject to the requirements under the Income Tax Act;
 - (ii) the Member's Excess Employee Contributions; and
 - (iii) the Member's Refundable Contributions.
- (b) equals, in respect of Pensionable Service before January 1, 1992, the sum of:
 - (i) two times the Member Contributions with Credited Interest;
 - (ii) the Member's Refundable Contributions;
 - (iii) the lesser of:
 - (A) the part of a sum transferred into the Plan under a Reciprocal Transfer Agreement that is recognized as the Member's Refundable Contributions; and
 - (B) the total sum transferred into the Plan with Credited Interest under the Reciprocal Transfer Agreement less the Member's Refundable Contributions with respect to the Reciprocal Transfer Agreement; and
 - (iv) the Member's Refundable Contributions related to Prior Service that was previously considered Current Service in the Plan.

A Pension Partner who is entitled to a payment from the Plan under subparagraphs (a)(ii) and (a)(iii) and paragraph (b) shall have the option of receiving the payment as:

- (c) a lump-sum cash payment, less applicable withholding tax;
- (d) a transfer to the Pension Partner's registered retirement savings plan; or
- (e) a transfer to another registered pension plan willing to accept the transfer,

subject to the requirements under the Income Tax Act.”

(d) Paragraph 11.04(1)(a) is deleted and replaced with the following:

“(a) Notwithstanding Subsections 11.02(1) and 11.03(1), if the Member dies before the Member’s Pension Commencement Date and, at the date of death, the Member did not have a Pension Partner, or there is a Valid Pension Partner Waiver, but has Dependent Minor Children and the Member:

(i) had attained the Member’s Vesting Date; or

(ii) died while an Employee but had not reached the applicable Vesting Date,

subject to the election of the legal guardian of the Dependent Minor Children, in lieu of the Benefit provided in Subsections 11.02(1) or 11.03(1) in respect of Pensionable Service before January 1, 1992, as applicable, the Benefit can be paid as a pension.”

(e) Paragraph 11.04(1)(b) is deleted and replaced with the following:

“(b) The optional pension outlined in paragraph (a) above shall be 15% of the pension, in respect of Pensionable Service before January 1, 1992, that the Member would have received had the Member commenced to receive a pension immediately before the Member’s death for the benefit of each Dependent Minor Child, payable in respect of no more than four (4) Dependent Minor Children.”

(f) Paragraph 11.04(1)(e) is deleted and replaced with the following:

“(e) If at the date of death, a Member dies with no Pension Partner, or there is a Valid Pension Partner Waiver, but the criteria set out in paragraph 11.04(1)(a) do not apply, then the Member’s Dependent Minor Children are entitled to receive, in respect of Pensionable Service before January 1, 1992, a lump-sum cash payment equal to (i) plus (ii) plus (iii) where:

(i) equals, the Member Contributions with Credited Interest;

(ii) equals, the Member’s Additional Contributions with Credited Interest; and

(iii) equals, the Member’s Refundable Contributions.”

(g) Paragraph 11.04(2)(a) is deleted and replaced with the following:

“(a) Notwithstanding Subsection 11.03(2), if the Member dies before the Member’s Pension Commencement Date and, at the date of death, the Member had a Pension Partner, and there is no Valid Pension Partner Waiver, but has Dependent Minor Children and the Member reached the Member’s Vesting Date, the surviving Pension Partner may elect, in respect of Pensionable Service prior to January 1, 1992, the pension that would be payable to the Pension Partner as outlined in Subsection 11.03(2)(ii) and an additional amount of 10% of the pension the Member would have received had the Member commenced to receive a pension immediately before the

Member's death for the benefit of each Dependent Minor Child, payable in respect of no more than three (3) Dependent Minor Children."

(h) Paragraph 11.07(2)(b) is deleted and replaced with the following:

"(b) a lump-sum cash payment, less applicable withholding tax, in respect of Pensionable Service after December 31, 1991."

(i) Section 11.08 is deleted and replaced with the following:

"11.08 Failure to Make Election

If the Pension Partner, the legal guardian of the Dependent Minor Child, or the Beneficiary fails to make an election within 90 days of being advised of the entitlement under this Section, the payment shall be made in accordance with the default provisions in the administrative policy established by the Administrator."

(j) Section 11.09 is deleted and replaced with the following:

"11.09 Intentionally Deleted"

(k) Section 11.10 is deleted and replaced with the following:

"11.10 Death Benefit to Pension Partner's Beneficiary

(1) If a death Benefit under Section 11 is payable and the Member had a Pension Partner at the date of death and there is no Valid Pension Partner Waiver, and the Pension Partner dies without having elected an option under this Section and prior to the Pension Commencement Date, the lump-sum death Benefit under this Section 11 shall be payable to the Pension Partner's beneficiary or, if there is no such person living, the Pension Partner's estate, in the form of a lump-sum cash payment, less applicable withholding tax.

(2) If a death Benefit under Section 11 is payable and there is no Pension Partner or there is a Valid Pension Partner Waiver, and the Beneficiary dies without having elected an option under this Section and prior to the payment of a Benefit, the lump-sum death Benefit under this Section 11 shall be payable to the Beneficiary's estate in the form of a lump-sum cash payment, less applicable withholding tax."