


# **TAB D**

This is Exhibit "D" to the  
Affidavit of JOHN E. MAGUIRE  
sworn before me this 11th day of February, 2010.

  
Commissioner for Taking Affidavits

JANICE AUDREY ANDERSON  
A NOTARY PUBLIC  
IN AND FOR THE PROVINCE OF MANITOBA,  
APPOINTMENT EXPIRES MAY 14, 2010.

**GLOBAL COMMUNICATIONS LIMITED  
RETIREMENT PLAN FOR  
CH EMPLOYEES**

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**EFFECTIVE OCTOBER 6, 1959**

**(Working consolidation)**

**Prepared: November 2001**

**Canada Customs and Revenue Agency Registration No.: 0281816  
Office of the Superintendent of Financial Institutions Registration No.: 55224**

**N.B.: This Working Consolidation incorporates:**

The Plan Text effective January 1, 1987, adopted on or about September 1992.  
Amendment No. 1 effective January 1, 1992, adopted on or about December 1993.  
Amendment No. 2 effective May 16, 1994, adopted on or about December 1994.  
Amendment No. 3 effective May 16, 1994, adopted on or about July 1995.  
Amendment No. 4 effective December 1, 1995, adopted on or about January 1996.  
Amendment No. 5 effective March 1, 1996, adopted on or about May 1996.  
Amendment No. 6 effective January 1, 1992, adopted on or about March 1998.  
Amendment No. 7 effective May 16, 1994, adopted on or about March 1998.  
Amendment No. 8 effective April 1, 1997, adopted on or about March 1998.  
Amendment No. 9 effective April 1, 1997, adopted on or about October 1998.  
Amendment No. 10 various effective dates, adopted on or about March 2001.  
Amendment No. 11 effective September 1, 2000, adopted on or about June 2001.

## TABLE OF CONTENTS

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Section	Page
PREFACE HISTORY OF THE PLAN .....	1
1. DEFINITIONS .....	3
2. ELIGIBILITY FOR MEMBERSHIP .....	16
3. CONTRIBUTIONS .....	19
4. PENSION FUND .....	22
5. RETIREMENT .....	23
6. AMOUNT OF RETIREMENT INCOME .....	25
7. NORMAL AND OPTIONAL RETIREMENT INCOME SETTLEMENTS .....	32
8. BENEFITS ON DEATH .....	36
9. BENEFITS PAYABLE ON TERMINATION OF EMPLOYMENT .....	41
10. DISABILITY ACCRUAL .....	47
11. ADMINISTRATION OF THE PLAN .....	49
12. GENERAL PROVISIONS .....	50
13. FUTURE OF THE PLAN .....	53
14. DISCLOSURE .....	55
15. FLEXI-PENSION BENEFITS .....	56

## PREFACE -- HISTORY OF THE PLAN

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Niagara Television Limited established a Retirement Plan for regular full-time employees, effective October 6, 1959 under a Deposit Administration Contract No. 7257 GP issued by The Great-West Life Assurance Company. A Supplemental Agreement No. 10785 GP was annexed to the original contract as a facility for receiving employee voluntary contributions for the purchase of additional retirement income benefits.

Effective January 1, 1966 all provisions and schedules of the original contract were deleted and replaced by a New Money Deposit Administration Contract to which the total accumulated funds were transferred and contributions both by employees and the Company continued to be deposited to this contract.

On January 1, 1969, Niagara Television Limited was acquired by Selkirk Holdings Limited as a wholly-owned subsidiary. The Niagara Television Limited Retirement Plan continued as a separately registered pension plan.

Effective January 1, 1971 The Great-West Life Assurance Company Deposit Administration Contract No. 7257 GP was further amended and expanded to allow for investment of future deposits and reinvestment of accumulated funds in the Segregated Property and Pooled Investment Funds managed by the underwriter.

The Plan was last restated in its entirety in March 1973 with effect from January 1, 1971. The Plan was named the Consolidated Retirement Plan for Employees of Niagara Television Limited and Subsidiary and Associated Companies. From that date until December 31, 1989 there have been seven amendments to the Plan.

In March 1973, Niagara Television Limited established a trust with National Trust Company, Limited as trustee to hold the invested assets and contributions to the Plan. Since that time various investment managers have managed the investments of the trust fund.

In January 1983, with National Trust Company as trustee, Selkirk Communications Limited, the successor Company to Selkirk Holdings Limited, created a Master Trust Fund and the assets of the Niagara Television trust fund were co-mingled in the Selkirk Master Trust Fund. Following the purchase of Selkirk Communications Limited, including Niagara Television Limited, by Maclean Hunter Limited at January 1, 1989, the Master Trust Agreement was assigned to Maclean Hunter Limited.

## HISTORY OF THE PLAN (cont'd)

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The Plan was amended and restated effective January 1, 1987 to incorporate amendments to such date. The terms of the Plan as restated applied only to Members who retired, terminated employment, or died on or after January 1, 1987. The benefits of Members who retired, terminated employment, or died prior to January 1, 1987 were determined by the terms of the Plan in effect at the relevant date.<sup>1</sup>

Effective January 1993, Niagara Television Limited was purchased from MacLean Hunter Limited by WIC Western International Communications Ltd. As a result of this purchase, the assets of the Niagara Television trust fund were removed from the Selkirk Master Trust Fund and transferred to and co-mingled with the WIC Master Trust Fund.

Since January 1, 1987 there have been numerous amendments to the Plan dealing with wide ranging issues such as compliance with changes to the *Income Tax Act* and *Regulations* and the *Pension Benefits Standards Act, 1985* and *Regulations* and benefit upgrades/improvements. Furthermore, the Plan was amended effective April 1, 1997 to add a Flexi-Pension Benefits provision in order to provide members with additional contribution opportunity under the Plan. The working consolidation was adopted in March 2000 to ease the administration of the Plan as a result of the numerous amendments since the last restatement.

The Plan as amended from time to time is subject to continued registration thereof under the *Income Tax Act (Canada)* and the *Pension Benefits Standards Act, 1985*. Continued registration thereof is required to establish the eligibility of Company contributions to the Plan thus entitling the Company to deduct the amount of its contributions as expenses before taxes. The Plan is intended to conform with the aforementioned applicable legislation and no conflict therewith shall be deemed to invalidate the Plan or any part thereof but the Plan shall be deemed to be amended to conform with such applicable legislation.

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<sup>1</sup> In order to make technical changes and to reflect current administrative practices, amended (#10) effective January 1, 1999. Two paragraphs were deleted and four were added; the previous wording was:

The Plan is hereby amended and restated effective January 1, 1987 to incorporate amendments to date. Unless expressly provided to the contrary, the terms of the Plan as restated apply to Members who retire, terminate employment or die on and after January 1, 1987. The benefits of Members who retired, terminated employment or died prior to January 1, 1987 are determined by the terms of the Plan in effect at the relevant date.

The Plan as amended from time to time is subject to the continued registration thereof by (i) the relevant tax authorities as is necessary to establish that the Company is entitled to deduct the amount of its payments as expenses before taxes under the provisions of the *Income Tax Act* or any other applicable tax laws, and (ii) the Office of the Superintendent of Financial Institutions and pursuant to any other applicable legislation, as is now in effect as amended from time to time or may hereafter be enacted. The Plan is intended to conform to the *Pension Benefits Standards Act, 1985* and *Regulations* and no conflict therewith shall be deemed to invalidate the Plan or any part thereof but that the Plan shall be deemed to be amended to conform to the *Pension Benefits Standards Act, 1985* and *Regulations*.

## SECTION 1 -- DEFINITIONS

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In this Plan text, except where the context necessarily requires otherwise, the following words and phrases have the respective meanings shown below:

- 1.1 **"Active Member"** means a Member who is not an Inactive Member and who has not commenced to receive benefits, retired from, or terminated employment with the Company as of the date the determination is required. <sup>2</sup>
- 1.1A **"Actuarial(ly) Equivalent"** means an actuarially equal value computed at the rate of interest and using the actuarial tables last adopted for the actuarial valuation on a going-concern funding basis by the Actuary for the purposes of the Plan, or in so far as is applicable in the case of any pension payable by an Insurance Company under one of the contracts, means an actuarially equal value computed on the basis of the actuarial tables in force at the relevant time under the respective annuity contract for the purposes of the Plan. <sup>3</sup>
- 1.2 **"Actuary"** means the person retained by, but independent of, the Company and qualified through Fellowship of the Canadian Institute of Actuaries. <sup>4</sup>
- 1.3 **"Beneficiary"**, means a person or persons designated in writing by a Member pursuant to Section 8.5 to receive benefits on the death of the Member. If no Beneficiary is designated or no Beneficiary so designated survives the Member, the term "Beneficiary" means the estate of the Member.

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<sup>2</sup> A distinction was required between active and inactive members in order to properly allocate surplus under Amendment #8. Accordingly, this definition was added effective April 1, 1997.

<sup>3</sup> In order to eliminate the fluctuation in optional form pensions, this section was amended (#8) effective March 20, 1998 to renumber and replace the previous definition with a new one. Previous wording was as follows:

1.1 **"Actuarial Equivalent"** means an actuarially equal value computed at the rate of interest and using the actuarial tables last adopted by the Company on the recommendation of the Actuary for the purposes of the Plan or, in so far as is applicable in the case of any pension payable by an Insurance Company under one of the contracts, means an actuarially equal value computed on the basis of the actuarial tables in force at the relevant time under the respective annuity contract for the purposes of the Plan.

<sup>4</sup> In order to comply with changes to the *Income Tax Act (Canada)* and *Regulations*; amended (#1) effective January 1, 1992. Previous wording was as follows:

1.2 **"Actuary"** means the actuary or firm of actuaries retained by, but independent of, the Company and qualified through fellowship of the Canadian Institute of Actuaries.

## DEFINITIONS (cont'd)

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- 1.4 "Board of Directors" means the Board of Directors of Global Communications Limited.<sup>5</sup>
- 1.4A "Bridge Benefit" means the temporary retirement income payable to a Member from his/her retirement date to the first day of the month prior to the Member's sixty-fifth (65th) birthday pursuant to Section 6.3.<sup>6</sup>
- 1.4B "Bridging Benefit Enhancement" means an additional temporary pension payable from the Member's early retirement date to the first day of the month prior to the Member's normal retirement date in an amount which when combined with the Bridge Benefit payable pursuant to Section 6.3 shall not exceed the allowable portion of the Government Benefits and subject to a reduction of one quarter of one percent (0.25%) for each complete month by which the Member's early retirement date precedes the first day of the month coincident of next following the Member's sixtieth (60<sup>th</sup>) birthday. The allowable portion of the Government Benefits shall be one hundred percent (100%) if the Member has ten (10) or more years of Continuous Service and shall be proportionally reduced for any lesser period of Continuous Service. Notwithstanding the above, the sum of the Bridging Benefit Enhancement and the Bridge Benefit, recognizing the actual amount of lifetime retirement income payable from the Plan, shall not exceed the maximum permissible in accordance with *Income Tax Regulation 8504(5)*.<sup>6</sup>
- 1.4C "Canada Pension Plan Benefit" means the maximum annual retirement income that would be payable from age sixty-five (65) to the Member pursuant to the Canada Pension Plan and/or such other legislation of a comparable nature as may be applicable from time to time, multiplied by the ratio, not exceeding one (1), that the total of the Member's Earnings for the three (3) calendar years in which the Earnings are the highest bears to the total of the YMPE for those three (3) calendar years. Where the Member's Continuous Service is less than three (3) years, the ratio shall be the total of the Member's Earnings with the Company divided by the YMPE for such period subject to a maximum ratio of one (1).<sup>6</sup>

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<sup>5</sup> First amended in order to address the change in the plan sponsor's corporate name, amended (#10) effective November 12, 1998 to replace the phrase "Niagara Television Limited" with "ONtv Limited".

Next amended in order to address the change in plan sponsor, amended (#11) effective September 1, 2000 to replace the phrase "ONtv Limited" with "Global Communications Limited".

<sup>6</sup> Amended (#8) effective April 1, 1997 to allow for Flexi-Pension Benefits.



## DEFINITIONS (cont'd)

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1.5 "Commuted Value" means the lump sum present value of a Member's retirement income settlement, including other benefits related to it under the Plan, calculated as of the date at which a determination is required according to the regulations under the Pension Benefits Standards Act. The Commuted Value of a Member's retirement income settlement which is payable to a Member or, following the Member's death, to the Member's Spouse may, in accordance with the Pension Benefits Standards Act, be transferred or applied to one of the following prescribed funding arrangements:

- (1) another registered pension plan, if that other plan permits, or
- (2) a locked-in registered retirement savings plan, or
- (3) any other such arrangement as is approved by the regulatory authorities, or
- (4) the purchase, from an Insurance Company licensed to transact business in Canada, of a locked-in immediate or deferred life annuity, provided that where a Spouse who is receiving the Commuted Value of a Member's benefit as a result of the Member's death pursuant to Section 8 purchases a deferred life annuity, the annuity is to commence no later than the later of one year after the date of death of Member and December 31<sup>st</sup> of the calendar year in which the Spouse attains age 69, and that in all other cases the deferred life annuity is to commence on or before December 31<sup>st</sup> of the calendar year in which the annuitant attains age 69. <sup>7</sup>

Any Member excess required contributions pursuant to Sections 8.7 and 9.7 of the Plan must be included with the Commuted Value when amounts are transferred to the above arrangements.

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<sup>7</sup> First amended in order to comply with changes to the *Income Tax Act (Canada)* and *Regulations*; amended (#1) effective January 1, 1992. Previous wording was as follows:

- 1.5(4) the purchase, from an Insurance Company licensed to transact business in Canada, of a locked-in immediate or deferred life annuity, provided that where a Spouse or Beneficiary who is receiving the Commuted Value of a Member's benefit as a result of the Member's death pursuant to Section 8 purchases a deferred life annuity, the annuity is to commence before the Spouse or Beneficiary attains age 65, and that in all other cases the deferred life annuity is to commence before the annuitant attains age 71.

Next amended in order to comply with changes requested by the CCRA to comply with the *Income Tax Act (Canada)* and *Regulations*, amended (#10) effective January 1, 1997 to replace the phrase "age 71" with "age 69".

## DEFINITIONS (cont'd)

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If a former Member of the Plan has ceased active employment with the Company and has ceased to be a resident of Canada for at least two calendar years, the pension benefits applicable for a Member are exempt from the "locking-in" provisions of the Pension Benefits Standards Act in accordance with Section 28.4 of the regulations of the Pension Benefits Standards Act. <sup>8</sup>

- 1.6. "Company" means Global Communications Limited. Any reference in the Plan to any action to be taken, consent, approval or opinion to be given, or decision to be made by the Company, unless the context clearly indicates a contrary intention, shall refer only to Global Communications Limited acting through its Board of Directors or through any person or persons from time to time appointed, designated, or authorized by the Board of Directors for the purposes of the Plan. <sup>9</sup>
- 1.6A "Consumer Price Index" means the Consumer Price Index for Canada (1986 = 100), all items, as published by Statistics Canada under the *Statistics Act*. <sup>10</sup>
- 1.7 "Continuous Service" means service with the Company since the Employee's last date of hire by the Company.

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<sup>8</sup> In order to clarify the minimum retirement income from required contributions and to allow for the release of locked-in funds after completion of a period of non-residency, the Plan was amended (#4) effective December 1, 1995. The last paragraph of Section 1.5 (see below) was deleted and replaced as above.

Any Member required contributions which are in excess of 50% of the Commuted Value of a Member's retirement income entitlement pursuant to Section 8.7 and 9.7 of the Plan must be included with the Commuted Value when amounts are transferred to the above arrangements.

<sup>9</sup> First amended in order to address the change in the plan sponsor's corporate name, amended (#10) effective November 12, 1998. The previous wording was:

- 1.6 "Company" means Niagara Television Limited, All-Canada Radio & Television Limited in respect of employees who transferred employment directly from N.T.V. Communications Corporation Limited and such other subsidiary or associated companies as may be designated from time to time by the Board of Directors for inclusion in the Plan. Any reference in the Plan to any action to be taken, consent, approval or opinion to be given, or decision to be made by the Company, unless the context clearly indicates a contrary intention, shall refer only to Niagara Television Limited acting through its Board of Directors or through any person or persons from time to time appointed, designated, or authorized by the Board of Directors for the purposes of the Plan.

Next amended in order to address the change of plan sponsor, amended (#11) effective September 1, 2000 to replace the phrase "ONtv Limited" with "Global Communications Limited".

<sup>10</sup> Amended (#8) effective April 1, 1997 to allow for Flexi-Pension Benefits.

## DEFINITIONS (cont'd)

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If an Employee is absent from work due to a leave of absence duly authorized by the Company in writing, his Continuous Service shall be deemed not to have been broken by such absence provided that he shall return to active employment with the Company immediately following such leave of absence. If such Employee does not return to active employment with the Company immediately following such leave of absence, he shall be deemed to have terminated his employment at the date of commencement of the leave of absence and the provisions of Section 9 hereof shall apply.

If an Employee ceases active employment temporarily because of layoff, strike or other work interruption, his Continuous Service shall be deemed not to have been broken by such interruption provided that he shall return to active employment with the Company immediately following such interruption. If such Employee does not return to active employment with the Company immediately following such interruption, he shall be deemed to have terminated his employment for the purposes of the Plan at the date of commencement of the interruption and the provisions of Section 9 hereof shall apply.

1.7A **"Core Benefits"** means the lifetime retirement income and Bridge Benefits accrued to a Member under Sections 1 to 14 of the Plan. For greater clarity, Core Benefits do not include Flexi-Pension Benefits.<sup>11</sup>

1.8 **"Credited Interest"** means:

- (1) Interest on a Member's required contributions, credited from the end of the month in which the contribution is made and compounded annually from the January 1<sup>st</sup> next following the date on which the contribution is made, to the first day of the calendar month in which a determination thereof is required. For the period ending December 31, 1982, the rate of interest was 3 3/4% per annum, or such other rate as was adopted by the Company from time to time. For the period commencing January 1, 1983 and ending December 31, 1986, interest for each calendar year was credited at a rate equal to the average of the daily interest savings account rates in effect on the first day of each calendar quarter during that year at the Toronto-Dominion Bank. For each calendar year commencing on and after January 1, 1987, interest shall be credited at a rate equal to the average of the yields of the 5 year personal fixed term chartered bank deposit rate (CANSIM series B14045) of that calendar year.

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<sup>11</sup> Amended (#8) effective April 1, 1997 to allow for Flexi-Pension Benefits.

## DEFINITIONS (cont'd)

- (2) Interest on a Member's voluntary contributions, credited from the end of the month in which the contribution is made and compounded annually from the January 1<sup>st</sup> next following the date on which the contribution is made, to the first day of a calendar month in which determination thereof is required. For the period ending December 31, 1982, the rate of interest was determined periodically by the actuary. For the period commencing January 1, 1983 and ending December 31, 1986, interest for each calendar year was calculated at a rate which closely reflected the rate of interest credited on one year term certificates offered by Canadian financial institutions. For the period commencing January 1, 1987 and ending December 31, 1991, interest for each calendar year was credited at a rate equal to the average of the yields of the five year personal fixed term chartered bank deposit rate (CANSIM series B14045) of that calendar year. For each calendar year commencing on and after January 1, 1992, interest shall be credited at a rate equal to the rate of return earned on the assets of the Pension Fund in that calendar year, net of expenses.<sup>12</sup>
- (3) Interest on a Member's Flexi-Contributions, credited from the end of the month in which the contribution is made and compounded annually from the January 1<sup>st</sup> next following the date on which the contribution is made, to the first day of the calendar month in which a determination thereof is required. For each calendar year commencing on and after January 1, 1997, interest shall be credited at a rate equal to the net investment return rate based on the market value of the Pension Fund for the period in question as determined from time to time by the Company.<sup>13</sup>

<sup>12</sup> In order to comply with changes requested by Revenue Canada to comply with the *Income Tax Act (Canada)* and *Regulations*, the Plan was amended (#6) effective January 1, 1992. Previous wording was as follows:

1.8(2) Interest on a Member's voluntary contributions, credited from the end of the month in which the contribution is made and compounded annually from the January 1<sup>st</sup> next following the date on which the contribution is made, to the first day of the calendar month in which a determination thereof is required. For the period ending December 31, 1982 the rate of interest was determined periodically by the actuary. For the period commencing January 1, 1983 and ending December 31, 1986, interest for each calendar year was credited at a rate which closely reflected the rate of interest credited on one year term certificates offered by Canadian financial institutions. For each calendar year commencing on and after January 1, 1987, interest shall be credited at a rate equal to the average of the yields of the 5 year personal fixed term chartered bank deposit rate (CANSIM series B14045) of that calendar year.

<sup>13</sup> Amended (#8) effective April 1, 1997 to allow for Flexi-Pension Benefits.

## DEFINITIONS (cont'd)

- 1.9 "Credited Service" means complete years and months of Continuous Service in respect of an Employee who became a Member on the date on which he was first eligible to join the Former Plan or this Plan; otherwise, a Member's Credited Service means complete years and months of Continuous Service commencing at the date of contributory participation in the Former Plan or this Plan. Notwithstanding the foregoing, where the Employee is a Part-Time Employee who becomes a Member after January 1, 1987 on the date on which he is first eligible to do so, his Credited Service shall include the period of his Continuous Service before joining the Plan but in no event before January 1, 1987. <sup>14</sup>

For Members who are Part-Time Employees, Credited Service for a Plan Year is calculated by multiplying the complete months of contributory participation in the Plan in that Plan Year by the ratio of the Part-Time Employee's average weekly work hours to thirty-five (35) or forty (40), as determined by the Company based on the class of Employees to which the Part-Time Employee belongs. <sup>15</sup>

For greater clarity, in no event will a Member's total period of Credited Service include portions of unpaid leaves of absence, or layoffs in excess of a total of two (2) years.

- 1.9A "Early Retirement Enhancement" means an additional lifetime retirement benefit payable from the Member's early retirement date in an amount not exceeding the Maximum Early Retirement Enhancement. <sup>16</sup>

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<sup>14</sup> In order to clarify Plan provisions; amended (#4) effective December 1, 1995. Previous wording under first paragraph was as follows:

1.9 "Credited Service" means Continuous Service in respect of an Employee who became a Member on the date on which he was first eligible to join the Former Plan or this Plan; otherwise a Member's Credited Service shall only include his completed years and months of contributory participation in the Former Plan and in this Plan. Notwithstanding the foregoing, where the Employee is a Part-Time Employee who becomes a Member after January 1, 1987 on the date on which he is first eligible to do so, his Credited Service shall include the period of his Continuous Service before joining the Plan but in no event before January 1, 1987.

<sup>15</sup> In order to reflect current administrative practices, amended (#10) effective January 1, 1999. The previous wording was:

For Members who are Part-Time Employees, Credited Service for a Plan Year is calculated by multiplying the complete months of contributory participation in the Plan in that Plan Year by the ratio of the Part-Time Employee's average weekly work hours to thirty-five (35).

<sup>16</sup> Amended (#8) effective April 1, 1997 to allow for Flexi-Pension Benefits.

## DEFINITIONS (cont'd)

- 1.10 "Earnings" means, in respect of each Plan Year, the sum of an Employee's base salaries, bonuses, and commissions paid to the Employee in the Plan Year. For further clarity, "Earnings" shall exclude overtime, talent fees, and other lump sum payments.

The decision of the Company as to the amount of an Employee's Earnings for purposes of the Plan shall be conclusive and binding on all persons.<sup>17</sup>

- 1.10A "Earnings Base Enhancement" means an additional lifetime retirement benefit payable from the Member's retirement date in an amount not exceeding the increase in the lifetime retirement benefits determined in accordance with Section 6 if the benefit formula was based on the Member's Highest Average Indexed Earnings, as defined in *Income Tax Regulation 8504(2)* substituting Earnings for "Compensation" in the computation, for the year in which the date of determination occurs.<sup>18</sup>

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<sup>17</sup> First amended, in order to clarify Plan provisions; amended (#4) effective December 1, 1995. Previous wording was as follows:

- 1.10 "Earnings" means, in respect of each Plan Year, the sum of an Employee's monthly base salaries plus bonuses and commissions paid to the Employee in the previous Plan Year. With respect to a Part-Time Employee, "Earnings" shall exclude overtime and talent fees.

The decision of the Company as to the amount of an Employee's earnings for purposes of the Plan shall be conclusive and binding on all persons.

Next amended in order to make technical changes to the plan document to reflect current administrative practices, amended (#10) effective January 1, 1999. The previous wording was:

- 1.10 "Earnings" means, in respect of each Plan Year, the sum of an Employee's base salaries, plus bonuses and commissions paid to the Employee in the previous Plan Year. With respect to a Part-Time Employee, "Earnings" shall exclude overtime and talent fees.

<sup>18</sup> Amended (#8) effective April 1, 1997 to allow for Flexi-Pension Benefits.

## DEFINITIONS (cont'd)

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1.11 "Employee" means any employee of CH, a division of the Company, or such other subsidiary, associated company, or division of the Company as may be designated from time to time by the Board of Directors for inclusion in the Plan, who is classified as in full-time employment according to the rules of the Company or any Part-Time Employee. A "Part-Time Employee" means an employee of the Company who is regularly scheduled to work less than 35 hours a week, and who has earned at least 35% of the YMPE in any Plan Year after December 31, 1985. Notwithstanding the above, as used in this Plan the term "Employee" shall not include any person who is a member of any other registered pension plan to which the Company contributes either directly or indirectly.<sup>19</sup>

1.12 "Final Average Earnings" means one-fifth of the Member's aggregate Earnings during either the:

- (1) Five full Plan Years in which Earnings were highest, or the
- (2) Sixty consecutive months immediately prior to the date on which a determination is required,

whichever produces the higher aggregate amount.

If a determination is required before a Member has completed five Plan Years of Credited Service, Final Average Earnings means the aggregate of Earnings since becoming a Member divided by his Credited Service.

In the case of a Part-Time Employee, "Earnings" for the purposes of determining "Final Average Earnings" are calculated by multiplying Earnings for each Plan Year in which the Member was a Part-Time Employee by the ratio of 35 to the average weekly work hours performed by the Part-Time Employee in the Plan Year.

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<sup>19</sup> In order to address the change in plan sponsor, amended (#11) effective September 1, 2000. The previous wording was:

1.11 "Employee" means any employee or officer of the Company who is classified as in full-time employment according to the rules of the Company or any Part-Time Employee. A "Part-Time Employee" means an employee of the Company who is regularly scheduled to work less than 35 hours a week, and who has earned at least 35% of the YMPE in any Plan Year after December 31, 1985. Notwithstanding the above, as used in this Plan the term "Employee" shall not include any person who is a member of any other registered pension plan to which the Company contributes either directly or indirectly.

**DEFINITIONS (cont'd)**


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- 1.12A **"Flexi-Pension Benefit(s)"** means any benefit enhancement to Core Benefits in the form of any or all or part of a Bridging Benefit Enhancement, an Earnings Base Enhancement, an Early Retirement Enhancement, an Improved Normal Form Enhancement, a Post-retirement Indexing Enhancement, and on termination or death, a Pre-retirement Indexing Enhancement as a consequence of a Member having made Flexi-Contributions in accordance with Section 15.1.<sup>20</sup>
- 1.12B **"Flexi-Contribution(s)"** means contributions and payments made to the Plan in accordance with Section 15.<sup>20</sup>
- 1.12C **"Flexi-Pre-1990 Contribution(s)"** means a Flexi-Contribution which applies in respect of service prior to January 1, 1990 pursuant to Section 15.1(b).<sup>20</sup>
- 1.12D **"Flexi-Post-1989 Contribution(s)"** means a Flexi-Contribution which applies in respect of service on and after January 1, 1990 pursuant to Section 15.1(b).<sup>20</sup>
- 1.13 **"Former Plan"** means the plan as underwritten by Deposit Administration Contract No. 7257 GP and Supplemental Agreement No. 10785 GP issued by The Great-West Life Assurance Company.
- 1.13A **"Government Benefits"** means the aggregate of Canada Pension Plan Benefits and the maximum annual retirement income that would be payable to a Member pursuant to the Old Age Security Act, or such other legislation of a comparable nature as may be applicable from time to time.<sup>20</sup>
- 1.13B **"Improved Normal Form Enhancement"** means an additional lifetime retirement benefit payable from the Member's retirement date in an amount not exceeding the amount by which the Member's lifetime retirement benefits will be reduced as a result of an election of an optional form in accordance with Section 7 provided however that:
- if the Member elects a joint and survivor annuity with more than sixty-six and two-thirds ( $66\frac{2}{3}$ ) continuation to the Member's Spouse, the maximum additional lifetime retirement benefit shall be the Actuarial Equivalent of the amount provided on a joint and survivor annuity with a sixty-six and two-thirds ( $66\frac{2}{3}$ ) continuation to the Member's Spouse,

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<sup>20</sup> Amended (#8) effective April 1, 1997 to allow for Flexi-Pension Benefits.



**DEFINITIONS (cont'd)**


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- if the Member elects a joint and survivor annuity with a guarantee period of more than five (5) years, the maximum additional lifetime retirement benefit shall be the Actuarial Equivalent of the amount provided on a joint and survivor annuity with a five (5) year guarantee, and
- if the Member elects the integration with statutory benefits option pursuant to Section 7.3(4), the maximum additional lifetime retirement benefit shall be the Actuarial Equivalent of the amount provided as if the Member had not elected an integrated benefit. <sup>21</sup>

1.13C **"Inactive Member"** means a Member who is no longer actively accruing benefits under the Plan, but whose employment has continued with another affiliated or associated company as may be designated from time to time by the Company. Such Member's service with the other company may also be used in the determination of the vested portion of the Member's entitlement under this Plan. <sup>22</sup>

1.14 **"Insurance Company"** means the Canadian insurance company or companies, as the case may be, with which the Company may continue or enter into a contract for the provision of benefits pursuant to this Plan. <sup>23</sup>

1.14A **"Maximum Early Retirement Enhancement"** means the difference in the lifetime retirement benefit payable to a Member who retires at an early retirement date if the early retirement reduction were calculated in accordance with *Income Tax Regulation 8503(3)(c)* rather than Section 6.2. <sup>24</sup>

1.15 **"Member"** means an eligible Employee who has elected to participate in the Plan pursuant to Section 2, and who continues to be entitled to benefits or rights under the Plan.

1.16 **"Pension Benefits Standards Act"** means the *Pension Benefits Standards Act, 1985 and Regulations*.

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<sup>21</sup> Amended (#8) effective April 1, 1997 to allow for Flexi-Pension Benefits.

<sup>22</sup> In order to eliminate the inclusion of Earnings for an Inactive Member as requested by Revenue Canada; the Plan was amended (#9) effective April 1, 1997. Definition was added (#8) effective April 1, 1997 to distinguish this class of Member.

<sup>23</sup> In order to comply with changes to the *Income Tax Act (Canada)* and *Regulations*; amended (#1) effective January 1, 1992.

<sup>24</sup> Amended (#8) effective April 1, 1997 to allow for Flexi-Pension Benefits.

## DEFINITIONS (cont'd)

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- 1.17 "Pension Fund" means the fund or funds established for purposes of the Plan in accordance with the provisions of Section 4 hereof.
- 1.18 "Plan" means the Global Communications Limited Retirement Plan for CH Employees, effective as of January 1, 1971 and as amended from time to time thereafter. <sup>25</sup>
- 1.19 "Plan Year" means the twelve month period commencing January 1 and ending December 31.
- 1.19A "Post-retirement Indexing Enhancement" means the post-retirement adjustments for inflation applied each calendar year to all or a portion of a Member's retirement benefits where the percentage increase of the adjustments are not to exceed the lesser of (a) or (b), where:
- (a) is four percent (4%), and
  - (b) is the increase in Consumer Price Index for the applicable period. <sup>26</sup>
- 1.19B "Pre-retirement Indexing Enhancement" means the pre-retirement adjustments for inflation applied each calendar year to all or a portion of a Member's deferred vested pension where the percentage increase of the adjustments are not to exceed the increases as determined in accordance with *Income Tax Regulation 8504(2)*. <sup>26</sup>
- 1.20 "Spouse" means, subject to Section 12.5,
- (1) the person to whom the Member is married by law or who is party to a void marriage with the Member at the date as of which a determination of the Member's marital status is required; or

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<sup>25</sup> First amended in order to address the change in the plan sponsor's corporate name, amended (#10) effective November 12, 1998 to replace the name "Consolidated Retirement Plan for Employees of Niagara Television Limited and Subsidiary and Associated Companies" with "Retirement Plan for Employees of ONtv Limited".

Next amended in order to address the change of plan sponsor, amended (#11) effective September 1, 2000 to replace the name "Retirement Plan for Employees of ONtv Limited" with "Global Communications Limited Retirement Plan for CH Employees".

<sup>26</sup> Amended (#8) effective April 1, 1997 to allow for Flexi-Pension Benefits.

**DEFINITIONS (cont'd)**

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- (2) the person of the opposite sex who is and has been residing with the Member in a conjugal relationship for a period of not less than one year prior to the date as of which a determination of the Employee's marital status is required.

If the Member has, or is survived by, a Spouse under Sections 1.20(1) and 1.20(2) above, the term Spouse shall refer to the latter Spouse for the purposes of the Plan.

- 1.21 "Trustee" means the Canadian trust company or companies, as the case may be, with which the Company may enter into a deed of trust for the provision of benefits pursuant to the Plan. <sup>27</sup>
- 1.22 "YMPE" means Year's Maximum Pensionable Earnings as defined under the Canada Pension Plan or Québec Pension Plan, as appropriate.

In this Plan, unless the context requires otherwise, reference to the male gender shall include the female gender and vice versa; and words importing the singular number may be construed to extend to and include the plural number; and words importing the plural number may be construed to extend to and include the singular number.

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<sup>27</sup> In order to comply with changes to the *Income Tax Act (Canada)* and *Regulations*; amended (#1) effective January 1, 1992.

**SECTION 2 -- ELIGIBILITY FOR MEMBERSHIP**

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**2.1 Members at December 31, 1986**

Each Employee or former Employee who, as of December 31, 1986, was a Member of the Plan shall remain a Member of this amended and restated Plan.

**2.2 Members After December 31, 1986**

Each Employee who, as of December 31, 1986, was not a Member of the Plan, and each Employee who is first employed after December 31, 1986 shall be eligible to participate in this Plan as of the first day of the month coincident with or next following completion of one year of Continuous Service.

Each Employee who is a Part-Time Employee shall be eligible to participate in this Plan as of the first day of the month coincident with or next following the completion of one thousand, eight hundred and twenty (1,820) or two thousand and eighty (2,080) hours of employment, as determined by the Company based on the class of Employees to which the Part-Time Employee belongs, or the first day of the calendar year following two consecutive calendar years in which the Employee's Earnings were greater than thirty-five percent (35%) of the YMPE.<sup>28</sup>

**2.3 Company Right to Waive Service Requirement**

The Company reserves the right, in special circumstances, to waive the service requirement for eligibility in the case of a specific Employee or group of Employees, when such action is deemed to be in the best interest of the Company.

**2.4 Mandatory Enrollment**

Each eligible Employee who fails to enroll when first eligible may enroll in the Plan on the first of any month thereafter. Employees shall be required to enroll on the first day of the month on or next following the later of completion of 1 year of Continuous Service, and attainment of age 25, except by permission of the Company. Credited Service shall apply only to service on and after the Employee's date of enrollment.

This Section 2.4 shall not apply to Employees who, because of their religious beliefs, object to becoming Members of the Plan.

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<sup>28</sup> In order to reflect current administrative practices, amended (#10) effective January 1, 1999 by adding a second paragraph.

**ELIGIBILITY FOR MEMBERSHIP (cont'd)**

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**2.5 Enrollment Form**

To enroll in the Plan and become a Member, an eligible Employee will be required to complete, sign and file with an authorized official of the Company the prescribed application form and other relevant papers. An Employee participating under Section 2.1 above may also be required to complete such forms for record purposes. Such prescribed forms shall include an authorization for the deduction from his Earnings of required contributions to the Plan, together with such other instruments as the Company may prescribe from time to time.

**2.6 Cessation of Membership**

A Member shall cease to be a Member upon his ceasing to be an Employee unless, when he ceases to be an Employee, he retires pursuant to the Plan or is entitled to receive a deferred retirement income.

**2.7 Continuation of Participation**

A Member who is a Part-Time Employee shall not cease to be a Member merely because he earns less than 35% of the YMPE in a calendar year.

**2.8 No Withdrawal While Employed**

A Member of the Plan shall not be entitled to withdraw from participation or to suspend required contributions to the Plan while he remains in the employ of the Company, nor shall he be permitted to withdraw all or any part of his required and/or additional voluntary contributions to the Plan while he remains so employed.

**2.9 Re-Employment****(1) Non-Pensioners**

If a former Employee, other than a person described in Section 2.7(2) is subsequently rehired by the Company, the Employee shall be treated as a new Employee for purposes of eligibility for membership and benefits under the Plan, except with respect to any vested benefits which he may have to his credit in the Plan for his previous service. Any benefit earned after the date of re-hire shall be calculated based on Continuous and Credited Service after that date.

(2) *Pensioners*

If a former Employee who has commenced to receive a pension from the Plan is re-employed by the Company:

- (a) notwithstanding Section 2.4, the Employee may elect to rejoin the Plan upon his re-employment with the Company; *and*
- (b) if the Employee does elect to join the Plan:
  - (i) the Employee's pension shall cease upon re-employment;
  - (ii) his pension shall recommence on his eventual termination of employment; *and*
  - (iii) any benefit earned after re-employment shall be calculated based on Continuous and Credited Service after that date.

## SECTION 3 -- CONTRIBUTIONS

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### 3.1 Member Required Contributions

Each Member shall contribute, by payroll deduction, five (5%) percent of his Earnings, not to exceed such maximum amount permitted under Income Tax Regulation 8503(4)(a), provided, however, that a Member will not be required to contribute to the Plan for more than thirty-five (35) years. Notwithstanding the above, the employee required contribution for any calendar year shall not exceed five percent (5%) of the lesser of the Member's Earnings or the compensation level which generates the maximum benefit payable out of or under the Plan pursuant to Section 6.8.<sup>29</sup>

Notwithstanding the above, the Company has waived the contribution requirements for the periods set forth below:

- (1) January 1, 1998 to December 31, 1998, to the extent of the allocation made in accordance with item no. 10 of Amendment No. 9, which was effective April 1, 1997.
- (2) January 1, 1999 to December 31, 1999, to the extent of the allocation made in accordance with item no. 11 of Amendment No. 9, which was effective April 1, 1997.<sup>30</sup>

All required contributions made by a Member will be paid into the Pension Fund within 30 days following the end of the month in respect of which they were deducted. Required contributions will be accumulated each year using the Credited Interest rate until used for the provision of retirement income or refunded as a lump sum payment at termination of employment or by reason of death before retirement, in accordance with the respective provisions of the Plan.

### 3.2 Company Contributions

The Company shall make contributions for deposit in the Pension Fund in such total amount as, based on the advice of the Actuary, is sufficient to provide for the cost of the benefits currently accruing in accordance with the provisions of the Plan, and to provide for the proper amortization of any unfunded liability or

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<sup>29</sup> First amended (#6) effective January 1, 1992 in order to comply with changes requested by Revenue Canada to comply with the *Income Tax Act (Canada) and Regulations*. Next amended (#8) effective April 1, 1997 to increase the annual cap on contributions from \$3,500.00 to \$4,287.50.

<sup>30</sup> In order to comply with changes requested by Revenue Canada the Plan was amended (#9) effective April 1, 1997 to add the qualification on required contributions for 1998 and 1999.

**CONTRIBUTIONS (cont'd)**

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solvency deficiency with respect to benefits previously accrued in accordance with the requirements of the Pension Benefits Standards Act, after taking into account the assets of the Pension Fund, the contributions of Members and all other relevant factors. All Company contributions shall be paid in equal installments not less frequently than quarterly and within 30 days after the end of the period in respect of which the installment is due. Notwithstanding the foregoing, if at any time while the Plan continues in existence the Actuary certifies that the assets of the Pension Fund exceed the actuarial liabilities of the Plan in respect of benefits defined by the Plan, then such excess or any portion of such excess may be used by the Company to reduce its contribution obligations under the terms of the Plan, or, subject to such prior approval as may be required by the regulatory authorities, may be refunded to the Company.

**3.3 Additional Voluntary Contributions**

For the purpose of increasing the amount of retirement income to which he will be entitled upon retirement, a Member may elect at his option, from time to time and subject to such regulations made by the Company as may at the time be in force, to contribute additional amounts over and above his required contributions. Additional voluntary contributions so made by a Member may not be withdrawn as long as he continues to be an Employee. Such additional voluntary contributions may be made only on, and subject to, the following conditions.

Each Member may make additional voluntary contributions which, when combined with his required contributions pursuant to Section 3.1 hereof, shall not exceed the maximum amount permitted under the Income Tax Act and Regulations. Such additional voluntary contributions, if any, must be made by means of payroll deduction.<sup>31</sup>

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<sup>31</sup> In order to comply with the *Income Tax Act (Canada)* and *Regulations* the Plan was amended (#1 and #6) effective January 1, 1992. The original wording for this subparagraph was as follows:

Each Member may make additional voluntary contributions which, when combined with his required contributions pursuant to Section 3.1 hereof, shall not exceed \$3,500 or such other maximum amount in each year as may be allowed from time to time as a deduction in computing such Member's taxable income pursuant to the Income Tax Act. Such additional voluntary contributions, if any, must be made by means of payroll deduction.



All additional voluntary contributions made by a Member will be paid into the Pension Fund within thirty (30) days following the end of the month in respect of which they were deducted. Additional voluntary contributions will be accumulated each year and, together with Credited Interest, will be used for the provision of additional retirement income or refunded as an additional lump sum payment at retirement, on termination of employment or by reason of death before retirement, in accordance with the respective provisions of the Plan.

**SECTION 4 -- PENSION FUND**

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**4.1 Constitution of Pension Fund**

The Company shall establish a Pension Fund to be held under a contract or contracts with an Insurance Company or Companies or under a deed of trust with a Trustee or a combination thereof, as selected by the Company.

**4.2 Contributions to Pension Fund**

All contributions by Members and by the Company shall be deposited in the Pension Fund.

**4.3 Special Deposits in Pension Fund**

All credits, dividends, cash surrender values and other forms of payment to which the Company may become entitled or which may become due under a Former Plan shall be deposited in the Pension Fund.

**4.4 Investment of the Pension Fund**

All investments of the Pension Fund shall be in loans and securities of a class permissible under the Pension Benefits Standards Act.

**4.5 Charges Against Pension Fund**

All expenses of the Plan, including expenses of the Insurance Company or Trustee in connection with the Pension Fund, legal and actuarial services, and other necessary expenses, shall be deemed a charge against the Pension Fund unless paid by the Company.

**4.6 Payment of Plan Benefits**

All benefits payable pursuant to the Plan shall be paid from the Pension Fund, either directly or by the purchase of an annuity contract of appropriate form and amount.

## SECTION 5 -- RETIREMENT

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### 5.1 Normal Retirement

Provided a Member has been enrolled in the Plan for not less than 2 years, a Member shall retire on his normal retirement date except as otherwise permitted by the Plan. The normal retirement date of a Member shall be the first day of the calendar month coincident with or immediately following the Member's 65<sup>th</sup> birthday.

### 5.2 Early Retirement

Provided a Member has been enrolled in the Plan for not less than two (2) years, a Member may retire on the first day of any calendar month during the ten-year period preceding his normal retirement date. In addition, if a Member in active employment has completed at least twenty (20) years of Credited Service and has attained age fifty-two (52), the Member may elect to retire on the first day of any calendar month preceding his normal retirement date.<sup>32</sup>

### 5.2A Unreduced Retirement

A Member who has completed at least twenty years of Credited Service shall have an unreduced retirement date of the first day of the calendar month coincident with or immediately following the Member's 62<sup>nd</sup> birthday. In any other case, the unreduced retirement date shall be the Member's normal retirement date.<sup>32</sup>

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<sup>32</sup> In order to comply with changes requested by the CCRA to comply with the *Income Tax Act (Canada)* and *Regulations*, amended (#10) effective January 1, 1997 to replace the phrase "attains age 71" with "attains age 69".

In order to comply with changes requested by the Office of the Superintendent of Financial Institutions, Canada to comply with the *Pension Benefits Standards Act, 1985*, amended (#7) effective May 16, 1994 to lower the early retirement age members with greater than 20 years of Credited Service to 52 from 54. This requirement was in conjunction with the improvement to the Plan (#2) providing better early retirement benefits.

**RETIREMENT (cont'd)**

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**5.3 Postponed Retirement**

If a Member, with the consent of the Company, remains in the active service of the Company beyond normal retirement date, the Member will continue to make the contributions required under Section 3.1 hereof and acquire additional Credited Service, and may continue to make additional voluntary contributions pursuant to Section 3.3 hereof until his postponed retirement date. The Member's postponed retirement date shall be the first day of the calendar month coincident with or immediately following his last day of employment, but in no event later than the 31st of December of the calendar year in which the Member attains age 69.<sup>33</sup>

**5.4 Disability Retirement**

A Member who by reason of total and permanent disability which is certified as such by a medical practitioner is, in the opinion of the Company, unable to fulfill his duties as an Employee, may be retired on a disability benefit at any time, provided he is not in receipt of a salary continuance benefit under an insured plan made available by the Company.

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<sup>33</sup> In order to comply with the *Income Tax Act (Canada)* and *Regulations* the Plan was amended (#1) effective January 1, 1992. Previous wording was as follows:

**5.3 Postponed Retirement**

If a Member, with the consent of the Company, remains in the active service of the Company beyond normal retirement date, the Member will continue to make the contributions required under Section 3.1 hereof and acquire additional Credited Service, and may continue to make additional voluntary contributions pursuant to Section 3.3 hereof until his postponed retirement date. The Member's postponed retirement date shall be the first day of the calendar month coincident with or immediately following his last day of employment, but in no event later than the Member's 70<sup>th</sup> birthday.

## SECTION 6 -- AMOUNT OF RETIREMENT INCOME

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### 6.1 At Normal Retirement Date

Each Member who retires from active employment at his normal retirement date pursuant to Section 5.1 hereof shall receive an annual amount of retirement income, determined as at his normal retirement date, equal to 2% of his Final Average Earnings multiplied by his Credited Service, to a maximum of 35 years. This amount of retirement income shall be inclusive of the normal retirement income to which the Member is entitled in accordance with the provisions of the Former Plan.

### 6.2 At Early Retirement Date

- (1) Each Member who retires from active employment at an early retirement date, pursuant to Section 5.2 shall be eligible to receive a pension, commencing on the first day of any month on or following such early retirement date up to the Member's normal retirement date, which shall be the Actuarial Equivalent of the annual amount of retirement income calculated as at the Member's pension commencement date or unreduced retirement date, whichever is later, in accordance with Section 6.1 above, based on his Earnings and Credited Service to such early retirement date. In no event shall the annual amount of retirement income computed in accordance with this subsection be greater than the retirement income benefit computed in accordance with the Income Tax Regulation 8503(3)(c).<sup>34</sup>
- (2) Notwithstanding subsection (1) above, if a Member retires from active employment after completing 20 or more years of Credited Service, and attaining age 55, the Member shall be eligible to receive a pension, commencing on the first day of any month on or following such early retirement date up to the Member's normal retirement date, which shall be the amount of retirement income calculated as at the normal retirement date in accordance with Section 6.1 above based on Earnings and Credited Service to such early retirement date. The

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<sup>34</sup> In order to comply with the *Income Tax Act (Canada)* and *Regulations* the Plan was amended (#1) effective January 1, 1992 to add the 8503(3)(c) limitation. Secondly, the section was amended (#7) effective May 16, 1994 to comply with the *Pension Benefits Standards Act, 1985*. Previous wording was as follows:

- (1) Each Member who retires from active employment at an early retirement date pursuant to Section 5.2 shall be eligible to receive a pension, commencing on the first day of any month on or following such early retirement date up to the Member's normal retirement date, which shall be the Actuarial Equivalent of the annual amount of retirement income calculated as at his normal retirement date in accordance with Section 6.1 above based on his Earnings and Credited Service to such early retirement date.

## AMOUNT OF RETIREMENT INCOME (cont'd)

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Member's pension shall be reduced for the months by which the Member's pension commencement date precedes his normal retirement date in accordance with the following:

- (a) if the Member retires from employment on or after January 1, 1989 but prior to May 16, 1994:
  - (i) 0% for the first 12 months prior to age 65, plus
  - (ii) 1/4% for each month from age 60 to 64, plus
  - (iii) 1/2% for each month prior to age 60, or
- (b) if the Member retires from employment on or after January 1, 1985, but prior to January 1, 1989:
  - (i) 1/3% for each of the first 48 months prior to age 65, plus
  - (ii) an Actuarial Equivalent adjustment for months in excess of the first 48 months prior to age 65;
- (c) if the Member retires from employment on or after May 16, 1994:
  - (i) 0% for the first 36 months prior to age 65, plus
  - (ii) 1/4% for each month from age 60 to 62, plus
  - (iii) 1/2% for each month prior to age 60;<sup>35</sup>

provided that the Member's retirement income is at least the Actuarial Equivalent of the retirement income calculated as at the normal retirement date as described above.

In no event, shall the annual amount of retirement income computed in accordance with this subsection be greater than the retirement income benefit computed in accordance with *Income Tax Regulation 8503(3)(c)*.<sup>36</sup>

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<sup>35</sup> Negotiated improvements were made to the Plan (#2) effective May 16, 1994 to lower the unreduced retirement age from 64 to 62.

<sup>36</sup> In order to comply with the *Income Tax Act (Canada)* and *Regulations* the Plan was amended (#1) effective January 1, 1992 to add the 8503(3)(c) limitation.

**AMOUNT OF RETIREMENT INCOME (cont'd)**

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- (3) Notwithstanding subsections (1) and (2) above, the Company, with the approval of the Board of Directors, may provide benefit augmentations which include waiver in whole or in part of the early retirement reduction or such other measures which conform with the Pension Benefits Standards Act and the *Income Tax Act* and *Regulations* for a Member who has attained age fifty-five (55) and whose attained age plus Credited Service total at least eighty-five (85) at his/her early retirement date.<sup>37</sup>

**6.3 Bridge Benefit**

In addition to the benefit payable under Section 6.2, a Member who retires from active employment pursuant to Section 5.2 after attainment of age 57 and after completion of twenty (20) years of Credited Service, shall be entitled to receive, commencing on the Member's early retirement date, a monthly bridge benefit payable to age 65, in the amount of fifteen dollars (\$15.00) multiplied by the Member's Credited Service at the early retirement date to a maximum of thirty-five (35) years.<sup>38</sup>

Notwithstanding the above, the Company, with the approval of the Board of Directors, may waive in whole or in part the conditions set out above to be eligible for the bridge benefit; specifically, attainment of age fifty-seven (57) and the completion of twenty (20) years of Credited Service may not be required to receive the monthly bridge benefit outlined above. However, the waiver or partial waiver may only be granted in respect of a Member who has attained age fifty-five (55) and whose attained age plus Credited Service total at least eighty-five (85) at his/her early retirement date.<sup>37</sup>

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<sup>37</sup> This section was first added (#5) effective March 1, 1996 to allow the Board of Directors to improve early retirement benefits. The section was subsequently amended (#8) effective April 1, 1997 to only allow such improvements for members who were at least 55 with age plus service totaling greater than 85.

<sup>38</sup> This section was first amended (#2) effective May 16, 1994 to provide negotiated improvements to the Plan lowering the eligibility age for the bridge benefit from age 60 to age 57. Secondly the section was amended (#7) effective May 16, 1994 to comply with the *Pension Benefits Standards Act, 1985*.

**AMOUNT OF RETIREMENT INCOME (cont'd)**

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**6.4 At Postponed Retirement Date**

Each Member who retires at a postponed retirement date pursuant to Section 5.3 shall be eligible to receive, commencing as of such postponed retirement date, an annual amount of retirement income calculated at his postponed retirement date in accordance with Section 6.1 hereof, based on his Earnings and Credited Service to such postponed retirement date, but also subject to the maximum of 35 years of Credited Service.

**6.5 At Disability Retirement Date**

A Member who retires at a disability retirement date pursuant to Section 5.4 shall be eligible to receive a retirement income, commencing as of such disability retirement date, in an annual amount determined in accordance with Section 6.2 based on his Earnings and Credited Service to such disability retirement date.

**6.6 Minimum Retirement Income from Member Contributions**

If upon retirement pursuant to Section 5, the aggregate of a Member's required contributions made on and after January 1, 1987 together with Credited Interest exceeds 50% of the Commuted Value of the Core Benefits accrued and granted to the Member's credit with respect to his Credited Service on and after January 1, 1987, calculated as of the Member's retirement date, the Member's retirement income shall be increased by the amount that can be provided by such excess.



## AMOUNT OF RETIREMENT INCOME (cont'd)

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If upon retirement pursuant to Section 5, the aggregate of a Member's required contributions made before January 1, 1987 together with Credited Interest exceeds the Commuted Value of the Core Benefits accrued and granted to the Member's credit with respect to his Credited Service before January 1, 1987, calculated as of the Member's retirement date, the Member's retirement income shall be increased by the amount that can be provided by such excess.<sup>39</sup>

### 6.7 Additional Retirement Income

Each Member who, upon retirement pursuant to Section 5, has made additional voluntary contributions, may elect to receive:

- (1) a lump sum refund equal to the total of his additional voluntary contributions as accumulated with Credited Interest; or
- (2) an additional amount of retirement income payable in monthly installments in such form as the Member may elect. The amount of the additional retirement income shall be that which can be provided by application of the annuity rates that prevail at commencement of the monthly installments, to the aggregate amount of the Member's additional voluntary contributions with Credited Interest.

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<sup>39</sup> In order to clarify the minimum retirement income received by a Member from his required contributions the Plan was amended (#4) effective December 1, 1995. Previous wording was as follows:

#### 6.6 Minimum Retirement Income from Member Contributions

If upon retirement pursuant to Section 5, the aggregate of a Member's required contributions made on and after January 1, 1987 together with Credited Interest exceeds 50% of the Commuted Value of the retirement income accrued and granted to the Member's credit with respect to his Credited Service on and after January 1, 1987, calculated as of the Member's retirement date, the Member's retirement income shall be increased by the amount that can be provided by such excess.

In the event that the Commuted Value of the retirement income accrued to a Member under the terms of this Plan is less than the Member's required contributions with Credited Interest thereon, the retirement income payable to the Member will be increased accordingly.

Secondly, in connection with allowing members the opportunity of making flexi-contributions, the Plan was amended (#8) effective April 1, 1997 to replace the phrase "Commuted Value of the retirement income" with "Commuted Value of the Core Benefits".

## AMOUNT OF RETIREMENT INCOME (cont'd)

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### 6.8 Maximum Benefits

Notwithstanding any other provision of this Plan, any benefit payable out of or under this Plan including any benefit payable from any other registered pension plan of the Company, whether payable upon retirement, termination of employment or termination of the Plan, as a lifetime retirement pension payable under the Plan, shall not exceed an annual pension equal to the lesser of:

- (1) \$1,715 times the number of years of pensionable service not exceeding 35; and
- (2) an amount that is the product of 2% per year of pensionable service not exceeding 35 years and the average of the best three consecutive years of remuneration paid to the Member by the Company.

This maximum benefit limitation will not apply to:

- (a) the portion, if any, of the benefit derived from a Member's additional voluntary contributions, or
- (b) the portion, if any, of the benefit derived from the Member's excess required contributions pursuant to Section 6.6, 8.7 or 9.7.<sup>40</sup>

### 6.8A Maximum Bridge Benefit

In no event will the bridging benefits payable under Section 6.3 exceed the amount permissible under *Income Tax Regulation 8503(2)(b)*.<sup>41</sup>

### 6.9 Reserved for future use.<sup>42</sup>

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<sup>40</sup> In order to clarify the minimum retirement income received by a Member from his required contributions the Plan was amended (#4) effective December 1, 1995. In order to comply with changes requested by Revenue Canada the Plan was amended (#9) effective April 1, 1997.

<sup>41</sup> In order to comply with changes requested by Revenue Canada to comply with the *Income Tax Act and Regulations* the Plan was amended (#6) effective January 1, 1992 to add Section 6.8A.

<sup>42</sup> This section was removed from the Plan, amended (#8) effective March 1, 1996, to allow for Board-approved benefit augmentations. Previous wording was as follows:

#### 6.9 Maximum Value of Benefit

Notwithstanding any other provision of this Plan to the contrary, the cost of an annual benefit provided upon early retirement under this Plan shall not exceed the value of the maximum benefit described in Section 6.8, payable at the earliest of age 60, normal retirement date or the age at date of disability, in the form of a single life annuity guaranteed for 10 years, or such other form as may be approved by Revenue Canada.

**AMOUNT OF RETIREMENT INCOME (cont'd)**

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**6.10 Small Benefits**

Notwithstanding any other provision of this Plan, if the amount of deferred retirement income to which a member is entitled pursuant to the Plan on termination of employment with the Company, is less than 2% of the YMPE, or such other amount as may be permitted under the Pension Benefit Standards Act, the Company may, in its sole discretion, authorize payment of the benefit on a quarterly, semi-annual or annual basis, or as a single lump sum amount, in each case the payment being the Actuarial Equivalent of the normal benefit.

**6.11 Supplemental Pension Benefits**

The Company may, at its discretion, grant supplemental pension benefits to Members and Spouses who are receiving pension benefits under the Plan, provided that such increases are justified by any increase in the Consumer Price Index since the Members' retirement or termination of employment.

However, the annual amount of pension payable to a Member after granting such supplemental pension benefits shall not exceed:

- (1) for pension payments on or before age 60, \$1,715, multiplied by the numbers of years of the Member's pensionable service, not exceeding 35 years; and
- (2) for pension payments made after the Member attains age 60, \$1,715 multiplied by any increases in the Consumer Price Index since the later of the Member's:
  - (a) attainment of age 60; and
  - (b) retirement or termination of employment; and

multiplied by the number of years of the Member's pensionable service, not exceeding 35 years.

## SECTION 7 -- NORMAL AND OPTIONAL RETIREMENT INCOME SETTLEMENTS

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### 7.1 Normal Retirement Income Settlement

- (1) (a) *Where the Member does not have a Spouse at the date as of which retirement income commences*

A retirement income payable to a member who retires pursuant to Section 6.1, 6.2, 6.4 or 6.5 of the Plan and does not have a Spouse at the date as of which retirement income commences, shall commence as of the Member's retirement date and shall be paid in equal monthly installments on the first day of each succeeding month so long as such Member shall live and, subject to the election of an optional form of retirement income settlement under Section 7.3 hereof, shall be payable to the Member or his Beneficiary, as the case may be, for not less than 60 months in all.

- (b) *Where the Member has a Spouse at the date as of which retirement income commences*

A retirement income payable to a Member who retires pursuant to Section 6.1, 6.2, 6.4, or 6.5 of the Plan who has a Spouse at the date as of which retirement income commences, shall commence as of the Member's retirement date and shall be paid in equal monthly installments on the first day of each succeeding month so long as such Member shall live and shall be adjusted, on an Actuarially Equivalent basis, to provide a retirement income to the Member which continues upon his death to that Spouse, if surviving, for the lifetime of the Spouse, at the rate of 60% of the amount being paid to the Member just prior to his death.

- (2) In the event the total retirement income payments made to the Member, his Beneficiary or Spouse, as applicable, prior to their cessation by reason of the Beneficiary or Spouse's death are not equal to the total of the deceased Member's contributions to the Plan pursuant to Section 3.1, with Credited Interest thereon, the balance thereof shall be paid in a lump sum to the Beneficiary or Spouse's estate, as applicable.
- (3) Notwithstanding the above, a Member shall be entitled to elect in writing, prior to the commencement of retirement income payments and subject to the written consent of the Member's Spouse, if the Member has a Spouse, any optional form of retirement income settlement available pursuant to Section 7.3 of the Plan. The written consent shall be in a form prescribed under the Pension Benefits Standards Act.

7.2 Settlement of Bridge Benefits

The monthly bridge benefit payable to a Member pursuant to Section 6.3 shall cease with the payment preceding the Member's attainment of age 65. In the event of the Member's death prior to age 65, the Member's Spouse or, if the Member is not survived by a Spouse, the Member's Beneficiary shall continue to receive the amount of bridge benefit payable to the Member, until the payment preceding the date at which the Member would have attained age 65.

7.3 Optional Retirement Income settlements

In lieu of the normal form of retirement income settlement payable pursuant to Section 7.1 of the Plan, except to the extent of any benefits purchased under the Former Plan which shall be subject to the conditions of the Former Plan, and subject to Subsection 7.1(3), a Member may elect to receive one of the following optional retirement income settlements which shall be the Actuarial Equivalent of the benefits otherwise payable:

(1) *Joint and Survivorship Settlement*

Under this form of settlement, the Member may designate his Spouse as a joint annuitant. The Member will receive upon retirement a monthly amount of retirement income which is the Actuarial Equivalent of the retirement income that would otherwise be payable to him pursuant to Section 6.1, 6.2, 6.4 or 6.5 of the Plan. If at the Member's death the named Spouse is then living, a monthly retirement income, in a percentage of the amount payable to the Member as elected by the Member prior to retirement, will continue to the Spouse during the remainder of his or her lifetime. <sup>43</sup>

<sup>43</sup> In order to comply with changes to the *Income Tax Act (Canada)* and *Regulations*, amended (#1) effective January 1, 1992. Previous wording was as follows:

7.3 (1) *Joint and Survivorship Settlement*

Under this form of settlement the Member may designate a joint annuitant. The Member will receive upon retirement a monthly amount of retirement income which is the Actuarial Equivalent of the retirement income that would otherwise be payable to him pursuant to Section 6.1, 6.2, 6.4 or 6.5 of the Plan. If at the Member's death the named joint annuitant is then living, a monthly retirement income, in a percentage of the amount payable to the member as elected by the Member prior to retirement, will continue to the joint annuitant during the remainder of his or her lifetime.

**NORMAL AND OPTIONAL RETIREMENT INCOME SETTLEMENTS (cont'd)**

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(2) *Life Only Settlement*

Under this form of settlement the Member will receive a larger amount of monthly retirement income for his remaining lifetime, payment of which will cease with the payment for the month in which his death occurs.

(3) *Ten Year Certain Settlement*

Under this form of settlement the Member will receive a lesser amount of monthly retirement income for his remaining lifetime, with the guarantee that should he die before 120 monthly payments in all have been made, the balance of such payments will continue to his Beneficiary until a total of 120 monthly payments have been made.

(4) *Integration with Statutory Benefits*

In conjunction with the normal form of retirement income or the optional forms available under either (1), (2), or (3) above, a Member who retires prior to the date on which he is eligible to receive his Old Age Security and/or his Canada or Québec Pension Plan benefits may elect to receive an increased amount of retirement income from retirement to the date on which he is eligible to receive such benefits and an amount of retirement income reduced by an estimated total of such benefits thereafter in order to secure as level an income after retirement as possible.

(5) *Other Forms of Retirement Income*

The Company may, from time to time, in consultation with the Actuary approve any other optional form of retirement income which conforms with the Pension Benefits Standards Act and with the rules and regulations of Revenue Canada. The maximum guaranteed period of any retirement income payable to a Member shall not, however, exceed the lesser of fifteen years and the period from the date of the Member's retirement to his eighty-sixth birthday.

All optional retirement income settlements shall comply with the requirements of the *Income Tax Act and Regulations*.<sup>44</sup>

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<sup>44</sup> In order to comply with changes requested by Revenue Canada to comply with the *Income Tax Act (Canada)* and *Regulations* the Plan was amended (#6) effective January 1, 1992 to add the last paragraph to Section 7.3.

#### 7.4 Election of Optional Retirement Income Settlement

A Member may elect one of the optional forms of retirement income settlement at any time prior to the commencement of his retirement income. A Member who has elected an optional form of retirement income settlement may cancel or change such election at any time prior to the commencement of his retirement income.

The election of an optional form of retirement income settlement, and the change or cancellation of such election, shall be made in such manner and on such forms as the Company shall determine from time to time and must be filed with the Company to become effective.

The election of a joint and survivorship settlement shall be canceled automatically in the event of the death of the named joint annuitant prior to the commencement of the Member's retirement income. Death of the named joint annuitant following the commencement of the Member's retirement income will not, however, cancel the election or affect the amount of monthly retirement income payable to the Member.

The consent of a joint annuitant or of a Beneficiary who is not the Member's Spouse shall not be required for the election or cancellation, modification or change of the election of an optional form of retirement income settlement.

**SECTION 8 -- BENEFITS ON DEATH**

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**8.1 Death in the Service of the Company Prior to Normal Retirement Date**

*Where the Member is not survived by a Spouse or has not completed two years of participation in the Plan*

If a Member should die while an Employee and is not survived by a Spouse or has not completed two years of participation in the Plan, the Member's Beneficiary will be entitled to a cash payment equal to the total of such Member's required contributions made pursuant to Section 3.1, with Credited Interest thereon.

*Where the Member is survived by a Spouse and has completed two years participation in the Plan*

If a Member who has completed two years of participation in the Plan should die while an Employee and is survived by a Spouse, the Spouse will be entitled to one of the following death benefits:

- (1) Where the Member is not yet eligible for early retirement at the date of death, a lump sum amount equal to the Commuted Value of the pension benefit earned by the Member with respect to Credited Service on and after January 1, 1987, and to which the Member would have been entitled on the day of death if the Member had terminated employment on that day and had not died. <sup>45</sup>
- (2) Where the Member is eligible for early retirement pursuant to Section 5.2 at the date of death, a lifetime pension equal to 60% of that portion of the reduced early retirement benefit, determined as at the Member's date of death in accordance with Sections 6.2, 6.3, 7.1(1)(b) and 7.2, which is in respect of the deceased Member's Credited Service on and after January 1, 1987.

In addition to the benefit described in subsections (1) or (2) above, the Member's Beneficiary will be entitled to receive a death benefit equal to the total of the Member's required contributions made pursuant to Section 3.1 prior January 1, 1987, with Credited Interest thereon.

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<sup>45</sup> At the request of the Office of the Superintendent of Financial Institutions, Canada, in order to comply with the *Pension Benefits Standards Act, 1985*, the Plan was amended (#7) effective May 16, 1994 to delete the phrase "calculated in accordance with Section 6.1 hereof".



**BENEFITS ON DEATH (cont'd)**

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**8.2 Death in the Service of the Company After Normal Retirement Date or After Retirement but Prior to Pension Commencement**

If a Member should die after his normal retirement date, or after retiring from active employment on his early retirement date, but prior to the commencement of his retirement income he will be deemed to have retired on the first day of the month in which his death occurred for purposes of the Plan. In such event, payment of retirement income will commence on the first day of the month in which the Member's death occurred to his Spouse, beneficiary, estate or joint annuitant, as the case may be, and will continue in accordance with the normal or optional form of retirement income in effect at the deceased Member's date of death.

**8.3 Death After Retirement**

If a Member should die after his retirement income payments have commenced, a death benefit shall be paid in accordance with the form of retirement income that was in payment pursuant to Section 7.

**8.4 After Termination of Employment**

If a Member whose employment with the Company has been terminated but who is entitled to receive an amount of deferred retirement income, should die prior to the commencement of such benefit:

*Where the Member is not survived by a Spouse*

If the Member is not survived by a Spouse, his Beneficiary will be entitled to a cash payment equal to the total of such Member's required contributions made pursuant to Section 3.1, with Credited Interest thereon, to the extent that the Member has not already received a refund of such contributions.

*Where the Member is survived by a Spouse*

If the Member is survived by a Spouse, the Spouse will be entitled to one of the following death benefits:

**BENEFITS ON DEATH (cont'd)**

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- (1) Where the Member had not attained age 55 prior to the date of his death, a lump sum amount equal to the Commuted Value of the pension benefit, earned by the Member with respect to Credited Service on and after January 1, 1987, and to which the Member would have been entitled on the day of death if the Member had terminated employment on that day and had not died. <sup>46</sup>
- (2) Where the Member has attained age 55 prior to his death, a lifetime pension equal to 60% of that portion of the reduced early retirement benefit, which the Member would have received pursuant to Section 6.2(1), which is derived from the deceased Member's Credited Service on and after January 1, 1987.

In addition to the benefit described in subsection (1) or (2) above, the Member's Beneficiary will be entitled to receive a cash payment equal to the total of the Member's required contributions made pursuant to Section 3.1 prior to January 1, 1987, with Credited Interest thereon, to the extent that the Member has not already received a refund of such contributions.

**8.5 Appointment of Beneficiary**

Subject to the provisions of any annuity, insurance or other contract or law governing the designation of beneficiaries and from time to time in force, a Member may, by written notice communicated to the Company during such Member's lifetime, designate a person or persons referred to in the Plan as his "Beneficiary" to receive such amounts as shall be payable pursuant to the Plan as a result of his death (other than amounts payable to his Spouse or joint annuitant, as applicable).

Subject to the provisions of any annuity, insurance or other contract or law governing the designation of Beneficiaries from time to time in force, a Member may by written notice communicated to the Company during such Member's lifetime, alter or revoke such designation from time to time.

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<sup>46</sup> At the request of the Office of the Superintendent of Financial Institutions, Canada, in order to comply with the *Pension Benefits Standards Act, 1985*, the Plan was amended (#7) effective May 16, 1994 to delete the phrase "calculated in accordance with Section 6.1 hereof".

## BENEFITS ON DEATH (cont'd)

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### 8.6 Settlement of Death Benefits

Settlement of the death benefits payable under the Plan shall be made in the following ways:

- (a) If the death benefit is a refund of the Member's contributions with Credited Interest, it shall be payable to Member's Beneficiary in a lump sum or may be transferred to an acceptable funding arrangement as permitted under the *Income Tax Act and Regulations*.<sup>47</sup>
- (b) If the death is constituted of a Commuted Value payable to the Member's surviving Spouse, the Spouse may elect to transfer all of the benefit to one of the prescribed funding arrangements identified in Section 1.5 of the Plan, or to receive the amount of immediate or deferred pension which can be provided from the Commuted Value provided the pension commencement date shall not be later than the later of one year after the date of death of the Member or December 31st of the calendar year in which the Spouse attains age 69.<sup>48</sup>
- (c) If the death benefit is a retirement income payable to the Member's surviving Spouse, monthly payments shall be made directly to the surviving Spouse or to an acceptable funding arrangement as permitted under the *Income Tax Act and Regulations*.<sup>47</sup>

### 8.7 Minimum Retirement Income Entitlement from Member Contributions

If a Member should die while an Employee after completion of two (2) years of membership in the Plan and the aggregate of his required contributions made on and after January 1, 1987 together with Credited Interest exceeds 50% of the Commuted Value of the Core Benefits entitlement accrued and granted to the Member's credit with respect to his Credited Service on and after January 1, 1987,

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<sup>47</sup> In order to comply with changes requested by Revenue Canada to comply with the *Income Tax Act (Canada) and Regulations* the Plan was amended (#6) effective January 1, 1992 to replace the phrase "as permitted by Revenue Canada from time to time" to "as permitted under the *Income Tax Act and Regulations*".

<sup>48</sup> In order to comply with changes requested by the CCRA to comply with the *Income Tax Act (Canada) and Regulations*, amended (#10) effective January 1, 1997 to replace the phrase "attains age 71" with "attains age 69".

In order to comply with changes to the *Income Tax Act (Canada) and Regulations*; amended (#1) effective January 1, 1992. Previous wording was as follows:

- 8.6 (b) If the death benefit is constituted of a Commuted Value payable to the Member's surviving Spouse, the Spouse may elect to receive the amount of immediate or deferred pension which can be provided from this amount from the Plan, or to transfer all of the benefit to one of the prescribed funding arrangements identified in Section 1.5 of the Plan.

**BENEFITS ON DEATH (cont'd)**

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calculated as of the date of the Member's death, the amount of the Member's required contributions in excess of 50% of the Commuted Value of the Core Benefits entitlement shall be refunded to the Member's Spouse to be transferred or applied to a prescribed funding arrangement as described in Section 1.5 of this Plan.<sup>49</sup>

In no event shall the value of the death benefit paid in respect of a Member under the terms of this Plan be less than the Member's required contributions with Credited Interest thereon.

**8.8 Additional Voluntary Contributions**

In the event of the death of a Member, the Member's Spouse or Beneficiary will be entitled, together with any other benefit to which he is herein entitled, to an additional death benefit equal to the total of such deceased Member's additional voluntary contributions, if any, together with Credited Interest.

**8.9 Former Plan Benefits**

For the purposes of this Section 8, a Member's required contribution made pursuant to Section 3.1 in respect of Credited Service prior to January 1, 1987 includes the death benefit under the Former Plan calculated as at December 31, 1970, with Credited Interest thereon from January 1, 1971 to the date of his death.

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<sup>49</sup> In order to clarify the minimum retirement income received by a Member from his required contributions the Plan was amended (#4) effective December 1, 1995. Previous wording was as follows:

**8.7 Minimum Retirement Income Entitlement from Member Contributions**

If a Member should die while an Employee after completion of two years of membership in the Plan and the aggregate of his required contributions made on and after January 1, 1987 together with Credited Interest exceeds 50% of the Commuted Value of the retirement income entitlement accrued and granted to the Member's credit with respect to his Credited Service on and after January 1, 1987, calculated as of the date of the Member's death, the amount of the Member's required contributions in excess of 50% of the Commuted Value of the retirement income entitlement shall be refunded to the Member's Spouse, to be transferred or applied to a prescribed funding arrangement as described in Section 1.5 of this Plan.

In no event shall the value of the death benefit paid in respect of a Member under the terms of this Plan be less than the Member's required contributions with Credited Interest thereon.

Secondly, in connection with allowing members the opportunity of making flexi-contributions, the Plan was amended (#8) effective April 1, 1997 to replace the phrase "Commuted Value of the retirement income" with "Commuted Value of the Core Benefits".

## SECTION 9 -- BENEFITS PAYABLE ON TERMINATION OF EMPLOYMENT

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If the employment with the Company of a Member is terminated for any reason other than his retirement pursuant to the Plan or his death, such Member will be entitled to the benefits and elections outlined in the following paragraphs:

### 9.1 For Retirement Income Credits Earned Prior to January 1, 1987

#### (1) *Prior to Completion of Ten Years of Service*

If the terminating Member has completed less than ten years of Credited Service and less than ten (10) years of Continuous Service with the Company prior to the date of his termination of employment, he shall receive a cash refund equal to the sum of the following:<sup>50</sup>

- (a) his required contribution made to the Former Plan for service prior to January 1, 1971, with interest as provided in such Former Plan calculated to December 31, 1970 together with Credited Interest thereon, and
- (b) his required contributions made pursuant to Section 3.1 of the Plan in respect of Credited Service prior to January 1, 1987, together with Credited Interest.

#### (2) *Ten or More Years of Service But Not Yet Age 45*

If the terminating Member has completed ten or more years of Credited Service with the Company prior to the date of his termination of employment, he may elect to receive one of the following settlements:

- (a) To receive the cash refund described in the preceding paragraph (1); *or*
- (b) In lieu thereof, to receive a deferred annual retirement income commencing at his unreduced retirement date equal to the amount of retirement income he has earned with respect to Credited Service prior to January 1, 1987 and based on his Final Average Earnings at such termination date. If the terminating Member has completed twenty (20) years of Credited Service prior to the date of his termination of employment, he shall also be entitled to receive a monthly bridge benefit payable from his unreduced retirement date

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<sup>50</sup> The Plan was amended (#4) effective December 1, 1995 by adding the phrase "and less than ten (10) years of Continuous Service" after the phrase "less than ten years of Credited Service".

## BENEFITS PAYABLE ON TERMINATION OF EMPLOYMENT (cont'd)

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to age 65 in an amount equal to that which would be calculated under Section 6.3 with respect to Credited Service prior to January 1, 1987. Further, such Member shall be entitled, in lieu of the deferred retirement income at his unreduced retirement date, to elect to have the Commuted Value of the retirement income entitlement under this Section 9.1(2)(b) transferred or applied to a prescribed funding arrangement as described in Section 1.5 of this Plan.<sup>51</sup>

(3) *Ten or More Years of Service and Age 45*

Notwithstanding Sections 9.1(1) and (2), if the terminating Member has completed ten (10) or more years of Credited Service with the Company or has completed ten (10) or more years of Continuous Service with the Company prior to the date of his termination of employment and has attained age 45, he shall not be permitted to elect a cash refund equal to the total of his required contributions made pursuant to Section 3.1 of the Plan in respect of service prior to January 1, 1987, but shall, in lieu thereof, be eligible to receive an amount of deferred retirement income commencing at his unreduced retirement date equal to the amount of retirement income he has earned with respect to Credited Service prior to January 1, 1987 and based on his Final Average Earnings at such termination date. If the terminating Member has completed twenty (20) years of Credited Service prior to the date of his termination of employment, he shall also be entitled to receive a monthly bridge benefit payable from his unreduced retirement date to age 65 in an amount equal to that which would be calculated under Section 6.3 with respect to Credited Service prior to January 1, 1987. Further, such Member, provided he is not yet eligible for early retirement pursuant to Section 5.2, shall be entitled, in lieu of a deferred retirement income at his unreduced retirement date, to elect to have the Commuted Value of the retirement income entitlement under this Section 9.1(3) transferred or applied to a prescribed funding arrangement as described in Section 1.5 of this Plan.<sup>52</sup>

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<sup>51</sup> At the request of the Office of the Superintendent of Financial Institutions, Canada, in order to comply with the *Pension Benefits Standards Act, 1985*, the Plan was amended (#7) effective May 16, 1994 to grant additional benefits to members qualifying for unreduced retirement at age 62.

<sup>52</sup> The Plan was amended (#4) effective December 1, 1995 by adding the phrase "has completed ten or more years of Credited Service with the Company or" before the phrase "has completed ten or more years of Continuous Service". At the request of the Office of the Superintendent of Financial Institutions, Canada, in order to comply with the *Pension Benefits Standards Act, 1985*, the Plan was amended (#7) effective May 16, 1994 to grant additional benefits to members qualifying for unreduced retirement at age 62.

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**9.2 For Retirement Income Credits Earned On and After January 1, 1987****(1) *Prior to Completion of Two Years Membership***

If the terminating Member has completed less than two years of membership in the Plan prior to the date of his termination of employment, he shall receive a cash refund equal to the total of his required contributions made pursuant to Section 3.1 of the Plan in respect of Credited Service on and after January 1, 1987, together with Credited Interest.

**(2) *Two or More Years Membership***

If the terminating Member has completed two (2) or more years of membership in the Plan prior to the date of his termination of employment, he shall receive an amount of deferred retirement income commencing at his unreduced retirement date equal to the amount of retirement income he has earned with respect to Credited Service on and after January 1, 1987 based on his Final Average Earnings at such termination date. If the terminating Member has completed twenty (20) years of Credited Service prior to the date of his termination of employment, he shall also be entitled to receive a monthly bridge benefit payable from his unreduced retirement date to age 65 in an amount equal to that which would be calculated under Section 6.3 with respect to Credited Service on and after January 1, 1987. Further, such Member, provided he is not yet eligible for early retirement pursuant to Section 5.2, shall be entitled, in lieu of a deferred retirement income at his unreduced retirement date, to elect to have the Commuted Value of the retirement income entitlement under this Section 9.2(2) transferred or applied to a prescribed funding arrangement as described in Section 1.5 of this Plan.<sup>53</sup>

**9.3 Early Commencement of Deferred Retirement Income**

Notwithstanding the provisions of Sections 9.1, 9.2 and 9.4(2), a Member whose employment terminated prior to his being eligible for early retirement, who is within 120 months of his unreduced retirement date and who is entitled to a deferred retirement income in accordance with this Section 9, may elect to have

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<sup>53</sup> At the request of the Office of the Superintendent of Financial Institutions, Canada, in order to comply with the *Pension Benefits Standards Act, 1985*, the Plan was amended (#7) effective May 16, 1994 to grant additional benefits to members qualifying for unreduced retirement at age 62.

**BENEFITS PAYABLE ON TERMINATION OF EMPLOYMENT (cont'd)**

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his retirement income commence prior to his normal retirement date in which case the amount of retirement income shall be actuarially reduced to the extent that the date of commencement of the retirement income precedes the Member's unreduced retirement date. In no event shall the annual amount of retirement income computed in accordance with this subsection be greater than the retirement income benefit computed in accordance with Income Tax Regulation 8503(3)(c).<sup>54</sup>

**9.4 Additional Voluntary Contributions**

Notwithstanding the provisions of this Section 9, in the event of the termination of a Member who has made additional voluntary contributions, such Member may elect to receive:

- (1) a lump sum refund equal to the total of his additional voluntary contributions together with Credited Interest; or
- (2) an additional amount of deferred retirement income commencing at his normal retirement date in such amount as can be provided from the total of such additional voluntary contributions together with Credited Interest.

**9.5 No Further Rights on Termination**

A Member whose employment by the Company has been terminated otherwise than by reason of his retirement pursuant to the Plan or his death shall have no rights under the Plan other than those specified.

**9.6 Transfers to an Associated Company**

Notwithstanding the foregoing, if a Member ceases to be an Employee by virtue of his subsequent employment with an associated Company which has not been designated by the Board of Directors for inclusion in the Plan but which sponsors a separate pension plan for its employees, then, upon completion of a satisfactory agreement with the associated Company, his retirement, death and termination benefits in respect of his period of Credited Service under this Plan shall be calculated under and paid from the pension plan of the associated Company.

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<sup>54</sup> In order to comply with the *Income Tax Act (Canada)* and *Regulations* the Plan was amended (#1) effective January 1, 1992 to add the last sentence to Section 9.3. Further at the request of the Office of the Superintendent of Financial Institutions, Canada, in order to comply with the *Pension Benefits Standards Act, 1985*, the Plan was amended (#7) effective May 16, 1994 to grant additional benefits to members qualifying for unreduced retirement at age 62.



**BENEFITS PAYABLE ON TERMINATION OF EMPLOYMENT (cont'd)**

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Such retirement, death and termination benefits shall not be less than the corresponding benefits that would have been payable under this Plan in respect of the Member's period of Credited Service under this Plan had the Member remained an Employee under this Plan until his retirement, death or termination. When a Member transfers to an associated company in such a manner, the Company shall direct the Trustee to segregate from the Pension Fund assets whose aggregate value, as determined by the Actuary, equals that proportion of the value of the assets of the Pension Fund (less the value of any surplus in the Pension Fund, as determined by the Actuary in the most recent actuarial report prepared for the Plan) that

- (a) the liability for the prospective benefit entitlements under this Plan for the transferring Member is of,
- (b) the total liability for the prospective benefit entitlements under this Plan for all Members and Beneficiaries,

and to transfer these assets from the Pension Fund to the trust fund of the pension plan of the associated company.

In the event that the pension plan of the associated company is constituted under the laws of a foreign country, due regard shall be made of any restrictions imposed by the laws of Canada and that foreign country.

## BENEFITS PAYABLE ON TERMINATION OF EMPLOYMENT (cont'd)

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### 9.7 Minimum Retirement Income Entitlement from Member Contributions

If a Member terminates his employment after completion of two (2) years of membership in the Plan and the aggregate of his required contributions made on and after January 1, 1987 together with Credited Interest exceeds 50% of the Commuted Value of the Core Benefits entitlement accrued and granted to the Member's credit under this Section 9 with respect to his Credited Service on after January 1, 1987, calculated as of the date of the Member's termination, the amount of the Member's required contributions in excess of 50% of the Commuted Value of the Core Benefits entitlement shall be used to increase the Member's retirement income by the amount that can be provided by such excess.

If a Member terminates his employment and the aggregate of his required contributions made before January 1, 1987 together with Credited Interest exceeds the Commuted Value of the Core Benefits entitlement accrued and granted to the Member's credit under this Section 9 with respect to his Credited Service before January 1, 1987, calculated as of the date of the Member's termination, the amount of the Member's required contributions in excess of the Commuted Value of the Core Benefits entitlement shall be used to increase the Member's retirement income by the amount that can be provided by such excess.<sup>55</sup>

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<sup>55</sup> First amended in order to clarify the minimum retirement income received by a Member from his required contributions the Plan was amended (#4) effective December 1, 1995. Previous wording was as follows

#### 9.7 Minimum Retirement Income Entitlement from Member Contributions

If a Member terminates his employment after completion of two years of membership in the Plan and the aggregate of his required contributions made on and after January 1, 1987 together with Credited Interest exceed 50% of the Commuted Value of the retirement income entitlement accrued and granted to the Member's credit under this Section 9 with respect to his Credited Service on and after January 1, 1987, calculated as of the date of the Member's termination, the amount of the Member's required contributions in excess of 50% of the Commuted Value of the retirement income entitlement shall be refunded to the Member to be transferred or applied to a prescribed funding arrangement as described in Section 1.5 of this Plan.

In no event shall the Commuted Value of the termination benefit accrued to a Member under the terms of this Plan be less than the Member's required contributions with Credited Interest thereon.

Secondly, in connection with allowing members the opportunity of making flexi-contributions, the Plan was amended (#8) effective April 1, 1997 to replace the phrase "Commuted Value of the retirement income" with "Commuted Value of the Core Benefits".

Next amended in order to clarify the minimum retirement income received by a Member from his required contributions, amended (#10) effective July 8, 1998 to replace the phrase "shall be refunded to the Member to be transferred or applied to a prescribed funding arrangement as described in Section 1.5 of this Plan" with "shall be used to increase the Member's retirement income by the amount that can be provided by such excess" in both the first and second paragraphs.

**SECTION 10 -- DISABILITY ACCRUAL**

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**10.1 Member Required Contribution During Disability**

A Member is exempted from the requirement to make contributions to the Plan during a period of disability and while in receipt of benefits from the long-term disability plan sponsored by the Company, provided that the Member's disability has been certified by a qualified medical practitioner as preventing the Member from fulfilling his duties as an Employee.

**10.2 Continuous Service and Credited Service During Disability Period**

Each year, or part thereof, during the period of a Member's disability as described in Section 10.1, while in receipt of benefits from the long-term disability plan sponsored by the Company, counts as a year, or part thereof, of Continuous Service and Credited Service for the Member and the benefit is determined based on the provisions of the Plan, as modified by Sections 10.3, that are in effect at the date specified in either Section 10.4 or 10.5.

**10.3 Earnings During Disability Period**

During any period in which a disabled Member described in Section 10.1 is in receipt of salary continuance benefits under an insured plan made available by the Company, the Member's Earnings shall be deemed to continue at the rate in effect immediately prior to the date of commencement of disability, increasing each year thereafter by 80% of the increase in the Consumer Price Index during that calendar year, and each subsequent year for the number of years equal to his years of Credited Service at the date of disability and no increase thereafter. The deemed escalation in earnings shall not exceed 6% in any year.

Notwithstanding the above, a Member who becomes disabled on or after attainment of age 56 and has 30 or more years of continuous service at the date of disability shall be deemed to have his earnings continue at 100% of the current wage rate for his wage classification during the period of disability.

Upon recovery from disability, the Member's Earnings, if any, shall be determined in accordance with Section 1.10.

**DISABILITY ACCRUAL (cont'd)**

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**10.4 Disability Ending Before Normal Retirement**

If a Member described in Section 10.1, for any reason ceases to receive benefits from the long-term disability plan sponsored by the Company before his Normal Retirement Date and

- (1) the Member returns to active employment with the Company within 90 days of the date specified by the Company, his pension is calculated based on the provisions of the Plan, as modified by Section 10.3, in effect as at the date of his subsequent termination or retirement; or
- (2) the Member does not return to active employment with the Company within 90 days of the date specified by the Company, he will be deemed to have terminated his employment for purposes of the Plan as of the date that he ceases to receive benefits from the long-term disability plan sponsored by the Company and his pension is calculated based on the provisions of the Plan, as modified by Section 10.3, in effect as at the date of his deemed termination.

**10.5 Disability Continuing Until Normal Retirement**

A Member described in Section 10.1 whose period of disability continues until his Normal Retirement Date is deemed to retire on his Normal Retirement Date and his pension is calculated based on the provisions of the Plan, as modified by Section 10.3, in effect as at the date of his retirement.

## SECTION 11 -- ADMINISTRATION OF THE PLAN

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### 11.1 Responsibility for Administration

The administrator of the Plan shall be the Company which shall be responsible for all matters relating to the administration of the Plan and may delegate such matters as it deems appropriate to be performed by one or more agents. The Company shall decide conclusively all matters relating to the operation, interpretation and application of the Plan.

### 11.2 Rules for Administration

The Company may enact rules and regulations relating to the administration of the Plan to carry out the terms hereof and may amend such rules and regulations from time to time. Such rules and regulations shall not conflict with any provision of this Plan.

### 11.3 Advisory Committee

Pursuant to the Pension Benefits Standards Act, an Advisory Committee may be established to assist in the administration of the Plan. The duties of the Advisory Committee include:

- (1) the promotion of awareness and understanding of the Plan among Members and potential Members;
- (2) the review, at least once every Plan Year, of the financial, actuarial and administrative aspects of the Plan, and;
- (3) such other duties as are specified by the Company.

## SECTION 12 -- GENERAL PROVISIONS

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### 12.1 Proof of Age and Marital Status

No payment of retirement income shall commence under the Plan until the Member has filed with the Company satisfactory proof of age and marital status pursuant to Section 1.20 of the Plan. A Member who has a Spouse or who has elected a joint and survivorship settlement must also provide satisfactory proof of age of such Spouse or joint annuitant prior to the commencement of his retirement income.

### 12.2 Rights of Members

The establishment and implementation of the Plan shall not constitute an enlargement of any rights which a Member has apart from the Plan, nor shall Membership in the Plan give a Member, the Member's Spouse, Beneficiary, or joint annuitant any legal right to any benefit hereunder except as provided herein.

### 12.3 Infirmary

If, in the opinion of the Company, any person entitled to receive a benefit under the Plan is, as a result of physical or mental infirmity, incapable of managing his affairs, the Company may authorize any payment to which such person is entitled to be made to the Member's Spouse or appointed guardian for the Member's account and such payment shall be a complete discharge of any obligation on the part of the Company to make such payment.

### 12.4 Non-Assignability and Non-Commutation of Benefits

Other than as required by law or permitted under the Pension Benefits Standards Act, and subject to Section 12.5, all retirement income and other benefits provided under the terms of this Plan are for the Member's own use and benefit, are not capable of being assigned, alienated, charged, anticipated or given as security, and do not confer upon any Member, their personal representative or dependent, or any other person, any right or interest in the retirement income or deferred retirement income which is capable of being assigned or otherwise alienated nor shall any such benefit be capable of surrender or commutation except as provided in the Plan. <sup>56</sup>

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<sup>56</sup> In order to comply with changes to the *Income Tax Act (Canada)* and *Regulations* the Plan was amended (#1) effective January 1, 1992 by replacing the phrase "assigned, charged, anticipated or" with "assigned, alienated, charged, anticipated, or".

## GENERAL PROVISIONS (cont'd)

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### 12.5 Splitting of Retirement Income Credits on Marriage Breakdown

For the purposes of this Section 12.5, the term "Spouse" may have the meaning accorded it under the applicable provincial property legislation where retirement income credits are to be divided between a Member and such Member's Spouse pursuant to a court order, and, subject to this Section 12.5, the retirement income entitlement accrued under this Plan are subject to applicable provincial property law.

Notwithstanding Section 12.4 of the Plan, in the event of the marriage breakdown of a Member and such Member's Spouse, such Member may, effective as of January 1, 1987, assign all or part of his retirement income entitlement under the Plan to his Spouse pursuant to divorce, annulment or separation. In the event of such an assignment the Spouse shall, in respect of the assigned portion of the retirement income entitlement and only to the extent that is provided for under the Pension Benefits Standards Act, be deemed to have been a Member of the Plan and to have ceased Membership in the Plan as of the effective date of the assignment.

Pursuant to a court order or a written separation agreement between the Spouses, the assigned portion of the retirement income entitlement may be paid directly to the Spouse as a retirement income under the terms of the Plan or a Commuted Value thereof may be determined and transferred to an appropriate funding vehicle in accordance with the provisions of the Pension Benefits Standards Act and of this Plan.<sup>57</sup>

Under this Section 12.5, where all or part of the Member's retirement income entitlement is to be distributed to the Member's Spouse, the retirement income payable may be adjusted so that it becomes payable as two (2) separate retirement incomes, one to the Member and one to the Spouse, provided that the aggregate Commuted Value of the two separate retirement incomes is Actuarially Equivalent to the retirement income that would have been payable to the Member had the divorce, annulment or separation not occurred.

A subsequent spouse of the Spouse is not entitled to any share of the assigned portion of the pension benefit.

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<sup>57</sup> In order to comply with changes to the *Income Tax Act (Canada)* and *Regulations* the Plan was amended (#1) effective January 1, 1992 by replacing the phrase "Pursuant to a court order or an agreement" in the first line of the third paragraph with "Pursuant to a court order or a written separation agreement".

**GENERAL PROVISIONS (cont'd)**

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**12.6 Currency**

For all purposes of the Plan the Earnings of Members who are serving the Company elsewhere than in Canada and whose salaries or wages are paid in any foreign currency shall be converted to the equivalent in Canadian currency, cents being disregarded. The rate of exchange shall be determined from time to time by the Company in its discretion and all retirement income and other benefits payable pursuant to the Plan shall be computed and paid in Canadian currency.

**12.7 Notices and Elections**

Any notice or election to be given, made or communicated, pursuant to or for any purpose of the Plan shall be given, made or communicated, as the case may be, in such manner as the Company shall determine.



**SECTION 13 -- FUTURE OF THE PLAN**

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**13.1 Amendment to the Plan**

The Company intends to maintain the Plan in force indefinitely but necessarily reserves the right to change, amend, or discontinue the Plan, in whole or in part, or to rescind the designation of any subsidiary or associated company pursuant to Section 1.6 for inclusion in the Plan, all as the Board of Directors may in its absolute discretion determine. Any amendment to or discontinuance of the Plan, in whole or in part, shall be effected by a resolution of the Board of Directors.

**13.2 No Reduction in Benefits**

No amendment to the Plan shall operate to reduce the benefits which have accrued to Members and their respective Spouses, Beneficiaries, or joint annuitants, as the case may be, pursuant to the Plan prior to the date of such amendment.

**13.3 Discontinuance of the Plan**

In the event of discontinuance of the Plan, in whole or in part, the Company cannot recover any sums paid to the date thereof until all liabilities of the Plan have been fully met. The assets held pursuant to or for the purposes of the Plan must and shall be applied for the benefit of the said Members pursuant to the Plan and their respective Spouses, Beneficiaries, and joint annuitants in such equitable manner as shall be determined by the Company in consultation with the Actuary until such liabilities have been fully met.

If the Plan is terminated in part, the right of affected Members shall be the same as the rights of Members if the Plan were wholly terminated. For the purposes of determining the amounts of pension benefits and any other benefits and entitlements on the wind-up of the Plan in whole or in part, the employment of each Member affected by the wind-up shall be deemed to have been terminated on the effective date of the wind-up and his pension benefit shall be determined as if he had satisfied all eligibility conditions for a deferred pension under the Plan.

**FUTURE OF THE PLAN (cont'd)**

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**13.4 Surplus**

If, after full provision has been made to meet the liabilities of the Plan pursuant to Section 13.3, there should remain assets in the Pension Fund, such assets shall, subject to such prior approval as may be required by the regulatory authorities, revert to the Company or be used as the Company may direct.

**13.5 Application for Benefits**

Notwithstanding Section 13.3, any application made with respect to the provision of benefits accrued by a Member pursuant to the Plan and any distribution of such benefits to such Member in the event of the winding up or discontinuance of the Plan shall be made in accordance with the applicable requirements of the Pension Benefits Standards Act.

## SECTION 14 -- DISCLOSURE

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### 14.1 Written Explanations

Each Employee who is eligible to join the Plan or who is enrolled in the Plan, and such Employee's Spouse will receive a written explanation of the provisions of the Plan and of any applicable amendments thereto, within six months after the establishment of the Plan or after the making of the amendment, in accordance with the Pension Benefits Standards Act.

### 14.2 Annual Statements

Each Member and such Member's Spouse will receive an annual written statement within six months following the Plan Year end, showing the retirement income to which the Member is entitled under the Plan at the end of that year, the value of the accumulated contributions made under the Plan by the Member since his enrollment in the Plan, the funded ratio of the Plan, and such other information as is prescribed under the Pension Benefits Standards Act.

### 14.3 Examination of Documents

Each Member and such Member's Spouse may, once in each year of operation of the Plan, either personally or by an agent authorized in writing for that purpose, examine the documents filed with the Superintendent after December 31, 1986, in accordance with the Pension Benefits Standards Act, or may order, in writing, a photocopy of any such documents, subject to such reasonable fee as is required by the administrator for photocopying services.

### 14.4 Benefit Statements

Where a Member retires from the Plan, terminates employment, or dies, or where the whole or part of the Plan is terminated, the Member (or, in the case of termination of the Plan, each Member) and such Member's Spouse (and, in the case of the Member's death, his legal representative) will receive a written statement of the Member's retirement income and other benefits payable under the Plan, within thirty days after the date of the retirement, cessation of enrollment, death or termination in accordance with the Pension Benefits Standards Act.

**SECTION 15 -- FLEXI-PENSION BENEFITS**

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**15.1 Flexi-Contributions**<sup>58</sup>**(a) Flexi-Contributions**

An Active Member may elect to make Flexi-Contributions at any level up to nine percent (9%) of Earnings in increments of one percent (1%) by filing a written notice on prescribed forms of such election with the Company.

**(b) Pre-1990 and Post-1989 Designation**

A Member who makes Flexi-Contributions in accordance with Section 15.1 shall designate whether such contributions apply to pre-1990 or post-1989 Credited Service periods or both and in what proportion. Flexi-Contributions which apply to pre-1990 Credited Service shall be classified as Flexi-Pre-1990 Contributions and Flexi-Contributions which apply to post-1989 Credited Service shall be classified as Flexi-Post-1989 Contributions.

**(c) Annual Election of Flexi-Contributions**

Subject to Sections 15.1 (d) and 15.1(e), a Member may change the level of his/her Flexi-Contributions effective each January 1<sup>st</sup>, by providing the Company with written notice on the form prescribed by the Company at any time in December of the calendar year preceding the effective date of the change in level of contribution. If the prescribed form is not returned by December 31<sup>st</sup>, then no change will be made to the Member's level of Flexi-Contributions for the following calendar year.

The Company may, permit changes in the level of Flexi-Contributions at any other time at its sole discretion.

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<sup>58</sup> As the Company wished to give members the opportunity of making flexi-contributions, the Plan was amended (#8) effective April 1, 1997 to add Section 15.

## FLEXI-PENSION BENEFITS (cont'd)

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### (d) Maximum Flexi-Contributions

A Member's Flexi-Contribution shall not exceed the amount determined in accordance with *Income Tax Regulation 8503(4)(a)* less the Member Required Contributions made pursuant to Section 3.1.<sup>59</sup>

## 15.2 Accounts

### (a) Flexi-Pre-1990 Contribution Account

An individual account, known as the Member's Flexi-Pre-1990 Contribution Account, shall be maintained on behalf of each Member and shall be credited each year with the Flexi-Pre-1990 Contributions made by the Member.<sup>60</sup>

A Member's Flexi-Pre-1990 Contribution Account will only be used to enhance benefits pursuant to Section 15.3 in respect of Credited Service prior to January 1, 1990.

The Member's Flexi-Pre-1990 Contribution Account shall be credited with Credited Interest annually as of December 31<sup>st</sup>. Credited Interest shall be credited on account balances and contributions to December 31 or to the date of payment from the account if earlier in accordance with the *Income Tax Act and Regulations* and the Pension Benefits Standards Act.

### (b) Flexi-Post-1989 Contribution Account

An individual account, known as the Member's Flexi-Post-1989 Contribution Account, shall be maintained on behalf of each Member and shall be credited each year with the Flexi-Post-1989 Contributions made by the Member.<sup>60</sup>

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<sup>59</sup> In order to comply with changes requested by Revenue Canada, the Plan was amended (#9) effective April 1, 1997 by adding the phrase "less the Member Required Contributions made pursuant to Section 3.1".

In order to comply with changes required by Revenue Canada the Plan was amended (#9) effective April 1, 1997. Section 15.1(e) was deleted (as below) and not replaced.

#### 15.1(e) Refund of Contributions

All or part of the Flexi-Contributions made by the Member shall be refunded to the Member if necessary to avoid revocation of the Plan's registration, subject to the prior approval and conditions of Revenue Canada and such body at the time having primary responsibility for the registration of the Plan under the Pension Benefits Standards Act.

<sup>60</sup> In order to comply with changes required by Revenue Canada the Plan was amended (#9) effective April 1, 1997 to remove the phrase "and shall be reduced by payments to or on behalf of the Member from the account" from the end of the first paragraph.

**FLEXI-PENSION BENEFITS (cont'd)**

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A Member's Flexi-Post-1989 Contribution Account will only be used to enhance benefits pursuant to Section 15.3 in respect of Credited Service on and after January 1, 1990.

The Member's Flexi-Post-1989 Contribution Account shall be credited with Credited Interest annually as of December 31<sup>st</sup>. Credited Interest shall be credited on account balances and contributions to December 31 or to the date of payment from the account if earlier in accordance with the *Income Tax Act* and *Regulations* and the Pension Benefits Standards Act.

**15.3 Benefits****(a) Flexi-Pension Benefit at Retirement**

On retirement, a Member's benefits for service prior to January 1, 1990 and for service on and after January 1, 1990 will be enhanced to include Flexi-Pension Benefits to the extent that the balance of the Member's Flexi-Pre-1990 Contribution Account and Flexi-Post-1989 Contribution Account (respectively) permit, as determined by the Actuary.

**(b) Flexi-Pension Benefits at Termination**

If the employment of a Member with the Company terminates for any reason other than death or retirement and the Member is not vested in accordance with Section 9.2(1), the Member will receive a refund of his/her Flexi-Contributions with Credited Interest.

If the employment of a Member with the Company terminates for any reason other than death or retirement and the Member is vested in accordance with Section 9.2(2), the Member's Core Benefits for service prior to January 1, 1990 and for service on and after January 1, 1990 will be enhanced to include a Flexi-Pension Benefit to the extent that the balance of the Member's Flexi-Pre-1990 Contribution Account and Flexi-Post-1989 Contribution Account (respectively) permit, as determined by the Actuary.

The value of the enhancements described above will be included in determining the Commuted Value of the Member's termination benefits.

## FLEXI-PENSION BENEFITS (cont'd)

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(c) **Flexi-Pension Benefits upon Member's Death**

If a Member dies prior to his retirement date, the Member's Core Benefits for service prior to January 1, 1990 and for service on and after January 1, 1990 will be deemed to have been enhanced to include Flexi-Benefits to the extent that the balance of the Member's Flexi-Pre-1990 Contribution Account and Flexi-Post-1989 Contribution Account (respectively) permit, as determined by the Actuary.

The value of the deemed enhancements described above will be included in determining the Commuted Value of the Member's death benefits.

(d) **Flexi-Pension Benefits Upon Wind-up**<sup>61</sup>

If a Member's membership in the Plan terminates as a result of a full or partial wind-up of the Plan, the Member's benefits will be enhanced to include Flexi-Pension Benefits or a refund of his/her Flexi-Contributions with Credited Interest in accordance with subsection (a) or (b) as appropriate.

(e) **Default Election of Benefit**

In the absence of an election from the Member on the prescribed option election form, the Actuary will determine the enhancements which will be provided to the Member's Core Benefits.

### 15.4 Administration

(a) **No entitlement to a refund (except on non-vested termination)**

Except as provided in this Section 15, no Member shall have any right to a refund of their Flexi-Contributions.

(b) **No commutation separate from Core Benefits**

Flexi-Pension Benefits enhancements provided to Members as a result of Flexi-Contributions may not be commuted separately from Core Benefits.<sup>62</sup>

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<sup>61</sup> In order to comply with changes required by Revenue Canada the Plan was amended (#9) effective April 1, 1997 to renumber Section 15.3(d) to 15.3(e) and insert a new Section 15.3(d).

<sup>62</sup> In order to comply with changes required by Revenue Canada the Plan was amended (#9) effective April 1, 1997 to have the phrases "regular benefits" and "other benefits" replaced by "Core Benefits" in Section 15.4(b).

**FLEXI-PENSION BENEFITS (cont'd)**

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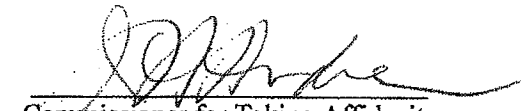
**(c) Contributions not permitted**

No Flexi-Contributions will be permitted during any year that the Plan is a designated plan as defined under *Income Tax Regulation 8515*. No Flexi-Pension Benefit shall be provided by Flexi-Contributions in respect of any period that the Plan was a designated plan as defined under *Income Tax Regulation 8515*.



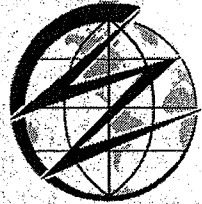
# **TAB E**

This is Exhibit "E" to the  
Affidavit of JOHN E. MAGUIRE  
sworn before me this 11th day of February, 2010.



Commissioner for Taking Affidavits

JANICE AUDREY ANDERSON  
A NOTARY PUBLIC  
IN AND FOR THE PROVINCE OF MANITOBA,  
APPOINTMENT EXPIRES MAY 14, 2010.



**CanWest Global  
Communications Corp.**

## **BOARD PENSION COMMITTEE CHARTER**

Date of original issue: September 7, 2005

## PURPOSE

The Board Pension Committee ("Committee") is a standing committee created as a committee of the board of directors (the "Board") of CanWest Global Communications Corp. ("CanWest") to assist CanWest in the oversight and supervision of separate pension plans and other retirement arrangements (the "Plans") sponsored and administered by certain subsidiaries of CanWest (the "Companies"). A list of the current Plans is attached to the Pension Plan Governance Structure and Rules, attached hereto as Schedule "A".

The Companies each have certain legal duties and obligations in respect of the Plans they sponsor and administer, and are responsible for compliance with applicable tax and pension standards legislation. The board of directors of each of the Companies is ultimately responsible for that Company's legal obligations as administrator of one or more of the Plans. In order to consolidate the oversight and supervision of the Plans, each of the Companies has delegated certain of its responsibilities and powers to the Committee. In this regard, the Committee is responsible for (i) fulfilling the oversight responsibilities delegated to it by the Companies in respect of pension plans sponsored by the Companies, and (ii) assisting the Board and each of the Companies in fulfilling their responsibilities relating to pension matters.

The board of directors of each of the Companies has delegated certain of its responsibilities and powers with respect to the operation, administration and management of the Plans to a management pension committee established by CanWest (the "Management Pension Committee"). The Committee has also delegated certain of its responsibilities with respect to the operation, administration and management of the Plans to the Management Pension Committee. However, the Committee retains responsibility for the ongoing monitoring and oversight of the Management Pension Committee.

The powers, duties and responsibilities of the Management Pension Committee and certain powers, duties and responsibilities of the Committee are set out in the Pension Plan Governance Structure and Rules attached hereto as Schedule "A".

The Committee's principal duties and responsibilities are to oversee and monitor the management and overall governance of the Plans. In respect of the foregoing, the Committee shall, in the course of each year:

- Oversee and review the investment and funding policies, procedures, guidelines, strategies, structures and objectives, and the general operation and administration of the Plans;
- Based on recommendations from the Management Pension Committee, approve the asset mix, the long-term asset allocation policies, and member investment options in respect of the Plans, as applicable;
- Review and approve, as appropriate, reports from the Management Pension Committee on the actuarial status and contribution policies of the Plans and the investment performance of the Plans (including in respect of any defined contribution plans);

- Review and approve material changes to each Plan's Statement of Investment Policies and Procedures based on the recommendations of the Management Pension Committee;
- Review the criteria used to measure the performance of investment fund managers and meet with, and receive and review reports from, the Management Pension Committee and the various pension consultants and advisors retained by CanWest and/or Companies on the performance of the various investment fund managers;
- Based on recommendations from the Management Pension Committee, appoint and replace actuaries, funding agents, investment managers, and third party administrators for the Plans, as well as other third-party service providers, as may be required from time to time;
- Based on the recommendations from the Management Pension Committee, review and approve certain amendments to the Plans; and
- Perform any other activities consistent with this Charter, the Pension Plan Governance Structure and Rules, CanWest's By-laws, and governing law, as the Committee or the Board deems necessary or appropriate.

The function of the Committee is policy setting and oversight. It is not the duty or responsibility of the Committee or its members to carry out the day to day administration of the Plans or to ensure compliance with applicable pension and tax legislation.

## **ORGANIZATION AND MEETINGS**

The Committee and its Chairperson will be appointed by the Board and will consist of at least three members.

The members of the Committee shall hold office as such until the next annual shareholders' meeting of CanWest or until their successors are appointed, provided that a member of the Committee shall ipso facto cease to be a member of the Committee upon ceasing to be a director of CanWest.

Any vacancy in the office of Chairperson shall be filled by the Board from among its members for the remainder of the term. If the Chairperson is not present at any meeting of the Committee, the Chairperson for the meeting shall be chosen by the Committee from among the members present. The Chairperson presiding at any meeting of the Committee shall have a casting vote in case of a tie.

The Committee will meet at least twice per year or more frequently as circumstances warrant to perform the responsibilities set out in this Charter. The Committee may ask members of the Management Pension Committee or others to attend meetings to provide information as necessary.

A quorum for meetings of the Committee shall be a majority of members of the Committee. In lieu of a meeting in person, the Committee may hold meetings by telephone conference call.

Decisions of the Committee at any meeting shall be determined by a majority vote; provided that, where all members of the Committee are not present at a meeting, providing there is a quorum, any absent member may vote by written proxy conferred on a member who is present at the meeting.

The Committee may conduct or authorize investigations into any matters that it believes are within the scope of its responsibilities. The Committee may retain independent counsel or other advisors to assist it in the conduct of any investigation.

The Committee will review this Charter and recommend Board approval of changes, if any, at least once per year.

## **REPORTS TO THE BOARD AND THE COMPANIES**

The Committee will advise the Board of any matters, either orally or in writing, that the Committee believes have or could have a material impact on the financial condition or affairs of the Plans and the associated pension funds and/or CanWest.

Minutes of all meetings of the Committee will be provided to the Board and, upon request, to the boards of directors of the Companies.

Written or oral reports on Committee meetings whose minutes have not been completed will be provided at each meeting of the Board.

Since the Companies are legal administrators and sponsors of the Plans, the Management Pension Committee will report to the Companies regarding the activities of the Committee and the Management Pension Committee relating to the Plans.

## **SIGNING AUTHORITY**

Any two members of the Committee or any other individual(s) designated by the Chairperson are authorized to execute and deliver all documents in relation to the Committee's powers, duties and obligations as set out above (including documents relating to the Plans and the related pension funds), provided that, unless otherwise authorized by the Committee, at least one of the signatures is that of the Chairperson.

## **LIABILITY OF COMMITTEE**

Neither the members of the Committee as a body nor any individual member thereof shall be liable for any honest error of judgment nor shall such member be personally liable for any liability or debt of the Plans or any related pension fund contracted or incurred in connection with the administration thereof, nor for any non-fulfillment of any contract nor for any other liability arising in connection with such administration.

## **PROTECTION OF COMMITTEE**

The Committee shall be fully protected in acting in good faith on the opinion or advice of, or information obtained from, any employee, agent or advisor employed by the Committee, the Management Pension Committee, CanWest or any of the Companies in

connection with the administration of the Plans or any related pension funds in performing the Committee's duties and responsibilities hereunder and the members of the Committee shall be entitled to rely conclusively on any instrument, certificate, paper or report prepared by such employee, agent or advisor and believed by them to be genuine, and shall be under no duty to make investigations or inquiries as to any statement contained in such document but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained and the Committee and every member thereof shall be indemnified and saved harmless by CanWest and the Companies in respect of any matter arising out of the performance of its duties and responsibilities hereunder.

**SCHEDULE "A"**  
**PENSION PLAN GOVERNANCE STRUCTURE AND RULES**

Date of original issue: September 7, 2005



**Pension Plan Governance Structure and Rules**

**Relating to the Administration**

**of**

**Certain Canadian Pension Plans**

**Including**

**Management Pension Committee Duties**

**PART A**

**DUTIES AND RESPONSIBILITIES OF THE MANAGEMENT PENSION COMMITTEE AND BOARD PENSION COMMITTEE**

**1. Purpose of Governance Structure**

This Pension Plan Governance Structure sets out the policies and procedures to be followed by the CanWest Management Pension Committee (the "Management Committee") in the administration of the pension plans (collectively the "Plans") listed on Appendix A attached.

**2. Establishment of the Management Committee**

The Management Committee has been established by CanWest Global Communications Corp. ("CanWest") in respect of the Plans which are sponsored and administered by various corporate subsidiaries of CanWest (each, a "Company" and collectively the "Companies").

The Management Committee exists to assist the Board of Directors of each Company in the oversight and administration of the Plans and the oversight and administration of the related funding arrangements (collectively referred to as the "Funds") established by each Company for the investment of the assets of the Plans. The Management Committee also carries out functions for and on behalf of each Company in its capacity as sponsor of the Plans.

The Management Committee shall operate under the supervision, direction and control of the Pension Committee of the Board of Directors of CanWest (the "Board Pension Committee"), and shall report to the Board Pension Committee as provided herein.

**3. Role of the Board Pension Committee**

**(a) In Relation to each Company's Role as Administrator of the Plans**

Each Company has responsibility for the prudent administration of the applicable Plan(s) and the Fund(s) in accordance with the applicable pension benefits standards legislation and the *Income Tax Act* (Canada). The following specific

powers, duties and responsibilities will be exercised on behalf of each Company by the Board Pension Committee:

#### **Governance**

- (i) The appointment and removal of members of the Management Committee;
- (ii) The review and approval, as applicable, of the periodic reports prepared for the Board Pension Committee by the Management Committee regarding the Plans and Funds (such reports shall, inter alia, address the ongoing administration, investment and governance of the Plans and Funds, as well as the design and funding of the Plans and Funds);
- (iii) The review and approval, as applicable, of the bi-annual report to each Company prepared by the Management Committee regarding the activities of the Board Pension Committee, the Management Committee and their delegates and service providers in respect of the applicable Plan(s);

#### **Investment**

- (iv) The appointment of the investment managers for the Plans based on the recommendations of the Management Committee;
- (v) The adoption of the general investment strategy for the Plans based on the recommendations of the Management Committee;
- (vi) The review and approval, based on the recommendation of the Management Committee, of any material change to the Statement of Investment Policies and Procedures for each Plan;

#### **Administration**

- (vii) The appointment of the actuary(ies) for the Plans based on the recommendations of the Management Committee;
- (viii) The approval of the actuarial reports in respect of the Plans based on the recommendations of the Management Committee;
- (ix) The appointment of third party administrators for the Plans and other service providers based on the recommendations of the Management Committee;
- (x) The appointment of funding agents in respect of the Plans based on the recommendations of the Management Committee; and
- (xi) The review of annual reports prepared by the Management Committee (which may incorporate reports prepared by the auditor and other agents and advisors in respect of the administration of the Plans and the administration and investment of the Funds), including, in particular,

summary reports on the investment performance of the investment managers, and appropriate action thereon.

**(b) In Relation to each Company's Role as Sponsor of the Plans**

Each Company has certain responsibilities as a sponsor/employer under the applicable Plan(s), including, without limitation, the following specific powers, duties and responsibilities in respect of the applicable Plan(s), which will be exercised on behalf of each Company by the Board Pension Committee:

**Plan Design**

- (xii) Except as specifically delegated to the Management Committee in Section 5(b)(iii) herein or otherwise, adopting any amendments to or winding-up (in whole or in part), the Plans and their respective Funds (and related funding agreements) based on the recommendations of the Management Committee; and

**Funding**

- (xiii) Approving the general funding strategy for the Plans.

**4. Role of the Management Committee**

**(a) In Relation to each Company's Role as Administrator of the Plans**

In the performance of its duties and responsibilities in respect of the oversight, operation and administration of the Plans and the Funds on behalf of each Company, the Management Committee shall:

**Plan Administration**

- (xiv) Oversee all aspects of the administration of the Plans and the Funds, which administration may be assigned by either the Management Committee to certain employees of CanWest or a company affiliated with CanWest, including one of the Companies, (an "Affiliate") or by the Board Pension Committee to benefit administration agents, the funding agents of the Funds, and other legal, actuarial and financial advisors retained by CanWest or a Company in connection with such administration, based on the recommendation of the Management Committee. In relation thereto, the Management Committee shall review and monitor:
  - (A) All reports and statements pertaining to administration of the Plans to ensure each Plan is administered in accordance with its terms, applicable laws and applicable collective agreements;
  - (B) The remuneration and performance of the investment manager(s), funding agents, auditors, actuaries and other agents and advisors appointed in respect of the Plans and the Funds, based upon the benchmarks established by the Management Committee from time to time;

- (C) Information provided to Plan members about the Plans and investment options provided in respect of members' defined contribution accounts, ensuring compliance with the applicable pension benefits standard legislation and other benchmarks adopted by the Management Committee from time to time; and
- (D) Record keeping and maintenance in respect of the Plans;
- (xv) Make recommendations to the Board Pension Committee in respect of the appointment of funding agents (custodians), third party administrators, actuaries and other agents and advisors considered appropriate in respect of the administration of the Plans and the Funds;

#### **Investment**

- (xvi) Oversee all aspects of the investment of the Funds in accordance with the general investment strategy adopted by the Board Pension Committee, which investment may be assigned by either the Management Committee to certain employees of CanWest or an Affiliate or the Board Pension Committee to the funding agents of the Funds, investment agents, and other legal, actuarial and financial advisors retained by CanWest or a Company in connection with such administration, based on the recommendation of the Management Committee. In relation thereto, the Management Committee shall:
  - (A) Review and monitor all reports, statements and valuations required under the Plan pertaining to the investment policy, performance and funded status of the Plans, based upon the benchmarks established by the Management Committee from time to time;
  - (B) Review and monitor the investment philosophy, policies and strategies of the investment manager(s) of the Plans and review with the investment manager(s), no less frequently than annually, the investment performance of the Funds, with the assistance of such independent investment review services as the Management Committee deems appropriate;
  - (C) Review and monitor the investment options provided to members in respect of their defined contribution accounts;
  - (D) Make recommendations to the Board Pension Committee in respect of the appointment of investment managers and other agents and advisors considered appropriate in respect of the investment of the Plans; and
  - (E) Adopt, and make amendments to, the Statement of Investment Policies and Procedures applicable to each of the Plans, subject to the approval of material amendments by the Board Pension Committee;

- (xvii) Subject to the terms of the applicable Plan, authorize disbursements from the applicable Fund for payment of fees and expenses reasonably incurred by the auditors, investment managers, funding agents, third-party administrators, actuaries and other agents and advisors of the Plans in the performance of their duties in respect of the applicable Plan;
- (xviii) Manage cash-flow needs;
- (xix) Complete all applicable regulatory filings on behalf of the Companies that are the administrators of the Plans;
- (xx) Interpret the rules of the Plans in the event of questions raised by members;
- (xxi) Receive, review and approve audited and unaudited financial statements for each of the Plans;

#### **Regulatory and Legal Compliance**

- (xxii) Review and monitor new developments and applicable law with respect to the Plans and ensure that the Plans comply with requirements of applicable federal and provincial legislation, rules and regulations with respect to reporting, filing and registration;

#### **Governance**

- (xxiii) Establish a mission statement and policies and procedures for the Management Committee (e.g. terms of reference for internal delegation and key provisions for written contracts for external delegation);
- (xxiv) Prepare a report no less frequently than annually for the Board Pension Committee outlining the activities of the Management Committee and its delegates and service providers regarding the Plans and Funds. Such report shall, *inter alia*, address the ongoing administration, investment and governance of the Plans and Funds, as well as the design and funding of the Plans and Funds;
- (xxv) Prepare a report on a bi-annual basis to each Company, in its capacity as administrator and sponsor of the applicable Plan(s), regarding the activities of the Management Committee and the Board Pension Committee in relation to the applicable Plan(s), and deliver the report to each Company following the Board Pension Committee's approval of the report;

#### **Other**

- (xxvi) Make recommendations to the Board Pension Committee with respect to those matters noted in this Section 5(a) and report to the Board Pension Committee at least annually on the above matters and periodically on other matters deemed material by the Management Committee;

- (xxvii) Perform such other duties and responsibilities as are delegated to the Management Committee by the Board Pension Committee from time to time; and
- (xxviii) Perform such other duties and responsibilities incidental to the duties described above as may be necessary and appropriate in carrying out such duties.

**(b) In Relation to each Company's Role as Sponsor of the Plans**

In the performance and exercise of its powers, duties and responsibilities in respect of each Company's role as sponsor of the Plans, the Management Committee shall:

**Plan Design**

- (i) Make recommendations to the Board Pension Committee with respect to amendments to the Plans and the related funding/trust agreements;
- (ii) Monitor the appropriateness of Plan design;
- (iii) Adopt amendments to the Plans that are required to maintain and continue the registration of the Plans under provincial pension legislation and the Income Tax Act (Canada) and such routine or "house keeping" amendments as the Management Committee considers to be prudent and/or necessary, where such amendments do not represent a significant increase in funding obligations or administrative costs in respect of the applicable Plan(s);
- (iv) Make recommendations to the Board Pension Committee with respect to those matters noted in Sections 5(b)(i) and 5(b)(ii) above and report to the Board Pension Committee at least annually on the matters noted in Sections 5(b)(i), (ii) and (iii) above and on other matters deemed material by the Management Committee;

**Other**

- (v) Perform such other duties and responsibilities as are delegated to the Management Committee by the Board Pension Committee from time to time; and
- (vi) Perform such other duties and responsibilities incidental to the duties described above as may be necessary and appropriate in carrying out such duties.

In fulfilling their roles, the members of the Management Committee shall act in all matters relating to the administration, interpretation and application of the Plans in a manner which is consistent in all material respects with the terms of the Plans, the terms of the Plans' funding/trust agreements, the terms of the Plans' statements of investment policies and procedures, the terms of any applicable

collective agreements and all applicable and relevant legislation, as amended from time to time.

#### **5. Standard of Care**

The Management Committee, and each Management Committee member, shall carry out their duties and responsibilities, with respect to the Plans and the Funds, honestly and in good faith. Furthermore, the Management Committee, and each Management Committee member, shall act with the care, diligence and skill that a person of ordinary prudence would exercise in dealing with the property of another person. Each Management Committee member shall use all relevant knowledge and skill that the Management Committee member possesses or, by reason of the member's profession, business or calling, ought to possess.

### **PART B**

#### **RULES OF PROCEDURE**

#### **6. Appointment of Management Committee**

The Management Committee shall consist of a minimum of 4 members each of whom shall be appointed by the Board Pension Committee. The Board Pension Committee shall designate one (1) of the members of the Management Committee as the Chair. The Board Pension Committee shall designate at least one (1) individual to the Management Committee from each of the following departments/areas of expertise: finance, human resources, operations and legal.

The Chair shall ensure that new members receive an education session explaining the terms of the Plans and the duties and responsibilities of the Management Committee as set out herein.

#### **7. Terms of Office**

Management Committee members shall continue to serve as such until death, incapacity, termination of employment with CanWest or an Affiliate, resignation or removal as provided herein.

#### **8. Termination of Employment or Resignation as a Management Committee Member**

A person may resign as a member of the Management Committee by providing a written notice of resignation to the Chair. The Chair may resign by providing written notice of resignation to the Board Pension Committee or tabling such written notice at a Management Committee meeting. The effective date of any resignation shall be the date the written notice is provided to the Chair or the Board Pension Committee, as applicable, such latter date as may be specified in the notice or such date as the Management Committee may record in the minutes of its meetings.

A person will automatically cease to be a member of the Management Committee if he or she is, for any reason, no longer an employee of either CanWest or an Affiliate, effective from the date such person ceases to be an employee.

#### **9. Removal of Members of the Management Committee**

Any member may be removed from the Management Committee at any time by the Board Pension Committee by giving written notice to such member and to the remaining members of the Management Committee of such removal. The effective date of the removal shall be the date the written notice is provided to the member and the Management Committee by the Board Pension Committee or such later date as may be specified in the notice.

#### **10. No Further Responsibility**

When a person ceases to be a member of the Management Committee, whether because of termination of employment, resignation or removal by the Board Pension Committee, such person will be fully discharged from all duties and responsibilities which arise after the date such person ceases to be a member of the Management Committee. Such person is not subject to any liability in relation to events occurring after the date he or she ceases to be a member of the Management Committee.

A member of the Management Committee who becomes incapacitated will be fully discharged from all future duties, responsibilities and liabilities hereunder, provided that written notice of the member's incapacity is sent by the member or on the member's behalf to the remaining members of the Management Committee. Such notice shall state the date of incapacity and will be effective from that date or such earlier date as a successor Management Committee member is appointed.

In the event of the death of a member, his heirs, executors and administrators shall have no future duties, responsibilities or liabilities hereunder.

#### **11. Management Committee Continues**

When a person ceases to be a member of the Management Committee, whether because of death, incapacity, termination of employment, resignation or removal by the Board Pension Committee, the remaining members shall, subject to the quorum provisions contained in Section 14, constitute a fully-constituted Management Committee; however, a successor member may be appointed by the Board Pension Committee if it so chooses.

#### **12. Conveyance of Management Committee Records**

A member of the Management Committee resigning, or being removed, and the personal representative of any deceased or incapacitated member shall, forthwith, convey any and all records, books, documents and other property pertaining to the administration of the Plans, to the Chair of the Management Committee. Where the Chair is for any reason no longer the Chair, he or she shall convey such records and property to another member of the Management Committee.



### **13. Meetings**

The Management Committee shall meet at least quarterly at a time and place to be determined by the Chair. Special meetings of the Management Committee may be called by the Chair by giving at least three (3) days notice of the time and place to each member. The Chair shall distribute an agenda, with any required supporting reports and documentation, to each member of the Management Committee prior to the meeting, usually at least two (2) days prior to the meeting.

Special meetings may be held at any time without notice if all the members are present at such meeting or if those absent consent to the holding of a meeting, provided that at least the Chair is present at the meeting.

In lieu of a meeting in person, the Management Committee may hold meetings by telephone conference call, subject to the above notice requirement for meetings.

Any member may waive any notice required to be sent or given to the member and such waiver whether given before or after the meeting of the Management Committee shall cure any defect in sending or giving such notice.

A quorum for meetings shall be a majority of members of the Management Committee.

At each meeting, the members of the Management Committee shall appoint a Secretary, who need not be a member of the Management Committee, to keep minutes of the meeting. The minutes should include, among other things, members present, absent, and non-member attendees. The Secretary shall distribute such minutes to each Management Committee member together with copies of any supporting analysis or reports, within two (2) weeks following the meeting. The minutes shall be approved or amended by the Management Committee at the beginning of the next Management Committee meeting. The minutes shall also be circulated to the Board Pension Committee and the Companies in the Management Committee's periodic reports, as specified above.

### **14. Majority Vote**

Except as otherwise provided herein, the decisions of the Management Committee at any meeting shall be determined by a two thirds (2/3) majority vote by show of hands; provided that any member who is absent from a meeting may vote by written proxy conferred on a member who is present at the meeting, provided there is a quorum.

The Chair shall have a casting vote only, but the Chair may elect at his/her sole discretion, to refer any proposal, nomination, motion or resolution made by a member of the Management Committee which is not adopted or rejected by a majority vote of the other members to the Board Pension Committee for a decision in lieu of exercising his/her casting vote.

When no majority can be reached in respect of a resolution, then the resolution will not be adopted.

A resolution in writing, signed by all the members of the Management Committee entitled to vote on that resolution at a meeting of the Management Committee, is as valid as if it had been passed at a meeting of the Management Committee.

#### **15. Signing Authority**

Any two members of the Management Committee or any other individual(s) designated by the Chair, are authorized to execute and deliver all documents in relation to the Management Committee's powers, duties and obligations as set out above (including documents relating to the Plans and the Funds), provided that, unless otherwise authorized by the Management Committee, at least one of the signatures is that of the Chair.

#### **16. Compensation**

External members of the Management Committee shall serve with such compensation (if any) as may be set by the Board Pension Committee. All reasonable expenses incurred by the Management Committee, shall be paid by CanWest, upon presentation of appropriate receipts to CanWest, unless the Board Pension Committee decides to charge such expenses to the Companies, or the Funds, and the Plans so permit. Members of the Management Committee who are employees of CanWest or an Affiliate shall, while at meetings and engaged on Management Committee business, receive their normal remuneration from CanWest or the Affiliate, as applicable.

#### **17. Delegation of Responsibilities**

Upon obtaining the Board Pension Committee's authorization, the Management Committee may delegate any of its responsibilities relating to the Plans and the Funds if the members of the Management Committee do not possess the required expertise or the necessary time to properly discharge its responsibilities relating to the Plans or the Funds. Any such delegation shall be documented in writing and shall be in accordance with applicable legislation.

The Management Committee may elicit the aid of CanWest, an Affiliate, external consultants, including an investment consultant, and legal counsel to assist the Management Committee in fulfilling its responsibilities. Any such employment of agents shall be documented in writing.

The Management Committee must be satisfied of the agent's suitability to perform the act for which the agent is employed by the Management Committee. The Management Committee is further responsible for monitoring and supervising the actions of any party to which a responsibility or function has been delegated, to ensure that they are properly discharging their duty and that the responsibilities in respect of the Plans and the Funds are being properly carried out.

#### **18. Conflict of Interest**

No Management Committee or Board Pension Committee member shall knowingly permit his or her interest, monetary or otherwise, direct or indirect (except as a member of one of the Plans), to conflict with the proper exercise of his or her duties and responsibilities as described herein.

Without limiting the generality of the foregoing, any member of the Management Committee and the Board Pension Committee must disclose any direct or indirect association or material interest or involvement in aspects related to their role with regard to the investment of the Funds that would result in any actual or perceived conflict of interest. Such actual or perceived conflicts may arise as a result of such person having or acquiring a material pecuniary interest, direct or indirect, in any Fund or proposed investment or where such person may materially benefit from an amendment to one of the Plans or from knowledge of, participation in, or by virtue of, a Fund investment or investment decision.

Any persons listed above shall disclose the nature and extent of their actual or perceived conflict of interest at the earlier of:

- (a) becoming aware of the conflict or perceived conflict; or
- (b) at the first Management Committee meeting at which the matter giving rise to the actual or perceived conflict of interest is discussed.

Such disclosure shall be made whether the person's actual or perceived conflict of interest arises before or after the transaction giving rise to the conflict of interest has been completed by the applicable Fund.

Unless the person discloses the actual or perceived conflict of interest at a Management Committee meeting, the disclosure shall be made, in writing, to the Chair and the Chair shall immediately (or as soon as is practical) advise all members of the Management Committee and the Board Pension Committee of the conflict. The Chair, through a meeting of the Management Committee, or by taking other appropriate steps, shall decide upon a suitable course of action to resolve the conflict.

In case the conflict involves the Chair, the Chair shall immediately (or as soon as is practical) advise the Management Committee members and the Board Pension Committee of the conflict. The Management Committee members shall appoint another member to act as Chair for the purpose of any matter coming before the Management Committee involving the conflict of interest (including the resolution of such conflict) and the same procedures relating to the resolution of the conflict shall apply.

Any member having an actual or perceived conflict of interest will thereafter abstain from the deliberations and decision-making with respect to the matter giving rise to such conflict, unless otherwise determined permissible by the Management Committee.

The Secretary shall maintain a register of any actual or perceived conflicts of interest. The register shall include a description of each actual or perceived conflict of interest, the member to whom the conflict of interest applied, the date upon which the conflict of interest arose and the manner in which the conflict of interest was dealt with.

The failure of a person to comply with the procedures described in this Section shall not itself invalidate any decision, contract or other matter pertaining to investment of the Funds.

## **19. Amendment of Governance Structure**

The Management Committee may make written recommendations to the Board Pension Committee in respect of amendments to the Pension Plan Governance Structure and Rules.

## **20. Liability of the Management Committee**

The Management Committee and its members shall not be liable for any error of judgement nor for any acts taken or failed to have been taken in the exercise of the Management Committee's duties in good faith, in accordance with the standard of care described in Section 6 herein. Specifically, the Management Committee and its members shall not be liable for the loss to or diminution of the Funds. Similarly, the members of the Management Committee shall not be personally liable for any liability or debt of the Plans and the Funds contracted or incurred in connection with the administration thereof, nor for any non-fulfilment of any contract nor for any other liability arising in connection with such administration.

## **21. Protection of the Management Committee**

The Management Committee shall be fully protected in acting in good faith on the opinion or advice of, or information obtained from, any employee, agent or advisor employed by CanWest, an Affiliate, the Board Pension Committee or the Management Committee in connection with the administration of the Plans and the Funds, in performing the Management Committee's duties and responsibilities hereunder and the member shall be entitled to rely conclusively on any instrument, certificate paper or report prepared by such employee, agent or advisors and believed by them to be genuine, and shall be under no duty to make investigations or inquiries as to any statement contained in such document, but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained.

## **22. Indemnification**

CanWest and the Companies shall indemnify and hold each member of the Management Committee harmless from and against any and all taxes, charges, costs, expenses, damages, claims, losses, fines, penalties, interest, demands and liabilities, of any kind, to which the member may become subject, including the fees and expenses of legal counsel or other professionals, for or in respect of anything done or omitted to have been done arising out of the performance by the Management Committee member of his or her duties and responsibilities in the member's capacity as a Management Committee member, provided the action or inaction was done honestly, in good faith and in accordance with the standard of care described in Section 6 herein.

**Appendix "A"****Pension Plans**

Global Communications Limited Retirement Plan for Former WIC – Allarcom Employees  
 Global Communications Limited Retirement Plan for BCTV Senior Management  
 Global Communications Limited Retirement Plan for BCTV Staff  
 Global Communications Limited Retirement Plan for CHBC Executives  
 Global Communications Limited Retirement Plan for CHBC Management  
 Global Communications Limited Retirement Plan for CHBC Staff  
 Global Communications Limited Retirement Plan for Former WIC Designated Executives  
 Global Communications Limited Retirement Plan for CH Employees  
 Global Communications Limited Retirement Plan for CICT and CISA Employees  
 Retirement Plan for Bargaining Unit Employees of Global Communications Limited  
 Retirement Plan for Management and Non-Bargaining Unit Employees of Global Communications Limited  
 Global Communications Limited Employees' Pension Fund  
 CanWest Maritime Television Employees Pension Fund (Global Atlantic)  
 Pension Plan for the Treasurer of Global Limited  
 National Post Retirement Plan

**SERAs**

Gordon D. Fisher	Retiring Arrangement Agreement, January 1, 1998
Linda Hughes	Memorandum of Agreement, May 7, 1993
Jim McCormack	Retiring Arrangement Agreement, January 1, 1998
Don Ross	Memorandum of Agreement, September 20, 1990
Dennis L. Skulsky	Retiring Arrangement Agreement, January 1, 1998

**Retirement Compensation Arrangement**

As of January 1, 2002