

GROUP
SAVINGS AND
RETIREMENT



INDUSTRIAL ALLIANCE GROUP SIMPLIFIED PENSION PLAN

Administered by Industrial Alliance Insurance and Financial Services Inc.

Plan Text Amended on November 1, 2016

Registered Plan Numbers:
Retraite Québec: 39992
Canada Revenue Agency (CRA): 1020205

Certified true and complete copy of the plan provisions as amended and restated on November 1, 2016.

NAME OF PLAN

Industrial Alliance Group Simplified Pension Plan

(hereinafter referred to as the “Plan”)

PURPOSE OF PLAN

The simplified pension plan established by this document is a supplemental pension plan registered with the Retraite Québec in accordance with the *Supplemental Pension Plans Act* and its regulations (hereinafter referred to as the “Act”). In the event of discrepancy between the provisions of this Plan and the provisions of the Act or its regulations, the Act will prevail.

The Plan allows the membership of different employees who work for various employers, whose principal place of business is Québec and carry on a main activity under provincial jurisdiction, subject to applicable legislation. It is a multi-employer plan according to tax regulations.

The purpose of the Plan is to provide eligible members with retirement income that will supplement their retirement pension under the Québec Pension Plan, or the Canada Pension Plan, and their Old Age Security pension, while offering flexibility regarding the locking-in of certain amounts.

The Plan has two parts:

- **Part I** contains the rules applicable to all employers and members.
- **Part II** contains the rules applicable specifically to the employer and members who work for the employer, including rules on eligibility, plan membership, contributions to be made and permitted investments. These provisions are outlined in **Section 50**. In this document, we refer to Section 50 for the rules applicable to the employer and plan members who work for them.

A separate **group pensions contract** governs certain matters related to the administration of this Plan, including:

- the terms and conditions regarding investments;
- the method for determining the value of deposits that are cashed in before maturity;
- the fees to be paid to the plan administrator;
- the employer’s obligations.

Table of contents

| | |
|--|----|
| PART I- RULES APPLICABLE TO ALL EMPLOYERS | 6 |
| SECTION 1 – DEFINITIONS | 6 |
| SECTION 2 - PLAN ADMINISTRATION | 10 |
| SECTION 3 - ELIGIBILITY..... | 11 |
| SECTION 4 - MEMBERSHIP | 11 |
| SECTION 5 - MEMBERSHIP APPLICATION..... | 11 |
| SECTION 6 - CLASSES OF EMPLOYEES | 12 |
| SECTION 7 - END OF MEMBERSHIP IN THE PLAN..... | 12 |
| SECTION 8 - MEMBER CONTRIBUTIONS | 12 |
| SECTION 9 – MEMBER ADDITIONAL VOLUNTARY CONTRIBUTIONS..... | 13 |
| SECTION 10 - EMPLOYER CONTRIBUTIONS..... | 13 |
| SECTION 11 – EMPLOYER ADDITIONAL CONTRIBUTIONS..... | 13 |
| SECTION 12 - CONTRIBUTION WHILE ON TEMPORARY LEAVE | 13 |
| 12.1 Leave Authorized and Paid by the Employer | 13 |
| 12.2 Unpaid Leave..... | 14 |
| SECTION 13 - CONTRIBUTION LIMITS | 15 |
| SECTION 14 - FREQUENCY OF COLLECTING CONTRIBUTIONS | 15 |
| SECTION 15 - PAYMENT OF CONTRIBUTIONS | 15 |
| SECTION 16 - AMOUNTS TRANSFERRED FROM A DPSP..... | 15 |
| SECTION 17 - INVESTMENT OPTIONS..... | 15 |
| SECTION 18 - PLAN EXPENSES..... | 16 |
| 18.1 Information Committee Operating Expenditures..... | 16 |
| 18.2 Plan Administrative Expenses | 16 |
| SECTION 19 - POWER SHARING AGREEMENT..... | 16 |

| | |
|---|----|
| SECTION 20 - NON LOCKED-IN ACCOUNT | 17 |
| SECTION 21 - TERMS OF SETTLEMENT OF A NON LOCKED-IN ACCOUNT | 17 |
| SECTION 22 - LOCKED-IN ACCOUNT..... | 18 |
| SECTION 23 - TERMS OF SETTLEMENT OF A LOCKED-IN ACCOUNT..... | 18 |
| SECTION 24 - ACCOUNTS WITH A SMALL BALANCE..... | 18 |
| 24.1 Accounts with Less Than 20% of YMPE..... | 18 |
| 24.2 Retirement Savings Less Than or Equal to 40% of YMPE..... | 19 |
| SECTION 25 - DISABILITY | 19 |
| SECTION 26 - CONTRIBUTIONS THAT EXCEED TAX LIMITS | 19 |
| SECTION 27-LIFE ANNUITY..... | 20 |
| SECTION 28 - RETIREMENT INCOME..... | 20 |
| SECTION 29 - WITHDRAWALS DURING MEMBERSHIP | 21 |
| SECTION 30 - OPTIONS WHEN MEMBERSHIP ENDS | 21 |
| SECTION 31 - OPTIONS AS OF AGE 55..... | 22 |
| SECTION 32 - PAYMENT IN THE EVENT OF DEATH..... | 23 |
| SECTION 33 - SPOUSE'S WAIVER..... | 23 |
| SECTION 34 - DESIGNATION OF BENEFICIARIES..... | 23 |
| SECTION 35 - AMOUNTS THAT MAY BE TRANSFERRED TO THE PLAN..... | 24 |
| SECTION 36 - DIVIDENDS, REFUNDS AND OTHER ADVANTAGES..... | 24 |
| SECTION 37- UNPAID CONTRIBUTIONS | 25 |
| SECTION 38 -TRANSFER PROHIBITED BETWEEN ACCOUNTS..... | 25 |
| SECTION 39 - ASSIGNMENT OF BENEFITS PROHIBITED | 25 |
| SECTION 40 - BENEFITS NOT SEIZABLE..... | 25 |
| SECTION 41 - INFORMATION TO MEMBERS | 26 |
| SECTION 42 - RETENTION OF INFORMATION | 28 |

| | |
|---|----|
| SECTION 43 - ACCESS TO PLAN INFORMATION | 28 |
| SECTION 44 - FORMING A RETIREMENT INFORMATION COMMITTEE | 28 |
| SECTION 45 - AMENDMENT AND TERMINATION OF THE PLAN | 28 |
| SECTION 46 - PLAN FISCAL YEAR | 29 |
| SECTION 47 - APPLICABLE LEGISLATION | 29 |
| SECTION 48 - EFFECTIVE DATE OF PART I..... | 30 |
| SECTION 49 - EFFECTIVE DATE OF PART II..... | 31 |

Part I- Rules Applicable to all Employers

SECTION 1 – DEFINITIONS

In this Plan, unless something in the subject matter or context is inconsistent therewith, all words and expressions shall have the meanings as follows:

- 1.1. **“Beneficiary”** shall mean a person or persons, or the estate of a member, designated by a member to receive an amount which may become payable pursuant to the Plan upon the member’s death when no spouse qualifies to receive the death benefit. If a benefit shall be payable hereunder on the death of a member and no such person or persons survive the member, the term "beneficiary" shall mean the member's estate.
- 1.2. **“Connected Person”** with the employer shall mean any person who:
 - owns, directly or indirectly, at least 10% of the issued shares of any class of the capital stock of the employer or of a corporation related to the employer;
 - does not deal at arm’s length with the employer (spouse, brother, sister, child, grandchild, father or mother);
 - is deemed to be a specified shareholder as defined in section 248 (1) d) of the *Income Tax Act* (Canada) and its regulations.
- 1.3. **“Continuous Service”** shall mean the period of an employee's uninterrupted service during which an employee performs services for an employer, calculated from the date that the member last commenced employment and ending on the date of termination of employment by reason of death, retirement or termination of service, irrespective of periods of:
 - i) reduced salary;
 - ii) a temporary absence;
 - iii) family obligations;
 - iv) a disability certified in writing by an authorized physician while the member continues to accumulate benefits.

Layoff with rights to recall a member shall only be considered a temporary absence beyond 24 consecutive months with the member's consent. Changing employers does not interrupt the period of continuous service if the member's old and new employers participate in the Plan.

The *Income Tax Act* outlines the cumulative limits that apply to periods of reduced salary, temporary absence and family obligations.

- 1.4 “**Deferred Profit Sharing Plan (DPSP)**” shall mean a plan registered under the *Income Tax Act* (Canada) in accordance with the requirements of the Canada Revenue Agency (CRA). Under it, an employer shares the profit made from the business with all its employees or a group of employees. The employer may also calculate its contributions based on the profits of the corporations with which it does not deal at arm’s length.
- 1.5 “**Electronic Communications**” shall mean any form of representation of information or of concepts fixed in any medium by electronic, optical or other similar means that can be read or perceived by a person or by any means.
- 1.6 “**Employee**” shall mean any person employed on a full-time or a part-time basis by a participating employer.
- 1.7 “**Employer**” shall mean any employer participating in the Plan as defined in Section 50.
- 1.8 “**Family Obligations Period**” shall mean a period (during which the member does not perform any services for the employer) starting at the birth of a child whose biological parent is a plan member, or at the adoption of a child, and ending 12 months later or according to any other maximum period defined by the *Income Tax Act* (Canada) or its regulations.
- 1.9 “**Group Pensions Contract**” shall mean any contract, policy or rider now or hereafter executed, between an employer participating in the Plan and the Plan Administrator.
- 1.10 “**Life Income Fund (LIF)**” shall mean a specific type of registered retirement income fund (RRIF) into which a member may transfer amounts from a supplemental pension plan or a LIRA. Unlike a RRIF, where only the minimum amount that can be withdrawn is set, the LIF also provides for the maximum amount that can be withdrawn annually. The amount that may therefore be withdrawn annually must be between the minimum and maximum amounts.
- 1.11 “**Locked-in**” shall mean that contributions cannot be withdrawn as cash and must be used to provide a retirement income.
- 1.12 “**Locked-in Retirement Account (LIRA)**” shall mean a specific type of registered retirement savings plan (RRSP) into which a member may transfer amounts from a supplemental pension plan or a life income fund (LIF). Unlike an RRSP, the amounts in a LIRA are locked-in, that is, except under certain conditions, amounts cannot be withdrawn. The money must be used to generate retirement income by purchasing a life annuity or transferring the amounts into a LIF.
- 1.13 “**Member**” shall mean an employee who meets the description of an eligible employee, as described in Section 50, who has been enrolled in the Plan and who remains entitled to benefits under the Plan.
- 1.14 “**Pension Adjustment (PA)**” shall mean the total contributions made to a defined contribution pension plan (DCPP), including a simplified pension plan (SPP) or a DPSP. The PA for a given year

reduces the contribution limit that employees may make to their RRSP for the next year. The PA is calculated annually by the employer and appears on the employee's T4.

- 1.15 **"Pensionable Earnings"** shall mean the amount of remuneration received by the member from the employer in respect of the member's continuous service as defined in Section 50. Pensionable earnings shall also include a prescribed amount during an eligible period of temporary absence or a period of disability as defined under the *Income Tax Act (Canada)*. Such prescribed amount shall not exceed the limit set out under the *Income Tax Act (Canada)* and its regulations.
- 1.16 **"Pension Fund"** shall mean the fund established for the purposes of the Plan and the assets of which are held by the Plan Administrator under a group pensions contract.
- 1.17 **"Period of Disability"** shall mean a period during which the member falls victim to a physical or mental impairment that prevents the member from performing the same duties as before the disability occurred.
- 1.18 **"Plan Administrator"** shall mean Industrial Alliance Insurance and Financial Services Inc.
- 1.19 **"Plan Division"** shall mean a global transfer of the benefits of all members attached to a particular employer to a plan of another financial institution for the plan continuation.
- 1.20 **"Power Sharing Agreement"** shall mean any power sharing agreement between an employer and a certified association to share certain powers under the Plan, as permitted by applicable legislation.
- 1.21 **"Prescribed Amount"** shall mean a notional amount of remuneration to be included in an individual's compensation during a period when the individual's rate of pay is less than usual because of a period of reduced services. It allows money purchase contributions to continue to be made and without exceeding the pension adjustment limits under the *Income Tax Act (Canada)*. It applies during periods of disability and reduced salary or temporary leave, particularly for family obligations that comply with the requirements for eligible periods under the *Income Tax Act (Canada)* and its regulations.

- 1.22 “**Reduced Salary Period**” shall mean the period of employment during which the salary received by a member is lower than that which the member could have reasonably expected to earn had the member performed services regularly and had the member’s rate of remuneration been proportional to that received before the reduced salary period began.
- 1.23 “**Section 50**” shall mean the rules applicable specifically to the employer and the members.
- 1.24 “**Specific Provisions**” shall mean the specific rules that apply to a participating employer, and thus to the members working for such employer. Such provisions shall include the establishment of Plan eligibility and enrolment requirements as well as the contributions payable. In this document, specific provisions are included in Section 50 (hereinafter referred to as “Section 50”).
- 1.25 “**Spouse**” shall mean the person of the same or opposite sex who, on the day before the member’s death or on the day of reference as determined by the Act:
- Is married to or in a civil union with the member (subject to tax provisions), or
 - has been living in a conjugal relationship with a member who is neither married nor in a civil union for a period of not less than three years or, for a period of not less than one year if:
 - at least one child is born, or to be born, of their union, or
 - they have adopted, jointly, at least one child while living together in a conjugal relationship, or
 - one of them has adopted at least one child who is the child of the other, while living together in a conjugal relationship, or
 - at least one child is born or have been adopted prior to the period of conjugal relationship existing on the day as of which spousal status is established.
- Under the Plan, spousal status is terminated by separation from bed and board, divorce, annulment of marriage, dissolution or annulment of the civil union or, in the case of de facto spouses, the cessation of living together in a conjugal relationship. However, a member may designate a former spouse as a beneficiary or heir.
- 1.26 “**Temporary Absence**” shall mean any period during which a member is not providing services to the employer because of:
- i. an authorized leave;
 - ii. a lay-off;
 - iii. a strike;
 - iv. a lock-out;
 - v. other circumstances accepted in writing by the Canada Revenue Agency.
- 1.27 “**YMPE**” shall mean, in respect of any plan year, the Year’s Maximum Pensionable Earnings, as defined in *An Act Respecting the Québec Pension Plan*, which is in effect for the plan year in

which a determination of the Year's Maximum Pensionable Earnings is required. In order to obtain the YMPE for the current year, please contact Retraite Québec or visit its Web site at: www.retraitequebec.gouv.qc.ca.

In this Plan, the masculine pronoun, wherever used herein, shall include the feminine pronoun where applicable, and the singular shall include the plural and vice versa, as the context shall require. References to a paragraph, section or subsection shall mean a paragraph, section or subsection in the Plan.

SECTION 2 - PLAN ADMINISTRATION

Industrial Alliance Insurance and Financial Services Inc. is the plan administrator (hereinafter referred to as the “**Plan Administrator**”).

The Plan Administrator receives the contributions that are made to the Plan. It invests them according to members’ instructions or, if no instructions are provided by a member, in the default option elected by the employer among investment instruments allowed by the Plan. The Plan Administrator pays the members the benefits to which they are entitled under the Plan. The Plan Administrator keeps a paper, digital or electronic copy of information about locked-in accounts and non locked-in accounts.

The Plan Administrator provides members with a number of documents to which they are entitled under the Plan, including an annual statement. It prepares returns, reports, applications for registration or approval, and other documents and sends them to Retraite Québec and to the tax authorities.

The **group pensions contract** details the employer’s obligations. The employer who participates in the Plan shall provide all information required by the Plan Administrator so that it can comply with the Plan provisions and fulfil its responsibilities pursuant to the Act and its regulations. Furthermore, the pension adjustment (PA), which is required for tax purposes, is sent annually by the employer.

The Plan was initially registered on January 1, 1995. It was subsequently amended as follows in order to comply with regulatory requirements:

- effective January 1, 1997, the deadline to begin receiving annuity payments was reduced from age 71 to age 69;
- on September 5, 2002, the name of the Ecopension Simplified Pension Plan was replaced by Industrial Alliance Group Simplified Pension Plan;
- since June 3, 2004, voluntary contributions to the Plan are not locked-in and the employer may make supplemental contributions to the Plan;
- the Plan text was restated on September 1, 2006 and the restatement integrates the amendment effective January 1, 2007, which increases the age limit for the Plan’s maturity from age 69 to 71;

- on October 27, 2011, the Plan was amended and restated so that an active member aged 55 and over may withdraw in cash the non locked-in member contributions or transfer the non locked-in member contributions to a non locked-in plan, for which by stipulation of the employer in Section 50, may be withdrawn only at the end of the active membership. In addition the restatement integrates various amendments at the request of Retraite Québec;
- on November 1, 2016, the Plan is amended to add a new method of payment for administrative expenses and for those related to the Retirement Information Committee's operating expenses. This amendment now allows expenses to be charged to members.

SECTION 3 - ELIGIBILITY

An employee who meets the description of an eligible employee and belongs to the class of employees indicated in Section 50, is eligible for membership in the Plan.

The eligibility requirements that are set by an employer shall not exclude part-time employees or those with temporary status.

A connected person, as defined in Section 1, may participate in the Plan if this person meets the eligibility criteria in Section 50, regardless of any previous provisions in paragraph 16 of Section 50. In such a case, the employer shall complete and return the prescribed form to the Canada Revenue Agency at the latest 60 days after the date on which the employee began to participate in the Plan. In addition, at the request of the Plan Administrator, the employer must complete an information document to this effect each year.

SECTION 4 - MEMBERSHIP

Eligible employees may or must enrol in the Plan, whichever comes first:

- on January 1 (or starting January 1 if the Plan is optional) of the year following the calendar year in which the employee has:
 - worked at least 700 hours for the employer during the preceding calendar year, or;
 - received from the employer earnings equal to at least 35% of the YMPE for the preceding year;
- after the employee has completed a more advantageous requirement as specified in Section 50.

Section 50 indicates whether the enrolment in the Plan is compulsory or optional.

Notwithstanding previous provisions, the employer may provide under Section 50 that, at its discretion, it waives any Plan condition or eligibility requirements for a specific employee, or group of employees, to allow for immediate enrolment, if it believes it to be to its advantage.

SECTION 5 - MEMBERSHIP APPLICATION

An employer must notify eligible employees of their eligibility for membership in the Plan. To enrol in the Plan, a member must complete an *Enrolment Form*, except as otherwise provided by applicable legislation or by the Plan Administrator.

SECTION 6 - CLASSES OF EMPLOYEES

If the Plan provides for various classes of employees, an employer may decide to which class of employees a member belongs. However, the classes must not be discriminatory according to the meaning of the *Charter of Human Rights and Freedoms*.

SECTION 7 - END OF MEMBERSHIP IN THE PLAN

If the Plan is compulsory, a member shall not be permitted to cease membership while the member meets the eligibility requirements indicated in Section 50 (Eligible Employees).

With respect to unionized employees, in accordance with the applicable collective agreement (or any employee under another agreement), an employee may remain active in spite of the end of the continuous period of employment with the participating employer if this employee is in a lay-off period with a lay-off right for a maximum of 24 months, unless a special request by the affected member is submitted to the union or to the employer, as the case may be, or if the recall period exceeds 24 months if the affected member agrees.

A member whose continuous service with an employer participating in the Plan was terminated and who is subsequently rehired by this employer shall be treated as a new employee without prior service for all purposes of the Plan.

If the Plan is optional, the employer may provide in Section 50 whether or not a member may cease membership in the Plan during employment once this member has enrolled.

A member ceases to be a member of the Plan no later than the end of the year in which the member reaches the age limit as mentioned in the *Income Tax Act*.

SECTION 8 - MEMBER CONTRIBUTIONS

Member contributions and the definition of pensionable earnings are provided in Section 50.

Starting on June 3, 2004 (or on a later date, as specified in Section 50), member contributions must be paid into the locked-in or non locked-in account as specified in Section 50.

An employer may determine, in Section 50, if the non locked-in member contributions may be withdrawn during active membership prior to age 55 or may not be withdrawn during active membership prior to age 55, except as otherwise provided for in Section 29.

However, the Plan may be **non-contributory**, in which case member contributions are not required.

SECTION 9 – MEMBER ADDITIONAL VOLUNTARY CONTRIBUTIONS

In addition to member contributions, a member may choose to make an additional voluntary contribution, notwithstanding previous provisions in paragraph 14 of Section 50, if applicable, up to the tax limit based on the member and employer contributions made under the Plan.

A member may determine the amount of such contribution by providing the employer with the *Enrolment Form* or the *Member Request Change Form* or any other means accepted by the Plan Administrator. The employer may limit the frequency of a change in Section 50.

SECTION 10 - EMPLOYER CONTRIBUTIONS

Employer contributions and the definition of pensionable earnings are provided in Section 50.

SECTION 11 – EMPLOYER ADDITIONAL CONTRIBUTIONS

Unless prevented by an agreement, the employer may elect in Section 50 to be able to make an additional contribution on behalf of designated members. The amount and method for calculating the amount as well as the method of payment will be specified in a notice sent to the Plan Administrator and each designated member, notwithstanding previous provisions in Section 50, starting on the date when the employer may start making such additional contributions as specified in Section 50.

SECTION 12 - CONTRIBUTION WHILE ON TEMPORARY LEAVE

When a member's temporary leave is authorized by the employer, it is not considered a termination of Plan membership, but is governed as mentioned below.

During a period of temporary interruption for family obligations or during a period of reduced salary or disability, contributory earnings are based on the salary in effect immediately before the leave and include the prescribed amount. The employer must declare a pension adjustment during such period of temporary absence in accordance with the *Canada Revenue Agency's Pension Adjustment Guide* if contributions are made to the Plan, even if the member does not receive any salary from the employer.

Notwithstanding what is stated below, no contributions shall be made to the Plan during a period of disability, temporary interruption or reduced salary for any member who is a connected person.

If the Plan provisions are incompatible with the *Act Respecting Labour Standards* in terms of family, parental leave, short-term disability or under any other law mentioned below, the law prevails, whether or not the Plan is amended.

12.1 Leave Authorized and Paid by the Employer

If the employee is receiving a basic salary or a portion of a basic salary, employer and member contributions continue to be made to the Plan and service continues to accumulate uninterrupted.

12.2 Unpaid Leave

12.2.1 Leave for parental or family reasons

A member who takes leave for the birth or adoption of a child, namely a parental or maternity leave according to the definition of the *Canada Employment Insurance Act* and the *Act Respecting Labour Standards*, may continue to make contributions to the Plan during the period of leave and service continues to accumulate uninterrupted on the condition that the member decides to maintain member's contributions during this period of temporary leave.

Required employer contributions must continue to be made to a non-contributory Plan or, for a contributory Plan, if the member continues to make required member contributions.

In the absence of a provision to the contrary in Section 50, the employer shall not make any contribution to a contributory Plan if the member decides to not continue making member contributions during this leave.

12.2.2 Short-term disability leave

A member who takes short-term disability leave for a maximum of 26 weeks due to an illness or accident, other than a work injury, who is covered by the *Act Respecting Labour Standards*, and whose employer does not provide paid sick leave, but who receives benefits from a private disability plan of the employer or from a government plan, may continue to make contributions to the Plan during a period of leave and service continues to accumulate under the condition that the member decides to continue making contributions during this period of temporary absence.

Required employer contributions must continue to be made to a non-contributory Plan, or to a contributory Plan, if the member continues to make required member contributions.

In the absence of a provision to the contrary in Section 50, the employer shall not make any contribution to a contributory Plan if the member decides to not continue making member contributions during this absence.

12.2.3 Long-term disability leave

In the absence of a provision to the contrary in Section 50, no contribution is made to the Plan during a long-term disability of more than 26 weeks or a total and permanent disability.

12.2.4 Leave following a professional injury

A member who is stricken with a professional illness or injury according to the meaning of the *Act Respecting Industrial Accidents and Occupational Diseases* (hereinafter named the "ARIAOD") may continue to make contributions to the Plan during this period of leave, until the end of the maximum period provided by the ARIAOD.

Required employer contributions must also be made to the Plan if the member continues to make contributions or, for a non-contributory Plan, up to the maximum period provided by the ARIAOD.

A member stricken with a serious and prolonged physical or mental disability according to the meaning of the ARIAOD may continue to contribute to the Plan until the Plan's normal retirement

date. If applicable, the employer's contribution is made in accordance with the ARIAOD and Section 50.

12.2.5 Unpaid leave, sabbatical, studies or other reason

In the absence of a provision to the contrary in Section 50, no contributions shall be made to the Plan during an unpaid leave, a sabbatical or for studies or during any other leave not mentioned in previous provisions.

SECTION 13 - CONTRIBUTION LIMITS

In no event shall member contributions and employer contributions made to the Plan exceed the maximum allowed by tax laws. However, no requirements may set limits that are lower than those allowed by tax laws.

SECTION 14 - FREQUENCY OF COLLECTING CONTRIBUTIONS

A member and the employer agree to make a contribution to the plan's pension fund each pay period, except for the additional contributions from the employer, if applicable.

SECTION 15 - PAYMENT OF CONTRIBUTIONS

An employer shall remit the member contributions and the member's additional voluntary contributions to the Plan Administrator no later than the last day of the month following the one in which they were collected. The employer shall make contribution no later than the last day of the month following each of the months for which it is owed, except for additional employer contributions.

SECTION 16 - AMOUNTS TRANSFERRED FROM A DPSP

Amounts transferred from a DPSP, as defined in Section 1, in which a member was a participant will be applied to the locked-in account or the non locked-in account as specified in Section 50.

SECTION 17 - INVESTMENT OPTIONS

Under applicable regulation, amounts held in a simplified pension plan shall only be invested according to the following terms and conditions:

- with an insurer under the terms of a contract that is guaranteed in whole or in part by Assuris;
- in deposits guaranteed in whole or in part by the Autorité des marchés financiers or by a similar body;
- in shares of mutual funds or segregated funds;
- in securities issued or guaranteed by the Gouvernement du Québec, the Government of Canada or the government of a Canadian province.

The Plan Administrator shall offer to members at least three investment options which, in addition to being diversified and having greater and lesser degrees of risk, allow for creating a portfolio that is generally suited to their needs.

The employer selects the investment options to be made available under the Plan from those offered by the Plan Administrator.

The investments shall be made in accordance with the tax laws governing investments in registered retirement savings plans (RRSPs).

Each member shall decide how the contributions, income and transfers made to the Plan in the member's account are to be invested.

SECTION 18 - PLAN EXPENSES

18.1 Information Committee Operating Expenditures

Section 50 indicates who, between the employer or the members, will pay the operating expenditures for the retirement information committee, if applicable. However, the pension fund shall not take responsibility for expenditures for the retirement information committee.

18.2 Plan Administrative Expenses

Section 50 indicates if the administrative expenses for the Plan (other than those indicated in Section 18.1) will be paid by the pension fund, the employer or members. The group pensions contract indicates the details of these expenses.

Notwithstanding the above provisions, the employer reserves the right, at its discretion, to assume certain fees charged to the pension fund or to members if the said methods of payment are selected.

SECTION 19 - POWER SHARING AGREEMENT

If the Plan is subject to negotiations between an employer and a certified workers' association, a power sharing agreement with the employer in the Plan may result, as specified in Section 50, and such power sharing agreement is an integral part of this Plan. Therefore, this clause may or may not apply to the Plan as specified in Section 50.

If this clause is applicable, through a power sharing agreement undertaken on the date specified in Section 50, an employer has shared certain powers under the Plan with the certified association. Notwithstanding any provision of the Plan, the powers related to the following matters may be exercised by a certified association or jointly by an employer and a certified association:

- the employer contributions;
- the optional or compulsory nature of membership in the Plan;
- the contributory or non-contributory nature of the Plan and, with regard to contributory plans, the member contributions or the method for calculating the member contributions;

- the locking-in or non locking-in of member contributions and amounts subject to transfer from a DPSP;
- the payment of the administrative expenses of the Plan and the operating expenditures for the retirement information committee;
- the eligibility, membership and withdrawal requirements of the Plan;
- the frequency for collecting or paying contributions;
- the division and merger of the Plan;
- the employer's withdrawal from the Plan.

SECTION 20 - NON LOCKED-IN ACCOUNT

The following shall be paid into the non locked-in account:

- additional voluntary contributions paid after June 3, 2004;
- member contributions paid after June 3, 2004 (or a later date, if applicable), if Section 50 provides for it;
- amounts transferred, with the Plan Administrator's consent, from a DPSP unless Section 50 provides that those amounts must be paid into the locked-in account;
- the amounts that are the subject of a non locked-in transfer, unless prohibited by the employer in Section 50;
- dividends, refunds and other advantages granted with respect to this account.

SECTION 21 - TERMS OF SETTLEMENT OF A NON LOCKED-IN ACCOUNT

When membership in the Plan ends, or at any other time allowed by the Plan, withdrawals or transfers from the non locked-in account shall be made according to the following options:

- to a registered retirement savings plan (RRSP);
- to a registered retirement income fund (RRIF);
- to an insurer for the purchase of a life annuity;
- to a supplemental pension plan governed by the Act, if permitted by this plan;
- to a retirement plan, a group registered pension plan or a voluntary retirement savings plan governed by a law from a legislative authority other than the Parliament of Québec, if permitted by this plan;
- to a supplemental pension plan, a group registered pension plan or a voluntary retirement savings plan governed by a law of the Parliament of Québec or another legislative authority, if permitted by this plan;
- to any other investment vehicle as permitted by the applicable legislation.

The non locked-in account may also be paid as a lump sum cash payment, subject to applicable withholding taxes.

SECTION 22 - LOCKED-IN ACCOUNT

The following shall be paid into the locked-in account:

- employer contributions;
- member contributions, unless the employer determines in Section 50 that they must be paid into the non locked-in account;
- the employer's additional contribution that may be provided for under Section 50;
- the amounts transferred, with the Plan Administrator's consent, from a DPSP, if Section 50 provides that those amounts must be paid into the locked-in account;
- the amounts transferred from a retirement savings instrument providing that they must be converted into a life annuity, except if the employer does not allow it in Section 50;
- dividends, refunds and other advantages granted with respect to this account.

SECTION 23 - TERMS OF SETTLEMENT OF A LOCKED-IN ACCOUNT

When membership in the Plan ends, or at any other time allowed by the Plan, transfers from a locked-in account shall be made according to the following options:

- to a locked-in retirement account (LIRA);
- to a life income fund (LIF);
- to an insurer for the purchase of a life annuity;
- to a supplemental pension plan governed by the Act, if permitted by this plan;
- to a retirement plan, a group registered pension plan or a voluntary retirement savings plan governed by a law from a legislative authority other than the Parliament of Québec, if permitted by this plan;
- to a supplemental pension plan, a group registered pension plan or a voluntary retirement savings plan governed by a law of the Parliament of Québec or another legislative authority, if permitted by this plan.

However, the Plan provides for three exceptions to the locking-in of the member's locked-in account, which are described in Sections 24, 25 and 26.

SECTION 24 - ACCOUNTS WITH A SMALL BALANCE

24.1 Accounts with Less Than 20% of YMPE

When a member ceases to be a member in the Plan, if the locked-in account is less than 20% of the YMPE for the current year, the amount may be paid to the member according to the same options as those which apply to the non locked-in account. The Plan Administrator must make the withdrawal within 90 days following the request.

24.2 Retirement Savings Less Than or Equal to 40% of YMPE

A member may make a written request to the Plan Administrator, accompanied by a declaration in compliance with the one provided in schedule 0.2 of the *Regulation respecting supplemental pension plans*, to withdraw amounts from the locked-in account according to the same terms of settlement as those that apply to the non locked-in account as provided under Section 21, if the following two conditions are met:

- the member is at least 65 years of age; and
 - the member's total "**retirement savings**" are lower than or equal to 40% of the YMPE for the year in which the request is made.
- For the purpose of this section, "**retirement savings**" means the total amount held in the member's name in:
- the locked-in account of the Plan;
 - another defined contribution pension plan;
 - a defined benefit plan or defined benefit-defined contribution plan that contains identical provisions to those of a defined contribution plan;
 - a life income fund (LIF);
 - a locked-in retirement account (LIRA);
 - a locked-in RRSP.

SECTION 25 - DISABILITY

If a physician certifies that a physical or mental disability reduces a member's life expectancy, the member may withdraw the balance of the locked-in member account and the non locked-in member contributions which may not be withdrawn before the member turns 55 or the end of the member's active membership, whichever comes first, according to the same options as those applicable to the non locked-in account in Section 21. The Plan Administrator must make the withdrawal within 60 days following the request.

SECTION 26 - CONTRIBUTIONS THAT EXCEED TAX LIMITS

Contributions that exceed the limits allowed under the tax laws are refundable to the member, to the extent provided by the tax laws, the Act and the agreements entered into with other governments or proper authorities for applying the Act. Such contributions cannot be transferred.

The Plan Administrator must refund those contributions before the end of the year following the one in which they were made.

SECTION 27- LIFE ANNUITY

Under a life annuity contract, an insurer will pay to members periodic amounts during their lifetime, according to the terms agreed upon by the member and the insurer or those prescribed by applicable laws and regulations. The amounts shall be paid at least once a year. The periodic payments of a pension must be equal, unless each payment is:

- increased in accordance with an index or rate that a member has chosen, for example, the Consumer Price Index or an annual rate of steady increase, which cannot exceed 4%;
- modified because the benefits are partitioned with those of the member's spouse, for example, following a divorce or separation, if the amount of the member's pension must be re-established because of the breakdown in the relationship or because pension amounts must be seized;
- modified in accordance with the type of benefits which, depending on the member's choice, will be payable after the member's death or that of the member's spouse.

A life annuity contract shall provide that in the event of the member's death, the member's spouse, as defined by the Act, will receive a life annuity that is at least equal to 60% of the amount that the member was receiving. A member may opt for a higher pension for the member's spouse provided that it does not exceed the amount that the member was receiving or opt for a lower pension for the member's spouse, with the spouse's consent.

Entitlement to this pension ends upon separation from bed and board, divorce, annulment of marriage or dissolution or annulment of civil union (subject to tax provisions) or, if the member had a de facto spouse, upon cessation of the conjugal relationship.

A member's spouse may at any time prior to the date on which payment of the life annuity begins, waive the life annuity that would be paid to him or her, or thereafter revoke such waiver by means of a written notice sent to the Plan Administrator before that date.

SECTION 28 - RETIREMENT INCOME

When a member ceases membership in the Plan, the member may receive a retirement income. The income that a member receives will depend on the contributions made into the member's account, the income generated by investing that money and the interest rates that will then be in effect and rates of return.

A member may do the following with the amounts in the **locked-in account**, either directly or after first transferring the amounts to a locked-in retirement account (LIRA):

- purchase a life annuity;
- transfer the amounts to a life income fund (LIF);
- purchase a life annuity with a portion of the amounts and transfer the rest to a LIF.

The amounts in the **non locked-in account**, if any, may be transferred, either directly or after first being transferred from this account to a registered retirement savings plan (RRSP):

- to transfer this amount to a registered retirement income fund (RRIF);
- to purchase a life annuity; or
- to process in accordance with the terms of settlement of the non locked-in account.

A member may also receive a retirement income without having stopped working as of the first day of the month following the member's 55th birthday or the day the member turns 55, if the birthday falls on the first day of the month (see Section 31).

Under the Plan, a member will reach the normal retirement age on either the first day of the month following the member's 65th birthday or the day the member turns 65 if the birthday falls on the first day of the month.

However, payment of the retirement income shall begin no later than the age limit as mentioned in the *Income Tax Act (Canada)*.

SECTION 29 - WITHDRAWALS DURING MEMBERSHIP

Unless otherwise provided below, a member may withdraw at any time all or part of the non locked-in account.

The Plan Administrator must make the withdrawal within 60 days of the request in accordance with the withdrawal options mentioned in Section 21. If the withdrawal is made by means of a transfer, the Plan Administrator has the option of making the payment by remitting the investment securities related to the member's account rather than making a cash payment.

Notwithstanding the provisions of the first paragraph above, the employer may determine, in Section 50, that the non locked-in member contributions may be withdrawn when the member turns 55 or at the end of the member's active membership, whichever comes first. In such case, the member may, nevertheless:

- obtain a refund or such contributions in the event of disability that reduces the member's life expectancy, as certified by a physician in compliance with Section 25;
- make a transfer to an RRSP in order to establish a Home Buyers' Plan (HBP) or a Lifelong Learning Plan (LLP) by completing all documents required by the Plan Administrator.

SECTION 30 - OPTIONS WHEN MEMBERSHIP ENDS

When a member ceases membership in the Plan, the locked-in account and the non locked-in account, if applicable, shall be withdrawn according to the member's instructions and in accordance with the conditions of Sections 21 and 23, within 90 days after the sending of the statement required by the Act.

If the withdrawal is made by means of a transfer, the Plan Administrator has the option of making the payment by remitting the investment securities related to the member's account rather than making a cash payment.

In the absence of instructions from the member within the period specified in the first paragraph or in Section 28, and in compliance with the Act, the Plan Administrator, at its sole discretion, may:

- transfer the locked-in account into a LIRA or a LIF at the Plan Administrator's choice on behalf of the member;
- proceed in the manner it deems appropriate if the member has a non locked-in account, namely a cash reimbursement or a transfer into an RRSP or a registered retirement income fund (RRIF) at the Plan Administrator's choice on behalf of the member.

If the Plan Administrator proceeds with such transfer into an RRSP, LIRA, RRIF or LIF, the Plan Administrator shall be deemed to have received written instructions from the member by the member's enrolment in the Plan, with respect to automatic transfer of the Plan assets into an RRSP, LIRA, RRIF or LIF on behalf of the member. By the member's enrolment in the Plan, the member thereby appoints the Plan Administrator as the authorized representative for completing all documents for the transfer, the enrolment and the registration, along with exercising all the options required for the fund selected at its sole discretion, to take effect if the member fails to give instruction in a timely manner. In such case and if the applicable legislation permits it, the designated beneficiary of the RRSP, LIRA, RRIF or LIF shall be the beneficiary appointed under the Plan. A written notice of the automatic transfer shall be provided to the member.

If, after the amounts in the member's accounts have been withdrawn, any contributions owing are paid, the Plan Administrator must use those amounts in the same manner as it did with the accounts to which the contributions were to be made.

The Plan Administrator is not responsible for any damages resulting from a cash payment or an automatic transfer as provided in this Section.

SECTION 31 - OPTIONS AS OF AGE 55

31.1 Transfer from the Locked-in Account

During active membership in the Plan, in accordance with the terms in Section 23, a member has the right to ask the Plan Administrator to transfer all or part of the locked-in account as of the first day of the month following the member's 55th birthday, or as of the date of the 55th birthday, if it falls on the first day of the month.

The member may only exercise that right once during a 12-month period. This kind of transfer can be used to provide a phased retirement.

The Plan Administrator may choose to make the transfer by remitting the investment securities related to the member's account rather than making a cash payment.

31.2 Withdrawal from the Non Locked-in Account

During active membership in the Plan, as of the first day of the month following a member's 55th birthday, or as of the date of the member's 55th birthday if it falls on the first day of the month, a member may request to the Plan Administrator to withdraw all or part of the non locked-in member contributions for which, by stipulation of the employer in Section 50, may be withdrawn only at the end of active membership according to the terms of settlement as provided in Section 21.

This withdrawal may, for example, be used to provide the member with a phased retirement.

The Plan Administrator may choose to make the transfer by remitting the investment securities related to the member's account rather than making a cash payment.

SECTION 32 - PAYMENT IN THE EVENT OF DEATH

At a member's death, the locked-in account and, if applicable, the non locked-in account will be paid to the member's spouse in a single lump-sum payment in accordance with Section 21. If the member does not have a spouse or if the member's spouse has waived the entitlement to the death benefit in writing in a manner prescribed by the Act, the member accounts will be paid in a single lump-sum payment to the member's designated beneficiary. If no beneficiary has been designated, the death benefit shall be paid to the member's estate.

SECTION 33 - SPOUSE'S WAIVER

The spouse of a member may waive the entitlement to the death benefit at any time prior to receiving it by informing the Plan Administrator in writing. The spouse of a member may also revoke the waiver by writing to the Plan Administrator before the member's death.

SECTION 34 - DESIGNATION OF BENEFICIARIES

Subject to Section 32 and as provided below, a member may designate any beneficiary to receive the death benefit in the *Enrolment Form*. A member may also change beneficiaries at any time by completing the *Member Change Request Form*, unless the member has designated an irrevocable beneficiary.

If the beneficiary designation is irrevocable, it may not be changed without the written consent and waiver of the beneficiary to the rights of beneficiary. The irrevocable beneficiary's consent may also be required for a withdrawal, transfer or any other transaction. If the irrevocable beneficiary is a minor, no change, including a withdrawal or transfer, shall be made without a court order that revokes the designation as irrevocable beneficiary or if a court orders the Plan Administrator to proceed with the transaction.

The right of the designated beneficiary or beneficiaries to death benefits is always subject to the effective right to the benefits that the member's spouse has under the Plan, and the provisions of any

annuity or insurance contract and any legislation then in force governing the designation of beneficiaries (see sections 1, 27 and 32). If a member dies before a spouse retires, only this spouse is entitled to death benefits, regardless of any beneficiary designation under the Plan.

A member may also designate a beneficiary in a will or by informing the Plan Administrator in writing.

SECTION 35 - AMOUNTS THAT MAY BE TRANSFERRED TO THE PLAN

Subject to contractual or legal restrictions that may apply and if not prohibited by the employer in Section 50, a member may request that locked-in amounts be transferred into the simplified pension plan's locked-in account in the case where the member has:

- a locked-in retirement account (LIRA);
- a supplemental pension plan governed by the Act;
- a supplemental pension plan governed by an act of a legislative authority other than the Parliament of Québec, entitling him to a deferred pension;
- a supplemental pension plan established by an act of the Parliament of Québec or another legislative authority.

Subject to contractual or legal restrictions that may apply, a member may also request that any amounts not described in the first paragraph of this section be transferred into the non locked-in account.

Amounts so transferred may subsequently be transferred again at any time upon a member's request to a locked-in account or a non-locked in account, as applicable.

An employer or Plan Administrator may enter into a reciprocal transfer service agreement with the government of a Canadian province, a corporation or an institution having a pension plan for its employees or with anybody administering such a pension plan in favour of employees and the appropriate amounts set in accordance with the agreement. The amounts covered by a transfer agreement will be considered required member or employer contributions and will be governed like any other contribution of the same kind, according to the provisions of the Plan and applicable legislation.

SECTION 36 - DIVIDENDS, REFUNDS AND OTHER ADVANTAGES

All dividends, refunds or other advantages granted in relation to a member's locked-in or non locked-in account, including those granted by reason of a previous pension plan to which the employer was a party, will be promptly allocated to a member's locked-in or non locked-in account, as applicable.

SECTION 37- UNPAID CONTRIBUTIONS

Within 60 days after the due date of any unpaid contribution, the Plan Administrator will notify Retaite Québec, the retirement information committee or, in the absence of such committee, the affected members and, where agreement on sharing the employer's powers is in effect, the certified workers' association that is a party to that agreement.

Unpaid contributions bear interest from the moment they become due until they are paid to the pension fund. For a year, or part of a year in which contributions owing are not paid, the applicable interest rate will be equal to the average of the rates of return on personal five-year term deposits with chartered banks for the 12 months ending in November of the preceding year. These rates are compiled monthly by Statistics Canada and published in the "*Bank of Canada and Financial Statistics*" Series V122515 in CANSIM system.

Such interest shall be taken into account in calculating the member pension adjustment (PA) for the purpose of applying tax rules.

The Plan Administrator may withdraw an employer from the Plan which does not respect its contractual obligations by omitting to make contributions under the Plan to the pension fund or by not respecting the contribution schedule if the employer fails to take corrective measures despite repeated notices. The Plan Administrator shall then proceed in accordance with Section 45.

SECTION 38 -TRANSFER PROHIBITED BETWEEN ACCOUNTS

No amounts can be transferred between the locked-in account and the non locked-in account.

SECTION 39 - ASSIGNMENT OF BENEFITS PROHIBITED

A member may not assign, charge or anticipate the benefits accumulated in the locked-in and non locked-in accounts or give them as security or waive them, except as provided by the *Supplemental Pension Plans Act* and the *Income Tax Act*, for example, in the event of partition of family patrimony.

SECTION 40 - BENEFITS NOT SEIZABLE

Contributions made to the Plan and the investment earnings generated by them may not be seized. The same holds for amounts that will be transferred to the Plan, if the specific rules applicable to the employer allow for such a transfer to the Plan.

However, contributions, investment income and other sums in the Plan are seizable up to 50% for carrying out the partition of family patrimony, the payment of alimony or a compensatory allowance.

SECTION 41 - INFORMATION TO MEMBERS**41.1 Summary of the Plan**

Within 90 days following the date on which the Plan Administrator has been informed by the employer that an employee became eligible to the Plan or within 90 days after the starting date of participation of a new employer, the Plan Administrator must provide eligible employees with a written summary of the Plan and a brief description of the members rights and obligations under the Plan and the Act, as well as the main advantages resulting from membership in the Plan. A member may also obtain a complete copy of the Plan text from the employer or retirement information committee, if applicable, upon request.

41.2 Annual Statement

The Plan Administrator must also send to members, within nine months after the end of each fiscal year of the Plan, an annual statement of benefits. The statement must indicate the amount of additional contribution made by the employer, if applicable, and the information provided for in paragraphs 1 to 14 of Section 57 and in Section 59.1 of the *Regulation respecting supplemental pension plans*.

The statement must also indicate whether all or part of the administrative expenses will be paid by the members or the pension fund, as well as the amount of those expenses or the formula for determining it, for each member, by itemizing the portion of those expenses assumed by the member, the pension fund or the employer.

The statement must be followed, as soon as possible, by a summary of the amendments affecting the member that have been made to the Plan during the last fiscal year, if applicable.

41.3 Statement of Benefits

The Plan Administrator must send a statement of benefits to members within 60 days of being informed of the termination of membership under the Plan. The Plan Administrator must provide members with the data used to produce the statement without charge, within 30 days following a written request therefore.

41.4 Other Statements and Notice

Upon written request to the Plan Administrator, a member and the member's spouse are entitled to receive a statement of benefits in the following cases:

- if a member and the spouse of a member have filed an application for:
 - separation from bed and board;
 - divorce;
 - annulment of their marriage;
 - annulment of their civil union;
 - dissolution of their civil union;
 - payment of a compensatory allowance;
- if they are in family mediation;
- if they have initiated joint proceedings for the dissolution of their civil union before a notary;
- if a member and the member de facto spouse have stopped living together in a conjugal relationship.

If members are affected by the division of the Plan (upon the total transfer of their employer's plan assets to another financial institution for the continuation of the plan), the Plan Administrator must provide to members, within 30 days of the division, a statement updating to the date of the division, the information contained in the annual statement or in any other later statement on the same subject that members may have received.

If the Plan Administrator projects to amend the Plan, it must inform the members if they are affected by the amendment.

41.5 Electronic Communications

A member may choose to be advised by email of accessibility to the statements on the Plan Administrator's secure website or by any other eligible electronic or digital means.

Information about Plan fees is accessible on the Plan Administrator's secure website at all times.

SECTION 42 - RETENTION OF INFORMATION

In accordance with its policies and procedures, the Plan Administrator must keep a paper, digital or electronic register containing the following information or documents about employers:

- the date the employer joined the Plan and the date the employer withdrew from the Plan;
- the list of amendments to the section of the Plan listing the provisions specific to the employer;
- a copy of notices to members regarding the amendments exempt from the application of sections 19 and 24 of the Act and sections 1.1 and 1.2 of the *Regulation respecting supplemental pension plans* regarding their registration with Retraite Québec.

SECTION 43 - ACCESS TO PLAN INFORMATION

The Plan Administrator must, without charge, provide the following documents and information to the employer or the retirement information committee, provided that the committee previously informed the Plan Administrator and the employer of its existence:

- a copy of the Plan text and a copy Section 50;
- the financial report;
- the annual information return;
- upon request, any document concerning the Plan administration, including instruments of delegation of power granted by the Plan Administrator, as well as correspondence between Retraite Québec and the administrator during the previous 60 months, but excluding personal information concerning members or the other employers that are party to the Plan or any other personal information.

The retirement information committee must, upon request and without charge, provide members with access to the documents and information mentioned above. If no retirement information committee has been formed for the members employed by their employer, members may request these documents and this information directly from their employer.

SECTION 44 - FORMING A RETIREMENT INFORMATION COMMITTEE

If 50 members or more work for an employer, a majority of them may decide to form a retirement information committee.

SECTION 45 - AMENDMENT AND TERMINATION OF THE PLAN

The Plan Administrator reserves the right to amend, divide, merge or terminate the Plan. It may also withdraw an employer from the Plan.

An employer may amend, divide, merge or withdraw from the Plan, subject, however, to any power sharing agreement.

Applications for the registration or approval of such actions must be filed, if applicable, with Retraite Québec and the tax authorities by the Plan Administrator.

The Plan Administrator that terminates the Plan or withdraws an employer must inform the employers concerned in writing and, if applicable, the certified workers' associations related to those employers by the Plan. It must also inform members in those cases where it receives a notice of withdrawal of an employer and in the case of an amendment, if the members are affected by the withdrawal, termination or amendment.

The Plan Administrator shall, 90 days prior to the coming into effect of an amendment that provides that the non locked-in in member contributions may be withdrawn when the member turns 55 or at the end of the active membership, whichever comes first, notify the member thereof.

Any amendment to the Plan that limits eligibility to the Plan or reduces the employer contributions or otherwise reduces the amounts paid into member's account may not take effect prior to the 30th day following the effective date of the collective agreement, arbitration award or order or decree under which the amendment is made, or in all other cases, the date on which the notice to the member affected by the amendment, provided for in section 26 of the Act, was sent. In addition, such amendment may only affect the services carried out after the effective date.

The limits regarding the effective date of an amendment and the services that may be affected thereby do not apply in the case where affected members have given consent or:

- when the effective date of the amendment is set to be the date of the bankruptcy, pursuant to paragraph 1.1 of the first paragraph of section 19 of the Act, provided that Retraite Québec has authorized the amendment; or
- when the amendment is made in order to allow the Plan to remain a registered pension plan within the meaning of section 1 of the *Taxation Act*.

SECTION 46 - PLAN FISCAL YEAR

The Plan's fiscal year begins on January 1 and ends on December 31 of each year.

SECTION 47 - APPLICABLE LEGISLATION

The Plan is governed in particular by the *Supplemental Pension Plans Act*, the *Civil Code of Québec* and tax laws that apply to pension plans.

SECTION 48 - EFFECTIVE DATE OF PART I

Part I of the Plan, which contains the general rules applicable to all employers and members, comes into effect on January 1, 1995. The current revised version comes into effect on November 1, 2016.

Signature of the Plan Administrator:



(Signature of the authorized representative of the Plan Administrator)

Nancy Dion

(Printed name)

Date

October 31, 2016

Certified true copy:



(Signature of an authorized person)

Annie Laferrière

(Printed name)

Signed at Quebec City on October 31, 2016.

SECTION 49 - EFFECTIVE DATE OF PART II

Part II of the Plan, which contains the rules specific to the employer and to the members employed by that employer, comes into effect on the effective date indicated in Section 50. The current revised version comes into effect on November 1, 2016.

Part II- Specific Provisions**SECTION 50**