

FORMS OF PENSION

- I. **RETIREMENT DATES**
- II. **NORMAL RETIREMENT BENEFIT**
 - a. Participant Without a Spouse
 - b. Participant With a Spouse
- III. **OPTIONAL BENEFITS**
 - a. Contingent Annuity Options
 - b. Pop-Up Option
 - c. Life Only, Life Guaranteed Options
- IV. **CONDITIONS AND RESTRICTIONS REGARDING ELECTION OF OPTIONAL BENEFITS**
- V. **EARLY RETIREMENT BENEFIT**
- VI. **PRE-RETIREMENT SURVIVING SPOUSE BENEFIT**

I. Retirement Dates

a. Normal Retirement Date

The first day of the month coincident with or immediately following a Participant's 65th birthday.

b. Early Retirement Date

The first day of the month coincident with or immediately following the date the Participant pension commences, if the Participant's employment termination date occurs after attaining age 55 but before attaining age 65.

II. Normal Retirement Benefit

a. Participant Without a Spouse

The normal form of pension for a retirement benefit accrued by a Participant who does not have a spouse in respect of his Adjusted Credited Participating Service completed prior to September 1, 2010, is a monthly annuity payable in the form of Life, Guaranteed Ten (10) Years. If the Participant dies before receiving 120 monthly payments, the payments shall be continued to the Participant's Beneficiary until a total of 120 such payments has been made.

The normal form of pension for a retirement benefit accrued by a Participant in respect of his Adjusted Credited Participating Service completed on or after September 1, 2010 is a monthly annuity payable in the form of Life Only so that when the Participant dies, payments will cease.

Note that, if you have service both before and after September 1, 2010, you will receive a blend of these benefits.

b. Participant with a Spouse

The automatic form of pension payable to a retired Participant who has a spouse as of the date he/she commences receipt of such pension is required by legislation to be an actuarially equivalent Surviving Spouse Annuity pension with continuation to the retired Participant's spouse (who was the spouse at date of pension commencement) upon the Participant's death. The Participant will receive equal monthly payments in a reduced amount (compared with the amount of a Life, Guaranteed Ten Years pension) for his/her lifetime with continued payments after his/her death to his/her surviving spouse for life of 60% of the reduced monthly amount paid to the Participant. If the spouse predeceases the Participant, the pension ceases on the Participant's death.

The Participant and the spouse, may jointly elect to waive in writing (or the spouse only in some non-Ontario provinces) the requirement that they receive benefits in the form of a 60% Surviving Spouse Annuity, in which case the Participant will receive the Life Only, or Life Guaranteed 10 Years monthly pension unless one of the other options explained below is selected. The written waiver must be made on the required form, witnessed and filed with the Christian Education Employee Benefits Team (CEEB Team) within the 12 months preceding the date on which pension payments commence under the plan, or such other period required by applicable pension legislation. Such waiver shall be confirmed with CEEB Team, as necessary, within the 90-day period preceding pension commencement.

A Participant may revoke an election or waiver at any time prior to pension commencement without the consent of the spouse. A Participant who has revoked an election may again make the election at any time prior to pension commencement.

The spouse's consent/waiver shall not be necessary if it is established to the satisfaction of the Administrator that there is no eligible spouse as such term is defined by the applicable provincial pension legislation. Consent by a Participant's spouse shall be effective only with respect to that spouse. If the Participant and the spouse (or where applicable, the spouse only) waive the 60% Surviving Spouse Annuity option more than 90 days before the benefit commencement date, the election and the consent must be confirmed in writing in the manner specified, no earlier than 90 days prior to the date benefit payments begin.

Whenever the 60% Surviving Spouse Annuity option is specified as the automatic form of benefit payment but on the date benefit payments to the Participant commence the Participant is living separate and apart from his spouse or has no surviving spouse, the Participant is not eligible to receive the 60% Surviving Spouse Annuity form of payment and instead will be eligible for the Life Only, or Life Guaranteed 10 Years monthly pension. However, nothing prohibits the election of any other option provided under Section III specified by an eligible Participant

III. Optional Benefits

Subject to the conditions and restrictions specified in the Plan and the spousal consent/waiver requirement, if applicable, a Participant may, by filing a written request with the Trustees prior to his Normal (or Early) Retirement Date, elect an optional form of pension benefit which is the Actuarial Equivalent of the normal form of benefit described in Section II(a) above. Such Actuarial Equivalent shall be calculated as of the date of commencement of the Participant's pension.

a. Contingent Annuity Options

Benefits payable under this option shall consist of an actuarially equivalent reduced amount of pension payable during the lifetime of the retired Participant and continuing after his/her death in an amount equal to 50%, 60%, 66 ²/₃%, 75%, or 100% of such reduced amount during the remaining lifetime of a surviving Contingent Annuitant. The Contingent Annuitant and the percentage to be continued to the Contingent Annuitant after the death of the retired Participant must be designated by the Participant at the time this option is elected. The Contingent Annuitant is often the spouse of the Participant; however, it may also be a former spouse or a dependent. (as such term is defined under tax legislation). The Contingent Annuity Option is paid to a spouse or former spouse for that spouse's lifetime and to a dependent for an "eligible survivor period" (typically ending on the date they no longer meet the definition of a dependent). The amount of the contingent annuity payable to a dependent cannot exceed 66 ²/₃%.

b. Pop-Up Option

This benefit is an add-on benefit to the Surviving Spouse Benefits and the Contingent Annuity Options. Under this option, if the surviving Spouse or contingent annuitant dies before the retired Participant, the monthly payment to the Participant shall increase (pop-up) to the monthly amount that would have been payable under the normal form for Participants without a Spouse when benefit payments began, plus any applicable increase in past benefits that would have been applied.

c. Life Only, Life Guaranteed Options

A Participant may elect a Life Only, or a Life Guaranteed option of Five (5), Ten (10) or Fifteen (15) Years. Pension benefits are paid for the life of the Participant. However, should the Participant die before receiving sixty (60), one hundred twenty (120) or one hundred eighty (180) monthly payments of pension benefits, the payments shall be continued to the beneficiary

designated by the Participant until a total of sixty (60), one hundred twenty (120) or one hundred eighty (180) monthly payments have been made.

IV. Conditions and Restrictions Regarding Election of Optional Benefits

- a. No option shall become effective prior to the earlier of the Participant's Normal Retirement Date or the commencement of his pension.
- b. The effective date of any option shall be the date specified as such in the Participant's election.
- c. An option election may be changed or rescinded at any time prior to the benefit commencement date.
- d. No optional form of pension shall be allowed which would reduce the Actuarial Equivalent present value of the pension expected to be paid to the Participant below 50% of the Actuarial Equivalent present value of the pension otherwise payable to the Participant.
 1. The Surviving Spouse Option shall not become effective if:
 - i. The Participant or his/her Spouse is not living on the option effective date.
 - ii. The Participant does not, within 90 days of his/her election of this option and prior to the option effective date, furnish evidence satisfactory to the Trustees of the age and sex of his/her Spouse.
- e. The election of any optional form of pension shall not affect the payment of the Supplemental Spouse Pension to a Participant, if applicable.

V. Early Retirement Benefit

The Early Retirement Benefit for an eligible Participant who retires on his/her Early Retirement Date shall be paid in the form of Life Only, or Guaranteed Ten (10) Years annuity (for a Participant without a spouse), or a Surviving Spouse Annuity, (for a Participant with a spouse), unless the Participant properly elects another form of payment. "Early Retirement Date" is the first day of the month following a Participant's actual retirement date. The Participant's date of actual retirement must be on or after age 55 but prior to his/her Normal Retirement Date.

Upon the election of the Participant, the Early Retirement Benefit shall commence on the 30th day of the month which includes the Participant's Early Retirement Date, or the month in which he/she elects early payment, whichever is later. In such event the amount of the benefit, including the Supplemental Spouse Pension, if applicable, shall be reduced due to the number of additional monthly payments expected to be made prior to the Normal Retirement Date, provided that the total amount of the benefit that is determined is not less than the actuarial equivalent of the Participant's benefit accrued under the Plan.

A Participant who is 55 when he/she terminates employment, shall receive the amount of the Early Retirement Benefit, including the Supplemental Spouse Pension, if applicable, that is reduced by 1/2% for each month that the actual date of the first payment precedes the Participant's Normal Retirement Date subject to the following exception:

A Participant who has at least 30 Years of Eligibility Service when he/she terminates employment, shall receive the amount of the Early Retirement Benefit, including the Supplemental Spouse Pension, if applicable, that is reduced by 1/2% for each month that the actual date of the first payment precedes the attainment of age 62.

VI. Pre-retirement Surviving Spouse Benefit

If a Participant who has a Spouse dies before commencing pension payments, the Participant's Surviving Spouse shall be paid a Pre-retirement Surviving Spouse Benefit. If the Participant dies before pension commencement and does not have a Spouse, or the Spouse waives the right to the benefit, the Pre-Retirement Surviving Spouse Benefit will be paid to the Participant's designated beneficiary, or estate, as applicable.

The Pre-retirement Surviving Spouse Benefit shall be equal to the lump sum amount the Participant would have received inclusive of the Additional Benefit, had the Participant terminated employment and elected a transfer of all his/her entitlements to a prescribed retirement savings vehicle immediately before death. The Spouse's Benefit is paid in the form of a pension payable from the Plan, a lump sum payment (Ontario and Saskatchewan only) or a transfer to one of the retirement savings vehicles prescribed by the pension legislation of the province in which the Participant was employed. Depending on the province, the benefit is transferred on either a locked –in or a non locked-in basis. In Ontario and Saskatchewan, the Spouse's Benefit is payable as a lump sum payment or transferred on a non locked-in basis to a prescribed retirement savings vehicle or to the registered pension plan of the Spouse's employer, if that plan accepts the transfer. In Alberta, BC and Manitoba, the Spouse may only transfer the Spouse's benefit to a locked-in prescribed retirement savings vehicle or to the registered pension plan of the Spouse's employer if that plan accepts the transfer.

Notwithstanding the foregoing, for a Participant who dies and has a qualifying Surviving Spouse, the Spouse shall be entitled to an Alternative Spouse Pension payable for life and equal to 60% of the pension the Participant would have been entitled to had the Participant retired at age 55 and elected an Early Retirement Benefit payable in the automatic form for a Participant who has a Spouse. This Alternative Spouse Pension would be paid in lieu of the Pre-retirement Surviving Spouse Benefit if it provided a better benefit to the qualifying Spouse. The Surviving Spouse qualifies for the Alternative Spouse Pension if the Participant dies prior to commencement of pension payments and on or after age 45 provided either of the following conditions are met:

- a. the Participant dies while in active service with a Participating Employer; or
- b. the Participant dies while disabled and:
 1. is receiving or is waiting and eligible to receive long-term disability benefits from a long-term disability plan sponsored by a Participating Employer;
 2. is receiving benefits under a provincial workers' compensation legislation; or
 3. is receiving benefits under the Canada/Quebec Pension Plan.

For more information refer to the Plan Book available online at www.christianeducationbenefitsolutions.org