

RECIPROCAL TRANSFER AGREEMENT

A Reciprocal Transfer Agreement for
the Defined Benefit Pension Plans of
the Public Service of the Province of Nova Scotia and
Dalhousie University

THIS AGREEMENT is between

Her Majesty the Queen in right of the Province of Nova Scotia in respect of the Public Service Superannuation Plan, a defined benefit pension plan, (Canada Customs and Revenue Agency Registration No. 0284521);

and

Dalhousie University in respect of the Dalhousie University Staff Pension Plan, a defined benefit pension plan, (Canada Customs and Revenue Agency Registration No. 242297);

and the parties are hereinafter referred to as “the Pension Authorities.”

WHEREAS each of the Pension Authorities has considered it desirable to enter into an agreement:

(a) to enable a person who meets the requirements of this agreement to transfer from one Pension Plan to another without loss of pensionable service credits; and

(b) to provide to this person a pension to be funded by the transfer of funds to the Pension Plan of retirement by the Pension Authority of the plan in which this person has accumulated pensionable service credits.

NOW THEREFORE THIS AGREEMENT WITNESSETH:

1. EFFECTIVE DATE

This agreement is effective and binding on the Pension Authorities from the date that each Pension Authority signs this agreement and continues in force until the date of termination of participation in the agreement, as hereinafter provided.

2. DEFINITIONS

Exporting Authority: The Pension Authority of the Exporting Plan.

Exporting Plan: The Pension Plan under which a person has ceased participation and from which funds and pensionable service credits will be transferred to the Importing Plan.

Importing Authority: The Pension Authority of the Importing Plan.

Importing Plan: The Pension Plan in which a person is participating and to which funds and pensionable service credits will be transferred from the Exporting Plan.

Pension Plan: The Pension Plan of the Pension Authority, registered under the *Income Tax Act*, Canada and identified in this agreement.

Pension Authority: The organization responsible for the administration of the Pension Plan.

3. ELIGIBILITY CRITERIA

A transfer of funds and pensionable service credits shall be made in accordance with the terms of this agreement in respect of a person who satisfies all of the following conditions:

- (a) has ceased to occupy a position covered by the Exporting Plan and has also ceased participation in that plan;
- (b) has been participating in the Importing Plan for the equivalent of at least 20 working days before requesting a transfer;
- (c) has pensionable service credits in the Exporting Plan;
- (d) is not in receipt of a service pension from either the Exporting or the Importing Plan;
- (e) has sent the "Appendix A-Transfer Information Request and Authorization Form" to the Importing Authority within one year of becoming a member of the Importing Plan, or of the coming into force of this agreement, whichever is later;
- (f) has approved the transfer of funds and pensionable service credits by signing the "Appendix B-Transfer Estimate and Acceptance Form" and sending it to the Importing Authority within 60 days of the date this form was sent to the person by the Importing Authority.

Note regarding time limits

If the Exporting Authority has been advised in writing by the plan member or the plan member's spouse or former spouse that the pension of a person requesting a transfer could be subject to division upon marriage breakdown or an assignment of benefits under the *Maintenance Enforcement Act*, the transfer procedures will be delayed until settlement of these matters and the time frames provided in this agreement will be extended accordingly.

If a person is unable to meet the 60 day time limit referred to in clause (f) above for medical or other valid reasons, the time limit may be extended by the respective Pension Authorities upon submission of evidence satisfactory to the respective Pension Authorities.

4. EXCLUDED BENEFITS

Any additional voluntary contributions made by a person to the Exporting Plan are excluded from this agreement unless the Importing Authority agrees to accept such additional voluntary contributions pursuant to the terms of the Importing Plan .

Benefits provided under a retirement compensation arrangement or any unregistered supplemental benefits arrangement are excluded from this agreement.

5. TRANSFER VALUE

The transfer value is the lesser of (a) and (b) below, at the date of payment:

(a) Amount available from the Exporting Plan

This amount is equal to the actuarial value of benefits credited to the person in accordance with the terms and conditions of the Exporting Plan, on the date the person ceased participating in the plan. To that amount is added interest, calculated monthly at the rates stipulated in "Appendix D-Actuarial

Methods and Assumptions” for the particular pension authority, from the date of termination up to the date the "Appendix A-Transfer Information Request and Authorization Form" is received by the Importing Authority. In no case, however, will the actuarial value be less than the value of the person's termination or retirement benefits that would be otherwise payable from the Exporting Plan at the same date.

The actuarial value is based on the age of the person and the annual pensionable salary received by the person on the date of termination of participation in the Exporting Plan, including any retroactive adjustments to that salary resulting from a labour settlement, if the Pension Authority has been informed of such adjustment before the transfer is made. The salary is projected in accordance with the assumptions stipulated in “Appendix D-Actuarial Methods and Assumptions” for the particular Pension Authority.

Any excess employee contributions are treated according to the terms of the Exporting Plan.

(b) Amount requested by the Importing Plan

This amount is equal to the actuarial value of benefits to be credited to the person in accordance with the terms and conditions of the Importing Plan on the date the Importing Authority received the "Appendix A-Transfer Information Request and Authorization Form".

The actuarial value is based on the age of the person and the annual pensionable salary received by this person on the date the Importing Authority received the "Appendix A-Transfer Information Request and Authorization Form", including any retroactive adjustment to that salary resulting from a labour settlement, if the Pension Authority has been informed of such adjustment before the transfer is made. The salary is projected in accordance with the assumptions stipulated in “Appendix D-Actuarial Method and Assumptions” for the particular Pension Authority.

6. DIVISION OR ASSIGNMENT OF PENSION BENEFITS

Any benefits credited to the person in the Exporting Plan that are subject to division under a Court order in respect of marriage breakdown, or subject to assignment under Maintenance Enforcement legislation, as applicable, shall be finalized under the provisions of the Exporting Plan before a transfer may be executed under this agreement. The Exporting Authority shall complete “Appendix F-Details of Pension Credit Splitting re: Marriage Breakdown/Other Assignment” and forward it to the Importing Authority at the same time as “Appendix B-Transfer Estimate and Acceptance Form”.

7. COMPLIANCE WITH LEGISLATION

The amount transferred shall respect the rules for registered pension plans imposed by the *Income Tax Act*, Canada. Any reduction resulting from the application of such rules is dealt with according to the terms of the Exporting Plan. The Exporting Authority shall complete and send to the Importing Authority "Appendix C-Information Required For Tax Purposes".

The provisions of this agreement apply to the extent that they do not contravene the provisions of the Pension Plans, the *Income Tax Act*, Canada, applicable provincial or federal pension benefits legislation, or any other applicable legislation.

8. ADMINISTRATION

Upon receipt of "Appendix A-Transfer Information Request and Authorization Form", and "Appendix B-Transfer Estimate and Acceptance Form", with Section II duly completed by the Importing Authority, the Exporting Authority will complete Section I of "Appendix B-Transfer Estimate and Acceptance Form" and send it, within 60 days, to the Importing Authority.

The Importing Authority shall, within 60 days of receiving it from the Exporting Authority, send two copies of "Appendix B-Transfer Estimate and Acceptance Form" to the person requesting the transfer.

9. TRANSFER OF FUNDS

Upon receipt of "Appendix B-Transfer Estimate and Acceptance Form", duly signed by the person requesting the transfer, the Exporting Authority will pay the Importing Authority the transfer value as determined under section 6 above, plus interest on that amount calculated monthly at the rates stipulated in "Appendix E-Interest Rates", from the date the "Appendix A-Transfer Information Request and Authorization Form" was received by the Exporting Authority to the last day of the month in which payment is made. The Exporting Authority will make every effort to complete the payment within 60 days following receipt of the signed "Appendix B-Transfer Estimate and Acceptance Form".

10. RESIDUAL BALANCE IN EXPORTING PLAN

If the transfer value is less than the value of termination or retirement benefits to which the person is otherwise entitled on the date of termination under the provisions of the Exporting Plan, then the Exporting Authority treats the difference according to the provisions of the Exporting Plan.

11. PENSIONABLE SERVICE CREDITED BY THE IMPORTING PLAN

- (a) If the transfer value is equal to the amount requested by the Importing Plan in accordance with Section 5, the Importing Plan shall recognize the total service credited to the person by the Exporting Plan as pensionable service for pension calculation purposes.
- (b) If the transfer value is less than the amount requested by the Importing Plan in accordance with Section 5, the Importing Plan shall recognize a portion of the service credited to the person by the Exporting Plan for pension calculation purposes.
- (c) The portion referred to in (b) above shall be equal to the ratio of the amounts determined in accordance with Sections 5 (1)(a) and 5 (1) (b), or, 5 (2) (a) and 5 (2) (b), as the case may be.
- (d) Pensionable service shall be recognized beginning with the most recent.
- (e) All the pensionable service recognized by the Exporting Plan for pension calculation purposes shall be recognized for pension eligibility purposes under the Importing Plan, although this may differ from the amount of pensionable service used by the Importing Plan for pension calculation purposes, pursuant to subsection 11 (b).

12. ADDITIONAL PAYMENT

A person to whom subsection 11 (b) applies may elect to pay directly to the Importing Authority, in accordance with the terms of the Importing Plan, all or part of the difference between the amount transferred

by the Exporting Authority and the amount required by the Importing Authority. This difference is determined at the date the amount is transferred and includes interest at the rates prescribed in "Appendix E-Interest Rates". Upon payment of the difference, the person shall, for the purpose of pension calculation in the Importing Plan, be given credit for the corresponding pensionable service from the Exporting Plan.

If the benefits credited to a person in the Exporting Plan are subject to a division of pension upon marriage breakdown or an assignment of benefits under applicable Maintenance Enforcement legislation, any difference resulting from that division or assignment cannot be paid pursuant to this Section.

13. BENEFITS ESTABLISHED IN ACCORDANCE WITH THE TERMS OF THE IMPORTING PLAN

Following the transfer of funds, or other payment as specified in this Agreement, and the crediting of related pensionable service for pension eligibility and pension calculation purposes, benefits are determined exclusively in accordance with the provisions of the Importing Plan.

14. ORDER OF PAYMENT

The amount determined in Section 5, which the Exporting Authority pays to the Importing Authority, is recognized firstly as the person's contributions plus interest as determined by the provisions of the Exporting Plan. The balance is recognized as the employer's contributions.

15. SAME PERIOD OF SERVICE

When a person has credit in both the Exporting Plan and the Importing Plan for the same period of service, the credit in the Exporting Plan is not taken into account by the Importing Plan under this agreement.

16. RETURN TRANSFER

Should a person return to the former plan after a transfer has been made pursuant to this agreement and should this person request that a new transfer of the original pensionable service be made pursuant to this agreement, then, notwithstanding Section 5, the amount transferred a second time shall not be less than the amount that was originally transferred, plus interest, from the date of the first transfer up to the date of the present transfer, at the rates prescribed in "Appendix E-Interest Rates". The pensionable service accrued after the original pensionable service is valued in accordance with Section 5.

If, following the first transfer, the person has paid all or part of the difference needed to be given credit for a larger portion of or all of the pensionable service, this amount is refunded with interest at the rates prescribed in "Appendix E-Interest Rates".

If, following the first transfer, the person was paid a supplemental value pursuant to Section 10, then the amount paid, with interest at the rates prescribed in "Appendix E-Interest Rates", shall be repaid by the person to the plan in order to restore the original pensionable service. If this amount is not repaid, a pro-rated portion of the original pensionable service will be recognized, beginning with the most recent service.

17. PARTIES TO THIS AGREEMENT

This agreement applies to the persons participating in the Pension Plans of the Pension Authorities that are Parties to this agreement.

18. AMENDMENT TO THE AGREEMENT

This agreement, and all appendices except “Appendix D-Actuarial Methods and Assumptions” may be amended from time to time with the written acceptance of the Parties to this agreement. The amendments will be effective 60 days after the acceptance date of the last party.

The actuarial assumptions, as outlined in “Appendix D-Actuarial Methods and Assumptions” for each Pension Authority may be amended by the particular Pension Authority. Notice of such a change shall be given by one Pension Authority to the other Pension Authority. Such amendments will be effective 60 days after date of the notice in writing to all Parties to this agreement.

Amendments, however, will not affect any transfers requested before the effective date of the amendments, unless they are beneficial to the applicant and the Pension Authorities involved approve the use of the amendments.

19. TERMINATION OF PARTICIPATION IN THE AGREEMENT

A Pension Authority may terminate participation in this agreement by providing notice, in writing, to the other Pension Authority at least 90 days before the effective date of the termination. Such termination, however, shall not affect any then existing obligations of the terminating party with respect to the pension of any person on whose behalf funds have been transferred or are in the process of being transferred under this agreement prior to the date of termination.

20. VALIDITY AND INTERPRETATION

The headings used in this agreement are for convenience only and are not to be considered part of this agreement and do not in any way limit or amplify the terms and provisions of this agreement.

It is intended that all provisions of this agreement shall be fully binding and effective between the Parties, but in the event that any particular provision is found to be void, voidable or unenforceable, in whole or in part, for any reason whatever, then the provision, as affected, shall be deemed severed from the remainder of this agreement and all other provisions shall remain in full force.

This agreement shall enure to the benefit of and be binding upon the successors and assigns of the Parties to this agreement.

The Parties agree that this agreement, including its appendices, embodies the entire agreement of the Parties with regard to the matters dealt within it and that no understandings or agreements, verbal or otherwise, concerning such matters exist among the Parties except as expressly set out in this agreement.

SIGNATURE PAGE - Attached to Reciprocal Transfer Agreement

In Witness Whereof, each Party executes this agreement, signed by the official(s) duly authorized for that purpose.

For Her Majesty the Queen in Right of the Province of Nova Scotia

Print Name of Authorized Official The Honourable Neil J. LeBlanc

Title of Authorized Official Minister of Finance

Signature of Authorized Official _____

Date _____

Print Name of Witness _____

Title of Witness _____

For Dalhousie University

Print Name of Authorized Official _____

Title of Authorized Official _____

Signature of Authorized Official _____

Date _____

Print Name of Witness _____

Title of Witness _____

Signature of Witness _____