

**NEW BRUNSWICK  
TEACHERS' PENSION PLAN**

Amended as of January 1, 2025

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**ARTICLE I**  
**BACKGROUND AND PURPOSE OF THE PLAN**

- 1.1 The New Brunswick Teachers Federation / La Fédération des enseignants du Nouveau-Brunswick, the Province of New Brunswick (the “**Province**”) and the Minister of Finance in his capacity as administrator of the *Teachers’ Pension Act* (New Brunswick) entered into a Memorandum of Understanding, dated May 4, 2014 (the “**Memorandum of Understanding**”), pursuant to which they agreed to convert the pension plan under the *Teachers’ Pension Act* (New Brunswick) effective July 1, 2014 in accordance with the Memorandum of Understanding, the Pension Benefits Act and the *Teachers’ Pension Plan Act* (New Brunswick).
- 1.2 Effective July 1, 2014, the *Teachers’ Pension Act* (New Brunswick) was repealed by the *Teachers’ Pension Plan Act* (New Brunswick) which provides that the pension plan under the *Teachers’ Pension Act* (New Brunswick) be converted in accordance with the *Teachers’ Pension Plan Act* (New Brunswick).
- 1.3 Effective July 1, 2014, the New Brunswick Teachers’ Pension Plan converts and replaces the pension plan under the *Teachers’ Pension Act* (New Brunswick).
- 1.4 From and after the Effective Date, the New Brunswick Teachers’ Pension Plan shall comply with and be subject to the *Teachers’ Pension Plan Act* (New Brunswick), and as stipulated under that Act, shall comply with and be subject to the *Pension Benefits Act* (New Brunswick) when not in conflict with the *Teachers’ Pension Plan Act* (New Brunswick).
- 1.5 The primary purpose of the New Brunswick Teachers’ Pension Plan is to provide pensions to eligible teachers after retirement and until death in respect of their service as teachers. A further purpose of the New Brunswick Teachers’ Pension Plan is to provide secure pension benefits to teachers without an absolute guarantee but with a risk-focused management approach delivering a high degree of certainty that full lifetime pensions will be payable in the vast majority of potential future economic scenarios. As such, all future indexing adjustment benefits for current and future retirees will be based on a scheduled level of adjustment set out in ARTICLE VI which is subject to further adjustment in accordance with the Funding Policy, and other Ancillary Benefits under the New Brunswick Teachers’ Pension Plan shall be provided only to the extent described herein and only to the extent that funds are available for such benefits, as determined by the Board of Trustees in accordance with applicable laws and the Funding Policy.

## ARTICLE II DEFINITIONS

The following terms in the New Brunswick Teachers' Pension Plan, unless the context clearly indicates otherwise, shall have the following meanings:

- 2.1           “**Accumulated Interest**” means interest, credited no less frequently than annually, on a Member's contributions determined as follows:
- (i)       with respect to the period up to the Effective Date, the amount of “interest” as determined and defined under the TPA Plan accumulated on the Member's contributions under the TPA Plan to the Effective Date; and
  - (ii)      from and after the Effective Date, the actual rate of return of the Fund (net of the administrative expenses paid by the Fund), whether positive or negative, for each Plan Year determined as of the end of each Plan Year.

Interest shall be calculated on a Member's contributions from the first of the month following the date such amount is paid into the Fund. Interest that is to be credited on a date other than August 31 shall be calculated using the annual rate of interest established on the August 31 of the immediately preceding Plan Year and prorated for the applicable number of months.

- 2.2           “**Actuarial Equivalent**” means having an equal value when computed on the actuarial basis as approved by the Board of Trustees and which is in effect at the time such computation is made and which is acceptable under the Pension Benefits Act and Income Tax Act.
- 2.3           “**Actuary**” means a Fellow of the Canadian Institute of Actuaries, or a firm employing such a person, appointed by the Board of Trustees for the purposes of the New Brunswick Teachers' Pension Plan.
- 2.4           “**Administrator**” means the Board of Trustees, the administrator for the New Brunswick Teachers' Pension Plan, as designated under ARTICLE XIV.
- 2.5           “**Ancillary Benefit**” has the same meaning as set out in the Pension Benefits Act.
- 2.6           “**Base Benefits**” has the same meaning as set out in the Pension Benefits Act.
- 2.7           “**Board of Management**” means HER MAJESTY IN RIGHT OF THE PROVINCE OF NEW BRUNSWICK, as represented by Board of Management.
- 2.8           “**Board of Trustees**” means the board of trustees of the New Brunswick Teachers' Pension Plan, appointed pursuant to Section 14.2 and the Declaration of Trust, which is the administrator of the New Brunswick Teachers' Pension Plan and shall have those duties, powers and responsibilities as outlined in the New Brunswick Teachers' Pension Plan, the Funding Policy, the Declaration of Trust and the Pension Benefits Act and “**Trustee**” means any one of the individuals so appointed.

- 2.9 “**child**” or “**children**” shall include a natural child, step-child or adopted child.
- 2.10 “**Claimant**” means, as the case may be, the Spouse, Dependent Child, child or estate of the Member or a dependent in receipt of a survivor pension under paragraph 8.2(iii). For greater certainty, Claimant includes an Other Pre-Conversion Claimant where the context requires.
- 2.11 “**Collective Agreement**” means, the collective agreement between Board of Management and the Federation.
- 2.12 “**Consumer Price Index**” or “**CPI**” means the Consumer Price Index as defined in subsection 8500(1) of the Income Tax Regulations (Canada) and, in determining any increase in the CPI from year to year for purposes of the calculation of the IAB, the annual increase will be determined based on the increase in the average of the CPI for the twelve (12) month period ending June 30 in the year preceding that year relative to the same average on the preceding June 30, subject to a maximum each year of four and three-quarters percent (4.75%).
- 2.13 “**Continuous Employment**” means employment with the Employer without regard to periods of breaks in service or membership and without regard to periods of lay-off from employment, as shown by the Employer’s records.
- 2.14 “**Contribution Holidays**” means the full or partial reduction of the contributions normally required to be paid by Teachers who are Members, Non-certified Teachers who are Members, Supply Teachers who are Members and the Employer into the New Brunswick Teachers’ Pension Plan where such reductions are required under the Income Tax Act, and in accordance with the Funding Policy.
- 2.15 “**Declaration of Trust**” means the declaration of trust entered into by the Board of Trustees, dated as of July 1, 2014, as amended from time to time.
- 2.16 “**Dependent Child**” (or “**Dependent Children**”) means a child (or children) of a Member or Pre-Conversion Deferred Vested Member who at the relevant time is both dependent on the Member or Pre-Conversion Deferred Vested Member for support, and is
- (i) under nineteen (19) years of age and will not attain the age of nineteen (19) in the calendar year that includes that time,
  - (ii) under twenty-five (25) years of age and will not attain the age of twenty-five (25) years in the calendar year that includes that time and who is in full-time attendance at an educational institution, or
  - (iii) dependent on the Member or Pre-Conversion Deferred Vested Member by reason of mental or physical infirmity.
- 2.17 “**Disabled**” means, in relation to a Member, suffering from a physical or mental impairment that prevents the Member from engaging in any employment for which

the Member is reasonably suited by virtue of the Member's education, training or experience and that can be reasonably expected to last for the remainder of the Member's lifetime.

2.18 “**Early Retirement Date**” has the meaning provided in Section 12.1.

2.19 “**Earnings**” means the compensation received by a Teacher who is a Member, Non-certified Teacher who is a Member, or a Supply Teacher who is a Member for the performance of the regular duties of a position or office and, where applicable, includes prescribed amounts under the definition “compensation” in subsection 147.1(1) of the Income Tax Act that are related to a period of disability, an eligible period of reduced pay and an eligible period of temporary absence, each as defined in Section 8500 of the Income Tax Regulations under the Income Tax Act.

For a Teacher who receives only a portion of his or her Earnings for a period, other than a period excluded from Pensionable Service in the final paragraph of Section 2.38, the Teacher is deemed, subject to any limits under Section 8507 of the Income Tax Regulations with respect to such period, to receive the full Earnings for the period for purposes of Sections 2.38 and 4.2.

For a Teacher or Non-certified Teacher who is engaged by an Employer under written contract to work less than the full number of days for that position in a Plan Year, the amount determined in the first paragraph above shall be adjusted each Plan Year by a factor determined by dividing the full number of days in a Plan Year by the number of days engaged to work in the Plan Year for that position under the written contract.

For a Teacher or Non-certified Teacher who is engaged by a School District under written contract to teach less than the full number of days in a School Year, the amount determined in the first paragraph above shall be adjusted each Plan Year by a factor determined by dividing the full number of teaching days in a School Year by the number of days engaged to teach in the School Year for that position under the written contract.

For a Supply Teacher, the amount determined in the first paragraph above shall be adjusted each Plan Year by a factor determined by dividing the total number of teaching days in a School Year by the number of teaching days paid as a Supply Teacher in the School Year.

Earnings on and after the Effective Date shall be capped each Plan Year at the Earnings required to produce the defined benefit limit, as defined in the Income Tax Act, for the year when using the Base Benefits formula in Section 5.5.

2.20 “**Effective Date**” means July 1, 2014.

2.21 “**Eligible Survivor Benefit Period**” means the period beginning on the date of the Member's or Pre-Conversion Deferred Vested Member's death or, where a surviving Spouse's pension became payable on the Member's or Pre-Conversion

Deferred Vested Member's date of death, on the date of the Member's or Pre-Conversion Deferred Vested Member's surviving Spouse's death and ending on the latest of

- (i) where the Dependent Child is under the age of nineteen (19) years throughout the calendar year of the death of the Member, Pre-Conversion Deferred Vested Member or such surviving Spouse, as the case may be, the earlier of December 31 of the calendar year in which the Dependent Child attains age eighteen (18) years and the date of death of the Dependent Child;
- (ii) where the Dependent Child is in full-time attendance at an educational institution on the later of the Member's or Pre-Conversion Deferred Vested Member's or such surviving Spouse's, as the case may be, date of death and December 31 of the calendar year in which the Dependent Child attains eighteen (18) years, the day on which the Dependent Child ceases to be in full-time attendance at an educational institution or, if earlier, the day the Dependent Child attains age twenty-five (25); and
- (iii) where the Dependent Child is dependent on the Member or Pre-Conversion Deferred Vested Member at the Member's or Pre-Conversion Deferred Vested Member's date of death by reason of mental or physical infirmity, the day on which the Dependent Child ceases to be infirm, or if there is no such day, the date of death of the Dependant Child.

- 2.22        “**Employer**” means, collectively, the Province and any other entity that employs a Teacher, Non-certified Teacher or Supply Teacher.
- 2.23        “**Federation**” means The New Brunswick Teachers’ Federation / La Fédération des enseignants du Nouveau-Brunswick.
- 2.24        “**Fund**” means the assets held in trust under the terms of the New Brunswick Teachers’ Pension Plan to provide for the payment of benefits as described in the New Brunswick Teachers’ Pension Plan to Members, Pre-Conversion Retirees and Claimants.
- 2.25        “**Funding Policy**” means the funding policy, as amended from time to time, for the New Brunswick Teachers’ Pension Plan established in accordance with ARTICLE XVII, the TPPA and the Pension Benefits Act.
- 2.26        “**Income Tax Act**” means the *Income Tax Act*, R.S.C. 1985 c.1 (5th supplement), as amended from time to time, together with any relevant regulations and administrative rules made thereunder from time to time.
- 2.27        “**Indexing Adjustment Benefit**” or “**IAB**” means cost of living adjustments as may be approved by the Board of Trustees under ARTICLE VI.

- 2.28        “**Investment Policy**” means the investment policy, as amended from time to time, established by the Board of Trustees for the New Brunswick Teachers’ Pension Plan in accordance with ARTICLE XVI and the Pension Benefits Act.
- 2.29        “**Member**” means a Teacher, Non-certified Teacher or Supply Teacher who has joined the New Brunswick Teachers’ Pension Plan in accordance with ARTICLE III and who remains contingently or absolutely entitled to a benefit under the New Brunswick Teachers’ Pension Plan.
- 2.30        “**Memorandum of Understanding**” has the meaning set forth in Section 1.1.
- 2.31        “**New Brunswick Teachers’ Pension Plan**” means this New Brunswick Teachers’ Pension Plan/le régime de pension des enseignants du Nouveau-Brunswick established for Teachers, as amended from time to time, which converts and replaces the TPA Plan as at the Effective Date in accordance with the TPPA and the Pension Benefits Act.
- 2.32        “**Non-certified Teacher**” means a person who does not hold a Teacher’s Licence but who otherwise satisfies the requirements of 1.a. as listed in APPENDIX E.
- 2.33        “**Normal Form Pension**” means the normal form pension described under ARTICLE XI.
- 2.34        “**Normal Retirement Date**” means the date as described in ARTICLE X.
- 2.35        “**Other Pre-Conversion Claimant**” means an eligible Claimant in receipt of pension payments under the TPA Plan immediately prior to the Effective Date or a Pre-Conversion Deferred Vested Member immediately prior to the Effective Date, but excludes a Pre-Conversion Retiree.
- 2.36        “**Parameters**” means the parameters for the Funding Policy agreed by the Parties under the Memorandum of Understanding.
- 2.37        “**Party**” or “**Parties**” means the Federation and/or the Province, as the context requires.
- 2.38        “**Pensionable Service**” means:
- (i)        the period of the Member’s service up to the Effective Date recognized as “pensionable service” under the TPA Plan; plus
  - (ii)       the period of the Member’s employment as a Teacher after the Effective Date or as a Non-certified Teacher on and after September 1, 2016 in respect of which the Member makes the contributions required under Section 4.2 and, for this purpose, contributions made over the School Year or Plan Year, as applicable, shall be considered one (1) full year of Pensionable Service; plus



- (iii) the period of the Member’s employment as a Supply Teacher on and after September 1, 2016 in respect of which the Member makes the contributions required under Section 4.2 and, for this purpose, contributions made over the School Year shall be considered one (1) full year of Pensionable Service, adjusted each School Year by a factor determined by dividing the number of teaching days paid as a Supply Teacher in the School Year by the total number of teaching days in a School Year; plus
- (iv) any service purchased under ARTICLE XXII and any service transferred under Section 22.4 or as part of a reciprocal transfer agreement approved by the Trustees under Section 22.3.

For a Teacher or Non-certified Teacher who is engaged by an Employer under written contract to work less than the full number of days for that position in a Plan Year or who is engaged by a School District under written contract to teach less than the full number of days in a School Year, and in either case other than during a Pre-Retirement Period under a Pre-Retirement Option in accordance with ARTICLE XXIII, the period recognized under paragraph (ii) above shall be proportional to the fraction of total working time or teaching time, as applicable, required by such contract.

No more than one (1) year of Pensionable Service will be accrued by a Member for any one Plan Year.

For greater certainty, any period of absence due to the Member being on strike, refusing to work due to a strike or being unable or not required to work due to a strike is not included in Pensionable Service.

- 2.39 “**Pension Benefits Act**” means the *Pension Benefits Act* (New Brunswick), ch. P-5.1, as amended from time to time, together with any relevant regulations and administrative rules made thereunder from time to time, as modified by the TPPA. For greater certainty, where the TPPA and the Pension Benefits Act conflict, the TPPA shall prevail.
- 2.40 “**Plan Year**” shall mean the twelve (12) month period from September 1 of a year to August 31 of the following year.
- 2.41 “**Postponed Retirement Date**” has the meaning provided in Section 13.2.
- 2.42 “**Pre-Conversion Deferred Vested Member**” means a former Teacher who participated in the TPA Plan and had terminated employment as a Teacher prior to retirement and prior to the Effective Date and, as at the Effective Date, had not elected pension commencement or a refund of his or her own contributions to the TPA Plan or to transfer the Actuarial Equivalent value of the former Teacher’s pension from the TPA Plan pension fund to another pension fund.
- 2.43 “**Pre-Conversion Retiree**” means a person who had been employed as a Teacher and retired under the terms of the TPA Plan prior to the Effective Date and was

receiving a pension payable from the TPA Plan immediately prior to the Effective Date including a person who is Disabled and was in receipt of a disability pension under paragraph 12(1)(b) or 12(1)(e) of the TPA immediately prior to the Effective Date.

- 2.44 “**Province**” has the meaning set forth in Section 1.1.
- 2.45 “**Registered Investment Vehicle**” means a retirement saving plan, retirement income fund or other vehicle registered under the Income Tax Act, as designated by a Member pursuant to Section 7.1.
- 2.46 “**Required Contributions**” has the meaning as set out in ARTICLE IV.
- 2.47 “**Risk Management Goals and Procedures**” means the risk management goals and procedures, as amended from time to time, established by the Board of Trustees in accordance with ARTICLE XVI, the TPPA and the Pension Benefits Act.
- 2.48 “**School District**” means a school district as set out in Schedule A of New Brunswick Regulation 2001-24 under the *Education Act* (New Brunswick), as amended from time to time.
- 2.49 “**School Term**” means a period commencing July 1 and ending December 31 of the same year or a period commencing January 1 and ending on June 30 of the same year.
- 2.50 “**School Year**” means the ten (10) month period from September 1 of a year to June 30 of the following year.
- 2.51 “**Spouse**” means:
- (i) the person who, at the earlier of the date of a Member’s or Pre-Conversion Deferred Vested Member’s death and the date the Member or Pre-Conversion Deferred Vested Member made an election under Section 11.2 to provide that person with a survivor pension thereunder, satisfies one of the following conditions:
    - (a) is married to the Member or Pre-Conversion Deferred Vested Member; or
    - (b) is married to the Member or Pre-Conversion Deferred Vested Member by a marriage that is voidable and has not been avoided by a declaration of nullity; or
    - (c) has gone through a form of marriage with the Member or Pre-Conversion Deferred Vested Member in good faith that is void and has cohabited with the Member or Pre-Conversion Deferred Vested Member within the preceding year;
- unless Section 18.6 applies to that person in which case there is no person who is a Spouse under this paragraph (i); or

- (ii) where there is no person under paragraph (i), the person who is the common-law partner of a Member or Pre-Conversion Deferred Vested Member, as applicable, at the earlier of the date of the Member's or Pre-Conversion Deferred Vested Member's death and the date the Member or Pre-Conversion Deferred Vested Member made an election under Section 11.2 to provide that person with a survivor pension thereunder, and who, not being married to the Member or Pre-Conversion Deferred Vested Member, is cohabiting in a conjugal relationship with the Member or Pre-Conversion Deferred Vested Member at such earlier date and has been so cohabiting for a continuous period of at least two (2) years immediately before such earlier date, unless Section 18.6 applies to that person in which case there is no person who is a Spouse under this paragraph (ii).

2.52        **“Supply Teacher”** means a person hired to replace a teacher, as defined in the Collective Agreement.

2.53        **“Supply Teacher Contributory Earnings”** has the meaning provided in Section 4.2

2.54        **“Teacher”** means:

- (i) a person holding a Teacher's Licence and who satisfies one of the requirements listed in APPENDIX E; or
- (ii) a person who satisfies the requirements of 1.f. as listed in APPENDIX E.

2.55        **“Teacher and Non-certified Teacher Contributory Earnings”** has the meaning provided in Section 4.2.

2.56        **“Teacher's Licence”** means an authorization to teach issued by the Minister of Education and Early Childhood Development but does not include a local permit except a local permit issued by the Minister of Education on or before June 30, 1992 authorizing a person to teach kindergarten.

2.57        **“Termination Value”** means the termination value determined in accordance with the Pension Benefits Act and the TPPA. Any Termination Value payable under the New Brunswick Teachers' Pension Plan shall be credited with interest at the Fund rate of return for the immediately preceding Plan Year (net of administrative expenses paid by the Fund) from the date of a Member's termination of employment as a Teacher, Non-certified Teacher (or, for a Supply Teacher, termination of employment and exclusion from all supply teacher eligibility lists), termination of membership, retirement, death or marriage breakdown, as the case may be, to the date of payment or transfer.

2.58        **“TPA”** means the *Teachers' Pension Act* (New Brunswick) and the regulations thereto, all as in effect on June 30, 2014 and as attached as APPENDIX D hereto.

2.59        **“TPA Plan”** means the pension plan under the TPA, as it was immediately prior to the Effective Date.

- 2.60           “**TPPA**” means the *Teachers’ Pension Plan Act* (New Brunswick).
- 2.61           “**Vesting Date**” means the date of completion of the earlier of (i) five (5) years of Continuous Employment, (ii) two (2) years of Pensionable Service, and (iii) two (2) years of membership in the New Brunswick Teachers’ Pension Plan including, for greater certainty, membership in the TPA Plan prior to the Effective Date. Notwithstanding the foregoing, any Member who was vested under the TPA Plan as of the Effective Date shall have attained the Vesting Date under the New Brunswick Teachers’ Pension Plan.
- 2.62           “**Year’s Maximum Pensionable Earnings**” or “**YMPE**” shall have the meaning assigned by section 18 of the *Canada Pension Plan*, R.S. 1985, c. C-8.

**ARTICLE III  
ELIGIBILITY AND PARTICIPATION**

- 3.1 Each Teacher who is a member of the TPA Plan as of the Effective Date shall automatically continue as a Member on the Effective Date.
- 3.2 Each Pre-Conversion Retiree and Other Pre-Conversion Claimant as of the Effective Date, while not a Member, shall, however, become a member on the Effective Date entitled to benefits under the New Brunswick Teachers' Pension Plan in accordance with Section 5.2.
- 3.3 Subject to Section 3.14, each Teacher who commences employment as a Teacher on or after the Effective Date shall be required to become a Member on the Teacher's first date of employment as a Teacher.
- 3.4 Each Teacher on the Effective Date who is not a member of the TPA Plan as of the Effective Date due to paragraph 3(1)(b) of the TPA Plan shall be required to become a Member on the Effective Date.
- 3.5 Subject to Section 3.6, each Non-certified Teacher and Supply Teacher shall have the option to become a Member upon the later of September 1, 2016 and the date of completion of twenty-four (24) calendar months of Continuous Employment if that Non-certified Teacher or Supply Teacher has earned, as a Teacher, Non-certified Teacher or Supply Teacher, not less than thirty-five per cent (35%) of the YMPE in each of the two (2) consecutive calendar years immediately before becoming a Member.
- 3.6 A Non-certified Teacher or Supply Teacher who chooses not to join the New Brunswick Teachers' Pension Plan shall make the election on a form provided by the Board of Trustees in the time and manner prescribed by the Board of Trustees.
- 3.7 When a Teacher, Non-certified Teacher or Supply Teacher becomes a Member, such Teacher, Non-certified Teacher or Supply Teacher may not terminate membership in the New Brunswick Teachers' Pension Plan except in accordance with the TPPA and the Pension Benefits Act.
- 3.8 Where a former Teacher, former Non-certified Teacher or former Supply Teacher who has a benefit entitlement under the New Brunswick Teachers' Pension Plan for a prior period of employment as a Teacher, Non-certified Teacher or Supply Teacher again becomes employed as a Teacher required to join the New Brunswick Teachers' Pension Plan, or becomes employed as a Non-certified Teacher or Supply Teacher who has opted to join the New Brunswick Teachers' Pension Plan in accordance with Section 3.5, prior to the date pension payments commence in respect of such prior benefit entitlement, the following conditions apply:

- (i) the re-hired Teacher shall become an active Member on the date the Teacher is required to join, and the re-hired Non-certified Teacher or Supply Teacher shall become an active Member on the date the Non-certified Teacher or Supply Teacher meets the requirements under Section 3.5 and elects to join;
- (ii) upon becoming a Member, the Member shall commence contributions to the New Brunswick Teachers' Pension Plan under ARTICLE IV and shall accrue further Pensionable Service;
- (iii) for purposes of Section 6.1, any IAB granted thereunder after the date of re-hire shall be determined and applied to the Member's Base Benefits in respect of the Member's period of Pensionable Service both before termination of employment and after re-hire in accordance with paragraph 6.1(i) until subsequent termination of employment as a Teacher or Non-certified Teacher (or, for a Supply Teacher, subsequent termination of employment and exclusion from all supply teacher eligibility lists);
- (iv) upon subsequent termination of employment as a Teacher, Non-certified Teacher (or, for a Supply Teacher, subsequent termination of employment and exclusion from all supply teacher eligibility lists), or death, the benefit entitlement for the prior period of employment as a Teacher, Non-certified Teacher or Supply Teacher shall be added to the pension accrued during the period of re-employment which latter pension shall be determined in accordance with ARTICLE V and payable in accordance with ARTICLE VII, VIII, IX, X, XII or XIII, as applicable, and for purposes of ARTICLE XII, the Member's Pensionable Service before termination of employment and after re-hire shall be combined and the total period of the Member's Pensionable Service shall be used to determine eligibility to commence pension payments under Section 12.1 for both periods of Pensionable Service and to determine if the Member is eligible for an unreduced pension under Section 12.3 or to determine any reductions for early payment under Section 12.4.

### 3.9

Where a Member or Pre-Conversion Deferred Vested Member who is in receipt of pension payments under the New Brunswick Teachers' Pension Plan or a Pre-Conversion Retiree subsequently becomes employed as a Teacher required to join the New Brunswick Teachers' Pension Plan in accordance with Section 3.3 or becomes employed as a Non-certified Teacher or Supply Teacher who has opted to join the New Brunswick Teachers' Pension Plan in accordance with Section 3.5, the following conditions apply:

- (i) the re-hired Teacher shall become an active Member on the date the Teacher is required to join and the re-hired Non-certified Teacher or Supply Teacher shall become an active Member on the date the Non-certified Teacher or Supply Teacher meets the requirements under Section 3.5 and elects to join, provided the Teacher, Non-certified Teacher or Supply Teacher has not reached the date prescribed by paragraph 8502(e) of the regulations under the Income Tax Act;
- (ii) payment of the pension to the re-hired Teacher, re-hired Non-certified Teacher or re-hired Supply Teacher, if applicable, shall be suspended unless the Teacher, Non-certified Teacher or Supply Teacher has reached the date prescribed by paragraph 8502(e) of the regulations under the Income Tax Act;
- (iii) upon becoming a Member, the Member shall commence contributions to the New Brunswick Teachers' Pension Plan under ARTICLE IV and shall accrue further Pensionable Service;
- (iv) for purposes of Section 6.1, any IAB granted thereunder after the date of re-hire shall be determined and applied to the Member's Base Benefits in respect of the Member's period of Pensionable Service both before termination of employment and after re-joining the New Brunswick Teachers' Pension Plan in accordance with paragraph 6.1(i) until subsequent termination of employment as a Teacher or Non-certified Teacher (or, for a Supply Teacher, subsequent termination of employment and exclusion from all supply teacher eligibility lists);
- (v) upon subsequent termination of employment as a Teacher or Non-certified Teacher (or, for a Supply Teacher, termination of employment and exclusion from all supply teacher eligibility lists), the Member's pension that was payable just before the Member re-joined the New Brunswick Teachers' Pension Plan and that was suspended in accordance with paragraph (ii) above shall re-commence in the same form previously elected by the Member (but including any IAB provided under ARTICLE VI during the Member's re-employment period) and, where the Member's pension that was payable before the Member re-joined the New Brunswick Teachers' Pension Plan had been reduced for early payment, that portion of the Member's pension shall be adjusted upon re-commencement assuming the Member's age at re-commencement was equal to the Member's age at initial commencement plus the period of years and months that the pension was suspended; and

- (vi) upon subsequent termination of employment as a Teacher or Non-certified Teacher (or, for a Supply Teacher, subsequent termination of employment and exclusion from all supply teacher eligibility lists), or death, the pension accrued during the period of re-employment shall be determined in accordance with ARTICLE V and payable in accordance with ARTICLE VIII, IX, X, XII or XIII, as applicable, and for purposes of ARTICLE XII, the Member's Pensionable Service before termination of employment and after rejoining the New Brunswick Teachers' Pension Plan shall be combined and the total period of the Member's Pensionable Service shall be used to determine if the Member is eligible for an unreduced pension under Section 12.3 in respect of such portion of the pension or to determine any reductions for early payment under Section 12.4.

3.10

Where a former Teacher, former Non-certified Teacher or former Supply Teacher who is in receipt of pension payments under the New Brunswick Teachers' Pension Plan becomes employed as an "Employee" or an "MLA", each as defined in the Public Service Shared Risk Plan, and is required to join the Public Service Shared Risk Plan, the following conditions apply:

- (i) payment of the pension to the former Teacher, former Non-certified Teacher or former Supply Teacher under the New Brunswick Teachers' Pension Plan shall be suspended unless the former Teacher, former Non-certified Teacher or former Supply Teacher has reached the date prescribed by paragraph 8502(e) of the regulations under the Income Tax Act;
- (ii) for purposes of Section 6.1, any IAB granted thereunder after the date of suspension of pension payments under paragraph (i) above shall be determined and applied to the former Teacher, former Non-certified Teacher or former Supply Teacher's Base Benefits in accordance with paragraph 6.1(i) until re-commencement of the pension under paragraph (iii) below; and
- (iii) upon subsequent termination of employment or subsequently ceasing to serve as an MLA, as applicable, under the Public Service Shared Risk Plan, the former Teacher, former Non-certified Teacher or former Supply Teacher's pension under the New Brunswick Teachers' Pension Plan that was suspended in accordance with paragraph (i) above shall re-commence in the same form previously elected by the former Teacher, former Non-certified Teacher or former Supply Teacher (but including any IAB provided under ARTICLE VI during the period of suspension) and, where the pension that was payable before the suspension in accordance with paragraph (i) above had been reduced for early payment, the pension shall be adjusted upon re-commencement assuming the former Teacher, former Non-certified Teacher or former Supply Teacher's age at re-commencement was equal to the former Teacher, former Non-certified Teacher or former Supply Teacher's age at initial commencement plus the period of years and months that the pension was suspended.



- 3.11 For greater certainty, a former Teacher who participated in the TPA Plan and terminated employment as a Teacher prior to the Effective Date and, upon such termination of employment, had less than five (5) years of pensionable service under the TPA Plan at termination of employment shall not be entitled to any benefit under the New Brunswick Teachers' Pension Plan and shall only be entitled to the benefit described in subsection 11(1) of the TPA Plan.
- 3.12 Subject to Sections 3.9 and 3.13, where a Member or Pre-Conversion Deferred Vested Member who is in receipt of pension payments under the New Brunswick Teachers' Pension Plan or a Pre-Conversion Retiree subsequently becomes employed as a Supply Teacher and engages in excess of eighty full teaching days in any School Year, the following conditions apply:
- (i) payment of the pension to the re-hired Supply Teacher shall be suspended unless the Supply Teacher has reached the date prescribed by paragraph 8502(e) of the regulations under the Income Tax Act; and
  - (ii) upon subsequent termination of employment as a Supply Teacher and exclusion from all supply teacher eligibility lists, the Member's pension that was payable just before the Member re-joined the New Brunswick Teachers' Pension Plan and that was suspended in accordance with paragraph (i) above shall re-commence in the same form previously elected by the Member (but including any IAB provided under Section 6.1 (ii) during the Member's re-employment period).
- 3.13 The application of Section 3.12 shall be suspended for an eight-year period beginning July 1, 2018 and ending on June 30, 2026.
- 3.14 Notwithstanding any other provision of this Article III to the contrary, a Teacher who is a member of a religious group which has as one of its articles of faith the belief that members of the group are precluded from being members of a pension plan shall not be required to join the New Brunswick Teachers' Pension Plan.
- 3.15 A Teacher who chooses not to join the New Brunswick Teachers' Pension Plan in accordance with Section 3.14 shall make a request for exemption in the form prescribed under the Pension Benefits Act and shall deliver it to the Board of Trustees.
- 3.16 A Teacher may revoke a request for exemption provided in accordance with Section 3.15 if the Teacher delivers in writing such revocation to the Board of Trustees. The Teacher shall be required to become a Member on the date the Board of Trustees receives the revocation in writing.

## ARTICLE IV FUNDING

4.1 The Employer, on its own behalf and on behalf of the Teachers who are Members, Non-certified Teachers who are Members and Supply Teachers who are Members, will remit monthly contributions to the Fund as is required by the Board of Trustees from time to time and within the time limits prescribed under the Pension Benefits Act as described below.

4.2 Subject to the Income Tax Act, the Required Contributions required from Teachers who are Members, Non-certified Teachers who are Members and Supply Teachers who are Members shall, prior to July 1, 2029, be equal to the percentage of the Teacher's, Non-certified Teacher's and Supply Teacher's Earnings as shown in Section 4.4.

Such contribution rates shall be adjusted as may be required from time to time by the Board of Trustees, subject to the Income Tax Act and the triggering mechanism and limitations imposed by the Funding Policy, and shall be documented in APPENDIX B. For purposes of the Required Contributions required from a Teacher who receives only a portion of his or her Earnings for a period, such contributions shall be based on the Teacher's Earnings with the adjustment described in the second paragraph of Section 2.19 but limited in any event to the amount described in the final paragraph of Section 2.19.

For the purposes of the Required Contributions required from a Teacher or Non-certified Teacher who accrues Pensionable Service as described in the paragraph immediately following paragraph 2.38(iv), such contributions shall be based on the Teacher's or Non-certified Teacher's Earnings before the adjustment described in the third or fourth paragraph of Section 2.19, as applicable, but limited in any event to the amount described in the last paragraph of Section 2.19 (hereinafter in this Article IV referred to as "**Teacher and Non-Certified Teacher Contributory Earnings**").

For the purposes of the Required Contributions required from a Supply Teacher who accrues Pensionable Service as described in paragraph 2.38(iii), such contributions shall be based on the Supply Teacher's Earnings before the adjustment described in the fifth paragraph of Section 2.19, but limited in any event to the amount described in the last paragraph of Section 2.19 (hereinafter in this Article IV referred to as "**Supply Teacher Contributory Earnings**").

4.3 Subject to the Income Tax Act, the Required Contributions required from the Employer shall, prior to July 1, 2029, be equal to the percentage of the Teacher's or Non-certified Teacher's Earnings (or Teacher and Non-certified Teacher Contributory Earnings, as applicable) or the Supply Teacher's Supply Teacher Contributory Earnings, as applicable, as shown in Section 4.4.

Such contribution rates shall be adjusted as may be required from time to time by the Board of Trustees, subject to the Income Tax Act and the triggering mechanism and limitations imposed by the Funding Policy, and shall be documented in APPENDIX B.

4.4 Required Contribution rates expressed as a percentage of Earnings (or Teacher and Non-certified Teacher Contributory Earnings or Supply Teacher Contributory Earnings, as applicable):

Year	Teachers / Non-certified Teachers / Supply Teachers		Employer	
	Below YMPE	Above YMPE	Below YMPE	Above YMPE
1	8.5%	10.2%	11.5%	13.2%
2	9.0%	10.7%	11.5%	13.2%
3	9.5%	11.2%	11.5%	13.2%
4	10.0%	11.7%	11.5%	13.2%
5	10.0%	11.7%	11.5%	13.2%
6 to 10	10.0%	11.7%	10.75%	12.45%
11 to 15	10.0%	11.7%	10.00%	11.70%

4.5 Notwithstanding Section 4.2 and 4.3, effective as of July 1, 2029, the Required Contributions required from Teachers who are Members, Non-certified Teachers who are Members and Supply Teachers who are Members at the time, and the Required Contributions required from the Employer shall be equal and shall be determined as follows, subject to the Income Tax Act:

- (i) the aggregate contribution amount shall be determined at such time as follows:
  - (a) the average Teacher, Non-certified Teacher and Supply Teacher Required Contribution rate produced by the Required Contribution formula of nine and one-quarter percent (9.25%) of Earnings (or Teacher and Non-certified Teacher Contributory Earnings or Supply Teacher Contributory Earnings, as applicable) up to the YMPE of Teachers who are Members, Non-certified Teachers who are Members and Supply Teachers who are Members at the time, plus ten and ninety-five one hundredths percent (10.95%) of Earnings (or Teacher and Non-certified Teacher Contributory Earnings or Supply Teacher Contributory Earnings, as applicable) above the YMPE of Teachers who are Members, Non-certified

Teachers who are Members and Supply Teachers who are Members at the time, plus

- (b) nine and three-quarters percent (9.75%) of Earnings (or Teacher and Non-certified Teacher Contributory Earnings or Supply Teacher Contributory Earnings, as applicable), and
  - (c) the sum of (a) and (b) shall be divided by two (2) (each being a “Contribution Amount”);
- (ii) the aggregate contribution amount in (i) above shall be split as follows:
- (a) the new Required Contributions required from Teachers who are Members, Non-certified Teachers who are Members and Supply Teachers who are Members shall be determined by adjusting the Contribution Amount in (i)(c) above for Earnings (or Teacher and Non-certified Teacher Contributory Earnings or Supply Teacher Contributory Earnings, as applicable) up to and above the YMPE, as appropriate at that time; and
  - (b) the new Required Contributions required from the Employer will match the Required Contributions required from Teachers who are Members, Non-certified Teachers who are Members and Supply Teachers who are Members.

Thereafter, contribution rates of Teachers who are Members, Non-certified Teachers who are Members, Supply Teachers who are Members and of the Employer shall be adjusted as may be required from time to time by the Board of Trustees, subject to the Income Tax Act and the triggering mechanisms and limitations imposed by the Funding Policy, and shall be documented in APPENDIX B.

- 4.6 Contribution Holidays will only be permitted if required in accordance with the eligible contribution limitations under the Income Tax Act, and will only be applied in the manner allowed under the Funding Policy; provided that, if the Required Contribution rate required from the Employer is in excess of the Required Contribution rate required from Teachers who are Members, Non-certified Teachers who are Members and Supply Teachers who are Members at the time of such Contribution Holiday, any such Contribution Holiday must be applied first to the Required Contribution rate required from the Employer until such time as the Required Contribution rate required from Teachers who are Members, Non-certified Teachers who are Members and Supply Teachers who are Members and from the Employer are equal. Once such Required Contribution rates are equal, any further decreases in Required Contribution rates shall be applied equally to the Required Contribution rates required from Teachers who are Members, Non-certified Teachers who are Members and Supply Teachers who are Members and the Required Contribution rate required from the Employer.

4.7 Subject to the Funding Policy and the Declaration of Trust, all reasonable fees and expenses related to the administration of the New Brunswick Teachers' Pension Plan and the administration and investment of the Fund shall be paid from the Fund, including fees and expenses of the Board of Trustees and their agents.

**ARTICLE V  
BASE BENEFITS**

- 5.1 The Base Benefits described in this ARTICLE V, and Section 6.7 where applicable, are the intended Base Benefits under the New Brunswick Teachers' Pension Plan. Notwithstanding any other provision of the New Brunswick Teachers' Pension Plan, the Funding Policy allows or requires the Board of Trustees to adjust Base Benefits. Such adjustments may be positive or negative and may affect all classes of Members, Pre-Conversion Retirees and Claimants. Any adjustments to Base Benefits made pursuant to the Funding Policy shall be paramount for the time period required under the Funding Policy and shall affect the Base Benefits specified in the New Brunswick Teachers' Pension Plan. Any such adjustments shall be documented in APPENDIX C.
- 5.2 Subject to ARTICLE XIX, for each Pre-Conversion Retiree and Other Pre-Conversion Claimant, the Base Benefits shall be the sum of (i), (ii) and (iii), adjusted where required according to APPENDIX C:
- (i) the amount of pension, including any IAB granted prior to the Effective Date, paid or payable as at the Effective Date, as determined under the TPA Plan but shall not include future IAB; plus
  - (ii) IAB granted on January 1, 2015 equal to
    - (I) for a Pre-Conversion Retiree or Other Pre-Conversion Claimant who terminated employment or commenced receipt of the pension described in paragraph (i), as applicable, before 2014, the sum of the increase in the CPI at January 1, 2014 of ninety-six one-hundredths percent (0.96%) (pro-rated for the time since termination for those who terminated employment as a Teacher in 2013) plus seventy-five percent (75%) of the increase in the CPI at January 1, 2015; and
    - (II) for a Pre-Conversion Retiree or Other Pre-Conversion Claimant who terminated employment or commenced receipt of the pension described in paragraph (i), as applicable, after 2013, seventy-five percent (75%) of the increase in the CPI at January 1, 2015 pro-rated for the time since termination in 2014; plus
  - (iii) IAB as may be granted by the Board of Trustees from time to time in accordance with ARTICLE VI and the Funding Policy, as documented in APPENDIX A.
- 5.3 Subject to Section 5.6 when applicable, and ARTICLE XIX, for each Member, the Base Benefits shall be the sum of (i), (ii), (iii), (iv) and (v), adjusted where required according to APPENDIX C:

- (i) with respect to the Member's Pensionable Service, if any, under the TPA Plan prior the Effective Date, the amount determined pursuant to Section 5.4; plus
- (ii) with respect to the Member's Pensionable Service on or after the Effective Date, the amount determined pursuant to Section 5.5; plus
- (iii) with respect to the Member's Pensionable Service purchased under ARTICLE XXII, the amount(s) determined pursuant to ARTICLE XXII; plus
- (iv) IAB granted on January 1, 2015 equal to six-twelfths (6/12) of the increase in the CPI at January 1, 2015 (and for those who terminate employment as a Teacher before December 31, 2014, one-twelfth (1/12) of such increase for each month of employment as a Teacher on and after July 1, 2014 plus seventy-five percent (75%) of one-twelfth (1/12) of such increase for each month after termination of employment to December 31, 2014); plus
- (v) IAB as may be granted by the Board of Trustees from time to time, in accordance with ARTICLE VI and the Funding Policy, as documented in APPENDIX A.

5.4 For Pensionable Service prior to the Effective Date, the Base Benefits (prior to any adjustments required by ARTICLE XII and/or APPENDIX C) of a Member for purposes of paragraph 5.3(i) shall be equal to: the number of years (and fractions thereof) of the Member's Pensionable Service prior to the Effective Date multiplied by the sum of (i) and (ii) as follows: (i) one and three-tenths percent (1.3%) of the lesser of the Member's Average Salary and the Average Maximum Salary, and (ii) two percent (2%) of the Member's Average Salary, if any, that is greater than the Average Maximum Salary.

For purposes of this Section 5.4 and Section 12.5,

- (i) **“Average Salary”** means the average annual Earnings received or deemed to have been received by the Member during the period of five (5) successive years of Pensionable Service prior to the Effective Date during which his or her Earnings was highest and, where the Member has less than five (5) successive years of Earnings as at the Effective Date, such Member's Average Salary shall be the average of the Member's Earnings over such shorter period; and
- (ii) **“Average Maximum Salary”** means the average of the YMPE for 2014, 2013 and 2012.

5.5 For Pensionable Service on and after the Effective Date, the Base Benefits (prior to any adjustments required by ARTICLE XII and/or APPENDIX C) of a Member for purposes of paragraph 5.3(ii) shall, for each year (or proportionate amount for a

part of a year) of the Member's Pensionable Service on and after the Effective Date, be equal to:

- (i) one and three-tenths percent (1.3%) of the Member's Earnings for the year up to the YMPE for the year; and
- (ii) two percent (2%) of the portion of the Member's Earnings for the year that are in excess of the YMPE for the year.

5.6 With respect to a Member who terminates employment as a Teacher or Non-certified Teacher (or termination of employment and exclusion from all supply teacher eligibility lists for a Supply Teacher) before June 5, 2024 (including a Member who terminates employment before June 5, 2024 after being eligible to retire under Article IX, X, XII or XIII) and subject to ARTICLE XIX, the maximum Base Benefits payable to such a Member at retirement under ARTICLE IX, X, XII or XIII or upon termination of employment under ARTICLE VII shall be equal to the number of years (and fractions thereof) of the Member's entire period of Pensionable Service multiplied by the sum of (i) and (ii) as follows: (i) one and three-tenths percent (1.3%) of the lesser of the Member's Final Average Salary and the Final Average Maximum Salary, and (ii) two percent (2%) of the Member's Final Average Salary, if any, that is greater than the Final Average Maximum Salary.

For the purposes of this Section,

- (i) **"Final Average Salary"** means the average annual Earnings received or deemed to have been received by the Member during the period of five (5) successive years of Pensionable Service during which his or her Earnings was highest and, where the member does not have five (5) successive years of Earnings, such Member's Final Average Salary shall be the average of the Member's Earnings over such shorter period; and
- (ii) **"Final Average Maximum Salary"** means the average of the YMPE for the year in which the Member retires under ARTICLE IX, X, XII or XIII or terminates employment under ARTICLE VII and for each of the two (2) preceding years.

For greater certainty, this Section 5.6 does not apply to a Member who terminates employment as a Teacher or Non-certified Teacher (or termination of employment and exclusion from all supply teacher eligibility lists for a Supply Teacher) on or after June 5, 2024 (including a Member who terminates employment on or after June 5, 2024 after being eligible to retire under Article IX, X, XII or XIII).

5.7 For greater certainty, any automatic increases in accrued pensions, deferred pensions and pension benefits, either by formula or otherwise, under the TPA Plan no longer apply under the New Brunswick Teachers' Pension Plan as of the Effective Date, as permitted under Section 100.52 of the Pension Benefits Act.



Instead, future IAB adjustments may be granted by the Board of Trustees from time to time in accordance with ARTICLE VI.

**ARTICLE VI  
ANCILLARY BENEFITS**

6.1 IAB is an Ancillary Benefit and shall be granted annually, if permitted under the Funding Policy, on the following scheduled basis in respect of all Base Benefits in payment on or accrued up to the applicable date described below. For greater certainty, IAB may be nil in a given year or years, as determined by the Board of Trustees in accordance with the Funding Policy. Until a funding valuation of the New Brunswick Teachers' Pension Plan, as required by the Pension Benefits Act and the Funding Policy, indicates a change is required, the basis for granting such IAB on any January 1<sup>st</sup> after January 1, 2015 shall, in respect of the Base Benefits accrued up to January 1<sup>st</sup> of the immediately preceding year, be at the rate of

- (i) one hundred percent (100%) of the increase in the CPI for the relevant period for the portion of the year while the Member is contributing under Section 4.2; and
- (ii) seventy-five percent (75%) of the increase in the CPI for the relevant period for the portion of the year while the Member or other recipient is a
  - Pre-Conversion Retiree
  - Pre-Conversion Deferred Vested Member
  - Member in receipt of pension payments, including a Member in receipt of a disability pension under ARTICLE IX
  - Member entitled to a deferred Base Benefits pension under Section 7.4
  - Claimant.

For greater certainty, where a Member is neither contributing under Section 4.2 nor a Member or a recipient listed in paragraph (ii) above during a year or portion thereof for which IAB is granted above, the Member shall be included under paragraph (i) above for purposes of any IAB granted for that year; and where a recipient under paragraph (ii) above again becomes a Member in accordance with Section 3.8 or 3.9, during such Member's period of rejoining the New Brunswick Teachers' Pension Plan, any IAB in respect of the Member's entire Base Benefits in respect of Pensionable Service before and after rejoining the New Brunswick Teachers' Pension Plan shall be determined and applied in accordance with paragraph (i) above until the Member's subsequent termination of employment as a Teacher or Non-certified Teacher (or subsequent termination of employment and exclusion from all supply teacher eligibility lists for a Supply Teacher).

- 6.2 IAB granted in any given year by the Board of Trustees in accordance with this ARTICLE VI and the Funding Policy shall be limited to the amount permitted under the Income Tax Act.
- 6.3 Once IAB is granted for a given year to a Member, Pre-Conversion Retiree, or Claimant in accordance with this ARTICLE VI and the Funding Policy, it becomes part of the Base Benefits for such Member, Pre-Conversion Retiree, or Claimant, as the case may be.
- 6.4 IAB granted under the New Brunswick Teachers' Pension Plan after January 1, 2015, and the changes in the CPI from year to year used in determining whether any such IAB will be granted, shall be documented in APPENDIX A.
- 6.5 Each time IAB is granted under Section 6.1, it shall also apply to any bridge benefits determined in accordance with Section 12.5 in payment on or accrued up to December 31 of the previous year.
- 6.6 The Ancillary Benefits, other than IAB, may be less or nil in a given year or years, as determined by the Board of Trustees in accordance with the Funding Policy, in which case the reductions for early payment in Sections 12.4, 12.6 and 12.7 shall be no greater than reductions for early payment on an Actuarial Equivalent basis but in no event less than the reductions for early payment required by Section 19.1
- 6.7 Once the Ancillary Benefits are provided upon death in accordance with ARTICLE VIII or upon a Member commencing to receive a pension in accordance with ARTICLE XII and in accordance with the Funding Policy, such Ancillary Benefits become part of the Member's or Pre-Conversion Deferred Vested Member's Base Benefits under ARTICLE V.
- 6.8 The level of Ancillary Benefits to be provided under ARTICLE VIII or ARTICLE XII in a given year or time period, as determined by the Board of Trustees in accordance with the Funding Policy, shall be documented in APPENDIX C.
- 6.9 The Ancillary Benefits described in this ARTICLE VI are the intended Ancillary Benefits. Notwithstanding any other provision of the New Brunswick Teachers' Pension Plan, the Funding Policy allows or requires the Board of Trustees to make changes to the Ancillary Benefits. Such changes may be positive or negative and may affect all classes of Members, Pre-Conversion Retirees and Claimants. Any changes to Ancillary Benefits made pursuant to the Funding Policy shall be paramount for the time period required under the Funding Policy and shall affect the Ancillary Benefits specified in the New Brunswick Teachers' Pension Plan. Any such changes shall be documented in APPENDIX C.

**ARTICLE VII  
BENEFITS ON TERMINATION OF EMPLOYMENT**

7.1 Upon a Member's termination of employment as a Teacher or Non-certified Teacher (or termination of employment and exclusion from all supply teacher eligibility lists for a Supply Teacher), other than through death, prior to the Member's Vesting Date, the Member is entitled to a refund of the Member's contributions made in accordance with ARTICLE IV of the New Brunswick Teachers' Pension Plan and Sections 3 and/or 4 of the TPA Plan, with Accumulated Interest. The Member may direct that such refund be paid in any of the following ways, or as otherwise permitted from time to time under the Pension Benefits Act and the Income Tax Act:

- (i) paid as a lump-sum cash refund to the Member (less applicable withholding taxes); or
- (ii) transferred to the Member's Registered Investment Vehicle, as permitted under the Income Tax Act and the Pension Benefits Act.

7.2 Upon a Member's termination of employment as a Teacher or Non-certified Teacher (or termination of employment and exclusion from all supply teacher eligibility lists for a Supply Teacher), other than through death, on or after the Member's Vesting Date, but before the Member is eligible to commence receipt of a pension under ARTICLE XII, the Member is entitled to a deferred annual Base Benefits pension payable no later than the Member's Normal Retirement Date and determined in accordance with ARTICLE V, and ARTICLE XII where applicable. In lieu of a deferred pension, the Member is entitled to transfer the Termination Value under Section 7.3, subject to Section 18.2. The Board of Trustees shall provide the Member within the time period prescribed under the Pension Benefits Act from time to time with the disclosure of information required to be provided under the Pension Benefits Act and an election form pursuant to which the Member may elect to transfer the Termination Value under Section 7.3.

For greater certainty, upon a Member's termination of employment as a Teacher or Non-certified Teacher (or termination of employment and exclusion from all supply teacher eligibility lists for a Supply Teacher), other than through death, on or after the Member's Vesting Date and after the Member is eligible to commence receipt of a pension under ARTICLE XII, such Member is entitled to a pension or a deferred pension under the terms of the New Brunswick Teachers' Pension Plan, and is not entitled to make an election to transfer the Termination Value under Section 7.3.

7.3 A Member who is entitled to transfer the Termination Value may direct the Board of Trustees to transfer the Termination Value:

- (i) to another pension plan with the consent of the administrator of that pension plan; or
- (ii) to any other prescribed retirement savings arrangement to which such a transfer is permitted under the Pension Benefits Act.

Upon providing the direction to the Board of Trustees, if the Termination Value exceeds the transfer limit prescribed by the Income Tax Act, the excess of the Termination Value over the prescribed transfer limit shall be paid in a lump sum to the Member (less applicable withholding taxes).

After the Member receives notice of his or her rights under Section 7.2, the Member must provide the direction to the Board of Trustees within the time period prescribed under the Pension Benefits Act from time to time. If no such direction is provided within the time period prescribed under the Pension Benefits Act from time to time, the Member will be deemed to have elected to not make a transfer under this Section 7.3 and Section 7.4 shall apply.

7.4 Unless otherwise elected under Section 7.3 by the Member entitled to a deferred pension under Section 7.2, and subject to ARTICLE XVIII, such Member's deferred Base Benefits pension under the New Brunswick Teachers' Pension Plan shall remain in the New Brunswick Teachers' Pension Plan and the Member shall be entitled to a deferred pension under the terms of the New Brunswick Teachers' Pension Plan until the Member's pension commencement, death, or marriage or common law partnership breakdown (in circumstances where a payment to the Member's spouse or common-law partner or former spouse or common-law partner from the New Brunswick Teachers' Pension Plan is required).

7.5 Upon the transfer of a Termination Value under Section 7.3 or a refund under Section 7.1, the Member has no entitlement to any further benefits or enhancements from the New Brunswick Teachers' Pension Plan or payment from the Fund and shall cease to be a Member.

7.6 Any Pre-Conversion Deferred Vested Member shall not be entitled to a transfer in accordance with Section 7.3 or any other transfer from the New Brunswick Teachers' Pension Plan, unless provided under ARTICLE XVIII or Section 22.3, and shall remain in the New Brunswick Teachers' Pension Plan entitled to a deferred pension under the terms of the New Brunswick Teachers' Pension Plan until the Pre-Conversion Deferred Vested Member's pension commencement, death, or marriage or common law partnership breakdown (in circumstances where a payment to the Pre-Conversion Deferred Vested Member's spouse or common-law partner or former spouse or former common-law partner from the New Brunswick Teachers' Pension Plan is required).

**ARTICLE VIII  
DEATH BENEFITS**

- 8.1 Upon the death of a Member prior to the Member's Vesting Date, the Member's contributions made in accordance with ARTICLE IV of the New Brunswick Teachers' Pension Plan and Sections 3 and/or 4 of the TPA Plan, with Accumulated Interest, shall be paid to the Member's surviving Spouse, or if there is no surviving Spouse, to the Member's children in equal shares or if the Member does not have at least one child at the date of death, to the Member's estate.
- 8.2 Upon the death of a Member on or after the Member's Vesting Date or upon the death of a Pre-Conversion Deferred Vested Member, provided the Member or Pre-Conversion Deferred Vested Member has not commenced to receive his or her pension, the death benefit payable is as follows:
- (i) if the Member or Pre-Conversion Deferred Vested Member has a surviving Spouse at the date of death, the surviving Spouse is entitled, subject to Section 18.6 and the limits in paragraph 8503(2)(e) of the Income Tax Regulations under the Income Tax Act, to an immediate annual pension, payable in equal monthly instalments for the surviving Spouse's lifetime, equal to fifty percent (50%) of the Member's or Pre-Conversion Deferred Vested Member's accrued Base Benefit pension at the time of the Member's or Pre-Conversion Deferred Vested Member's death (determined without reference to ARTICLE XII), and the provisions of ARTICLE VI and any adjustments required in accordance with APPENDIX C apply thereafter; or
  - (ii) if the Member or Pre-Conversion Deferred Vested Member does not have a surviving Spouse but has at least one Dependent Child, or if paragraph 8.2(i) applied and after the death of the surviving Spouse who was in receipt of the pension under paragraph 8.2(i) there is at least one Dependent Child, a Dependent Child's pension is payable to the Dependent Child (or if there is more than one child, to the Dependent Children in equal shares), subject to the limits in paragraph 8503(2)(e) of the regulations under the Income Tax Act, equal to the surviving Spouse's pension that was being paid under paragraph 8.2(i), or would have been payable had the Member or Pre-Conversion Deferred Vested Member had a surviving Spouse at the date of death, beginning with the month following the date of death of the Member or Pre-Conversion Deferred Vested Member (or the month following the date of death of the surviving Spouse in receipt of a pension under paragraph 8.2(i), as the case may be) and ending at the end of the Eligible Survivor Benefit Period, and the provisions of ARTICLE VI and any adjustments required in accordance with APPENDIX C apply thereafter; or
  - (iii) if the Member or Pre-Conversion Deferred Vested Member did not have a surviving Spouse and did not have at least one Dependent Child or where a surviving Spouse's pension or Dependent Children's pension is not payable or ceases to be payable under paragraph 8.2(i) or paragraph 8.2(ii), as

applicable, the Board of Trustees may grant to another dependent of the Member or Pre-Conversion Deferred Vested Member a pension not exceeding an amount equal to the amount of the surviving Spouse's pension that could have been paid or was being paid under paragraph 8.2(i). Such pension shall be paid beginning with the month following the date of death of the Member or Pre-Conversion Deferred Vested Member, or surviving Spouse or Dependent Child or Children, whichever date is the latest, and ending at the end of the eligible survivor benefit period. In this paragraph 8.2(iii), dependent means a parent, grandparent, brother, sister, or grandchild of the Member or Pre-Conversion Deferred Vested Member who at the time of the Member's or Pre-Conversion Deferred Vested Member's death is both dependent on the Member or Pre-Conversion Deferred Vested Member for support and is:

- (a) under nineteen (19) years of age and will not attain nineteen (19) years of age in the calendar year in which the pension to the dependent becomes payable; or
- (b) in full-time attendance at an educational institution in the calendar year in which the pension to the dependent becomes payable; or
- (c) dependent on the Member or Pre-Conversion Deferred Vested Member by reason of mental or physical infirmity;

and eligible survivor benefit period, for purposes of this paragraph 8.2 (iii), means the latest of

- (d) where subparagraph (a) applies, the earlier of December 31 of the calendar year in which the dependent attains age eighteen (18) and the date of death of the dependent; or
- (e) where subparagraph (b) applies, the day on which the dependent ceases to be in full-time attendance at an educational institution; or
- (f) where subparagraph (c) applies, the day on which the dependent ceases to be infirm, or if there is no such day, the date of death of the dependent.

Any amount by which the Member's or Pre-Conversion Deferred Vested Member's Termination Value determined as at the date of death of such Member or Pre-Conversion Deferred Vested Member exceeds the aggregate of all pension payments made under this Section 8.2 (to the surviving Spouse, the Dependent Child or Dependent Children and any other dependents), shall be paid to the last recipient of a survivor pension under this Section 8.2 or to that person's estate, as the case may be.

8.3 If no survivor pension is payable under Section 8.2 upon the death of a Member or Pre-Conversion Deferred Vested Member, the amount determined under Section

8.1 for such Member or Pre-Conversion Deferred Vested Member calculated as at the Member's or Pre-Conversion Deferred Vested Member's date of death shall be paid to the Member's or Pre-Conversion Deferred Vested Member's estate in a lump sum payment.

- 8.4 The amount by which the value of a surviving Spouse's and/or Dependent Child's and/or other dependent's pension under Section 8.2 exceeds the Termination Value of the Member's or Pre-Conversion Deferred Vested Member's Base Benefits pension is an Ancillary Benefit for purposes of ARTICLE VI.
- 8.5 Death benefits, if any, payable after a Member's or Pre-Conversion Deferred Vested Member's pension commencement date shall be in accordance with ARTICLE XI and any election made by the Member or Pre-Conversion Deferred Vested Member at the time of pension commencement.
- 8.6 Upon payment under Section 8.1 or payment of a residual amount of a Termination Value under Section 8.2 or payment under Section 8.3, the Member or Pre-Conversion Deferred Vested Member, as applicable, (including the Member's or Pre-Conversion Deferred Vested Member's Spouse, children, Dependent Children, dependents or estate) has no entitlement to any further benefits or enhancements from the New Brunswick Teachers' Pension Plan or Fund.



**ARTICLE IX  
DISABILITY RETIREMENT**

- 9.1 Disability pensions in payment under paragraph 12(1)(b) or (e) of the TPA Plan to Pre-Conversion Retirees who are Disabled on, and who have not reached age 65 as of, the Effective Date shall continue to be paid as Base Benefits under the New Brunswick Teachers' Pension Plan in accordance with Section 5.2 and this ARTICLE IX, and the provisions of ARTICLE VI and any adjustments required according to APPENDIX C apply thereafter.
- 9.2 A disability pension shall be payable to a Member or Pre-Conversion Deferred Vested Member, as applicable, who becomes Disabled on or after the Effective Date and prior to the earlier of Normal Retirement Date (or attainment of age sixty-five (65) in the case of a Pre-Conversion Deferred Vested Member) and the date an unreduced pension, if any, is payable under ARTICLE XII, and shall commence on the first day of the month following, as applicable,
- (i) the date the Member has attained the Vesting Date and ceases to be employed as a Teacher, Non-certified Teacher or Supply Teacher as a result of becoming Disabled, or
  - (ii) the date the Member who is entitled to a deferred pension under Section 7.2 for which the Member did not elect a transfer under Section 7.3 becomes Disabled, or
  - (iii) the date the Pre-Conversion Deferred Vested Member becomes Disabled.
- 9.3 The disability pension of a Member or Pre-Conversion Deferred Vested Member who has been approved for a Canada Pension Plan disability benefit and to whom Section 9.2 applies shall be equal to the Base Benefits pension calculated in accordance with ARTICLE V and shall be payable in the Normal Form Pension described in Section 11.1 or the optional form of pension as the Member or Pre-Conversion Deferred Vested Member may elect in accordance with Section 11.2, and the provisions of ARTICLE VI and any adjustment required according to APPENDIX C apply thereafter.
- 9.4 The disability pension of a Member or Pre-Conversion Deferred Vested Member who has not been approved for a Canada Pension Plan disability benefit and to whom Section 9.2 applies shall be equal to the Base Benefits pension calculated in accordance with ARTICLE V and Section 12.5 (without regard to Section 12.4) and shall be payable in the Normal Form Pension described in Section 11.1 or the optional form of pension as the Member or Pre-Conversion Deferred Vested Member may elect in accordance with Section 11.2, and the provisions of ARTICLE VI and any adjustment required according to APPENDIX C apply thereafter. Subject to Section 9.5, the disability pension will be recalculated in accordance with Section 9.3 upon the earlier of the Member or Pre-Conversion

Deferred Vested Member becoming approved for a Canada Pension Plan disability benefit or reaching age sixty-five (65).

9.5

A Member, Pre-Conversion Deferred Vested Member or Pre-Conversion Retiree in receipt of a disability pension under this ARTICLE IX and in any case who has not attained age sixty-five (65) shall supply such information as the Board of Trustees requires to confirm continued entitlement to the disability pension. In the absence of such requested information or where the Board of Trustees has determined that a Member or Pre-Conversion Deferred Vested Member in receipt of a disability pension under Section 9.1 or a Pre-Conversion Retiree in receipt of a disability pension under Section 9.1, and in either case who has not attained age sixty-five (65), is engaged in substantially gainful employment or has recovered from being Disabled, the Board of Trustees may direct payment of the disability pension be suspended until the earliest of the date the Member, Pre-Conversion Deferred Vested Member or Pre-Conversion Retiree again becomes Disabled, Normal Retirement Date (or attainment of age sixty-five (65) in the case of a Pre-Conversion Deferred Vested Member or Pre-Conversion Retiree) and the date the Member or Pre-Conversion Deferred Vested Member or Pre-Conversion Retiree becomes entitled to payment of an immediate pension under ARTICLE XII.

**ARTICLE X  
NORMAL RETIREMENT**

- 10.1 For the purposes of the New Brunswick Teachers' Pension Plan, the Normal Retirement Date of a Member is the first of the month following the later of the Member's sixty-fifth (65<sup>th</sup>) birthday and the date the Member attains the Vesting Date.
- 10.2 A Member who terminates employment as a Teacher or Non-certified Teacher (or, for a Supply Teacher who terminates employment and is not included on any supply teacher eligibility list) on the Member's Normal Retirement Date shall commence receipt of Base Benefits pension payments on the Member's Normal Retirement Date calculated in accordance with ARTICLE V and shall receive the Normal Form Pension described in Section 11.1, or the optional form of pension as the Member may elect under Section 11.2, and the provisions of ARTICLE VI and any adjustments required according to APPENDIX C apply thereafter.
- 10.3 A Member who terminates employment as a Teacher or Non-certified Teacher (or, for a Supply Teacher who terminates employment and is not included on any supply teacher eligibility list) before the Member's Normal Retirement Date and after the Member's Vesting Date, and who did not elect a transfer under Section 7.3 or early payment under ARTICLE XII shall commence receipt of the Member's Base Benefits pension payments calculated in accordance with ARTICLE V on the Member's Normal Retirement Date and shall receive the Normal Form Pension described in Section 11.1 or the optional form of pension as the Member may elect under Section 11.2, and the provisions of ARTICLE VI and any adjustments required according to APPENDIX C apply thereafter.

**ARTICLE XI**  
**FORMS OF PENSION BENEFITS**

- 11.1 Subject to Section 11.2, the Normal Form Pension benefit payable to a Member for his or her lifetime upon Early Retirement Date, Normal Retirement Date or Postponed Retirement Date, as applicable, is:
- (i) a Base Benefits pension payable in equal monthly instalments commencing on the Member's Normal Retirement Date, Early Retirement Date or Postponed Retirement Date, as applicable, and payable for the lifetime of the Member; and in addition
  - (ii) for a Member who has a Spouse on the Member's date of death, unless Section 18.6 applies, a survivor pension payable upon the Member's death to the Member's surviving Spouse (who was the Spouse on the date of death of the Member), subject to the limits in paragraph 8503(2)(d) of the regulations under the Income Tax Act, in equal monthly instalments for the lifetime of such Spouse at the rate of fifty percent (50%) of the amount of Base Benefits pension that was being paid to the Member at death, or that would have been paid to the Member if no reduction for early payment under ARTICLE XII applied at the Member's pension commencement date, (including IAB granted under ARTICLE VI and any adjustments required according to APPENDIX C), subject to a maximum of sixty-six and two-thirds percent ( $66\frac{2}{3}\%$ ) of the pension the Member was receiving at death; and
  - (iii) if the Member does not have a surviving Spouse as described in paragraph (ii) or if Section 18.6 applies, but the Member has at least one Dependent Child at the time of the Member's death, or if a surviving Spouse's pension was payable under paragraph (ii) and after the death of the surviving Spouse there is at least one Dependent Child, a Dependent Child's pension payable at the same rate that was being paid to surviving Spouse under paragraph (ii), or that would have been paid to the surviving Spouse under paragraph (ii) had there been a surviving Spouse, to the Member's Dependent Child in equal monthly instalments (or if there is more than one child to the Dependent Children in equal shares) and ending at the end of the Eligible Survivor Benefit Period; and
  - (iv) the aggregate of all pension amounts paid under paragraphs (i), (ii) and (iii) to the Member, a surviving Spouse and Dependent Child or Children and any bridge benefit amounts paid under Article XII to the Member will never be less than the Member's own contributions made in accordance with ARTICLE IV of the New Brunswick Teachers' Pension Plan and Sections 3 and/or 4 of the TPA Plan, with Accumulated Interest, to the date of the Member's pension commencement, with any excess payable to the Member's estate.

For greater certainty, the Normal Form Pension benefit does not include the Member's annual bridge benefit, if any, described in Section 12.5.

11.2 A Member who has a Spouse at the time of pension commencement may elect, in lieu of the survivor pension payable under paragraph 11.1(ii) and the Dependent Child's pension payable under paragraph 11.1(iii) (and subject to paragraph 8503(2)(k) of the Income Tax Regulations under the Income Tax Act), that a survivor pension be payable upon the Member's death to the Member's surviving Spouse (who is the Spouse on the date pension payments commence) in equal monthly instalments for the lifetime of such Spouse at the rate of sixty percent (60%), sixty-six and two-thirds percent ( $66\frac{2}{3}\%$ ), seventy-five percent (75%) or one hundred percent (100%), as the Member may elect, of the amount of Base Benefits pension that was being paid to the Member at death (including IAB granted under ARTICLE VI and any adjustments required according to APPENDIX C) in which event the amount of Base Benefits pension payable to the Member under this form shall be the Actuarial Equivalent of the Base Benefits pension otherwise payable under Section 11.1 and the aggregate of all pension amounts paid under this Section 11.2 to the Member and the surviving Spouse and any bridge benefit amounts paid under Article XII to the Member will never be less than the Member's own contributions made in accordance with ARTICLE IV of the New Brunswick Teachers' Pension Plan and Sections 3 and/or 4 of the TPA Plan, with Accumulated Interest, to the date of the Member's pension commencement, with any excess payable to the Member's estate. For greater certainty, the form of pension under this Section 11.2 does not include the Member's annual bridge benefit, if any, described in Section 12.5. An election under this Section 11.2 shall be final.

11.3 Sections 11.1 and 11.2 apply to a Member whose pension commencement date is on or after the Effective Date and to all Pre-Conversion Deferred Vested Members (with the necessary modifications where applicable) who had not started their pension at the Effective Date. For Pre-Conversion Retirees and Other Pre-Conversion Claimants in receipt of a pension at the Effective Date, the provisions applicable to the form of payment of such pensions under the TPA Plan at the Effective Date continue to apply under the New Brunswick Teachers' Pension Plan except that IAB granted under ARTICLE VI and any adjustments required by APPENDIX C shall apply.

**ARTICLE XII  
EARLY RETIREMENT**

12.1 A Member who has attained the Vesting Date and has terminated employment as a Teacher or Non-certified Teacher (or, for a Supply Teacher who has terminated employment and is not included on any supply teacher eligibility list) prior to the Member's Normal Retirement Date may elect to commence receipt of Base Benefits pension payments on the first day of any following month provided the Member has satisfied one of the following conditions:

- (i) has attained age fifty-five (55),
- (ii) has at least thirty-five (35) years of Pensionable Service,
- (iii) in respect of a Member who became a Member pursuant to Section 3.1, other than a Member entitled to a deferred pension pursuant to Section 7.2, the sum of the Member's attained age and years of Pensionable Service at termination total at least eighty (80), or
- (iv) in respect of a Member who became a Member pursuant to Section 3.3 or 3.5, other than a Member entitled to a deferred pension pursuant to Section 7.2, the sum of the Member's attained age and years of Pensionable Service at termination total at least eighty-four (84).

The date as of which pension payments commence shall be the Member's Early Retirement Date.

12.2 Upon his or her Early Retirement Date, a Member shall receive a Base Benefits pension calculated in accordance with ARTICLE V plus a bridge benefit calculated in accordance with Section 12.5, including any IAB provided under ARTICLE VI before pension commencement, and the provisions of Section 12.3 and/or 12.4 shall apply. The Member shall receive his or her Base Benefits pension (adjusted where required by Section 12.4) in the Normal Form Pension described in Section 11.1, or in the optional form of pension as the Member may elect under Section 11.2. The Member shall receive the annual bridge benefit (adjusted where required by Section 12.4) payable in equal monthly instalments from the Member's Early Retirement Date to the month of the Member's death or attainment of age sixty-five (65), if earlier. The provisions of ARTICLE VI and any adjustments required according to APPENDIX C apply thereafter to the Member's Base Benefits pension and bridge benefit (adjusted where required by Section 12.4).

12.3 Subject to ARTICLE VI, the portion, if any, of the Member's Base Benefits pension and bridge benefit for Pensionable Service prior to the Effective Date payable from the Member's Early Retirement Date shall not be reduced for early payment if:

- (i) in respect of a Member other than a Member entitled to a deferred pension pursuant to Section 7.2, the sum of the Member's attained age and Pensionable Service on the Member's Early Retirement Date equals at least eighty-seven (87),
- (ii) the Member has attained age sixty (60) and has at least twenty (20) years of Pensionable Service on the Member's Early Retirement Date, or
- (iii) the Member has thirty-five (35) years of Pensionable Service on the Member's Early Retirement Date;

and, the portion of the Member's Base Benefits pension and bridge benefit for Pensionable Service on and after the Effective Date payable from the Member's Early Retirement Date shall not be reduced for early payment if:

- (iv) in respect of a Member other than a Member entitled to a deferred pension pursuant to Section 7.2, the sum of the Member's attained age and Pensionable Service on the Member's Early Retirement Date equals at least ninety-one (91),
- (v) the Member has attained age sixty-two (62) and has at least twenty (20) years of Pensionable Service on the Member's Early Retirement Date, or
- (vi) the Member has thirty-five (35) years of Pensionable Service on the Member's Early Retirement Date.

12.4

Subject to ARTICLE VI, the portion of the Member's Base Benefits pension and bridge benefit for Pensionable Service prior to the Effective Date payable from the Member's Early Retirement Date shall be permanently reduced for early payment by a factor equal to five percent (5%) per year (or five-twelfths of one percent (5/12 of 1%) for each month) between the Member's Early Retirement Date and the first day of the month following the earliest of,

- (i) in respect of a Member who satisfied the conditions in paragraph 12.1(iii), the date the sum of the Member's age and years of Pensionable Service would equal eighty-seven (87) if the Member had continued in employment as a Teacher to that date;
- (ii) in respect of a Member who has at least twenty (20) years of Pensionable Service, the date the Member will attain age sixty (60); and
- (iii) the Member's Normal Retirement Date;

and, the portion of the Member's Base Benefits pension and bridge benefit for Pensionable Service on or after the Effective Date payable from the Member's Early Retirement Date shall be permanently reduced for early payment by a factor equal to five percent (5%) per year (or five-twelfths of one percent (5/12 of 1%) for

each month) between the Member's Early Retirement Date and the first day of the month following the earliest of,

- (iv) in respect of a Member who satisfied the conditions in either paragraph 12.1(iii) or 12.1(iv), the date the sum of the Member's age and years of Pensionable Service would equal ninety-one (91) if the Member had continued in employment as a Teacher to that date;
- (v) in respect of a Member who has at least twenty (20) years of Pensionable Service, the date the Member will attain age sixty-two (62); and
- (vi) the Member's Normal Retirement Date.

For greater certainty, the reductions for early payment determined under paragraphs 12.4(i) and 12.4(iv) are based on a reduction of two and one-half percent (2.5%) per index year between the Member's Early Retirement Date and the date the sum of the Member's age and Pensionable Service would equal eighty-seven (87) and ninety-one (91), respectively, if the Member had continued in employment as a Teacher to the relevant date. In every year (12 months), there are two (2) index years, one index year of age and one index year of service.

12.5 Subject to ARTICLE VI, a Member's annual bridge benefit, prior to any reduction required by Section 12.4, shall be equal to the lesser of the maximum bridging benefit in paragraph 8503(2)(b) of the Income Tax Regulations under the Income Tax Act and the sum of (i) and (ii) below:

- (i) for each year of Pensionable Service prior to the Effective Date, seven-tenths of one percent (0.7%) (or a proportionate amount for a fraction of a year) of the Average Salary (as defined in paragraph 5.4(i)) up to the Average Maximum Salary (as defined in paragraph 5.4(ii)); and
- (ii) for each year of Pensionable Service on and after the Effective Date, seven-tenths of one percent (0.7%) (or a proportionate amount for a fraction of a year) of the Member's Earnings for each such year up to the YMPE for such year.

To the extent that IAB is granted in accordance with ARTICLE VI in any given year in which the Member accrues or is in receipt of a bridge benefit, such IAB shall apply to the annual bridge benefit.

12.6 Each Pre-Conversion Deferred Vested Member who was eligible for a deferred pension and had terminated employment as a Teacher before being eligible to receive an immediate pension under the TPA Plan, may elect to commence receipt of pension payments payable in equal monthly instalments on the first day of any month following attainment of age fifty-five (55) and not later than the first day of the month following attainment of age sixty-five (65) and, where pension payments commence before the first day of the month following attainment of age sixty-five (65), the Pre-Conversion Deferred Vested Member's Base Benefits pension shall,



subject to ARTICLE VI, be permanently reduced for early payment by a factor equal to five percent (5%) per year (or five-twelfths of one percent (5/12 of 1%) for each month) between the date of pension commencement and the first day of the month following (i) the date the Pre-Conversion Deferred Vested Member will attain age sixty (60) if the Pre-Conversion Deferred Vested Member has at least twenty (20) years of Pensionable Service; otherwise (ii) the date the Pre-Conversion Deferred Vested Member will attain age sixty-five (65), and the provisions of ARTICLE VI and any adjustments required according to APPENDIX C apply thereafter.

12.7 Each Pre-Conversion Deferred Vested Member who commences receipt of the pension payments in accordance with Section 12.6 is also entitled to an annual bridge benefit payable in equal monthly instalments from the Pre-Conversion Deferred Vested Member's pension commencement date to the earlier of the first day of the month of the Pre-Conversion Deferred Vested Member's death and the first day of the month following the date the Pre-Conversion Deferred Vested Member attains age sixty-five (65) equal to the amount determined in paragraph 12.5(i) (except that Average Maximum Salary for this paragraph shall mean the average of the YMPE for the year in which the Pre-Conversion Deferred Vested Member terminated employment as a Teacher and for the two (2) preceding years and the amount so determined shall be adjusted in accordance with paragraph 12(1)(f) of the TPA Plan up to the Effective Date and in accordance with ARTICLE VI on and after the Effective Date) and reduced by the reduction factor for early payment, if any, applied to the Pre-Conversion Deferred Vested Member's Base Benefits pension under Section 12.6, and the provisions of ARTICLE VI and any adjustments required according to APPENDIX C apply thereafter.

12.8 The amount by which a reduction of a Member's or Pre-Conversion Deferred Vested Member's Base Benefits pension for early payment or no reduction of Base Benefits pension for early payment in this ARTICLE XII is less than an Actuarially Equivalent reduction from the Member's Normal Retirement Date or the first day of the month following the Pre-Conversion Deferred Vested Member's attainment of age sixty-five (65) is an Ancillary Benefit for purposes of ARTICLE VI. In addition, a Member's or Pre-Conversion Deferred Vested Member's bridge benefit payable under this ARTICLE XII is an Ancillary Benefit for purposes of ARTICLE VI.

**ARTICLE XIII**  
**POSTPONED RETIREMENT**

- 13.1 In the event that a Member continues in employment as a Teacher, Non-certified Teacher or a Supply Teacher beyond the Member's Normal Retirement Date, contributions to the Fund by the Member, and in respect of the Member by the Employer, shall continue and Base Benefits shall continue to accrue in respect of the Member's Pensionable Service beyond the Member's Normal Retirement Date in accordance with Section 5.5 (taking into account any adjustments required by APPENDIX C) until such time as the Member reaches the Postponed Retirement Date under Section 13.2.
- 13.2 A Member described in Section 13.1 shall commence to receive Base Benefits pension payments on the first day of the month following the Member's date of termination of employment as a Teacher or Non-certified Teacher (or, for a Supply Teacher, on the first day of the month following the Member's date of termination of employment and exclusion from all supply teacher eligibility lists) after having attained the Member's Vesting Date, but in no event shall the pension commencement date of a Member be postponed beyond the date prescribed by paragraph 8502(e) of the regulations under the Income Tax Act. Such pension commencement date shall be the Member's Postponed Retirement Date.
- 13.3 Upon a Member's Postponed Retirement Date, a Member's Base Benefits pension shall be calculated in accordance with ARTICLE V and the Member shall receive the Normal Form Pension described in Section 11.1 or the form of pension as the Member may elect under Section 11.2 and the provisions of ARTICLE VI and any adjustments required according to APPENDIX C apply thereafter.

## **ARTICLE XIV ADMINISTRATION**

- 14.1 Effective July 1, 2014, a Board of Trustees constituted in accordance with this Article XIV shall be established by Declaration of Trust and such Board of Trustees shall be the Administrator of the New Brunswick Teachers' Pension Plan.
- 14.2 The Board of Trustees shall consist of six (6) to eight (8) Trustees. The Federation shall appoint one-half of the Trustees. The secretary of the Board of Management of the Province shall appoint one-half of the Trustees. In addition, there shall be two (2) observers appointed by the Federation and one (1) observer appointed by the secretary of the Board of Management of the Province, who shall have the right to attend meetings of the Board of Trustees, but shall not have a vote.
- 14.3 Within three (3) months of the establishment of the Board of Trustees, the Board of Trustees shall select a person who shall be called upon to cast the deciding vote in the event that the Board of Trustees is deadlocked. Such person shall not be a member of the Board of Trustees. The Board of Trustees may, from time to time, determine to change the person who shall be called upon to cast the deciding vote in the event that the Board of Trustees is deadlocked; provided that at all times there must be such a person selected by the Board of Trustees.
- 14.4 The Board of Trustees shall have all the powers, duties and responsibilities set forth in the Declaration of Trust, the TPPA, the Pension Benefits Act and the Income Tax Act. Without limiting the generality of the foregoing, the Board of Trustees shall be responsible for:
- (i) all measurements and reporting required by the TPPA and the Pension Benefits Act, including regular actuarial valuations and stochastic modelling of the assets and the liabilities of the New Brunswick Teachers' Pension Plan;
  - (ii) establishing the Investment Policy (which is subject to annual review by the Board of Trustees);
  - (iii) administering and investing the New Brunswick Teachers' Pension Plan and the Fund in accordance with the Pension Benefits Act, the TPPA, Income Tax Act, the New Brunswick Teachers' Pension Plan and the Funding Policy; and
  - (iv) all other requirements of the administrator under the TPPA and the Pension Benefits Act.
- 14.5 The Board of Trustees may enact rules and regulations relating to the administration of the New Brunswick Teachers' Pension Plan and investment of the Fund to carry out the terms hereof and thereof and may amend such rules and regulations from time to time. Such rules and regulations shall not conflict with any provision of the

New Brunswick Teachers' Pension Plan, the Declaration of Trust, the Funding Policy, the TPPA, the Pension Benefits Act or the Income Tax Act.

- 14.6 The Board of Trustees may appoint one or more agents to carry out any act or transaction required for the administration, investment, custody and management of the New Brunswick Teachers' Pension Plan and the Fund or may retain advisors. Every agent appointed by the Board of Trustees shall report to and be subject to the direction and continuing supervision of the Board of Trustees.
- 14.7 The Board of Trustees shall be entitled to rely upon all statements and reports furnished by an actuary, an accountant, an appraiser, a lawyer or other professional advisor retained by the Board of Trustees.
- 14.8 Wherever the records of the Employer are used by the Administrator, or its agents, for the purposes of the administration and investment of the New Brunswick Teachers' Pension Plan and Fund, the Administrator, or its agents, is entitled to rely upon such records, and such records shall be conclusive of the facts with which they are concerned.
- 14.9 In the absence of actual notice to the contrary, the Board of Trustees shall make payment in accordance with information provided by the Member, Pre-Conversion Retiree or other Claimant, as applicable. If there is a dispute as to whether a person is a Spouse, Dependent Child, child or other person entitled to payments hereunder, or where two or more persons make adverse claims in respect of a benefit, or where a person makes a claim that is inconsistent with information provided by the Member, Pre-Conversion Retiree or other Claimant, as applicable, the Board of Trustees may obtain court directions and the costs thereof may be paid from the Fund in accordance with Section 4.7 , or may, at the discretion of the Board of Trustees, be charged to the person entitled to the benefit to be paid.
- 14.10 Every eligible Teacher, Non-certified Teacher and Supply Teacher shall furnish to the Board of Trustees, when required to do so, proof of age satisfactory to the Board of Trustees.
- 14.11 The duties of the Employer with respect to the administration of the New Brunswick Teachers' Pension Plan shall be as follows:

- (i) to provide to the Board of Trustees in the form prescribed by the Trustees complete up-to-date information on all matters relating to age, service, eligibility or remuneration of Members, their dates of retirement, death or termination of employment, and all other pertinent facts or information which the Board of Trustees may require for the operation and administration of the New Brunswick Teachers' Pension Plan; and
- (ii) where reasonably requested by the Board of Trustees, to communicate details of the New Brunswick Teachers' Pension Plan to Members, to inform Teachers, Non-certified Teachers and Supply Teachers regarding eligibility requirements for participation in the New Brunswick Teachers' Pension Plan, to assist with the enrollment of eligible Teachers who are required to join the New Brunswick Teachers' Pension Plan, and to assist with the enrollment of eligible Non-certified Teachers and Supply Teachers who opt to join the New Brunswick Teachers' Pension Plan.

**ARTICLE XV  
DISCLOSURE**

- 15.1 Within the period prescribed by the Pension Benefits Act, the Board of Trustees shall provide to each Teacher, Non-certified Teacher and Supply Teacher who becomes eligible for membership in the New Brunswick Teachers' Pension Plan (including, for greater certainty, those Members who became eligible as a result of the conversion of the TPA Plan and the Pre-Conversion Retirees and Other Pre-Conversion Claimants), a written description of the New Brunswick Teachers' Pension Plan. Such description shall explain the terms and conditions of the plan applicable to the Teacher, Non-certified Teacher, Supply Teacher, Pre-Conversion Retiree or Other Pre-Conversion Claimant and the rights and obligations of such persons in respect of the New Brunswick Teachers' Pension Plan. Such description shall include disclosure of the fact that the New Brunswick Teachers' Pension Plan is a form of defined benefit plan that is subject to the TPPA, the Pension Benefits Act and the Income Tax Act. In addition, the disclosure will set out the purposes and characteristics of such a plan in accordance with the Pension Benefits Act as modified by the TPPA.
- 15.2 Within the period required under the Pension Benefits Act, the Board of Trustees shall provide a written explanation of each amendment to the New Brunswick Teachers' Pension Plan to each Member, Pre-Conversion Retiree or other Claimant affected by the amendment.
- 15.3 The Board of Trustees shall permit a Member, or such person as is required to be permitted under the Pension Benefits Act, to inspect, to make extracts from or to copy the New Brunswick Teachers' Pension Plan text and any other related documents required to be made available under the Pension Benefits Act at such time and place as may be required under the Pension Benefits Act.
- 15.4 To the extent required under the Pension Benefits Act, the Board of Trustees shall provide, on request, a Member, or such person as is required to be permitted under the Pension Benefits Act, with copies of any of the documents required to be made available under the Pension Benefits Act upon payment to the Board of Trustees of a reasonable fee.
- 15.5 Within the period prescribed under the Pension Benefits Act, the Board of Trustees shall provide each Member a written statement describing the benefits the Member has earned to date and such other information as required under the Pension Benefits Act.
- 15.6 Upon termination of employment of a Member as a Teacher or Non-certified Teacher, termination of employment and exclusion from all supply teacher eligibility lists of a Member as a Supply Teacher, or upon cessation of the Member's active membership in the New Brunswick Teachers' Pension Plan, the Board of Trustees shall provide to the Member (or the Member's Spouse or other person entitled to benefits in the event of the Member's death) within the period

prescribed under the Pension Benefits Act, a written statement containing the information prescribed under the Pension Benefits Act in respect of the benefits and options to which the Member or other person is entitled.

- 15.7 Within twelve (12) months after the review date of each regular actuarial valuation report prepared for the New Brunswick Teachers' Pension Plan, the Board of Trustees shall provide the Employer, the Members, Pre-Conversion Retirees and other Claimants and the Federation a report containing the following information, in addition to any other information as may be required under the Pension Benefits Act from time to time:
- (i) the closed group funded ratio and the termination value funded ratio, as such terms are defined in the TPPA, of the New Brunswick Teachers' Pension Plan;
  - (ii) the investment performance of the Fund;
  - (iii) the funding liabilities, as defined in the TPPA;
  - (iv) the results of the testing performed using the asset liability model, including the probabilities associated with the risk management goals;
  - (v) the Board of Trustees' assessment of the need to reduce benefits or the opportunity to increase benefits, including a description of the risk factors affecting the New Brunswick Teachers' Pension Plan;
  - (vi) a summary of the Funding Policy; and
  - (vii) a description of how Member, Pre-Conversion Retiree and other Claimant benefits would be calculated if the New Brunswick Teachers' Pension Plan were terminated.
- 15.8 The Board of Trustees shall provide such other information regarding the New Brunswick Teachers' Pension Plan, statistical or otherwise, as is required under the Pension Benefits Act and the Income Tax Act.
- 15.9 Such explanation, statement or right of disclosure of the New Brunswick Teachers' Pension Plan text and other documents provided shall have no effect on the rights or obligations of any person under the New Brunswick Teachers' Pension Plan, and shall not be referred to in interpreting or giving effect to the provisions of the New Brunswick Teachers' Pension Plan. None of the Board of Trustees, each individual Trustee, the Employer, the Federation, nor any agent thereof, shall be liable for any loss or damage claimed by any person to have been caused by any error or omission in such explanation, statement or other information.

**ARTICLE XVI**  
**INVESTMENT POLICY AND RISK MANAGEMENT GOALS AND PROCEDURES**

- 16.1 The Board of Trustees shall establish the Investment Policy.
- 16.2 The following shall be utilized in the establishment of the Investment Policy:
- (i) the purpose of the Investment Policy, which is to ensure that the desired security for the Base Benefits and the Ancillary Benefits is achieved;
  - (ii) stochastic financial and economic models that meet stringent statistical reliability criteria must be used to set investment allocations, including target investment durations, from time to time; and
  - (iii) the Investment Policy must reflect relevant factors including the maturity of the New Brunswick Teachers' Pension Plan, the expected contributions into the New Brunswick Teachers' Pension Plan, the expected benefits payable from the New Brunswick Teachers' Pension Plan, the Funding Policy and the current New Brunswick Teachers' Pension Plan funded status.
- 16.3 The Board of Trustees shall review, and amend as required, the Investment Policy within the time period prescribed by the TPPA. With respect to each such review, the Board of Trustees shall ensure that the considerations under Section 16.2 are applied.
- 16.4 The Board of Trustees shall establish Risk Management Goals and Procedures for the New Brunswick Teachers' Pension Plan. Such Risk Management Goals and Procedures shall:
- (i) establish the goals and procedures required by the Pension Benefits Act and the TPPA for the New Brunswick Teachers' Pension Plan; and
  - (ii) contain the requirements set out in the Pension Benefits Act and the TPPA.
- 16.5 The Board of Trustees shall review, and amend as required, the Risk Management Goals and Procedures within the time period prescribed by the TPPA. With respect to each such review, the Board of Trustees shall ensure that the considerations under Section 16.4 are applied.
- 16.6 In the administration and investment of the New Brunswick Teachers' Pension Plan and the Fund, the Board of Trustees shall adhere to the Investment Policy and the Risk Management Goals and Procedures.



**ARTICLE XVII  
FUNDING POLICY**

- 17.1 The Parties shall establish, and the Board of Trustees shall adopt, a Funding Policy in accordance with the Parameters.
- 17.2 The Funding Policy, shall at a minimum, contain:
- (i) a clear statement of the funding goals, which shall include a margin in the contributions to build a contingency reserve, to the extent possible, to better manage the financial risks associated with the operation of the New Brunswick Teachers' Pension Plan;
  - (ii) a description of the cost sharing between Teachers who are Members, Non-certified Teachers who are Members, Supply Teachers who are Members and the Employer;
  - (iii) a description of the required contributions and what changes to contributions shall be permitted, or required, under various conditions;
  - (iv) a clear statement as to responsibility for expenses of the New Brunswick Teachers' Pension Plan and the Fund, which shall provide that all expenses are to be paid by the New Brunswick Teachers' Pension Plan unless otherwise agreed by the Parties;
  - (v) a funding deficit recovery plan that shall contain both the priority order and the level of changes permitted should the New Brunswick Teachers' Pension Plan financial performance fall below the objectives reference in (i) above. The funding deficit recovery plan shall be such that reduction of Base Benefits for Pre-Conversion Retirees, Claimants and Members who are in receipt of pension payments would occur as a last step in the funding deficit recovery plan;
  - (vi) a funding excess utilization plan in accordance with the Parameters and the TPPA;
  - (vii) a description of the financial measurement basis adopted by the New Brunswick Teachers' Pension Plan; and
  - (viii) any other requirements prescribed under the TPPA.
- 17.3 The Board of Trustees shall review, and amend as required, the Funding Policy at least once per year, in accordance with the Funding Policy, the TPPA and the Pension Benefits Act.
- 17.4 In the administration of the New Brunswick Teachers' Pension Plan, the Board of Trustees shall adhere to the Funding Policy.

**ARTICLE XVIII**  
**ASSIGNMENT AND COMMUTATION OF BENEFITS**

- 18.1 Upon a Member's termination of employment as a Teacher or Non-certified Teacher (or, for a Supply Teacher, termination of employment and exclusion from all supply teacher eligibility lists) in accordance with Section 7.2 where the Termination Value of the Member's deferred pension is less than ten percent (10%) of the YMPE for the calendar year of termination of employment, or such other amount prescribed under the Pension Benefits Act from time to time, the Board of Trustees may require the Member to direct a transfer of the Termination Value in accordance with Section 7.3.
- 18.2 Upon a Member's termination of employment as a Teacher or Non-certified Teacher (or, for a Supply Teacher, termination of employment and exclusion from all supply teacher eligibility lists) in accordance with Section 7.2, the Member may elect, in lieu of the deferred pension, to receive a lump-sum payment (less applicable withholding taxes) equal to the Member's Termination Value if the adjusted Termination Value payable, determined in accordance with subsection 34(2) of the Pension Benefits Act, is less than forty per cent (40%) of the YMPE for the calendar year of termination of employment, or such other amount prescribed under the Pension Benefits Act from time to time, provided that if the Member has a Spouse, the Member has provided the Board of Trustees with a written waiver by the Spouse of any rights the Spouse may have under the New Brunswick Teachers' Pension Plan in the form prescribed by the Board of Trustees.
- 18.3 Subject to approval of the Board of Trustees, and based on conditions that the Board of Trustees may establish from time to time, and subject to the Pension Benefits Act, a Member who has attained the Vesting Date upon termination of employment as a Teacher or Non-certified Teacher (or, for a Supply Teacher, termination of employment and exclusion from all supply teacher eligibility lists) may elect, in lieu of the deferred pension payable hereunder, to receive a lump-sum payment (less applicable withholding taxes) equal to the Member's Termination Value if the Member and the Member's Spouse are not Canadian citizens and are not resident in Canada for purposes of the Income Tax Act and the Member's Spouse, if any, waives on the form prescribed by the Board of Trustees any right the Spouse may have under the New Brunswick Teachers' Pension Plan and provides such form to the Board of Trustees.
- 18.4 Upon the transfer or payment of a Termination Value in accordance with Section 18.1, 18.2 or 18.3, the Member has no entitlement to any further benefits from the New Brunswick Teachers' Pension Plan or payment from the Fund and ceases to be a Member of the New Brunswick Teachers' Pension Plan.
- 18.5 Except as otherwise provided by the Pensions Benefits Act,

- (i) a transaction that purports to assign, charge, anticipate or give as security any interest in or under the New Brunswick Teachers' Pension Plan is void; and
- (ii) any interest under the New Brunswick Teachers' Pension Plan and money payable thereunder are exempt from execution, seizure or attachment or other process of law;

except that the benefits of a Member, Pre-Conversion Retiree or Pre-Conversion Deferred Vested Member may be divided between such person and such person's spouse or common-law partner or former spouse or former common-law partner in accordance with the provisions of the Pension Benefits Act and the Income Tax Act pursuant to:

- (iii) a decree, order or judgment of a court of competent jurisdiction in relation to the division of a benefit under the New Brunswick Teachers' Pension Plan on the breakdown of a marriage or common-law relationship; or
- (iv) if a domestic contract provides for the division of benefits under the New Brunswick Teachers' Pension Plan as a consequence of the breakdown of marriage or common-law relationship of the Member or Pre-Conversion Retiree or Pre-Conversion Deferred Vested Member and that person's spouse or common-law partner;

and except that money payable under the New Brunswick Teachers' Pension Plan is subject to execution, seizure or attachment or other process of law in satisfaction of an order for support or maintenance enforceable in New Brunswick but, other than in the case of a refund of the Member's contributions with Accumulated Interest, to a maximum of fifty percent (50%) of the payment unless otherwise ordered by a court of competent jurisdiction.

A transaction that purports to commute or surrender a pension is void.

18.6

The Member and the Member's Spouse may enter into a written agreement that waives the Spouse's entitlement and any surviving Spouse's pension under ARTICLE VIII or XI. A surviving Spouse is not entitled to a surviving Spouse's pension under ARTICLE VIII or XI if there is:

- (i) a valid written agreement as described herein; or
- (ii) a decree, order or judgment of a competent tribunal that bars the claim of the surviving Spouse.

**ARTICLE XIX  
MAXIMUM PENSION**

19.1 Notwithstanding any provision to the contrary in the New Brunswick Teachers' Pension Plan and the Funding Policy, the annual lifetime pension payable to any Member under the New Brunswick Teachers' Pension Plan, determined at the time of pension commencement, including any benefit payable to a Member's spouse or common-law partner or former spouse or former common-law partner as a result of the breakdown of a marriage or common-law relationship, shall not exceed,

- (i) in respect of Pensionable Service after 1991, the Member's Pensionable Service for such period multiplied by the lesser of:
  - (I) the defined benefit limit, as defined in the Income Tax Act (being \$2,770.00 for pension commencement dates in 2014); and
  - (II) two percent (2%) of the Member's highest average indexed compensation (as defined under the Income Tax Act) in any three (3) non over-lapping periods of twelve (12) months; and
- (ii) in respect of Pensionable Service before 1990 that a Member purchased after 1991 under subparagraph 4(1)(b)(ii) of the TPA Plan which was non-contributory service before 1990, the Member's Pensionable Service for such period multiplied by two-thirds ( $\frac{2}{3}$ ) of the defined benefit limit in subparagraph (i)(I) above;

and such maximums shall be reduced if the pension commencement date precedes the earliest of the day on which:

- (iii) the Member attains age sixty (60);
- (iv) the Member's age plus early retirement eligibility service (as defined in the Income Tax Act) would have equalled eighty (80); and
- (v) the Member would have completed thirty (30) years of early retirement eligibility service (as defined in the Income Tax Act) with the Employer,

by one-quarter of one percent ( $\frac{1}{4}$  of 1%) for each month by which the pension commencement date precedes such earliest date assuming the Member had continued in employment as a Teacher, Non-certified Teacher or Supply Teacher to that date.

Subsequent to a Member's pension commencement, the maximum annual lifetime pensions determined above shall be indexed annually according to increases in the Consumer Price Index for Canada as published by Statistics Canada or its successor, over the twelve (12) month period ending October of the immediately preceding Plan Year. For greater certainty, such indexation calculation is solely for purposes of determining the maximum pensions under this Section 19.1.

19.2 In the event a bridge benefit is payable under ARTICLE XII, the sum of the Member's annual Base Benefits pension for Pensionable Service after 1991 plus the annual bridge benefit for Pensionable Service after 1991 determined at the time of pension commencement, shall not exceed (i) plus (ii) as follows:

- (i) the defined benefit limit, as defined in the Income Tax Act (being \$2,770.00 for pension commencement dates in 2014) multiplied by the Member's Pensionable Service after 1991; plus
- (ii) twenty-five percent (25%) of the average of the YMPE for the year of pension commencement and each of two (2) immediately preceding years, multiplied by the Member's Pensionable Service after 1991 (maximum thirty-five (35) years).

Subsequent to a Member's pension commencement date, the maximum annual amount determined above shall be indexed annually according to increases in the Consumer Price Index for Canada as published by Statistics Canada or its successor, over the twelve (12) month period ending October of the immediately preceding Plan Year. For greater certainty, such indexation calculation is solely for the purposes of determining the combined maximum annual lifetime pension and bridge benefit under this Section 19.2.

19.3 The provisions of this ARTICLE XIX also apply, with the necessary modification, to each Pre-Conversion Deferred Vested Member upon commencement of pension payments under the New Brunswick Teachers' Pension Plan.

**ARTICLE XX**  
**AMENDMENT OR DISCONTINUANCE OF THE PLAN**

- 20.1 Subject to Section 20.2, the New Brunswick Teachers' Pension Plan may be amended by the Board of Trustees from time to time.
- 20.2 Amendments to the New Brunswick Teachers' Pension Plan related to the following, or which may affect any of the following, may only be made by the Province and the Federation:
- (i) composition of the Board of Trustees;
  - (ii) the parameters set out in Schedule "A" to the Funding Policy that are prohibited to be amended by the Board of Trustees under the Funding Policy (subject to amendments required to comply with a law or regulation as set out in the Funding Policy);
  - (iii) the Base Benefit pension formula in ARTICLE V unless allowed under the Funding Policy;
  - (iv) the conditions for disability, normal, early and postponed retirement in ARTICLES IX, X, XII and XIII unless allowed under the Funding Policy;
  - (v) the participation or eligibility requirements for the New Brunswick Teachers' Pension Plan; and
  - (vi) the purchase of service rules in ARTICLE XXII.
- 20.3 The Province and the Federation intend and expect to continue the New Brunswick Teachers' Pension Plan indefinitely. However, if unforeseen circumstances beyond the control of the Province and the Federation results in the discontinuance of the New Brunswick Teachers' Pension Plan by the Province and the Federation, the assets of the Fund shall be used to provide benefits for Members, Pre-Conversion Retirees, Claimants and their estates in accordance with the relevant provisions of the New Brunswick Teachers' Pension Plan, the TPPA and the Pension Benefits Act.
- 20.4 In the event of the termination of the New Brunswick Teachers' Pension Plan, all Members shall be deemed to be vested in their accrued benefits for all purposes, whether or not such Members have attained the Vesting Date.
- 20.5 Upon discontinuance of the New Brunswick Teachers' Pension Plan, in whole or in part, any assets of the Fund shall first be used to discharge all liabilities under the New Brunswick Teachers' Pension Plan for the accrued Base Benefits, as adjusted in accordance with APPENDIX C, of the affected Members, Pre-Conversion Retirees and Claimants in accordance with the Pension Benefits Act and the Funding Policy. If upon discontinuance of the New Brunswick Teachers' Pension Plan the assets of the Fund are insufficient to discharge all liabilities under

the New Brunswick Teachers' Pension Plan, as adjusted in accordance with APPENDIX C, for the accrued Base Benefits of the affected Members, Pre-Conversion Retirees and Claimants, such Base Benefits shall be reduced in accordance with the TPPA, the Pension Benefits Act and the Funding Policy. If there are additional assets, these may be used to provide Ancillary Benefits in accordance with the Funding Policy. If there are surplus assets remaining after the discharge of liabilities for the accrued Base Benefits and any Ancillary Benefits provided in accordance with the Funding Policy, such assets shall be distributed to the Members, Pre-Conversion Retirees and Claimants, in accordance with Funding Policy, the TPPA and the Pension Benefits Act.

**ARTICLE XXI  
CONVERSION DETAILS**

- 21.1 The New Brunswick Teachers' Pension Plan will be effective from and after the Effective Date. All conversion benefit calculations will be made as of that date without regard to any administrative changes required to effect the conversion.
- 21.2 Benefits accrued under the TPA Plan shall be converted as of the Effective Date in accordance with the provisions hereof, the TPPA and the Pension Benefits Act.
- 21.3 Effective as of the Effective Date, no person who has any entitlement under the terms of the New Brunswick Teachers' Pension Plan shall have any entitlement or claim under or with respect to the TPA Plan.
- 21.4 The New Brunswick Teachers' Pension Plan is subject to the TPPA, the Pension Benefits Act and the Income Tax Act.
- 21.5 Subject to any applicable laws, including the TPPA, the Pension Benefits Act and the Income Tax Act, the New Brunswick Teachers' Pension Plan shall not affect the terms and conditions of employment established through the collective bargaining process negotiated from time to time between the Province and the Federation, other than as required to convert the TPA Plan to the New Brunswick Teachers' Pension Plan.



**ARTICLE XXII**  
**PURCHASES OF SERVICE AND RECIPROCAL AGREEMENTS**

22.1 The Province and the Federation shall have the power to determine rules effective after the Effective Date regarding purchases of periods of Pensionable Service by a Member, including rules to determine the cost to the Member to purchase such a period of Pensionable Service, which rules must be based on the principles underlying the New Brunswick Teachers' Pension Plan, subject to the limitations prescribed under the Income Tax Act and subject to the certification of any past service pension adjustment required by the Income Tax Act.

Until revised rules are established in accordance with Section 20.2, Pensionable Service purchased under Section 22.2 in respect of periods of service after June 2014 shall be treated under the New Brunswick Teachers' Pension Plan as Pensionable Service on and after the Effective Date to provide Base Benefits under Section 5.5 (prior to any adjustments required by ARTICLE XII and/or APPENDIX C) for each year of such Pensionable Service using the Member's Earnings in effect on the date of the Teacher's, Non-certified Teacher's, or Supply Teacher's election (hereinafter in this Section 22.1 and in Section 22.2, referred to as the "**Date of Application**") to purchase such service, and the provisions of ARTICLE XII shall apply if the Member elects to commence receipt of Base Benefits pension payments on the Member's Early Retirement Date. Until revised rules are established in accordance with Section 20.2, Pensionable Service purchased under Section 22.2 in respect of periods of service before July 2014 shall provide the Member with Base Benefits (prior to any adjustments required by ARTICLE XII and/or APPENDIX C) in accordance with the following formula:

- (i) one and three-tenths percent (1.3%) on the portion of the Member's Earnings in effect on the Date of Application up to the average of the YMPE for 2014, 2013 and 2012; plus
- (ii) two percent (2%) of the portion, if any, of the Member's Earnings in effect on the Date of Application that is greater than the average of the YMPE for 2014, 2013 and 2012;

and, if the Member elects to commence receipt of Base Benefits pension payments on the Member's Early Retirement Date, the provisions of paragraphs 12.3(i), (ii) and (iii), 12.4(i), (ii) and (iii) and 12.5(i) shall apply, except that paragraph 12.5(i) in respect of such Pensionable Service shall be revised as follows:

- (iii) for each year of such Pensionable Service prior to the Effective Date, seven-tenths of one percent (0.7%) (or a proportionate amount for a fraction of a year) of the Member's Earnings in effect on the Date of Application up to the average of the YMPE for 2014, 2013 and 2012.

## 22.2

On and after the Effective Date and until revised rules are established in accordance with Section 20.2, a Member may, according to the provisions of Section 22.1, purchase the following periods of service as Pensionable Service:

- (i) **previously refunded service** – under this paragraph (i), a Member who received a refund of contributions plus interest under Section 7.1 or under the TPA Plan or predecessor plan thereof or under the *Public Service Superannuation Act* (New Brunswick) or under the Public Service Shared Risk Plan in respect of a period of service prior to becoming (or last becoming, as applicable) a Member may elect to purchase such period of previously refunded service as Pensionable Service<sup>1</sup> if the Member makes a contribution to the Fund for such purchase equal to the amount the Member would have been required to contribute under Section 4.2 for that period of service based on the Member's Earnings in effect on the Date of Application to purchase such period of previously refunded service and the contribution rate in effect on the Date of Application.

A purchase of previously refunded service under this paragraph (i) in respect of a refund from the *Public Service Superannuation Act* (New Brunswick) or the Public Service Shared Risk Plan may only apply to post-1991 service.

- (ii) **other periods of past service** – under this paragraph (ii), a Member may elect to purchase a period of past service in respect of:
  - (a) any period of service during which the person was employed as a substitute teacher or as an employee classified as professional staff with the Federation, the New Brunswick Teachers' Association, or l'Association des enseignantes et enseignants francophones du Nouveau-Brunswick, subject to any limits under Section 8507 of the Income Tax Regulations with respect to such period, if there is written documentation acceptable to the Board of Trustees to verify such service provided such service is not already Pensionable Service or pensionable service under any other registered pension plan<sup>2</sup>;

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<sup>1</sup> TPA Plan s. 4(1)(b)(ii)(A) and (A.1)

<sup>2</sup> TPA Plan s. 4(1)(b)(ii)(E.4)

- (b) a period of authorized leave of absence without pay, subject to any limits under Section 8507 of the Income Tax Regulations with respect to such period, which includes
- (I) any period of leave without pay in the case of a person who was granted leave of absence by a School District or vocational committee, to take advanced training at a university, college or school of education and who is or was in receipt of a grant from the Province to assist him or her in meeting expenses of that training, if he or she resumes employment as a Teacher at any time prior to or following completion of that training<sup>3</sup>;
  - (II) any period of leave without pay granted by a School District during which the person was employed in full-time employment as a teacher in public schools in any other jurisdiction with which the Province has a reciprocal teacher-exchange agreement if the person resumes employment as a Teacher in the Province<sup>4</sup>;
  - (III) any period of leave without pay, to a maximum of one (1) year per period, in the case of a Teacher who was granted maternity leave, parental leave or adoption leave of at least two consecutive weeks within one complete pay period, if that Teacher resumes employment as a Teacher<sup>5</sup>; and
  - (IV) any period of leave without pay, to a maximum of two (2) years, in the case of a person who was granted a leave of absence by a School District of at least two consecutive weeks within one complete pay period, if he or she resumes active employment as a Teacher<sup>6</sup>;
- (c) any period of service performed after 1991 during which the person served as a member of the Legislative Assembly (New Brunswick) but in respect of which the person is not entitled to a pension under the *Members Superannuation Act* (New Brunswick) or the *Members' Pension Act* (New Brunswick)<sup>7</sup>;

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<sup>3</sup> TPA Plan s. 4(1)(b)(ii)(C)

<sup>4</sup> TPA Plan s. 4(1)(b)(ii)(B.1)

<sup>5</sup> TPA Plan s. 4(1)(b)(ii)(E.2)

<sup>6</sup> TPA Plan s. 4(1)(b)(ii)(E) and (E.01)

<sup>7</sup> TPA Plan s. 4(1)(b)(ii)(E.1)

- (d) any period of service after December 31, 1955, during which the person was employed in full-time employment as a teacher in this Province under a local permit<sup>8</sup>;
- (e) any period of service performed after 1991 during which the person was employed in full-time employment as a teacher in a public school in any other province or territory of Canada or in Canadian Government Schools in Canada for children of military personnel or First Nations people<sup>9</sup>;
- (f) any period of service performed after 1991 on a current service basis, to a maximum of five (5) years, during which the person was employed in full time employment as a teacher in any other country that is or was, at the time the service occurred, a member of the British Commonwealth of Nations or in Canadian Government Schools outside Canada for children of military personnel, or teaching in a foreign country under the Department of Foreign Affairs or the Canadian International Development Agency<sup>10</sup>;

provided, in respect of a purchase under subparagraphs (a) through (d), the Member makes a contribution to the Fund for such purchase equal to the amount the Member would have been required to contribute under Section 4.2 for that period of service based on the Member's Earnings in effect on the Date of Application to purchase such period of past service and the contribution rate in effect on the Date of Application and, in respect of a purchase under subparagraphs (e) and (f), the Member makes a contribution to the Fund for such purchase equal to twice the amount the Member would have been required to contribute under Section 4.2 for that period of service based on the Member's Earnings in effect on the Date of Application to purchase such period of past service.

Any contributions by a Member to make a purchase under this Section 22.2 may be made by direct transfer from another pension plan, retirement savings plan or retirement income fund registered under the Income Tax Act or by cash at the time of making the election to purchase the past service, or in instalments over such period as the Member may elect but not exceeding the period of past service in respect of which the election to purchase has been made. All amounts required to be paid must be actually paid prior to any benefits commencing. In the event the Member elects to make payments by instalment, additional interest will be charged

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<sup>8</sup> TPA Plan s. 4(1)(b)(ii)(C.1)

<sup>9</sup> TPA Plan s. 4(1)(b)(ii)(B)

<sup>10</sup> TPA Plan s. 4(1)(b)(ii)(B.01)

on the outstanding balance as may be determined from time-to-time by the Board of Trustees.

- 22.3 The Board of Trustees shall take all steps necessary to renew on and after the Effective Date all reciprocal transfer agreements with the TPA Plan that were in effect as of the Effective Date and may, in its discretion, from time to time, enter into reciprocal agreements, subject to the Pension Benefits Act and the Income Tax Act, with the sponsors of other pension plans to provide for the transfer of funds in respect of a Member who transfers from one pension plan to the other and may also provide for the transfer, of some or all, of the Member's Pensionable Service.
- 22.4 On or after November 27, 2018, the Board of Trustees may, in its discretion and in the absence of an applicable reciprocal transfer agreement as described in Section 22.3, approve a transfer of the value of termination benefits from a former employer's registered pension plan to the New Brunswick Teachers' Pension Plan in respect of a Member for the purpose of crediting Pensionable Service, subject to the Pension Benefits Act and the limitations prescribed under the Income Tax Act, and subject to the certification of any past service pension adjustment required by the Income Tax Act.
- 22.5 Once Pensionable Service is purchased or transferred, as applicable, in accordance with this ARTICLE XXII, the provisions of ARTICLE VI and any adjustments required according to APPENDIX C apply thereafter.

**ARTICLE XXIII  
PRE-RETIREMENT OPTION**

- 23.1 In this ARTICLE XXIII, the following terms have the meanings provided below:
- (i) **“Pre-Retirement Option”** means the pre-retirement option provided under this ARTICLE XXIII.
  - (ii) **“Pre-Retirement Period”** means the period, as elected by the Member, of up to five (5) years immediately prior to the Member’s commencement of Base Benefits pension payments under the New Brunswick Teachers’ Pension Plan.
  - (iii) **Pre-Conversion Pre-Retirement Participant”** means a TPA Plan member who was participating in the pre-retirement option under the TPA Plan as of the Effective Date and becomes a Member under Section 3.1.
- 23.2 Subject to Section 23.3, a Member may participate in the Pre-Retirement Option under the New Brunswick Teachers’ Pension Plan for a period of up to five (5) years, as elected by the Member, immediately prior to the Member’s commencement of Base Benefits pension payments under ARTICLE X, XII, or XIII, as applicable. Such period in respect of a Member participating in the Pre-Retirement Option shall be the Member’s Pre-Retirement Period. For greater certainty, any Pre-Conversion Pre-Retirement Participant shall continue to participate in the Pre-Retirement Option under the New Brunswick Teachers’ Pension Plan for the duration of the pre-retirement period elected under the TPA Plan.
- 23.3 A Member is eligible for participation in the Pre-Retirement Option under the New Brunswick Teachers’ Pension Plan provided such Member:
- (i) is engaged under written contract as a Teacher to either work the full number of days for that position in a Plan Year or teach the full number of days in a School Year immediately prior to participation in the Pre-Retirement Option;
  - (ii) becomes engaged under written contract to either work fewer than the full number of days for that position in a Plan Year or teach fewer than the full number of days in a School Year, as applicable;
  - (iii) will be eligible under ARTICLE X, XII, or XIII to commence receipt of Base Benefits pension payments at the end of the Pre-Retirement Period;
  - (iv) has provided notice to the Board of Trustees to participate in the Pre-Retirement Option and has specified the date (Normal Retirement Date or an Early Retirement Date or Postponed Retirement Date) the Member

intends to commence receipt of Base Benefits pension payments in such notice of the Member's Pre-Retirement Option; and

- (v) elects to continue to contribute under Section 4.2 on the same basis as if the Member continued to be engaged under written contract to either work the full number of days for that position in a Plan Year or teach the full number of days in a School Year, as applicable.

23.4 The Member may only choose a Pre-Retirement Period in accordance with Section 23.2 and 23.3 which ensures that participation in the Pre-Retirement Option ceases no later than the Member's Postponed Retirement Date or if earlier, five (5) years from the effective date of the commencement of the Member's Pre-Retirement Period.

23.5 While participating in the Pre-Retirement Option, a Member will

- (i) continue to contribute under Section 4.2 based on the Earnings the Member would have received had the Member continued to be engaged under written contract to either work the full number of hours for that position in a Plan Year or teach the full number of days in a School Year, as applicable, subject to any limitations imposed under the Income Tax Act; and
- (ii) continue to accrue Pensionable Service, subject to any limitations imposed under the Income Tax Act, but without reference to the second paragraph of Section 2.38.

23.6 The Member shall commence receipt of his or her Base Benefits pension in the month immediately following the month in which the Member's Pre-Retirement Period has ended. The Base Benefits pension payable to the Member will be calculated in accordance with ARTICLE X, ARTICLE XII, or ARTICLE XIII, as the case may be.

**ARTICLE XXIV  
MISCELLANEOUS**

- 24.1 If the Board of Trustees receives notice that any person entitled to receive benefits under the New Brunswick Teachers' Pension Plan is physically or mentally incapable of managing his or her affairs, the Board of Trustees may instruct the person responsible for the payment of benefits to pay the benefits for such person to the legally appointed representative or power of attorney of the intended recipient and such payment shall act as a full discharge thereof to the Board of Trustees and the New Brunswick Teachers' Pension Plan.
- 24.2 If any provision of the New Brunswick Teachers' Pension Plan is held to be invalid or unenforceable by a court of competent jurisdiction, its invalidity or unenforceability shall not affect any other provision of the New Brunswick Teachers' Pension Plan and the New Brunswick Teachers' Pension Plan shall be construed and enforced as if such provision had not been included therein.
- 24.3 Any determination made by the Board of Trustees with regard to any question of construction or interpretation arising under or in connection with the New Brunswick Teachers' Pension Plan, Declaration of Trust and Funding Policy shall be binding and conclusive on all persons affected thereby.
- 24.4 Participation in the New Brunswick Teachers' Pension Plan shall not enlarge nor diminish nor establish any rights to employment as a Teacher, Non-certified Teacher or Supply Teacher, which the Member did or did not formerly possess as a Teacher, Non-certified Teacher or Supply Teacher.
- 24.5 The New Brunswick Teachers' Pension Plan shall be governed and construed in accordance with the laws of the Province of New Brunswick and the laws of Canada applicable therein.
- 24.6 Any benefits payable hereunder shall be subject to any tax withholdings required by applicable law.
- 24.7 All benefits payable under the New Brunswick Teachers' Pension Plan shall be paid in the lawful currency of Canada.
- 24.8 All pension (and bridge benefit, if applicable) payments shall be payable in arrears at the end of the month for which the payment is due.



**APPENDIX A  
IAB GRANTED UNDER ARTICLE VI**

<u>DATE</u>	<u>IAB GRANTED</u>
January 1, 2016	1.49%
January 1, 2017	1.40%
January 1, 2018	1.47%
January 1, 2019	1.88%
January 1, 2020	2.12%
January 1, 2021	1.46%
January 1, 2022	1.46%
January 1, 2023	4.75% (Yearly Maximum Attained)
January 1, 2024	4.75% (Yearly Maximum Attained)
January 1, 2025	3.11%

**APPENDIX B**  
**CONTRIBUTION RATE ADJUSTMENTS**

**APPENDIX C**  
**BENEFIT CHANGES**

**APPENDIX D**  
**TPA**

**APPENDIX E**  
**REQUIREMENTS TO BE A TEACHER**

1. is employed in one of the positions listed in this section 1.
  - a. as a teacher in the public schools of the Province, under a written contract as defined in the Collective Agreement;
  - b. as a teacher in the Interprovincial School for the Education of the Deaf at Amherst in the Province of Nova Scotia and the Sir Frederick Fraser School for the Blind at Halifax in the Province of Nova Scotia, if such teacher elects to be exempt from the *Teachers' Pension Act* (Nova Scotia);
  - c. by a School District in work that requires the person to hold a Teacher's Licence;
  - d. as executive secretary of the New Brunswick School Trustees Association;
  - e. as secrétaire exécutif de l'Association des conseillers scolaires francophones du Nouveau-Brunswick;
  - f. as an employee classified as professional staff of the Federation, the New Brunswick Teachers' Association or l'Association des enseignantes et des enseignants francophones du Nouveau-Brunswick; or
  - g. by a Society to teach classes under the *Auxiliary Classes Act* (New Brunswick) and who elects to become a Member; or
2. is a Member immediately before becoming employed with the Department of Education and Early Childhood Development, or its successor department, in a position requiring such person to hold a Teacher's Licence, if such person became employed with that department on or after March 1, 1996, and provided that such person is not a deputy head or acting deputy head appointed under section 3 of the *Civil Service Act* (New Brunswick), S.N.B. 1984, c. C-5.1; or
3. is a person in any other full time employment where he or she was a contributor under the *Teachers' Pension Act*, Chapter 225, Revised Statutes, 1952 (New Brunswick) immediately prior to September 1, 1966 as long as he or she remains in that full time employment; or
4. becomes employed by the University of New Brunswick as a result of an agreement entered into by the University of New Brunswick and the Minister of Education and Early Childhood Development, or his or her predecessor, for the purpose of implementing an undergraduate teacher education program.