

AMENDMENT 2001/1

TO THE UNIVERSITY OF WINNIPEG PENSION PLAN

WHEREAS the University of Winnipeg (the "University") established a pension plan for its employees on January 1, 1972, which pension plan has been amended and updated from time to time and was formally adopted by By-Law No. 3/97 passed and enacted by the Board of Regents of the University on October 27, 1997, which has been amended from time to time (the "Plan");

AND WHEREAS the Plan has been amended and restated to December, 1998, and subsequent to such restatement has been amended on one further occasion by virtue of By-Law No. 2/99 passed and enacted by the Board of Regents of the University on May 29, 1999;

AND WHEREAS the University established pursuant to By-Law No. 3/97 of the University as an advisory committee to make recommendations concerning the Plan and to generally monitor its administration, the Pension Committee approved certain recommendations to amend the Plan (the "Plan Recommendations");

AND WHEREAS the University wishes to amend the Plan in accordance with the Plan Recommendations of the Pension Committee, and the University has the right under Paragraph 14.1 of the Plan to supplement, modify or amend the Plan provided that no such supplement, modification or amendment of the Plan shall permit any part of the assets of the trust fund established under the Plan to revert to or be recoverable by the University or used or diverted to purposes other than for the exclusive benefit of members, retired members or their beneficiaries and joint annuitants under the Plan;

AND WHEREAS by resolution of the Board of Regents passed at a duly constituted meeting held on December 4, 2000, a copy of the minutes of which are attached hereto as Schedule 1, the Board of Regents has authorized and delegated to the Executive Officer of the Pension Committee the power to cause the Plan to be amended in order to carry out the amendments and achieve the objects of the Plan Recommendations;

NOW THEREFORE BE IT AND IT IS HEREBY RESOLVED HEREBY RESOLVED THAT, effective as of January 1, 2000 but subject to the approval of the Pension Commission of Manitoba and the Canada Customs and Revenue Agency, the Plan shall be supplemented, modified and amended as follows:

The following new definition for contribution credit balance shall be added to Article 4, as follows:

"1.8.1 "Contribution Credit Balance" means a notional amount established as at January 1, 2000 equal to 50% of the amount required to pay the contribution for the month of January 2000 less 50% of the amount required to pay the contribution for the month of February 2000, shall be credited with interest on a quarterly basis at 7% per annum accruing from January 1, 2000, based on the average amount in the Contribution Credit Balance to the amount of the contribution for the month of January 2000 less 50% of the amount required to pay the contribution for the month of February 2000, University in accordance with Paragraphs 4.1, 4.3 and 20.4 in that month but for

the provisions of Paragraph 4.5, such debiting to commence on April 1, 2000 and to continue thereafter until such time as the amount in the Contribution Credit Balance reduces to zero. Contributions to the Plan by the University in accordance with Paragraph 4.2 may be credited to the Contribution Credit Balance in accordance with Paragraph 4.7.

1.9.2 "Contributed Pension Balance" means a notional amount first established as at January 1, 2000 which shall be equal to the excess, as determined by the Actuary at that date and at each subsequent valuation date, of the actuarial present value of benefits to be earned by the DB Members in respect of service from the valuation date until their retirement, termination of employment or death, whichever occurs first, over the actuarial present value of two times their contributions during this period of service.

1.9.1 "Defined Benefit Account" means the account or accounts as defined and contained in the Defined Contribution Account.

1.9.2 "DB Member" means a Member other than a DC Member.

1.9.3 "Defined Benefit Option" means the arrangement in the Plan under which a Member's benefits are determined based on the member's years of credited Service and Final Average Earnings in accordance with Paragraph 7.1.

1.9.4 "Defined Contribution Account" means those assets in the Fund held in respect of the aggregate of the Individual Accounts of all the DC Members.

1.9.5 "DC Manager" means an investment manager or managers appointed by the Board to provide and to manage a number of alternative investment funds in which a DC Member can elect to invest some or all of his or her Individual Account.

1.9.6 "DC Member" means a Member who has elected to participate in or, by operation of the Plan, must participate with Paragraph 2.7.

1.9.7 "Defined Contribution Option" means the arrangement in the Plan effective January 1, 2000 under which a Member's benefits are determined solely based on the member's contributions to his or her Individual Account at the date of termination of employment, retirement or death, in accordance with Article 20.

1.9.8 "Member Accumulation" means the aggregate of all contributions made to the Plan by the Member in accordance with Paragraph 3.1 and, if applicable, the amount of any rollover contributions received by the Member on or after January 1, 2000 and who elects to transfer his or her entitlement out of the Plan, 24.42% of his or her Member Accumulation.

1.13.1 "Initial Surplus Share" means for a DB Member, other than a Pensioner, 6.5% of his or her Member Accumulation, and for a Pensioner, the greater of 6.5% of his or her Member Accumulation and 6.5% of his or her Pensioner's Pension Credit, as determined in the month of December, 1999.

1.19.4 "Member Accumulation" means the aggregate of all contributions made to the Plan by the Member in accordance with Paragraph 3.1 and, if applicable,

Paragraph 3.5, with interest credited thereto in accordance with Article 5, all calculated as at December 31, 1999.

1.18.2 "Money Purchase Limit" means the amount defined as such for a year in Paragraph 147.1(1) of the Income Tax Act, as amended from time to time.

1.18.1 "Money Purchase Limit" means the amount defined as such for a year in Paragraph 147.1(1) of the Income Tax Act, as amended from time to time, who has retired from the University or the surviving Spouse of such a Member who has since died.

1.20.2 "Pensioner Accumulation" means the amount at December 31, 1999 determined by adding the aggregate of all contributions made to the Plan by the Pensioner while an Employee in accordance with Paragraphs 1 and 2 applicable to the Pensioner in accordance with Article 6, all calculated at the end of the year ending on the date to December 31, 1999 crediting interest for such year in accordance with Article 5 and debiting 50% of the pension and any other amounts paid to the Pensioner in such year."

2. The following Paragraph shall be added to Article 2

1.18.1 "Money Purchase Limit" means the amount defined as such for a year in Paragraph 147.1(1) of the Income Tax Act, as amended from time to time, who has retired from the University or the surviving Spouse of such a Member who has since died.

1.18.2 "Money Purchase Limit" means the amount defined as such for a year in Paragraph 147.1(1) of the Income Tax Act, as amended from time to time.

(ii) was a member of the Plan on or a Member of the Plan on December 31, 2000 and on December 31, 1999

January 10, 2001 to participate in the Defined Contribution Option with effect

from January 1, 2000, or from the date that he or she joins the Plan, if that date is later than January 1, 2000;

(iii) was employed by the University on December 31, 2000 but was not a Member of the Plan at that date, may elect to participate in either the Defined Contribution Option or the Defined Benefit Option when he or she joins the Plan in accordance with this Article 2, or

(iii) was hired by the University on or after January 1, 2001, shall not be eligible to

2.

All benefits under the Defined Contribution Option shall be determined and provided in

3. Paragraph 3.1(d) shall be deleted and replaced by

"3.1(d) Required contributions made by a DB Member in a year shall not exceed the maximum permitted under paragraph 8503(4)(a) of the Income Tax Regulations.

Required contributions made by a DC Member in a year shall not exceed 50% of

4. The following sentences shall be added to the second paragraph of Paragraph 4.1

For DB members, the University shall contribute to the DB Account. For DB members, the University contributions shall be made to each member's individual Account in the Defined Contribution Account."

5. The word "Plan" in Paragraph 4.2 shall be deleted and replaced by the words "Defined Benefit Account".

6. Paragraph 4.5 shall be deleted and replaced by

4.5 Contribution Credit

Article 4 provided that there is a positive amount in the Contribution Credit Balance, and provided that the Actuary so, the University may, commencing April 1, 2001, suspend its contributions to the Plan making the contributions it would otherwise be required to make in accordance with

Paragraphs 4.1, 4.3 and 20.4. Once the Contribution Credit Balance has been exhausted, the University shall resume contributions to the Plan in accordance with Paragraphs 4.1, 4.3 and 20.4, and, except as provided in Paragraph 4.7, it may not otherwise utilize funds in the Plan to fund its contributions."

7. The following Paragraph shall be added to Article 4

"4.7 Treatment of additional contributions

Additional contributions which are made by the University in accordance with Paragraph 4.2 which result from a deficiency in the Plan caused by Members retiring earlier than

credited to the Contribution Credit Balance.

Additional contributions which are made by the University in accordance with Paragraph 4.2 which result from a deficiency in the Plan caused by Members retiring earlier than projected in the preceding actuarial valuation, where this retirement experience is due, in whole or in part, to the existence of a program that is sponsored by the University to encourage earlier retirement, shall not be credited to the Contribution Credit Balance."

8. The following Paragraph shall be added to Article 4

"4.8 Contribution Reserve

where the aggregate cost of benefit accrual in any year for the DB members is greater

accordance with Paragraphs 4.1 and 4.3, the shortfall shall be debited to the Contribution Reserve."

shall be added to Paragraph 11.4
"No amendment shall be made to the Plan that would result in the liabilities of the Defined Benefit Account exceeding the assets of the Defined Benefit Account reduced by the amount of the Contribution Credit Balance and the Contribution Reserve."

Article 10 is added as follows

10.1 Members other than Pensioners who remain participants in the Defined Benefit Option of the Plan

A Member at December 31, 1999, other than a Pensioner, who elects or is deemed to have elected by January 1, 2001 to receive his or her Initial Surplus Share as follows:

(a) as a lump sum payment equal to 6.5% of his or her Member

(b) as a lump sum payment equal to 3.0% of his or her Member

Member in respect of Credited Service to December 31, 1999 from the guaranteed 60 months to life guaranteed 120 months; or

(c) with no lump sum payment and an improvement in the normal form of

Member from life guaranteed 60 months to life guaranteed 156 months

A Member who makes no election shall be deemed to have elected a lump sum payment of 0.5% of his or her Member Accumulation with no other change in his or her benefits.

19.2 Pensioners

A Pensioner at December 31, 1999, shall be entitled to a benefit improvement the actuarial present value of which at January 1, 2001 shall be equal to his or her Initial Surplus Share.

(b) partially by a lump sum payment equal to the greater of 2.5% of his or her Member Pensioner Accumulation and 92.5% of his or her monthly pension

payment with the balance by way of a pension increase as determined below: or

(c) totally by a pension increase as determined below.

The benefit improvement in respect of the Pensioner's Initial Surplus Share shall be a recalculation of the pension that would have been payable at retirement on the basis that

- (i) the pension had been based on the pension formula in Paragraph 7.1 modified by providing that the offset in Paragraph 7.1(b) had been based on Credited Service since January 1, 1990 rather than January 1, 1988,
- (ii) the definition of Final Average Earnings in Paragraph 7.4 had been based on the best 36 months of earnings rather than the best 60 months, and
- (iii) the pension had been increased in each subsequent year based on the excess interest over 6.0% in accordance with Paragraph 7.3(b)(i) but that such increases had not been limited by the increase in the Consumer Price

retirement determined in accordance with Paragraph 7.4 increased in each subsequent year by the increase in the Consumer Price Index in accordance with Paragraph 7.3(b)(ii).

If the Actuary determines that the actuarial present value of this improvement for a Pensioner is greater than his or her Initial Surplus Share reduced by any lump sum payment made to the Pensioner, the difference shall be paid to the Pensioner in a lump sum payment.

If the Actuary determines that the actuarial present value of this improvement for a Pensioner is less than his or her Initial Surplus Share reduced by any lump sum payment made to the Pensioner, the difference shall be paid to the Pensioner in a lump sum.

19.3 members who retire in 2000 and elect to transfer all their benefits out of the Plan

If a Member, whose employment with the University ceases in 2000, other than

for an immediate pension in accordance with Paragraph 6.2(c) and he or she elects to transfer the value of his or her benefits out of the Plan in accordance

pension

(a) where the transfer has occurred by December 31, 2000, the Member

or

(b) where the transfer occurs after December 31, 2000, the Member shall be entitled to a benefit improvement effective on December 31, 2000, the

The benefit improvement in respect of the Member's Full Surplus Share shall be a recalculation of the pension that would have been payable from January 1, 2001 on the basis that

- (i) the pension had been based on the pension formula in Paragraph 7.1 modified by providing that the offset in Paragraph 7.1(b) had been based on Credited Service since January 1, 1990 rather than January 1, 1988,
- (ii) the definition of Final Average Earnings in Paragraph 7.1 had been based on the best 36 months of earnings rather than the best 60

Income Tax Act.

If the Actuary determines that the actuarial present value of this improvement for a Member is greater than his or her Full Surplus Share, the level of future

if the Actuary determines that the actuarial present value of this improvement for a Member is less than his or her Full Surplus Share, the difference shall be paid to the Member in a lump sum.

The transfer is subject to Paragraph 147.3(4) of the Income Tax Act and Paragraph 9517 of the Income Tax Regulations and in the event that the Commuted Value of the benefits, including the benefit improvement, exceeds the maximum transfer amount permitted by the Regulations, the Member shall be paid to the Member in a lump sum.

Members who terminate their employment in 2000 and elect to transfer their benefits out of the Plan

if a Member's employment with the University ceases in 2000, other than in accordance with Paragraph 6(a) and he or she elects to transfer the value of Member shall receive a lump sum payment equal to his or her Full Surplus Share.

Members who elect to participate in the Defined Contribution Option

A Member of the Plan at December 31, 1999 who elects to participate in the Defined Contribution Option with effect from January 1, 2000 in accordance with Paragraph 2.7(i) shall be entitled to a benefit improvement effective on December 31, 1999, the actuarial present value of which benefit improvement shall be equal to his or her Full Surplus Share.

Alternatively, the Member may elect to receive a lump sum payment equal to 6.5% of his or her Member Accumulation, in which case the benefit improvement shall be equal to the Member Accumulation.

The benefit improvement in respect of the Full Surplus Share shall provide for the maximum post-retirement indexing permitted under the Income Tax Act of the Member's pension benefits accrued to December 31, 1999 and for retirement on an unreduced pension when the Member's age plus service equals 80.

If the actuarial present value of this improvement for a Member is greater than his or her Full Surplus Share reduced by any lump sum payment, the level of future indexing for such Member shall be reduced or the qualification date for an unreduced pension shall be increased, or both, so that the actuarial present value of the improvement is equal to the Member's Full Surplus Share reduced by any lump sum payment.

If the actuarial present value of this improvement for a Member is less than his or her Full Surplus Share reduced by any lump sum payment, the difference shall be paid to the Member in a lump sum.

19.6 Determination of Conversion Amount

The Actuary shall determine the conversion value, as at January 1, 2000, of the

Plan, calculated using such methods and assumptions as shall be determined by the Actuary. The Actuary shall prepare a report to the Board that describes these methods and assumptions and shows the conversion value for each Member who elects to participate in the Defined Contribution Option. This report shall be filed with the Pension Commission of Manitoba and the Canada Customs and Revenue Agency.

The Conversion Amount for each Member is the lesser of:

- (i) the conversion value determined in accordance with the preceding paragraph, and
- (ii) the actuarial present value of that Member's pension benefits as at December 31, 1999 from a defined benefit pension plan to a defined contribution pension plan, determined in accordance with Paragraph 147.3(4) of the Income Tax Act and Paragraph 8517 of the Income Tax Regulations.

If the amount in (i) above exceeds the amount in (ii), the balance shall be paid to the Member in a lump sum."

11. A new Article 20 is added as follows

"ARTICLE 20 – DEFINED CONTRIBUTION BENEFITS

These provisions apply to all DC Members with effect from January 1, 2000. Where this Article

20.1 Individual Account

An account (the "Individual Account") shall be established at January 1, 2000 for each Member who elects to participate in the Defined Contribution Option from that date. The Individual Account shall be credited at that date with the Conversion Amount. For a Member who elects to participate in the Defined Contribution Option after January 1, 2000, an Individual Account shall be established at the date of participation in the Defined Contribution Option. The University's contributions on behalf of the Member made under the Defined Contribution Option shall be credited to the Member's Individual Account. During a period when the University is taking a contribution holiday, the University shall credit the Individual Account with the amount which would have contributed in respect of the Member were it not taking a contribution holiday.

The Individual Account shall be invested in the same manner as the Defined Benefit Account. The Member may elect to have the Individual Account invested in this manner or to have the Individual Account invested in the manner specified in the Defined Contribution Option. If the Member wishes to change the investment of the Individual Account either from the DB Approach to a fund or funds made available by the DC Manager, or vice versa, such change may only take effect at the next valuation date. The DC Manager may change his or her investment mix amongst the funds made available by the DC Manager as frequently as permitted by the Board.

20.2 Interest Credits in 2000

For those Members whose effective date of joining the Defined Contribution Option is January 1, 2000, the Individual Account shall be credited with interest for the year 2000 as follows:

(a) one half of the Conversion Amount at the rate of return earned by the Fund in 2000, based on market values, net of expenses (the "2000 Return"), and

(b) one half of the proportionate part of the 2000 Return where the proportionate part

is the number of completed months in 2000 during which the Employee was a Member of the Plan, divided by 12.

20.3 Interest Credits in subsequent years

For those Members who elect to have their Individual Account invested using the DB Approach, the Individual Account shall be credited with interest in each subsequent year as follows:

- (i) on the opening balance, at the rate of return earned by the Defined Benefit Fund, based on market values and net of expenses;
- (ii) on all contributions in that year, at one-half of the Net Return, except that for a Member who joins the Plan during that year, at one-half of the proportionate part of the Net Return where the proportionate part is the number of completed months in that year during which the Employee was a Member of the Plan, divided by 12.

Where it is necessary to determine the balance in the Individual Account for such a member other than at a year-end, the interest credits for the current year shall be determined as of the date of determination, based on the monthly fund statements prepared by the Custodian.

For a Member who elects to have his or her Individual Account invested in one or more of the funds made available by the DC Manager, the value of the Individual Account shall at any time be equal to the product of the number of units held in each selected fund and the current unit value of that fund.

20.4 Members on Long-Term Disability

For a Member receiving benefits from the University's Long-Term Disability Plan the University shall contribute to that Member's Individual Account an amount equal to two times the amount that the Member would have contributed in accordance with Paragraph 3.1(a) had the Member not been disabled based on the annual rate of salary paid to the Member immediately prior to the commencement of Long-Term Disability benefits.

20.5 Options at Retirement

At the date of retirement, a Member may elect to have the balance in his or her Individual Account used in any one or more of the following manners:

- (i) to purchase an annuity from a insurance company licensed to sell such annuities, in any of the forms described in Article 8 but which must be paid at least for the lifetime of the Member,
- (ii) to transfer to a Locked-In Retirement Account (LIRA),
- (iii) to transfer to a Life Income Fund (LIF),
- (iv) to transfer to a Locked-In Retirement Income Fund (LIRIF).

20.6 Pre-Retirement Death Benefit

The amount of the death benefit for a DC Member who dies prior to retirement

9.4 through 9.7 shall apply to this amount.

20.7 Termination Benefit

The amount of the termination benefit for a DC Member who terminates

employment prior to retirement shall be the individual account balance, the

provisions of Paragraph 10.7 and 10.8 shall apply to this amount.

By authority conferred upon me by the Board of Regents of the University of Winnipeg, I hereby

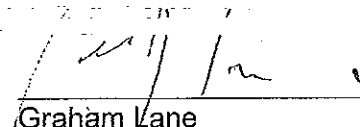
Resolved, That which was presented in accordance with the Authorizing Resolution passed by the

Board of Regents of the University of Winnipeg at a meeting duly held and constituted at

Winnipeg, Manitoba, Canada, on 0000, subject only to the approval of the Pension

Board of Regents of the University of Winnipeg

Date January 19, 2001


Graham Kane
Executive Officer of the Pension Committee,
University of Winnipeg Pension Plan

