

**MUNICIPAL RETIREE BENEFIT
TRUST**

RETIREE BENEFIT PLAN RULES

Effective January 1, 2022

Background

Prior to January 1, 2022 the Municipal Pension Board of Trustees (the “Pension Board”) sponsored a program of post retirement group benefits (the “Predecessor Plan”) for retired Plan Members of the Municipal Pension Plan (the “MPP”) pursuant to Schedule B section 18.3 (1) of Part 2.1 of the Public Sector Pension Plans Act (the “Act”).

The Partners (as defined in Schedule B of the Act) amended the Municipal Pension Plan Joint Trust Agreement (the “JTA”) effective February 8, 2021 and agreed to establish the Municipal Retiree Benefit Trust (“MRBT”) to provide post-retirement group benefits to retired Plan Members of the MPP effective January 1, 2022 (the “Effective Date”).

The amendments to the JTA also provide that initially the MRBT shall continue the Predecessor Plan in effect immediately prior to the Effective Date.

Pursuant to the said amendment the Partners entered the Municipal Retiree Benefit Trust Agreement with force and effect as of October 1, 2021 (the “BTA”).

As contemplated by the JTA the BTA provides that the initial post retirement group benefit plan (the “Retiree Benefit Plan Rules”) shall be established by the Partners and thereafter may be amended by the trustees of the MRBT (the “Board” or “MRBBT”).

These Retiree Benefit Plan Rules have been adopted by the Partners as the initial Retiree Benefit Plan Rules in effect on the Effective Date. They may be amended by the Board as provided for in the BTA.

Interpretation

1. (1) This document constitutes the Retiree Benefit Plan Rules of the Municipal Retiree Benefit Trust.
- (2) In this document, unless the context requires otherwise:
 - (a) words in the singular include the plural, and words in the plural include the singular;
 - (b) where a word or expression is defined, other parts of speech and grammatical forms of the same word or expression have corresponding meanings;
 - (c) headings are used for ease of reference only and do not form part of the Plan;
 - (d) the use of the word “may” is to be construed as permissive and empowering; and
 - (e) the use of the word “must” is to be construed as imperative.

Definitions

2. (1) In this document:
 - “**carrier**” means the provider of dental and extended health care plans under the contracts described in Schedule A hereto;
 - “**dental plan**” means the contract for dental care benefits described in Schedule A hereto as may be amended from time to time and includes any contract which renews, supplements or supersedes the said contract;
 - “**dependent**” in respect of the dental plan or the extended health care plan, means the dependent or spouse of the retired plan member as those terms are defined in the respective plans;
 - “**extended health care plan**” means the contract for extended health care benefits described in Schedule A hereto as may be amended from time to time and includes any contract which renews, supplements or supersedes the said contract;
 - “**maximum subsidy**” means, in respect of a Plan Member’s coverage under the extended health care plan, the amount periodically established by the MRBT as the maximum monthly amount that will be paid by the MRBT towards the premium under that plan;
 - “**pensionable service**” means, in respect of a Plan Member, the period of pensionable service, as defined in the Municipal Pension Plan Rules, associated with the pension payable to the Plan Member, provided that if the Plan Member is in receipt of a pension in respect of more than one benefit group, as defined in Part 16 of the Municipal Pension Plan Rules, it means the sum of the periods of pensionable service associated with all such pensions;
 - “**premium**” means, in respect of the dental plan and the extended health care plan, the amount periodically specified by the MRBT as the total

monthly amount payable in respect of a Plan Member and the individual's dependents for coverage under that plan.

- (2) Words and phrases having a definition in section 1.1 of the BTA, including without limitation "Group Benefit Administrator" and "Plan Member", when used herein shall have the same meaning as provided for in the BTA except where a contrary definition is set out in this document.

Group benefit entitlements to Plan Members

3. (1) The program of post-retirement group benefits for Plan Members and their dependents are those set out in the following:
 - (a) the dental plan; and
 - (b) the extended health care plan.
- (2) The terms and conditions under which the group benefits may be provided to Plan Members and their dependents are as set out in each plan referred to in subsection (1) and may be amended from time to time by the Board as provided for in the BTA.
- (3) Effective January 1, 2022 any unpaid or incurred but not reported benefit claims under the Predecessor Plan shall be submitted to the MRBT for adjudication and payment.

Dental plan benefits

4. (1) If a Plan Member
 - (a) applies for and is enrolled in, or continues to be enrolled in, the dental plan,
 - (b) commences to receive or is in receipt of a pension, the amount of which is, subject to section 7, sufficient to pay the dental plan premium which the Plan Member is required to pay, and
 - (c) elects or has elected, in writing to the Group Benefit Administrator to have the Plan Member's monthly dental plan premium deducted from the Plan Member's pension and remitted to the dental plan carrier

the Group Benefit Administrator shall pay or cause to be paid to the dental plan carrier the fees and costs required by the contract for dental care for coverage for the Plan Member and, if elected, the Plan Member's dependents.

- (2) The payment of the fees and costs required by the contract for dental care for coverage for the Plan Member and, if elected, the individual's dependents under subsection (1) must, subject to section 7, be funded by deducting from the Plan Member's pension 100% of the monthly premium for coverage under the dental plan for the Plan Member and, if elected, the individual's dependents.

Extended health care plan benefits

5. (1) If a Plan Member
 - (a) applies for and is enrolled in, or continues to be enrolled in, the extended health care plan,
 - (b) commences to receive or is in receipt of a pension, the amount of which is, subject to section 7, sufficient to pay the portion of the extended health care plan premium which the Plan Member is required to pay, and
 - (c) elects or has elected, in writing to the Group Benefit Administrator to have the Plan Member's monthly contribution to the extended health care plan premium deducted from the Plan Member's pension and remitted to the extended health care plan carrier,the Group Benefit Administrator shall pay or cause to be paid to the extended health care plan carrier the fees and costs required by the contract for extended health care for coverage for the Plan Member and, if elected, the Plan Member's dependents.
- (2) The payment of the fees and costs required by the contract for extended health care for coverage for the Plan Member and, if elected, the individual's dependents under subsection (1) shall, subject to section 7, be funded by
 - (a) the Plan Member's monthly contributions under subsections (3) and (5), and
 - (b) to the extent that the contributions under paragraph (a) are less than the fees and costs required by the contract for extended health care, the MRBT.
- (3) Subject to subsection (4), a Plan Member referred to in subsection (1) must pay 100% of the premium for extended health care plan coverage of the Plan Member, less a subsidy of:
 - (a) 0% of the maximum subsidy if the pensionable service of the Plan Member is less than 24 months,
 - (b) 20% of the maximum subsidy if the pensionable service of the Plan Member is 24 or more months and less than 48 months;
 - (c) 40% of the maximum subsidy if the pensionable service of the Plan Member is 48 or more months and less than 72 months;
 - (d) 60% of the maximum subsidy if the pensionable service of the Plan Member is 72 or more months and less than 96 months;
 - (e) 80% of the maximum subsidy if the pensionable service of the Plan Member is 96 or more months and less than 120 months;
 - (f) 100% of the maximum subsidy if the pensionable service of the Plan Member is 120 or more months.
- (4) For the purposes of subsection (3), if a Plan Member is receiving a pension following the death of a plan member, the deceased plan member's

pensionable service shall not be recognized in determining the pensionable service of the Plan Member.

- (5) A Plan Member referred to in subsection (1) must pay 100% of the premium for extended health care plan coverage of the Plan Member's dependents, if such coverage is elected by the Plan Member.

Payment by MRBT

6. The Group Benefit Administrator shall pay to the extended health care plan carrier on a monthly basis the amounts to be funded by the MRBT pursuant to section 5(2)(b) and shall provide the MRBT a monthly and annual report detailing the amounts so paid.

Insufficient monthly pension to cover monthly premiums

7.
 - (1) Despite sections 4 and 5, if a Plan Member's monthly pension payment is not or ceases to be sufficient to pay all of the monthly contributions required under sections 4(2), 5(3) and 5(5), they may, subject to subsection (2), elect to have coverage under the dental plan or the extended health care plan, or both, by paying directly to the carrier the portions of the monthly premiums which they would otherwise be required to pay under section 4(2), 5(3) or 5(5), as the case may be.
 - (2) If the Plan Member described in subsection (1) elects to pay directly for coverage under the dental plan, they must make the same election in respect of the extended health care plan, and vice versa.
 - (3) If the Plan Member described in subsection (1) does not make an election pursuant to subsection (1), or if after making such elections the Plan Member's monthly pension payment is still insufficient to pay all of the monthly contributions required under sections 4(2), 5(3) and 5(5), the Group Benefit Administrator must cancel the coverage of the Plan Member and the individual's dependents under one or more of the dental plan and the extended health care plan as of the date determined by the Group Benefit Administrator and the Group Benefit Administrator shall report the cancellation of coverage to the MRBT.
 - (4) Before canceling any coverage under subsection (3), the Group Benefit Administrator must give the Plan Member 30 days' written notice of the intention to cancel coverage. Any shortfall in the amounts owing by a Plan Member under subsection 4(2), 5(3) or 5(5) shall remain an obligation of the Plan Member.

Schedule A

Group Benefit Contract Policy Number 88000 between Pacific Blue Cross and Municipal Pension Board of Trustees (MPBT) Reissued January 1, 2020 as amended effective January 1, 2021 and as assigned by MPBT to the Municipal Retiree Benefit Board of Trustees effective January 1, 2022.