

SCHEDULE 1

**PUBLIC SERVICE PENSION PLAN
RETIREMENT COMPENSATION
ARRANGEMENT**

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1. Introduction

1.1 Establishment

The Supplementary Plan as defined in Order in Council O.C. 1298/2021 as amended is continued as the PSPP RCA, which applies to Members and Former Members, subject to the terms and conditions set out in this Schedule 1.

1.2 Purpose

The primary purpose of the PSPP RCA is to provide additional pension benefits to Members and Former Members whose contributions and benefits under the PSPP are limited by the *Income Tax Act* (Canada) and Regulations under that Act.

2. Construction and Interpretation

2.1 Construction

The division of this Schedule 1 into sections, subsections, clauses, and the insertion of headings, sub-headings, an introduction, and a table of contents is for convenience and reference only and shall not affect the construction or interpretation of this Schedule 1.

2.2 Interpretation

The provisions of this Schedule 1 are to be interpreted in the same manner as the provisions of the PSPP subject to necessary modifications. For greater certainty, where terms that are defined in the PSPP are used in this Schedule 1, the definitions of those terms in the PSPP apply to this Schedule 1 with necessary modifications unless otherwise stated in section 3.1.

2.3 Conflicts with the PSPP

If there is a conflict or inconsistency between this Schedule 1 and the PSPP, this Schedule 1 prevails.

If there is a conflict or inconsistency between this Schedule 1 and the MPP Supplemental Pension Plan, the MPP Supplemental Pension Plan prevails.

2.4 Elections under the PSPP apply to the PSPP RCA

Any choice, selection, election or waiver made or deemed to be made under the PSPP that can apply to the PSPP RCA shall apply to the PSPP RCA, including but not limited to the following:

- (a) the type or form of a pension benefit;
- (b) the pension commencement date;
- (c) the designation of beneficiaries;
- (d) joint and survivor pensions;

(e) the division of pension assets on marriage breakdown, except that any payment from the RCA Trust Fund to the Member's spouse in respect of the value of the spouse's pension benefit that is made prior to the date of pension commencement shall be paid in cash as a lump sum; and

(f) shortened life expectancy.

3. Definitions

3.1 Definitions

In this Schedule 1,

"*Account*" means the special purpose account within the Consolidated Revenue Fund continued under Order in Council O.C. 1298/2021 as amended used to fund benefits for the Supplementary Plan;

"*Administrator*" means the Ontario Public Service Pension Board referred to in the PSPP or any other person with whom the Minister has entered into an agreement to administer the RCA;

"*AgriCorp Plan*" means the Pension Plan for Employees of AgriCorp, effective January 1, 1997 with registration number 1034321;

"*AgriCorp Supplemental Member*" means a Member who is or was an employee of AgriCorp and who, as of April 30, 2021, had accrued credit in the AgriCorp Plan and who joined the Public Service Pension Plan effective May 1, 2021;

"*Annual Salary Rate*" has the same meaning as section 1 of the PSPP except that the Annual Salary Rate of a Member or Deferred Member for any month in the period after December 31, 1991 and before January 1, 1998 used to determine the average annual salary to compute the Pension described in clause 6.1(a) that would have been payable if determined without reference to clause 40(2)(d) of the PSPP shall not exceed the Maximum Contributory Salary Rate,

- (a) unless the Member or Deferred Member pays, or has paid, into the RCA Trust Fund an amount equal to any contributions that the Member or Deferred Member would have paid for that period to the PSPP but for the application of the maximum contribution limit under the *Income Tax Act* (Canada) or the Regulations under that Act, and
- (b) the Member or Deferred Member makes the payment referred to in clause (a) above no later than 6 months after the Member or Deferred Member is informed of the Member or Deferred Member's option to make such payment into the RCA Trust Fund.

For greater certainty, amounts paid by the Member or Deferred Member in respect of clause (a) above that were paid to the Account shall be deemed to have been paid to the RCA Trust Fund for the purpose of this definition.

Additionally, the Annual Salary Rate of a Member or Former Member for any month after December 31, 1991 used to determine the average annual salary to compute the Pension described in clause 6.1(a) that would have been payable if determined without reference to clause 40(2)(d) of the PSPP shall not exceed the Maximum Contributory Salary Rate, while the Member or Former Member was a Special Member;

"Credit" has the same meaning as in section 1 of the PSPP;

"Crown" means the Crown in right of Ontario;

"Deferred Member" means a Former Member who is entitled to a Pension under subsections 15(4.1), 16(1) or 16(3) of the PSPP;

"Employer" has the same meaning as in section 1 of the PSPP;

"Excess Refund" means the amount by which the portion of the payment, if any, made to a Former Member under subsection 13(15) of the PSPP with respect to the period after December 31, 1991 exceeds the amount that would have been payable to the Former Member under subsection 13(15) of the PSPP for the same period, if the contributions included contributions made to the RCA Trust Fund and the commuted value included the commuted value of any benefits accrued under the PSPP RCA;

"Former Member" has the same meaning as in section 1 of the PSPP;

"Major Ontario Pension Plan" means one of the following pension plans:

- a) the Ontario Municipal Employees Retirement System;
- b) the Healthcare of Ontario Pension Plan;
- c) the Ontario Teachers' Pension Plan;
- d) the Colleges of Applied Arts and Technology Pension Plan; and
- e) the OPSEU Pension Plan;

"Major Ontario Supplementary Plan" means, in relation to a Major Ontario Pension Plan, a plan that provides benefits to members of such Major Ontario Pension Plan in excess of the benefits which may be paid under the terms of a registered pension plan under the *Income Tax Act* (Canada) and Regulations under that Act;

"Maximum Benefit Salary Rate" for the year is the Annual Salary Rate at which the Member's Pension is limited by clause 40(2)(d) of the PSPP;

"Maximum Contributory Salary Rate" for the year is the Annual Salary Rate for which the Member's contributions calculated under section 6 of the PSPP would equal the maximum contribution limit for the year as specified under the *Income Tax Act* (Canada) or the Regulations under that Act;

"Member" has the same meaning as in section 1 of the PSPP;

“*Minister*” has the same meaning as in section 1 of the PSPP;

“*MPP Benefit*” means the aggregate payments or payment, made periodically or at one time from the RCA Trust Fund pursuant to the terms of the MPP Supplemental Pension Plan;

“*MPP Supplemental Pension Plan*” means the MPP Supplemental Pension Plan established pursuant to the *MPPs Pension Act, 1996* and set out in Order in Council 1298/2021 as amended from time to time and attached herewith as Schedule 2;

“*ONTC Supplemental Member*” means a Member who is or was an employee of the Ontario Northland transportation Commission (ONTC) or the Owen Sound Transportation Company Limited (OSTC) and who, as of April 30, 2018, has accrued credit in the pension plan known as The Contributory Pension Plan of the Ontario Northland Transportation Commission on November 1, 1922, which pension plan has been amended and restated effective April 30, 1939, December 31, 1972, January 1, 1988, January 1, 1992, January 1, 2006 and which pension plan has most recently been amended by the amendment dated February 4, 2016 and approved by Order in Council O.C. 610/2016 dated April 20, 2016, registration number 0355164 (ONTC Plan) and who joined the PSPP effective May 1, 2018;

“*Pension*” means a pension calculated in accordance with the PSPP then in force;

“*PSPP*” means the Public Service Pension Plan as set out in Schedule 1 of the *Public Service Pension Act, 1989*, S.O. 1989, c.73;

“*PSPP Fund*” means the Public Service Pension Fund in the PSPP;

“*PSPP RCA*” means the plan set out for Members of the PSPP in this Schedule 1;

“*RCA*” means the PSPP RCA set out as Schedule 1 under Order in Council O.C. 1298/2021 as amended and the MPP Supplemental Pension Plan as set out in Order in Council 1298/2021 as amended from time to time and attached herewith as Schedule 2;

“*RCA Trust Fund*” means the Retirement Compensation Arrangement Trust Fund established pursuant to this Schedule 1;

“*Service Level Agreement*” means the agreement between the Crown and the Administrator concerning, amongst other things, the responsibilities and duties of the Administrator in relation to the RCA;

“*Special Member*” is a person belonging to one of the following classes of Members:

- a) employees of the Ontario Teachers' Pension Plan Board and Ontario Teachers' Pension Plan Board Global Credit LP, and
- b) with respect to the Ontario Securities Commission,

- a. for the period of time ending on April 28, 2022, persons appointed as members of the Ontario Securities Commission and designated as eligible to be Members; and
- b. for the period of time beginning on April 29, 2022:
 - i. any person appointed as Chief Executive Officer and designated as eligible to be a Member; and
 - ii. any person designated as Chief Adjudicator and designated as eligible to be a Member;

"*Supplementary Benefit*" means the aggregate payments or payment, made periodically or at one time from the RCA Trust Fund as part of the PSPP RCA;

"*Supplementary Plan*" means the payments from, contributions to, and the terms and conditions placed upon, the Account under Order in Council O.C. 1298/2021 as amended; and

"*TVO Supplemental Member*" means a Member who is or was an employee of the Ontario Educational Communications Authority established under the *Ontario Educational Communications Authority Act* (TVO) and who, as of December 31, 2017, was a member of The Ontario Educational Communications Authority Supplemental Executive Retirement Plan, amended and restated as at July 1, 2012 ("Supplemental Plan") and who joined the PSPP effective January 1, 2018.

4. Membership & Service

4.1 Membership of the PSPP RCA

A Member shall be a member of the PSPP RCA.

4.2 Cessation of PSPP RCA Membership

A Member ceases to be a member of the PSPP RCA upon ceasing to be a Member.

4.3 PSPP RCA Membership does not Provide Guarantee of Benefits

Membership in the PSPP RCA does not guarantee a Member, the spouse of a Member or any other person any benefits from the PSPP RCA at any time, including without limitation upon commencement of a Pension, death of a Member or any other termination of membership.

4.4 Excluded Service

For the purpose of calculating the Supplementary Benefit payable under section 6, the Pension described in clause 6.1(a) that would have been payable if determined without reference to clause 40(2)(d) of the PSPP and the Pension paid in clause 6.1(b) shall not include any Credit in the PSPP for the period after December 31, 1991,

- a) that is purchased for that period in any case where the Member has paid the amount specified under subsection 11(2) of the PSPP,

- b) that is transferred into the PSPP for that period pursuant to a written agreement described in subsections 36(1) and (2) of the PSPP, or pursuant to subsections 36.1(1) and (2) of the PSPP, unless the Member has made a payment into the RCA Trust Fund in accordance with clause 4.5(b) or sections 4.7 or 4.8, or
- c) subject to clause 4.6(a), that is transferred into the PSPP for that period under section 36.3 of the PSPP.

4.5 General Included Service

For the purpose of calculating the Supplementary Benefit payable under section 6, the Pension described in clause 6.1(a) that would have been payable if determined without reference to clause 40(2)(d) of the PSPP and the Pension paid in clause 6.1(b) shall include the following Credit in the PSPP for the period after December 31, 1991,

- a) For the purpose of calculating the Supplementary Benefit payable under section 6, the pension described in clause 6.1(a) that would have been payable if determined without reference to clause 40(2)(d) of the PSPP and the Pension paid in clause 6.1(b) shall include the Credit that is transferred into the PSPP under section 36.4 or 36.5 of the PSPP.
- b) For the purpose of calculating the Supplementary Benefit payable under section 6, the pension described in clause 6.1(a) that would have been payable if determined without reference to clause 40(2)(d) of the PSPP and the Pension paid in clause 6.1(b) shall include the Credit that is transferred into the PSPP under subsections 36(1) and (2) of the PSPP, provided that an amount that is determined by an actuary who is employed or retained by the Administrator to be equal to the value of the Supplemental Benefits that will become payable to the Member in accordance with section 6, having regard to the cost method under the applicable reciprocal transfer agreement, for such Credit is paid into the RCA Trust Fund through:
 - i. transfer from another retirement compensation arrangement, provided that any such transfer must be carried out in accordance with any requirements under the *Income Tax Act* (Canada) and Regulations under that Act; and
 - ii. where the amount in paragraph (i) is less than the amount determined in accordance with clause (b), a payment by the Member equal to the deficiency between those amounts.

4.6 Specific Included Service

- a) Each TVO Supplemental Member shall be deemed to have met the requirements for member contributions under section 5 for the amount of Credit that is determined by an actuary who is employed or retained by the Crown to be included in the calculation of the Supplementary Benefit under section 6 in respect of service before January 1, 2018.
- b) The following rules apply for an ONTC Supplemental Member or other person entitled to benefits under the ONTC Plan, as applicable:
 - i. Each ONTC Supplemental Member shall be deemed to have met the requirements for member contributions under section 5 and the credit that each member accrued in the ONTC Plan in respect of service before May 1, 2018, shall be included when calculating the Supplementary Benefit in section 6.

- ii. Former ONTC/OSTC employees and their beneficiaries who are entitled to a deferred pension or other payment or who commence receipt of a pension or other payment under the ONTC's Supplemental Employee Retirement Plan (SERP) prior to the date on which the Chief Executive Officer of the Financial Services Regulatory Authority of Ontario consents to the transfer of assets from the ONTC Plan to the PSPP pursuant to section 81 of the *Pension Benefits Act* (Ontario) shall be entitled to payment from the RCA Trust Fund in an amount equal to the pension benefits or other payment that are paid or payable to them in accordance with the terms and conditions of the SERP as of the date immediately preceding the date consent is granted.
 - iii. If any of the persons described in subsection 36.4(5) of the PSPP accrue Credit in the PSPP between May 1, 2018 and the date on which the Chief Executive Officer of the Financial Services Regulatory Authority of Ontario consents to the transfer of assets from the ONTC Plan to the PSPP pursuant to section 81 of the *Pension Benefits Act* (Ontario), their pension benefits in respect of that Credit shall be calculated separately in accordance with the terms of the PSPP RCA.
 - iv. For the persons described in subsection 36.4(5) of the PSPP, all conditions, terms and rules that applied and options that were available for the payment, eligibility and entitlement to a pension or other payment under the ONTC's SERP as of the date immediately preceding the transfer shall apply to the payment, entitlement, and eligibility to the pension or other payment provided under paragraph 4.6(b)(iii).
- c) If assets are transferred into the PSPP pursuant to section 36.5 of the PSPP, the following rules apply for an AgriCorp Supplemental Member or other person entitled to benefits under the AgriCorp Plan, as applicable:
- i. AgriCorp shall transfer into the RCA Trust Fund an amount that is determined by an actuary who is employed or retained by the Crown to be equal to the value of the pension benefits that are or will become payable collectively to the AgriCorp Supplemental Members in accordance with section 6 for the credit each member accrued in the AgriCorp Plan in respect of service prior to May 1, 2021; and
 - ii. Upon the completion of the transfer described in clause (a), each AgriCorp Supplemental Member shall be deemed to have met the requirements for member contributions under section 5 and the credit that each member accrued in the AgriCorp Plan in respect of service before May 1, 2021 shall be included when calculating the Supplementary Benefit in section 6.
 - iii. Former AgriCorp employees and their beneficiaries who are entitled to a deferred pension or other payment or who commence receipt of a pension or other payment under the AgriCorp Supplemental Employee Retirement Plan (AgriCorp SERP) prior to the date on which the assets are transferred from the AgriCorp Plan to the PSPP pursuant to section 81 of the *Pension Benefits Act* (Ontario) shall be entitled to payment from the RCA Trust Fund in an amount equal to the pension benefits or other payment that are paid or payable to them in accordance with the terms and conditions of the AgriCorp SERP as of the date immediately preceding the date on which the assets are transferred.

- iv. If the assets and liabilities in the AgriCorp Plan in respect of credit accrued prior to May 1, 2021 are transferred to the PSPP, and if any of the persons described in subsection 36.5(5) of the PSPP accrue Credit in the PSPP between May 1, 2021 and the date on which the assets are transferred from the AgriCorp Plan to the PSPP pursuant to section 81 of the *Pension Benefits Act* (Ontario), their pension benefits in respect of that Credit shall be calculated separately in accordance with the terms of the PSPP RCA.
- v. For the persons described in subsection 36.5(5) of the PSPP, all conditions, terms and rules that applied and options that were available for the payment, eligibility and entitlement to a pension or other payment under the AgriCorp SERP as of the date immediately preceding the date on which the assets are transferred shall apply to the payment, entitlement and eligibility to the pension or other payment provided under paragraph 4.6(c)(iii).

4.7 Buyback of Service – Major Ontario Pension Plan

- a) Where a member is granted Credit as a result of a transfer under subsections 36(1) or (2) or 36.1(1) or (2) of the PSPP and:
 - i. the transfer is from a Major Ontario Pension Plan;
 - ii. the Member has credit in a Major Ontario Supplementary Plan connected with such Major Ontario Pension Plan; and
 - iii. in the opinion of the Administrator, the Member is unable to transfer such credit in such Major Ontario Supplementary Plan to the RCA Trust Fund for reasons that are beyond the control of the Member,such Member may purchase Supplementary Benefits in relation to such Credit by paying into the RCA Trust Fund the amount determined by the Administrator on the recommendation of the actuary to be equal to the actuarial value of such Supplementary Benefits.
- b) Where a Member purchases Supplementary Benefits in accordance with clause (a), the employer may elect to pay into the RCA Trust Fund an amount equal to the amount paid into the RCA Trust Fund by the Member in relation to such purchase.
- c) Any payment by the Crown under clause (b) shall reduce the Crown's liability to make contributions under section 5.6 by an amount equal to the amount of such payment under clause (b).

4.8 Buyback of Service – Buyback Window

A Member may purchase Supplementary Benefits on terms and conditions specified by the Minister in a written direction to the Administrator, which terms and conditions shall include:

- a) the class of Members permitted to purchase Supplementary Benefits;
- b) the eligible service that may be purchased;
- c) the costing methodology applicable to such purchase; and
- d) the period during which Members identified in clause (a) above may elect to purchase the service identified in clause (b).

5. Contributions and Funding

5.1 Member Contributions

Subject to sections 5.2, 5.3 and 5.4, a Member, or in the case of amounts under clause (c), the Employer on behalf of the Member, shall pay into the RCA Trust Fund:

- a) any and all contributions that would have been paid into the PSPP Fund under section 6 of the PSPP on amounts above the Maximum Benefit Salary Rate; and
- b) any and all contributions or payments that would have been paid into the PSPP Fund under sections 8 or 11 of the PSPP but for the application of subsection 8(6.1) or 11(3.1) of the PSPP; and
- c) any and all contributions that would have been paid to the PSPP Fund under section 10 of the PSPP but for the application of subsection 10(5.1) respectively of the PSPP; and
- d) any and all contributions that would have been paid to the PSPP Fund under section 10.1 of the PSPP but for the application of subsection 10.1(8) respectively of the PSPP.

5.2 Member Contributions from Special Members

For the purpose of calculating contributions under section 5.1, the salary of a Special Member shall be deemed not to exceed the Maximum Contributory Salary Rate.

5.3 Member Contributions from Justice of the Peace

Any contribution made by a Justice of the Peace in accordance with subsection 5.1 in respect of service as a Justice of the Peace shall be made to the Account until such time as the Minister notifies the Administrator that Justices of the Peace are to participate in the PSPP RCA.

5.4 Member Contributions from Associate Judges

A Member who is a Case Management Master or Associate Judge shall not pay any contributions into the RCA Trust Fund under this section 5 in respect of service as a Case Management Master or Associate Judge and shall not be entitled to any Supplementary Benefit under section 6 in respect of such service.

5.5 Employer Contributions

The Employer shall contribute to the RCA Trust Fund an amount equal to the amount:

- a) paid by a Member to the RCA Trust Fund under clauses 5.1(a) or 5.1(b) except where the Member's contributions are doubled under subsections 8(4) or 11(5) of the PSPP in which case there shall be no Employer contributions to the RCA Trust Fund; and
- b) paid by or on behalf of a Member to the RCA Trust Fund under clause 5.1(c).

5.6 Funding by the Crown

The Crown shall contribute to the RCA Trust Fund in each calendar year, an amount determined by an actuary and based on an actuarial valuation report prepared in accordance with section 8.3 that is not more than four years old.

5.7 Surplus May Reduce Crown Payments

At the direction of the Minister, any amount in the RCA Trust Fund that is indicated by an actuarial valuation to be surplus to the requirements of the RCA while it continues in existence or upon the termination of either or both of the PSPP RCA or the MPP Supplemental Pension Plan may be held in the RCA Trust Fund to the credit of the Crown to be applied against any amount that would otherwise be paid or credited by the Crown under subsection 5.6.

6. Supplementary Benefit

6.1 Computation of Supplementary Benefit

Subject to subsections 4.4, 4.5, 4.6, 5.4, 6.6 and 7.3, a Supplementary Benefit will be paid to or in respect of a Former Member who has complied with the requirements of sections 5 and 10 in an amount equal to the amount by which (a) exceeds (b), where,

- (a) is the pension that would have been payable to or in respect of the Former Member if the pension were determined without reference to clause 40(2)(d) of the PSPP, and
- (b) is the Pension paid to or in respect of the Former Member.

6.2 Same Form as PSPP

The Supplementary Benefit payable to a Former Member shall be payable in the same manner and in the same form as pension benefits payable to the Former Member under the PSPP and all conditions, terms and rules that apply and options that are available under the PSPP for the payment, eligibility and entitlement of a Pension or other payment apply to the payment, entitlement and eligibility for a Supplementary Benefit under the PSPP RCA, except for any modifications necessary because of the existence of this Schedule 1.

6.3 Payment of Supplementary Benefit upon Transfer or Withdrawal from PSPP Fund

Where a Former Member withdraws or transfers from the PSPP Fund any amount payable under the PSPP, the commuted value of the Supplementary Benefit under section 6 shall be paid to the Former Member in cash unless the Former Member elects to transfer the funds to another retirement compensation arrangement and such transfer is accepted by such other retirement compensation arrangement provided that any such transfer must be carried out in accordance with any requirements under the *Income Tax Act* (Canada) and Regulations under that Act.

6.4 Payment of Supplementary Benefit upon Transfer to OPSEU Pension Plan

Notwithstanding subsection 6.3, where, prior to any payment or transfer under that subsection, a Former Member becomes a member of the OPSEU Pension Plan and the Former Member's Credit in the PSPP is transferred to the OPSEU Pension Plan, the commuted value of the Supplementary Benefit under section 6 shall be paid to the Former Member in cash unless the Former Member elects in writing to defer payment of such commuted value. Upon such election, such commuted value shall be paid to the member in cash:

- (a) upon termination of the Former Member's membership in the OPSEU Pension Plan or, if earlier;
- (b) a date notified in writing to the Administrator by the Former Member.

6.5 Effective Date of Right to Supplementary Benefits

The right to Supplementary Benefits shall be effective January 1, 1992.

6.6 Administrator May Make Rules

The administrator may:

- (a) make rules requiring those persons who are or may be entitled to a Supplementary Benefit to furnish information to or for the use of the employer or agent as required to administer the RCA as a condition of payment from the RCA Trust Fund; and
- (b) waive the amount required to be paid into the RCA Trust Fund by any Member or Deferred Member under clause (a) in the definition of "Annual Salary Rate" without affecting the Member or Deferred Member's entitlement to a Supplementary Benefit under section 3 if:
 - i. the amount specified under clause(a) in the definition of "Annual Salary Rate" is less than \$150.00; or
 - ii. the administrator estimates that the Member or Deferred Member will not be entitled to a benefit upon termination.

7. RCA Trust Fund

7.1 Establishment of RCA Trust Fund

The Minister shall establish the RCA Trust Fund to be used to hold, invest, distribute and administer funds in order to make payments in accordance with the terms and conditions of the PSPP RCA and the MPP Supplemental Pension Plan.

7.2 Funding of the RCA Trust Fund

The RCA shall be funded by:

- (a) contributing an amount as determined by an actuary to be withdrawn from the Account,
- (b) contributing an amount that is equal to the amount transferred to the Account under subsection 4.6 by withdrawing from the Account provided that this amount is not included under (a) above,
- (c) all contributions made under section 5 except for those made in accordance with subsection 5.3,
- (d) after the Minister has notified the Administrator that the Justices of the Peace are to participate in the PSPP RCA, all contributions made under section 5,

- (e) after the Minister has notified the Administrator that the Justices of the Peace are to participate in the PSPP RCA, any contributions that had previously been made under section 5.3 to the Account shall be withdrawn from the Account and contributed to the RCA Trust Fund, and
- (f) any contributions to the RCA Trust Fund as required by the terms of the MPP Supplemental Pension Plan

7.3 Payments from the RCA

- (a) Payments for any entitlement under the PSPP RCA or the MPP Supplemental Pension Plan shall be from the RCA Trust Fund and no payment from the RCA Trust Fund shall be otherwise than for the entitlements provided by the PSPP RCA or the MPP Supplemental Pension Plan and no person is entitled to receive any benefit from the RCA Trust Fund which is in excess of, or in addition to, the Supplementary Benefit provided for under the PSPP RCA or the MPP Benefit provided for under the MPP Supplemental Pension Plan, and
- (b) Notwithstanding clause (a) above, until such time as the Minister notifies the Administrator that the Justices of the Peace are to participate in the PSPP RCA, payments for any entitlement under the PSPP RCA in respect of service as a Justice of the Peace shall be made from the Account.
- (c) Notwithstanding clause (b) above, Justices of the Peace or their survivors who, prior to January 1, 2022, are in receipt of benefits payable from the Account shall, on and after January 1, 2022, have their benefits paid from the RCA Trust Fund.

7.4 Payment of Expenses

The payments of expenses related to administering the RCA and administering and investing the RCA Trust Fund shall be payable from the RCA Trust Fund to the extent permissible under the *Income Tax Act* (Canada) and Regulations under that Act and paid in accordance with the Service Level Agreement. Any expenses not payable from the RCA Trust Fund shall be payable by the Crown.

7.5 Audited Financial Statements

The annual financial statements of the RCA shall be audited by an auditor appointed by the Administrator. For greater certainty, if the Ontario Public Service Pension Board is the Administrator, the auditor appointed under this subsection shall be the same as the auditor appointed under subsection 31(2) of the PSPP.

7.6 Deficiency

If in any year the amount of cash and assets capable of sale in the RCA Trust Fund, including any refundable tax in respect of the RCA, is insufficient to meet the payments out of the RCA Trust Fund in the year after the sale of the assets capable of sale, the Minister of Finance shall pay from the Consolidated Revenue Fund an amount sufficient to make up the deficiency.

8. Administration

8.1 RCA Administrator

The Administrator shall have the powers and responsibilities given to it under the PSPP RCA, the MPP Supplemental Pension Plan, the Service Level Agreement and, if applicable, any retirement compensation arrangement trust fund agreement between the Crown and the Administrator.

8.2 Calculation and Remittance of Refundable Tax

Without limiting the generality of subsection 8.1, the Administrator shall calculate, collect and remit the refundable tax in respect of the RCA as agent for the Employer to the competent authority under Part XI.3 of the *Income Tax Act* (Canada), and may establish such banking facilities as are considered necessary or desirable in connection with the collection and remittance of such refundable tax.

8.3 Actuarial Valuation

An actuary employed or retained by the Administrator or the Crown shall:

- (a) prepare an initial going concern actuarial valuation report as at January 1, 2022,
- (b) prepare subsequent going concern actuarial valuation reports at intervals of not more than four years thereafter, and
- (c) prepare any additional actuarial valuation reports that may be requested by the Minister or the Administrator, and

shall, through the Secretary of the Management Board of Cabinet, report to the Minister and the Minister of Finance on the amount required to fund the Supplementary Benefits and the MPP Benefits and on the adequacy of the RCA Trust Fund, as then constituted, to provide the Supplementary Benefits and MPP Benefits.

8.4 Limitation of Assignment

No right of a person under the PSPP RCA is capable of being assigned, charged, anticipated, given as security or surrendered, except in a manner consistent with the treatment of benefits under the PSPP or other applicable law.

8.5 No Right to Engagement

The PSPP RCA shall not be construed to create or enlarge any right of any person to remain in the employment of an employer, nor shall it interfere in any manner with the right of an employer to discharge any person.

8.6 Fiscal Year

The fiscal year of the RCA is the same fiscal year as that of the PSPP.

9. Non-Application of Legislation

9.1 Non-Application of PSPP provisions relating to *Income Tax Act* (Canada)

The provisions of the PSPP requiring compliance with the *Income Tax Act* (Canada) and Regulations under that Act for all Credit accruing and all contributions after December 31, 1991 do not apply to the PSPP RCA.

9.2 Non-Application of the *Pension Benefits Act* (Ontario)

Pursuant to subsection 47(3) of Regulation 909 made under the *Pension Benefits Act* (Ontario), the RCA is exempt from application of the *Pension Benefits Act* (Ontario).

10. Excess Refunds

10.1 Withholding of Excess Refund

The Member or Former Member shall, as a condition for qualifying for the Supplementary Benefit under section 6,

- (a) where the Supplementary Benefit is payable in periodic amounts, request the Administrator, in writing, to pay to the RCA Trust Fund a portion equal to the Excess Refund from any amount payable to the Member or Former Member under subsection 13(15) of the PSPP excluding any taxes withheld on the Excess Refund portion; and
- (b) where the Supplementary Benefit is payable in a lump sum, be deemed to have consented to the reduction of the Supplementary Benefit by an amount equal to the Excess Refund.

11. Amendments and Termination

11.1 Amendments

The RCA may be amended by Order of the Lieutenant Governor in Council.

11.2 Termination

The RCA may be terminated by Order of the Lieutenant Governor in Council.

11.3 Assets on Termination

In the event that the RCA is terminated, in part or in whole, the assets of the RCA Trust Fund shall be allocated to satisfy all benefit rights under the PSPP RCA. Following such allocation, any remaining assets and liabilities of the RCA Trust Fund shall be allocated to satisfy all benefit rights under the MPP Supplemental Pension Plan. Thereafter, any remaining assets and liabilities of the RCA Trust Fund shall revert to the Crown.