THE CITY OF WINNIPEG

BY-LAW NO. 80/2015

A By-law of THE CITY OF WINNIPEG to continue and restructure each of: (i) the Civic Employees' Group Life Insurance Plan established under By-law No. 1125/75 and continued under By-law No. 5644/91; and (ii) The Police Employees' Group Life Insurance Plan established under By-law No. 5643/91

THE CITY OF WINNIPEG, in Council assembled, enacts as follows:

1 **NAME OF BY-LAW AND DEFINITIONS**

1(1) This By-law shall be known as the "2015 Civic and Police Employees' Group Life Insurance Plans By-law".

1(2) In this By-law:

"Act" means *The City of Winnipeg Charter,* as same may be amended or replaced from time to time;

"Board Member" means a member, as at the Effective Date, of the Civic Board and/or of the Police Board, as the context requires;

"City" means the corporation known as The City of Winnipeg as continued by the Act;

"Civic Board" means the Board of Trustees of The Winnipeg Civic Employees' Benefits Program (Pension Fund)" constituted under The Winnipeg Civic Employees' Benefits Program Pension Trust Agreement dated October 7, 2002, as amended and restated from time to time in accordance with its terms;

"Civic Member" means a person who is a member of the Civic Plan pursuant to the terms of such plan as set out in Schedule "A", without distinction (unless otherwise expressly indicated) as to whether such person is an employee or former employee of the City, a current or former member of Council, or an employee or former employee of a Participating Employer;

"Civic Plan" means the Group Life Insurance Plan established in accordance with By- law No. 1125/75, amended and restated as the Civic Employees' Group Life Insurance Plan in accordance with By-law No. 5644/91, and continued, amended and restated as set out in Schedule "A", and as same may be further amended and/or restated from time to time;

"Council" means the City Council;

"Current Premiums" in reference to a year or other period means the amount of premiums payable to the Insurance Company, less any premium refunds, in such year or other period in accordance with the Civic Plan or Police Plan, as the context requires;

"Director" and **"Directors"** shall have the meaning attributed to such terms, respectively, in section 8.1;

"Effective Date" means August 1, 2015;

"Insurance Company" means the insurance company or insurance companies appointed by New PlanCo to provide benefits under the Plans;

"Investment Manager" means any duly qualified person, firm or corporation as may, from time to time, be appointed by New PlanCo to act in the capacity of advisor or manager regarding the investment and management of all or any portion of the assets of the New Insurance Funds;

"Member" means a Civic Member or a Police Member, as the context requires;

"New Civic Insurance Fund" means the new insurance fund established under section 6.3 for the Civic Plan;

"New Insurance Funds" means the New Civic Insurance Fund and the New Police Insurance Fund collectively;

"New PlanCo" means the new share capital corporation to be incorporated and wholly owned by the City pursuant to section 6.1;

"New Police Insurance Fund" means the new insurance fund established under section

6.4 for the Police Plan;

"Old Civic Insurance Fund" means the insurance fund established for the Civic Employees' Group Life Insurance Plan in accordance with By-law No. 5644/91, as continued under section 4.1 and/or, as the context requires, the assets of such insurance fund at the applicable time;

"Old Police Insurance Fund" means the insurance fund established for the Police Employees' Group Life Insurance Plan in accordance with By-Jaw No. 5643/91, as continued under section 5.1 and/or, as the context requires, the assets of such insurance fund at the applicable time;

"Participating Employer" means an employer, other than the City, who participates in the Civic Plan by having some or all of its employees as members of the Civic Plan;

"Participation Agreement" means an agreement entered into between the City and a Participating Employer pursuant to section 14.1 allowing the Participating Employer to participate in the Civic Plan;

"Plans" means the Civic Plan and the Police Plan collectively and **"Plan"** shall mean each or either of the Plans, as the context requires;

"Police Board" means the Winnipeg Police Pension Board constituted pursuant to City By-law No. 126/2011;

"Police Member" means a person who is a member of the Police Plan pursuant to the terms of such plan as set out in Schedule "B";

"Police Plan" means the Police Employees' Group Life Insurance Plan established under By-law No. 5643/91 and continued, amended and restated as set out in Schedule "B", and as same may be further amended and/or restated from time to time; and

"Retirees" means retired Civic Members under the Civic Plan or retired Police Members under the Police Plan, as the context requires, and **"Retiree"** shall have the corresponding meaning.

1(3) All references in this By-law to "Articles", "sections", "paragraphs" or "Schedules" are references to Articles, sections, paragraphs or Schedules of this By-law unless otherwise expressly provided. All references to "this By-law" shall be deemed to mean this By-law as amended and/or restated from time to time.

1(4) All references in this By-law to "New PlanCo" means New PlanCo in its own capacity, and all references to "New PlanCo (trustee)" means New PlanCo in its capacity as trustee of the Old Civic Insurance Fund and/or Old Police Insurance Fund, as the case may be.

2 CONTINUATION AND AMENDMENT OF THE CIVIC PLAN

2(1) The Civic Plan is continued, amended and restated as set out in Schedule "A" and shall continue to be known as the "Civic Employees' Group Life Insurance Plan".

2(2) The conditions of the Civic Plan for eligibility, contributions and benefits shall be determined in accordance with the Civic Plan.

2(3) From and after the Effective Date, the Civic Plan shall be governed by and dealt with in accordance with this By-law.

3 CONTINUATION AND AMENDMENT OF THE POLICE PLAN

3(1) The Police Plan is continued, amended and restated as set out in Schedule "B" and shall continue to be known as the "Police Employees' Group Life Insurance Plan".

3(2) The conditions of the Police Plan for eligibility, contributions and benefits shall be determined in accordance with the Police Plan.

3(3) From and after the Effective Date, the Police Plan shall be governed by and dealt with in accordance with this By-law.

4 CONTINUATION OF THE OLD CIVIC INSURANCE FUND

4(1) The Old Civic Insurance Fund is hereby continued under the name "Old Civic Insurance Fund" and shall consist only of the assets of such fund as they exist as at the Effective Date and those subsequently transferred to it pursuant to paragraph 8.4(hh). From and after the Effective Date, the assets of the Old Civic Insurance Fund shall be held in the form of cash on deposit, short term liquid investments and/or receivables from New PlanCo only. Such assets shall be diminished as same are used to fund insurance premiums under the Civic Plan for Retirees in accordance with and at the time(s) provided for under this By-law and the Civic Plan. No City, Participating Employer or Member contributions made in accordance with the Civic Plan, nor any premium refunds, shall be added to the Old Civic Insurance Fund, except only as may be transferred from the New Civic Insurance Fund to the Old Civic Insurance Fund in the exercise of New PlanCo's powers pursuant to paragraph 8.4(hh}.

4(2) The Civic Board shall, on the Effective Date, transfer and convey to New PlanCo all of the Civic Board's right, title, interest and entitlement in and to the Old Civic Insurance Fund, which New PlanCo shall receive and hold in trust on and subject to the terms and conditions of this By-law. The Civic Board shall do such things and sign such documents as may reasonably be necessary, both before and/or after the Effective Date, to validly and effectively convey its title, rights and interests in and to the Old Civic Insurance Fund to New PlanCo. Subject only to the preceding sentence, and/or as the Civic Board may otherwise agree to by way of written contract:

(a) the Civic Board shall, from and after the Effective Date, no longer have any responsibility, obligation, liability, right, power or entitlement in respect of the Old Civic Insurance Fund, nor shall it have any further duties or responsibility to manage or administer the Civic Plan; and

(b) upon the transfer of the Civic Board's interests in the Old Civic Insurance Fund to New PlanCo as contemplated above, the Civic Board shall be fully released and discharged from any claims, suits or obligations whatsoever in respect of its management and administration of the Old Civic Insurance Fund and Civic Plan. The Civic Board shall owe no further fiduciary or other duties in respect of the Civic Plan or the Old Civic Insurance Fund to the Civic Members after the Effective Date.

4(3) New PlanCo (trustee) shall hold the Old Civic Insurance Fund in trust for the purposes of the Civic Plan in accordance with the terms of this By-law and the Civic Plan, and shall administer same in accordance with this By-law for the benefit of the Civic Members who are entitled to benefits from the Old Civic Insurance Fund, as provided in this By-law and/or the Civic Plan. The powers, duties and responsibilities of New PlanCo (trustee) with respect to the Old Civic Insurance Fund shall be limited to those powers, duties and responsibilities set out in the Civic Plan and in this By-law as may be applicable to New PlanCo (trustee), particularly section 4.4. Any monies comprising or forming part of the Old Civic Insurance Fund which come into the possession of New PlanCo (trustee) from time to time shall be segregated in a separate bank account. The preceding sentence shall not however preclude New PlanCo (trustee) from lending such monies pursuant to paragraph 4.4(a).

4(4) The powers, duties and responsibilities of New PlanCo (trustee) with respect to the Old Civic Insurance Fund shall be as follows:

(a) To lend the assets comprising the Old Civic Insurance Fund to New PlanCo on an interest-free basis pursuant to section 7.1;

(b) To receive and/or direct repayments made from New PlanCo on account of the loan referenced in paragraph 4.4(a) above, to pay for insurance premiums payable out of the Old Civic Insurance Fund pursuant to section 7.2; and

(c) To do such other things as may from time to time be required in connection with the management and administration of the Old Civic Insurance Fund.

4(5) The assets of the Old Civic Insurance Fund shall not be encumbered unless otherwise permitted by this By-law and shall not be used for any purpose except as provided by the Civic Plan and/or this By-law.

5 CONTINUATION OF THE OLD POLICE INSURANCE FUND

5(1) The Old Police Insurance Fund is hereby continued under the name "Old Police

Insurance Fund" and shall consist only of the assets of such fund as they exist as at the Effective Date and those subsequently transferred to it pursuant to paragraph 8.4(ii). From and after the Effective Date, the assets of the Old Police Insurance Fund shall be held in the form of cash on deposit, short term liquid investments and/or receivables from New PlanCo only. Such assets shall be diminished as same are used to fund insurance premiums under the Police Plan for Retirees in accordance with and at the time(s) provided for under this By-law and the Police Plan. No City or Member contributions made in accordance with the Police Plan, nor any premium refunds, shall be added to the Old Police Insurance Fund, except only as may be transferred from the New Police Insurance Fund to the Old Police Insurance Fund in the exercise of New PlanCo's powers pursuant to paragraph 8.4(ii).

5(2) The Police Board shall, on the Effective Date, transfer and convey to New PlanCo all of the Police Board's right, title, interest and entitlement in and to the Old Police Insurance Fund, which New PlanCo shall receive and hold in trust on and subject to the terms and conditions of this By-law. The Police Board shall do such things and sign such documents as may reasonably be necessary, both before and/or after the Effective Date, to validly and effectively convey its title, rights and interests in and to the Old Police Insurance Fund to New PlanCo. Subject only to the preceding sentence:

(a) the Police Board shall, from and after the Effective Date, no longer have any responsibility, obligation, liability, right, power or entitlement in respect of the Old Police Insurance Fund, nor shall it have any further duties or responsibility to manage or administer the Police Plan; and

(b) upon the transfer of the Police Board's interests in the Old Police Insurance Fund to New PlanCo as contemplated above, the Police Board shall be fully released and discharged from any claims, suits or obligations whatsoever in respect of its management and administration of the Old Police Insurance Fund and Police Plan. The Police Board shall owe no further fiduciary or other duties in respect of the Police Plan or the Old Police Insurance Fund to the Police Members after the Effective Date.

5(3) New PlanCo (trustee) shall hold the Old Police Insurance Fund in trust for the purposes of the Police Plan in accordance with the terms of this By-law and the Police Plan, and shall administer same in accordance with this By-law for the benefit of the Police Members who are entitled to benefits from the Old Police Insurance Fund, as provided in this By-law and/or the Police Plan. The powers, duties and responsibilities of New PlanCo (trustee) with respect to the Old Police Insurance Fund shall be limited to those powers, duties and responsibilities set out in the Police Plan and in this By-law as may be applicable to New PlanCo (trustee), particularly section 5.4. Any monies comprising or forming part of the Old Police Insurance Fund which come into the possession of New PlanCo (trustee) from time to time shall be segregated in a separate bank account. The preceding sentence shall not however preclude New PlanCo (trustee) from lending such monies pursuant to paragraph 5.4(a).

5(4) The powers, duties and responsibilities of New PlanCo (trustee) with respect to the Old Police Insurance Fund shall be as follows:

(a) to lend the assets comprising the Old Police Insurance Fund to New PlanCo on an interest-free basis pursuant to section 7.1;

(b) to receive and/or direct repayments made from New PlanCo on account of the loan referenced in paragraph 5.4(a) above, to pay for insurance premiums payable out of the Old Police Insurance Fund pursuant to section 7.3; and

(c) to do such other things as may from time to time be required in connection with the management and administration of the Old Police Insurance Fund.

5(5) The assets of the Old Police Insurance Fund shall not be encumbered and shall not be used for any purpose except as provided by the Police Plan and/or this By-law.

6 ESTABLISHMENT OF NEW PLANCO AND OF NEW INSURANCE FUNDS

6(1) New PlanCo shall be incorporated pursuant to *The Corporations Act* (Manitoba) as a corporation with share capital. All of the issued and outstanding shares in the capital of New PlanCo shall at all times be owned by the City. However, New PlanCo shall not pay dividends on its shares to the City, nor shall it redeem or buy-back its shares from the City. The formation, business and governance of New PlanCo, and any dealing with the shares in its capital stock, must at all times remain in compliance with any statutory regulation passed under or pursuant to the Act which permits the incorporation and/or continued existence of New PlanCo.

6(2) The business, activities and purpose of New PlanCo shall be restricted to the maintenance, management and administration of the Plans; the maintenance, management, investment and administration of the New Insurance Funds; the management and administration, in its capacity as trustee, of the Old Civic Insurance Fund and the Old Police Insurance Fund in accordance with sections 4.4 and 5.4, respectively; and all other business and matters ancillary or incidental thereto, in each case pursuant to and in accordance with this By-law and the Plans, as same may be amended, restated or replaced from time to time.

6(3) A new insurance fund for the Civic Plan is hereby established under the name "New Civic Insurance Fund", and shall be maintained, invested, managed and administered by New PlanCo in accordance with the provisions of this By-law and the Civic Plan. The sources of the assets of the New Civic Insurance Fund shall be:

(a) Contributions by Civic Members, other than Retirees, made from and after the Effective Date in accordance with the Civic Plan which exceed (but only to the extent that such contributions exceed) the Current Premiums in respect of Civic Members, other than Retirees, required to be paid to the Insurance Company under the Civic Plan in the year (or in such other applicable period as may be established by the Directors) in which the said contributions were made;

(b) Contributions by the City and/or Participating Employers made from and after the Effective Date in accordance with the Civic Plan to the extent that such contributions are not applied to pay any shortfall of Current Premiums resulting from contributions by Civic Members, other than Retirees, in the applicable year (or such other applicable period as may be established by the Directors) being less than such Current Premiums;

(c) Premium refunds in respect of the Civic Plan;

(d) assets borrowed by New PlanCo for the account of the New Civic Insurance Fund including, without limitation, the assets comprising the Old Civic Insurance Fund borrowed by New PlanCo from New PlanCo (trustee), pursuant to section 7.1; and

(e) all revenues and gains from the investment and/or realization of assets comprising the New Civic Insurance Fund including, without limitation, earnings, profits and gains from the investment and/or realization of assets/monies which comprised the Old Civic Insurance Fund and were borrowed by New PlanCo pursuant to section 7.1.

Outlays from the New Civic Insurance Fund shall be:

(f) premiums payable to the Insurance Company in accordance with the terms of the Civic Plan from and after the Effective Date for the coverage of Members of the Civic Plan, other than those payable out of the Old Civic Insurance Fund pursuant to section 7.2;

(g) borrowed monies repaid to or for the account of New PlanCo (trustee) in accordance with section 7.4;

(h) losses, if any, from the investment and/or realization of assets comprising the New Civic Insurance Fund;

(i) expenses of administering the Civic Plan, the New Civic Insurance Fund and/or the Old Civic Insurance Fund;

(j) expenses of operating New PlanCo which are allocated to the New Civic Insurance Fund as the Directors determine is appropriate;

(k) amounts transferred to the Old Civic Insurance Fund pursuant to paragraph 8.4(hh); and

(l) such other amounts as New PlanCo may from time to time be obligated to pay or disburse out of or from the New Civic Insurance Fund.

6(4) A new insurance fund for the Police Plan is hereby established under the name "New Police Insurance Fund", and shall be maintained, invested, managed and administered by New PlanCo in accordance with the provisions of this By-law and the Police Plan. The sources of the assets of the New Police Insurance Fund shall be:

(a) contributions by Police Members, other than Retirees, made from and after the Effective Date in accordance with the Police Plan which exceed (but only to the extent that such contributions exceed) the Current Premiums in respect of Police Members, other than Retirees, required to be paid to the Insurance Company under the Police Plan in the year (or in such other applicable period as may be established by the Directors) in which the said contributions were made;

(b) contributions by the City made from and after the Effective Date in accordance with the Police Plan to the extent that such contributions are not applied to pay any shortfall of Current Premiums resulting from contributions by Police Members, other than Retirees, in the applicable year (or such other applicable period as may be established by the Directors) being less than such Current Premiums;

(c) premium refunds in respect of the Police Plan;

(d) assets borrowed by New PlanCo for the account of the New Police Insurance Fund including, without limitation, the assets comprising the Old Police Insurance Fund borrowed by New PlanCo from New PlanCo (trustee) pursuant to section 7.1; and

(e) all revenues and gains from the investment and/or realization of assets comprising the New Police Insurance Fund including, without limitation, earnings, profits and gains from the investment and/or realization of assets/monies which comprised the Old Police Insurance Fund and were borrowed by New PlanCo pursuant to section 7.1.

Outlays from the New Police Insurance Fund shall be:

(f) premiums payable to the Insurance Company in accordance with the terms of the Police Plan for the coverage of Members of the Police Plan, other than those payable out of the Old Police Insurance Fund pursuant to section 7.3;

(g) borrowed monies repaid to or for the account of New PlanCo (trustee) in accordance with section 7.4;

(h) losses, if any, from the investment and/or realization of assets comprising the New Police Insurance Fund;

(i) expenses of administering the Police Plan, the New Police Insurance Fund and/or the Old Police Insurance Fund;

(j) expenses of operating New PlanCo which are allocated to the New Police Insurance Fund as the Directors determine is appropriate;

(k) amounts transferred to the Old Police Insurance Fund pursuant to paragraph 8.4(ii); and

(l) such other amounts as New PlanCo may from time to time be obligated to pay or disburse out of or from the New Police Insurance Fund.

6(5) All assets comprising the New Insurance Funds shall be used strictly for the purposes set out in section 6.2 as provided by the Plans and/or this By-law. For greater certainty, all of the powers, duties, authorities and responsibilities of New PlanCo under this By- Law with respect to the investment and administration of the assets comprising the New Insurance Funds shall extend to the investment and administration of the monies and assets borrowed by the New Insurance Funds.

6(6) In the event of the termination of either Plan, the assets of such Plan shall be dealt with and distributed in the manner provided for in such Plan.

7 LOAN OF OLD CIVIC INSURANCE FUND AND OLD POLICE INSURANCE FUND TO NEW PLANCO / MANNER OF REPAYMENT / ALLOCATION OF CONTRIBUTIONS AND PREMIUM OBLIGATIONS

7(1) On the Effective Date, or as soon as practical thereafter, New PlanCo (trustee) shall lend all of the assets comprising the Old Civic Insurance Fund and the Old Police Insurance Fund to New PlanCo on an interest-free basis, repayable at the times and in the manner provided for in this Article 7. New PlanCo shall have a corresponding liability to each of the Old Civic Insurance Fund and the Old Police Insurance Fund equal to the fair market value, as of the Effective Date, of the funds and assets respectively borrowed from each of them, which New PlanCo shall record as respective liabilities of the New Civic Insurance Fund and the New Police Insurance Fund accordingly.

In the event that New PlanCo transfers funds from the New Civic Insurance Fund to the Old Civic Insurance Fund pursuant to paragraph 8.4(hh), the funds so transferred shall be deemed to be immediately lent by New PlanCo (trustee) out of the Old Civic Insurance Fund to New PlanCo on an interest-free basis, repayable at the times and in the manner provided for in this Article 7. New PlanCo shall thereupon have a corresponding liability to the

Old Civic Insurance Fund in an amount equal to such funds borrowed from it, which New PlanCo shall record as a liability of the New Civic Insurance Fund.

In the event that New PlanCo transfers funds from the New Police Insurance Fund to the Old Police Insurance Fund pursuant to paragraph 8.4(ii), the funds so transferred shall be deemed to be immediately lent by New PlanCo (trustee) out of the Old Police Insurance Fund to New PlanCo on an interest-free basis, repayable at the times and in the manner provided for in this Article 7. New PlanCo shall thereupon have a corresponding liability to the Old Police Insurance Fund in an amount equal to such funds borrowed from it, which New PlanCo shall record as a liability of the New Police Insurance Fund.

7(2) New PlanCo (trustee) shall be responsible to pay out of the assets of the Old Civic Insurance Fund the portion of Current Premiums payable in any year or other period to the Insurance Provider in respect of Retirees of the Civic Plan as required by the Civic Plan to be paid out of the Old Civic Insurance Fund, until such time as all funds from the Old Civic Insurance Fund are exhausted.

7(3) New PlanCo (trustee) shall be responsible to pay out of the assets of the Old Police Insurance Fund the portion of Current Premiums payable in any year or other period to the Insurance Company in respect of Retirees of the Police Plan as required by the Police Plan to be paid out of the Old Police Insurance Fund, until such time as all funds from the Old Police Insurance Fund are exhausted.

7(4) In order to allow New PlanCo (trustee) to make the payments required from time to time pursuant to sections 7.2 and 7.3, New PlanCo shall repay out of the respective assets of the New Insurance Funds, as principal repayments of such New Insurance Funds' respective indebtedness created by virtue of the loans provided for in section 7.1, the amount(s) which is/are required by New PlanCo (trustee) to make such payments.

In this regard, New PlanCo may make such principal loan repayments, as and when required pursuant to this section 7.4, directly to the applicable Insurance Company to pay the Current Premiums required in accordance with sections 7.2 and/or 7.3 and, upon such direct payments being made, the indebtedness owing by the New Civic Insurance Fund to the Old Civic Insurance Fund and/or, as the case may be, the indebtedness owing by the New Police Insurance Fund to the Old Police Insurance Fund shall be reduced accordingly.

7(5) As of and from the Effective Date:

(a) all contributions of a Member pursuant to his/her applicable Plan shall be first applied to pay the Current Premiums in respect of such Member. If and to the extent that such contributions by Members are paid to, withheld by, or otherwise received by the City or New PlanCo from time to time, the City or New PlanCo, as the case may be, shall receive and hold the principal of same in trust for the purpose of remitting such funds, on behalf of Members, to the Insurance Company on account of the Members' Current Premiums for the current period. Any interest or investment income earned by the City or New PlanCo on such principal amounts held in trust shall be the income of the City or, if held by New PlanCo, of the respective New Insurance Funds.

(b) any excess contributions of such Member (i.e. to the extent such Member's contributions in a year or other applicable period exceeds the Current Premiums in respect of such Member for the applicable year or period) shall be deposited in the New Civic Insurance Fund or the New Police Insurance Fund, as the case may be, as contemplated in paragraphs 6.3(a) and 6.4(a) respectively. The principal amount of such excess

contributions made by Members shall be held in trust by New PlanCo within the New Civic Insurance Fund or New Police Insurance Fund, as the case may be, for the purpose of being applied to the first payments out of the respective New Insurance Funds made pursuant to paragraph 7.5(d) in respect of such Members. Any interest or investment income earned by New PlanCo on such principal amounts held in trust shall be the income of the respective New Insurance Funds;

(c) all City and/or Participating Employer contributions in respect of a Member pursuant to the applicable Plan shall first be applied to pay the excess, if any, of the Current Premiums in respect of the Member over the Member's contributions under his/her Plan in respect of the applicable period. The balance of the City's and/or Participating Employer's contributions shall be deposited in the New Civic Insurance Fund or the New Police Insurance Fund, as the case may be, as contemplated in paragraphs 6.3(b) and 6.4(b) respectively; and

(d) New PlanCo shall pay, out of and using the assets of the respective New Insurance Funds, the portion of Current Premiums in respect of Retirees which is not contributed by the Retirees or paid out of the Old Civic Insurance Fund or Old Police Insurance Fund, as the case may be, pursuant to the provisions of sections 7.2 and 7.3, as applicable.

8 GOVERNANCE, POWERS AND RESPONSIBILITIES OF NEW PLANCO

8(1) The affairs of New PlanCo shall, subject to the last paragraph of this section 8.1, be governed by a board of directors comprised of five (5) individuals appointed as follows:

(a) One (1) appointee of the Winnipeg Police Association, appointed on behalf of the Police Members;

(b) One (1) appointee selected by a majority of the civic unions specified in Schedule "C", appointed on behalf of the Civic Members;

(c) Two (2) appointees of Council; and

(d) A designated employee within the meaning of such term in sections 1 and 90(3) of the Act, as such sections may be amended or replaced from time to time, appointed by Council.

Notwithstanding the foregoing, in the event that any of the Winnipeg Police Association, the civic unions specified in Schedule "C" or Council fails to appoint an individual in accordance with this section 8.1 in the event that their appointee (or, in the case of Council, one or more of its appointees) has resigned or no longer qualifies as a director pursuant to *The Corporations Act* (Manitoba), the remaining Directors shall constitute the board of directors of New PlanCo and, subject to the provisions of section 8.2, shall continue to operate and exercise their authority notwithstanding such failure of appointment. New PlanCo shall in such circumstances take reasonable steps however to ensure that such replacement appointment is completed as soon as practicable. The individuals comprising the board of directors of New PlanCo from time to time are referred to collectively in this By-law as the **"Directors",** and individually as a **"Director".**

8(2) A quorum for the making of any decision, vote or determination by the Directors shall be a majority of the Directors, provided always that no fewer than two (2) of the Directors present and forming such quorum are appointees of Council. All decisions, votes or determinations

to be made by the Directors (including any decision to grant or deny any approval or exercise any discretion required of the Directors under either of the Plans or this By-law) shall be made by majority vote of the Directors present at a meeting which has been duly called to consider such decision, vote or determination. Alternatively, a decision, vote or determination of the Directors may be made by way of written resolution signed by all of the Directors. The calling of Directors' meetings, the place at which such meetings may be held, the manner of voting, the ability of Directors to participate by telephone or other telecommunication facilities, and such other governance or administrative matters not expressly addressed in this By-law, may be provided for in the corporate by-laws of New PlanCo, as same may be passed, amended or replaced from time to time by the Directors, with the approval and consent of the City.

8(3) The officers of New PlanCo and their respective powers, duties and authorities shall be appointed and determined by the Directors from time to time.

8(4) New PlanCo shall have power, duty, authority and responsibility to do all things the Directors consider necessary or desirable in furtherance of New PlanCo's business and purpose as set out in section 6.2, including without limitation the powers, duties and responsibilities to:

(a) Operate, administer and interpret the Plans consistent with the requirements of this By-law and any applicable legislation;

(b) Determine all questions regarding the eligibility of any person for insurance or benefits under the Plans;

(c) Appoint the Insurance Company;

(d) Keep a complete and accurate set of accounts for each of the New Insurance Funds as well as, in its capacity as trustee of same, complete and accurate set of accounts for each of the Old Civic Insurance Fund and Old Police Insurance Fund;

(e) Determine as frequently as necessary the amounts that are available for investment for each of the New Insurance Funds;

(f) Establish accounts in a chartered bank or other financial institution in Canada as the Directors consider necessary or desirable from time to time to carry out New PlanCo's powers, duties and responsibilities under this By-Law including, should the Directors determine necessary or appropriate, designated "in trust" accounts for each of the Old Civic Insurance Fund and Old Police Insurance Fund in New PlanCo's capacity as trustee of same or for such other purposes as required or allowed by this By-law;

(g) Establish and review regularly the investment policy for each of the New Insurance Funds;

(h) Establish and review regularly the funding policy for each of the Plans;

(i) Submit the accounts of the New Insurance Funds as well as, in its capacity as trustee of same, for each of the Old Civic Insurance Fund and Old Police Insurance Fund at least yearly for examination and audit by the City's auditors;

(j) Ensure that an actuarial valuation is made on the status of the Plans at least once every three years and at such other times as the Directors may deem advisable;

(k) Obtain an actuarial report if there is to be any change to the Plans;

(l) Approve the actuarial methods and assumptions to be used in the actuarial valuations of the Plans;

(m) Appoint one or more Investment Managers to manage the investments of the New Insurance Funds and specify the terms and conditions which shall apply to such appointment(s), as and to the extent the Directors consider such appointment(s) necessary or desirable;

(n) Terminate the appointment of any Investment Manager;

(o) Subject to the terms of any investment policy established by the Directors, allocate the amounts which may become available for investment or are already invested between the Investment Managers in such proportions as the Directors may determine;

(p) Purchase, hold or acquire stocks, bonds, property or other investments for the New Insurance Funds and/or sell or otherwise dispose of any investments held in the New Insurance Funds, and to take any and all actions with respect to holding, buying, selling or exchanging such investments as the Directors may deem appropriate or necessary including, without limitation:

(i) Exercising any of the powers of an owner with respect to stocks, bonds, properties or other investments held in or for the New Insurance Funds including, without limitation, all voting and other rights in connection therewith;

(ii) Giving general or special proxies or powers of attorney with or without powers of substitution;

(iii) Exercising any conversion privileges, subscriptions rights or other options (and make any payments incidental thereto);

(iv) Consenting to or otherwise participating in corporate reorganizations or other changes affecting shares or other securities;

(v) Renewing, extending or participating in the renewal or extension of, or agreeing or consenting to a change in the terms of, any bond, debenture, mortgage or other investment or instrument upon such terms as may be deemed advisable; and/or

(vi) Opening and managing brokerage and investment accounts for the holding, buying, selling or exchanging such investments.

(q) Execute all documents of transfer and conveyance that may be necessary or appropriate to carry out the duties and powers herein granted;

(r) Register any investments held in the New Insurance Funds in the name of New PlanCo, a trust company or financial institution acting as custodian of the New Insurance Funds or its nominee, or a depository or clearing agency that is authorized to operate a book-based system or its nominee, or hold any investments in bearer form;

(s) Regularly monitor the investment performance of the New Insurance Funds and each Investment Manager who is managing a portion thereof;

(t) Appoint a custodian or custodians as contemplated in Article 10 if determined necessary or desirable by the Directors and to authorize such custodian to: (i) commingle any monies deposited with it in any pooled investment fund administered or managed by such custodian; and/or (ii) act on the instructions of an Investment Manager for the investment and re-investment of the assets of the New Insurance Funds;

(u) Appoint persons to provide such services as the Directors determine necessary or desirable for the performance of New PlanCo's powers, duties and responsibilities;

(v) Enter into cost sharing and/or administration arrangements with the City or the governing body of another benefit plan (or corporation incorporated by such governing body) to permit New PlanCo to share expenses pertaining to the administration of the Plans and of the New Insurance Funds as well as, in its capacity as trustee of same, the Old Civic Insurance Fund and Old Police Insurance Fund, and to reimburse and grant indemnities to the City or such governing body (or corporation incorporated by it) in respect of such arrangements;

(w) Rent premises, purchase supplies and equipment and employ such personnel or contract with the City or third parties as required for the efficient administration of the Plans and the New Insurance Funds as well as, in its capacity as trustee of same, each of the Old Civic Insurance Fund and Old Police Insurance Fund;

(x) Delegate any or all of its administrative powers and duties to any of its agents, employees or committees, in such manner and subject to such terms and conditions as the Directors may deem necessary and appropriate;

(y) Make all disbursements and allocations from the New Insurance Funds as well as, in its capacity as trustee of same, each of the Old Civic Insurance Fund and Old Police Insurance Fund by cheque or authorization signed as the Directors may authorize or determine from time to time;

(z) Pay from, and allocate to, the New Insurance Funds all costs and expenses of New PlanCo attributable to the operation, administration, structuring, re- structuring, amending and/or reorganizing of the respective Plans and the respective New Insurance Funds including, without limitation, all professional fees in relation thereto;

(aa) Purchase such insurance or fidelity bonds as the Directors deems necessary or proper, the cost of which shall be paid out of the New Insurance Funds in such equitable proportions as between the New Insurance Funds as the Directors may determine;

(bb) Borrow money on a short term basis from time to time on such terms and conditions as determined by the Directors provided that such borrowing shall only be for the purposes of paying premiums for the continued benefits and coverage of Members under the Plans;

(cc) Undertake such measures as the Directors may deem necessary or appropriate for the protection of the property of the New Insurance Funds as well as, in its capacity as trustee of same, of each of the Old Civic Insurance Fund and Old Police Insurance Fund;

(dd) Do all acts that the Directors deem necessary or appropriate to carry out New PlanCo's duties and responsibilities hereunder and to accomplish the purposes of New

PlanCo and/or the general objective of enabling Members and their beneficiaries to obtain benefits under the Plans in the most efficient and economical manner;

(ee) Pay from the New Insurance Funds all other costs and expenses not otherwise expressly contemplated above which the Directors consider as appropriate expenses of the New Insurance Funds, the Old Civic Insurance Fund and/or the Old Police Insurance Fund;

(ff) Hold monies and assets in trust as required in this By-law or the Plans, or as otherwise determined appropriate by the Directors for the efficient administration of the Plans;

(gg) Report to Council and the Members in respect of the Plans in accordance with Section 11.2;

(hh) Transfer ownership of funds by New PlanCo out of the New Civic Insurance Fund to the Old Civic Insurance Fund (as distinct from repayment of indebtedness owing by New PlanCo to the Old Civic Insurance Fund pursuant to Section 7.1), if determined by the Directors to be in the overall best interests of the Civic Members, and subject to the provisions of section 7.1 hereof; and

(ii) Transfer ownership of funds by New PlanCo out of the New Police Insurance Fund to the Old Police Insurance Fund (as distinct from repayment of indebtedness owing by New PlanCo to the Old Police Insurance Fund pursuant to Section 7.1), if determined by the Directors to be in the overall best interests of the Police Members, and subject to the provisions of section 7.1 hereof.

9 ***Intentionally Deleted***

10 ENGAGEMENT OF CUSTODIAN

10(1) New PlanCo may engage a custodian or custodians to provide safekeeping and custodial and related services in respect of the assets comprising the New Insurance Funds on such terms and for such fees as mutually agreed to by New PlanCo and such custodian or custodians. New PlanCo is authorized and empowered to grant a security interest over the assets of the New Insurance Funds in favour of the custodian or custodians engaged by it in respect of the New Insurance Funds, as security for New PlanCo's payment obligations to such custodian(s) pursuant to the custodian agreement(s).

11 REPORTING AND COMMINGLING OF FUNDS FOR INVESTMENT PURPOSES

11(1) New PlanCo and any appointed Investment Manager may commingle the assets and investments of the New Civic Insurance Fund with those of the New Police Insurance Fund, and may commingle assets and investments held in trust with all or any other assets of the New Insurance Funds, in each case for investment and administrative purposes.

11(2) As soon as possible after January 1 in each year, New PlanCo will:

(a) submit a report to Council on the Plans which contains audited financial statements of each of the New Insurance Funds as well as, in its capacity as trustee of same, each of the Old Civic Insurance Fund and Old Police Insurance Fund for the previous year, including a balance sheet, a statement of income and expenditures, a statement of changes and a schedule of the investments; and

(b) make available to the Members a report on the operation of their respective Plan during the previous year.

12 **CONFLICT OF INTERESTS**

12(1) No Director shall knowingly permit his or her other interests to conflict with his or her powers, duties and responsibilities in respect of the Plans, the New Insurance Funds, the Old Civic Insurance Fund and/or the Old Police Insurance Fund. The provisions of PlanCo and its Directors, provided however that a Director shall not be in a conflict of interest merely by virtue of his/her being an employee of the City or of a Participating Employer, a City councillor or a Member of either of the Plans.

13 **INDEMNITY AND LIMITATION OF LIABILITY**

13(1) New PlanCo and the City (in accordance with the terms of paragraph 13.2, and subject to the terms of paragraph 13.4) shall indemnify and save harmless any Board Member or former Board Member, any current or former Director, any members or former members of any committees of the Civic Board or Police Board and any of the Civic Board's or Police Board's current or former employees or officers, and each of their respective heirs, executors and administrators (each, an "**Indemnified Party")** from and against:

(a) all claims, liabilities, charges and expenses whatsoever that the Indemnified Party sustains or incurs in or about any action, claim, suit, assessment or proceeding that is brought, commenced or prosecuted against him or her for or in respect of any act, deed, representation, warranty, failure to act, omission, matter or thing whatsoever made, done or permitted by the Indemnified Party in the exercise of their powers and duties under this By-law and/or any predecessor By- law in respect of the Plans, or any actions taken by them (in the past or in the future) on the direction of the City or New PlanCo; and

(b) all other claims, liabilities, costs, charges and expenses that the Indemnified Party may sustain or incur in or in relation to the exercise of his or her powers and duties pursuant to this By-law, in each case provided that he or she acted honestly and in good faith with a view to the best interests of New PlanCo, the Civic Board or the Police Board , as the case may be and, in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, that he or she had reasonable grounds for believing that his or her conduct was lawful.

13(2) Any indemnification pursuant to section 13.1 shall be made firstly from the assets of the New Civic Insurance Fund and/or the New Police Insurance Fund, in such proportion as between such New Insurance Funds as the Directors shall determine is appropriate whom such claim is made, and secondly, to the extent that there are insufficient assets in either the New Civic Insurance Fund and/or the New Police Insurance Fund, from the assets of the City.

13(3) To the extent that the City or New PlanCo becomes aware of any claim, action, suit, assessment or proceeding (in this Article, each a **"Claim")** commenced against any Indemnified Party connected to the Civic Board or the Police Board (either alone or together with others), such board shall receive prompt written notice of such Claim.

13(4) The City and/or New PlanCo shall have the right, at its/their expense, to assume control of the negotiation, settlement, defence or contesting of any Claim and to select and retain counsel in connection therewith. The liability of New PlanCo and the City to an Indemnified Party pursuant to Section 13.1 shall be reduced by the amount (if any) of any losses incurred by New PlanCo and/or the City resulting from: (a) the Indemnified Party's failure to give written

notice to the City and New PlanCo of any Claim on a timely basis so as to allow New PlanCo or the City to effectively contest the determination of any liability susceptible of being contested; and/or (b) the Indemnified Party's failure to cooperate with New PlanCo or the City as may reasonably be required so as to permit New PlanCo or the City to conduct the negotiation, settlement defence and/or contesting of any Claim including, if required, to attend and give evidence at any trial or hearing in respect of the Claim.

13(5) The Board Members and the Directors, individually or collectively, shall not be liable for the making, retention or sale of any investment or reinvestment made by them in accordance with this By-law or in accordance with any other legal duty nor for any loss to or diminution of the assets of the Old Civic Insurance Fund, Old Police Insurance Fund and/or the New Insurance Funds, as the case may be, except a loss of diminution that resulted from gross negligence, willful misconduct or lack of good faith of the Board Members or Directors and no individual Board Member or Director shall incur any liability for such loss or diminution unless he or she is a party to such gross negligence, willful misconduct or lack of good faith. In no circumstances shall the Board Members or Directors be liable for any indirect, consequential, special or punitive damages.

14 PARTICIPATING EMPLOYERS

14(1) The Executive Policy Committee of the City may authorize the execution of Participation Agreements recommended to it by New PlanCo and made between the City and other employers for the purpose of providing for the admission of employees of such employer into the Civic Plan upon such terms and conditions as specified in the Participation Agreements.

15. AMENDMENT, TERMINATION, MERGER OR DIVISION

15(1) Subject to Article 16, but notwithstanding any other provision of this By-law or the Plans, Council may by by-law from time to time amend, modify, vary or terminate the terms, conditions or provisions of this By-law or either or both of the Plans in such a manner and on such terms as Council may determine appropriate, such determination to be conclusively deemed to be evidenced by the passage of such by-law.

15(2) Subject to Article 16, but notwithstanding any other provision of this By-law or the Plans, Council may by by-law merge, consolidate or divide all or part of the Plans (or either of them), or any or all of the Old Civic Insurance Fund, Old Police Insurance Fund and/or New Insurance Funds, with or into any one or more other insurance plans or insurance funds maintained by the City or by a Participating Employer, notwithstanding that the Plans or such one or more other insurance plans may at the time of such merger, consolidation or division have an actuarial surplus or an unfunded liability, such merger, consolidation or division to be on such terms or conditions as Council may determine appropriate, such determination to be conclusively deemed to be evidenced by the passage of such by-law, and such merger, consolidation or division may be effective retroactive to a date prior to the date such by-law is passed.

16 PROCEDURE

16(1) No amendment, modification, variation, termination, merger, consolidation or division shall be made without prior submission to the Directors who shall, within one month of receipt thereof, provide to Council a written report on the proposed amendment, modification, variation, termination, merger, consolidation or division.

16(2) On the expiration of one month from the date of the submission to the Directors, the proposed amendment, modification, variation, termination, merger, consolidation or division, together with the report, if any, received from the Directors, may be placed before Council for a vote.

16(3) No amendment, modification, variation, termination, merger, consolidation or division of a Plan shall be made until Council has received a report thereon from a Fellow of the Canadian Institute of Actuaries.

16(4) No amendment, modification, variation or termination of the releases and indemnities granted herein in favour of the Civic Board and the Police Board and their respective Board Members, committee members, employees and officers, shall be made without the prior written consent of the Civic Board and/or the Police Board, as applicable.

17 EFFECTIVE DATE

17(1) Notwithstanding the date this By-law is passed, this By-law shall be deemed to come into force and take effect only on from the Effective Date.

18 **REPEAL**

18(1) By-law Nos. 5644/91 and 5643/91 are hereby repealed effective the Effective Date.

DONE AND PASSED, this day of , 2015.

_____
Mayor

_____
City Clerk

Approved as to form:

_____
For Director of Legal Services and
City Solicitor

SCHEDULE "A" CIVIC PLAN

(SEE ATTACHED)

SCHEDULE "B"
POLICE PLAN

(SEE ATTACHED)

SCHEDULE "A" to By-law /2015

CITY WINNIPEG
CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN
THE CITY OF WINNIPEG

CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN

TABLE OF CONTENTS

SECTION 1 - DEFINITIONS 1

SECTION 2 - ELIGIBILITY 3

New Employees 3
Police Officers Not Eligible 3
City Councillors 3

SECTION 3 - MEMBERSHIP IN THE PLAN 3

(1)New Employees - Compulsory Membership 3
(2)Commencement of Insurance 4

SECTION 4 - AMOUNT OF INSURANCE 4
(1) Basic Coverage 4
(2) Optional Additional Coverage 4
(3) Post-Retirement coverage 4
(4) Payment of Insurance 5
(5) Advance Payment to Terminally Ill Members 5
(6) Condition for Advance Payment 5
(7) Amount of Advance Payment 5

SECTION 5 - CHANGES IN AMOUNTS OF INSURANCE 5

(1) Increase in Coverage 5
(2) Reduction of Coverage 5
(3) Commencement of Changes in Coverage 6
(4) On Termination of Employment 6
(5) On Retirement 6
(6) Conversion to Individual Policy 6
(7) Death Within 31 Days 6

SECTION 6 – CONTRIBUTIONS 6

(1) Members' Basic Coverage Contributions 6
(2) Optional Additional Coverage Contributions 7
(3) Retired Members' Contributions 7
(4) Deduction of Member Contributions 7
(5) City's and Participating Employers' Contributions 7
(6) Leave of Absence, Strike or Lockout 7
(7) Return to Work After Leave of Absence Strike or Lockout 8

SECTION 7 – DISABILITY 8

(1) Continued Coverage 8
(2) Increase in Coverage 8
(3) Recovery From Disability 8
(4) Retirement 8

SECTION 8 -TRANSFERS 8

(1) Transfer from Police Plan 8
(2) Transfer to Police Plan 9

SECTION 9 - INSURANCE FUND 9

(1) Payments of Current Premiums and Payments Into New Insurance Fund 9
(2) Payments out of the Old Insurance Fund 9
(3) Payments out of the New Insurance Fund 10
(4) Actuarial Valuations 10

SECTION 10 -GENERAL 10

(1) Information for Civic Employees 10
(2) Beneficiary Designation 10

SECTION 11 -AMENDMENT, TERMINATION, MERGER OR DIVISION 11

(1) Procedure 11
(2) Disposition of Insurance Fund or Plan Termination 11

SECTION 1 - DEFINITIONS

In this Plan:

"Actuary" means a person who is a Fellow of the Canadian Institute of Actuaries or a firm employing such a person, appointed by New PlanCo for the purpose of the Plan;

"Annual Earnings" means 26 times the Member's Average Bi-Weekly Earnings;

"Assumed Earnings" has the meaning attributed to such term in the Pension Plan, as same may be amended from time to time;

"Average Bi-Weekly Earnings" means:

(a) if the Member is employed in a permanent position or in a temporary position working on a full-time basis and is not employed under the terms of a job share agreement, the Member's Earnings for the 13 pay periods immediately prior to the date at which the calculation is being made, divided by 13. If the Member did not receive Earnings in each of these 13 pay periods, the Member's Earnings for the period covered by these pay periods shall be divided by the number of pay periods for which he or she received Earnings; or

(b) if the Member is not employed in a permanent position and is working on a seasonal, casual or part-time basis or is employed under the terms of a job share agreement, the Member's Earnings for the 26 pay periods immediately prior to the date at which the calculation is being made, divided by 26.

"City" means the corporation known as The City of Winnipeg as continued by *The City of Winnipeg Charter,* as same may be amended or replaced from time to time;

"Current Premiums" in reference to a year or other period means the amount of premiums payable to the Insurance Company, less any premium refunds, in such year or other period for the insurance coverage of Members in accordance with the Plan;

"Disabled Member" means a Member who is receiving disability benefits from the Employee Benefits Program or Periodic Payments from Workers' Compensation;

"Earnings" means the total of a Member's Employment Earnings and Assumed Earnings;

"Effective Date" means August 1, 2015;

"Employee" means an employee of the City or of a Participating Employer, as the case may be, including a City councilor who is deemed to be an Employee of the City for the purposes of the Plan pursuant to paragraph 2(3);

"Employee Benefits Program" means the benefits program established in accordance with Bylaw No. 5300/89 and continued as "The Winnipeg Civic Employees' Benefits Program" pursuant to The Winnipeg Civic Employees' Benefits Program Pension Trust Agreement dated October 7, 2002 and The Winnipeg Civic Employees' Benefits Program Disability Plan Trust

Agreement, each as amended and restated from time to time in accordance with their respective terms;

"Employment Earnings" means the remuneration, excluding any overtime pay, paid to a Member by the City or Participating Employer, as the case may be. Employment Earnings shall include Periodic Payments from Workers' Compensation;

"Insurance Company" means an insurance company appointed by New PlanCo in accordance with the terms of the New By-Law to provide benefits under the Plan;

"Member" means an Employee who joined the Plan prior to the Effective Date or who joins the Plan in accordance with section 2, including any such Employee who has retired and who did not elect not to continue to participate in the Plan in accordance with subsection 5(5);

"New By-law" means City of Winnipeg By-law No. XX/2015, as same may be amended, restated or replaced from time to time;

"New PlanCo" means the corporation incorporated pursuant to the New By-law to administer the Plan and which is a wholly owned subsidiary of the City;

"New Insurance Fund" means the new insurance fund established for the Plan under the New By-law and named therein as the "New Civic Insurance Fund";

"Old Insurance Fund" means the insurance fund established for the Plan in accordance with By-law No. 5644/91 and continued as the "Old Civic Insurance Fund" in accordance with the terms of the New By-law;

"Participating Employer" means an employer, other than the City, who, by way of agreement with the City, participates under this Plan by having some or all of its employees as Members of the Plan;

"Pay Period" means for a Member who is not retired, the period used by the City or Participating Employer, as applicable, to determine the dates on which his or her Earnings are paid, and for a retired Member it means the period used to determine the dates on which pensions under the Pension Plan are normally paid;

"Pension Plan" means The Winnipeg Civic Employees' Pension Plan forming part of the Employee Benefits Program;

"Periodic Payments from Workers' Compensation" means payments, other than lump sum payments, received under *The Workers Compensation Act* as compensation for loss of earnings caused by an accident occurring as a result of employment by the City provided the City is supplementing such payments;

"Plan" means this Civic Employees' Group Life Insurance Plan as continued, amended and restated in accordance with the New By-law;

"Retirement" means retirement in accordance with the Pension Plan, and **"retired"** and similar expressions shall have the corresponding meaning;

Words importing the singular shall include the plural and vice-versa where the context so requires. Any reference to a section, subsection or paragraph means a section, subsection or paragraph of this Plan unless otherwise specified.

SECTION 2 - ELIGIBILITY

New Employees

(1) Each Employee becomes eligible to join the Plan on the date he or she becomes a member of the Pension Plan unless he or she is ineligible because of subsection (2).

Police Officers Not Eligible

(2) Notwithstanding subsection (1), an Employee shall not become eligible to join the Plan or remain a Member while he or she is a member or, or eligible to join the Police Employee's Group Life Insurance Plan established under By-law No. 5643/91 and continued, amended and restated under the New By-law.

City Councillors

(3) City councillors who participate in the Plan as at the Effective Date are and shall be entitled to continue to participate as Members of the Plan. Individuals who become City councillors after the Effective Date shall be eligible and/or required to join the Plan, if and as so determined by the City from time to time. Any City councillor who participates in the Plan shall be deemed, for the purpose of this Plan (but only for the purpose of this Plan) to be an Employee of the City. For the application of this Plan to City councillors however, the meaning of "Earnings", "Disabled Members", "Retirement", "Credited Service" and other terms in this Plan defined with reference to, or determinations under this Plan which are made in accordance with, the Pension Plan, shall instead be established or determined with reference to the equivalent definitions and concepts in The City of Winnipeg Council Pension Plan which forms part of City of Winnipeg By-Law No. 7869/2001, as same may be amended from time to time (the **"Council Pension Plan").** Any uncertainty in the application of any provision of this Plan to City councillors resulting from a discrepancy between the definitions in the said Council Pension Plan and those in the Pension Plan, or otherwise arising from the usage of any definition or concept in the Council Pension Plan for the purpose of administering the Plan, shall be resolved by decision of New PlanCo. Any such decision of New PlanCo shall be final and binding.

SECTION 3 - MEMBERSHIP IN THE PLAN

New Employees - Compulsory Membership

(1) Each Employee shall, as a condition of employment, become a Member of the Plan on becoming a member of the Pension Plan.

Commencement of Insurance

(2) An Employee's insurance commences under the Plan on the day the Employee becomes a Member.

SECTION 4 - AMOUNT OF INSURANCE

Basic Coverage

(1) (a) The amount of basic insurance coverage provided on the life of each Member is equal to two times Annual Earnings.

(b) A Member who is insured for two times Annual Earnings may elect to reduce the amount of basic insurance coverage to one times Annual Earnings.

(c) A Member who is insured for one times Annual Earnings may subsequently elect to increase the amount of basic insurance coverage to two times Annual Earnings.

Optional Additional Coverage

(2) A Member may elect to increase insurance coverage to three or four times Annual Earnings.

Post-Retirement Coverage

(3) (a) A Member's insurance coverage shall continue after Retirement and shall be equal to a percentage of the basic insurance coverage in effect, excluding any optional additional insurance, on the Member's life at the Member's Retirement date. The percentage is determined as follows:

(i) from the first day of the Pay Period immediately following the Pay Period in which the Member retires up to and including the last day of the Pay Period in which the Member attains age sixty-five, it is 50%;

(ii) from the first day of the Pay Period immediately following the Pay Period in which the Member attains age sixty-five to the last day of the Pay Period in which the Member attains age seventy, it is 25%; and

(iii) on and after the first day of the Pay Period immediately following the Pay Period in which the Member attains age seventy, it is 15%.

(b) Notwithstanding clause (a), the insurance coverage for those Members named in Appendix "A" shall be equal to the amount indicated thereon. **[NTD: City is to provide this list, deleting therefrom the names of persons who are no longer living]**

(c) A Member's optional additional insurance under subsection 4(2) shall cease no later than the last day of the Pay Period in which the Member retires.

Payment of Insurance

(4) The amount of insurance on a Member's life shall, on death, be paid to the designated beneficiary or estate in accordance with subsection 10(2).

Advance Payment to Terminally Ill Member

(5) Notwithstanding the foregoing, a Member who satisfies the conditions set out in subsection 4(6) may receive a partial advance payment of life insurance proceeds, up to the amount set out in subsection 4(7). The amount ultimately payable under subsection 4(4) will be reduced by the amount of such advance payment, along with an appropriate interest charge determined by New PlanCo.

Conditions for Advance Payment

(6) A terminally ill Member who has a life expectancy of 12 months or less may apply for a partial advance payment of life insurance proceeds. Such application shall include a form, completed by the Member's doctor, indicating diagnosis, prognosis, life expectancy and providing supporting medical information, as well as a form, signed by the Member, authorizing the release of medical information. If the application is approved by New PlanCo, the Member shall sign a further release form, acknowledging the terms of the payment, prior to any payment under subsection 4(5).

Amount of Advance Payment

(7) The advance payment, payable under subsection 4(5), is SO% of either:

(a) the insurance coverage in accordance with subsection 4(1), or

(b) the insurance coverage in accordance with subsection 4(3) which would be applicable 12 months after the date of payment under subsection 4(5),

as applicable, to a maximum of $50,000.

SECTION 5 - CHANGES IN AMOUNTS OF INSURANCE

Increase in Coverage

(1) A Member who elects to increase insurance coverage as a multiple of Annual Earnings must obtain and complete the form prescribed by New PlanCo and provide evidence of insurability satisfactory to the Insurance Company.

Reduction of Coverage

(2) A Member who elects to reduce insurance coverage as a multiple of Annual Earnings must obtain and complete the form prescribed by New PlanCo.

Commencement of Changes in Coverage

(3) A change in the amount of a Member's insurance coverage will take effect on the first day of the Pay Period for which the Member first makes contributions for the changed amount provided the Member has satisfied the conditions set out in subsections 5(1) or 5(2), as applicable.

On Termination of Employment

(4) If a Member's employment with the City or Participating Employer terminates other than as a result of Retirement or if eligibility terminates under section 2, the insurance coverage terminates on the last day of the Pay Period for which the Member has made contributions or contributions were made on the Member's behalf to the Plan.

On Retirement

(5) If a Member's employment with the City or Participating Employer terminates as a result of Retirement, the Member's insurance shall continue in effect at a reduced amount in accordance with subsection 4(3) unless the Member elects not to continue to participate in the Plan. A Member who does not wish to participate in the Plan after Retirement must indicate this choice to New PlanCo on the form prescribed by New PlanCo for this purpose. In such event, insurance will terminate on the last day of the Pay Period for which the Member made contributions.

Conversion to Individual Policy

(6) When a Member's insurance coverage reduces or terminates as a result of Retirement, or if the Member's employment with the City or Participating Employer terminates, the Member may obtain an individual policy of life insurance from the Insurance Company. No evidence of insurability is required if the Member applies for this policy within thirty-one days of the day insurance coverage under the Plan terminated or was reduced. This insurance policy may be for an amount of insurance which is equal to or less than the amount which terminated and shall be in accordance with the terms and conditions specified by the Insurance Company.

Death Within 31 Days

(7) If a Member dies within thirty-one days after insurance coverage terminated or was reduced, the amount of insurance in effect under the Plan on the life of the Member at the date his or her insurance terminated or was reduced shall be paid to the beneficiary or estate in accordance with subsection 10(2).

SECTION 6 - CONTRIBUTIONS

Member's Basic Coverage Contributions

(1) Each Member who has basic insurance coverage in accordance with subsection 4(1) shall contribute each Pay Period, in respect of the basic insurance, based on his or her Employment Earnings, if any, at a rate prescribed by New PlanCo based on the recommendation of the Actuary and reviewed at least once every three years.

Optional Additional Coverage Contributions

(2) Each Member who has optional additional insurance coverage in accordance with subsection 4(2) shall contribute each Pay Period, in respect of the additional insurance, based on his or her Employment Earnings, if any, at a rate prescribed by New PlanCo based on the recommendation of the Actuary and reviewed at least once every three years.

Retired Members' Contributions

(3) Each retired Member who continues to participate in the Plan after Retirement in accordance with subsection 4(3), shall contribute, each Pay Period, at the same rate as is prescribed by New PlanCo under subsection (1).

Deduction of Member Contributions

(4) If a Member is receiving Employment Earnings, the Member shall contribute by payroll deduction from such Employment Earnings. If a Member is not receiving Employment Earnings, contributions shall be deducted bi-weekly from the Member's retirement pension, if any, from the Pension Plan or if the Member is not receiving a retirement pension from the Pension Plan, the Member shall contribute at regular intervals to or as directed by New PlanCo.

City's and Participating Employers' Contributions

(5) The City shall contribute each Pay Period an amount equal to the amount contributed pursuant to subsection 6(1) by Members who are Employees of the City; and

(6) Each Participating Employer shall contribute each Pay Period an amount equal to the amount contributed pursuant to subsection 6(1) by Members who are Employees of such Participating Employer

Leave of Absence, Strike or Lockout

(7) (a) A Member may continue insurance coverage when on approved leave of absence, strike or lockout by electing to do so on the form prescribed by New PlanCo for this purpose. This form must be submitted to New PlanCo within thirty-one days of the commencement of leave of absence, strike or lockout. If the Member elects to continue insurance coverage during such period, contributions shall be made by or for the Member, in a manner prescribed by New PlanCo, based on the Member's Assumed Earnings at the same combined rate as the Member and the City/Participating Employer would have contributed had the leave of absence, strike or lockout not occurred.

(b) If a Member does not elect to continue insurance coverage on approved leave of absence, strike or lockout, the Member's insurance coverage shall terminate on the last day of the Pay Period for which the Member has made contributions or contributions were made on the Member's behalf to the Plan.

Return to Work After Leave of Absence, Strike or Lockout

(8) Where the Member did not elect to continue insurance coverage on an approved leave of absence, strike or lockout and the Member returns to work immediately following the approved leave of absence, strike or lockout, the Member's insurance coverage shall resume at the same multiple of Annual Earnings as was in effect immediately prior to the leave of absence, strike or lockout.

SECTION 7 - DISABILITY

Continued Coverage

(1) The amount of insurance coverage provided on the life of a Disabled Member shall continue at the same multiple of Annual Earnings as was in effect immediately prior to the date disability commenced.

Increase in Coverage

(2) A Disabled Member who elects to increase insurance coverage as a multiple of Annual Earnings and satisfies the conditions set out in subsection 5(1) shall contribute in respect of such increased insurance, based on his or her Earnings, at the same rate as prescribed by New PlanCo under subsection 6(1) or 6(2), as applicable.

Recovery from Disability

(3) (a) If a Disabled Member returns to employment with the City or applicable Participating Employer, the amount of insurance coverage for that Member shall continue at the same multiple of Annual Earnings as was in effect while the Member was a Disabled Member.

(b) If a person ceases to be a Disabled Member and does not retire or return to employment with the City or applicable Participating Employer, the insurance coverage terminates on the last day of the Pay Period in which the person was a Disabled Member and he or she shall be entitled to obtain an individual policy of life insurance in accordance with subsection 5(6).

Retirement

(4) If a Disabled Member retires in accordance with the Pension Plan or attains age 65, the Member's insurance coverage shall be determined in accordance with subsection 4(3).

SECTION 8 - TRANSFERS

Transfer from Police Plan

(1) Where, immediately prior to becoming a Member of this Plan, a Member was a member of the Police Employees' Group Life Insurance Plan established under By-law No. 5643/91 and continued, amended and restated under the New By-law and was insured under that plan for a multiple of Annual Earnings in excess of two, the Member shall be

insured under this Plan for a corresponding multiple of Annual Earnings and no evidence of insurability shall be required.

Transfer to Police Plan

(2) Where a Member ceases to be eligible to be a Member of this Plan as a result of becoming eligible to join the Police Employees' Group Life Insurance Plan established under By-law No. 5643/91 and continued, amended and restated under the New By-law, the Member shall not be entitled to obtain an individual policy of life insurance in accordance with subsection 5(6) and subsection 5(7) shall not apply.

SECTION 9 - INSURANCE FUNDS

Payment of Current Premiums and Payments into the New Insurance Fund

(1) (a) All contributions made by the Members in each year or other applicable period shall be applied firstly to the payment of Current Premiums in respect of such Members for such year or other period, with any excess contributions made by Members who are not retired (i.e. to the extent the contributions made by non-retired Members in such year or period exceed the Current Premiums in respect of such non-retired Members) paid into the New Insurance Fund within four weeks of the date on which the deductions are made; and

(b) All contributions made by the City and Participating Employers shall be applied firstly to pay for the excess, if any, of the Current Premiums in respect of the Members, other than retired Members, for the year or other period (i.e. to the extent the non-retired Members' contributions under paragraph 9(1)(a) are insufficient to pay the Current Premium in respect of such Members), and the balance of the City's and Participating Employers' contributions shall be paid into the New Insurance Fund within four weeks of the date on which such contributions were due.

Payments out of the Old Insurance Fund

(2) (a) Payments shall be made out of the Old Insurance Fund to pay to the Insurance Company that portion of the Current Premiums payable in each year or other period to provide the insurance coverage under this Plan for each retired Member determined by the following formula:

Old Insurance Fund pays: A x [B/C]

Where:

A= the difference between: (i) the Current Premiums payable to the Insurance Company in the particular year or other period for the insurance coverage for the particular retired Member; and (ii) the amount of the contributions made by such retired Member in such year or period;

B = the retired Member's period of Credited Service under (and as defined in) the Pension Plan before the date to be specified by New PlanCo for the purpose of this paragraph; and

C = the retired Member's total period of Credited Service under (and as defined in) the Pension Plan.

(b) The formula in paragraph 9(2)(a) shall be reviewed at least every three years and may be varied as appropriate by New PlanCo on the advice of the Actuary.

Payments out of the New Insurance Fund

(3) (a) Payments shall be made out of the New Insurance Fund to pay to the Insurance Company that portion of the Current Premiums payable in each year or other period as required to provide the insurance coverage under this Plan for each retired Member determined by the following formula:

New Insurance Fund pays: A x [(C-B) / C]

Where A, B and C are defined and determined in the same manner as set out in subsection 9(2) above.

(b) The formula in paragraph 9(3)(a) shall be reviewed at least every three years ad may be varied as appropriate by New PlanCo on the advice of the Actuary.

Actuarial Valuations

(4) In accordance with the provisions of the New By-law, New PlanCo shall cause an actuarial valuation of the Plan to be made at least once every three years.

SECTION 10- GENERAL

Information for Civic Employees

(1) Each Member and eligible Employee shall receive a written explanation of the terms and conditions of the Plan and amendments thereto, together with an explanation of the Member's rights and duties with respect to the benefits provided and such other information as may be prescribed by New PlanCo.

Beneficiary Designation

(2) A Member may designate any person to be a beneficiary, and the Member may change the beneficiary at any time, subject to the laws governing such matters, by completing the form prescribed by New PlanCo for this purpose. If no beneficiary has been designated by the Member or if the beneficiary designated has died and no beneficiary has been subsequently designated by the Member, any amount which otherwise would have been paid to the Member's beneficiary shall instead be paid to the estate of the Member.

SECTION 11-AMENDMENT. TERMINATION. MERGER OR DIVISION

Procedure

(1) The provisions pertaining to the amendment, modification, variation, termination, merger, consolidation or division of the Plan shall be those set forth in Articles 15 and 16 of the New By-law.

Disposition of Insurance Fund on Plan Termination

(2) In the event the Plan is terminated, New PlanCo shall cause an actuarial report to be made on the status of the New Insurance Fund and Old Insurance Fund as at the date of the termination of the Plan. The report shall provide recommendations to New PlanCo to allocate the assets of the New Insurance Fund and Old Insurance Fund, if any, among Members and contributors to the New Insurance Fund and Old Insurance Fund, including the City and Participating Employers, to transfer the assets to a successor plan, or to purchase policies of paid-up life insurance on the lives of the Members, in accordance with any applicable laws

.

SCHEDULE "B" to By-law /2015

THE CITY OF WINNIPEG

POUCE EMPLOYEES' GROUP UFE INSURANCE PLAN

TABLE OF CONTENTS

SECTION 1- DEFINITIONS....3

SECTION 2- EUGIBIUTY AND MEMBERSHIPS....4

(1) New Police Officers....4
(2) Commencement of Insurance....5

SECTION 3 - AMOUNT OF INSURANCE....5

(1) Basic Coverage....5
(2) Optional Additional Coverage....5
(3) Post-Retirement coverage....5
(4) Payment of Insurance....5
(5) Advance Payment to Terminally Ill Members....5
(6) Condition for Advance Payment....6
(7) Amount of Advance Payment....6

SECTION 4 - CHANGES IN AMOUNTS OF INSURANCE....6

(1) Increase in Coverage....6
(2) Reduction of Coverage....6
(3) Commencement of Changes in Coverage....6
(4) On Termination of Employment....6
(5) On Retirement....7
(6) Conversion to Individual Policy....7
(7) Death Within 31 Days....7

SECTION 5 – CONTRIBUTIONS....7

(1) Members' Basic Coverage Contributions....7
(2) Optional Additional Coverage Contributions....7
(3) Retired Members' Contributions....8
(4) Deduction of Member Contributions....8
(5) City's Contributions....8
(6) Leave of Absence, Strike or Lockout....8
(7) Return to Work After Leave of Absence Strike or Lockout....8

SECTION 6 – DISABILITY....8

(1) Continued Coverage....8
(2) Increase in Coverage....9
(3) Recovery From Disability....9
(4) Retirement....9

SECTION 7 -TRANSFERS 9

(1) Transfer from Civic Plan 9
(2) Transfer to Civic Plan 9

SECTION 8 - INSURANCE FUND 10

(1) Payment of Current Premiums and Payments into the New Insurance Fund 10
(2) Payments out of the Insurance Fund 10
(3) Payments out of the New Insurance Fund 11
(4) Actuarial Valuations 11

SECTION 9 – GENERAL 11

(1) Information for Police Officers 11
(2) Beneficiary Designation 11

SECTION 10 -AMENDMENT. TERMINATION. MERGER OR DIVISION 11

(1) Procedure 11
(2) Disposition of Insurance Fund or Plan Termination 12

SECTION 1- DEFINITIONS

In this Plan:

"Actuary" means a person who is a Fellow of the Canadian Institute of Actuaries or a firm employing such a person, appointed by New PlanCo for the purpose of the Plan;

"Annual Earnings" means 26 times the Member's Average Bi-Weekly Earnings;

"Assumed Earnings" has the meaning attributed to such term in the Pension Plan, as same may be amended from time to time;

"Average Bi-Weekly Earnings" means the Member's average Earnings for the 13 Pay Periods immediately prior to the date as at which the calculation is being made. If the Member did not receive Earnings in each of these 13 Pay Periods, the Member's Earnings for the period covered by these Pay Periods shall be divided by the number of Pay Periods for which the Member received Earnings;

"City" means the corporation known as The City of Winnipeg as continued by *The City of Winnipeg Charter,* as same may be amended or replaced from time to time;

"Current Premiums" in reference to a year or other period means the amount of premiums payable to the Insurance Company, less any premium refunds, in such year or other period for the insurance coverage of Members in accordance with the Plan;

"Disabled Member" means:

(a) a Member who is receiving disability benefits under the Police Long Term Disability Plan; or

(b) a Member who, in the opinion of New PlanCo, would otherwise qualify for benefits under the Police Long Term Disability Plan but is not an eligible employee under that plan;

"Earnings" means the total of a Member's Employment Earnings and Assumed Earnings;

"Effective Date" means August 1, 2015;

"Employment Earnings" means the remuneration paid to a Member by the City. Employment Earnings shall include Periodic Payments from Workers' Compensation;

"Insurance Company" means an insurance company appointed by New PlanCo in accordance with the terms of the New By-Law to provide benefits under the Plan;

"Member" means a Police Officer who joined the Plan prior to the Effective Date or who joins the Plan in accordance with section 2, including any such Police Officer who has retired and who did not elect not to continue to participate in the Plan in accordance with subsection 4(5);

"New By-law" means City of Winnipeg By-law No. XX/2015, as same may be amended, restated or replaced from time to time;

"New PlanCo" means the corporation incorporated pursuant to the New By-law to administer the Plan and which is a wholly owned subsidiary of the City;

"New Insurance Fund" means the new insurance fund established for the Plan under the New By-law and named therein as the "New Police Insurance Fund";

"Old Insurance Fund" means the insurance fund established for the Plan in accordance with By- law No. 5643/91 and continued as the "Old Police Insurance Fund" in accordance with the terms of the New By-law;

"Pay Period" means for a Member who is not retired, the period used by the City to determine the dates on which his or her Earnings are paid, and for a retired Member it means the period used to determine the dates on which pensions under the Pension Plan are normally paid;

"Pension Plan" means the Winnipeg Police Pension Plan set out in Schedule "A" of By-law No. 126/2011;

"Periodic Payments from Workers' Compensation" means payments, other than lump sum payments, received under *The Workers Compensation Act* as compensation for loss of earnings caused by an accident occurring as a result of employment by the City provided the City is supplementing such payments;

"Plan" means this Police Employees' Group Life Insurance Plan as continued, amended and restated in accordance with the New By-law;

"Police Long Term Disability Plan" means the Long Term Disability Plan sponsored by the Winnipeg Police Association;

"Police Officer" means a member of the Police Component of the Winnipeg Police Association or of the Winnipeg Police Senior Officers' Association or the chief or deputy chief of the Winnipeg Police Service;

"Retirement" means retirement in accordance with the Pension Plan, and **"retired"** and similar expressions shall have the corresponding meaning;

"Taxation Year" means all of the Pay Periods of a Member which end in the same calendar year;-

Words importing the singular shall include the plural and vice-versa where the context so requires. Any reference to a section, subsection or paragraph means a section, subsection or paragraph of this Plan unless otherwise specified.

SECTION 2 – ELIGIBILITY AND MEMBERSHIP

New Police Officers

(1) Each Police Officer shall, as a condition of employment, become a Member of the Plan on becoming a member of the Pension Plan.

Commencement of Insurance

(2) A Police Officer's insurance commences under the Plan on the day the Police Officer becomes a Member.

SECTION 3 - AMOUNT OF INSURANCE

Basic Coverage

(1) The amount of basic insurance coverage provided on the life of each Member is equal to two times Annual Earnings.

Optional Additional Coverage

(2) A Member may elect to increase insurance coverage to three or four times Annual Earnings.

Post-Retirement Coverage

(3) (a) A Member's insurance coverage shall continue after Retirement and shall be equal to a percentage of the basic insurance coverage in effect, excluding any optional additional insurance, on the Member's life at the Member's Retirement date. The percentage is determined as follows:

(i) from the first day of the Pay Period immediately following the Pay Period in which the Member retires up to and including the last day of the Pay Period in which the Member attains age sixty-five, it is 50%;

(ii) from the first day of the Pay Period immediately following the Pay Period in which the Member attains age sixty-five to the last day of the Pay Period in which the Member attains age seventy, it is 25%; and

(iii) on and after the first day of the Pay Period immediately following the Pay Period in which the Member attains age seventy, it is 15%.

(b) A Member's optional additional insurance under subsection 3(2) shall cease no later than the last day of the Pay Period in which the Member retires.

Payment of Insurance

(4) The amount of insurance on a Member's life shall, on death, be paid to the designated beneficiary or estate in accordance with subsection 9(2).

Advance Payment to Terminally Ill Member

(5) Notwithstanding the foregoing, a Member who satisfies the conditions set out in subsection 3(6) may receive a partial advance payment of life insurance proceeds, up to the amount set out in subsection 3(7). The amount ultimately payable under subsection 3(4) will be reduced by the amount of such advance payment, along with an appropriate interest charge determined by New PlanCo.

Conditions for Advance Payment

(6) A terminally ill Member who has a life expectancy of 12 months or less may apply for a partial advance payment of life insurance proceeds. Such application shall include a form, completed by the Member's doctor, indicating diagnosis, prognosis, life expectancy and providing supporting medical information, as well as a form, signed by the Member, authorizing the release of medical information. If the application is approved by New PlanCo, the Member shall sign a further release form, acknowledging the terms of the payment, prior to any payment under subsection 3(5).

Amount of Advance Payment

(7) The advance payment, payable under subsection 3(5), is 50% of either:

(a) the insurance coverage in accordance with subsection 3(1), or

(b) the insurance coverage in accordance with subsection 3(3) which would be applicable 12 months after the date of payment under subsection 3(5),

as applicable, to a maximum of $50,000.

SECTION 4 - CHANGES IN AMOUNTS OF INSURANCE

Increase in Coverage

(1) A Member who elects to increase insurance coverage as a multiple of Annual Earnings must obtain and complete the form prescribed by New PlanCo and provide evidence of insurability satisfactory to the Insurance Company.

Reduction of Coverage

(2) A Member who elects to reduce insurance coverage as a multiple of Annual Earnings must obtain and complete the form prescribed by New PlanCo.

Commencement of Changes in Coverage

(3) A change in the amount of a Member's insurance coverage will take effect on the first day of the Pay Period for which the Member first makes contributions for the changed amount provided the Member has satisfied the conditions set out in subsections 4(1) or 4(2), as applicable.

On Termination of Employment

(4) If a Member's employment with the City terminates other than as a result of Retirement or if the Member ceases to be a Police Officer, the insurance coverage terminates on the last day of the Pay Period for which the Member has made contributions or contributions were made on the Member's behalf to the Plan.

On Retirement

(5) If a Member's employment with the City terminates as a result of Retirement, the Member's insurance shall continue in effect at a reduced amount in accordance with subsection 3(3) unless the Member elects not to continue to participate in the Plan. A Member who does not wish to participate in the Plan after Retirement must indicate this choice to New PlanCo on the form prescribed by New PlanCo for this purpose. In such event, insurance will terminate on the last day of the Pay Period for which the Member made contributions.

Conversion to Individual Policy

(6) When a Member's insurance coverage reduces or terminates as a result of Retirement, or if the Member's employment with the City terminates, the Member may obtain an individual policy of life insurance from the Insurance Company. No evidence of insurability is required if the Member applies for this policy within thirty-one days of the day insurance coverage under the Plan terminated or was reduced. This insurance policy may be for an amount of insurance which is equal to or less than the amount which terminated and shall be in accordance with the terms and conditions specified by the Insurance Company.

Death Within 31 Days

(7) If a Member dies within thirty-one days after insurance coverage terminated or was reduced, the amount of insurance in effect under the Plan on the life of the Member at the date his or her insurance terminated or was reduced shall be paid to the beneficiary or estate in accordance with subsection 9(2).

SECTION 5 - CONTRIBUTIONS

Member's Basic Coverage Contributions

(1) Each Member, other than a Disabled Member, who has basic insurance coverage in accordance with subsection 3(1) shall contribute each Pay Period, in respect of the basic insurance, based on his or her Employment Earnings, if any, at a rate prescribed by New PlanCo based on the recommendation of the Actuary and reviewed at least once every three years.

Optional Additional Coverage Contributions

(2) Each Member, other than a Disabled Member, who has optional additional insurance coverage in accordance with subsection 3(2) shall contribute each Pay Period, in respect of the additional insurance, based on his or her Employment Earnings, if any, at a rate prescribed by New PlanCo based on the recommendation of the Actuary and reviewed at least once every three years.

Retired Members' Contributions

(3) Each retired Member who continues to participate in the Plan after Retirement in accordance with subsection 3(3), shall contribute, each Pay Period, at the same rate as is prescribed by New PlanCo under subsection (1).

Deduction of Member Contributions

(4) If a Member is receiving Employment Earnings, the Member shall contribute by payroll deduction from such Employment Earnings. If a Member is not receiving Employment Earnings, contributions shall be deducted bi-weekly from the Member's retirement pension from the Pension Plan.

City's Contributions

(5) The City shall contribute each Pay Period an amount equal to the amount contributed pursuant to subsection 5(1) by Members.

Leave of Absence, Strike or Lockout

(6) (a) A Member may continue insurance coverage when on approved leave of absence, strike or lockout by electing to do so on the form prescribed by New PlanCo for this purpose. This form must be submitted to New PlanCo within thirty-one days of the commencement of leave of absence, strike or lockout. If the Member elects to continue insurance coverage during such period, contributions shall be made by or for the Member, in a manner prescribed by New PlanCo, based on the Member's Assumed Earnings at the same combined rate as the Member and the City would have contributed had the leave of absence, strike or lockout not occurred.

(b) If a Member does not elect to continue insurance coverage on approved leave of absence, strike or lockout, the Member's insurance coverage shall terminate on the last day of the Pay Period for which the Member has made contributions or contributions were made on the Member's behalf to the Plan.

Return to Work After Leave of Absence, Strike or Lockout

(7) Where the Member did not elect to continue insurance coverage on an approved leave of absence, strike or lockout and the Member returns to work immediately following the approved leave of absence, strike or lockout, the Member's insurance coverage shall resume at the same multiple of Annual Earnings as was in effect immediately prior to the leave of absence, strike or lockout.

SECTION 6 - DISABILITY

Continued Coverage

(1) The amount of insurance coverage provided on the life of a Disabled Member shall continue at the same multiple of Annual Earnings as was in effect immediately prior to the date disability commenced. Effective from the first Pay Period of each subsequent

Taxation Year, the insurance coverage will be redetermined in accordance with the Annual Earnings for a Member of the same confirmed rank as the Disabled Member immediately prior to the Member becoming a Disabled Member.

Increase in Coverage

(2) A Disabled Member who elects to increase insurance coverage as a multiple of Annual Earnings and satisfies the conditions set out in subsection 4(1) shall contribute in respect of such increased insurance, based on his or her Earnings, at the same rate as prescribed by New PlanCo under subsection 5(2).

Recovery from Disability

(3) (a) If a Disabled Member returns to employment with the City, the amount of insurance coverage for that Member shall continue at the same multiple of Annual Earnings as was in effect while the Member was a Disabled Member.

(b) If a person ceases to be a Disabled Member and does not retire or return to employment as a Police Officer, the insurance coverage terminates on the last day of the Pay Period in which the person was a Disabled Member and he or she shall be entitled to obtain an individual policy of life insurance in accordance with subsection 4(6).

Retirement

(4) If a Disabled Member retires in accordance with the Pension Plan or attains age 60, the Member's insurance coverage shall be determined in accordance with subsection 3(3).

SECTION 7 - TRANSFERS

Transfer from Civic Plan

(1) Where, immediately prior to becoming a Member of this Plan, a Member was a member of the Civic Employees' Group Life Insurance Plan established under By-law No. 5644/91 and continued, amended and restated under the New By-law and was insured under that plan for a multiple of Annual Earnings in excess of two, the Member shall be insured under this Plan for a corresponding multiple of Annual Earnings and no evidence of insurability shall be required.

Transfer to Civic Plan

(2) Where a Member ceases to be eligible to be a Member of this Plan as a result of becoming eligible to join the Civic Employees' Group Life Insurance Plan established under By-law No. 5644/91 and continued, amended and restated under the New By-law, the Member shall not be entitled to obtain an individual policy of life insurance in accordance with subsection 4(6) and subsection 4(7) shall not apply.

SECTION 8 - INSURANCE FUNDS

Payment of Current Premiums and Payments into the New Insurance Fund

(1) (a) All contributions made by the Members in each year or other applicable period shall be applied firstly to the payment of Current Premiums in respect of such Members for such year or other period, with any excess contributions made by Members who are not retired (i.e. to the extent the contributions made by non-retired Members in such year or period exceed the Current Premiums in respect of such non-retired Members) paid into the New Insurance Fund within four weeks of the date on which the deductions are made;

(b) All contributions made by the City shall be applied firstly to pay for the excess, if any, of the Current Premiums in respect of the Members, other than retired Members, for the year or other period (i.e. to the extent the non-retired Members' contributions under paragraph 8(1)(a) are insufficient to pay the Current Premium in respect of such Members), and the balance of the City's contributions shall be paid into the New Insurance Fund within four weeks of the date on which such contributions were due; and

Payments out of the Old Insurance Fund

(2) (a) Payments shall be made out of the Old Insurance Fund to pay to the Insurance Company that portion of the Current Premiums payable in each year or other period to provide the insurance coverage under this Plan for each retired Member determined by the following formula:

Old Insurance Fund pays: A x [B/C]

Where:

A= the difference between: (i) the Current Premiums payable to the Insurance Company in the particular year or other period for the insurance coverage for the particular retired Member; and (ii) the amount of the contributions made by such retired Member in such year or period;

B = the retired Member's period of Credited Service under (and as defined in) the Pension Plan before the date to be specified by New PlanCo for the purpose of this paragraph; and

C = the retired Member's total period of Credited Service under (and as defined in) the Pension Plan.

(b) The formula in paragraph 8(2)(a) shall be reviewed at least every three years and may be varied as appropriate by New PlanCo on the advice of the Actuary.

Payments out of the New Insurance Fund

(3) (a) Payments shall be made out of the New Insurance Fund to pay to the Insurance Company that portion of the Current Premiums payable in each year or other period

as required to provide the insurance coverage under this Plan for each retired Member determined by the following formula:

New Insurance Fund pays: A x [(C-B) / C]

Where A, B and C are defined and determined in the same manner as set out in subsection 8(2) above.

(b) The formula in paragraph 8(3)(a) shall be reviewed at least every three years ad may be varied as appropriate by New PlanCo on the advice of the Actuary.

Actuarial Valuations

(4) In accordance with the provisions of the New By-law, New PlanCo shall cause an actuarial valuation of the Plan to be made at least once every three years.

SECTION 9 - GENERAL

Information for Police Officers

(1) Each Member and eligible Police Officer shall receive a written explanation of the terms and conditions of the Plan and amendments thereto, together with an explanation of the Member's rights and duties with respect to the benefits provided and such other information as may be prescribed by New PlanCo.

Beneficiary Designation

(2) A Member may designate any person to be a beneficiary, and the Member may change the beneficiary at any time, subject to the laws governing such matters, by completing the form prescribed by New PlanCo for this purpose. If no beneficiary has been designated by the Member or if the beneficiary designated has died and no beneficiary has been subsequently designated by the Member, any amount which otherwise would have been paid to the Member's beneficiary shall instead be paid to the estate of the Member.

SECTION 10 - AMENDMENT, TERMINATION, MERGER OR DIVISION

Procedure

(1) The provisions pertaining to the amendment, modification, variation, termination, merger, consolidation or division of the Plan shall be those set forth in Articles 15 and 16 of the New By-law.

Disposition of Insurance Fund on Plan Termination

(2) In the event the Plan is terminated, New PlanCo shall cause an actuarial report to be made on the status of the New Insurance Fund and Old Insurance Fund as at the date of the termination of the Plan. The report shall provide recommendations to New PlanCo to allocate the assets of the New Insurance Fund and Old Insurance Fund, if any, among Members and contributors to the New Insurance Fund and Old Insurance Fund, including the City, to transfer the assets to a successor plan, or to purchase policies of paid-up life insurance on the lives of the Members, in accordance with any applicable laws.

SCHEDULE "C"

CIVIC UNIONS

(for the purpose of paragraph 8.1(b))

Amalgamated Transit Union, Local1505
Canadian Union of Public Employees, Local 500
Manitoba Government Employees' Union, Local 911
Manitoba Nurses' Union, Local 1a
United Fire Fighters of Winnipeg, Local 867 of International Association of Fire Fighters
Winnipeg Association of Public Service Officers Winnipeg Fire Paramedic Senior Officers' Association Winnipeg Police Association (Staff Sector Component)
Winnipeg Police Senior Officers' Association (Staff Sector Component)