SCHEDULE A TO BY-LAW 82/2015

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-law 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, but not in the schedules hereto, 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:

(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 deem 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. TRANSITION / ADMINISTRATIVE

9.1 The Civic Board, the Police Board and New PlanCo shall have the power to do such things as are reasonably required of them, respectively, from time to time in order to transition the administration, management and reporting of the Plans as and when, in such manner and in such steps, as may be reasonably determined by them to be appropriate having regard to the overall interests of the Members and the Plans.

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 *The Corporations Act* (Manitoba) with respect to conflicts of interest shall apply to New 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 section 13.2, and subject to the terms of section 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, any of the Civic Board's or Police Board's current or former employees or officers and any current or former employees of the City employed in providing services to the Civic Board, the Police Board or New PlanCo, and each of their respective heirs, executors and administrators (each, an "**Indemnified Party**") from and against:

(a) all claims, liabilities, charges, taxes, penalties 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 having regard to the nature of the claim and the individuals to be indemnified against 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, wilful 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, wilful 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

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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 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 15th day of July, 2015.