

CONSOLIDATION UPDATE: DECEMBER 11, 2002

THE CITY OF WINNIPEG

BY-LAW NO. 5644/91

**A By-law of THE CITY OF WINNIPEG to
continue the Civic Employee's Group Life
Insurance Plan, previously, the Group Life
Insurance Plan for Employees of The City of
Winnipeg established under By-law 1125/75.**

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

DEFINITIONS

1. In this By-law:

"**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.

amended 8170/2002

"**Board Member**" means a member of the Board;

"**City**" means the City of Winnipeg as constituted on December 22, 1989 and continued by *The City of Winnipeg Act*;

amended 6595/95

"**Council**" means the City Council;

"**Insurance Fund**" means the insurance fund established in accordance with By-law No. 1125/75 and restated as the Civic Employees' Group Life Insurance Fund for the Plan under section 3;

"**Investment Committee**" means the investment committee constituted under The Winnipeg Civic Employees' Benefits Program Pension Trust Agreement dated October 7, 2002.

amended 8170/2002

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

amended 8170/2002

"Member" means a person who is a member of the Plan as defined in Schedule "A";

"Participation Agreement" means an agreement entered into between the City and another employer pursuant to section 10 allowing the other employer to participate in the Plan;

"Plan" means the Civic Employees' Group Life Insurance Plan as continued from the Group Life Insurance Plan established in accordance with By-law No. 1125/75 and restated under section 2 and set out in Schedule "A";

"Prior Group Insurance Fund" means the insurance fund established under By-law No. 1125/75 to fund the Group Life Insurance Plan for Employees of the City of Winnipeg.

THE CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN

2. (1) The Plan is hereby restated as set out in Schedule "A" and shall be known as the "Civic Employees' Group Life Insurance Plan" (hereinafter referred to as the "Plan"). This By-law shall be known as the "Civic Employees' Group Life Insurance By-law".
- (2) The conditions of the Plan for eligibility, contributions and benefits shall be determined in accordance with the Plan.

THE CIVIC EMPLOYEES' GROUP LIFE INSURANCE FUND

3. (1) The Board shall continue the Insurance Fund for the Plan.
- (2) The Board shall administer the Insurance Fund on behalf of the Members, their beneficiaries and the City and shall deal with it in accordance with this By-law.
amended 8170/2002
- (3) The Insurance Fund shall consist of:
 - (a) assets of the Prior Group Insurance Fund as of December 31, 1988;
 - (b) employer and member contributions made in accordance with the Plan less benefit payments, insurance premiums and expenses paid out of the Plan, and

- (c) earnings, profits and increments on the investment of the amounts described in clauses (a) and (b) above.
- (4) No property or interest in the Insurance Fund, nor any benefits payable therefrom, shall be subject to sale, transfer, alienation, assignment, encumbrance or other process except as provided by the Plan and this By-law.
- (5) All property forming the Insurance Fund shall be held by in the name of the "Civic Employees' Group Life Insurance Fund".
amended 8170/2002
- (6) The Insurance Fund shall be invested only as permitted *by The Pension Benefits Act* of Manitoba.

THE BOARD

- 4. (1) In respect to the Plan, the Board shall have the same composition and powers for the conduct of its meetings as set out in The Winnipeg Civic Employees' Benefits Program Pension Trust Agreement dated October 7, 2002.
- (2) The Board shall hold meetings at the call of the chair, but not less frequently than once each year, for the purpose of fulfilling those duties and utilizing the powers given to it under this by-law.
- (3) All matters concerning the Plan and this by-law shall be decided by the affirmative vote of the majority of the members present, except that the number of Member Trustees participating, deciding or voting on any issue shall always be one less than the number of Employer Trustees, where "Member Trustees" and "Employer Trustees" are as defined in Article 1 of The Winnipeg Civic Employees' Benefits Program Pension Trust Agreement dated October 7, 2002.
amended 8170/2002

DUTIES OF THE BOARD

- 5. In respect of the Plan, the Board shall:
 - (1) operate, administer and interpret the intent of the Plan consistent with the requirements of this By-law;
 - (2) determine all questions regarding the eligibility of any person for insurance or benefits under the Plan;
 - (3) recommend to Council the appointment of one or more insurance companies to provide all or some of the benefits of the Plan;

- (4) keep a complete and accurate set of accounts for the Insurance Fund;
- (5) in consultation with the Investment Committee, establish and review regularly the investment policy for the Insurance Fund;
- (6) establish and review regularly the funding policy for the Insurance Fund;
- (7) determine and advise the Investment Committee as frequently as necessary the amounts which are available for investment;
- (8) submit the accounts and financial statements of the Insurance Fund at least annually for examination, checking and audit by the auditor appointed by the Board;
- (9) as soon as possible after January 1 in each year, submit a report to Council which contains audited financial statements for the previous year;
- (10) as soon as possible after January 1 in each year, make available to the Members a report on the operation of the Plan during the previous year;
- (11) ensure that an actuarial report is made on the status of the Insurance Fund at least once every three years and at such other times as the Board may deem advisable;
- (12) obtain an actuarial report if there is to be any change in the Plan; and
- (13) regularly monitor the investment performance of the Insurance Fund.

amended 8170/2002

POWERS OF THE BOARD

5.1 In respect of the Plan, the Board is empowered and authorized to:

- (1) establish accounts for the Insurance Fund in a chartered bank or other financial institution in Canada;
- (2) in consultation with the Investment Committee, appoint one or more Investment Managers to manage the investments of the Insurance Fund or a portion thereof and specify the terms and conditions to apply in each case, or terminate any such appointment;
- (3) allocate all amounts that may become available for investment or are already invested between the Investment Managers in such proportions as may be determined by the Investment Committee;
- (4) on the recommendation of an Investment Manager, purchase, hold or acquire stocks, bonds, property or other investments for the Insurance Fund;

- (5) on the recommendation of an Investment Manager, sell or otherwise dispose of any stocks, bonds, property or other investments held in or for the Insurance Fund;
- (6) exercise all voting and other rights in respect of any stocks, bonds, properties or other investments held in or for the Insurance Fund;
- (7) execute all documents of transfer and conveyance that may be necessary or appropriate to carry out the duties and powers herein granted;
- (8) register any investments held in the Insurance Fund in the name of the Insurance Fund, a financial institution acting as custodian of the Insurance Fund 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;
- (9) appoint persons to provide such services as the Board deems necessary in the performance of its powers, duties and responsibilities;
- (10) rent premises, purchase supplies and equipment and employ such personnel as required for the efficient administration of the Plan;
- (11) make all disbursements and allocations from the Insurance Fund by cheque or authorization signed as the Board may determine by resolution from time to time;
- (12) pay from the Insurance Fund all costs and expenses of the Board attributable to the operation and administration of the Plan and Insurance Fund including any remuneration paid to the Board Members and the Investment Committee as determined by the Board;
- (13) purchase such insurance or fidelity bonds as the Board deems necessary or proper, the cost of which shall be paid out of the Insurance Fund;
- (14) do all acts that the Board may deem necessary or appropriate for the protection of the property of the Insurance Fund; and
- (15) do all acts that the Board deems necessary or appropriate to accomplish the general objectives of enabling Members and their beneficiaries to obtain benefits under the Plan in the most efficient and economical manner.

added 8170/2002

INVESTMENT COMMITTEE

6. (1) The Investment Committee shall be responsible for the investment of the Insurance Fund and shall:
 - (a) recommend to the Board the appointment of one or more Investment Managers to manage the investments of the Insurance Fund or portion thereof and recommend the terms and conditions to apply in each case;
 - (b) recommend to the Board the termination of the appointment of any Investment Manager;
 - (c) recommend to the Board the investment policy for the Insurance Fund or any changes thereto;
 - (d) subject to the terms of the investment policy, direct the Board to allocate the amounts which may become available for investment or are already invested between the Investment Managers appointed by the Board in such proportions as may be determined by the Investment Committee;
 - (e) review regularly the performance of the Insurance Fund and each Investment Manager which is managing a portion thereof;
 - (f) monitor compliance with the investment policy; and
 - (g) report regularly to the Board on its activities, compliance with the investment policy and such other matters as the Board directs.
- (2) All decisions to be made by the Investment Committee shall be decided by the affirmative vote of the majority of the Investment Committee members present, except that the number of Investment Committee members appointed by the Member Trustees participating, deciding or voting on any issue shall always be one less than the number of Investment Committee members appointed by the Employer Trustees, where "Member Trustees" and "Employer Trustees" are as defined in Article 1 of The Winnipeg Civic Employees' Benefits Program Pension Trust Agreement dated October 7, 2002.

amended 8170/2002
7. The Investment Committee may commingle the investments of the Insurance Fund with those of any other Insurance plan covering employees of the City.
8. Investment Committee members are prohibited from personally managing the Insurance Fund.

CONFLICT OF INTEREST

- 8.1 No Board Member and no member of the Investment Committee shall knowingly permit his or her other interests to conflict with his or her powers, duties and responsibilities in respect of the Plan or the Insurance Fund.

added 8170/2002

FIDUCIARY RESPONSIBILITIES

- 8.2 The Board, the Investment Committee and the Investment Managers shall:

- (1) exercise the care, diligence and skill in the administration and investment of the Insurance Fund that a person of ordinary prudence would exercise in dealing with property of another person;
- (2) use in the administration of the Plan and in the administration of the investment of the Insurance Fund all relevant knowledge and skill that they possess or, by reason of each Board Member's, member of the Investment Committee's, or Investment Manager's profession, business or calling, ought to possess; and
- (3) select all investments with consideration given to the overall context of the portfolio of the Insurance Fund, without undue risk of loss or impairment and with a reasonable expectation of fair return given the nature of the investments.

added 8170/2002

LIMITATION OF LIABILITY

9. (1) The Insurance Fund shall indemnify and save harmless any Board Member and Investment Committee member and the member's heirs, executors and administrators from and against:
- (a) all claims, liabilities, charges and expenses whatsoever that the Board Member or Investment Committee member sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against him or her for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by the Board, Investment Committee or by any of their members in the exercise of the powers and duties vested in them by this By-law and under the law; and
 - (b) all other claims, liabilities, costs, charges and expenses that the Board Member or Investment Committee member may sustain or incur in or in relation to the exercise of his or her powers and duties except such claims, liabilities, costs, charges or expenses that are occasioned by the Board Member's or Investment Committee member's gross negligence, wilful misconduct or lack of good faith.

- (2) The Board Members or Investment Committee members, 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 duties nor for any loss to or diminution of the Insurance Fund, except a loss of diminution that resulted from gross negligence, wilful misconduct or lack of good faith of the Board Members or Investment Committee members and no individual Board Member or Investment Committee member 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.

PARTICIPATING EMPLOYERS

10. The Executive Policy Committee may authorize the execution of Participation Agreements recommended to it by the Board and made between the City and the Participating Employers for the purpose of providing for the admission of employees of those employers into the Plan upon such terms and conditions as specified in the Participation Agreements.

amended 8170/2002

AMENDMENT, TERMINATION, MERGER OR DIVISION

11. Subject to section 13, but notwithstanding any other provision of this By-law or the Plan, Council may by by-law from time to time amend, modify, vary or terminate the terms, conditions or provisions of this By-law or the Plan (and any trust arising under this By-law or under the Plan) 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.

12. Subject to section 13, but notwithstanding any other provision of this By-law or the Plan, Council may by by-law merge, consolidate or divide all or part of the Plan (and any trust arising thereunder) or insurance fund with or into any one or more other insurance plans (and the respective trusts arising thereunder) or insurance funds maintained by the City or an employer participating in the Plan in accordance with a Participation Agreement, notwithstanding that the Plan 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 and 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.

PROCEDURE

13. (1) No amendment, modification, variation, termination, merger, consolidation or division pursuant to either or both of sections 11 and 12 of this By-law shall be made without prior submission to the Board which shall, within one month of receipt thereof, provide to Council a written report on the proposed amendment, modification, variation, termination, merger, consolidation or division.
- (2) On the expiration of one month from the date of the submission to the Board, the proposed amendment, modification, variation, termination, merger, consolidation or division, together with the report, if any, received from the Board, may be placed before Council. Council shall not vote on the proposal until the expiration of at least one further month.
- (3) If the Board reports to Council that it does not approve of the proposed amendment, modification, variation, termination, merger, consolidation or division, it shall not be passed unless, in a recorded vote, two-thirds of the members of the whole Council vote in favour of the proposed amendment, modification, variation, termination, merger, consolidation or division.
- (4) No amendment, modification, variation, termination, merger, consolidation or division of the Plan shall be made until Council has received a report thereon from a Fellow of the Canadian Institute of Actuaries.

EFFECTIVE DATE

14. Notwithstanding the date this By-law is passed, this By-law shall be deemed to come into force and take effect as and from January 1, 1989.

REPEAL

15. Schedule "B" of By-law No. 1125/75 is hereby repealed effective January 1, 1989.

DONE AND PASSED in Council assembled, this 17th day of April, 1991.

CITY OF WINNIPEG
CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN

SCHEDULE "A" TO BY-LAW NO. 5644/91
OF THE CITY OF WINNIPEG

CIVIC EMPLOYEES' GROUP LIFE INSURANCE PLAN

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SCHEDULE "A" TO BY-LAW NO. 5644/91
OF THE CITY OF WINNIPEG

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 the Board for the purpose of the Plan;

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

"Assumed Earnings" means:

- (a) for a Member receiving or entitled to disability benefits from the Employee Benefits Program, the remuneration, excluding overtime pay, which the Member would have received from the City had the Member continued to be employed in the Position Regularly Occupied by the Member immediately prior to the date his or her disability commenced, less the Member's Employment Earnings, if any;
amended 8170/2002
- (b) for a Member who is on approved leave of absence for union business, either the remuneration which the Member would have received from the City, had the Member continued to be employed in the Position Regularly Occupied by the Member when he or she was granted leave of absence or, with the approval of the Board, all or a portion of the remuneration received by the Member during such absence, excluding any overtime pay;
- (c) for any Member who is on approved leave of absence for any other reason, the remuneration which the Member would have received from the City had the Member continued to be employed in the Position Regularly occupied by the Member when the Member was granted leave of absence, less the Member's Employment earnings, if any.

"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.
amended 8170/2002

"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.

amended 8170/2002

"City" means The City of Winnipeg and any board, commission or other employer which is participating in the Plan by agreement with The City of Winnipeg;

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

amended 8170/2002

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

"Employee" means an employee of the City or of another employer participating in the Plan;

"Employee Benefits Program" means the benefits program established in accordance with By-law 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.

added 8170/2002

"Employment Earnings" means the remuneration, excluding any overtime pay, paid to a Member by the City. Employment Earnings shall include periodic Payment from Workers' Compensation;

"Insurance Company" means a company licensed to carry on the business of insurance within the Province of Manitoba appointed by the City to provide benefits under the Plan;

"Insurance Fund" means the insurance fund established in accordance with By-law No. 1125/75 and restated as the Civic Employees' Group Life Insurance Fund for the Plan in accordance with the terms of this By-law;

"Member" means an Employee who joined the Plan in accordance with section 2;

"Pay Period" means for an Employee, the period used by the City to determine the dates on which his or her Earnings are paid, and for a retired Employee it means the period used by the Board to determine the dates on which pensions are normally paid;

"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 the Civic Employees' Group Life Insurance Plan as continued from the Group Life Insurance Plan established in accordance with By-law No. 1125/75 and restated in accordance with this By-law;

"Position Regularly Occupied" means the position occupied by the Member on the permanent establishment list, or if the Member is employed in a temporary or a seasonal position, on the seniority list as maintained by the City. If the Position Regularly occupied by the Member becomes redundant, for the purpose of determining benefits under this Plan, the Board shall designate the position to be used;

"Prior Group Insurance Fund" means the insurance fund established under By-law No. 1125/75 to fund the Prior Group Insurance Plan;

"Prior Group Insurance Plan" means the Group Life Insurance Plan for Employees of The City of Winnipeg established under By-law No. 1125/75;

"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 means a section within this Plan unless otherwise specified.

SECTION 2 - ELIGIBILITY

Prior Plan Members

- (1) Each Employee who was a member of the Prior Group Insurance Plan on December 31, 1988 is eligible to join the Plan on January 1, 1989 unless he or she is ineligible because of subsection (3) of this section.

New Employees

- (2) Each Employee who was not a member of the Prior Group Insurance Plan on December 31, 1988 becomes eligible to join the Plan on the date of his or her employment by the City, or January 1, 1989 if later, unless he or she is ineligible because of subsection (3) of this section.

Police Officers Not Eligible

- (3) Notwithstanding subsections (1) and (2) of this section an Employee shall not become eligible to join the Plan while he or she is eligible to join the Police Employee's Group Life Insurance Plan established under By-law No. 5643/91.

SECTION 3 - MEMBERSHIP IN THE PLAN

Prior Plan Members

- (1) Each Employee who was a member of the Prior Group Insurance Plan on December 31, 1988 who becomes eligible in accordance with subsection 2(1) shall become a Member of the Plan effective January 1, 1989.

New Employees - Compulsory Membership

- (2) Each Employee who was not a member of the Prior Group Insurance Plan on December 31, 1988 shall, as a condition of employment, become a Member of the Plan on joining the Pension Plan.

Commencement of Insurance

- (3) 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) Notwithstanding clause (a), if the Member was a member of the Prior Group Insurance Plan on December 31, 1988 and had elected under that plan to be insured for one times Annual Earnings, the amount of basic insurance coverage shall be one times Annual Earnings.
 - (c) 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.
 - (d) 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.
amended 8170/2002

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 or 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.

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 the Board.

added 8170/2002

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 the Board, the Member shall sign a further release form, explaining the terms of the payment, prior to any payment under subsection 4(5).

added 8170/2002

Amount of Advance Payment

- (7) The advance payment, payable under subsection 4(5), is 50% of either:
 - (a) the insurance coverage in accordance with subsection 4(1), or
 - (b) the insurance coverage in accordance with subsection 4(3) applicable 12 months after the date of payment under subsection 4(5),

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

added 8170/2002

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 the Board and provide evidence of insurability satisfactory to the Insurance Company.

amended 8170/2002

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 the Board.

amended 8170/2002

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 completed form prescribed by the board.

On Termination of Employment

- (4) If a Member's employment with the City 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 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 the Board on the form prescribed by the Board 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.

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 the Board based on the recommendation of the Actuary and reviewed at least once every three years.

amended 8170/2002

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 the Board based on the recommendation of the Actuary and reviewed at least once every three years.

amended 8170/2002

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 the Board 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 received as a result of employment by the City, if any, or if the Member is not receiving a retirement pension, the Member shall contribute at regular intervals directly to the Insurance Fund.

amended 8170/2002

City's Contributions

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

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 the Board for this purpose. This form must be submitted to the Board 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 the Board, 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.

amended 8170/2002

- (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 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 additional insurance, based on his or her Earnings, at the same rate as prescribed by the Board under subsection 6(1) or 6(2), as applicable.

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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 with the City, 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 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 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.

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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, 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 FUND

Payments into the Insurance Fund

- (1) All contributions made by the Members, the retired Members and the City on behalf of Members shall be paid into the Insurance Fund by the City within four weeks of the date on which the deductions are made. All other contributions shall be paid directly into the Insurance Fund.

Payments out of the Insurance Fund

- (2) Except as otherwise provided under the Plan, payments shall be made out of the Insurance Fund only to pay premiums to the Insurance Company as required to provide the benefits under this Plan or to pay reasonable expenses relating to the administration of the Plan.

Initial Assets

- (3) Effective December 31, 1988, the assets of the Prior Group Insurance fund shall be deemed for all purposes to be assets of the Insurance Fund as of January 1, 1989.

Actuarial Valuations

- (4) In accordance with subsection 5 (11) of this By-law, the Board shall cause an actuarial valuation of the Plan to be made at least once every three years. The Board, on receipt of each actuarial valuation, shall review the Plan with the City who shall have the right to vary the Plan.

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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 and explanation of the Member's rights and duties with respect to the benefits provided and such other information as may be prescribed by the Board.

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 the Board 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, and any trust arising hereunder, shall be those set forth in sections 11, 12 and 13 of this By-law.

Disposition of Insurance Fund on Plan Termination

- (2) In the event the Plan is terminated, the Board shall cause an actuarial report to be made on the status of the Insurance Fund as at the date of the termination of the Plan. The report shall provide recommendations to the Board to allocate the assets of the Insurance Fund, if any, among beneficiaries and contributors to the 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.