

THE ANGLICAN CHURCH OF CANADA

SELF-INSURED DEATH BENEFIT PLAN

EFFECTIVE JANUARY 1, 1998

June 2010

Section 1

DEFINITIONS

Except as otherwise indicated, the words and phrases used in this document have the following meanings:

1.1 Actuary

A Fellow of the Canadian Institute of Actuaries.

1.2 Administrator

A person or organization appointed by the Pension Committee to handle the Plan administration, including, but not limited to the collection of contributions, the payment of claims, the financial accounting, etc. On the Effective Date of the Plan, the Administrator is the Director of Pensions of The Anglican Church of Canada.

1.3 Basic Group Life Plan

The Group Life Insurance Policy providing group life insurance coverage in respect of the employees, and/or their dependents, of a Participating Employer.

1.4 Benefit(s)

Amount payable under this Plan.

1.5 Church

The Anglican Church of Canada

1.6 Effective Date

The Effective Date of this Plan as shown on the face page of this document.

1.7 Eligible Person(s)

An active, disabled or retired employee, or the Partner of an active, disabled or retired employee (including deceased retired employee), that is covered under this plan.

"Partner" means a person who is either of the following:

- a) the "Spouse" of the employee, defined as a person of the opposite sex to the employee who is married to the employee and not living separate and apart, or
- b) the "Domestic Partner" of the employee defined as a person of either sex who, although not married to the employee, is living with the employee in a

cohabitational relationship which is of a conjugal nature, and which

- (i) has been continuous for a period of at least three years, or
- (ii) is of some permanence, if they are jointly caring for a child which is the natural or adoptive child of either of them, all applicable terms being as defined in the Family Law Act (1986) Ontario and any successor legislation as they may be amended from time to time,

provided that not more than one person may be considered as a Partner of any employee hereunder and, in the event of more than one person having claims to be such, the determination of the Pension Committee of the Anglican Church of Canada as to which person shall be the Partner, on the basis of evidence available to them which they consider sufficient for the purposes of the determination, shall be final.

Notwithstanding the aforementioned definition, to be eligible, the Partner of a retired employee (including a deceased retired employee) must be the Partner as at the date of the employee's retirement.

NOTE: The above definition is provided for the sole purpose of ensuring that benefits may be paid as required by applicable Federal or Provincial law; in no way does it affect the doctrinal position of the Anglican Church of Canada regarding marriage which is contained in Canon XXI entitled "On Marriage in the Church".

1.8 Paid-Up Life Plan

The Group Paid-Up Life Insurance Policy providing group paid-up life insurance coverage in respect of the employees, and/or their dependents, of a Participating Employer.

1.9 Participating Employer

A Participating Employer includes the General Synod of the Church and all dioceses, parishes and organizations of the Church which have signed an application to participate under the Plan and pay the Required Contributions in respect of their covered Eligible Persons in accordance with the Plan.

1.10 Pension Committee

The Pension Committee of the Church.

1.11 Plan Anniversary

October 1, 1998 and October 1 of each subsequent year.

1.12 Plan Year

The period from the Effective Date to September 30, 1998 and any subsequent

period of 12 months ending on a Plan Anniversary.

Section 2

TERMS AND CONDITIONS OF COVERAGE

2.1 Eligible Persons:

Persons eligible for coverage under this Plan are those included under the following classifications:

Class I (i) Active employees of a Participating Employer who are covered under the Basic Group Plan; and

(ii) Employees of a Participating Employer who are covered under the Basic Group Plan who become disabled on or after January 1, 1998 and are approved for LTD under the Church's Plan.

Class II Employees of a Participating Employer who:

(i) retired from active full-time employment with an unreduced pension from the Church's pension plan after 1991; and

(ii) were covered under the Participating Employers Basic Group Life Plan for at least 5 years immediately preceding their retirement date.

Class III Partners of retired employees, or deceased retired employees, covered under Class H of this plan.

Class IV Employees of a Participating Employer who:

(i) retired from active full-time employment with a reduced pension from the Church's pension plan after 1991; and

(ii) were covered under the Participating Employer's Basic Group Life Plan for at least 5 years immediately preceding their retirement date; and their Partners.

2.2 Effective Date of Coverage

The effective date of coverage in respect of an Eligible Person under this Plan will be the latest of:

(i) the Effective Date of this Plan;

(ii) the date the employer becomes a Participating Employer under this Plan;

(iii) the date the person first becomes a member of a Class of Eligible Persons

as defined in paragraph 2.1;

- (iv) the date the employer starts remitting the required contributions in respect of the Eligible Person;
- (v) the date the Administrator approves the coverage if evidence of insurability is required.

Evidence of insurability will be required if contributions in respect of an Eligible Person commence more than 31 days after the date the person first became eligible for coverage under this Plan.

2.3 Termination of Coverage

Coverage in respect of an Eligible Person under this Plan will terminate on the earliest of:

- (i) the date the person ceases to be a member of a Class of Eligible Persons as defined in paragraph 2.1;
- (ii) the date the employer ceases to make contributions in respect of the Eligible Person;
- (iii) the date the employer ceases to be a Participating Employer; and
- (iv) the date this Plan is terminated by the Pension Committee.

2.4 Amount of Benefits

Upon the death of an Eligible Person covered by a Participating Employer under this plan, the Plan will pay to the Participating Employer the amount determined in accordance with the following schedule provided the employer has made the required Contributions to the Plan in respect of the coverage.

Class I	\$10,000
Class II	\$4,000, less the amount of coverage under the Church's Paid-Up Life Plan
Class III	\$1,500, less the amount of coverage under the Church's Paid-Up Life Plan
Class IV	amounts determined in accordance with a plan that precludes individual selection and approved by the Pension Committee

2.5 Payment of Benefits

Amounts due from the Plan will be paid to the Participating Employer entitled to the benefit within 30 days of the Administrator receiving satisfactory proof of the Eligible Person's death.

However, if the Plan has insufficient funds to cover the amount of the payment when due, the payment will be reduced or delayed in accordance with section 3.6.

2.6 Proof of Claim

Unless otherwise specified under this Plan, written notice and proof of claim must be received by the Administrator within 12 months from the date of such claim, or as soon thereafter as is reasonably possible.

The Administrator will furnish to the Participating Employer claim forms for filing proof of claim.

Failure to furnish notice and proof of claim within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to furnish such notice and proof within such time, provided such notice and proof is furnished as soon as reasonably possible, but not later than 18 months after the occurrence of such claim.

In the event of the termination of this Plan, notice and proof of any claims incurred prior to the date of such termination must be given to the Administrator within 60 days after the date of termination in order for benefits to be payable.

Section 3

PLAN FUNDING & FUND MANAGEMENT

3.1 Contributions

Each Participating Employer covering Eligible Persons under this plan must make monthly contributions to the Administrator based on the volume of coverage in force at the beginning of the month in respect of each of the following classifications of Eligible Persons and the contribution rates determined by the Pension Committee from time to time:

- Class I (i)
- Class II
- Class III
- Class IV

Contributions are waived for Class I (ii) disabled employees effective the first of the month following the date the employee is approved for waiver of premium under the Basic Group Life Plan.

(It is expected that the contribution rates determined by the Pension Committee from time to time will be derived from an appropriate actuarial basis)

The rates in effect on the effective date of the Plan are included as Addendum 1. Future rates will be incorporated into the Plan by Amendment.

3.2 Establishment of the Fund

The Administrator will deposit and hold all contributions made to the Plan, together with all investment earnings and capital appreciation of the Fund.

3.3 Appointment of a Custodian

The Administrator will enter into an agreement with a custodian acceptable to the Pension Committee for the safe-keeping and administration of the assets of the Fund in excess of amounts required to meet the expenses of the Plan.

3.4 Investment of the Fund

3.4.1 The Administrator shall exercise the care, diligence and skill in the administration and investment of the Fund that a person of ordinary prudence would exercise in dealing with the property of another person.

3.4.2 The Administrator may delegate its responsibility with respect to the investment of the Fund to a bank, trust company and/or investment counsel firm acceptable to the Pension Committee, and such organization will be

required to invest the assets of the Fund in accordance with paragraph 3.4.1.

3.5 Payments from the Fund

The Administrator will authorize the payment from the Fund of the following amounts

- (i) Benefits payable under the Plan;
- (ii) administrative expenses and fees incurred in the operation of the Plan including but not limited to costs incurred by the Administrator in the operation of the Plan, and custodial, legal, actuarial, consulting and investment management fees;
- (iii) any taxes payable by the Fund under any law of Canada or of a province of Canada.

3.6 Insufficient Plan Funds

3.6.1 Should the Administrator determine at any time that the assets of the Fund are not sufficient to finance Plan Benefits, the Administrator will so notify the Pension Committee within 30 days after making such a determination.

3.6.2 On receiving the notification referred to in paragraph 3.6.1, the Pension Committee will, to the extent it considers necessary, reduce or delay the payment of benefits in such equitable manner as it considers appropriate.

3.7 Benefits payable only from the Fund

3.7.1 The Fund will be the only source for the payment of Benefits.

3.7.2 In no event will any Eligible Person or any Participating Employer be entitled to any recompense or damages from the Church, the Administrator, the Pension Committee or any of their agents or employees in respect of the operation of the Plan or on account of the inability of the Fund to provide Benefits.

3.7.3 Neither the Pension Committee, the Administrator nor any member, employee or agent thereof, shall be liable for any liability or debt of the Plan or the Fund contracted or incurred, nor for the non-fulfilment of any contract, nor for any other liability arising in connection with the administration of the Plan and the administration and the investment of the Fund; provided, however, that nothing herein shall exempt the Pension Committee, the Administrator nor any member, employee or agent thereof, from any liability, obligation or debt arising out of acts or omissions done or suffered in bad faith or through gross negligence or wilful misconduct. Neither the Pension Committee, the Administrator nor any member,

employee or agent thereof, shall be liable for any action taken upon reliance on any instrument, certificate or paper believed by them to be genuine and to be signed or presented by the proper person or persons and shall be under no duty to make investigations nor inquiry as to any statement contained in any such document but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained.

Section 4

GENERAL PROVISIONS

4.1 Plan administration

4.1.1 The Administrator will maintain any records necessary for the proper administration of the Plan.

4.1.2 The Administrator will decide all matters regarding administration, operation and interpretation of the Plan

4.2 Amendment or termination of the Plan

4.2.1 The Pension Committee hopes and expects to continue the Plan indefinitely but reserves the right to amend or terminate the Plan, either in whole or in part, at any time, without the approval or consent of the Participating Employers.

4.2.2 If the Plan terminates, none of the assets of the Plan will revert to the Participating Employers until provision has been made for all Benefits due before the date of termination.

4.3 Applicable law

This Plan will be governed by and construed in accordance with the laws of the Province of Ontario, except as may be required for compliance with any law of any province of Canada in which a Participating Employer is located.

4.4 Conformity to legislation

If this Plan does not conform to applicable laws in accordance with paragraph 4.3, it is considered automatically amended to comply with the minimum requirements of that law.

APPLICATION FOR PARTICIPATION

UNDER THE

DEATH BENEFIT PLAN

OF THE

ANGLICAN CHURCH OF CANADA

_____ [employer] hereby applies to become a Participating Employer under the Death Benefit Plan (*the Plan*) of The Anglican Church of Canada effective _____ [date].

We confirm that we have read, and agree to comply with, the terms and conditions of the Plan so long as we are a Participating Employer under the Plan.

Signed for the Plan at Toronto, Ontario this _____ day of _____, 199

By:

Signed for _____ at _____, _____ this _____ day of _____, 199

By: