

THE ANGLICAN CHURCH OF CANADA

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GENERAL SYNOD PENSION AND BENEFIT PLANS

CANON VIII

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CANON VIII

GENERAL SYNOD PENSION AND BENEFIT PLANS

1. a) This Canon shall be interpreted in its plain and literal sense, provided always that words of an ecclesiastical meaning shall have their proper ecclesiastical meanings; and words of a financial meaning shall be construed in their special context, as shall other words having any technical meaning.
- b) Without restricting the generality of the foregoing, in this Canon and in all Regulations made thereunder:
 - i) “Actuary” means a Fellow of the Canadian Institute of Actuaries or a firm employing one or more such persons;
 - ii) "Bishop" means the Bishop of and any coadjutor, suffragan or assistant Bishop of any Diocese of The Anglican Church of Canada, the Primate, the Bishop Ordinary to the Canadian Forces and the National Indigenous Bishop;
 - iii) “Church” means The Anglican Church of Canada or any other body in the Anglican Communion, which by agreement with the Pension Committee has been accepted as a participant in the Pension Plan with respect to pension provision for its clergy and/or lay employees;
 - iv) “Council of General Synod” means the Council of the General Synod;
 - v) “Diocese” means any Diocese of the Church;
 - vi) “Executive Director” means the chief executive officer of the Pension Office;
 - vii) “Funds” means the Pension Fund, the Long Term Disability Fund and such other employee benefit funds as are held by the Trustees from time to time;
 - viii) “General Synod” means the General Synod of The Anglican Church of Canada;
 - ix) “Long Term Disability Fund” means the fund or funds described in section 2. d) of this Canon;

x) “Long Term Disability Plan” means the General Synod Long Term Disability Plan as governed by this Canon and the Long Term Disability Regulations;

xi) “Long Term Disability Regulations” means the Regulations made under section 4. b) of this Canon with respect to the Long Term Disability Plan;

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xii) “Pension Member” means any person who has become a Member of the Pension Plan in accordance with the Pension Regulations and who has an entitlement to, or is in receipt of, a benefit from such Plans;

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xiii) “LTD Member” means any person who has become a Member of the Long Term Disability Plan in accordance with the Long Term Disability Regulations and who has an entitlement to, or is in receipt of, a benefit from such Plan;

xiv) “Other Plans” means the Continuing Education Plan as governed by Canon XII and the regulations thereunder, the Self-Insured Death Benefit Plan established by the Pension Committee effective January 1, 1998, the charitable organization known as The Endowment Committee of The Anglican Church of Canada, and any other employee benefit plans established by the Pension Committee from time to time pursuant to section 4. f) of this Canon, including for greater certainty any group health and welfare benefit plans;

xv) “Parish” means any charge, mission or congregation in a Diocese;

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xvi) “Participating Employer” means the General Synod, any Provincial or Diocesan Synod, Parish or any other organization admitted to participation in the Plans pursuant to section 4. c) of this Canon;

xvii) “Pension Committee” means the committee constituted under section 3 of this Canon (or section 18, if applicable);

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xviii) “Pension Fund” means the fund described in section 2. c) of this Canon;

xix) “Pension Office” means the non-share capital corporation incorporated to administer the pension and benefit plans;

xx) “Pension Plan” means the General Synod Pension Plan as governed by this Canon and the Pension Regulations;

xxi) "Pension Regulations" means the Regulations made under section 4. b) of this Canon with respect to the Pension Plan;

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xxii) "Trustees" means the Board of Trustees established pursuant to section 5 of this Canon (or section 18, if applicable) and which is responsible for the administration of both the Pension Plan and Long Term Disability Plan "Trustee" means a member of the Board of Trustees.

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2. a) The Pension Plan is established to provide income in the form of pensions and ancillary benefits to the Pension Members who have retired.

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b) The Long Term Disability Plan is established to provide income in the form of benefits to the LTD Members who are unable to work by reason of disability.

c) There shall be a fund established in conjunction with the Pension Plan under a written trust agreement in Canada, which fund shall be designated as the "Pension Fund of The Anglican Church of Canada", for the purpose of providing benefits in accordance with this Canon and the Pension Regulations.

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d) The Pension Fund shall be composed of the monies received by way of contributions, transfers and other amounts for provision of Pension Plan benefits together with interest, dividends, earnings, accumulations and accretions, less the amounts expended in the payment of Pension Plan benefits and the expenses of administration of the Pension Plan and the Pension Fund.

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e) There shall be a fund or funds established in conjunction with the Long Term Disability Plan under one or more written trust agreements in Canada, which funds shall collectively be designated as the "Long Term Disability Fund of The Anglican Church of Canada", for the purpose of providing benefits in accordance with this Canon and the Long Term Disability Regulations.

The Long Term Disability Fund shall consist of the monies received by way of contributions, transfers, and other amounts for provision of Long Term Disability Plan benefits together with interest, dividends, earnings, accumulations and accretions, less the amounts expended in the payment of Long Term Disability Plan benefits and the expenses of the administration of the Long Term Disability Plan and the Long Term Disability Fund.

- f) The Endowment Fund shall be composed of two parts:
- i) The Ordinary Endowment Fund, which shall be composed of amounts received by way of gift, donation, or bequest, which may be disbursed at the discretion of The Endowment Committee of The Anglican Church of Canada as an augmentation, either general or particular, to the Pension Plan benefits; and
 - ii) The Special Endowment Fund, which shall be composed of the amounts received by way of gift, donation, or bequest, the terms of which are restricted by donors or trusts.

The Endowment Fund, including the Special Endowment Fund, shall be maintained as a charitable organization within the meaning of the Income Tax Act (Canada).

3. a) The Pension Committee shall consist of the following members:
- i) The Primate of The Anglican Church of Canada;
 - ii) The Prolocutor of the General Synod;
 - iii) The General Secretary of the General Synod;
 - iv) The Treasurer of the General Synod;
 - v) The Executive Director;
 - vi) Two Bishops, two clerical and two lay persons elected by the General Synod from among its members;
 - vii) The Trustees; and
 - viii) Not more than five additional persons appointed by the aforesaid members.
- b) Vacancies among the elected members of the Pension Committee occurring between sessions of the General Synod shall be filled by appointment by the Primate in the case of Bishops, and by the Prolocutor in the case of clerical and lay members, and by the Pension Committee in the case of appointed members and these appointments shall be for the unexpired term of the former member.
- c) A majority of the members of the Pension Committee shall constitute a quorum.

- d) As soon as possible after the General Synod elections, the elected and ex-officio members and continuing Trustees who are present at General Synod shall meet to appoint the remaining members of the Pension Committee.
 - e) Notwithstanding section 39 j) of the Constitution, at the first meeting, the ex-officio, elected and appointed members shall elect one of their number as chairperson and may elect another as vice- chairperson.
4. The powers, authority and duties of the Pension Committee shall be:
- a) To appoint:
 - i) The Board of Trustees pursuant to section 5 of this Canon; and
 - ii) The Central Advisory Group pursuant to section 13 of this Canon;
 - b) To make and amend Regulations establishing the terms of the Pension Plan and the Long Term Disability Plan and providing for the administration thereof, subject to the approval of the Council of General Synod. The Regulations or amendments shall be effective from the date fixed by the Council of General Synod and shall remain in effect until the next session of the General Synod when they will cease to be in effect unless confirmed by the General Synod. The general principle to be observed when considering matters relating to the Long Term Disability Plan shall be the maintenance of a rate of contribution, paid by Members or by Participating Employers where so provided by applicable Regulations, adequate to support the benefits and the establishment of appropriate amounts reserved or retained in respect of claims, whether or not known to the Pension Committee;
 - c) Upon receipt of a recommendation from the Trustees to accept and admit as a Participating Employer, in the Pension Plan, Long Term Disability Plan, or the Other Plans on mutually agreeable terms and subject to this Canon and the Pension and Long Term Disability Regulations. If the Pension Committee is not able to determine or has a concern with respect to the eligibility of an organization to participate or continue participating in the Pension Plan, the Long Term Disability Plan, or any of the Other Plans, the Pension Committee shall refer the issue to the Council of the General Synod for determination. The Pension Committee shall admit or terminate, as applicable, the organization as a Participating Employer, in accordance with the decision of the Council of the General Synod. Where a Participating Employer is terminated by the Pension Committee, the Pension Committee shall determine the terms and conditions applicable (if any) with respect to the termination and withdrawal of the organization as a Participating Employer, subject to the Canons, and any applicable law;

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- d) To consider questions and appeals under this Canon and the Pension and Long Term Disability Regulations and take appropriate actions;
- e) To take such actions towards stimulating interest and support for the pension and benefit plans as it deems advisable;
- f) To inaugurate and participate in such insurance and other plans as may be authorized by the General Synod or the Council of General Synod, including, but not limited to, income protection benefits, life, health and dental benefits;
- g) To designate the Trustees as the trustees of the Funds;
- h) To serve as The Endowment Committee of The Anglican Church of Canada or to appoint The Endowment Committee of The Anglican Church of Canada;
- i) To make an annual report, including audited financial statements of the Pension Fund, to the General Synod or the Council of General Synod; and
- j) To make an annual report to the General Synod or the Council of General Synod as to the operation of the Long Term Disability Fund and such other Fund(s) as General Synod or Council of General Synod may require, including, where available, auditors' and/or Actuaries' reports.

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- 5. a) The Board of Trustees shall consist of not less than six and not more than nine persons. All Trustees are designated as representatives of the Pension Members, but are not required to be Pension Members or LTD Members.
- b) Trustees shall be appointed for an initial term not to exceed three years and a member shall be eligible for appointment for an additional three year term after which the eligibility for appointment lapses for one year.
- c) All terms shall end on May 31 in the year specified by the Pension Committee.
- d) The Pension Committee may revoke an appointment of a Trustee at any time.
- e) In the event of a vacancy occurring in the Board of Trustees by resignation, death or revocation, an appointment to fill a vacancy

shall be to complete the unexpired term of the former Trustee in accordance with the provisions of this Canon. This appointment shall not be a barrier to a subsequent appointment under the provisions of section 5. a) of this Canon.

- f) Any three Trustees shall constitute a quorum. The Chairperson of the Board of Trustees is a non-voting member except that the Chairperson shall have the right to cast a tie -breaking vote.

6. The powers, authority and duties of the Trustees shall be:

- a) To administer the system of contributions and pensions established under the Pension Regulations and to serve as the Administrator for purposes of pension standards legislation. The general principle to be observed shall be the maintenance of a proper actuarial relationship between the contributions made, levied and collected and the several benefits proposed to be paid;
- b) To serve as the members and directors of the Pension Office, and in that capacity, to appoint the Executive Director;
- c) To employ the Pension Office and other agents to carry out any responsibilities of the Trustees, where it is reasonable and prudent in the circumstances so to do;
- d) To appoint investment advisors, Actuaries, auditors, lawyers, accountants, custodians and other persons and to pay out of the Funds their reasonable expenses and compensation, and to rely and act on information and advice furnished by such persons, or to refrain from acting thereon;
- e) To consider, review and recommend to the Pension Committee any requests from an employer to become Participating employer;
- f) To negotiate, maintain, revise and review pension agreements with Dioceses and any other employers on mutually agreeable terms subject to this Canon and the Pension Regulations;
- g) To receive, hold and administer all funds contributed to them in respect of the Pension Plan as a separate trust fund, and in accordance with the following terms:
 - i) The Trustees shall receive all contributions paid to them under the Pension Plan, together with bequests and donations, to or for the purpose of the Pension Fund, in cash or other property acceptable to them.
 - ii) The Trustees shall invest or cause to be invested, to the best advantage of the Pension Fund, all assets under their jurisdiction, provided that these investments shall, at all times, conform in all respects with regulations established under any applicable federal and/or provincial legislation.

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- iii) The Trustees shall cause the payment from the Pension Fund of all the benefits payable under the terms of the Pension Plan.
 - iv) The actions of the Trustees shall at all times be construed and enforced according to the laws of Ontario.
 - v) The Trustees may not lend any portion of the Pension Fund to any Pension Member or to any contributor to the Pension Plan.
 - vi) If not prohibited by pension benefits legislation and the regulations, policies and administrative practices of the applicable federal and provincial regulatory authorities as may from time to time apply to the Pension Plan, the Trustees may borrow money against the assets of the Pension Fund, on such terms as the Trustees may determine, but only if this borrowing is required for the payment of benefits under the Pension Plan, and provided that the borrowing is on a short-term basis in order to prevent the distress sale of long-term investments.
- h) To receive, hold and administer all funds contributed to them with respect to the Long Term Disability Plan as a separate trust fund or funds and in accordance with the following terms:
- i) The Trustees shall receive all contributions paid to them under the Long Term Disability Plan, or for the purpose of the Long Term Disability Fund, in cash or other property acceptable to them.
 - ii) The Trustees shall invest or cause to be invested, to the best advantage of the Long Term Disability Fund, all assets under their jurisdiction, having regard to the nature and timing of expected calls upon such a fund.
 - iii) The actions of the Trustees shall at all times be construed and enforced according to the laws of Ontario.

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- i) To receive and hold the Funds of any of the Other Plans which are established as a trust pursuant to a trust agreement.
- i) To make recommendations to the Pension Committee with respect to amendments to the Pension Plan, the Long Term Disability Plan and the Other Plans.

7. The powers, authority and duties of the Pension Office shall be:

- a) To carry out any responsibilities delegated by the Trustees in connection with the administration and investment of the Funds.

- b) To carry out any responsibilities delegated by the Trustees in connection with the administration of the Pension Plan.
 - c) To administer the Long Term Disability Plan and the Other Plans, unless the Pension Committee determines otherwise.
 - d) To report to the Trustees and the Pension Committee, as appropriate.
 - e) To perform such other functions as are consistent with its objects.
8. The Trustees shall report, in writing, to the Pension Committee annually, or as requested, as to the administration and the financial status of the Pension Plan, and the administration and the investment of the Funds.
9. None of the following bodies nor any individual member, officer, director or employee thereof: namely, the Trustees, the Pension Committee, the Continuing Education Plan Administrative Unit, the Central Advisory Group, The Endowment Committee of The Anglican Church of Canada, the Pension Office (collectively, the “Affected Persons” and individually, an “Affected Person”), shall be liable for any negligence or honest error of judgement nor be personally liable for any liability or debt of the Funds contracted or incurred, nor for the non-fulfillment of any contract, nor for any other liability arising in connection with the administration of the Pension Plan, the Long Term Disability Plan or the Other Plans and the administration and the investment of the Funds; provided, however, that nothing herein shall exempt an Affected Person from any liability, obligation or debt arising out of acts or omissions done or suffered in bad faith or through willful misconduct. No Affected Person shall be liable for any action taken upon reliance on any instrument, certificate or paper believed by the Affected Person 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 inquire 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. Liability insurance may be obtained for the Affected Persons and the premiums for such insurance paid out of the applicable Fund or Funds.
10. Notwithstanding any other provisions of this Canon, or any other Canon, or of any regulation, it is understood that the Trustees in the management of the Pension Fund shall not at any time act inconsistently with any regulations established by the Minister of National Revenue under the authority of the Income Tax Act (Canada), the regulations under the Pension Benefits Act, R.S.O. 1990, or any other laws which are applicable, either before or after the execution of this Canon, in respect of approved or registered pension plans.

11. No part of the Pension Fund, other than such part as is required to pay taxes, fees, administration costs, and other reasonable expenses, shall be used or diverted to purposes other than for the exclusive benefit of the Pension Members, their beneficiaries or estates.
12. The Trustees shall enter into trust agreements with the Pension Committee consistent with this Canon.
13.
 - a) Members of the Central Advisory Group shall be appointed by the Pension Committee from among its members or otherwise as may be deemed advisable.
 - b) The powers, authority and duties of the Central Advisory Group shall be:
 - i) To advise the Pension Committee, the Trustees and the Executive Director on matters relating to the Pension Plan, the Long Term Disability Plan and the Other Plans; and
 - ii) To carry out any other functions as may be delegated to it by the Trustees and/or the Pension Committee.
14. If any provision of this Canon or the Pension Regulations or Long Term Disability Regulations conflicts with a relevant law enacted by the Parliament of Canada or the Legislature of a province or territory, such law shall prevail and until the Canon or Regulations are amended to conform to the law, the Pension Plan and Pension Fund and the Long Term Disability Plan and Long Term Disability Fund shall be administered as if the provisions of the law were incorporated in this Canon and the Pension Regulations and the Long Term Disability Regulations as the case may be.
15. Save as proposed by the Pension Committee, no amendment to this Canon or the Pension Regulations relating to increased benefits shall be voted upon, or enacted by the General Synod or the Council of General Synod, unless eight months' notice thereof shall have been given to the Pension Committee and no motion to amend this Canon or the Pension Regulations shall be considered unless the Trustees certify that the funds to implement such amendment are available in the Pension Fund or, in the alternative, some other source of the funds is specified in the motion. Notwithstanding the foregoing, the Council of General Synod may approve improvements in benefits proposed by the Pension Committee upon the advice of an Actuary that there are sufficient monies in the Pension Fund to provide for such improved benefits.
16. Save as proposed by the Pension Committee, no amendment to this Canon or the Long Term Disability Regulations relating to increased benefits under the Long Term Disability Plan shall be voted upon, or

enacted by the General Synod or the Council of General Synod unless eight months' notice thereof shall have been given to the Pension Committee and no motion to amend this Canon or the Long Term Disability Regulations shall be considered unless the Trustees certify that the funds to implement such amendment are available in the Long Term Disability Fund or, in the alternative, some other source of the funds is specified in the motion.

17. Notwithstanding any other provision of this Canon, if proposed by the Pension Committee and approved in accordance with Section 4. b) of this Canon, long term disability benefits may be provided through a group insurance policy with a third party insurer.
18. Notwithstanding any other provisions of this Canon,
 - a) if at any date the General Synod ceases to exist (“the transition date”), the following transition rules apply:
 - i) Any reference to “Pension Committee” shall mean a committee consisting of the persons who, immediately before the transition date, served as members of the Pension Committee of the General Synod. Such committee shall report to the Office of the Primate, who shall have the power and authority to remove and appoint members of such committee from time to time.
 - ii) “Trustees” or “Board of Trustees” means the persons who were appointed as Trustee in accordance with sections 4. a) and 5 of this Canon immediately prior to the transition date. The Pension Committee shall have the power and authority to remove and appoint members of the Board of Trustees from time to time.
 - iii) Any reference in the Pension Plan, the Long Term Disability Plan, or the Other Plans, to the duties or responsibilities of the General Synod or the Council of the General Synod shall be read as a reference to the person holding the Office of Primate.
 - iv) In the event that Canon VIII of the General Synod ceases to have force and effect, all provisions thereof immediately prior to the transition date which relate to the operation and administration of the Pension Plan, the Long Term Disability Plan, the Other Plans, and the Funds shall be considered to be part of the relevant Plans and Funds, subject to such changes as are necessary to achieve consistency with these transition rules.

- b) For purposes of determining the “transition date” under this section 18. b), the General Synod will be deemed to have ceased to exist upon the occurrence of any of the following events:
- i) Dissolution – The General Synod is wound up, dissolved or liquidated under any law or otherwise, or becomes subject to any provision of the Winding-Up and Restructuring Act (Canada) which has the effect of removing management or control of its functions from the General Synod, or has its existence terminated in any other manner;
 - ii) Insolvency – The General Synod makes a general assignment for the benefit of its creditors or is declared or becomes bankrupt under the Bankruptcy and Insolvency Act (Canada);
 - iii) Appointment of Trustee or Receiver – Any interim receiver, receiver, receiver and manager, custodian, sequestrator, administrator or liquidator or any other person with similar powers is appointed in respect of the General Synod, or the General Synod’s property, assets and undertaking (“Property”) which has the effect of removing management or control of its functions from the General Synod;
 - iv) Enforcement Against General Synod Property – Any holder of any security interest, mortgage, lien, charge, claim, trust or encumbrance enforces against, delivers any notices relating to its rights or its intention to enforce against, or becomes entitled to enforce against, or otherwise takes possession of, the Property or the interest of the General Synod therein, or any part thereof which has the effect of removing management or control of its functions from the General Synod; or
 - v) Loss of Control – The General Synod, for any other reason, fails to remain in management and control of its functions.