

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N :

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, 1985,
S.C. c.C-36, AS AMENDED

- and -

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
DALEX LIMITED, INDALEX HOLDINGS (B.C.) LTD., 6326765 CANADA INC. and
NOVAR INC. (the "Applicants")

MOTION RECORD

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ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE COMPANIES' CREDITORS' ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
INDALEX LIMITED
INDALEX HOLDINGS (B.C.) LTD.
6326765 CANADA INC. and
NOVAR INC.

SERVICE LIST
(Updated November 28, 2013)

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Court File No. CV-09-8122-00CL

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COMMERCIAL LIST**

B E T W E E N :

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, 1985,
S.C. c.C-36, AS AMENDED**

- and -

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
DALEX LIMITED, INDALEX HOLDINGS (B.C.) LTD., 6326765 CANADA INC. and
NOVAR INC. (the "Applicants")**

**NOTICE OF MOTION
(Re: Plan Amendment)**

Morneau Shepell Ltd. (the "**Administrator**"), in its capacity as administrator of the Retirement Plan for Executive Employees of Indalex Limited and Associated Companies (the "**Executive Plan**") and the Retirement Plan for Salaried Employees of Indalex Limited and Associated Companies (the "**Salaried Plan**") will make a motion to the Court on Thursday, December 19, 2013, at 10:00 am or as soon thereafter as the motion can be heard at 330 University Avenue, Toronto.

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PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

1. An Order amending the Salaried Plan in the manner set out in Schedule "A" to the affidavit of Amanda Darrach;
2. Such further and other relief as counsel may advise and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

1. The proposed amendment would give effect the settlement (the "**Settlement**") reached between the Administrator, Sun Indalex Finance, LLC ("**Sun**"), the United Steelworkers (the "**USW**"), George L. Miller (the "**US Trustee**") in his capacity as Chapter 7 Trustee of the bankruptcy estates of IH 2, Inc. (f/k/a Indalex Holding Corp.), IH 1, Inc. (f/k/a Indalex Holdings Finance Corp.), IH 3, Inc. (f/k/a Indalex Inc.), IH 4, Inc. (f/k/a Caradon Lebanon, Inc.) and IH 5, Inc. (f/k/a Dolton Aluminum Company, Inc.) (collectively, the "**US Debtors**"), and the Superintendent of Financial Services (the "**Superintendent**"), (collectively referred to as the "**Parties**") respecting the remaining proceeds of Indalex Limited's *Companies' Creditors Arrangement Act* ("**CCAA**") proceedings, (approximately \$5,200,000,) yet to be distributed (the "**Settlement**").

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2. The approval of the Settlement is also the subject of a motion to be heard by this Court on December 19, 2013.

3. The terms of the Settlement authorize and direct the Monitor to distribute the sum of \$1,405,000.00 as follows:
 - (a) the sum of \$350,000, to Koskie Minsky LLP, in trust for the members of the Executive Plan whom it represents (the "**Retired Executives**");
 - (b) the sum of \$285,000, inclusive of applicable taxes, payable to Koskie Minsky LLP, in trust, as partial reimbursement of the legal costs of the Retired Executives;
 - (c) the aggregate sum of \$15,000, payable in equal amounts of \$3,750 directly to each of the four (4) members of the Executive Plan who is not a Retired Executive, subject to any applicable statutory withholdings;
 - (d) the sum of \$650,000, payable to the Administrator on behalf of and for deposit into the Salaried Plan; and
 - (e) the sum of \$105,000, payable to the USW on behalf of the seven (7) members of the Salaried Plan whom it represents.

4. The Settlement also contemplates an amendment to the Salaried Plan, in order to restrict the distribution of Settlement funds to only members of the Salaried Plan that are not represented by the USW, in the proportion intended by the parties.

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5. The amendment, respecting Section 14.03 of the Salaried Plan, will add a paragraph excluding Salaried Plan members represented by USW from the \$650,000 to be deposited into the Plan (the "**Proposed Amendment**").
6. The terms of the Salaried Plan provide that the employer (Indalex Limited) is the entity with responsibility for amending the pension plan.
7. Neither Indalex Limited (which has ceased operations) nor the US Trustee is willing or able to take the corporate steps necessary to enact the Proposed Amendment.
8. The Proposed Amendment is necessary in order to effect the Settlement. Without the Proposed Amendment, the Administrator will not have the authority to distribute the settlement funds in the manner outlined by the Settlement Agreement.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

1. The Notice of Motion;
2. The Affidavit of Amanda Darrach, sworn December 9, 2013;

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3. Such further and other materials as Counsel may advise and this Honourable Court may permit.

December 9, 2013

**CAVALLUZZO SHILTON McINTYRE
CORNISH LLP**

Barristers & Solicitors
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Court File No. CV-09-8122-00CL

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B E T W E E N :

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, 1985,
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NOVAR INC. (the "Applicants")**

AFFIDAVIT OF AMANDA DARRACH

I, **AMANDA DARRACH**, of the City of Toronto in the Province of Ontario, do solemnly affirm:

1. I am a partner with the law firm Cavalluzzo Shilton McIntyre Cornish LLP, counsel in this proceeding to Morneau Shepell Ltd. (the "**Administrator**"), in its capacity as administrator of the Retirement Plan for Executive Employees of Indalex Limited and Associated Companies (the "**Executive Plan**") and the Retirement Plan for Salaried Employees of Indalex Limited and Associated Companies (the "**Salaried Plan**"). As such, I have knowledge of the matters to which I herein depose. Where my knowledge

{C0933237.3}

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is based on information and belief, I state the source of such information, and verily believe the same to be true.

2. The Administrator, Sun Indalex Finance, LLC ("**Sun**"), the United Steelworkers (the "**USW**"), George L. Miller (the "**US Trustee**") in his capacity as Chapter 7 Trustee of the bankruptcy estates of IH 2, Inc. (f/k/a Indalex Holding Corp.), IH 1, Inc. (f/k/a Indalex Holdings Finance Corp.), IH 3, Inc. (f/k/a Indalex Inc.), IH 4, Inc. (f/k/a Caradon Lebanon, Inc.) and IH 5, Inc. (f/k/a Dolton Aluminum Company, Inc.) (collectively, the "**US Debtors**"), and the Superintendent of Financial Services (the "**Superintendent**"), (collectively referred to as the "**Parties**") have reached a settlement respecting the remaining proceeds of Indalex Limited's *Companies' Creditors Arrangement Act* ("**CCAA**") proceedings, (approximately \$5,200,000,) yet to be distributed (the "**Settlement**").

3. The approval of the Settlement is also the subject of a motion brought by FTI Consulting Canada ULC, the court-approved monitor (the "**Monitor**"), also to be heard by this Court on December 19, 2013.

4. The terms of the Settlement authorize and direct the Monitor to distribute the sum of \$1,405,000.00 as follows:

- (a) the sum of \$350,000, to Koskie Minsky LLP, in trust for the members of the Executive Plan whom it represents (the "**Retired Executives**");

- 3 -

- (b) the sum of \$285,000, inclusive of applicable taxes, payable to Koskie Minsky LLP, in trust, as partial reimbursement of the legal costs of the Retired Executives;
- (c) the aggregate sum of \$15,000, payable in equal amounts of \$3,750 directly to each of the four (4) members of the Executive Plan who is not a Retired Executive, subject to any applicable statutory withholdings;
- (d) the sum of \$650,000, payable to the Administrator on behalf of and for deposit into the Salaried Plan; and
- (e) the sum of \$105,000, payable to the USW on behalf of the seven (7) members of the Salaried Plan whom it represents.

5. The Settlement also contemplates an amendment to the Salaried Plan, in order to restrict the distribution of Settlement funds to only those members of the Salaried Plan that are not represented by the USW, in the proportion intended by the Parties. The Settlement Agreement is attached as Exhibit A to this affidavit.

6. The amendment, respecting Section 14.03 of the Salaried Plan, will add a paragraph excluding Salaried Plan members represented by USW from the \$650,000 to be deposited into the Salaried Plan (the "**Proposed Amendment**").

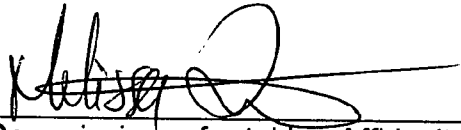
7. The text of the Proposed Amendment is attached as Exhibit B to this affidavit.

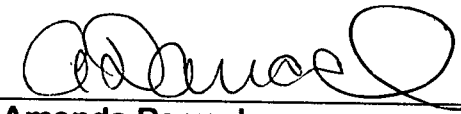
- 4 -

8. The terms of the Salaried Plan provide that the employer (Indalex Limited) is the entity with responsibility for amending the pension plan. The terms of the Plan are attached as Exhibit C to this affidavit. The amendment power can be found at Section 14.01.
9. I am advised by Hugh O'Reilly, lead counsel to the Administrator in this matter, and verily believe, that he has discussed the matter with the Parties, and neither Indalex Limited (which has ceased operations) nor the US Trustee is willing or able to take the corporate steps necessary to enact the Proposed Amendment.
10. The Proposed Amendment is necessary in order to effect the Settlement. Without the Proposed Amendment, the Administrator will not have the authority to distribute the settlement funds in the manner outlined by the Settlement Agreement.
11. The members of the Salaried Plan have been advised that this amendment is necessary, and that the Court would be asked to make the amendment. Attached as Exhibit "D" is a copy of the notice sent to Salaried Plan members.

12. I swear this affidavit in support of the Administrator's motion and for no other or improper purpose.

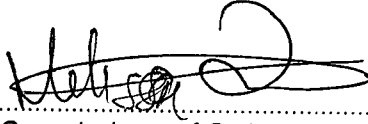
AFFIRMED BEFORE ME at the City of Toronto, in the Province of Ontario, this 9th day of December, 2013.


A Commissioner for taking Affidavits.


Amanda Darrach

Melissa Patrice Downer, a Commissioner, etc.,
Province of Ontario, for Cavalluzzo Shilton McIntyre
Cornish LLP, Barristers and Solicitors.
Expires July 4, 2014.

This is Exhibit "A" referred to in the affidavit of **Amanda Darrach** sworn before me, this 9th day of December, 2013.



.....
A Commissioner of Oaths, etc.

Court File No. CV-09-8122-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
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and NOVAR INC.

Applicants

SETTLEMENT AGREEMENT

WHEREAS Sun Indalex Finance, LLC ("**Sun**"), Morneau Shepell Ltd. ("**Morneau**") as administrator of the Retirement Plan for Executive Employees of Indalex Limited and Associated Companies (the "**Executive Plan**") and the Retirement Plan for Salaried Employees of Indalex Limited and Related Companies (the "**Salaried Plan**"), United Steelworkers (the "**USW**"), George L. Miller (the "**US Trustee**") in his capacity as Chapter 7 Trustee of the bankruptcy estates of IH 2, Inc. (f/k/a Indalex Holding Corp.), IH 1, Inc. (f/k/a Indalex Holdings Finance Corp.), IH 3, Inc. (f/k/a Indalex Inc.), IH 4, Inc. (f/k/a Caradon Lebanon, Inc.) and IH 5, Inc. (f/k/a Dolton Aluminum Company, Inc.) (collectively, the "**US Debtors**"), and the group of fourteen (14) members of the Executive Plan represented by Koskie Minsky LLP and listed in the signature lines below (the "**Retired Executives**") have advanced secured and other priority claims against the Applicants senior to the claims of unsecured creditors.

AND WHEREAS the Superintendent of Financial Services (the "**Superintendent**") has supported claims brought by Morneau, USW and the Retired Executives in these proceedings.

AND WHEREAS Sun, Morneau, the Superintendent, the US Trustee, the USW, and the Retired Executives are referred to in this Settlement Agreement collectively as the "**Parties**" and each, individually, as a "**Party**".

AND WHEREAS the Parties have agreed to settle their claims and those asserted by each other on the terms and conditions set out in this Settlement Agreement.

AND WHEREAS FTI Consulting Canada ULC in its capacity as the Court-appointed monitor of the Applicants (the "**Monitor**") pursuant to the Order of Morawetz J. dated April 3, 2009, in these proceedings, as amended and restated from time to time (the "**Initial Order**") intends to bring a motion to seek the approval of the Court of the terms of this Settlement Agreement.

- 2 -

THEREFORE in consideration of the payment to each Party of the sum of TEN (\$10.00) DOLLARS¹ and the mutual promises and covenants set out below, the receipt and sufficiency of which is hereby irrevocably acknowledged, the Parties and the Monitor agree as follows:

1. As soon as practicable after the execution of this Settlement Agreement, the Monitor will bring a motion to the Court seeking the approval of this Settlement Agreement (the "Approval Order"). The motion will be made on notice to the Parties, the service list in the CCAA Proceedings and to all persons who delivered claims against any of the Applicants or delivered a D&O Claim that has not been finally resolved in accordance with the Claims Procedure Order granted July 30, 2009 (the "Claims Procedure Order"). In case of any inconsistency, the Approval Order sought will supersede all prior orders made in these proceedings.
2. This Settlement Agreement is conditional upon: (a) the Approval Order being made on the terms set out in this Settlement Agreement and such other terms as are agreed to by the Parties; and (b) all time limits for appeal from the Approval Order having expired. In the event that an appeal is taken from a decision of the Court to grant the Approval Order, then this Settlement Agreement shall not become binding and effective until the last appeal available or taken within applicable time limits is dismissed.
3. Each of the Parties supports and hereby irrevocably consents to the making of the Approval Order on the terms set out herein.
4. The Approval Order will authorize and direct the Monitor to distribute the sum of \$1,405,000 as follows:
 - (a) the sum of \$350,000, to Koskie Minsky LLP, in trust for the Retired Executives;
 - (b) the sum of \$285,000, inclusive of applicable taxes, payable to Koskie Minsky LLP, in trust, as partial reimbursement of the legal costs of the Retired Executives;
 - (c) the aggregate sum of \$15,000, payable in equal amounts of \$3,750 directly to each of the four (4) members of the Executive Plan who is not a Retired Executive, subject to any applicable statutory withholdings;
 - (d) the sum of \$650,000, payable to Morneau on behalf of and for deposit into the Salaried Plan; and
 - (e) the sum of \$105,000, payable to the USW on behalf of the seven (7) members of the Salaried Plan whom it represents.
5. The precise allocation and payment mechanics of the distributions of the amount referred to in paragraph 4(a) above to the Retired Executives by Koskie Minsky LLP will be determined by Koskie Minsky LLP on behalf of each relevant Retired Executive in consultation with Morneau and the Superintendent, each acting reasonably, or otherwise as ordered by the Court.

¹ All references to money in this Settlement Agreement are to the lawful currency of Canada.

- 3 -

6. The precise payment mechanics of the distributions referred to in paragraph 4(c) above will be agreed by the Monitor, Morneau, the Superintendent and each relevant member of the Executive Plan who is not a Retired Executive, each acting reasonably, or otherwise as ordered by the Court.
7. The Approval Order will provide that, with the consent of Sun and the US Trustee, the remainder of the funds being held by the Monitor, except as set out in paragraph 8 below, will be paid to the US Trustee on behalf of the bankruptcy estates of the US Debtors without prejudice to the claims and liens, if any, of Sun and its affiliates and the claims and responses, if any, of the US Trustee and other parties in those proceedings.
8. The payment in paragraph 7 above will be subject to the Monitor's entitlement to withhold a reasonable reserve for its fees and disbursements and those of its counsel, including an estimated amount needed by the Monitor to obtain its discharge. Any funds remaining with the Monitor upon the Monitor's discharge shall be paid to the US Trustee in accordance with paragraph 7.
9. The Approval Order will provide that (a) the USW and the seven (7) members of the Salaried Plan whom it represents shall have no entitlement to share in or receive any portion of the funds referred to in paragraph 4 above, other than the amount referenced in paragraph 4(e); and (b) the Salaried Plan text shall be amended to provide that these seven (7) members of the Salaried Plan have no entitlement to share in or receive any portion of the funds referred to in paragraph 4(d).
10. The Approval Order will provide that the payment made pursuant to paragraph 4 above is a full and final compromise and accord and in satisfaction of all rights and claims, including any and all deemed trusts and liens, that could be advanced on behalf of the Executive Plan and the Salaried Plan and all beneficiaries of the two pension plans or the Superintendent against the Applicants, the US Debtors and any other person or entity in respect of any insufficiency of funding of the Executive Plan and the Salaried Plan (the "Pension Claims"). Without limiting the generality of the foregoing, Pension Claims includes all claims advanced by the USW and the Retired Executives (including, without limitation, any claims in respect of or related to the Directors' Charge, as defined in paragraph 22 of the Initial Order, and D&O Claims, as defined in the Claims Procedure Order). It is acknowledged that Bertram McBride, Eugene D'Iorio, and Robert Waldron are plaintiffs in separate litigation involving Mercer Canada Limited in relation to their pension benefits. Nothing in this Settlement Agreement or the Approval Order or any schedules attached thereto shall prevent or otherwise impact the rights of recovery by Mr. McBride, Mr. D'Iorio, or Mr. Waldron of any remedies available to them in that litigation, subject only to the preclusion against double-recovery.
11. The Retired Executives and the USW will withdraw the claims they filed in response to the D&O Claims Process approved by the Order of Justice Morawetz dated July 30, 2009 (the "D&O Claims Process"), and the Retired Executives and the USW shall have no right to file or refile any claim in the D&O Claims Process. The Parties will consent to the issuance of an order granting the Monitor's motion returnable November 10, 2010, (a) declaring that none of the D&O Claims received by the Monitor (excluding the D&O Claim filed by the Retired Executives and the draft D&O Claim filed by the USW which are both being withdrawn in accordance with

- 4 -

this Settlement) are claims for which the Applicants are required to indemnify their directors and officers pursuant to paragraph 21 of the Initial Order; and (b) terminating, discharging and releasing the Directors' Charge from the Property (as defined in the Initial Order).

12. Each of the Parties hereby remises, releases and forever discharges each of the other Parties, the Monitor and each of their respective affiliates, directors, officers, shareholders, agents, accountants, lawyers, financial advisors, and each of the respective heirs, executors, administrators, successors, assigns and personal representatives, as the case may be, of each of the foregoing (collectively, the "Releasees"), of and from any and all actions, causes of action, suits, proceedings, debts, sums of money, obligations, duties, dues, accounts, interests, bonds, contracts, covenants, claims, losses, damages, liabilities, judgments, costs, expenses and demands, including, without limitation, all manner of claims which it ever had, now has, or hereafter can, shall or may have, arising out of or in any way related to or connected with the Executive Plan and the Salaried Plan, the Releasees' obligations to the Executive Plan and the Salaried Plan, all acts or omissions made or due by each of the Releasees in connection with the Executive Plan and the Salaried Plan, all acts and omissions in this proceeding, all negotiations between and among any of the Releasees and their conduct in entering into this Settlement Agreement other than claims for the amounts set out in paragraphs 4 and 7 hereof. The Approval Order will also provide releases in favour of all of the Releasees in respect of all such matters. The releases herein and in the Approval Order expressly except and do not release any claims made by Sun and any of its affiliates, on the one side, and the US Trustee, on the other side, against one another. Rather all such claims and all responses thereto shall survive and are not affected by the terms of this Settlement Agreement or the Approval Order.

13. The Superintendent agrees, despite any previous orders or directions to the contrary, that Morneau shall not make any payment of surplus arising on any prior partial wind-up of the Salaried Plan, including without limitation the partial plan wind-ups declared effective December 31, 1989 and July 13, 1998. The revised wind-up report to be filed by Morneau with respect to the Salaried Plan shall reflect the treatment of historical surplus in accordance with this Settlement Agreement.

14. The Approval Order shall provide that Morneau shall have no liability as a result of entering into the Settlement Agreement, performing any of its obligations set forth in the Settlement Agreement or taking any actions contemplated by the Settlement Agreement; provided that Morneau shall not be released from any claims, demands, or proceedings arising from any act or omission in the performance of such obligations, or in the taking of any action, which is due to wilful misconduct, gross negligence or fraud.

15. The effectiveness of the acceptance of the terms of this Settlement Agreement by the US Trustee requires the approval of the US Bankruptcy Court. The US Trustee will seek such approval at its own expense as soon as practicable upon the execution of this Settlement Agreement. In the event this Settlement Agreement is not, by November 29, 2013, approved by the U.S. Bankruptcy Court pursuant to an order which is final and not subject to appeal (the "US Approval Order"), or such other date as may be agreed by the Parties, then this Settlement Agreement shall be null and void and of no effect. The Approval Order will provide that the terms of this Settlement Agreement and the other provisions of the Approval Order shall be conditioned upon entry of the US Approval Order.

- 5 -

16. This Settlement Agreement and the rights and obligations of the Parties hereto shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

17. This Settlement Agreement constitutes the entire agreement among the Parties concerning its subject matter and supersedes all other prior agreements and undertakings, both written and oral, among the Parties, or any of them, with respect to the subject matter hereof. No amendment to this agreement shall be valid unless it is made in writing and signed on behalf of each of the Parties.

18. This Settlement Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Settlement Agreement to produce more than one counterpart.

IN WITNESS WHEREOF, the Parties, by their lawyers, have executed this Settlement Agreement effective as of the 13th day of September, 2013.

Sun Indalex Finance, LLC, by its lawyers
Goodmans LLP

Per: Goodmans LLP
Name: K. MEAS
Title: PARTNER

Morneau Shepell Ltd., as administrator of the Retirement Plan for Executive Employees of Indalex Limited and Associated Companies and the Retirement Plan for Salaried Employees of Indalex Limited and Related Companies, by its lawyers Cavalluzzo Shilton McIntyre & Cornish LLP

Per: _____
Name:
Title:

United Steelworkers, by its lawyers Sack Goldblatt Mitchell LLP

Per: _____
Name:
Title:

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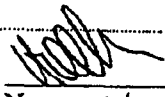
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Sun Indalex Finance, LLC, by its lawyers
Goodmans LLP

Per: _____
Name:
Title:

Morneau Shepell Ltd., as administrator of the Retirement Plan for Executive Employees of Indalex Limited and Associated Companies and the Retirement Plan for Salaried Employees of Indalex Limited and Related Companies, by its lawyers Cavalluzzo Shilton McIntyre & Cornish LLP

Per: 
Name: "Hugh M. B. O'Reilly"
Title: Partner

United Steelworkers, by its lawyers Sack Goldblatt Mitchell LLP

Per: _____
Name:
Title:

- 5 -

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Sun Indalex Finance, LLC, by its lawyers
Goodmans LLP

Per: _____
Name:
Title:

Morneau Shepell Ltd., as administrator of the
Retirement Plan for Executive Employees of
Indalex Limited and Associated Companies and
the Retirement Plan for Salaried Employees of
Indalex Limited and Related Companies, by its
lawyers Cavalluzzo Shilton McIntyre & Cornish
LLP

Per: _____
Name:
Title:

United Steelworkers, by its lawyers Sack Goldblatt
Mitchell LLP

Per: Darrell Brown
Name: Darrell Brown
Title: Partner, SGM LLP

- 6 -

George L. Miller, in his capacity as Chapter 7 Trustee of the bankruptcy estates of IH 2, Inc. (f/k/a Indalex Holding Corp.), IH 1, Inc. (f/k/a Indalex Holdings Finance Corp.), IH 3, Inc. (f/k/a Indalex Inc.), IH 4, Inc. (f/k/a Caradon Lebanon, Inc.) and IH 5, Inc. (f/k/a Dolton Aluminum Company, Inc.), by his lawyers Chaitons LLP

Per: George L. Miller
Name: GEORGE L. MILLER
Title: CHAPTER 7 TRUSTEE

Frederick John Granville, Richard Nelson Benson, Leon Kozierek, Keith Burton Carruthers, Robert B. Leckie, Max Degen, Bertram Gerald Arthur McBride, Eugene John D'lorio Jr., John William Rooney, John Eugene Faveri, Richard Donald Smith, Neil Edward Fraser, Robert Kenneth Waldron, by their lawyers Koskie Minsky LLP.

Per: _____
Name:
Title:

The Superintendent of Financial Services

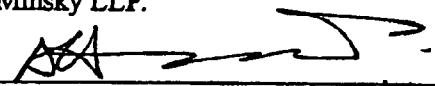
Per: _____
Name:
Title:

- 6 -

George L. Miller, in his capacity as Chapter 7 Trustee of the bankruptcy estates of IH 2, Inc. (f/k/a Indalex Holding Corp.), IH 1, Inc. (f/k/a Indalex Holdings Finance Corp.), IH 3, Inc. (f/k/a Indalex Inc.), IH 4, Inc. (f/k/a Caradon Lebanon, Inc.) and IH 5, Inc. (f/k/a Dolton Aluminum Company, Inc.), by his lawyers Chaitons LLP

Per: _____
Name:
Title:

Frederick John Granville, Richard Nelson Benson, Leon Kozierok, Keith Burton Carruthers, Robert B. Leckie, Max Degen, Bertram Gerald Arthur McBride, Eugene John D'Iorio Jr., John William Rooney, John Eugene Faveri, Richard Donald Smith, Neil Edward Fraser, Robert Kenneth Waldron, Douglas Williams by their lawyers Koskie Minsky LLP.

Per: 
Name: ANDREW HATNA
Title: PARTNER

The Superintendent of Financial Services

Per: _____
Name:
Title:

- 6 -


George L. Miller, in his capacity as Chapter 7 Trustee of the bankruptcy estates of IH 2, Inc. (f/k/a Indalex Holding Corp.), IH 1, Inc. (f/k/a Indalex Holdings Finance Corp.), IH 3, Inc. (f/k/a Indalex Inc.), IH 4, Inc. (f/k/a Caradon Lebanon, Inc.) and IH 5, Inc. (f/k/a Dolton Aluminum Company, Inc.), by his lawyers Chaitons LLP

Per: _____
Name:
Title:

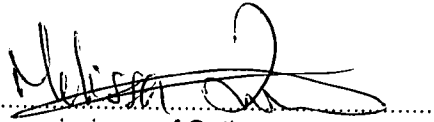
Frederick John Granville, Richard Nelson Benson, Leon Kozierek, Keith Burton Carruthers, Robert B. Leckie, Max Degen, Bertram Gerald Arthur McBride, Eugene John D'Iorio Jr., John William Rooney, John Eugene Faveri, Richard Donald Smith, Neil Edward Fraser, Robert Kenneth Waldron, by their lawyers Koskie Minsky LLP.

Per: _____
Name:
Title:

The Superintendent of Financial Services

Per: 
Name: Brian Mills
Title: Deputy Superintendent,
Pensions

This is Exhibit"B".... referred to in the
affidavit of **Amanda Darrach** sworn
before me, this 9th day of December,
2013.

A handwritten signature in black ink, appearing to read "Melissa", is written over a horizontal dotted line.

A Commissioner of Oaths, etc.

**AMENDMENT TO THE RETIREMENT PLAN
FOR SALARIED EMPLOYEES OF INDALEX LIMITED
AND ASSOCIATED COMPANIES
(the "Salaried Plan")**

Amendments to Pension Plan

WHEREAS:

- A. Indalex Limited (the "Corporation") maintained the Salaried Plan;
- B. The Salaried Plan was wound up effective December 31, 2006;
- C. Pursuant to the settlement agreement in respect of matter number CV-09-8122-00CL to be approved by the Ontario Superior Court of Justice (the "Settlement Agreement") on December 19, 2013, certain additional funds have been recovered for the Salaried Plan. In accordance with the Settlement Agreement, the Court ordered an allocation of these funds to those members, spouses and other beneficiaries under the Salaried Plan who are not represented by the United Steelworkers;
- D. The Salaried Plan does not contemplate that funds in connection therewith be segregated for the benefit of certain members of the Salaried Plan;
- E. The Corporation has the right to amend and terminate the Salaried Plan in whole or in part as set out pursuant to Section 14.01 of the Plan;
- F. The Corporation has ceased operations and no other entity is available or willing to amend the Salaried Plan in accordance with the Settlement Agreement. Accordingly, Morneau Shepell Ltd. in its capacity as the Superintendent of Financial Services-appointed administrator of the Salaried Plan (the "Administrator") obtained a Court order to amend the Salaried Plan in order to implement the Settlement Agreement allowing for the segregation of assets held in connection with the Salaried Plan as contemplated in the Settlement Agreement (the "Court Order");
- G. Pursuant to the terms of the Court Order, the Corporation remains for all purposes the sponsor of the Salaried Plan and nothing in this amendment shall cause the Administrator, or its successors and assigns, nor its officers, directors, employees and/or agents, to be deemed or considered in law the sponsor of the Salaried Plan;

NOW THEREFORE IT IS RESOLVED THAT the Salaried Plan be amended, effective December 31, 2006, as follows:

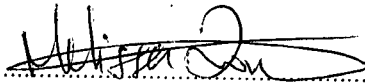
1. Section 14.03 is amended by adding the following paragraph immediately after paragraph 14.03(3):

“(4) Notwithstanding the provisions contained in this Section 14.03, in accordance with the settlement agreement in respect of matter number CV-09-8122-00CL approved by the Ontario Superior Court

of Justice on December 19, 2013, the following assets of the Fund shall be allocated to Members, Beneficiaries and Spouses, as follows:

- (a) the sum of \$650,000, payable to the Administrator appointed under the Pension Benefits Act of Ontario on behalf of and for deposit into the Fund (the "Settlement Amount"), shall be deposited into the Fund and shall be segregated and applied for the benefit of all Members, Beneficiaries and Spouses other than the seven (7) Members of the Plan who are represented by the United Steelworkers (the "USW Members"); and
- (b) the USW Members shall have no entitlement to or share of the portion of the Fund originating from the Settlement Amount."

This is Exhibit "C" referred to in the
affidavit of **Amanda Darrach** sworn
before me, this 9th day of December,
2013.



.....
A Commissioner of Oaths, etc.

11.

This is Exhibit A referred to in the
 affidavit of Robert Champagne
 sworn before me, this 21
 day of October, 2010
Shahani
 SHAHEEN HIRANI, COMMISSIONER, ETC.
 BARRISTER & SOLICITOR

**Retirement Plan for Salaried Employees of
 Indalex Limited and Associated Companies**

(Restated and Amended As At January 1, 2003)

CERTIFIED to be a true and correct copy of the
 Retirement Plan adopted by a certificate of amendment of
 Indalex Limited and Associated Companies

 Dated this _____ day of _____, 2003.

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SECTION 1 HISTORY, PURPOSE AND INTERPRETATION

1.01 History

The Retirement Plan for Salaried Employees of Indal Limited and Associated Companies (the "Plan") was established by Indal Limited and Associated Companies (the "Company") on January 1, 1973 for the purpose of providing pensions to its salaried employees. As of such date, the Plan superseded the Retirement Plan for Salaried Employees of Indal Limited and Associated Companies (the "Prior Plan") which commenced August 1, 1967 and all benefits provided by the Prior Plan are paid as provided under the terms of the Plan.

Effective January 1, 1983, the Retirement Plan for Executive Employees of Indal Limited and Associated Companies (the "Executive Plan") was established, and all benefits payable to the Designated Executives were subsequently covered under the Executive Plan. A transfer of assets was made in the Executive Plan in respect of the benefits accrued prior to January 1, 1983 by the Designated Executives.

The Plan was amended and restated effective January 1, 1988 to incorporate amendments up to December 31, 1987 and revisions required by the Pension Benefits Act of Ontario.

Effective January 1, 1990, the Plan was amended to comply with pension reform legislation in Quebec and Manitoba.

Effective January 1, 1991, additional retirement incomes were granted to retired Members and Spouses of deceased Members as outlined in Appendix A of this Plan.

Effective January 4, 1991, Indal Wall Systems Division was closed. The Pension Plan for Hourly Employees of Indal Limited, Indal Wall Systems Division was partially wound up effective January 4, 1991. The Retirement Plan for Salaried Employees of Indal Limited, Indal Wall Systems Division was partially wound up on March 28, 1991.

Effective December 31, 1991 there were no members in Manitoba.

14.

Effective December 31, 1991, the Plan was amended to comply with pension reform legislation in New Brunswick and to provide for participation in the Plan for the employees of Lock-Wood Limited.

Effective January 1, 1992, the Plan was amended and restated to incorporate amendments up to December 31, 1991 and revisions required under the Income Tax Act.

Effective October 29, 1992, the Plan was amended to reflect a partial discontinuance of the Plan as a result of the closure of the Company's Indal Furniture operation.

Effective September 24, 1993, as a result of a reorganization, Alumiprime Windows Limited and Commercial Aluminum Limited were designated by the Company to participate in the Plan as Employers.

Effective October 20, 1993, RTZ Canada Inc. sold the shares of Indal Limited to MB Caradon plc.

Effective October 20, 1993, RTZ Canada Inc. established the RTZ Canada Pension Plan for Alumiprime Windows Limited, Commercial Aluminum Limited, 1043802 Limited and Inactives ("RTZ Canada Pension Plan") which Plan assumed liabilities accrued to these salaried employees under the Plan. Assets and related surplus were transferred from the Plan to the RTZ Canada Pension Plan.

Effective December 31, 1993, Indal Limited was wound up into its parent company Indal Corporation and as a result Indal Corporation assumed sponsorship of the Plan.

Effective March 31, 1994, the name of the Company was changed from Indal Corporation to Caradon Limited.

Effective January 1, 1995, the Plan was amended and restated to incorporate:

- (1) revisions required to effect changes in benefit design from a contributory plan basis to a non-contributory plan;
- (2) changes required to comply with pension reform in various provinces; and

- (3) other miscellaneous changes.

Effective January 1, 2000, new defined contribution provisions were added to the Plan. Plan members were offered the choice of a core benefit under either the defined benefit provisions or the defined contribution provisions of the Plan.

Effective January 1, 2000, an optional defined contribution provision was added to the Plan which provides for optional member contributions and matching employer contributions, as outlined in Section 16.03. All members, regardless of their choice of core benefit, are entitled to participate in this optional defined contribution provision.

Effective April 30, 2000, the name of the Company was changed to Indalex Limited, and the Plan name was changed to the Retirement Plan for Salaried Employees of Indalex Limited and Associated Companies.

Effective November 1, 2002, flexible benefit provisions were added to the Plan in order to permit members accruing benefits under the defined benefit provisions of the Plan to make optional ancillary contributions to enhance the ancillary features of their pensions otherwise payable under the defined benefit provisions of the Plan .

Effective December 31, 2002, there were no members in New Brunswick or Saskatchewan.

1.02 Plan Restatement and Application

Effective January 1, 2003, the Plan is hereby amended and restated:

- (1) to suspend new enrolment to the defined benefit provision;
- (2) to incorporate amendments up to December 31, 2002; and
- (3) to incorporate revisions required by the applicable pension legislation.

The terms of the Plan, as amended and restated, will apply to Plan members who retire, terminate employment or die on and after January 1, 2003, unless the Plan provides otherwise. The benefits of members who retired, terminated or died before this date will be determined by the terms of the Plan in effect at the relevant date.

1.03 Continued Registration

The Plan, as amended from time to time, will remain in effect subject to the continued registration thereof by:

- (1) the relevant tax authorities as is necessary to establish that the employer is entitled to deduct its contributions to the Plan from taxable income before the computation of income tax under the Income Tax Act and any other applicable tax legislation;
and
- (2) the Financial Services Commission of Ontario in accordance with the Pension Benefits Act of Ontario and any other applicable pension legislation.

SECTION 2 DEFINITIONS

For the purposes of the Plan, the following words and phrases will have the meaning set forth below, unless the context requires otherwise:

- 2.01 *Actuarial Equivalent* means a pension of an equivalent value using actuarial tables and such other methods and assumptions as may be adopted by the Company on the recommendation of the Actuary, subject to the requirements of Applicable Pension Legislation and the Income Tax Act.
- 2.02 *Actuary* means a Fellow of the Canadian Institute of Actuaries, or the firm employing such person, appointed by the Company from time to time for the purposes of the Plan.
- 2.03 *Affiliate Company* means a Canadian or foreign body corporate which is an affiliate of the Company within the meaning of the Business Corporations Act (Ontario), and which has not been designated by the Company for participation in the plan.
- 2.04 *Alberta Member* means a Member in Continuous Employment in Alberta.
- 2.05 *Applicable Pension Legislation* means the following statutes and their regulations, as amended or replaced from time to time:
- (1) Pension Benefits Standards Act of British Columbia;
 - (2) Employment Pension Plans Act of Alberta;
 - (3) Pension Benefits Act of Ontario; and
 - (4) Supplemental Pension Plans Act of Québec.
- 2.06 *Beneficiary* means a person designated by a Member under Section 12.01 and includes the Member's estate where there is no designated beneficiary.
- 2.07 *British Columbia Member* means a Member in Continuous Employment in British Columbia.

2.08 **Commuted Value** means, in relation to benefits that a person has a present or future entitlement to receive, a lump sum amount which is the actuarial present value of those benefits computed using rates of interest, the actuarial tables and other assumptions as may be adopted by the Company, subject to Applicable Pension Legislation and the Income Tax Act.

For clarification purposes, when determining Commuted Values, unisex tables must be used for all years of Pensionable Service, except for Quebec Members for whom the Commuted Value shall be determined using sex-distinct tables.

2.09 **Company** means Indalex Limited. Where any reference in the Plan is made to any action to be taken, consent, approval or opinion to be given, discretion or decision to be exercised by the Company, "Company" means Indalex Limited acting through the board of directors of Indalex Limited or any person authorized by that board of directors for purposes of the Plan.

2.10 **Continuous Employment** means the years and completed months of an Employee's uninterrupted period of employment with any Employer since his last date of hire by, an Employer, including any period of lay-off (not in excess of 1 year) and any period of temporary suspension of employment. If the Employee terminates employment with an Employer and is subsequently re-employed by an Employer within the 2 year period immediately following such termination of employment, for purposes of determining the Employee's Continuous Employment, the Employee's employment will be deemed to be uninterrupted although that period during which the Employee was not in employment with an Employer will be excluded from the Employee's Continuous Employment.

2.11 **Contributory Pensionable Service** means the Member's Continuous Employment up to and including December 31, 1994, calculated in exact years, months and days during which the Member made required contributions to the Plan or was not required to make required contributions in accordance with Section 5.

2.12 **Designated Executive** means an employee on the salaried payroll of the Employer who is employed in Canada and is designated to participate in the Retirement Plan for Executive Employees of Indalex Limited and Associated Companies.

- 2.13 **Earnings** means cash compensation paid by the Employer which:
- (1) effective prior to January 1, 2002:
 - (a) includes commissions; but
 - (b) excludes performance bonuses, overtime bonuses and other special compensation; and
 - (2) effective on and after January 1, 2002:
 - (a) includes commissions and performance bonuses; but
 - (b) excludes overtime bonuses and other special compensation.
- 2.14 **Employee** means a person who is employed by an Employer on a full-time or (part-time) salaried basis in Canada and who is not a Designated Executive.
- 2.15 **Employer** means the Company and any subsidiary or affiliate of the Company designated by the Company to participate in the Plan, as set out in Appendix B.
- 2.16 **Excess Contributions** means an amount determined under Section 9.04.
- 2.17 **Final Average Earnings** means the Member's average annual Earnings for the 60 consecutive calendar months of Pensionable Service within the 120 month period preceding the Member's retirement, death or termination of Continuous Employment in which the highest average is attained.

In cases where the period of 60 consecutive calendar months of Pensionable Service does not coincide with 5 consecutive Plan Years, the total Earnings for a period shorter than a Plan Year shall be pro-rated based on completed months of Pensionable Service. In such cases, the annual average is determined as the sum of (1), (2) or (3) divided by 5 where:

- (1) is the portion of the Member's Earnings for the most recent Plan Year included in the 60 consecutive month period, determined by pro-rating total Earnings during that Plan Year based on complete calendar months from January 1 of the Plan Year to the end of the period;

- (2) is the sum of the Member's Earnings for each of the four Plan Years immediately preceding the Plan Year in (1) above; and
- (3) is the portion of the Member's Earnings for the fifth Plan Year preceding the Plan Year in (1) above, determined by pro-rating total Earnings during that Plan Year based on the number of complete calendar months from the Plan Year as is necessary to complete the 60 consecutive month period.

If a Member has not completed 60 calendar months of Pensionable Service, his Final Average Earnings shall be 12 times his total Earnings for his complete calendar months of Pensionable Service in that shorter period divided by the number of his completed months of Pensionable Service in that shorter period.

- 2.18 **Funding Agent** means a trust company, insurance company authorized to carry on a life insurance business in Canada or a group of at least 3 individuals resident in Canada, at least one of whom is independent of all Employers and includes any combination or successors thereof appointed by the Company from time to time to hold, administer and invest the Fund, or the Defined Contribution Fund, as defined in Section 16.01, as applicable.
- 2.19 **Funding Agreement** means the agreement or agreements entered into between the Company and the Funding Agent for purposes of this Plan.
- 2.20 **Fund** means the assets held from time to time by the Funding Agent in respect of the defined benefits under the Plan, pursuant to a Funding Agreement.
- 2.21 **Government Benefit Base** means the average of the YMPs for the period used in the determination of the Member's Final Average Earnings.
- 2.22 **Interest** means interest credited annually on:
 - (1) **Required Contributions**
a Member's required contributions made to the Plan, at a rate equal to the applicable average of the yields of 5 year personal fixed term chartered bank deposits (CANSIM series B14045), except where Applicable Pension Legislation requires

that a different rate be used; and

(2) Lump Sum Payments

lump sum payments out of the Fund, at a rate which is reasonably attributable to the operation of the Fund or at the rate used to compute Commuted Values, if applicable, except where Applicable Pension Legislation requires that a different rate be used.

Subject to Applicable Pension Legislation, Interest will commence to accrue no later than the first of the month following the month in which the contributions were required to be paid into the Fund and will be credited to the date the Member's Continuous Employment terminates.

Subject to Applicable Pension Legislation, lump sum payments (or transfers) out of the Fund will be credited with Interest from the date of determination to the date of payment (or transfer).

- 2.23 *Income Tax Act* means the Income Tax Act, Statutes of Canada and the Regulations thereunder, as amended or replaced from time to time.
- 2.24 *Member* means an Employee or former Employee who has become a Member of the Plan pursuant to Section 3 and who continues to be entitled to benefits under the Plan.
- 2.25 *Non-Contributory Pensionable Service* means the Member's Continuous Employment on or after January 1, 1995, calculated in exact years, months and days during which the Member participated in the Plan.
- 2.26 *Ontario Member* means a Member in Continuous Employment in Ontario.
- 2.27 *Pension and Benefits Committee* means the Pension and Benefits Committee appointed pursuant to Section 13.01.
- 2.28 *Pensionable Service* means Contributory Pensionable Service and Non-Contributory Pensionable Service.

For a Member who is employed on a less than full-time basis, "Pensionable Service" will be determined for each Plan Year of less than full-time employment by multiplying the Member's period of Pensionable Service, as defined hereunder, by the ratio of such Member's actual hours worked on a less than full-time basis during the Plan Year to the hours regularly scheduled to be worked by a full-time Member during that time period.

- 2.29 *Plan* means the Retirement Plan for Salaried Employees of Indalex Limited and Associated Companies, as amended or restated from time to time.
- 2.30 *Plan Year* means the calendar year.
- 2.31 *Quebec Member* means a Member in Continuous Employment in Quebec.
- 2.32 *Spouse*, unless otherwise provided under the terms of provincial appendices to the Plan, means, at the time a determination of marital status is required, a person who:
- (1) is married to the Member and is not living separate and apart from the Member; or
 - (2) is not married to the Member but the Member and that person are living together in a conjugal relationship;
 - (a) continuously for a period of not less than one year, or
 - (b) in a relationship of some permanence, if they are the natural or adoptive parents of a child, both as defined in the Family Law Act (Ontario),
 provided that the person also qualifies as a spouse or common law partner under the Income Tax Act at the relevant time for purposes of registered pension plan.
- 2.33 *Total Disability* means a disability:
- (1) throughout which the Member is physically or mentally impaired so that he is prevented from performing the duties of employment in which he was engaged before his impairment;
 - (2) which is certified, in writing, by a medical doctor licensed in Canada or where the Member resides; and

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- (3) in respect of which the Member is entitled to benefits from the Employer's long term disability program.

2.34 *YMPE* means, in respect of any Plan Year, the year's maximum pensionable earnings as defined under the Canada/Quebec Pension Plan.

In this Plan, unless the context requires otherwise, reference to the male gender will include the female gender and words importing the singular number only will include the plural number and vice versa.

SECTION 3 ELIGIBILITY AND MEMBERSHIP

3.01 Existing Members

Each Employee who was a Member of the Plan on December 31, 2002 will continue to be a Member of the Plan.

3.02 New Members

(1) Full-Time Employees

Effective January 1, 2003, each full-time Employee who is not a Member of the Plan, will join the defined contribution provision of the Plan, as set out in Section 16, on the first day of any month coincident with or next following the completion of one year of Continuous Employment.

(2) Part-Time Employees

Effective January 1, 2003, each Employee employed on a less than full-time basis is eligible to join the defined contribution provision of the Plan, as set out in Section 16, on the first day of any month coincident with or next following the completion of 24 months of Continuous Employment, provided he has:

- (a) earned at least 35% of the YMPE; and
- (b) worked at least 700 hours

in each of the 2 immediately preceding consecutive calendar years.

3.03 Waiver

The Pension and Benefits Committee may, at its discretion, waive the eligibility requirements set out in Section 3.02, provided such waiver is not based on age, sex or marital status.

3.04 Membership

An Employee will become a Member by signing the appropriate forms prescribed by the Pension and Benefits Committee.

3.05 Cessation of Plan Membership

- (1) A Member will cease to accrue benefits hereunder only upon the earliest of:
 - (a) termination of Continuous Employment;
 - (b) termination of the Plan; or
 - (c) transfer in accordance with Sections 7.01, 7.02 and 7.04.
- (2) A part-time Employee who becomes a Member will not cease to be a Member by reason only that, in a given calendar year, the Member's Earnings are less than 35% of the YMPE.

3.06 Re-Employment of Former Employees

- (1) Subject to Section 3.06(2), if an Employee's Continuous Employment is terminated and he is later re-employed by an Employer, he will, for purposes of the Plan, be treated as a new Employee, except that any right to a deferred pension he may have as a result of his prior period of Continuous Employment will not be affected by this provision. For greater certainty:
 - (a) any benefit earned after the date of re-employment will be calculated based on the period of Pensionable Service, Plan membership and Final Average Earnings after such date; and
 - (b) if such former Employee has commenced to receive a pension under the Plan, his pension will cease immediately and, at his subsequent retirement,

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the pension relating to his prior period of Continuous Employment will be actuarially adjusted to reflect the shorter period during which such pension will be paid.

- (2) The previous period of Continuous Employment of a Member described in Section 3.06(1) will be reinstated provided the Member reimburses the Fund an amount, if any, equal to the amount withdrawn from the Fund, upon his earlier termination of Continuous Employment, plus Interest, as determined by the Pension and Benefits Committee.

If the Member's benefits have been reinstated under this Section 3.06(2), the benefit payable under the Plan at the Member's subsequent retirement, death or termination of Continuous Employment will be based on:

- (a) all periods of Pensionable Service;
- (b) all periods of membership in the Plan;
- (c) Final Average Earnings determined at his subsequent retirement, death or termination of Continuous Employment. For this purpose only, "Earnings" means the Member's Earnings received during all periods of Continuous Employment with the Employer; and
- (d) the terms of the Plan in effect at his subsequent retirement, death or termination of Continuous Employment.

If the Member retires, dies or subsequently terminates Continuous Employment with the Employer prior to reimbursing the full amount of the amount withdrawn on his earlier termination of Continuous Employment, plus Interest, benefits payable under the Plan will be reduced in the manner determined by the Actuary.

Any benefits reinstated under this Section 3.06(2) will be subject to the Income Tax Act, including certification of past service pension adjustments (as defined under the Income Tax Act).

3.07 Election of Core Benefit

(1) Existing Members

Employees who were Members as at December 31, 1999 made a one-time election, effective January 1, 2000, either to:

- (a) continue to accrue pension benefit under the defined benefit formulas in Section 9; or
- (b) to participate, on and after January 1, 2000, in the defined contribution provision of the Plan as set out in Section 16, under which the Employer makes contributions in accordance with Section 16.02; and

to maintain the defined benefits that have accrued to the Member prior to January 1, 2000, in accordance with Section 9.01, with the Member's Final Average Earnings determined as at the Member's subsequent retirement, death or termination of Continuous Employment.

(2) New Members

Employees who became Members on or after January 1, 2000 but before January 1, 2003 were required to make a one-time election to accrue a pension benefit either in accordance with:

- (a) the defined benefit formula in Section 9.01(2); or
- (b) the defined contribution provision of the Plan as set out in Section 16, under which the Employer makes contributions in accordance with Section 16.02.

- (3) The election made by a Member under Section 3.07(1) or (2) may not be changed or revoked.

3.08 Optional Defined Contribution Provision

Effective January 1, 2000, all Members are eligible to participate in the optional defined contribution provision of the Plan under which a Member may contribute to the Plan pursuant to Section 16.03(1) and the Employer will make matching contributions pursuant to the limits in Section 16.03(2).

SECTION 4 CONTRIBUTIONS TO THE PLAN

4.01 Member Required Contributions

Subject to Section C.03, effective January 1, 1995, a Member is not required nor permitted to make contributions to the Plan in respect of the defined benefit provisions of the Plan.

4.02 Employer Contributions

- (1) Subject to Section 4.02(2) and (3), the Employer will make such contributions to the Fund as are required, based on the advice of the Actuary, to provide:
 - (a) the normal cost of the defined benefits currently accruing to its Members under the Plan; and
 - (b) for the proper amortization of any unfunded liability or solvency deficiency, both in accordance with the requirements of Applicable Pension Legislation, after taking into account the assets of the Fund and all other relevant factors.
- (2) The contributions made by the Employer to the Fund in accordance with Section 4.02(1), in any Plan Year, will not exceed such maximum amount as the Employer may deduct in computing its taxable income under the Income Tax Act for such Plan Year.
- (3) If at any time while the Plan continues in existence the Actuary certifies that the assets of the Fund exceed the actuarial liabilities of the Plan in respect of the defined benefits in the Plan ("surplus"), such surplus assets, or any portion of such assets, may be used by the Employer to reduce its contribution obligations under Section 4.02(1), subject to any limitations prescribed under Applicable Pension Legislation and the Income Tax Act. Any such surplus assets may also be transferred to the defined contribution provision, provided that any transfer of funds to the defined contribution provision is subject to such conditions and restrictions as may be prescribed by Section 147.3(4.1) of the Income Tax Act and by the Applicable Pension Legislation, and used by the Employer to reduce its contribution obligation

under the defined contribution provision.

4.03 Refund of Contributions to Avoid Revocation of Registration of Plan

Employer contributions made under Sections 4.02, 16.02 and 16.03(2) and Member contributions made under Section 16.03(1) may be refunded to the Employer or the Member, respectively, where such refund is required in order to avoid revocations of the registration of the Plan under the Income Tax Act, subject to advance notice of the refund being provided to the Superintendent of Financial Services Commission of Ontario.

4.04 Remittance of Contributions to the Fund

The Employer will remit to the Funding Agent for deposit in the Fund:

- (1) the Employer's contributions in respect of the normal cost of defined benefits, in monthly instalments within 30 days following the month for which the contributions are payable; and
- (2) the Employer's contributions in respect of special payments to amortize an unfunded actuarial liability or solvency deficiency, in equal monthly instalments throughout the Plan Year.

SECTION 5 ACCRUAL DURING SPECIAL LEAVE OF ABSENCE

5.01 Meaning of Special Leave of Absence

Throughout this Section 5, "Special Leave of Absence" means an unpaid leave of absence attributable to:

- (1) a Total Disability;
- (2) an injury in respect of which the Member is entitled to receive benefits under the Workers' Compensation Act ("Job-Related Disability");
- (3) a parental leave resulting from the birth or adoption of a child as defined under relevant employment standards legislation. ("Parental Leave"); or
- (4) other leave required by employment standards legislation ("Other Leave").

5.02 Plan Membership and Pensionable Service during Leave Period

Each year, or part thereof, during the Special Leave of Absence (as defined in Section 5.01) counts as a year, or part thereof, of Plan membership and Pensionable Service for the Member as follows:

- (1) Total Disability
until the earliest of the Member's date of recovery, termination, death or normal retirement date, if the Special Leave of Absence is attributable to a Total Disability;
- (2) Job-Related Disability
until the earliest of 2 years after date of commencement of Special Leave of Absence, the date the Member returns to active Continuous Employment, death or normal retirement date, if the Special Leave of Absence is attributable to a Job-Related Disability;

(3) Parental Leave

until the earliest of the expiry of the period prescribed by the relevant employment standards legislation, the date the Member returns to active Continuous Employment, death or normal retirement date, if the Special Leave of Absence is attributable to a Parental Leave; and

(4) Other Leave

until the earliest of the expiry of the period prescribed by the relevant employment standards legislation, the date the Member returns to active Continuous Employment, death or normal retirement date, if the Special Leave of Absence is attributable to an Other Leave,

subject to a maximum Pensionable Service accrual for all Special Leaves of Absence (other than Special Leaves of Absence attributable to a Total Disability) of 5 years plus one additional year in the case of each Parental Leave (under the Income Tax Act, a period of parenting), further subject to an overall maximum of 8 years of Pensionable Service.

5.03 Earnings during Special Leave of Absence

For the purpose of accruals during Special Leaves of Absence described under Section 5.02:

- (1) subject to Section 5.03(2), the Member's Earnings are deemed to be equal to the rate of Earnings received by the Member immediately before the commencement of the Special Leave of Absence; and
- (2) the Member's Earnings are deemed to be equal to the rate of Earnings the Member would have received had the Member not taken a Special Leave of Absence, if the Special Leave of Absence is attributable to a Parental Leave.

5.04 Leave Ending before Normal Retirement Date

If the Member's Special Leave of Absence ends before his normal retirement date; and

- (1) the Member returns to active Continuous Employment, his pension will be calculated based on the provisions of the Plan, as modified by Sections 5.02 and 5.03, in effect at the date of his subsequent termination, death or retirement; or

- (2) the Member does not return to active Continuous Employment, he will be deemed to have terminated his Continuous Employment for purposes of the Plan as of the date his Special Leave of Absence ends and his pension will be calculated based on the provisions of the Plan, as modified by Sections 5.02 and 5.03, in effect at the date of his deemed termination.

5.05 Leave Continuing until Normal Retirement Date

If the Member's Special Leave of Absence continues until his normal retirement date, the Member will be deemed to retire on his normal retirement date and his pension will be calculated based on the provisions of the Plan, as modified by Sections 5.02 and 5.03, in effect at the date of his deemed retirement.

5.06 Death during Leave Period

If the Member dies during the Special Leave of Absence, the death benefit paid to such Member's Spouse or Beneficiary will be determined and payable in accordance with Section 12.04, as modified by Sections 5.02 and 5.03.

SECTION 6 MANAGEMENT OF THE FUND

6.01 Administration of the Fund

The Fund will be administered by the Funding Agent in accordance with the Funding Agreement.

6.02 Investment of the Fund

The assets of the Fund will be invested in accordance with Applicable Pension Legislation.

6.03 Expenses

All normal and reasonable fees and expenses incurred in the operation and administration of the Plan and the Fund will be paid from the Fund. Where the Employer has made payments on account of such expense, the Employer will be entitled to reimbursement by the Funding Agent from assets of the Fund. Fees and expenses of the Employer and its agents are payable from the Fund unless prohibited by Applicable Pension Legislation.

6.04 Withdrawal of Assets from An Ongoing Plan

Subject to receiving the prior consent of the relevant regulatory authorities, if, at any time while the Plan continues in existence, the Actuary certifies that the assets of the Fund exceed its liabilities in respect of any or all of the following periods:

- (1) from August 1, 1967 to and including December 31, 1986;
- (2) from January 1, 1987 to and including December 31, 1997; and
- (3) after December 31, 1997,

then all or part of such excess of Plan assets over Plan liabilities may be refunded to the Employer.

SECTION 7 TRANSFER OF EMPLOYEES

7.01 Transfer to An Affiliate Company

If a Member of the Plan is transferred to other employment with an Affiliate Company, and ceases to be an Employee for the purposes of the Plan, the Member's accrual of benefits under the Plan will cease. No benefit will be payable from the Plan until such time as the Member subsequently retires, terminates or dies. Any benefit paid from the Plan will be calculated on the basis of:

- (1) the Member's Pensionable Service determined at his date of transfer;
- (2) the Member's Final Average Earnings determined at his subsequent retirement, death or termination of Continuous Employment;
- (3) the Member's other employment with an Affiliate Company will be deemed to be Continuous Employment for vesting and locking-in purposes. Where a Member's other Employment with an Affiliate Company is outside of Canada, Continuous Employment for vesting and locking-in purposes will be limited to the first five years of the Member's employment outside Canada (as required by the Income Tax Act); and
- (4) the Member's participation in another registered pension plan sponsored by an Affiliate Company will be deemed to be membership in the Plan for vesting and locking-in purposes.

7.02 Transfer from Salaried to Hourly Status

If a Member is transferred from salaried to hourly status, the Member's accrual of benefits under the Plan will cease as of the date of transfer. No benefit will be payable from the Plan until such time as the Member subsequently retires, terminates or dies. Any benefit paid from the Plan will be calculated on the basis of:

- (1) the Member's Pensionable Service accrued to his date of transfer;

- (2) the Member's Final Average Earnings determined at his subsequent retirement, death or termination of Continuous Employment;
- (3) the Member's Continuous Employment under this Plan will include continued employment with the Employer for vesting and locking-in purposes; and
- (4) the Member's participation in the hourly plan will be deemed to be membership in the Plan for vesting and locking-in purposes.

A Member who becomes an hourly employee of the Employer may receive a refund of his required contributions plus Interest, provided that:

- (1) on the day immediately preceding his transfer the employee was a Member of the Plan for not more than 6 calendar months; and
- (2) the employee is not reinstated as a salaried employee within 3 months following the date he becomes an hourly employee.

If the employee elects a refund and is subsequently reinstated as a salaried employee he may join the Plan on the day of the subsequent transfer.

7.03 Transfer from Hourly to Salaried Status

An hourly employee of the Employer who is transferred to the salaried payroll will be enrolled in the Plan as of his date of transfer. Any benefit paid from the Plan will be calculated on the basis of.

- (1) the Member's Pensionable Service and Final Average Earnings determined from his date of transfer; and
- (2) the Member's Continuous Employment while on hourly status and membership in the hourly plan will be deemed to be Continuous Employment and membership in the Plan, respectively, for vesting and locking-in purposes.

7.04 Transfer to Executive Plan

A Member who is classified as a Designated Executive will cease to be a Member and will automatically become a member of the Retirement Plan for Executive Employees of Indalex

Limited and Associated Companies (Executive Plan).

Upon becoming a member of the Executive Plan, the value of benefits accrued under the Plan to the date he is classified as a Designated Executive, as determined by the Actuary, will be transferred to the Executive Plan.

7.05 Transfer Resulting in Certifiable Past Service Pension Adjustment

Where a transfer outlined in Sections 7.04 results in a certifiable past service pension adjustment (as defined under the Income Tax Act) in respect of a Member, the transfer of liabilities and assets will not take effect prior to certification of the past service pension adjustment in accordance with the Income Tax Act.

SECTION 8 RETIREMENT DATE

8.01 Normal Retirement Date

For purposes of the Plan, normal retirement date means the first day of the month coincident with or next following the Member's 65th birthday.

8.02 Early Retirement Date

If the Continuous Employment of a Member terminates after he has attained age 55 and before normal retirement date:

- (1) the Member will be considered to have retired early for the purposes of the Plan on his early retirement date which is the first day of the month coincident with or next following the date on which the Member's Continuous Employment terminates; and
- (2) the Member will be entitled to receive an early retirement pension.

8.03 Postponed Retirement Date

If, under provincial law and the Employer's policy concerning retirement, a Member has remained in Continuous Employment after his normal retirement date, the Member may retire, for purposes of the Plan, on the first day of any month after his normal retirement date, which date will be the Member's postponed retirement date.

In no event will a Member's retirement be deferred beyond the end of the calendar year in which the Member attains age 69.

SECTION 9 AMOUNT OF DEFINED BENEFIT PENSION

This Section 9 applies to the defined benefit provision of the Plan only.

9.01 Normal Retirement Pension

A Member who retires on his normal retirement date will receive an annual pension, commencing on his normal retirement date, in an amount equal to (1) plus (2) as follows:

(1) Pensionable Service prior to January 1, 1995:

an amount equal to (a) plus (b), and the resulting sum multiplied by (c), as follows:

- (a) 1.25% of the Member's Final Average Earnings up to the Government Benefit Base, and
- (b) 2% of the Member's Final Average Earnings in excess of the Government Benefit Base,
- (c) the Member's Contributory Pensionable Service;

plus

(2) Pensionable Service on and after January 1, 1995:

- (a) 1.15% of the Member's Final Average Earnings multiplied by the Member's Non-Contributory Pensionable Service.

In no event will the benefit accrued in the Plan Year under this Section 9.01 result in an amount that is a pension adjustment (as defined in the Income Tax Act), or any other amount determined under the Income Tax Act, being inappropriate having regard to the provisions of the Income Tax Act and the purposes for which the amount is determined.

9.02 Early Retirement Pension

A Member who retires early under Section 8.02 may elect either:

- (1) a pension, commencing on the first day of any month on or following his early retirement date up to the Member's normal retirement date, calculated according to

the formula in Section 9.01. The pension payable under this Section 9.02(1) will be reduced by 0.4% for each month by which the Member's pension commencement date precedes the Member's normal retirement date; or

- (2) a deferred pension, commencing at normal retirement date, calculated according to the formula in Section 9.01,

based on the Member's Pensionable Service at his early retirement date.

9.03 Postponed Pension Benefit

A Member who remains in Continuous Employment after his normal retirement date in accordance with Section 8.03 will continue to accrue benefits during his Continuous Employment. At such Member's postponed retirement date, he will receive a pension equal to the pension calculated according to the formula in Section 9.01 based on Earnings, Final Average Earnings and Pensionable Service at the Member's postponed retirement date.

9.04 Minimum Benefit with Respect to Required Contributions

If a Member retires, dies or terminates Continuous Employment, the Member, his Spouse or Beneficiary, as applicable, will be entitled to an amount ("Excess Contribution") equal to (1) less (2) as follows:

- (1) the Member's required contributions made to the Plan, plus Interest; and
 (2) 50% of the Commuted Value of the Member's pension accrued or otherwise granted.

The Excess Contribution will be paid as a lump sum payment.

9.05 Small Benefit Commutation

Where the annual pension payable on the Member's normal retirement date is not more than 2% of the YMPE in the year of the Member's termination of Continuous Employment, the Employer will pay the Member a lump sum payment equal to the Commuted Value of his pension or deferred pension in full discharge of all obligations under the Plan.

9.06 Maximum Pension Benefit

Notwithstanding anything in the Plan to the contrary, the annual pension paid to a Member in the year of pension commencement, including benefits payable to a Spouse under Section 15.03, will not exceed the lesser of:

- (1) \$1,722.22 multiplied by the Member's years of Pensionable Service, excluding that portion of the Member's pre-1992 Pensionable Service in excess of 35 years; and
- (2) 2% of the average of the best 3 consecutive years of Earnings multiplied by the Member's years of Pensionable Service, excluding that portion of the Member's pre-1992 Pensionable Service in excess of 35 years,

or such other maximum pension as permitted under the Income Tax Act from time to time.

The foregoing does not apply to benefits derived from the minimum benefit in respect of required contributions, determined under Section 9.04.

The maximum pension will be reduced if the pension commencement date precedes the earliest of the following dates on which:

- (1) the Member will attain age 60;
- (2) the Member's age plus Pensionable Service would have equalled 80;
- (3) the Member would have completed 30 years of Pensionable Service,

by $\frac{1}{4}$ of 1% for each month by which the pension commencement date precedes that date.

9.07 Defined Contribution and Optional Ancillary Benefits

In addition to any benefits payable under this Section 9, a Member is entitled to the Defined Contribution Benefit outlined in Section 16 and the optional ancillary benefit outlined in Appendix C.

SECTION 10 NORMAL AND OPTIONAL FORMS

10.01 Normal Form of Pension Benefit - No Spouse

For a Member who has no Spouse on the date the Member terminates Continuous Employment, the normal form of pension payable under the Plan is an annuity payable in monthly instalments for the life of the Member and, in any event, for a period of not less than 120 months. If the Member dies before receiving 120 payments, his Beneficiary will receive the balance of the remaining payments. At the Beneficiary's election, the Commuted Value of the remaining payments will be paid in a lump sum.

10.02 Normal Form of Pension Benefit - with a Spouse

Subject to Section 10.03, for a Member who has a Spouse on the date on which the Member terminates Continuous Employment, the normal form of pension payable under the Plan is a joint and survivor annuity payable in monthly instalments for the life of the Member. After the Member's death, 50% of such annuity is payable to the Member's Spouse for his life. If, however, the Spouse is more than 10 years younger than the Member, the Spouse's annuity will be reduced by 1% of the Member's annuity for each complete year in excess of 10 years.

10.03 Legislated Form of Pension Benefit

For a Member who has a Spouse on the date on which pension payments commence, the legislated form of pension is a joint and survivor annuity which is:

- (1) payable in monthly instalments of a reduced amount while both the Member and the Spouse are alive and payable, after the death of either the Member or the Spouse, to the survivor for his life in monthly instalments equal to 60% of the amount of each monthly instalment paid while the Member was alive; and
- (2) the Actuarial Equivalent of a pension in the form described in Section 10.01 or 10.02, whichever is greater.

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10.04 Waiver of Spousal Joint and Survivor Pension

A Member may elect to receive a pension in a form that provides no benefit to the Spouse or a benefit to the Spouse that is less than the legislated amount specified in Section 10.03, if:

- (1) the Member delivers to the Pension and Benefits Committee, within the time periods and manner prescribed under Applicable Pension Legislation, the written waiver of the Member and the Spouse and
- (2) this waiver is not revoked before the commencement of the Member's pension.

10.05 Optional Forms Available

In lieu of the normal form of pension payable under Sections 10.01 and 10.02 (or the legislated form of pension payable under Section 10.03) and subject to Section 10.04, a Member may elect, before pension payments commence, one of the following optional forms of pension.

The form of payment elected will be the Actuarial Equivalent of the normal form of pension described in Section 10.01 or 10.02, as applicable.

(1) Joint and Last Survivor

Under the joint and last survivor option, the Member receives an adjusted monthly pension payable for life and, after the Member's death, 50%, 60% or 100%, as elected by the Member, of the monthly pension will continue to the Member's Spouse for life.

(2) Level Income Option

Under the level income option, the Member receives increased amounts of monthly pension until age 65 and a reduced pension thereafter, in order to provide a level pension income from all sources throughout retirement.

(3) Life with a 15-Year Guarantee

Under the life pension with a 15-year guarantee option, the Member receives a monthly pension payable for life and, in any event, for a period of not less than 15

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years. If the Member dies before receiving 180 payments, the Member's Beneficiary will receive the value of the remaining payments in a lump sum.

SECTION 11 TERMINATION OF EMPLOYMENT

11.01 Vested Status

If a Member terminates Continuous Employment for any reason other than retirement or death, the defined benefits accrued to the Member, and the value of the Member's Account attributable to Employer contributions under Section 16.02 and 16.03(2) plus Investment Income, shall vest in the Member upon the completion of 2 years of Plan membership.

11.02 Termination

Subject to Section 11.03, if a Member's Continuous Employment terminates for any reason other than retirement or death and the Member is vested under Section 11.01, the Member is not permitted to withdraw his required contributions made to the Plan, if any. In lieu thereof, the Member will receive a deferred defined benefit pension, commencing on his normal retirement date, calculated according to the formula in Section 9.01.

11.03 Early Commencement of Deferred Pension

A Member who terminates Continuous Employment before attaining age 55 and who is entitled to receive a deferred pension under this Section 11 may elect to commence receiving this defined benefit pension on the first day of any month on or following the attainment of age 55 up to his normal retirement date. The Member's defined benefit pension will be reduced by 0.4% for each month by which the Member's defined benefit pension commencement date precedes his normal retirement date.

11.04 Portability

- (1) A Member who terminates Continuous Employment or retires may elect to have the Commuted Value of the deferred or immediate defined benefit pension to which the Member is entitled under this Section 11, plus Interest:
 - (a) transferred to another pension plan, if the administrator of that pension plan agrees to accept the transfer;

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- (b) transferred to a prescribed retirement savings arrangement, as prescribed in Applicable Pension Legislation; or
 - (c) applied to purchase a deferred life annuity from an insurance company licensed to transact business in Canada, provided payment of the annuity will not commence before the earliest date on which the Member was entitled to retire under the Plan.
- (2) The Employer will not permit a transfer or purchase under Section 11.04(1) unless the Employer is satisfied that the transfer or purchase is in accordance with Applicable Pension Legislation and that any restrictions in Applicable Pension Legislation with regard to the solvency of the Plan have been met.
- (3) If the Commuted Value of a Member's defined benefit pension exceeds such maximum amount prescribed under the Income Tax Act, the amount transferred in accordance with Section 11.04(1) will not exceed the prescribed maximum amount and the excess of the Commuted Value, plus Interest, over the amount transferred will be paid to the Member in a lump sum.
- (4) A Member who is entitled to a refund of contributions under this Section 11 may elect to transfer the refunded amount to a registered retirement savings plan or such other registered vehicle as is permitted under the Income Tax Act.

Upon such a transfer or purchase, the Member will cease to be a Member and will have no further entitlement under the Plan.

11.05 Small Benefit Commutation

If the annual defined benefit pension payable on the Member's normal retirement date is not more than 2% of the YMPE in the year of the Member's termination of Continuous Employment, the Employer will pay the Member a lump sum payment equal to the Commuted Value of his defined benefit pension or deferred defined benefit pension in full discharge of all obligations under the Plan.

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11.06 Excess Contributions

In addition to any other termination benefits payable under this Section 11, a Member whose Continuous Employment is terminated for any reason other than retirement or death, will receive his Excess Contributions plus Interest, in accordance with Section 9.04.

11.07 Defined Contribution and Optional Ancillary Benefits

In addition to any other benefits payable under this Section 11, a Member whose Continuous Employment is terminated for any reason other than retirement or death will receive the Defined Contribution Benefit, as outlined in Section 16 and the optional ancillary benefit as outlined in Appendix C.

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SECTION 12 DESIGNATION OF BENEFICIARY AND DEATH BENEFITS

12.01 Beneficiary Designation

A Member may designate, by written notice delivered to the Pension and Benefits Committee, a Beneficiary to receive any benefits payable on the death of the Member. A Member may revoke or amend such designation in the same manner at any time, subject to any applicable laws governing the designation of beneficiaries.

12.02 No Beneficiary

If a Member fails to validly designate a Beneficiary, or if the Beneficiary predeceases the Member, any benefits payable to the Member's Beneficiary will be paid in a lump sum to the estate of the Member.

12.03 Death of Beneficiary

If a Beneficiary, as a result of a Member's death, is entitled to payments under the Plan and the Beneficiary dies before receiving any or all of the payments due to him, the Commuted Value of the remainder of the payments will be paid in a lump sum to the estate of the Beneficiary.

12.04 Death before Pension Commencement

If a Member dies before pension payments have commenced under the Plan, a death benefit is payable equal to the Commuted Value of the defined benefit pension accrued to the Member in respect of Pensionable Service, if the Member was vested in accordance with Section 11.01 at the date of his death.

12.05 Settlement Options

- (1) Subject to Section 12.06, the defined benefits payable under Section 12.04 are payable to the Member's Spouse.

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(2) The surviving Spouse may elect to receive the benefit described in Section 12.05(1) in either of the following forms:

- (a) as an immediate or deferred life annuity, which annuity will commence before the Spouse's 69th birthday or, if later, within one year after the death of the Member. The annuity may be guaranteed for a period not exceeding 15 years; or
- (b) as a lump sum payment.

If the Spouse does not make an election under this Section 12.05(2) within 90 days of being advised on the entitlement under this Section, the Spouse will be deemed to have elected the immediate annuity described in Section 12.05(2)(a).

(3) Defined benefits payable to the Member's Beneficiary under Section 12.01 are payable in a lump sum.

12.06 Spousal Waivers

A Member's Spouse may waive the Spouse's entitlements under this Section 12 in the manner and in the form prescribed by Applicable Pension Legislation.

12.07 Death after Pension Commencement

Any death benefit payable on the death of a Member who has commenced to receive his defined benefit pension is determined in accordance with the form of the pension being paid to the Member under Section 10.

12.08 Excess Contributions

In addition to any other death benefits payable under this Section 12, a Member who dies prior to receiving a benefit in respect of his Excess Contributions will have such contributions, calculated in accordance with Section 9.04, and paid to the Member's Spouse, or if he does not have a Spouse, to his designated beneficiary.

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12.09 Defined Contribution and Optional Ancillary Benefits

In addition to any other death benefits payable under this Section 12, a Member who dies prior to pension commencement, is entitled to the death benefit outlined in Section 16.12 and Section C-10.

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SECTION 13 ADMINISTRATION

13.01 Administration

The administrator of the Plan will be the Company. The Management Committee of the Board of Directors of the Company will appoint a Pension and Benefits Committee to act on behalf of the Company in its capacity as administrator of the Plan. The Pension and Benefits Committee will decide conclusively all matters relating to the operation, interpretation and application of the Plan.

13.02 Duties of the Pension and Benefits Committee

The Pension and Benefits Committee will:

- (1) be responsible for the performance of all administrative functions not performed by the Funding Agent, the Actuary or any group annuity contract issuer;
- (2) enact rules and regulations relevant to the operation of the Plan and amend or revoke such rules and regulations from time to time;
- (3) recommend amendments to the Plan;
- (4) interpret the terms and provisions of the Plan and determine any and all questions arising thereunder or in connection with the administration thereof, including the right to remedy possible ambiguities, inconsistencies or omissions and, in so doing, it will act in a way such as not to discriminate unfairly in favour of any Employee or Member; and
- (5) appoint an agent who will:
 - (a) maintain, or cause to be maintained, records of the Members;
 - (b) maintain such data as may be required for the actuarial valuation of the liabilities of the Plan; and
 - (c) decide all questions relating to service, eligibility, membership, early retirement, pension benefits and the amount of any Employee's Earnings for

the purpose of the Plan.

13.03 Employee Disclosure

The Pension and Benefits Committee will provide each Member with a written explanation of the terms and conditions of the Plan and amendments thereto applicable to him, together with an explanation of the rights and duties of the Member with reference to the benefits available to him under the terms of the Plan. The Pension and Benefits Committee will also provide the Member, Employee, Spouse or any other authorized individual with such other information as may be prescribed under Applicable Pension Legislation.

A copy of the Funding Agreement and other documents prescribed under Applicable Pension Legislation may be examined by any Member of the Plan (or by any other individual with an interest in the Plan that is recognized under Applicable Pension Legislation) at any reasonable time at the head office of the Employer or such other location as may be prescribed under Applicable Pension Legislation.

13.04 Indemnification of Delegates

If the Employer delegates all or some of its powers of administration to an Employee or Employees, Management Committee and the Pension and Benefits Committee ("Delegates"), the Employer will defend, save harmless and fully indemnify such Delegates, their heirs, executors, administrators, successors and legal representatives, at all times from and against all claims and demands of every nature and kind and all proceedings in respect thereof which may be made or brought against them, or any one of them, by any Member for himself, his Spouse, his heirs, executors, administrators and beneficiaries.

This indemnification includes all costs, disbursements, legal fees and all other expenses reasonably incurred or occasioned in connection therewith, save and except for any claims, demands and proceedings arising from any act or omission which is due to wilful misconduct, fraud or lack of good faith by the Delegates, or any one of them.

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SECTION 14 RIGHT TO AMEND OR TERMINATE THE PLAN

14.01 Continuation of the Plan

The Employer intends to maintain the Plan indefinitely but reserves the right to amend or discontinue the Plan either in whole or in part at any time.

14.02 Amendment to the Plan

- (1) No amendment will operate to reduce the pension benefits which have accrued to any Member before the date of such amendment based on Earnings at that date.
- (2) Where an amendment results in a certifiable past service pension adjustment (as defined under the Income Tax Act) in respect of a Member, the amendment will not apply to such Member before certification of the past service pension adjustment in accordance with the Income Tax Act.

14.03 Termination of the Plan

- (1) If the Plan is wound up, in whole or in part, the assets of the Fund will first be allocated for provision of benefits in accordance with the terms of the Plan, Applicable Pension Legislation, the Income Tax Act and any other applicable legislation.
- (2) If the Plan is wound up, in whole or in part, the Employer will not make further contributions to the Fund in respect of the Plan or the portion of the Plan being wound up, as applicable, except for amounts due or that have accrued up to the effective date of the wind-up and which have not been paid into the Fund, as required by the Plan and Applicable Pension Legislation.
- (3) Subject to the application of the Pension Benefits Guarantee Fund (Ontario), if the Plan is wound up, in whole or in part, and the assets in the Fund are not sufficient to pay all the benefits under the Plan or the portion of the Plan being wound up, as applicable, the benefits payable will be reduced in the manner prescribed by

Applicable Pension Legislation.

14.04 Wind-Up Surplus

If after provision for benefits payable to or in respect of Members on the wind-up, in whole or in part, of the Plan, assets remain in the Fund or the part of the Fund affected by the partial wind-up, such assets will be refunded to the Employer, provided the Employer complies with the requirements of Applicable Pension Legislation and the Income Tax Act.

SECTION 15 GENERAL PROVISIONS

15.01 Right to Employment

Nothing contained in the Plan will confer upon any Member or Employee the right to be retained in the Continuous Employment of the Employer nor will it interfere in any manner with the right of the Employer to discharge any person.

15.02 Non-Alienation of Benefits

Except as specified in Section 15.03, money payable under the Plan is subject to the following restrictions:

(1) **Void Transactions**

any transaction that purports to assign, charge, surrender, anticipate or give as security money payable under the Plan is void; and

(2) **Exemption From Seizure**

money payable under the Plan is exempt from execution, seizure or attachment.

15.03 Marital Breakdown

(1) **Support Obligations**

Payments under the Plan are subject to execution, seizure or attachment in satisfaction of a court order (or written domestic contract) for support or maintenance enforceable in Ontario or another relevant jurisdiction, in accordance with Applicable Pension Legislation.

(2) **Division of Property**

The benefits of a Member under the Plan may be partitioned between the Member and his Spouse or former Spouse in accordance with a court order (or written domestic contract), within the limits imposed by Applicable Pension Legislation.

(3) **Where all or part of a Member's pension or other benefits are distributed to a Spouse**

or former Spouse, the Commuted Value of a Member's pension or other benefits payable to the Member and Spouse or former Spouse after the distribution, will not exceed the Commuted Value of the pension and other benefits that would have been payable in respect of the Member, had the distribution not occurred.

15.04 Non-Commutation of Pensions

A pension or deferred pension payable under this Plan will not be capable of being commuted, except as follows:

- (1) as permitted under Section 9.05;
- (2) as permitted under Section 11.05; or
- (3) as permitted in accordance with Applicable Pension Legislation, in the event that the life expectancy of the Member is likely to be considerably shortened by reason of the Member's mental or physical disability.

15.05 Information to be Provided before Employer Pays Benefits

Payment of benefits will not be made until the person entitled to payment of the benefit delivers to the Employer:

- (1) satisfactory proof of age of the person and other persons who may become entitled to payment of the pension and such other information as may be required to calculate and pay the benefit; and
- (2) if the benefit is payable to a Member or Spouse, a signed declaration of marital status.

15.06 Payment to Minors and Physically or Mentally Handicapped

If, when a benefit becomes payable, the Employer finds that the person entitled to receive the benefit under the Plan is a minor, or is otherwise incapable of giving a valid receipt and release thereof, the payment may be made to:

- (1) the guardian, committee or other legal representative of the person; or
- (2) a court or authorized government agency of the jurisdiction to which the pension is

subject, for the credit of the person, in accordance with the laws of the jurisdiction governing such payment.

Any such payment will operate as a complete discharge of liability under this Plan.

15.07 Service in More Than One Province

If the Member has been in Continuous Employment in more than one province, the Member's benefit payable under the Plan on his retirement in respect of all years of Pensionable Service will be determined in accordance with the provisions of the Applicable Pension Legislation in force of the province he was employed before termination of Continuous Employment.

15.08 Currency

All contributions to the Plan and all benefits payable from the Plan will be made in lawful Canadian currency, provided that in case of any Member being paid his Earnings with some other currency, the Company may, from time to time in its discretion, fix the rate of exchange to be used for the purpose of the Plan in converting to Canadian currency his Earnings and benefits under the Plan.

15.09 Severability

If any provision of the Plan is held to be invalid or unenforceable by a court of competent jurisdiction, its invalidity or unenforceability will not affect any other provision of the Plan and the Plan will be construed and enforced as if such provision had not been included in the Plan.

15.10 Construction

The Plan will be governed and construed in accordance with the laws of Ontario. Any provision of the Funding Agreement that is inconsistent with the terms of the Plan will, to the extent of the inconsistency, be of no force or effect.

SECTION 16 DEFINED CONTRIBUTION PROVISIONS

16.01 Definitions

The following definitions apply for purposes of this Section 16.

- (1) ***Account*** means that portion of the Defined Contribution Fund to which Employer contributions made on behalf of the Member under Section 16.02 and 16.03(2) and Member contributions under Section 16.03(1) and Investment Income thereon, are allocated.
- (2) ***Account Balance*** means, for each Member, the sum of:
 - (a) the Employer contributions under Sections 16.02 and 16.03(2) including amounts allocated to Member's Accounts pursuant to Section 16.06 and 16.09(1)(a); and
 - (b) Member contributions made under Section 16.03(1).adjusted to take into account Investment Income and deductions for expenses made prior to the date of determination.
- (3) ***Defined Contribution Fund*** means the assets in respect of the defined contribution provision of the Plan held from time to time by the Funding Agent under the terms of a Funding Agreement.
- (4) ***Investment Income*** means for the Account of each Member, the net gain or loss on all contributions and other amounts allocated to the Account, from the date contributions are deposited or amounts are allocated to the Account to the date of determination.

16.02 Employer Contributions – Core Defined Contribution Benefit

The Employer will contribute 3% of the Member's Earnings to the Account of each Member who participates in the core defined contribution provision of the Plan pursuant to Section 3.07(1)(b) or 3.07(2)(b).

16.03 Member Contributions and Employer Matching Contributions – Optional Defined Contribution Benefit

(1) Member Optional Contributions

A Member may contribute to the Member's Account, through payroll deductions during each Plan Year or part thereof, an amount equal to 0%, 1%, 2% or 3% of the Member's Earnings.

(2) Employer Matching Contributions

The Employer will contribute to the Member's Account, on behalf of each Member, for each Plan Year or part thereof, an amount equal to 50% of the Member's optional contributions made under Section 16.03(1).

16.04 Contribution During Special Leaves of Absence

(1) Employer Contributions

The Employer will continue to make contributions to the Member's Account in accordance with Section 16.02 during Special Leaves of Absence, as defined under Section 5.01.

(2) Optional Contributions

(a) Member's Optional Contributions

A Member may continue to make contributions to the Member's Account in accordance with Section 16.03(1) during Special Leaves of Absence.

(b) Employer Matching Contributions

The Employer will continue to make contributions to the Member's Account in accordance with Section 16.03(2), provided the Member continues to contribute to the member's Account in accordance with Section 16.03(1) during Special Leaves of Absence.

16.05 Remittance of Contributions

The Employer will remit to the Funding Agent, for deposit to the Defined Contribution Fund, all sums deducted from a Member's pay pursuant to Section 16.03(1), plus the Employer's contributions made pursuant to Sections 16.02 and 16.03(2), within 30 days following the month in which sums are received, deducted, or payable, as the case may be.

16.06 Application of Forfeitures

The Employer may allocate all or any portion of the forfeitures under Section 16.09(1) to Members' Accounts to reduce, or settle in full, the aggregate amount of its total contributions under Section 16.02 and 16.03(2) for any month, or it may direct that the amount of forfeitures be used to pay expenses of the Plan, provided such allocation or payment is made by the end of the calendar year following the year in which the amount was forfeited.

16.07 Pension Adjustment Limit

In no event will the aggregate of Employer contributions made to the Member's Account under Section 16.02 and 16.03(2), Member contributions under 16.03(1), any forfeitures that may be allocated to the Member's Account under Section 16.06, and the Member's pension credit for defined benefits under the Plan, in a calendar year exceed the pension adjustment limit for that year as defined in the Income Tax Act.

16.08 Locking-In and Refund of Contributions

(1) Locked-in Contributions

Subject to Sections 16.08(2) and 16.09(1), the following contributions and related Investment Income are locked-in and cannot be withdrawn:

- (a) Employer contributions made under Sections 16.02 and 16.03(2), including any forfeitures allocated to the Member's Account under Section 16.06; and
- (b) Member contributions made under Section 16.03(1).

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(2) Refund of Contributions to Avoid Revocation of Registration of Plan

Employer contributions made under Section 16.02 and 16.03(2) and Member contributions made under Section 16.03(1) may be refunded to the Employer or the Member, as applicable, where such refund is required in order to avoid revocation of the registration of the Plan under the Income Tax Act, subject to advance notice of the refund being provided to the Superintendent of Financial Services Commission of Ontario.

16.09 Defined Contribution Pension and Commencement of Pension

(1) Termination Prior to Attaining Vested Status

(a) Forfeitures

A Member who terminates service as an Employee prior to attaining vested status under Section 11.01, will forfeit the value of the Member's Account attributable to Employer's contributions under Section 16.02 and 16.03(2), plus Investment Income thereon.

(b) Election

A Member who terminates Continuous Employment prior to attaining vested status under Section 11.01 may elect to have the value of the Member's Account attributable to Member Contributions under Section 16.03(1):

- (i) paid to the Member in lump sum; or
- (ii) transferred to a registered retirement saving plan or such other registered vehicle as permitted under the Income Tax Act.

(2) Termination After Attaining Vested Status

A Member who terminates Continuous Employment after attaining vested status in accordance with Section 11.01 or on or after normal retirement date will be entitled to receive an annual pension which can be purchased with the amount of the Member's Account Balance. Such pension will be purchased from an insurance company licensed to do business in Canada, using annuity rates that do not

differentiate on the basis of sex, except for Quebec Members for whom sex-distinct annuity rates will be used.

16.10 Defined Contribution Pension Entitlement and Locked-In Transfer

(1) Election

A Member who terminates Continuous Employment for reasons other than death and who is entitled to a defined contribution pension under Section 16.09(2), may elect:

- (a) to transfer the Member's Account Balance to a locked-in retirement arrangement prescribed by Applicable Pension Legislation; or**
- (b) to transfer the Member's Account Balance to an insurance company of the Member's choice that is licensed to transact business in Canada for the purchase of a pension which will commence before the Member attains age 55 but prior to the end of the year in which the Member attains age 69;**
- (c) to transfer the Member's Account Balance to another registered pension plan, provided the administrator of the pension plan agrees to accept the transfer.**

The Company will not permit a transfer or purchase under the Plan unless the Company is satisfied that the transfer or purchase is in accordance with Applicable Pension Legislation and the Income Tax Act.

(2) Terms of the Election

A Member will make an election under Section 16.09(1)(b) or Section 16.10(1) within 60 days after receiving a statement from the Company setting out the Member's entitlement and elections.

16.11 Form of Defined Contribution Pension

The defined contribution pension will be paid in equal monthly instalments in the form described under Section 10 of the Plan.

16.12 Transfer of Lump Sum to RRSP

If the person who is entitled to receive a lump sum payment under any of the forms of defined contribution pension payable under the Plan is the Member's Spouse or former Spouse, that person may elect to have that amount transferred directly to a registered retirement savings plan, provided the person qualifies for such transfer under the Income Tax Act at the time of the transfer.

16.13 Death Benefits from Members' Accounts

(1) Death Benefit Prior to Attaining Vested Status

If a Member who has not attained vested status under Section 11.01 dies while in Continuous Employment or dies after termination of Continuous Employment but before commencement of a pension, the value of the Member's Account Balance plus Investment Income thereon attributable to:

- (a) the Member's contributions under Section 16.03(1) will be paid to the Member's surviving Spouse, or in the absence of a surviving Spouse, to the Member's Beneficiary in a lump sum; and
- (b) Employer contributions under Section 16.02 or 16.03(2) will be forfeited.

(2) Death Benefit After Attaining Vested Status

(a) Death Benefit

If a Member who has attained vested status under Section 11.01 dies while in Continuous Employment or dies after termination of Continuous Employment but before commencement of a pension, the Member's surviving Spouse, or if there is no Spouse, or the Spouse has waived entitlement to the death benefit pursuant to Section 16.13(3), the Member's Beneficiary, will be entitled to receive a death benefit equal to the Member's Account Balance.

(b) Form of Payment to the Surviving Spouse

The death benefit to the surviving Spouse will be payable:

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- (i) in the form of an immediate or deferred defined contribution pension payable on or before December 1 of the calendar year in which the surviving Spouse attains age 69 (or if the Spouse has attained age 69, within one year of the death of the Member); or
- (ii) as a lump sum cash payment.

If the surviving Spouse fails to make an election within 60 days following the receipt of a survivor benefit statement, the Spouse, except the Quebec Member's Spouse, will be deemed to have elected to receive an immediate defined contribution pension under Section 16.13(2)(b)(i).

(c) Form of Payment to a Beneficiary

Payment of the death benefit under Section 16.13(2)(a) to a Beneficiary will be in the form of a lump sum.

(3) Waiver of Death Benefit

The Member's Spouse may waive the entitlement under Section 16.13(2) on a form prescribed by the Applicable Pension Legislation.

16.14 Administration of the Defined Contribution Fund

The Defined Contribution Fund will be administered by the Funding Agent in accordance with the Funding Agreement.

16.15 Defined Contribution Expenses

- (1) Investment manager fees related to the administration of the assets allocated to a Member's Account will be deducted in the determination of Investment Income.
- (2) Transaction fees related to the administration of the assets allocated to the Account of a Member whose Continuous Employment has ceased will be applied to reduce the Member's Account Balance.

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16.16 Defined Contribution Investments

A Member will direct the investment of the Member's Account in accordance with the options made available by the Company pursuant to the Funding Agreement from time to time.

The Company will provide a range of investment options for Members. For purposes of this Section 16.16, the Company expressly reserves the right to set limits on restricted investments by individual Member Accounts.

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SCHEDULE A SPECIAL PROVISIONS FOR ALBERTA MEMBERS

A-1 Application

The provisions of this Schedule A apply to all Members who are employed by the Employer in the province of Alberta.

With respect to Alberta Members, the provisions of this Schedule A supersede any other provisions of the Plan that are inconsistent with the provisions of this Schedule A, and supplement the provisions of the Plan which are not inconsistent with the provisions of this Schedule A.

A-2 Definitions

For the purpose of this Schedule A:

"Spouse" means, in relation to an Alberta Member at the time a determination of spousal status is required:

- (1) a person who is legally married to the Alberta Member and has not been living separate and apart from him or her for 3 or more consecutive years;
- (2) if there is no person to whom (1) applies, a person of the opposite sex who has been living with the Alberta Member in a marriage-like relationship for the immediately preceding 3 year-period; or
- (3) if there is no person to whom (1) or (2) applies, a person of the same sex who has been living with the Alberta Member in a marriage-like relationship for the immediately preceding 3 year-period,

provided that the person also qualifies as a spouse or common law partner under the *Income Tax Act* at the relevant time for purposes of registered pension plans.

A-3 Eligibility For Part-Time Employees

Section 3.02(2) will not apply to an Alberta Employee. Each part-time Alberta Employee will be eligible to become a Member of the Plan on the first day of the month coincident

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with or next following his completion of 2 consecutive calendar years of Continuous Employment during each of which he has earned at least 35% of the YMPE.

A-4 Pre-Retirement Death Benefit

(1) Locking-In Of Death Benefit Payable To Spouse

The surviving Spouse of an Alberta Member may not receive the death benefit payable pursuant to Section 12.04(2) and/or 16.12(2) in the form of a lump sum cash payment. Instead, the Spouse may elect:

- (a) to receive the benefit in the form of a life annuity payable in accordance with the terms and conditions of the Plan, purchased from an insurance company licensed to sell annuities in Canada, commencing either immediately or on the first day of any month but in any event not later than December 1 of the calendar year in which the Spouse attains age 69 (or, if later, within one year following the Alberta Member's death) with or without a guarantee period, provided that any guarantee period will not exceed 15 years; or
- (b) to transfer the death benefit from the Plan on a locked-in basis in accordance with the transfer options under Section 11.04 or 16.10, whichever is applicable.

(2) Death of Spouse Before Receipt of Death Benefit

In the event that the Member's Spouse dies after the Member, but prior to having commenced receipt of a pension and without having elected a transfer, as described in Schedule A-4(1), an amount equal to the Member's contributions plus Interest will be paid to the Spouse's designated beneficiary or, if none, to the Spouse's estate.

(3) Waiver Of Pre-Retirement Death Benefit

Notwithstanding Section 12.06 and/or 16.12(3), the Spouse of an Alberta Member will not be entitled to waive the death benefit payable pursuant to Section 12.04(2) and/or 16.12(2).

A-5 Small Benefit Commutation

If the annual pension payable under the Plan (inclusive of both the defined benefit pension and the pension with respect to the Member's Account Balance) does not exceed 4% of the YMPE, or if the Commuted Value of the defined benefit pension plus the Member's Account Balance does not exceed 20% of the YMPE, in the year of the retirement, termination of Continuous Employment or death of a vested Alberta Member, the Alberta Member or his surviving Spouse may elect to receive a lump sum payment equal to the Commuted Value of his defined benefit pension plus the Member's Account Balance, or transfer such amount to a registered retirement savings plan that is not locked-in, in full discharge of all obligations under the Plan.

A-6 Mandatory Transfer Of Small Benefit

If the Commuted Value of the pension payable to the Alberta Member (inclusive of both the defined benefit and the Member's Account Balance) does not exceed 20% of the YMPE in the year of the retirement or termination of Continuous Employment of a vested Alberta Member, the Employer may, at its sole discretion, require the Alberta Member to transfer his entitlement from the Plan on a locked-in basis in accordance with Section 11.04 or 16.10, whichever is applicable.

A-7 Excess Contribution Payment Options

The Excess Contribution outlined in Section 9.04, relating to an Alberta Member, is payable to the Member, his Spouse or Beneficiary, as applicable, in a lump sum unless the Alberta Member, or his Spouse as applicable, elects the Excess Contribution be:

- (1) used to increase the pension accrued to the Alberta Member, as determined by the Actuary;
- (2) transferred to an insurance company to purchase an immediate or deferred life annuity;
- (3) transferred to another registered pension plan, if that plan permits the transfer; or
- (4) transferred to his registered retirement savings plan.

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SCHEDULE B SPECIAL PROVISIONS FOR BRITISH COLUMBIA MEMBERS

B-1 Application

The provisions of Schedule B will apply to all Members who are employed by the Employer in the province of British Columbia.

With respect to British Columbia Members, the provision of this Schedule B supersede any other provisions of the Plan that are inconsistent with the provisions of this Schedule B and supplement the provisions of the Plan which are not inconsistent with the provisions of this Schedule B.

B-2 Definitions

For the purpose of this Section B:

"Spouse" means, at the time a determination of marital status is required:

- (1) a person who is legally married to the British Columbia Member and has not been living separate and apart from him or her for 2 or more consecutive years in the immediately preceding period; or
- (2) if there is no person to whom (1) applies, a person of the opposite sex or of the same sex who has been living with the British Columbia Member in a marriage-like relationship for the immediately preceding 2-year period,

provided that the person also qualifies as a spouse or common law partner under the Income Tax Act at the relevant time for purposes of registered pension plans.

B-3 Eligibility for Part-Time Employees

Section 3.02(2) will not apply to a British Columbia Employee. Each part-time British Columbia Employee will be eligible to become a Member of the Plan on the first day of the month coincident with or next following his completion of 2 consecutive calendar years of Continuous Employment during each of which he has earned at least 35% of the YMPE.

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B-4. Pre-Retirement Death Benefit**(1) Locking-In of Death Benefit Payable to Spouse**

The surviving Spouse of a British Columbia Member who is entitled to receive a death benefit pursuant to Section 12.04(2) and/or 16.12(2) may not receive the benefit in the form of a lump sum cash payment. Instead, the Spouse may elect:

- (a) to receive the benefit as a life annuity payable in accordance with the terms and conditions of the Plan, purchased from an insurance company licensed to sell annuities in Canada, commencing either immediately or on the first day of any month but in any event not later than December 1 of the calendar year in which the Spouse attains age 69 (or if later, within one year following the British Columbia Member's death) with or without a guarantee period, provided that any guarantee period will not exceed 15 years; or
- (b) to transfer the death benefit payable from the Plan on a locked-in basis, in accordance with the transfer options under Section 11.04 or 16.10, whichever is applicable.

(2) Death of Spouse Before Receipt of Death Benefit

In the event that the Member's Spouse dies after the Member, but prior to having commenced receipt of a pension and without having elected a transfer, as described in Schedule B.4(1), an amount equal to the Member's contributions plus Interest will be paid to the Spouse's designated beneficiary or, if none, to the Spouse's estate.

B-5 Small Benefit Commutation

If the annual amount of pension benefit payable under the Plan (inclusive of both the defined benefit pension and the pension with respect to the Member's Account Balance) is less than 10% of the YMPE, or if the Commuted Value of the defined benefit pension plus the Member's Account Balance does not exceed 20% of the YMPE, in the year of the retirement, termination of Continuous Employment, or death of a vested British Columbia Member, the British Columbia Member or his surviving Spouse may elect to receive a lump sum payment equal to the Commuted Value of his defined benefit pension plus the

Member's Account Balance, or transfer such amount to a registered retirement savings plan that is not locked-in, in full discharge of all obligations under the Plan.

B-6 Mandatory Transfer of Small Benefit

If the Commuted Value of the pension payable to the British Columbia Member (inclusive of both the defined benefit and the Member's Account Balance does not exceed 20% of the YMPE in the year of the retirement or termination of Continuous Employment of a vested British Columbia Member, the Employer may, at its sole discretion, require the British Columbia Member to transfer his entitlement from the Plan on a locked-in basis in accordance with the transfer options under Section 11.04 or 16.10, whichever is applicable.

B-7 Commutation for Non-Residents

A British Columbia Member who has terminated Continuous Employment may elect, if he has been residing outside of Canada for at least 2 years, to receive a lump sum cash payment equal to his Member Account Balance, and the Commuted Value of the defined benefit pension, in full discharge of all obligations under the Plan.

B-8 Excess Contributions Payment Option

The Excess Contribution outlined in Section 9.04, relating to a British Columbia Member, is payable to the British Columbia Member, his Spouse or Beneficiary, as applicable, in a lump sum unless the British Columbia Member or his Spouse, as applicable, elects the Excess Contribution be:

- (1) transferred to another pension plan, if and to the extent that the plan permits the transfer;
- (2) transferred to a registered retirement savings plan;
- (3) transferred to an insurance company or prescribed savings institution to purchase a deferred pension or other prescribed retirement income fund; or
- (4) used to increase the amount of the pension if and to the extent that the Plan so provides.

H.

SCHEDULE C SPECIAL PROVISIONS FOR QUÉBEC MEMBERS

C-1 Application

The provisions of this Schedule C apply to all Members who are employed by the Employer in the province of Québec.

With respect to Quebec Members, the provisions of this Schedule C supersede any other provisions of the Plan that are inconsistent with the provisions of this Schedule C and supplement the provisions of the Plan which are not inconsistent with the provisions of this Schedule C.

C-2 Definitions

For the purpose of this Schedule C:

- (1) **"Spouse"** means, in relation to a Québec Member, at the time a determination of spousal status is required:
- (a) a person who is legally married to the Quebec Member; or
 - (b) a person of the opposite sex or of the same sex who has been living in a conjugal relationship with an unmarried Quebec Member for a period of not less than 3 years, or for a period of not less than 1 year if:
 - (i) at least one child is born, or is to be born, of their union;
 - (ii) they have adopted, jointly, at least one child while living together in a conjugal relationship; or
 - (iii) one of them has adopted at least one child who is the child of the other, while living together in a conjugal relationship,

provided that the person also qualifies as a spouse or common law partner under the Income Tax Act at the relevant time for purposes of registered pension plans.

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- (2) **"Interest"** means, from January 1, 2001:
- (a) interest on Quebec Member required or excess contributions compounded and allocated annually and calculated at a rate equal to the greater of:
 - (i) the rate of return derived from the investment of the Plan assets, less investment expenses and administration costs, calculated and applied using the method determined by the Actuary; and
 - (ii) zero;
 - (b) interest on the payment of the additional benefit provided for in Section C-7(3) out of the Fund, compounded and allocated annually and calculated from the date at which the additional benefit was determined to the date of payment, at the same rate as was used to determine the additional benefit.

C-3 Eligibility For Québec Employees

Each full-time or part-time Québec Employee is eligible to become a Member of the Plan on the first day of a calendar year provided that he has either earned at least 35% of the YMPE or completed at least 700 hours of employment in the preceding calendar year.

C-4 Normal And Postponed Retirement Date

Notwithstanding Sections 8.01 and 8.03, a Québec Member may retire on his normal retirement date but retirement is not mandatory. However, in no event will payment of the Québec Member's pension on his postponed retirement date be deferred beyond December 31 of the calendar year in which the Québec Member attains age 69.

C-5 Postponed Retirement Benefit

(1) Subject to Schedule C-5(2), each Québec Member who elects to remain in Continuous Employment after his normal retirement date pursuant to Section 8.03, will be entitled to receive a benefit equal to (a) plus (b) as follows:

(a) continue to accrue defined benefit pension to his postponed retirement date. At such Member's postponed retirement date, he will receive an annual defined benefit pension, commencing on his postponed retirement date, calculated in accordance with Section 9.01.

Such pension will, however, not be less than the Actuarial Equivalent of the defined benefit pension accrued to the Québec Member under Section 9.01 to his normal retirement date;

(b) the Québec Member's Account Balance.

(2) Each Québec Member who postpones his retirement under Section 8.03 may elect to commence receiving his pension in whole, or in part, on or after his normal retirement date, to the extent necessary to compensate him for a permanent reduction in his Earnings from the level in effect preceding his normal retirement date.

If the Québec Member elects to commence receipt of all, or any portion of, his pension under Schedule C-5(2) the Québec Member will cease to accrue benefits under the Plan and on his postponed retirement date, will receive the balance of his annual pension, as determined in accordance with Schedule C-5(1) but adjusted to reflect the amount of payments made to him under Schedule C-5(2).

The Québec Member may make an election under Schedule C-5(2) not more frequently than once every 12 months.

C-6 Death During Postponement Of Pension

If a Québec Member dies during the period of postponement of his normal retirement pension, the Québec Member's Spouse is, unless such entitlement has been waived, entitled to:

- (1) the death benefit payable under Section 16.12(2), and
- (2) a pension in respect of the Quebec Member's accrued defined benefit pension, the value of which is equal to the greater of:
 - (a) the Commuted Value of the defined benefit pension to which the Spouse would have been entitled under Section 10.03, had the Québec Member commenced payment of the postponed pension on the day preceding his death; and
 - (b) the Commuted Value of the death benefit to which the Spouse is entitled under Section 12.04(2) in respect of the Quebec Member's accrued defined benefit pension.

C-7 Entitlement Of Québec Member On Termination**(1) Vested Status**

Notwithstanding Section 11.01, a Quebec Member whose Continuous Employment is terminated other than by retirement or death is vested with respect to his benefits under the Plan regardless of the length of his membership in the Plan.

(2) Termination Benefit

A Quebec Member whose Continuous Employment is terminated other than by retirement or death is entitled to receive the following:

- (a) the Member's Account Balance; and
- (b) a deferred defined benefit pension commencing on his normal retirement date calculated according to the formula in Section 9.01.

(3) **Additional Benefit**

A Quebec Member who is not age 55 at the date of termination is entitled to an additional defined benefit pension, the value of which is equal to the difference between variables A and B, where:

A is the sum of the following amounts:

- (i) the Commuted Value of the defined benefit pension accrued to the Member pursuant to Section 11.02 for Pensionable Service before January 1, 2001;
- (ii) the Commuted Value of the pension accrued to the Member pursuant to Section 11.02 for Pensionable Service after December 31, 2000, with Indexation between the date of his termination and the date he attains age 55; and
- (iii) any excess contributions calculated pursuant to Section 9.04 after applying the Indexation in accordance with paragraph (ii) above.

For the purpose of calculating the Commuted Value of the defined benefit pension included in variable A above, the Commuted Value of the defined benefit pension is determined in accordance with Section 11.02 for Pensionable Service before January 1, 2001. With respect to Pensionable Service after December 31, 2000, the Commuted Value is determined according to the characteristics of the normal defined benefit pension and assuming payment begins at normal retirement date.

B is the Commuted Value of the pension accrued to the Quebec Member pursuant to Section 11.02 for all years of Pensionable Service, increased by any Excess Contributions calculated pursuant to Section 9.04.

For the purposes of Schedule C-7(3), "Indexation" means 50% of the change in the seasonally unadjusted All-Item Consumer Price Index for Canada published by Statistics Canada between the month of the Quebec Member's termination of Continuous Employment and the month the indexation ceases, provided

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however, that the annualized Indexation Rate cannot be less than 0% or greater than 2%.

The Additional benefit will be paid to the Quebec Member in a lump sum.

C-8 Entitlement Of Québec Member On Death Prior To Pension Commencement

If a Québec Member dies prior to pension commencement and prior to his normal retirement date, regardless of the length of his membership in the Plan, a death benefit is payable in accordance with Section 12.04(2) and/or 16.12(2), as applicable. The death benefit will be payable to the surviving Spouse of the Québec Member. If the Québec Member does not have a Spouse at the time of his death, or if the Spouse has waived the benefit in accordance with Section 12.06 and/or 16.12(3), the death benefit will be payable to the Québec Member's Beneficiary. The death benefit payable under Section 12.04(2) will include the additional benefit determined under Schedule C-7(3), if the deceased was entitled thereto.

**C-9 Termination Of Spouse's Right To Pre-Retirement Death Benefit
And Joint And Survivor Pension**

The right of the Québec Member's Spouse to the pre-retirement death benefit under Section 12 and/or Section 16.12(2) and the legislated form of pension under Section 10.03 is terminated by legal separation from bed and board, divorce or annulment of marriage, or cessation of the conjugal relationship unless the Québec Member notifies the Company in writing to make payment to the Spouse despite such separation, dissolution of marriage or cessation of conjugal relationship.

Notwithstanding the preceding paragraph, the Spouse of a Québec Member who is legally separated from bed and board from the Québec Member at the time of his death may receive the pre-retirement death benefit payable under Section 12 and/or Section 16.12(2) if that Spouse is named as the Québec Member's Beneficiary.

C-10 Additional Optional Form Of Pension For Québec Members

In addition to the optional forms of pension provided under Sections 10.05, the Québec Member may elect to receive a 60% joint and survivor pension which is guaranteed for a minimum of 120 months. If the Québec Member dies before receiving 120 monthly payments, the Québec Member's Spouse will receive the remainder of the 120 payments. Upon expiry of the guarantee period, payments will continue to be paid to the Spouse for the Spouse's life in equal monthly installments equal to 60% of the amount paid on the date of the expiration of the guarantee. Should the Québec Member and the Spouse both die before all 120 guaranteed monthly payments have been made, the value of the remainder of these payments will be paid to the Québec Member's Beneficiary, or the estate of the last survivor, as applicable. Such pension will be the Actuarial Equivalent of the pension payable under Section 10.02.

C-11 Small Benefit Commutation

If the Commuted Value of the Québec Member's defined benefit pension plus the Member's Account Balance is less than 20% of the YMPE in the year that the Québec Member retires or terminates Continuous Employment, the Québec Member will receive a lump sum payment equal to the Member's Account Balance and the Commuted Value of the defined benefit pension, in full discharge of all obligations under the Plan.

C-12 Commutation For Non-Residents

A Québec Member who has terminated Continuous Employment or retired under the Plan may elect, if he has been residing outside of Canada for at least 2 years, to receive a lump sum cash payment equal to the Member's Account Balance, and the Commuted Value of the defined benefit pension, in full discharge of all obligations under the Plan.

C-13 Early Benefit

- (1) A Québec Member in active employment whose working time is reduced pursuant to an agreement with the Employer on or after June 5, 1997 and who has attained age 55 is entitled upon request to the Employer, in each calendar year covered by the

agreement, to the payment in a lump sum of an early benefit equal to the least of the following amounts:

- (a) 70% of the reduction in his Earnings resulting from the reduction in his working time during the calendar year;
 - (b) 40% of the YMPE for the year concerned or, where applicable, a part of that amount proportional to the number of months in the calendar year covered by the agreement;
 - (c) the value of the benefit to which the Quebec Member would be entitled under Section 11 and/or Section 16.09 if he terminated Continuous Employment.
- (2) A Québec Member cannot receive, in the same calendar year, the early benefit under Schedule C-13(1) and the pension payable under Schedule C-5(2) or Schedule C-14.
 - (3) The pension of the Québec Member who receives the early benefit provided under Schedule C-13(1) is reduced accordingly, provided the amount of the reduction is equal to the amount of the early benefit paid.

C-14 Temporary Pension

- (1) A Québec Member who has terminated Continuous Employment, or the Spouse of a Québec Member who is entitled to a pension under the Plan, who has attained age 55 but not age 65, is entitled under conditions prescribed by the Supplemental Pension Plan Act of Quebec and its Regulations to make an election before pension payments commence to replace his pension, in whole or in part, by a temporary pension the amount and duration of which are fixed by him and which meets the following requirements:
 - (a) the annual amount of pension does not exceed 40% of the YMPE for the year in which payment of the pension begins, that limit being reduced, where applicable, by the annual amount of any other temporary benefit to which the Québec Member or the Spouse is entitled under the Plan;

- (b) in the case of a Quebec Member, payment of the temporary pension commences on the date the Quebec Member's lifetime pension commences. In the case of either a Quebec Member or his Spouse, payment ceases at the latest with the payment immediately preceding or coincident with the date that the Quebec Member or the Spouse, as applicable, attains age 65;
 - (c) the temporary pension is the Actuarial Equivalent of the pension or of the part of the pension it replaces, determined on the date of the replacement;
- (2) The Spouse of a Québec Member who elected to replace his pension by a temporary pension is entitled to a pension, payable from the death of the Québec Member to the end of the period of replacement, in monthly installments equal to 60% of the amount of temporary pension the Québec Member was receiving immediately before his death. The Spouse may waive the right to such pension, according to the same conditions as those applicable under Section 10.04.

C-15 Partial Replacement Of Pension By A Lump Sum

A Québec Member who terminates Continuous Employment or the Spouse of a Québec Member who has become entitled to a pension, and who has attained age 55 but not age 65, may elect to receive a lump sum payment from the Plan in each year before pension commencement. Each lump sum payment is in replacement of lifetime pension benefits and cannot exceed:

- (1) 40% of the YMPE for the year in which application is made by the Quebec Member or Spouse; less
- (2) the total temporary and other bridging benefits that will be received by the Quebec Member or Spouse during the year from other pension plans, life income funds and annuity contracts to which assets have been transferred from a pension plan.

The Quebec Member or Spouse can apply for such a lump sum payment only once a year, by completing a declaration in the form prescribed under the Supplemental Pension Plans Act of Quebec and its Regulations and by filing it with the Employer along with the application.

C-16 Redetermination Of Pension Pursuant To Breakdown Of Spousal Relationship

- (1) Notwithstanding anything to the contrary in any other Section of the Plan, where the pension of a Québec Member who has a Spouse has been established as a joint and survivorship pension and the entitlement of his Spouse to the survivor pension is terminated pursuant to Schedule C-9, the Quebec Member may request a redetermination of his pension. The redetermined pension will be in the same amount and have the same characteristics as the pension that would be payable to the Quebec Member at the date of redetermination had the Quebec Member not had a Spouse on the pension commencement date.
- (2) Unless the Company has received the notice referred to in Schedule C-9, the Company will redetermine the Quebec Member's pension if, after the pension commencement date, there has been a division of the Quebec Member's pension pursuant to Section 15.03(2).
- (3) The redetermination of a pension under this Section cannot alone operate to reduce the amount of the pension paid to the Quebec Member.

C-17 Excess Contribution Payment Options

The excess contribution outlined in Section 9.04, relating to a Quebec Member will, at the Quebec Member's election;

- (1) be transferred to another registered pension plan or locked-in retirement account, if the transferee agrees to administer the amount transferred as an annuity contract not capable of commutation and governed by the Supplemental Pension Plans Act of Quebec and its Regulations; or
- (2) be used to increase the pension accrued to the Member, as determined by the Actuary.

Where such Excess Contribution is payable to the Member's Spouse or Beneficiary, it will be paid in a lump sum or as a transfer to a registered retirement savings plan.

The transfer described in Section C-17(1) will comply with the requirements of the Income Tax Act.

C-18 Re-employment of Former Employees

If a Quebec Member who is receiving a pension from the Plan is re-hired by the Employer, the Member may elect either:

- (1) to join the Plan immediately upon hire, in which case:
 - (a) his pension shall be immediately suspended;
 - (b) the amount of accrued pension recommences on his subsequent termination of Continuous Service, recalculated, if necessary, to comply with the Supplemental Pension Plans Act of Quebec and its Regulations;
 - (c) any benefit earned after the date of re-employment will be calculated based on Continuous and Credited Service after that date, or
- (2) to continue to receive his pension and not accrue further benefits during the period of re-employment.

C-19 Notwithstanding Section 7.01, a Quebec Member who transfers to other employment with an Affiliated Company, is entitled to receive benefits from the Plan on the date of transfer based on Pensionable Service and Final Average Earnings on the date of transfer.

APPENDIX A ADDITIONAL ANNUAL RETIREMENT INCOME

A.01 Additional Annual Retirement Income

Each Member and each Spouse in receipt of a retirement income in accordance with the applicable provisions of Sections 9 and 10 of the Plan will be entitled to an additional annual retirement income as set out below.

A.02 Additional Pension Not Included

For the calculation of the additional annual retirement income, the annual amount of retirement income provided by the Member's additional voluntary contributions, if any, will be excluded.

A.03 Manner Payable

The additional annual retirement income will be payable in the same manner and form as the retirement income otherwise being paid.

A.04 Additional Annual Retirement Income Effective January 1, 1981

The additional annual retirement income payable to a Member or the Spouse of a deceased Member whose retirement income commenced prior to January 1, 1981 will be the product of:

- (1) the annual amount of retirement income otherwise being paid as at December 31, 1980; and
- (2) a percentage addition determined as follows:

Year of Commencement of Retirement Income	Percentage Addition
1975 and earlier	28.70%
1976	23.70%
1977	18.00%
1978	11.90%
1979	7.30%
1980	2.00%

The additional annual retirement income will not be less than \$60.00 in the case of a Member and \$30.00 in the case of a Spouse.

In the event the Member is under 60 years of age on January 1, 1981, the additional retirement income shall not commence until his 60th birthday, unless the Member had retired on account of inability to continue employment due to Total Disability or failure to keep up with technological advancement. For the purposes of this paragraph 3, "Total Disability" means Total Disability as defined in Section 2.36(1) and (2).

A.05 Additional Annual Retirement Income Effective January 1, 1984

The additional annual retirement income payable to a Member or the Spouse of a deceased Member whose retirement income commenced prior to January 1, 1984 will be the product of:

- (1) the annual amount of retirement income otherwise being paid as at December 31, 1983; and
- (2) a percentage addition determined as follows:

Year of Commencement of Retirement Income	Percentage Addition
1980 and earlier	14.03%
1981	10.37%
1982	4.59%
1983	1.11%

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The additional annual retirement income will not be less than \$60.00 in the case of a Member and \$30.00 in the case of a Spouse.

In the event the Retired Member is under 60 years of age on January 1, 1981, the additional retirement income shall not commence until his 60th birthday, unless the Member had retired on account of inability to continue employment due to Total Disability or failure to keep up with technological advancement. For the purposes of this paragraph 4, "Total Disability" means Total Disability as defined in Section 2.36(1) and (2).

A.06 Additional Annual Retirement Income Effective January 1, 1987

The additional annual retirement income payable to a Member or the Spouse of a deceased Member whose retirement income commenced prior to January 1, 1987 will be the product of:

- (1) the annual amount of retirement income otherwise being paid as at December 31, 1986; and
- (2) a percentage addition determined as follows:

Year of Commencement of Retirement Income	Percentage Addition
1983 and earlier	7.15%
1984	5.85%
1985	3.35%
1986	1.00%

In the event the Member is under 60 years of age on January 1, 1987, the additional retirement income shall not commence until his 60th birthday, unless the Member had retired on account of inability to continue employment due to Total Disability or failure to keep up with technological advancement. For the purposes of this paragraph 5, "Total Disability" means Total Disability as defined in Sections 2.36(1) and (2).

A.07 Additional Annual Retirement Income Effective January 1, 1991

The additional annual retirement income payable to a Member or the Spouse of a deceased Member whose retirement income commenced prior to January 1, 1991 will be the product of:

- (1) the annual amount of retirement income otherwise being paid as at December 31, 1990; and
- (2) a percentage addition determined as follows:

Year of Commencement of Retirement Income	Percentage Addition
1986 and earlier	10.01%
1987	8.57%
1988	6.37%
1989	3.50%
1990	1.30%

In the event the Member is under 60 years of age on January 1, 1987, the additional retirement income shall not commence until his 60th birthday, unless the Member had retired on account of inability to continue employment due to Total Disability or failure to keep up with technological advancement. For the purposes of this paragraph 6, "Total Disability" means Total Disability as defined in Sections 2.36(1) and (2).

A.08 Limitation

The additional retirement income payable at and after age 60 under this Appendix A, will be warranted by increases in the Consumer Price Index.

**APPENDIX B SUBSIDIARY OR AFFILIATED COMPANIES
PARTICIPATING IN THE PLAN**

Indalloy, Toronto Division of Indalex Limited

Indal Technologies Inc.

Brampton Foundries Ltd.

APPENDIX C OPTIONAL ANCILLARY CONTRIBUTIONS AND BENEFITS

C.01 Purpose and Implementation

- (1) The purpose of this Appendix C is to enable Members who are accruing benefits under the defined benefit component of the Plan, pursuant to Section 3.07, to make optional ancillary contributions to the Plan in order to enhance the ancillary features of their pension otherwise payable under the defined benefit component in respect of their post-1989 Pensionable Service. This Appendix C applies for the sole purpose of improving Members' ability to save for retirement on a tax-sheltered basis.
- (2) The additional benefits associated with the Appendix C are to be fully Employee-paid.
- (3) In the event any provision of this Appendix C is not in compliance with Applicable Pension Legislation, this Appendix C will be terminated as of its original effective date with respect to Members affected by such determination, and the amounts in the Members' Optional Ancillary Account will be returned to the affected Members.

C.02 Definitions

The following words and phrases will, for the purposes of this Appendix C, have the following meanings:

"Optional Ancillary Account" means the account established by the Employer in the name of the Member, to which will be credited all the Member's optional ancillary contributions made in accordance with Section C.03 plus applicable interest and/or investment earnings.

C.03 Optional Ancillary Contributions

- (1) Subject to Section C.03(4), a Member may elect to make optional ancillary contributions to the Plan in the manner prescribed by the Employer. Upon such election by the Member, optional ancillary contributions will be made by regular

payroll deduction. The contributions will be credited to the Member's Optional Ancillary Account.

- (2) The Member's election to make such optional ancillary contributions, or to vary, suspend, or terminate the amounts of such contributions, are subject to such terms and conditions as prescribed by the Employer from time to time.
- (3) A Member may, upon approval of the Employer, make one or more lump sum contributions to the Member's Optional Ancillary Account, subject to Section C.03(4).
- (4) The optional ancillary contributions made by a Member in a calendar year may not exceed the lesser of:
 - (a) 9% of the Member's compensation for the year from the Employer; and
 - (b) \$1,000 + 70% of the Member's defined benefit pension credits for the year under the Plan.
- (5) Each Member's optional ancillary contribution will be remitted to the Fund within 30 days following the month the amount was deducted or received, and credited to the Member's Optional Ancillary Account.
- (6) The amount in a Member's Optional Ancillary Account must be used to provide optional ancillary benefits as described in Section C.06 and may not be used for any other purpose. Except as permitted under Section C.09, such amount may not be refunded to the Member or to the Member's Spouse or Beneficiary.
- (7) The Company will provide Members who elect to make optional ancillary contributions pursuant to this Section C.03 with information in order to assist them to monitor their account balances in relation to the cost of the optional ancillary benefits available to them.

C.04 Investment

Each Member will provide to the Employer a written direction regarding the investment of the Member's Optional Ancillary Account, in accordance with the investment options made available by the Employer from time to time in agreement with the Funding Agency. The direction may be varied by a Member in writing in accordance with the adopted practices of the Employer. Such direction may change the investment allocation for future contributions or for the existing account balances or both, subject to such administrative and transaction fees and other limits as determined by the Employer from time to time.

C.05 Annual Investment Earnings

Each Member's Optional Ancillary Account will be credited, at least annually, with the interest and/or investment earnings (positive or negative) which relate to the investments in the Member's Optional Ancillary Account.

C.06 Benefits on Termination or Retirement

- (1) When a Member retires or terminates prior to retirement, the Member's Optional Ancillary Account will be applied, to the extent available, to purchase optional ancillary benefits in respect of the pension otherwise payable to the Member from the defined benefit component of the Plan in respect of the Member's Pensionable Service on and after January 1, 1990.
- (2) Such optional ancillary benefits will include the following benefits and, to the extent possible in the Member's circumstances, will be purchased in the following prescribed sequence as set out in paragraph (a) to (h) below:

- (a) **Definition of Final Average Earnings**

This option replaces the definition of "Final Average Earnings" in Section 2.17, for the purpose of determining the pension benefit in Section 9.01 with the following definition:

"Final Average Earnings" means the Member's average annual Earnings for the 36 consecutive calendar months of Pensionable Service in which the highest average is attained.

In cases where the period of 36 consecutive calendar months of Pensionable Service does not coincide with 3 consecutive Plan Years, the total Earnings for a period shorter than a Plan Year will be pro-rated based on completed months of Pensionable Service. In such cases, the annual average is determined as the sum of (i), (ii) and (iii) divided by 3 where:

- (i) is the portion of the Member's Earnings for the most recent Plan Year included in the 36 consecutive month period, determined by pro-rating total Earnings during that Plan Year based on complete calendar months from January 1 of the Plan Year to the end of the period;
- (ii) is the sum of the Member's Earnings for each of the two Plan Years immediately preceding the Plan Year in (i) above; and
- (iii) is the portion of the Member's Earnings for the third Plan Year preceding the Plan Year in (i) above, determined by pro-rating total Earnings during that Plan Year based on the number of complete calendar months from that Plan Year as is necessary to complete the 36 consecutive month period.

If a Member has not completed 36 calendar months of Pensionable Service, his Final Average Earnings will be 12 times his total Earnings for his complete calendar months of Pensionable Service in that shorter period divided by the number of his completed months of Pensionable Service in that shorter period.

(b) Early Retirement Pension

This option provides a retirement benefit as described in Section 9.02, but reduced by no less than the minimum reduction required by the Income Tax

Act, which is $\frac{1}{4}$ of 1% for each month by which the pension commencement date precedes the earliest of the days on which:

- (i) the Member will attain age 60;
- (ii) the Member's age plus Continuous Employment (excluding periods of layoff and temporary suspension of employment) would have equaled 80; and
- (iii) the Member would have completed 30 years of Continuous Employment (excluding periods of layoff and temporary suspension of employment),

provided that no reduction applies in the case of a pension payable as a result of a total and permanent disability (as defined under the Income Tax Act).

(c) Bridge Benefit

This option provides a bridge benefit, payable monthly, commencing on the Member's early retirement date (as set out in Section 8.02) and payable until the earlier of the Member's death or attainment of age 65. The amount of such bridge benefit will be limited as follows:

- (i) The maximum annual bridge benefit will be equal to an amount up to but not exceeding the sum of the maximum annual benefits payable to the Member under the Canada Pension Plan or Québec Pension Plan, as applicable, and the maximum annual Old Age Security benefit that would be payable if the Member were age 65 as at the Member's pension commencement date. For this purpose, the Canada or Québec Pension Plan benefit shall not exceed:

$$A \times \frac{B}{C}$$

where:

- A is the maximum benefit payable under the Canada or Québec Pension Plan for the year of the Member's pension commencement;
- B is the total of the Member's remuneration for the 3 calendar years in which the remuneration is the highest; and
- C is the total of the YMPEs for the same 3 years.

In this calculation $\frac{B}{C}$ will not exceed 1.

- (ii) The maximum bridge benefit described in paragraph (i) above will be reduced by the minimum amount required by the Income Tax Act, which is a proportional reduction in the case of a Member who has completed less than 10 years of Pensionable Service at the pension commencement date, and a further reduction $\frac{1}{4}$ of 1% for each month by which the pension commencement date precedes the date that the Member will attain age 60.
- (iii) In addition, the annual bridge benefit (payable under this Appendix C) combined with the annual life pension (payable from the Plan) and under an associated defined benefit provision as defined for this purpose by the Income Tax Act, will not exceed:

$$A + B$$

where:

- A is \$1,722.22 or such greater amount as may be prescribed for this purpose by the Income Tax Act, multiplied by the Member's Pensionable Service; and
- B is $\frac{1}{35}$ th of 25% of the average of the YMPE for the year of retirement and each of the 2 immediately preceding years, multiplied by the Member's Pensionable Service not exceeding 35 years.

(d) Indexing of Earnings During Pre-Retirement Deferral Period

- (i) (Subject to paragraph (ii) below, this option provides that, for the purpose of determining the pension benefit in Section 9.01, the monthly Earnings used in the calculation of Final Average Earnings in Section 2.17 may be indexed to increases in the average wage (as defined in section 147.1 of the Income Tax Act) to the year of commencement of the Member's pension.
- (ii) The annual lifetime pension payable to a Member under the Plan as a result of the application of this Section C.06(2)(d), in the form of pension to be paid to the Member, including any portion of pension payable to a Member's Spouse or former Spouse pursuant to Section 15.03 will not exceed the Member's years of Pensionable Service multiplied by the lesser of:
- A \$1,722.22 or such greater amount prescribed for this purpose by the Income Tax Act; and
 - B 2% of the average of the Member's best 3 consecutive years of remuneration from the Employer, indexed to increases in the average wage (as defined in section 147.1 of the Income Tax Act) to the year of commencement of the Member's pension.

(e) Post-Retirement Indexing

Subject to Section C.07, this option increases the pension benefit paid to a Member pursuant to Section 9 on January 1st of each calendar year following the Member's date of pension commencement, by up to:

- (i) the percentage increase in the Consumer Price Index as defined under the Income Tax Act; or

- (ii) 4%, provided that the aggregate amount paid each calendar year does not exceed the maximum benefit as provided in Section 9.08, escalated by the increase in the Consumer Price Index as defined under the Income Tax Act.

(f) Post-Retirement Indexing of Bridge Benefit

This option increases the bridge benefit paid to a Member pursuant to Section C.06(2)(c) on January 1st of each calendar year following the Member's date of pension commencement, provided such increase does not exceed the increase in the Consumer Price Index as defined under the Income Tax Act.

(g) Survivor Benefits

This option replaces:

- (i) the normal form of pension for a Member with a Spouse as provided in Section 10.2 to include a guarantee of 60 monthly payments; or
- (ii) the normal form of pension for a Member without a Spouse as provided in Section 10.01 with a pension payable in an unreduced amount for the lifetime of the Member, with a guarantee of up to 180 monthly payments.

- (3) The cost of purchasing the optional ancillary benefits described in Section C.06 above will be equal to the Commuted Value of such optional ancillary benefits in respect of the Member.

In the event the Member's Optional Ancillary Account balance exceeds the Commuted Value of the optional ancillary benefits elected by the Member in respect of the Member's Pensionable Service on and after January 1, 1990, the Member will not have any entitlement to such excess amount, and such excess amount will be reallocated from the Member's Optional Ancillary Account to the unallocated assets in respect of the defined benefit component of the Plan.

C.07 Consequential Changes to Maximum Benefit Rule

When a Member purchases the following optional ancillary benefits in order to increase his or her lifetime retirement, the maximum benefit limitation in Section 9.06 applicable to the Member's lifetime retirement pension will be deemed to include the following indexing provisions to the extent necessary to permit the payment of such optional ancillary benefits:

<u>Plan Section</u>	<u>Optional Ancillary Benefit</u>	<u>Indexing Provision Income Tax Regulation</u>
C.06(2)(d)	Pre-retirement indexed earnings	8504(2)
C.06(2)(e)	Post-retirement indexed lifetime pension	8504(1)(b)

C.08 Portability

- (1) Notwithstanding Section C.06, in the event a Member retires or terminates prior to retirement and elects to transfer the Commuted Value of his or her pension otherwise payable from the defined benefit component of the Plan in accordance with Section 11.04, the transfer amount will include the Commuted Value of the optional ancillary benefits purchased by the Member.
- (2) In the event the Member's Optional Ancillary Account balance exceeds the Commuted Value of the optional ancillary benefits purchased by the Member in respect of the Member's Pensionable Service on and after January 1, 1990, the Member will not have any entitlement to such excess amount, and such excess amount will be reallocated from the Member's Optional Ancillary Account to the unallocated assets in respect of the defined benefit component of the Plan.

C.09 Refund of Net Contribution Account

Notwithstanding the prohibition on the refund of part or all of the Member's Optional Ancillary Account described in Section C.03(6), and notwithstanding the reallocation of the excess portion of the Member's Optional Ancillary Account described in Section C.06(3), C.08(2) or C.10(2), in the event a Member's Continuous Employment is terminated by reason of retirement, or termination or death prior to retirement; and

- (1) the Member's Optional Ancillary Account exceeds
 - (2) the Commuted Value of the Member's pension otherwise payable from the defined benefit component of the Plan in respect of the Member's Pensionable Service on and after January 1, 1990, plus the Commuted Value of the optional ancillary benefits purchased by, or in respect of, the Member, in respect of such pension,
- the Member, Spouse or Beneficiary, as applicable, will be entitled to a refund of such excess account.

C.10 Pre-Retirement Death Benefit

- (1) In the event a Member dies before pension commencement, the Member's Optional Ancillary Account will be applied to purchase optional ancillary benefits as if the Member had terminated employment the day before the Member's death.
- (2) In the event the Member's Optional Ancillary Account exceeds the Commuted Value of the optional ancillary benefits elected in respect of the member's Pensionable Service on and after January 1, 1990, the Member's Spouse or Beneficiary, as applicable, will not have any entitlement to such excess amount, and such excess amount will be reallocated from the Member's Optional Ancillary Account in the Fund to the unallocated assets in respect of the defined benefit component of the Plan.
- (3) For greater certainty, the form of the benefit payable to the Spouse or to the Beneficiary, pursuant to this Section C.10 will be in the same form elected by the Spouse, or payable to the Beneficiary, pursuant to Section 10.

C.11 Designated Plan

Optional ancillary contributions may not be made in any year and optional ancillary benefits may not be provided for any period in a year, in which the Plan is a designated plan as defined in the Income Tax Act.

EXHIBIT A

INDALEX LIMITED

WRITTEN CONSENT OF THE MANAGEMENT COMMITTEE

OF THE BOARD OF DIRECTORS

The undersigned, being all the members of the Management Committee of the Board of Directors of Indalex Limited, an Alberta corporation, hereby unanimously consent to and adopt the following resolution:

WHEREAS

- A. the Corporation maintains The Retirement Plan for Salaried Employees of Indalex Limited and Associated Companies (the "Plan") for its employees; and
- B. the Corporation has reserved the right to amend the Plan pursuant to Section 14.01; and
- C. the Corporation desires to improve the eligibility provisions with respect to employees other than the employees of Indalex Technologies Inc.;

NOW THEREFORE IT IS RESOLVED THAT effective January 1, 2003, the Plan is amended as follows:

- 1. Section 3.02(1) is deleted in its entirety and replaced with the following:

'3.02 New Members

(1) Full-Time Employees

- (a) Effective January 1, 2003, each full-time Employee other than a full-time Employee of Indal Technologies Inc., who is not a Member of the Plan, will join the defined contribution provision of the Plan, as set out in Section 16, on the first day of any month coincident with or next following the completion of 60 days of Continuous Employment.
- (b) Effective January 1, 2003 each full-time Employee of Indal Technologies Inc., who is not a Member of the Plan, will join the defined contribution provisions of the Plan, as set out in Section 16, on the first day of any month coincident with or next following the completion of one year of Continuous Employment."

98.

- 2. Any one of the directors or officers of the Corporation is hereby authorized to sign such documents, under the Corporation's seal or otherwise, and perform such acts as may be necessary to give effect to the foregoing resolution.

DATED THIS _____ day of _____, 2004.

Vincent P. Lacey

Robert B. Leckie

Mark A. Russell

David J. McCallen

[Illegible text]

99.

OFFICER'S CERTIFICATE

I, Robert B. Leckie, hereby certify that I am the duly elected Secretary of Indalex Limited, a federal corporation (the "Corporation"), and that, attached hereto is Exhibit A, a true and complete copy of a resolution adopted by the Board of Directors of the Corporation as of the _____ day of _____, 2004, and that such resolution has not been amended, modified or revoked and remains in full force and effect as at the date hereof.

DATED this _____ day of _____, 2004.

Robert B. Leckie

Secretary

INDALEX LIMITED

WRITTEN CONSENT OF THE BOARD OF DIRECTORS

The undersigned, being all the members of the Management Committee of the Board of Directors of Indalex Limited, a federally incorporated corporation, hereby unanimously consent to and adopt the following resolution:

WHEREAS

- A. the Corporation maintains the Retirement Plan For Salaried Employee of Indalex Limited And Associated Companies
- B. the Corporation has reserved the right pursuant to Section 14.01 to amend the Plan; and
- C. the Corporation desires to amend the Plan to reflect the sale of the Brampton operations.

NOW THEREFORE IT IS RESOLVED THAT:

- 1. The Plan is amended as set out in Exhibit "A" (Amendment No. 2) to this resolution.
- 2. Any of the directors or officers of the Corporation is hereby authorized to sign such documents, under the Corporation's seal or otherwise and perform such acts (including the amendment of the Plan) as is further required by the regulatory authorities to give effect to the foregoing resolution.

DATED this _____ day of _____, 2004.

Vincent P. Lacey

Robert K. Leckie

Timothy R.J. Stubbs

David J. McCallen

**EXHIBIT A
AMENDMENT NO. 2**

**TO THE MEMORANDUM OF ADOPTION OF
INDALEX LIMITED**

Sale of Brampton Foundries Limited

Effective February 26, 2004, Brampton Foundries Limited, was sold and ceased to participate in the Plan.

Employees of the Company who were members of the Plan shall cease to accrue benefits under the Plan for service on and after February 27, 2004 and will participate in the arrangements to be provided by the purchaser ("Successor Employer").

On and after February 27, 2004 such Plan members shall cease to be entitled to contribute and to receive company contributions under Section 16, the defined contribution portion of the Plan.

The benefits accrued by such members including entitlements under Section 16 of the Plan, prior to February 27, 2004 shall be determined in accordance with the terms of the Plan as at such date and shall be calculated based on the Plan member's Final Average Earnings (as defined under the Plan) as at February 26, 2004. The accrued benefits shall be retained in the Plan until the Plan member's death or termination of employment with the Successor Employer and shall be provided to such Plan members in accordance the options available under the Plan as at such time. For the purposes of eligibility and for vesting of accrued benefits, the Plan member's service shall be deemed to include service with the Successor Employer.

Appendix A of the Plan is amended to delete the reference to Brampton Foundries Ltd., and to replace it with the following:

"Brampton Foundries Limited up to February 26, 2004."

102

JK


Salary

RECEIVED
 MAR 07 2005
 Financial Services
 Pension Plans Branch

OFFICER'S CERTIFICATE

I, Robert B. Leckie, hereby certify that I am the duly elected Secretary of Indalex Limited, and that, attached hereto is Exhibit A, a true and complete copy of a resolution adopted by the Board of Directors of the Corporation as of the 11th day of February, 2005, and that such resolution has not been amended, modified or revoked and remains in full force and effect as at the date hereof.

DATED this 11th day of February, 2005.



 Robert B. Leckie
 Secretary

EXHIBIT A**INDALEX LIMITED****WRITTEN CONSENT OF THE BOARD OF DIRECTORS**

The undersigned, being all the members of the Management Committee of the Board of Directors of Indalex Limited, hereby unanimously consent to and adopt the following resolutions:

Amendments to Pension Plans**WHEREAS:**

- A. each of the Corporation, Novar Limited and Indal Technologies Inc. is a subsidiary of Novar Overseas Holdings B.V.;
- B. the Corporation maintains the Retirement Plan for Salaried Employees of Indalex Limited and Associated Companies (the "Salaried Plan");
- C. further to a recent corporate reorganization effective July 26, 2004, participating employers in the Plan which were previously divisions became separate corporate entities and in connection with this change, the Corporation wishes to accept sole responsibility for the administration, operation, interpretation and amendment of the Salaried Plan, which responsibility has been delegated to the Corporation by the subsidiary or affiliated companies who participate in the Salaried Plan;
- D. the Corporation has reserved the right to amend the Salaried Plan pursuant to Section 14.1;
- E. the Corporation wishes to further amend the Salaried Plan to designate Novar Limited as a participating employer effective as of July 26, 2004;

NOW THEREFORE IT IS RESOLVED THAT:

1. The Salaried Plan be amended in the manner set out in Appendix 1, attached hereto, effective July 26, 2004.

104.

8. Subject to the approval of the regulatory authorities, the assets of the Plan will be allocated and distributed in accordance with the Salaried Plan, the termination report, the Pension Benefits Act (Ontario) and the Income Tax Act (Canada).

Document 2020-01-10 14:30:00

This is Exhibit"D".... referred to in the
affidavit of **Amanda Darrach** sworn
before me, this 9th day of December,
2013.

A handwritten signature in black ink, appearing to read "Melissa D.", with a large, stylized flourish at the end.

.....
A Commissioner of Oaths, etc.



895 Don Mills Road, Tower One, Suite 700
Toronto, Ontario M3C 1W3

INDEX.0001

November 22, 2013

Dear Member/Former Member:

Re: Retirement Plan for Salaried Employees of Indalex Limited and Associated Companies (the "Plan"), Registration No 0533646

NOTICE OF COURT HEARING

We are writing to provide you with an update on matters relating to the wind up of the Plan since our last communication dated April 16, 2013 (our "**prior letter**") and to give you notice of an important upcoming Court hearing.

Attached is a copy of the Notice of Motion of the Court-appointed Monitor, FTI Consulting Canada ULC, (the "**Monitor**") that is scheduled to be heard by the Ontario Superior Court of Justice on December 19, 2013. The Motion seeks approval of the Settlement Agreement (defined below), distribution of the proceeds remaining from the sale of the assets of Indalex Limited and certain related entities (the "**Proceeds**") and termination of the Indalex CCAA proceedings. A copy of the Twenty-Third Report of the Monitor (the "**Monitor's Report**") filed in connection with the motion and a copy of the Settlement Agreement are attached hereto for your information. Unless defined in this letter, terms used herein are as defined in the Monitor's Report. An electronic copy of the entire motion record can be downloaded from the Monitor's website: <http://cfcanada.fticonsulting.com/indalex/motions.htm>. If you would like a hard copy of the motion record, please contact the Monitor by email at: indalex@fticonsulting.com, or by phone at 416-649-8084.

In our prior letter we informed you that on February 1, 2013, the Supreme Court of Canada had rendered its decision that a deemed trust existed in respect of the Plan, but that such deemed trust ranked behind the DIP Lender. The DIP Lender has now been paid and approximately \$5 million of Proceeds remain to be distributed.

As described in more detail in the Monitor's Report, a number of parties have asserted priority claims against the Proceeds, including:

1. The US Trustee claims approximately US\$5.4 million in interest and costs in respect of the DIP Charge;
2. The Plan claims approximately \$5 million in respect of the amount of the wind up deficit of the Plan;

3. The Retirement Plan for Executive Employees of Indalex Limited and Associated Companies (the “**Executive Plan**”) claims approximately \$3.3 million in respect of the amount of the wind up deficit of the Executive Plan; and
4. Sun Indalex Finance, LLC (“**Sun**”) claims approximately \$38 million pursuant to security granted to Sun by Indalex to support the debt owing by the US Indalex entities to Sun.

Subsequent to our prior letter, Morneau Shepell Ltd., in its capacity as Administrator of the Plan, (the “**Administrator**”), the Superintendent of Financial Services (the “**Superintendent**”) and a number of parties asserting priority claims against the Proceeds, have, with the assistance of the independent Court-appointed Monitor, engaged in negotiations toward a settlement of the various claims against the Proceeds. Significant efforts were made by all parties and we are pleased to inform you that an agreement has been reached regarding distribution of the Proceeds (the “**Settlement Agreement**”).

The Settlement Agreement fully outlines the terms of the agreement. In brief, pursuant to the Settlement Agreement, the Proceeds (of approximately \$5 million) will be distributed as follows:

1. An aggregate of \$350,000 will be paid to Koskie Minsky LLP on behalf of the members of the Executive Plan represented by Koskie Minsky LLP;
2. \$285,000 will be paid to Koskie Minsky LLP as partial reimbursement of the legal costs incurred by those Executive Plan members represented by Koskie Minsky LLP;
3. An aggregate of \$15,000 will be paid in equal parts to the four Executive Plan members who were not represented by Koskie Minsky LLP;
4. \$650,000 will be paid into the Plan and shared pro rata among all members of the Plan (other than those represented by the USW) regardless of the province in which the Plan member resides;
5. \$105,000 will be paid to the USW on behalf of those members of the Plan represented by the USW; and
6. The balance of the Proceeds will be paid to the US Trustee on behalf of the bankruptcy estates of the US Indalex entities, without prejudice to the claims and liens, if any, of Sun and its affiliates and the claims and responses, if any, of the US Trustee and other parties in those proceedings.

Morneau Shepell has signed the Settlement Agreement in its capacity as the administrator of the Plan, but not on behalf of each individual member and former member of the Plan. We were intimately involved in the negotiations and believe that in all of the circumstances the Settlement Agreement represents a fair and reasonable settlement. The Superintendent has also signed the Settlement Agreement and is supporting its approval. Counsel for all other parties, including the represented Executive Plan Members and the USW have also signed the Settlement Agreement on behalf of their clients and support its approval.

It is anticipated that the Plan will be amended in order to give effect to the terms of the Settlement Agreement; specifically, to provide that the \$650,000 distribution referred to in paragraph 4 above will be segregated and applied for the sole benefit of those Plan members, beneficiaries and spouses who are not represented by the USW. Court approval for the proposed amendment will be sought in conjunction with the motion seeking approval of the Settlement Agreement.

The motion is scheduled for 10:00am on December 19, 2013, at 330 University Avenue, Toronto, Ontario. You are entitled to attend the Court hearing; however, if you agree with the terms of the settlement, you do not have to take any further steps and there is no requirement that you attend. If you have any questions or concerns respecting the Settlement Agreement we would encourage you to contact the Monitor at the coordinates set forth on page one of this letter and/or the Administrator at:

Phone: (416) 445-2700 (or toll-free telephone number 1-888-667-6328) and ask for either Pauline Frenette (ext. 3530) or Joanne Cheng (ext. 3384)
Email: pfrenette@morneaushepell.com or jcheng@morneaushepell.com

If the Settlement Agreement is approved, the Administrator will be in a position to proceed with the required steps to complete the wind-up process as detailed in our prior letter. We recognize the urgency of many Plan members' circumstances and we are striving to complete the wind-up as quickly as possible.

Yours truly,
Morneau Shepell Ltd.
In its capacity as Administrator of the
Retirement Plan for Salaried Employees of
Indalex Limited and Associated Companies
and not in its personal capacity.



per: Pauline Frenette
Senior Consultant

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
INDALEX LIMITED, INDALEX HOLDINGS (B.C.) LTD. 6326765 CANADA INC. and
NOVAR INC.

Court File No: 09-CV-09-8122-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

MOTION RECORD

**CAVALLUZZO SHILTON MCINTYRE
CORNISH LLP**

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Lawyers for Morneau Shepell Ltd.