



Government of Newfoundland and Labrador
Service NL

December 16, 2015

Mr. Kurt Holland
Director - Benefits
c/o Cliffs Natural Resources, Inc.
200 Public Square, Suite 3300
Cleveland, Ohio
USA
44114 – 2315

Dear Mr. Holland:

**Re: Contributory Pension Plan for Salaried Employees of Wabush Mines,
Cliffs Mining Company, Managing Agent, Arnaud Railway Company and
Wabush Lake Railway Company, Limited; (the "Plan")
NL Registration Number 0021314**

I am writing to you in your capacity as the Plan administrator. Pursuant to subsections 59(1)(b) and (d) of the *Pension Benefits Act, 1997* (the Act), I am terminating the Plan effective immediately.

On May 20, 2015, Wabush Iron Co. Limited, Wabush Resources Inc. and certain of their affiliates, including Wabush Mines, Arnaud Railway Company and Wabush Lake Railway Company Limited (collectively the "Wabush Group") were made subject to proceeding under the Companies' Creditors Arrangement Act (CCAA). As part of the CCAA proceeding, payments of special payments have been suspended as of May 2015. In addition, the Wabush Mine has been shut down and substantially all of its employees have been terminated. As a result, I am of the opinion that the Plan has failed to meet the requirements prescribed by the *Pension Benefits Act Regulations* (the Regulations) for solvency in respect of funding as required by section 12 of the Regulations, and that the employer has discontinued all of its business operations

Furthermore, it is my understanding based on recent communication with you and your legal counsel that, although there may be some prospects with respect to the sale of at least some of the Wabush Group's assets, it is highly unlikely that any potential buyer would agree to assume the assets and liabilities of the Plan. Given the Plan's future prospects and its current financial position, I consider that it would be in the best interests of members to terminate the Plan effective immediately.

Based on the above, I declare the Plan terminated effective the date of issuance of this letter, December 16, 2015.

Mr. K. Holland
December 16, 2015

Subsection 61(1) of the Act provides that upon termination of a plan the employer must pay into the pension fund all amounts that would otherwise have been required to be paid to meet the requirements prescribed by the Regulations for solvency. Under section 25 of the Regulations, this amount is required within 30 days of the date of termination of the Plan.

Additionally, subsection 61(2) of the Act requires that on plan termination the employer shall, as prescribed by the Regulations, pay into the pension fund the amount that is necessary to fund the benefits provided under the Plan. Section 25.1 of the Regulations outlines the rules with respect to the required funding.

Section 32 of the Act sets out rules with respect to the application of the deemed trust upon plan termination.

I wish to inform you that following the termination of a plan, an annual information return and actuarial termination report must be filed with my office pursuant to subsection 60(2) of the Act. Please be advised that funds cannot be transferred until the Superintendent has approved the termination report and transfer in writing. Please refer to the Act and associated regulations and Directives (in particular Nos. 8, 9 and 11) for additional details. The Directives can be found on the Service NL website.

Once the wind-up report has been approved, option statements must be provided to members in accordance with the Act and Directives. However, please note that copies/templates are required by this office prior to approving the termination report. Please refer to the requirements under Directive No. 8 (and any additional requirements under Directive No. 11).

Please inform all Plan members of my decision to declare the Plan terminated effective the date of issuance of this letter, December 16, 2015.

Should you have any questions or concerns please contact me directly at (709) 729-6014.

Yours truly,



Michael Delaney
Superintendent of Pensions
Pension Benefit Standards Division

cc: Marthe Brodeur, Cliffs Natural Resources
Natalie Bussière, Blakes
Nigel Meakin, FTI Consulting
Michel Drolet, Régie des rentes

December 16, 2015

Mr. Kurt Holland
Director - Benefits
c/o Cliffs Natural Resources, Inc.
200 Public Square, Suite 3300
Cleveland, Ohio
USA
44114 - 2315

Dear Mr. Holland:

**Re: Pension Plan for Bargaining Unit Employees of Wabush Mines, Cliffs Mining Company, Managing Agent, Arnaud Railway Company, and Wabush Lake Railway Company, Limited; (the "Plan")
NL Registration Number 0024699**

I am writing to you in your capacity as the Plan administrator. Pursuant to subsections 59(1)(b) and (d) of the *Pension Benefits Act, 1997* (the Act), I am terminating the Plan effective immediately. I am aware the federal pension regulator, who is jointly responsible for regulating the Plan is issuing a similar decision based on their legislative authority.

On May 20, 2015, Wabush Iron Co. Limited, Wabush Resources Inc. and certain of their affiliates, including Wabush Mines, Arnaud Railway Company and Wabush Lake Railway Company Limited (collectively the "Wabush Group") were made subject to proceeding under the Companies' Creditors Arrangement Act (CCAA). As part of the CCAA proceeding, payments of special payments have been suspended as of May 2015. In addition, the Wabush Mine has been shut down and substantially all of its employees have been terminated. As a result, I am of the opinion that the Plan has failed to meet the requirements prescribed by the *Pension Benefits Act Regulations* (the Regulations) for solvency in respect of funding as required by section 12 of the Regulations, and that the employer has discontinued all of its business operations

Furthermore, it is my understanding based on recent communication with you and your legal counsel that, although there may be some prospects with respect to the sale of at least some of the Wabush Group's assets, it is highly unlikely that any potential buyer would agree to assume the assets and liabilities of the Plan. Given the Plan's future prospects and its current financial position, I consider that it would be in the best interests of members to terminate the Plan effective immediately.

Based on the above, I declare the Plan terminated effective the date of issuance of this letter, December 16, 2015.

Mr. K. Holland
December 16, 2015

Subsection 61(1) of the Act provides that upon termination of a plan the employer must pay into the pension fund all amounts that would otherwise have been required to be paid to meet the requirements prescribed by the Regulations for solvency. Under section 25 of the Regulations, this amount is required within 30 days of the date of termination of the Plan.

Additionally, subsection 61(2) of the Act requires that on plan termination the employer shall, as prescribed by the Regulations, pay into the pension fund the amount that is necessary to fund the benefits provided under the Plan. Section 25.1 of the Regulations outlines the rules with respect to the required funding.

Section 32 of the Act sets out rules with respect to the application of the deemed trust upon plan termination.

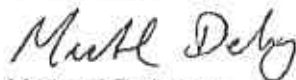
I wish to inform you that following the termination of a plan, an annual information return and actuarial termination report must be filed with my office pursuant to subsection 60(2) of the Act. Please be advised that funds cannot be transferred until the Superintendent has approved the termination report and transfer in writing. Please refer to the Act and associated regulations and Directives (in particular Nos. 8, 9 and 11) for additional details. The Directives can be found on the Service NL website.

Once the wind-up report has been approved, option statements must be provided to members in accordance with the Act and Directives. However, please note that copies/templates are required by this office prior to approving the termination report. Please refer to the requirements under Directive No. 8 (and any additional requirements under Directive No. 11).

Please inform all Plan members of my decision to declare the Plan terminated effective the date of issuance of this letter, December 16, 2015.

Should you have any questions or concerns please contact me directly at (709) 729-6014.

Yours truly,



Michael Delaney
Superintendent of Pensions
Pension Benefit Standards Division

cc: Marthe Brodeur, Cliffs Natural Resources
Natalie Bussière, Biakes
Nigel Meakin, FTI Consulting
Mark Zelmer, OSFI
Michel Drolet, Régie des rentes



Unclassified / Low Sensitivity

OSFI Plan ID: P-W180

December 16, 2015

Mr. Kurt Holland
Director, Compensation and Benefits
Cliffs Natural Resources
1155 University Street, Suite 508
Montreal, QC H3B 3A7

Subject: Termination of the Pension Plan for Bargaining Unit Employees of Wabush Mines, Cliffs Mining Company, Managing Agent, Arnaud Railway Company, and Wabush Lake Railway Company, Limited (the Plan)
OSFI Registration Number: 57777
Pension Benefits Standards Act, 1985 (PBSA)
Pension Benefits Standards Regulations, 1985 (the Regulations)

I am writing to you in your capacity as the Plan administrator. Pursuant to subsections 29(2), (2.1) and (3) of the PBSA I am terminating the Plan effective immediately. The Newfoundland Superintendent of Pensions, in a letter dated December 16, 2015, has also declared the Plan terminated effective as of today.

On May 20, 2015, Wabush Iron Co. Limited, Wabush Resources Inc. and certain of their affiliates, including Wabush Mines, Arnaud Railway Company¹ and Wabush Lake Railway Company Limited (collectively the "Wabush Group") were made subject to proceeding under the Companies' Creditors Arrangement Act (CCAA). As part of the CCAA proceeding, payments of special payments have been suspended as of May 2015. In addition, the Wabush Mine has been shut down and substantially all of its employees have been terminated. As a result, I am of the opinion that the Plan has failed to meet the prescribed tests and standards for solvency as required by subsection 9(1) of the PBSA and sections 8 and 9 of the Regulations, and that the employer has discontinued all of its business operations.

Furthermore, it is OSFI's understanding based on recent communication with you and your legal counsel that, although there may be some prospects with respect to the sale of at least some of the Wabush Group's assets, it is highly unlikely that any potential buyer would agree to assume the assets and liabilities of the Plan. Given the Plan's future prospects and its current financial position, I consider that it would be in the best interests of members to terminate the Plan effective immediately.

¹ Arnaud Railway Company is a federally regulated railway and is a participating employer in the Plan. The Plan was registered with the Office of the Superintendent of Financial Institutions (OSFI) on March 20, 2015 following a decision issued by the Canada Industrial Relations Board accrediting the union representing Plan members working at the Arnaud Railway Company at Pointe-Noire and Sept-Îles, Quebec, under the Canada Labour Code.



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Based on the above, I declare the Plan terminated effective the date of issuance of this letter, December 16, 2015.

Subsection 29(6) of the PBSA provides that upon termination of a plan the employer must pay into the pension fund all amounts that would otherwise have been required to be paid to meet the prescribed tests and standards for solvency referred to in subsection 9(1) of the PBSA.

Note that subsection 29(6.1) of the PBSA requires that on plan termination the employer pay into the pension fund the amount that is required to ensure that any obligation of the plan with respect to pension benefits, as they are determined on the date of the termination, is satisfied. Under subsection 29(6.4), this amount is payable immediately on the winding-up of the pension plan, or the liquidation, assignment or bankruptcy of the employer. Subsections 29(6.2) and 29(6.5), as well as subparagraph 8(1)(c)(ii), set out rules with respect to the application of the deemed trust upon plan termination.

I wish to inform you that following the termination of a plan, an actuarial termination report must be filed with my office pursuant to subsection 29(9) of the PBSA. Furthermore, upon termination of a plan, OSFI's approval would be required before the Plan's funds could be distributed. Section VI of OSFI's Instruction Guide titled "Filing and Reporting Requirements for Defined Benefit Pension Plan Terminations" outlines the documents that are expected to be filed with OSFI within 90 days of the termination date.

Please inform all Plan members and stakeholders of my decision to declare the Plan terminated as soon as possible.

If you have any questions you may contact Stephen Reid at 613-990-2537 or Chuck Saab at 613-990-8027.

Yours truly,



Mark Zelmer
Deputy Superintendent
Office of the Superintendent of Financial Institutions

cc: Marthe Brodeur, Cliffs Natural Resources
Natalie Bussière, Blakes
Michael Delaney, Newfoundland, Superintendent of Pensions
Michel Drolet, Régie des rentes du Québec
Nigel Meakin, FTI Consulting



References – Pension Benefits Standards Act, 1985

Appendix

Subsection 29(2) of the PBSA:

Where Superintendent may declare a plan terminated

- 29(2) The Superintendent may declare the whole or part of a pension plan terminated where
- (a) there is any suspension or cessation of employer contributions in respect of all or part of the plan members;
 - (b) the employer has discontinued or is in the process of discontinuing all of its business operations or a part thereof in which a substantial portion of its employees who are members of the pension plan are employed; or
 - (c) the Superintendent is of the opinion that the pension plan has failed to meet the prescribed tests and standards for solvency in respect of funding referred to in subsection 9(1).

Subsection 29(6) of the PBSA:

Payments by employer to meet solvency requirements

- 29(6) If the whole of a pension plan is terminated, the employer shall, without delay, pay into the pension fund all amounts that would otherwise have been required to be paid to meet the prescribed tests and standards for solvency referred to in subsection 9(1) and, without limiting the generality of the foregoing, the employer shall pay into the pension fund
- (a) an amount equal to the normal cost that has accrued to the date of the termination;
 - (b) the amounts of any prescribed special payments that are due on termination or would otherwise have become due between the date of the termination and the end of the plan year in which the pension plan is terminated;
 - (c) the amounts of payments that are required to be made under a workout agreement that are due on termination or would otherwise have become due between the date of the termination and the end of the plan year in which the pension plan is terminated;
 - (d) all of the following amounts that have not been remitted to the pension fund at the date of the termination:
 - (i) the amounts deducted by the employer from members' remuneration, and
 - (ii) other amounts due to the pension fund from the employer; and
 - (e) the amounts of all of the payments that are required to be made under subsection 9.14(2).

Subsection 29(6.1) of the PBSA:

Payments by employer of pension benefits

29(6.1) If the whole of a pension plan that is not a negotiated contribution plan is terminated, the employer shall pay into the pension fund, in accordance with the regulations, the amount — calculated periodically in accordance with the regulations — that is required to ensure that any obligation of the plan with respect to pension benefits, as they are determined on the date of the termination, is satisfied.



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Subsection 29(6.4) of the PPSA:

Winding-up or bankruptcy

29(6.4) On the winding-up of the pension plan or the liquidation, assignment or bankruptcy of the employer, the amount required to permit the plan to satisfy any obligations with respect to pension benefits as they are determined on the date of termination is payable immediately.

March 30, 2016

Mr. Paul Chang, FCIA
Partner
Morneau Shepell
7071 Bayers Rd, Suite 3007
Halifax, NS B3L 2C2

Dear Mr. Chang:

Re: Contributory Pension Plan for Salaried Employees of Wabush Mines, Cliffs Mining Company, Managing Agent, Arnaud Railway Company and Wabush Lake Railway Company, Limited; (the "Plan")
NL Registration Number 0021314

On May 20, 2015, Wabush Iron Co. Limited, Wabush Resources Inc. and certain of their affiliates, including Wabush Mines, Arnaud Railway Company and Wabush Lake Railway Company Limited (collectively the "Wabush Group") were made subject to proceedings under the *Companies' Creditors Arrangement Act* ("CCAA").

On December 16, 2015, the Superintendent of Pensions declared a termination of the Plan.

On March 1, 2016, the Wabush Group (through their legal counsel) requested, in writing, the appointment of a replacement administrator for the Plan on or about March 14, 2016. In this letter, and subsequent correspondence dated March 23, 2016, it was stated that the Wabush Group no longer has the resources available to act as administrator for the Plan.

Pursuant to section 63 of the *Pension Benefits Act, 1997* (the "Act"), where the whole of a pension plan has been terminated and the superintendent is of the opinion that no action or insufficient action has been taken to wind-up the plan, the superintendent may appoint an administrator for the plan.

Based on the request, there is sufficient concern regarding the wind-up of the Plan and I am of the opinion that another administrator should be appointed for the Plan.

Mr. P. Chang
March 30, 2016

I understand from your correspondence, dated March 4, 2016, that Morneau Shepell is willing to act as administrator for the Plan. Therefore, pursuant to section 63 of the Act, **effective the date of issuance of this letter, March 30, 2016, I hereby appoint Morneau Shepell as the administrator for the Plan.**

Please refer to the Act and associated legislation for the duties and responsibilities of an administrator.

Please inform all Plan members of your appointment as soon as possible. No official communication will be issued by this office but any future calls requesting to speak with the administrator will be directed to your firm. I understand that the initial point of contact is Paula Boyd and, when appropriate, I will provide her contact information to enquiring members of the Plan.

As administrator, you are entitled to all pertinent information relating to the Plan, including; plan documentation, agreements with any third-party providers, pension database(s), all previous communication to plan members and stakeholders, documentation filed with regulatory authorities, all previous filings with the monitor and Superior Court relating to the Plan (**including the Pension Claim**), etc. I trust that all parties will co-operate efficiently and completely with the new administrator to minimize any potential disruption to the members. Please notify me immediately if there are any issues.

Once you have an opportunity to familiarize yourself with the Plan I would suggest that we have a meeting to discuss the completion of the wind-up. Please contact me in the next two to three weeks to arrange such a meeting.

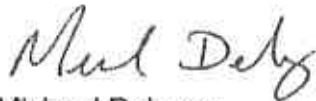
As you are aware, in your role as administrator for the Plan, you are responsible for ensuring that only permitted fees and expenses can be paid from the pension fund. I trust you will ensure that any expenses that are the responsibility of any party to the Plan will continue to be paid appropriately. I request that all expenses paid from the pension fund are filed with this office, within 30 days after the end of the month the expense is paid. However, please be advised that this office will not be approving the expenses – as this is the role of the administrator.

Finally, although the Wabush Group is relinquishing its role as administrator from March 30, 2016, it does not limit in any way the financial obligations of any employer involved in the Plan or any potential liability in respect of the fiduciary responsibilities prior to this date.

Mr. P. Chang
March 30, 2016

I trust this is satisfactory. Should you have any questions or concerns please contact me directly at (709) 729-6014.

Yours truly,



Michael Delaney
Superintendent of Pensions
Pension Benefit Standards Division

cc: Kurt Holland, Cliffs Natural Resources
Clifford Smith, Cliffs Natural Resources
Natalie Bussière, Blakes
Nigel Meakin, FTI Consulting
Michel Drolet, Retraite Québec
Cynthia Gaudreault, Willis Towers Watson
Ann-Marie White, CIBC Mellon
David Charland, Sun Life Financial

March 30, 2016

Mr. Paul Chang, FCIA
Partner
Morneau Shepell
7071 Bayers Rd, Suite 3007
Halifax, NS B3L 2C2

Dear Mr. Chang:

**Re: Pension Plan for Bargaining Unit Employees of Wabush Mines, Cliffs Mining Company, Managing Agent, Arnaud Railway Company, and Wabush Lake Railway Company, Limited; (the "Plan")
NL Registration Number 0024699**

On May 20, 2015, Wabush Iron Co. Limited, Wabush Resources Inc. and certain of their affiliates, including Wabush Mines, Arnaud Railway Company and Wabush Lake Railway Company Limited (collectively the "Wabush Group") were made subject to proceedings under the *Companies' Creditors Arrangement Act* ("CCAA").

On December 16, 2015, the Superintendent of Pensions declared a termination of the Plan.

On March 1, 2016, the Wabush Group (through their legal counsel) requested, in writing, the appointment of a replacement administrator for the Plan on or about March 14, 2016. In this letter, and subsequent correspondence dated March 23, 2016, it was stated that the Wabush Group no longer has the resources available to act as administrator for the Plan.

Pursuant to section 63 of the *Pension Benefits Act, 1997* (the "Act"), where the whole of a pension plan has been terminated and the superintendent is of the opinion that no action or insufficient action has been taken to wind-up the plan, the superintendent may appoint an administrator for the plan.

Based on the request, there is sufficient concern regarding the wind-up of the Plan and I am of the opinion that another administrator should be appointed for the Plan.

Mr. P. Chang
March 30, 2016

I understand from your correspondence, dated March 4, 2016, that Morneau Shepell is willing to act as administrator for the Plan. Therefore, pursuant to section 63 of the Act, **effective the date of issuance of this letter, March 30, 2016, I hereby appoint Morneau Shepell as the administrator for the Plan.**

I am aware the federal pension regulator, who is also responsible for regulating the Plan, is issuing a similar decision based on their legislative authority.

Please refer to the Act and associated legislation for the duties and responsibilities of an administrator.

Please inform all Plan members of your appointment as soon as possible. No official communication will be issued by this office but any future calls requesting to speak with the administrator will be directed to your firm. I understand that the initial point of contact is Paula Boyd and, when appropriate, I will provide her contact information to enquiring members of the Plan.

As administrator, you are entitled to all pertinent information relating to the Plan, including; plan documentation, agreements with any third-party providers, pension database(s), all previous communication to plan members and stakeholders, documentation filed with regulatory authorities, all previous filings with the monitor and Superior Court relating to the Plan (**including the Pension Claim**), etc. I trust that all parties will co-operate efficiently and completely with the new administrator to minimize any potential disruption to the members. Please notify me immediately if there are any issues.

Once you have an opportunity to familiarize yourself with the Plan I would suggest that we have a meeting to discuss the completion of the wind-up. Please contact me in the next two to three weeks to arrange such a meeting.

As you are aware, in your role as administrator for the Plan, you are responsible for ensuring that only permitted fees and expenses can be paid from the pension fund. I trust you will ensure that any expenses that are the responsibility of any party to the Plan will continue to be paid appropriately. I request that all expenses paid from the pension fund are filed with this office, within 30 days after the end of the month the expense is paid. However, please be advised that this office will not be approving the expenses – as this is the role of the administrator.

Finally, although the Wabush Group is relinquishing its role as administrator from March 30, 2016, it does not limit in any way the financial obligations of any employer involved in the Plan or any potential liability in respect of the fiduciary responsibilities prior to this date.

Mr. P. Chang
March 30, 2016

I trust this is satisfactory. Should you have any questions or concerns please contact me directly at (709) 729-6014.

Yours truly,



Michael Delaney
Superintendent of Pensions
Pension Benefit Standards Division

cc: Kurt Holland, Cliffs Natural Resources
Clifford Smith, Cliffs Natural Resources
Natalie Bussière, Blakes
Nigel Meakin, FTI Consulting
Benoit Briere, OSFI
Michel Drolet, Retraite Québec
Cynthia Gaudreault, Willis Towers Watson
Ann-Marie White, CIBC Mellon
David Charland, Sun Life Financial



Unclassified – Low Sensitivity

March 30, 2016

OSFI Plan ID: P-W180

Mr. Kurt Holland
Director, Compensation and Benefits
Cliffs Natural Resources
1155 University Street, Suite 508
Montreal, QC H3B 3A7

Dear Mr. Holland:

Subject: Pension Plan for Bargaining Unit Employees of Wabush Mines, Cliffs Mining Company, Managing Agent, Arnaud Railway Company, and Wabush Lake Railway Company, Limited (the Plan)
OSFI Registration Number: 57777
Pension Benefits Standards Act, 1985 (PBSA)
Pension Benefits Standards Regulations, 1985 (the Regulations)

The purpose of this letter is to inform you that I have appointed a replacement administrator for the Plan effective immediately. My authority for doing this is based on subsection 7.6(1) of the PBSA and section 10 of the *Office of the Superintendent of Financial Institutions Act* (OSFI Act). For your information, attached is an Appendix containing the relevant legislative references.

On March 1, 2016, and subsequent clarification on March 23, 2016, Blake, Cassels & Graydon LLP issued letters on behalf of Wabush Mines to the Newfoundland Superintendent of Pensions and our office requesting the appointment of a replacement administrator for the Plan on the basis that the administrator no longer has the resources necessary to perform the tasks related to the administration of the Plan.

Given this and the ongoing liquidation process under CCAA, I am of the opinion that it is in the best interests of the members and former members, and any other persons entitled to pension benefits under the Plan, that the current administrator be removed and a replacement administrator be appointed pursuant to subsection 7.6(1) of the PBSA.

Consequently, I wish to inform you that effective immediately, I have removed Wabush Mines as the Plan's administrator and have appointed Morneau Shepell as replacement administrator. Pursuant to subsection 7.6(3) of the PBSA, Morneau Shepell is seized of the pension funds as of the date of this notification.



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If you have any questions or wish to discuss this matter, please contact Chuck Saab at 613-990-8027.

Sincerely,

A handwritten signature in black ink, appearing to be 'M. Zelmer', written over a horizontal line.

Mark Zelmer
Deputy Superintendent
Office of the Superintendent of Financial Institutions

Att.

Cc: Morneau Shepell
Ann-Marie White, CIBC Mellon
David Charland, Sun Life Financial
Michel Drolet, Retraite Québec
Natalie Bussière, Blakes
Michael Delaney, Newfoundland Superintendent of Pensions
Nigel Meakin, FTI Consulting Inc.
Cynthia Gaudreault, Willis Towers Watson

Legislative References – Pension Benefits Standards Act, 1985

Section 7.6 of the PBSA:

Appointment of a replacement administrator

7.6 (1) If the administrator of a pension plan is insolvent or unable to act or the Superintendent is of the opinion that it is in the best interests of the members or former members, or any other persons entitled to pension benefits under the plan, that the administrator be removed, the Superintendent may remove the administrator and appoint a replacement administrator. A replacement administrator may recover their reasonable fees and expenses from the pension fund.

Notification

7.6 (2) The Superintendent must notify a replaced administrator of their removal as soon as feasible.

Effect of Replacement

7.6 (3) The replacement administrator is seized of the pension fund as of the date of the notification under subsection (2).

Section 10 of the OSFI Act:

Pursuant to section 10 of the *Office of the Superintendent of Financial Institutions Act*, the Superintendent has permitted the Deputy Superintendent to exercise the authority to appoint a replacement administrator.

Salaried Plan

Reconciliation of Required versus Actual Employer Contributions from January 1, 2015 to the wind-Defined Benefit Component Only

Contributions for 2014 were as expected

Please note any shortfalls presented here have not been interest adjusted (although interest is payable on shortfall amounts to date). Also note we have included contributions in respect of the month of April 2015 (but not May 2015) as having accrued prior to the

1 Normal Cost required contributions as stated in the January 1, 2014 actuarial report

Period Covered	Contribution Required by	Required * Normal Cost	Actual Normal Cost Cont.	Shortfall (Overcontribution)
Jan-15	2-Mar-15		41,932	
Feb-15	30-Mar-15		41,932	
Mar-15	30-Apr-15		41,932	
Apr-15	30-May-15		41,932	
May-15	30-Jun-15		41,931	
Jun-15	30-Jul-15		41,931	
Jul-15	30-Aug-15		41,931	
Aug-15	30-Sep-15		15,000	
Sep-15	30-Oct-15		15,000	
Oct-15	30-Nov-15		15,000	
Nov-15	30-Dec-15		15,000	
Dec-16	30-Jan-16		7,742	
Total Full Year		191,303	361,264	\$ (169,961)

* Based on 7.88% 2015 payroll of approximately \$2,427,706.04

2 Special payment contributions as stated in the January 1, 2014 actuarial report

Period Covered	Contribution Required by	Required Special Pmts	Actual Special Pmts	Shortfall (Overcontribution)
Jan-15	2-Mar-15	273,219	273,218	1
Feb-15	30-Mar-15	273,219	273,218	1
Mar-15	30-Apr-15	273,219	273,218	1
Apr-15	30-May-15	273,219	273,218	1
May-15	30-Jun-15	273,219	0	273,219
Jun-15	30-Jul-15	273,219	0	273,219
Jul-15	30-Aug-15	273,219	0	273,219
Aug-15	30-Sep-15	273,219	0	273,219
Sep-15	30-Oct-15	273,219	0	273,219
Oct-15	30-Nov-15	273,219	0	273,219
Nov-15	30-Dec-15	273,219	0	273,219
Dec-15 (to Dec 16th)	30-Jan-16	273,219	0	273,219
Total to CCAA entry		1,092,874	1,092,871	3
Total after CCAA		2,185,749	-	2,185,749
Total Full Year		3,278,623	1,092,871	\$ 2,185,752

Total Missed/(over) Contributions

1 Normal Cost contribution up to wind-up date	\$ (169,961)
2 January 1, 2014 valuation report special payments for period up to CCAA date	3
3 January 1, 2014 valuation report special payments for period after CCAA date	2,185,749

Bargaining Plan

Reconciliation of Required versus Actual Employer Contributions from last filed actuarial report to the wind-up date (December 16, 2015)

Defined Benefit Component Only

Please note any shortfalls presented here have not been interest adjusted (although interest is payable on shortfall amounts to date of payment)

Also note we have included contributions in respect of the month of April 2015 (but not May 2015) as having occurred prior to the Wabush CCAA Parties entering CCAA

1 Normal Cost required contributions as stated in the January 1, 2015 actuarial report

Period Covered	Contribution Required by	Required Normal Cost	Actual Normal Cost Cost	Shortfall (Overcontribution)
Jan-15	1-Mar-15	44,356	50,495	\$ (6,139)
Feb-15	30-Mar-15	44,356	50,495	\$ (6,139)
Mar-15	30-Apr-15	44,356	50,495	\$ (6,139)
Apr-15	30-May-15	44,356	50,495	\$ (6,139)
May-15	30-Jun-15	44,356	50,495	\$ (6,139)
Jun-15	30-Jul-15	44,356	50,495	\$ (6,139)
Jul-15	30-Aug-15	44,356	50,495	\$ (6,139)
Aug-15	30-Sep-15	44,356	1,383	\$ 42,974
Sep-15	30-Oct-15	44,356	44,356	\$ (0)
Oct-15	30-Nov-15	44,356	44,356	\$ (0)
Nov-15	30-Dec-15	44,356	44,356	\$ (0)
Dec-15 *	30-Jan-16	44,356	22,893	\$ 21,463
Total Full Year		532,269	510,807	\$ 21,462

* Members received credited service for the entire month of December as per Plan terms

2 Special payment contributions as stated in the January 1, 2014 actuarial report

Period Covered	Contribution Required by	Required Special Pmts	Actual Special Pmts	Shortfall (Overcontribution)
Jan-15	1-Mar-15	474,879	393,337	81,542
Feb-15	30-Mar-15	474,879	393,337	81,542
Mar-15	30-Apr-15	377,029	393,337	- 16,308
Apr-15	30-May-15	377,029	393,337	- 16,308
May-15	30-Jun-15	377,029	0	377,029
Jun-15	30-Jul-15	377,029	0	377,029
Jul-15	30-Aug-15	377,029	0	377,029
Aug-15	30-Sep-15	377,029	0	377,029
Sep-15	30-Oct-15	377,029	0	377,029
Oct-15	30-Nov-15	377,029	0	377,029
Nov-15	30-Dec-15	377,029	0	377,029
Dec-15 (to Dec 16th)	30-Jan-16	377,029	0	377,029
Total to CCAA entry		1,703,015	1,578,348	124,667
Total after CCAA		3,016,229	-	3,016,229
Total Full Year		4,720,044	1,578,348	\$ 3,141,696

3 Additional special payments created by January 1, 2015 actuarial report not filed until after the Wabush Group entered into CCAA No contributions toward this special payment stream were made as the actuarial valuation report was not filed until July 2015 after the Wabush Group entered into CCAA protection.

Period Covered	Contribution Required by	Required Special Pmts	Actual Special Pmts	Shortfall (Overcontribution)
Jan-15	26-Aug-15	293,760	0	293,760
Feb-15	26-Aug-15	293,760	0	293,760
Mar-15	26-Aug-15	293,760	0	293,760
Apr-15	26-Aug-15	293,760	0	293,760
May-15	26-Aug-15	293,760	0	293,760
Jun-15	26-Aug-15	293,760	0	293,760
Jul-15	26-Aug-15	293,760	0	293,760
Aug-15	26-Sep-15	293,760	0	293,760
Sep-15	26-Oct-15	293,760	0	293,760
Oct-15	26-Nov-15	293,760	0	293,760
Nov-15	26-Dec-15	293,760	0	293,760
Dec-15 (to Dec 16th)	30-Jan-16	293,760	0	293,760
Total to CCAA entry		1,175,042	-	1,175,042
Total after CCAA		2,350,083	-	2,350,083
Total Full Year		3,525,125	-	\$ 3,525,125

Total Mixed/(over) Contributions:

1 Normal Cost contributions up to wind-up date	\$ 21,462
2 January 1, 2014 valuation report special payments for period up to CCAA date	124,667
3 January 1, 2014 valuation report special payments for period after CCAA date	3,016,229
4 January 1, 2015 valuation report additional special payments for period up to CCAA date	1,175,042
5 January 1, 2015 valuation report additional special payments for period after CCAA date	2,350,083

SCHEDULE H

PROOF OF CLAIM FOR CLAIMS AND RESTRUCTURING CLAIMS AGAINST THE BLOOM LAKE CCAA PARTIES AND/OR THE WABUSH CCAA PARTIES

The "Bloom Lake CCAA Parties" are:

Bloom Lake General Partner Limited
Quinto Mining Corporation
866839 Canada Limited
Cliffs Quebec Iron Mining ULC
Bloom Lake Railway Company Limited
The Bloom Lake Iron Ore Mine Limited Partnership

The "Wabush CCAA Parties" are:

Wabush Iron Co. Limited
Wabush Resources Inc.
Wabush Mines
Arnaud Railway Company
Wabush Lake Railway Company Limited

(The Bloom Lake CCAA Parties and Wabush CCAA Parties collectively form the "CCAA Parties")

Please read the enclosed Instruction Letter carefully prior to completing the attached Proof of Claim. Capitalized terms not defined within this Proof of Claim form or the appended Instruction Letter shall have the meaning ascribed thereto in the Claims Procedure Order dated November 5, 2015 and amended on November 16, 2015 and as may be further amended, restated or supplemented from time to time. A copy of the Claims Procedure Order can be found on the Monitor's website at: <http://cfcanada.fticonsulting.com/bloomlake/>

Particulars of Creditor:

Please provide the following information:

Legal Name of Creditor:	Contributory Pension Plan for Salaried Employees of Wabush Mines, Cliffs Mining Company, as Managing Agent, Arnaud Railway and Wabush Lake Railway
Doing Business As:	Contributory Pension Plan for Salaried Employees of Wabush Mines, Cliffs Mining Company, as Managing Agent, Arnaud Railway and Wabush Lake Railway
Legal Counsel or Representative (if applicable):	Marthe Brodeur
Address:	
Number and Street (line 1)	1155 University
Number and Street (line 2)	Suite 508
City	Montreal
Province / State	Quebec
Postal / Zip Code	H3B 3A7
Country	Canada
Telephone Number (including area)	(844)954-6534
E-mail address:	Marthe.brodeur@cliffsnr.com
Attention (Contact Person):	Marthe Brodeur

Proof of Claim (other than Restructuring Claims):

I, Marthe Brodeur (name of individual Creditor or Representative of corporate Creditor), of Montreal, Quebec (City, Province or State) do hereby certify:

that I am a Creditor, OR

am the Administrator (position or title) of Contributory Pension Plan for Salaried Employees (name of Creditor); and

that I have knowledge of all the circumstances connected with the Claim referred to below:

CCAA Party Name	Currency (CAD, USD, etc.) [1]	Amount of Unsecured Claim [2]	Amount of Secured Claim [3]	Particulars of Security (Secured Claims ONLY), e.g. General Security Agreement, hypothec, etc. [4]
Bloom Lake CCAA Parties				
<u>Cliffs Quebec Iron Mining ULC</u>		\$	\$	
<u>The Bloom Lake Iron Ore Mine Limited</u>		\$	\$	
<u>Bloom Lake General Partner Limited</u>		\$	\$	
<u>Quinta Minera Corporation</u>		\$	\$	
<u>8508391 Canada Limited</u>		\$	\$	
<u>Bloom Lake Railway Company Limited</u>		\$	\$	
Wabush CCAA Parties				
<u>Wabush Mines</u>	CAD	\$	\$24,000,000	
<u>Wabush Iron Co. Limited</u>		\$	\$	
<u>Wabush Resources Inc.</u>		\$	\$	
<u>Arnold Railway Company</u>	CAD	\$	\$24,000,000	
<u>Wabush Lake Railway Company Limited</u>	CAD	\$	\$24,000,000	

Notes:

- (1) Claims in a currency other than Canadian Dollars will be converted to Canadian Dollars at the exact spot rate of the Bank of Canada as at the Distribution Date (January 27, 2015 for Bloom Lake CCAA Parties and May 20, 2015 for Wabush CCAA Parties).
- (2) An "Unsecured" Claim is one for which no Assets of any of the CCAA Parties are pledged as security.
- (3) A "Secured" Claim is one which for which Assets of the relevant of the CCAA Parties are pledged or held in security pursuant to a security right or agreement.
- (4) Provide full particulars of the security, including the date on which the security was given and attach a copy of the security documents - See Particulars of Claims below.

Proof of Claim with respect to a Restructuring Claim:

I, Marthe Brodeur (name of individual Creditor or Representative of corporate Creditor), of Montreal, Quebec (City, Province or State) do hereby certify:

that I am a Creditor, OR

am the Administrator (position or title) of Contributory Pension Plan for Salaried Employees (name of Creditor); and

that I have knowledge of all the circumstances connected with the Restructuring Claim referred to below:

CCAA Party Name	Amount of Restructuring Claim	Currency (CAD, USD, etc.) (1)	Event Giving Rise to Restructuring Claim (2)
Bloom Lake CCAA Parties			
Cliffs Quebec Iron Mining ULC	\$		
The Bloom Lake Iron Ore Mine Limited Partnership	\$		
Bloom Lake General Partner Limited	\$		
Quinto Mining Corporation	\$		
8508391 Canada Limited	\$		
Bloom Lake Railway Company Limited	\$		
Wabush CCAA Parties			
Wabush Mines	\$1,932,940	CAD	Unmade amortization payments
Wabush Iron Co. Limited	\$		
Wabush Resources Inc.	\$		
Arnaud Railway Company	\$1,932,940	CAD	Unmade amortization payments
Wabush Lake Railway Company Limited	\$1,932,940	CAD	Unmade amortization payments

Notes:

(1) Claims in a currency other than Canadian Dollars will be converted to Canadian Dollars at the noon spot rate of the Bank of Canada as at the Determination Date (January 27, 2015 for Bloom Lake CCAA Parties and May 20, 2015 for Wabush CCAA Parties).

(2) Provide a brief description of the source of the Restructuring Claim including whether as a result of the restructuring, suspension, disclaimer, restitution, termination or breach of any contract, employment agreement, lease or other agreement or arrangement of any nature whatsoever.

Particulars and Basis of Claim(s)

In the space below, please provide the particulars and basis for the amount of the Claim(s) indicated in the tables above. Additional pages may be attached if more space is required.

See email from Cynthia Gaudreault (Towers Watson) dated December 8, 2015.

List of documentation evidencing Claim(s) indicated in the tables above (please attach all documentation to this Proof of Claim form):

Attachment 1 (description): email from Cynthia Gaudreault (Towers Watson)

Attachment 2 (description): _____

Attachment 3 (description): _____

Attachment 4 (description): _____

Attachment 5 (description): _____

[If documentation exceeds 5 attachments, please attach separate list.]

DATED this 18 day of December, 2015.

[Signature]
Witness: _____

Per: [Signature]
Print name of Creditor:

MARTHE BRODEUR

If Creditor is other than an individual, print name and title of authorized signatory

Name: Marthe Brodeur

Title: Administrator

SCHEDULE H

**PROOF OF CLAIM
FOR CLAIMS AND RESTRUCTURING CLAIMS
AGAINST THE BLOOM LAKE CCAA PARTIES
AND/OR THE WABUSH CCAA PARTIES**

The "Bloom Lake CCAA Parties" are:

Bloom Lake General Partner Limited
Quinto Mining Corporation
856839 Canada Limited
Cliffs Quebec Iron Mining ULC
Bloom Lake Railway Company Limited
The Bloom Lake Iron Ore Mine Limited Partnership

The "Wabush CCAA Parties" are:

Wabush Iron Co. Limited
Wabush Resources Inc.
Wabush Mines
Arnaud Railway Company
Wabush Lake Railway Company Limited

(The Bloom Lake CCAA Parties and Wabush CCAA Parties collectively form the "CCAA Parties")

Please read the enclosed Instruction Letter carefully prior to completing the attached Proof of Claim. Capitalized terms not defined within this Proof of Claim form or the appended Instruction Letter shall have the meaning ascribed thereto in the Claims Procedure Order dated November 5, 2015 and amended on November 16, 2015 and as may be further amended, restated or supplemented from time to time. A copy of the Claims Procedure Order can be found on the Monitor's website at: <http://cfcanada.fticonsulting.com/bloomlake/>

Particulars of Creditor:

Please provide the following information:

Legal Name of Creditor:	Pension Plan for Bargaining Unit Employees of Wabush Mines, Cliffs Mining Company as Managing Agent, Arnaud Railway Company and Wabush Lake Railway Company
Doing Business As:	Pension Plan for Bargaining Unit Employees of Wabush Mines, Cliffs Mining Company as Managing Agent, Arnaud Railway Company and Wabush Lake Railway Company
Legal Counsel or Representative (if applicable):	Marthe Brodeur
Address:	
Number and Street (line 1)	1155 University
Number and Street (line 2)	Suite 508
City	Montreal
Province / State	Quebec
Postal / Zip Code	H3B 3A7
Country	Canada
Telephone Number (including area)	(844)954-6534
E-mail address:	Marthe.brodeur@cliffsnr.com
Attention (Contact Person):	Marthe Brodeur

Proof of Claim (other than Restructuring Claims):

I, Marthe Brodeur (name of individual Creditor or Representative of corporate Creditor), of Montreal, Quebec (City, Province or State) do hereby certify:

that I am a Creditor; OR

am the Administrator (position or title) of Pension Plan for Bargaining Unit Employees (name of Creditor); and

that I have knowledge of all the circumstances connected with the Claim referred to below:

CCAA Party Name	Currency (CAD, USD, etc.) [1]	Amount of Unsecured Claim [2]	Amount of Secured Claim [3]	Particulars of Security (Secured Claims ONLY), e.g. General Security Agreement, Hypothec, etc. [4]
Bloom Lake CCAA Parties				
<u>Cliffs Quebec Iron Mining ULC</u>		\$	\$	
<u>The Bloom Lake Iron Ore Mine Limited</u>		\$	\$	
<u>Bloom Lake General Partner Limited</u>		\$	\$	
<u>Quinta Mining Corporation</u>		\$	\$	
<u>8508391 Canada Limited</u>		\$	\$	
<u>Bloom Lake Railway Company Limited</u>		\$	\$	
Wabush CCAA Parties				
<u>Wabush Mines</u>	CAD	\$	\$29,000,000	
<u>Wabush Iron Co. Limited</u>		\$	\$	
<u>Wabush Resources Inc.</u>		\$	\$	
<u>Amqui Railway Company</u>	CAD	\$	\$29,000,000	
<u>Wabush Lake Railway Company Limited</u>	CAD	\$	\$29,000,000	

Notes:

[1] Claims in a currency other than Canadian Dollars will be converted to Canadian Dollars at the noon spot rate of the Bank of Canada as at the Reorganization Date (January 27, 2015 for Bloom Lake CCAA Parties and May 20, 2015 for Wabush CCAA Parties).

[2] An "Unsecured" Claim is one for which no assets of any of the CCAA Parties are pledged as security.

[3] A "Secured" Claim is one which for which assets of the any one of the CCAA Parties are charged or held as security pursuant to statutory right or agreement.

[4] Provide full particulars of the security, including the date on which the security was given and attach a copy of the security documents - See Particulars of Claims below.

Proof of Claim with respect to a Restructuring Claim:

I, Marthe Brodeur (name of individual Creditor or Representative of corporate Creditor), of Montreal, Quebec (City, Province or State) do hereby certify:

that I am a Creditor, OR

am the Administrator (position or title) of Pension Plan for Bargaining Unit Employees (name of Creditor); and

that I have knowledge of all the circumstances connected with the Restructuring Claim referred to below:

CCAA Party Name	Amount of Restructuring Claim	Currency (CAD, USD, etc.) (1)	Event Giving Rise to Restructuring Claim (2)
Bloom Lake CCAA Parties			
Cliffs Quebec Iron Mining ULC	\$		
The Bloom Lake Iron Ore Mine Limited Partnership	\$		
Bloom Lake General Partner Limited	\$		
Quinto Mining Corporation	\$		
8568391 Canada Limited	\$		
Bloom Lake Railway Company Limited	\$		
Wabush CCAA Parties			
Wabush Mines	\$6,059,238	CAD	Unmade amortization payments
Wabush Iron Co. Limited	\$		
Wabush Resources Inc.	\$		
Arnold Railway Company	\$6,059,238	CAD	Unmade amortization payments
Wabush Lake Railway Company Limited	\$6,059,238	CAD	Unmade amortization payments

Notes:

(1) Claims in a currency other than Canadian Dollars will be converted to Canadian Dollars at the noon spot rate of the Bank of Canada as at the Determination Date (January 27, 2015 for Bloom Lake CCAA Parties and May 20, 2015 for Wabush CCAA Parties).

(2) Provide a brief description of the source of the Restructuring Claim including whether as a result of the restructuring, suspension, disclaimer, cessation, termination or breach of any contract, employment agreement, lease or other agreement or arrangement of any nature whatsoever.

List of documentation evidencing Claim(s) indicated in the tables above (please attach all documentation to this Proof of Claim form):

Attachment 1 (description): email from Cynthia Gaudreault (Towers Watson)

Attachment 2 (description): _____

Attachment 3 (description): _____

Attachment 4 (description): _____

Attachment 5 (description): _____

[if documentation exceeds 5 attachments, please attach separate list.]

DATED this 18 day of December, 2015.


Witness:

Per: 

Print name of Creditor:

MARTHE BRODEUR

If Creditor is other than an individual, print name and title of authorized signatory

Name: Marthe Brodeur

Title: Pension plan administrator

Filing of Claims:

A **Proof of Claim** (other than for Restructuring Claims), **must be received by the Monitor by no later than 5:00 p.m. (prevailing Eastern time) on December 18, 2015**, or such later date as may be ordered by the Court (the "**Claims Bar Date**").

A **Proof of Claim with respect to a Restructuring Claim** must be received by the Monitor by the later of: (a) the Claims Bar Date, and (b) by 5:00 p.m. on the day which is 21 days after any of (i) the date of the applicable Notice of Disclaimer or Resiliation becomes effective, (ii) the Court Order settling a contestation against such Notice of Disclaimer or Resiliation brought pursuant to Section 32(5)(b) of the CCAA, or (iii) the date of the event giving rise to the Restructuring Claim, or (c) such later date as may be ordered by the Court (the "**Restructuring Claims Bar Date**").

FAILURE TO FILE YOUR PROOF OF CLAIM AS DIRECTED BY THE CLAIMS BAR DATE WILL RESULT IN YOUR CLAIM BEING FOREVER BARRED AND EXTINGUISHED, AND YOU WILL BE PROHIBITED FROM MAKING OR ENFORCING A CLAIM AGAINST ANY OF THE CCAA PARTIES.

Proofs of Claim must be delivered by email to the Monitor at the applicable email address shown below:

Bloom Lake CCAA Parties' Creditors
bloomlake@fticonsulting.com

Wabush CCAA Parties' Creditors
wabush@fticonsulting.com

The subject line of your email should read "Proof of Claim – [legal name of Creditor]" and the following naming protocol must be used for any attachments included in the email:

For a Proof of Claim: **Proof_of_Claim_[legal name of Creditor].pdf**

For support schedules (if not already included in the Proof of Claim file):
Proof_of_Claim_[legal name of Creditor]_schedule [x of y].pdf

In the event that you are unable or unwilling to submit your Proof of Claim by email, you may deliver your Proof of Claim by prepaid registered mail, personal delivery or courier to the following address:

FTI Consulting Canada Inc., in its capacity as Monitor of the [Bloom Lake or Wabush] CCAA Parties

79 Wellington Street West
TD Waterhouse Tower, Suite 2010
PO Box 104
Toronto, Ontario M5K 1G8
Attention: Steven Bissell

ACCORD MULTILATERAL DE RECIPROCITE

MEMORANDUM OF RECIPROCAL AGREEMENT

ATTENDU que chaque signataire de cet accord possède des fonctions et pouvoirs statutaires relatifs aux régimes de rentes couvrant des employés de la province de sa juridiction;

ATTENDU que, du fait que certains régimes couvrent des employés de plus d'une province, plus d'un signataire peut posséder des fonctions et pouvoirs statutaires relatifs à un régime de rentes;

ATTENDU que lesdits signataires ont considéré qu'il serait souhaitable qu'un seul signataire exerce tous les pouvoirs statutaires et fonctions relatifs à un même régime de rentes, agissant en son nom et au nom de tout autre signataire possédant des fonctions et pouvoirs relatifs à ce régime;

ATTENDU qu'en conséquence, chaque signataire s'est entendu avec chacun des autres signataires dans le sens énoncé ci-dessus;

EN FOI DE QUOI, et en vertu des ententes ci-haut mentionnées, les signataires de cet accord sont liés par les arrangements administratifs suivants:

1. Interprétation

Dans le présent accord,

- a) "régime" signifie une caisse ou un régime de retraite ou de rentes;
- b) "autorité" signifie une personne ou un organisme possédant des fonctions et pouvoirs statutaires relatifs à l'enregistrement, la capitalisation, la dévolution, la solvabilité, la

WHEREAS each signatory hereto has statutory functions and powers with respect to pension plans covering employees in the jurisdiction represented by such signatory;

AND WHEREAS, by reason of some pension plans covering employees in more than one jurisdiction, more than one signatory may have statutory functions and powers in respect of the same pension plan;

AND WHEREAS the said signatories have deemed it desirable that statutory functions and powers in respect of any one pension plan be exercised by one signatory only, acting both on its own behalf and on behalf of any other signatory having statutory functions and powers in respect of such plan;

AND WHEREAS each signatory has accordingly agreed with each other signatory to the effect hereinafter set forth;

NOW THEREFORE this Memorandum witnesseth that the signatories hereto are, by virtue of the aforementioned agreements, governed by the following administrative arrangements:

1. Interpretation

In this Memorandum,

- a) "plan" means a superannuation or pension fund or plan;
- b) "authority" means a person or body having statutory functions and powers with respect to registration, funding, vesting, solvency, audit, obtaining information, inspec-

vérification, l'obtention de renseignements, l'inspection, la liquidation et autres aspects des régimes;

- c) "autorité participante" signifie une autorité qui est signataire du présent accord;
- d) "autorité majoritaire" signifie, relativement à un régime, l'autorité participante de la province où la majorité des membres du régime sont employés (il ne sera pas tenu compte dans ce calcul des membres employés dans une province qui n'a pas d'autorité participante);
- e) "autorité minoritaire" signifie, relativement à un régime, l'autorité participante de toute province où un ou plusieurs membres du régime sont employés, mais ne signifie pas l'autorité majoritaire.

tion, winding up, and other aspects, of plans;

- c) "participating authority" means an authority which is a signatory hereto;
- d) "major authority" means, with respect to a plan, the participating authority of the province where the plurality of the plan members are employed (save that members employed in a province not having a participating authority shall not be counted);
- e) "minor authority" means, with respect to a plan, the participating authority of any province where one or more plan members are employed, but does not include the major authority

- 2. L'autorité majoritaire de chaque régime exerce à la fois ses propres fonctions et pouvoirs statutaires et les fonctions et pouvoirs statutaires de chaque autorité minoritaire de ce régime.
 - 3. Toute autorité peut s'exclure de l'application de l'article 2 à l'égard d'un régime déterminé en avisant par écrit l'autorité majoritaire d'un tel régime à cet effet (ou bien toutes les autorités minoritaires au cas où l'autorité majoritaire est celle qui s'exclue); et en pareil cas l'autorité qui s'exclue sera considérée comme n'étant plus une autorité participante à l'égard d'un tel régime.
 - 4. Toute autorité participante peut s'exclure de l'application de l'article 2 à l'égard de tous régimes pour lesquels, n'était-ce cette exclusion, elle agirait comme autorité majoritaire; dans ce cas, et seulement aux fins de déterminer l'autorité majoritaire régissant chacun desdits régimes, elle ne sera pas considérée comme autorité participante.
 - 5. Toutes les autorités participantes qui possèdent des fonctions et pouvoirs statutaires à l'égard d'un
- 2. The major authority for each plan shall exercise both its own statutory functions and powers and the statutory functions and powers of each minor authority for such plan.
 - 3. Any authority may except itself from the operation of section 2 in respect of a specific plan by giving written notice to that effect to the major authority (or, if the major authority is the excepting authority, then to all the minor authorities) for such plan; and in such event the excepting authority shall be deemed not to be a participating authority in respect of such plan
 - 4. Any participating authority may except itself from the operation of section 2, in respect of all plans for which it would, but for such exception, act as the major authority; and in such event it shall, for the purpose only of determining the major authority of each such plan, be deemed not to be a participating authority.
 - 5. All participating authorities having statutory functions and powers in respect of a specific

régime déterminé peuvent s'entendre et considérer l'une d'entre elles comme étant l'autorité majoritaire à l'endroit de ce régime.

6. Lorsque les circonstances entourant un régime déterminé changent de telle sorte qu'une autorité participante devient, ou cesse d'être, une autorité minoritaire de ce régime, l'autorité majoritaire doit en aviser cette autorité minoritaire.
 7. Lorsque les circonstances entourant un régime déterminé changent de telle sorte qu'il en résulte un changement de l'autorité majoritaire, toutes les autorités minoritaires en seront avisées et l'ancienne autorité majoritaire fournira à la nouvelle autorité majoritaire tous documents et renseignements relatifs à ce régime.
 8. Une autorité majoritaire agissant en vertu de l'article 2 fournira à chaque autorité minoritaire des renseignements complets concernant l'exercice de toute fonction et de tout pouvoir exercés au nom de cette autorité minoritaire.
 9. Lorsqu'une autorité majoritaire est incapable d'exercer un pouvoir dont dispose l'une des autorités minoritaires, elle en avisera cette autorité minoritaire.
 10. La participation de toute autorité à l'arrangement administratif qui précède commence à la date où elle signe cet accord (la signature ne doit être apposée qu'avec le consentement de tous les signataires précédents), et elle cesse le 31 décembre 1970, à moins que ladite autorité ne renonce avant cette date à cette terminaison. Cependant, toute autorité peut mettre fin à sa participation à cet arrangement administratif au moyen d'un avis écrit d'un an envoyé en même temps à toutes les autres autorités participantes.
 11. Du fait qu'une autorité signe cet accord, elle conclut des accords de réciprocité avec toutes les autres autorités participantes.
6. Where changing circumstances in respect of a specific plan result in a participating authority becoming or ceasing to be, a minor authority for such plan, such minor authority shall be advised accordingly by the major authority.
 7. Where changing circumstances in respect of a specific plan result in a change in the major authority for such plan, all minor authorities for such plan shall be advised accordingly, and the former major authority shall deliver all documents and information concerning such plan to the new major authority.
 8. A major authority acting pursuant to section 2 shall fully inform each minor authority as to the exercise of any functions and powers exercised on behalf of such minor authority.
 9. Where a major authority is unable to exercise a particular power of enforcement available to one of the minor authorities, it shall so advise that minor authority.
 10. Participation by any authority in the foregoing Administrative Arrangement commences upon the date it becomes a signatory to this Memorandum (such signature to be affixed only with the consent of all prior signatories), and terminates on the 31st day of December, 1970, unless such authority disclaims such termination prior to that date; provided that any authority may terminate its participation in this Administrative Arrangement by contemporaneous delivery of one year's written notice to the other participating authorities.
 11. Execution of this Memorandum by any authority shall evidence its entry into reciprocal agreements with all the other participating authorities.

12. "The Pension Commission of Ontario" est le dépositaire de cet accord jusqu'à ce que toutes les autorités participantes s'entendent sur le choix d'un autre dépositaire; et le dépositaire informera toutes les autorités participantes de la signature de cet accord par une autorité participante subséquentement à la date des présentes.

12. The Pension Commission of Ontario shall be the depository of this Memorandum, until such time as the participating authorities agree to another depository; and the depository shall inform all participating authorities in connection with the execution of this Memorandum by any participating authority subsequent to the date hereof.

EN FOI DE QUOI les autorités soussignées apposent leurs signatures sur le présent accord réciproqué:

IN WITNESS WHEREOF the undersigned authorities do hereby execute this Memorandum of Agreement

LA REGIE DES RENTES DU QUEBEC

QUEBEC PENSION BOARD

June 27, 1968

[Signature]
Président de la Régie

June 27, 1968

[Signature]
Président du Board

LA COMMISSION DES RENTES DE L'ONTARIO

THE PENSION COMMISSION OF ONTARIO

June 27, 1968

[Signature]
Président

June 27, 1968

[Signature]
Chairman

LE SURINTENDANT DES RENTES, ALBERTA

THE SUPERINTENDENT OF PENSIONS, ALBERTA

June 27, 1968

[Signature]
Surintendant

June 27, 1968

[Signature]
Superintendent

LE SURINTENDANT DES RENTES, SASKATCHEWAN

THE SUPERINTENDENT OF PENSIONS, SASKATCHEWAN

February 5, 1969

[Signature]
Surintendant

February 5, 1969

[Signature]
Superintendent

LA COMMISSION DES RENTES DU MANITOBA

THE PENSION COMMISSION OF MANITOBA

7/1/76

[Signature]
Président

7/1/76

[Signature]
Chairman

LE SURINTENDANT DES RENTES, NOVA SCOTIA

THE SUPERINTENDENT OF PENSIONS, NOVA SCOTIA

May 3, 1977

[Signature]
Surintendant

May 3, 1977

[Signature]
Superintendent

LE SURINTENDANT DES RENTES,
TERRE NEUVE

February 26, 1986


Surintendant

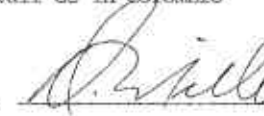
Ministre Enseignement supérieur et Travail

juin 1, 1992



Ministre de la main d'oeuvre, de la
formation et du travail de la Colombie
britannique

FEB. 16, 1994



THE SUPERINTENDENT OF PENSIONS,
NEW FOUNDLAND

February 26, 1986


Superintendent

Minister Advanced Education and Labour
New Brunswick

June 1, 1992



Minister of Skills, Training and Labour
of British Columbia

FEB. 16, 1994



EXHIBIT R-23
UNION DB PLAN

Financial Services
Regulation Division

DEC 07 2004

WJG

**Pension Plan for Bargaining Unit Employees of Wabush
Mines, Cliffs Mining Company, Managing Agent
Arnaud Railway Company
Wabush Lake Railway Company, Limited**

As Amended and Restated Effective as of March 1, 1996

Revenue Canada Registration Number 0555201

24699

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Section 1 — Amendment and Restatement

1.01 Amendment and Restatement

Effective as of March 1, 1996, the Pension Plan for Bargaining Unit Employees of Wabush Mines, Cliffs Mining Company, Managing Agent, Arnaud Railway Company, Wabush Lake Railway Company, Limited, Revenue Canada registration number 0555201, is amended and restated to allow active Members to choose, on a one-time-only basis, one of two forms of pension benefits:

- a Defined Benefit Provision based on a flat dollar benefit rate, pursuant to the terms of the Collective Agreement; or
- a Defined Benefit Provision based on a lower flat dollar benefit rate plus a Defined Contribution Provision with Member and Employer contributions, pursuant to the terms of the Collective Agreement.

*Amend #1
eff: March 1/99*

Section 2 — Definitions

The following words and phrases, when used in this Plan, unless the context clearly indicates otherwise, shall have the following meanings:

2.01 Account

"Account" means, in respect of a Member, the account established to record the Member's contributions pursuant to Section 4.01(b), 4.03(a) and 4.04 and the Employer contributions pursuant to Sections 4.02(b), 4.03(b) and 4.04 plus any Credited Interest thereon.

2.02 Actuarial Equivalent

"Actuarial Equivalent" means, with respect to a benefit, the equivalent value, computed on the basis of actuarial assumptions last adopted for this purpose by the Employer on the recommendation of the Actuary. The determination of Actuarial Equivalent values shall not differentiate on the basis of gender.

2.03 Actuary

"Actuary" means the actuary or firm of actuaries retained by the Employer for the purposes of the Plan who is, or in the case of a firm of actuaries at least one of whom is, a Fellow of the Canadian Institute of Actuaries.

2.04 Approved Leave of Absence

"Approved Leave of Absence" means a period of unpaid leave of absence authorized by the Employer and includes a period of lay-off.

2.05 Beneficiary

"Beneficiary" means the person last designated by a Member by written notice filed with the Employer to receive benefits payable from the Plan upon the Member's death and who survives the Member.

2.06 Collective Agreement

"Collective Agreement" means the agreement in effect between the parties who are signatories to the Pension Agreement.

2.07 Commuted Value

"Committed Value" means, with respect to pension benefits that a person has a present or future entitlement to receive, a lump-sum amount of the Actuarial Equivalent value of said benefits as of a specified date as determined by the Actuary in accordance with the Recommendations for the Computation of Transfer Values from Registered Pension Plans issued by the Canadian Institute of Actuaries, or such other basis as may be permitted or required from time to time under Provincial Pension Laws and the *Income Tax Act*.

2.08 Continuous Service

- (a) "Continuous Service" means the period of regular employment with the Employer from the later of the date of commencement of employment with the Employer or the date of re-employment following the last break in service, if any.
- (b) Continuous Service shall be broken by an Employee's resignation or other voluntary termination of employment or termination of employment by the Employer, retirement or absence due to a non-compensable Disability for a period in excess of 36 consecutive months.
- (c) Notwithstanding (a) and (b) above, Employees with eight or more years of Continuous Service as of the date they become eligible for long term disability benefits pursuant to the Employer's program of insurance benefits shall continue to accrue Continuous Service until the payment of or eligibility for such benefits ceases. In the event that the long term disability insurance benefits are reduced to zero by virtue of an offset for workers' compensation benefits, Continuous Service shall continue to accrue notwithstanding that the actual payment of long term disability insurance benefits has ceased, until such time as the payment of or eligibility for such payments would otherwise have ceased under the terms of the Employer's program of insurance benefits. In the event that the long term disability insurance benefits cease due to the Employee's refusal to undergo a medical examination, as specified under the Employer's program of insurance benefits, Continuous Service shall be broken as of the date of eligibility for long term disability benefits unless the Employee returns to work within 30 days of the scheduled date of examination.
- (d) Notwithstanding (a) and (b) above, Continuous Service shall be broken:
 - (i) due to layoff for a period in excess of 36 months for an Employee having less than 36 months of Continuous Service at the time of layoff;
 - (ii) due to layoff for a period in excess of length of Continuous Service for an Employee having three to five years of Continuous Service at the time of layoff; and
 - (iii) due to layoff for a period in excess of five years for an Employee having more than five years of Continuous Service at the time of layoff.
- (e) Full time work for the Union while an Employee of the Employer for a period of not more than one year, shall not constitute a break in Continuous Service.
- (f) Notwithstanding anything to the contrary in the Plan, a transfer of employment from one Employer to an affiliate or subsidiary of the Employer shall not constitute a break in Continuous Service for the purpose of determining eligibility for benefits pursuant to the Plan.

2.09 Credited Interest

"Credited Interest" means interest on the amount in a Member's Account including any additional voluntary contributions pursuant to Section 4, compounded annually and computed from the first day of the month following the month in which the contributions were made to the first day of the calendar month in which a determination thereof is to be made, at the rate equal to the rate of return calculated on the portion of the Pension Fund in which the Member's Account and the additional voluntary contributions are deposited.

2.10 Credited Service

- (a) "Credited Service" means a Member's years and completed calendar months (expressed as twelfths of a year) of Continuous Service during which the Member participated in or was credited with participation in the Plan. For the purposes of this section, a "completed calendar month" shall include a calendar month during which an employee has participated or was credited with participation in the Plan for 15 or more days in the month.
- (b) However, Credited Service excludes:
- (i) any service excluded pursuant to Section 3.05;
 - (ii) absence due to suspension, resulting from the Employer's decision or an arbitrator's award;
 - (iii) absence for study leave for more than 10 months;
 - (iv) full time work by an Employee on a self-employed basis or for an employer other than the Employer while on Approved Leave of Absence; and
 - (v) full time work for the Union by an Employee on an Approved Leave of Absence in excess of two months;
- (c) In no event shall the total period of unpaid Approved Leave of Absence for the purposes of Credited Service exceed five years, except for periods of parenting as defined in regulation 8507(3)(ii) of the *Income Tax Act*, in which case up to an additional three years of leave may be included as Credited Service. The limit in regulation 8507 of the *Income Tax Act* shall not apply to Disability.

2.11 Deferred Vested Termination Date

"Deferred Vested Termination Date" means the date described pursuant to Section 5.05.

2.12 Defined Benefit Provision

"Defined Benefit Provision" means the pension benefits calculated with reference to Section 6.01(a) and Section 6.01(b)(i) and excludes the pension benefits derived from the Defined Contribution Provision.

2.13 Defined Contribution Provision

"Defined Contribution Provision" means the pension benefits derived from the Members' contributions made pursuant to Section 4.01(b), 4.03(a) and 4.04, and the Employer's contributions made pursuant to Section 4.02(b), 4.03(b) and 4.04, and as calculated with reference to Section 6.01(b)(ii) and excludes the pension benefits derived from the Defined Benefit Provision.

2.14 Disability or Disabled

"Disability" or "Disabled" means, suffering from a physical or mental impairment, as certified by a medical doctor, that prevents an Employee from performing the duties of employment in which the Employee was engaged before the commencement of the impairment. If the Disability continues for more than two years, the impairment must prevent the Employee from performing any job available to the Employee under the Collective Agreement.

2.15 Early Retirement Date

"Early Retirement Date" means the date of a Member's early retirement pursuant to Section 5.02.

2.16 Effective Date

"Effective Date" means, in respect of this amended and restated text of the Plan, March 1, 1996.

2.17 Employee

"Employee" has the same meaning as in the Collective Agreement and:

(a) "Full-Time Employee" means an Employee who, in the 120 months preceding retirement was regularly scheduled to work on a straight-time schedule of 40 hours per week.

(b) "Part-Time Employee" means an Employee who, in the 120 months preceding retirement was regularly scheduled to work fewer hours than the straight-time schedule of a Full-Time Employee.

*Per 3.01 =>
Immediate membership
for all "Employees"
=> Differentiation of FT/PT
not an issue.*

2.18 Employer

"Employer" means Wabush Mines, Cliffs Mining Company, Managing Agent, Arnaud Railway Company and Wabush Lake Railway Company, Limited.

2.19 Funding Agency

"Funding Agency" means the trust company or insurance company, or any successor trust or insurance company, the Employer may appoint from time to time to hold, invest and administer the assets in the Pension Fund.

2.20 Funding Agreement

"Funding Agreement" means the agreement entered into between the Employer and the Funding Agency governing the custody, investment and administration of the assets in the Pension Fund.

2.21 Hours of Service

"Hours of Service" means each hour for which an Employee is directly or indirectly paid by the Employer for the performance of duties or for reasons other than the performance of duties.

2.22 Income Tax Act

"Income Tax Act" means the *Income Tax Act (Canada)*, as amended from time to time, the regulations made thereunder and the published information circulars, interpretation bulletins and administrative guidelines of Revenue Canada.

2.23 Member

"Member" means an Employee who has been enrolled in the Plan pursuant to Section 3 and who continues to have rights or contingent rights to benefits pursuant to the Plan. "Member" includes a former Employee who has retired or terminated employment with the Employer but who retains a right to benefits pursuant to the Plan.

2.24 Normal Retirement Date

"Normal Retirement Date" means the date of a Member's normal retirement pursuant to Section 5.01.

2.25 Pension Agreement

"Pension Agreement" means the agreement between the Employer and Local Unions 6254, 6285 and 6680 of The United Steelworkers of America, with respect to this Plan and any similar agreement with another Union Local or Union, providing for the application of this Plan to the Employees represented by such union(s).

2.26 Pension Committee

"Pension Committee" means the committee described in Section 11.

2.27 Pension Benefits Act

"Pension Benefits Act" means the Newfoundland *Pension Benefits Act*, as amended, and the Regulations thereunder.

2.28 Pension Commencement Date

"Pension Commencement Date" means the date upon which a Member's payment of pension benefits is due to commence.

2.29 Pension Fund

"Pension Fund" means the fund established pursuant to the terms of the Plan and the Funding Agreement to which all contributions under the Plan are made and from which the benefits and expenses of the Plan are paid.

2.30 Plan

"Plan" means the Pension Plan for Bargaining Unit Employees of Wabush Mines, Cliffs Mining Company, Managing Agent, Arnaud Railway Company and Wabush Lake Railway Company, Limited.

2.31 Pre-Pension Spouse Coverage

"Pre-Pension Spouse Coverage" means the optional benefit pursuant to Section 8.03

2.32 Plan Year

"Plan Year" means each 12 month period ending December 31.

2.33 Québec Member

"Québec Member" means a Member who reports for work in the Province of Québec.

2.34 Special Early Retirement Date

"Special Early Retirement Date" means the date of a Member's special early retirement pursuant to Section 5.03.

2.35 Special Postponed Retirement Date

"Special Postponed Retirement Date" means the date of a Member's special postponed retirement pursuant to Section 5.04.

2.36 Spouse

"Spouse" means a person of the opposite sex of a Member, who either:

- (a) on the date of determination of marital status, is legally married to the Member and is not living separate and apart from the Member;
- (b) is not legally married to the Member but who has been living with the Member in a conjugal relationship continuously for a period of at least 3 years; or
- (c) is not legally married to the Member, but who is living with the Member in a conjugal relationship continuously for a period of at least one year and who, together with the Member, is the natural or adoptive parent of a child, both as defined in applicable family law legislation.

It is provided, however, that a person described in (b) or (c) above shall not be considered the Spouse of the Member for the purposes of the Plan if there is also a legal Spouse pursuant to (a) above, unless the Member has submitted a written election to the contrary to the Employer.

2.37 Surplus Assets

"Surplus Assets" means, at any particular point in time, the excess of assets in the Pension Fund over the liabilities of the Plan, as determined by the Actuary. The assets and liabilities shall be as set out in the most recent going concern valuation report with respect to the determination of Surplus Assets on a going concern basis or the most recent wind-up valuation report with respect to the determination of Surplus Assets on a wind-up basis, as the case may be, filed with and approved by the applicable regulatory authorities.

2.38 Union

"Union" means Local Unions 6254, 6285 and 6680 of The United Steelworkers of America.

2.39 YMPE

"YMPE" means the Year's Maximum Pensionable Earnings as defined in the *Canada Pension Plan* or the *Québec Pension Plan*, as applicable.

Words importing the singular number shall include the plural and vice versa depending upon the context.

Section 3 — Membership

3.01 Immediate Membership

A person who is hired by the Employer as an Employee shall join the Plan as of the Employee's date of hire.

3.02 Opting Out of Membership Not Permitted

A Member shall not discontinue or suspend his or her membership in the Plan while the Member is an Employee.

3.03 Change of Employment Status

If a Member's employment status with the Employer changes such that the Member is no longer an Employee, the Member's active participation in the Plan shall cease as of the date of said change in status and the Member shall cease to accrue further benefits pursuant to the Plan as of the date of said change in status.

3.04 Participation in Defined Benefit Provision and Defined Contribution Provision

(a) Current Members

An Employee who is a Member as of the day preceding the Effective Date shall participate in the Defined Benefit Provision and may elect to participate in the Defined Contribution Provision, effective as of October 1, 1996, on the form prescribed by the Employer.

(b) New Members

An Employee who becomes a Member on or after the Effective Date shall participate in both the Defined Benefit Provision and the Defined Contribution Provision, effective as of the date the Employee becomes a Member.

3.05 Transfers of Employment

(a) An Employee who ceases to be a Union member, but who remains employed with the Employer, shall cease accruing benefits pursuant to the Plan, however, the employee shall remain eligible to receive the benefits accrued pursuant to the Plan upon the employee's subsequent termination of employment, retirement or death. Employment with the Employer in a capacity other than as an Employee shall continue to count as Continuous Service for the purpose of vesting of benefits, eligibility for retirement and similar matters, but not as Credited Service for benefit calculation purposes pursuant to the Plan.

- (b) Should an employee of the Employer transfer to a position in which the employee is classified as an Employee pursuant to the Plan, any pension benefits to which the employee is entitled by reason of his or her prior service shall be dealt with pursuant to any pension plan applicable to his or her prior employment. For the purposes of the Plan, such prior service shall be counted as Continuous Service for the purposes of eligibility for participation and benefits, but not as Credited Service for the purposes of benefit calculation.

Section 4 — Contributions

4.01 Member Contributions

Amend. B1
466: March 1, 1999

- (a) **Defined Benefit Provision**
Members shall not contribute to the Defined Benefit Provision of the Plan.
- (b) **Defined Contribution Provision**
A Member who participates in the Defined Contribution Provision of the Plan shall contribute to the Member's Account, in equal installments, by payroll deduction, an amount equal to \$2,000 per calendar year.
- (c) **Additional Voluntary Contributions**
A Member who participates in the Defined Contribution Provision may, in addition to the contributions pursuant to (b) above, make additional voluntary contributions to the Member's Account, by payroll deduction, up to such amounts as are permissible pursuant to the *Income Tax Act* as deductible contributions to a registered pension plan.
- (d) **Remittance of Contributions**
The Employer shall remit Member contributions pursuant to (b) and (c) above within 30 days following the month in which they were deducted.

4.02 Employer Contributions

The Employer shall have no liability to make any payments to the Pension Fund except as expressly provided in the Plan.

- (a) **Defined Benefit Provision**
 - (i) The Employer shall bear the costs related to the Defined Benefit Provision. The Employer shall contribute to the Pension Fund in respect of the Defined Benefit Provision in such amount, based on the latest actuarial valuation report prepared by the Actuary and filed with the Newfoundland pension regulatory authority and Revenue Canada, as is required to provide for the normal cost of benefits accruing in the current Plan Year, after taking into account the assets of the Pension Fund and all other relevant factors, and to provide for the proper amortization of all unfunded liabilities and solvency deficiencies, if any, in accordance with the *Pension Benefits Act* and subject to subsection 147.2(2) of the *Income Tax Act*.
 - (ii) The employer shall not contribute any amount to the Pension Fund which is not permissible pursuant to subsection 147.2(2) of the *Income Tax Act*.

*Amend: #1
eff. March 1997 (b)*

Defined Contribution Provision

- (i) The Employer shall contribute in equal monthly instalments to the Pension Fund in respect of the Defined Contribution Provision each calendar year, an amount in respect of each Member who participates in the Defined Contribution Provision determined according to the Member's Continuous Service as follows:

Member's Continuous Service	Annual Employer Contribution
Less than 10 years	\$1,000
10 years or more but less than 20 years	\$1,750
20 years or more	\$2,500

- (ii) In the event that a Member attains 10 years or 20 years of Continuous Service part way through a calendar year, the Employer contribution shall increase for the remainder of the calendar year, in accordance with the above table, with effect from the beginning of the pay period immediately following the pay period in which the 10 or 20 year anniversary is attained.

(inc)
(c) **Remittance of Contributions**

The Employer shall remit its contributions in accordance with applicable legislation in equal installments within 30 days following the month in which they fall due.

4.03 Contributions Under Defined Contribution Provision During Approved Leaves of Absence

(a) **Member Contributions**

- (i) A Member who participates in the Defined Contribution Provision and who is on an Approved Leave of Absence may continue to contribute to the Member's Account pursuant to Section 4.01 (b). Alternatively, the Member may contribute a lesser amount or may cease contributing to the Member's Account. Prior to commencing the Approved Leave of Absence, the Member shall inform the Employer in writing of the amount of the Member's contributions. The contributions shall be made in equal installments, by payroll deduction or, if such method of payment is not possible, by delivering to the Employer post-dated cheques in respect of each month of the Approved Leave of Absence.

- (ii) In lieu of contributing to the Member's Account during an Approved Leave of Absence, the Member may instead elect to contribute to the Member's Account immediately upon returning to work from an

Approved Leave of Absence. In such case, the Member may elect to contribute the amount which he would have otherwise contributed pursuant to Section 4.01(b) or a lesser amount, and the Member shall make such contributions within the lesser of the period of time equal to the period of the Approved Leave of Absence or 12 months.

(b) Employer Contributions

The Employer shall contribute to the Pension Fund in respect of the Defined Contribution Provision pursuant to Section 4.02 in respect of a Member who participates in the Defined Contribution Provision and who is on an Approved Leave of Absence, however, if a Member elects to contribute a lesser amount than prescribed pursuant to Section 4.01 (b), the Employer's contributions shall be reduced proportionately. The Employer shall not contribute in respect of a Member who elects to cease contributing to the Member's Account during an Approved Leave of Absence.

4.04 Application of Surplus Assets

In the event there are Surplus Assets in the Pension Fund, the Employer may in its sole discretion apply the Surplus Assets or any portion of the Surplus Assets toward the amount of Employer contributions pursuant to Section 4.02 or Section 4.03.

4.05 Transitional Provision

A Member who elects to participate in the Defined Contribution Provision pursuant to Section 3.04(a) may elect to increase the amount of his or her contributions pursuant to Section 4.01(b) from October 1, 1996 to December 31, 1996 in an amount equal to part or all of the contributions the Member would have made pursuant to the Defined Contribution Provision on and after the Effective Date and prior to October 1, 1996 and in such case, the Employer's contributions made in respect of such Member pursuant to Section 4.02(b) above shall be increased proportionately.

4.06 Maximum Contributions Under Defined Contribution Provision

The total of the contributions by a Member to the Pension Fund pursuant to Sections 4.01, 4.03, and 4.05 above and the Employer's contributions in respect of the Member pursuant to Section 4.02(b) and Sections 4.03 and 4.05 above for a calendar year shall not exceed the money purchase limit for the calendar year as prescribed under the *Income Tax Act*.

4.07 Maximum Pension Adjustment

A Member's pension adjustment for a calendar year in respect of the Employer and any employer that does not deal at arm's length with the Employer shall not exceed the lesser of the money purchase limit for the calendar year and 18% of the Member's compensation in the calendar year, as prescribed under the *Income Tax Act*.

Section 5 — Retirement Dates

5.01 Normal Retirement Date and Mandatory Retirement

- (a) A Member's Normal Retirement Date shall be the first day of the month following the Member's attainment of age 65.
- (b) Retirement shall be mandatory upon a Member attaining age 65 unless the Member is a resident of the province of Quebec, in which case Section 14 applies.

5.02 Early Retirement Date

A Member's Early Retirement Date shall be the date of a Member's retirement from the Employer on the first day of any month prior to the Member's Normal Retirement Date and after the Member has met one or more of the following requirements:

- (a) completion of 30 years of Continuous Service;
- (b) attainment of age 55 and completion of 15 years of Continuous Service; or
- (c) attainment of age 62 and completion of 10 years of Continuous Service.

5.03 Special Early Retirement Date

A Member's Special Early Retirement Date shall be the date of a Member's retirement from the Employer on the first day of any month prior to the Member's Normal Retirement Date and after the Member has either

- attained age 55 and completed at least 15 years of Continuous Service; or
- completed at least 15 years of Continuous Service and the sum of the Member's age and Continuous Service, in years and completed months, equals 75 or more; and

the Member has satisfied one or more of the following requirements:

- (a) the Member's Continuous Service is broken by reason of a permanent shutdown of a plant, department or subdivision thereof or by reason of a layoff or physical disability;
- (b) the Member's Continuous Service is not broken and the Member is absent from work by reason of:
 - (i) a layoff resulting from his or her election to be placed on layoff status in the event of a permanent shutdown, or

- (ii) a Disability or layoff other than a layoff resulting from an election referred to above and whose return to active employment is declared unlikely by the Employer; or
- (c) the Member considers that it would be in his or her interest to retire and the Employer considers that such retirement would likewise be in its interest and, by applying like rules in a nondiscriminatory manner to like or similar circumstances, approves an application for retirement under mutually satisfactory conditions.

5.04 Special Postponed Retirement Date

Notwithstanding Section 5.01 (b), a Member's Special Postponed Retirement Date shall be a date after the Normal Retirement Date and shall be the earlier of the date a Member ceases to receive benefits pursuant to the Employer-sponsored long term disability plan or one year after the Normal Retirement Date.

5.05 Deferred Vested Termination Date

A Member's Deferred Vested Termination Date shall be the date of a Member's termination of employment with the Employer for any reason other than death, prior to the Normal Retirement Date, Early Retirement Date or Special Early Retirement Date and after completion of at least two years of Continuous Service.

5.06 Eligibility

A Member shall be entitled to receive pension benefits pursuant to only one of Sections 5.01, 5.02, 5.03, 5.04 or 5.05.

Section 6 — Retirement Benefits

6.01 Normal and Special Postponed Retirement Benefits

*Amended 11/1
with March 1, 1994*

(a) Members Who Do Not Participate in the Defined Contribution Provision

A Member who does not participate in the Defined Contribution Provision and who retires prior to March 1, 2001 on the Member's Normal Retirement Date or Special Postponed Retirement Date shall be entitled to receive a pension benefit payable in equal monthly installments commencing on the Normal Retirement Date or Special Postponed Retirement Date, as the case may be, and continuing on the first day of each month thereafter, calculated as the sum of (i), (ii), (iii), (iv) and (v) below. If the Member retires on or after March 1, 2001, (iv) below shall not apply.

- (i) \$32.50 multiplied by the Member's Credited Service not in excess of 15 years
- (ii) \$33.50 multiplied by the Member's Credited Service in excess of 15 years but not in excess of 30 years
- (iii) \$34.50 multiplied by the Member's Credited Service in excess of 30 years
- (iv) \$3.00 multiplied by the Member's Credited Service not in excess of 30 years
- (v) \$50.00.

(b) Members Who Participate in the Defined Contribution Provision

A Member who participates in the Defined Contribution Provision and who retires on the Member's Normal Retirement Date or Special Postponed Retirement Date shall be entitled to receive a benefit pursuant to (i) and (ii) below:

(i) Benefit in Respect of Defined Benefit Provision

A benefit payable in equal monthly installments commencing on the Normal Retirement Date or Special Postponed Retirement Date, as the case may be, and continuing on the first day of each month thereafter, calculated as the sum of (A), (B), (C) and (D) below:

- (A) \$29.50 multiplied by the Member's Credited Service not in excess of 15 years
- (B) \$31.00 multiplied by the Member's Credited Service in excess of 15 years but not in excess of 30 years
- (C) \$33.50 multiplied by the Member's Credited Service in excess of 30 years

(D) \$50.00.

(ii) *Benefit in Respect of Defined Contribution Provision*

A benefit equal to the amount in the Member's Account which may be transferred out of the Plan pursuant to Section 6.04(c).

6.02 Early Retirement Benefits

(a) Members Who Do Not Participate in the Defined Contribution Provision

A Member who does not participate in the Defined Contribution Provision and who qualifies for a pension benefit commencing on an Early Retirement Date shall be entitled to receive a pension benefit payable in equal monthly installments commencing on an Early Retirement Date and continuing on the first day of each month thereafter, calculated pursuant to one of the following:

- (i) If the Member has completed at least 30 years of Continuous Service, a pension benefit equal to the amount calculated pursuant to Section 6.01(a), based on the Member's Credited Service to his or her Early Retirement Date, without reduction on account of early commencement;
- (ii) If the Member has attained age 55 and completed at least 15 years of Continuous Service, a pension benefit equal to the Actuarial Equivalent of the amount calculated pursuant to Section 6.01(a), based on the Member's Credited Service to his or her Early Retirement Date, provided that the amount of the reduction to the monthly benefit shall not be less than required pursuant to regulation 8503(3)(c) of the *Income Tax Act* as described in Section 9.08(b);
- (iii) If the Member has attained age 62 and completed at least 10 years of Continuous Service and obtains the written consent of the Employer, a pension benefit equal to the amount calculated pursuant to Section 6.01(a), based on the Member's Credited Service to his or her Early Retirement Date, without reduction on account of early commencement; or
- (iv) If the Member has attained age 62 and completed at least 10 years of Continuous Service and does not obtain the written consent of the Employer, a pension benefit equal to the Actuarial Equivalent of the amount calculated pursuant to Section 6.01 (a), based on the Member's Credited Service to his or her Early Retirement Date, provided that the amount of reduction to the monthly benefit shall not be less than required pursuant to regulation 8503(3)(c) of the *Income Tax Act* as described in Section 9.08(b).

(b) Members Who Participate in the Defined Contribution Provision

A Member who participates in the Defined Contribution Provision and who qualifies for a pension benefit commencing on an Early Retirement Date shall be entitled to receive a monthly pension benefit pursuant to (i) and (ii) below:

(i) *Benefit in Respect of Defined Benefit Provision*

A benefit payable in equal monthly installments commencing on an Early Retirement Date and continuing on the first day of each month thereafter, equal to the pension described in (a) above that would be applicable to the Member if the references therein to "Section 6.01(a)" were changed to "Section 6.01(b)(i)".

(ii) *Benefit in Respect of Defined Contribution Provision*

A benefit equal to the amount in the Member's Account which may be transferred out of the Plan pursuant to Section 6.04(c).

6.03 Special Early Retirement Benefits

(a) **Members Who Do Not Participate in the Defined Contribution Provision**

A Member who does not participate in the Defined Contribution Provision and who qualifies for a pension benefit commencing on a Special Early Retirement Date shall be entitled to receive a pension benefit payable in equal monthly installments commencing on a Special Early Retirement Date and continuing on the first day of each month thereafter, equal to the pension calculated pursuant to Section 6.01(a), based on the Member's Credited Service to his or her Special Early Retirement Date, without reduction on account of early commencement except as required pursuant to regulation 8503(3)(c) of the *Income Tax Act* as described in Section 9.08(b).

(b) **Members Who Participate in the Defined Contribution Provision**

A Member who participates in the Defined Contribution Provision and who qualifies for a pension benefit commencing on a Special Early Retirement Date shall be entitled to receive a monthly pension benefit pursuant to (i) and (ii) below:

(i) *Benefit in Respect of Defined Benefit Provision*

A benefit payable in equal monthly installments commencing on a Special Early Retirement Date and continuing on the first day of each month thereafter, equal to the benefit described in (a) above that would be applicable to the Member if the reference therein in to "Section 6.01(a)" were changed to "Section 6.01(b)(i)".

(ii) *Benefit in Respect of Defined Contribution Provision*

A benefit equal to the amount in the Member's Account which may be transferred out of the Plan pursuant to Section 6.04(c).

6.04 Deferred Vested Retirement Benefits

A Member who terminates employment with the Employer on a Deferred Vested Termination Date shall be entitled to receive an monthly pension benefit pursuant to (a) and (b) below or may transfer such benefit out of the Plan pursuant to (c) below. A Member who terminates employment with the Employer prior to a Deferred Vested Termination Date shall be entitled to the refund, if any, pursuant to (d) below.

(a) Benefit in Respect of Defined Benefit Provision

- (i) A benefit payable in equal monthly installments commencing on the Member's Normal Retirement Date and continuing on the first day of each month thereafter, equal to the amount of pension calculated pursuant to Section 6.01(a), but excluding subsections (iv) and (v) thereof, or Section 6.01(b)(i), but excluding subsection (D) thereof, whichever is applicable to the Member. The Member may elect to commence his or her pension prior to the Normal Retirement Date, on the first day of any month after attaining age 55, in which case the amount of pension payable from such earlier Pension Commencement Date shall be the Actuarial Equivalent of the amount of pension payable upon the Member's Normal Retirement Date, provided that the amount of reduction to the monthly pension shall not be less than required pursuant to regulation 8503(3)(c) of the *Income Tax Act* as described in Section 9.08(b).
- (ii) Notwithstanding (i) above, the Member may elect to transfer the Commuted Value of the benefit pursuant to (i) above out of the Plan, pursuant to (c) below.

(b) Benefit in Respect of Defined Contribution Provision

A benefit equal to the amount in the Member's Account which may be transferred out of the Plan pursuant to (c) below.

(c) Transfer of Benefits Out of the Plan

The Commuted Value of a Member's accrued pension benefit in respect of the Defined Benefit Provision may be transferred out of the Plan and the amount in a Member's Account in respect of the Defined Contribution Provision may be transferred out of the Plan, to one of the retirement savings vehicles described in (i), (ii) and (iii) below, as elected by the Member on the form prescribed by the Employer and filed with the Employer within such time periods as prescribed by applicable provincial pension laws or at such other times as may be acceptable to the Employer:

- (i) a retirement savings plan, locked-in retirement account or life income fund, as prescribed by the *Pension Benefits Act*;
- (ii) the fund of another registered pension plan, if the other pension plan permits such a transfer; or

(iii) a life insurance company licensed to transact business in Canada for the purpose of purchasing a deferred life annuity.

A transfer pursuant to (i), (ii) or (iii) above shall be made on a locked-in basis and the transferred amount shall be used to provide an annuity which shall not commence payment before the earliest date that the Member would have been entitled to receive a benefit pursuant to the Plan or, if transferred to another pension plan, under that plan.

In the event that a transfer is elected pursuant to this Section 6.04(c), the Member shall have no further rights under the Plan.

(d) Benefit on Termination of Employment Prior to Deferred Vested Termination Date

A Member who terminates employment with the Employer prior to the completion of two years of Continuous Service shall be entitled to a benefit equal to the amount in the Member's Account, which may be transferred out of the Plan pursuant to (c) above.

6.05 Additional Voluntary Contributions

In addition to the benefits pursuant to Sections 6.01, 6.02, 6.03 and 6.04, a Member who participates in the Defined Contribution Provision and who has made additional voluntary contributions pursuant to Section 4.01(c) may be paid such contributions, plus Credited Interest thereon, in a lump sum payment at any time pursuant to the instructions of the Member or, in the alternative, the Member may elect to transfer such contributions plus Credited Interest thereon out of the Plan, pursuant to Section 6.04(c), however, such transfer shall not be on a locked-in basis.

6.06 Temporary Supplementary Benefit

(a) Members Who Do Not Participate in the Defined Contribution Provision

A Member who does not participate in the Defined Contribution Provision and who qualifies for a pension benefit commencing on an Early Retirement Date or a Special Early Retirement Date shall be entitled to receive a temporary supplementary benefit payable in equal monthly installments commencing on the Member's Early Retirement Date or Special Early Retirement Date, as the case may be, and continuing thereafter on the first day of each month up to the earliest of the month in which the Member attains age 65, qualifies for unreduced statutory pension benefits (other than workers' compensation benefits) or dies, equal to \$24.00 multiplied by the Member's Credited Service to a maximum of 40 years. Such Member who retires prior to March 1, 2001 shall, in addition to the above benefit, be entitled to receive a temporary supplementary benefit equal to \$3.00 multiplied by the Member's Credited Service to maximum of 40 years, payable at the same time and in the same manner as described above. However, if the Member retires on an Early Retirement Date and receives an annual

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4/8/01 March 1/99*

pension pursuant to Sections 6.02(a)(ii) or 6.02(a)(iv), the amount of the temporary supplementary benefit shall be reduced by the same factors used to reduce the monthly pension payable under said provisions, whichever is applicable to the Member.

(b) Members Who Participate in the Defined Contribution Provision

A Member who participates in the Defined Contribution Provision and who qualifies for a pension benefit commencing on an Early Retirement Date or a Special Early Retirement Date shall be entitled to receive a temporary supplementary benefit payable at the same time and in the same manner pursuant to (a) above, equal to \$22.50 multiplied by the Member's Credited Service to a maximum of 40 years, subject to the reduction factors referred to in (a) above.

6.07 Retirement Benefits for Part-Time Employees

The retirement benefits pursuant to the Defined Benefit Provision calculated pursuant to this section in respect of a Member who is a Part-Time Employee shall be reduced in an equitable manner to an amount related to the Hours of Service of the Member in comparison to the Hours of Service of other Members who are employed as Full-Time Employees in a similar capacity.

6.08 Return to Work After Retirement, Termination of Employment or Break in Continuous Service

(a) Re-Employment After Retirement

A Member who has retired and is receiving pension benefit payments pursuant to the Plan shall, upon re-employment with the Employer as an Employee, have such payments suspended. The Member shall retain his or her frozen suspended pension benefit which shall be added to any subsequent pension benefit to which the Member may become entitled in respect of service subsequent to the Member's date of re-employment.

(b) Re-Employment After Termination of Employment But Prior to Retirement

(i) A Member who has terminated employment with the Employer and is entitled to a deferred vested pension pursuant to the Plan and who is re-employed with the Employer as an Employee prior to commencing receipt of pension benefit payments shall retain his or her frozen deferred vested pension benefit, which shall be added to any subsequent pension benefit to which the Member may become entitled in respect of service subsequent to the Member's date of re-employment.

(ii) A Member who received a lump sum payment pursuant to Section 12.02(b) and is re-employed by the Employer as an Employee prior to commencing receipt of pension benefit payments, shall have his or her frozen accrued pension benefit with respect to which the Member received such lump sum payment used in calculating any subsequent pension benefit to which the

Member may become entitled provided that, within two years of such re-employment, the Member repays an amount to the Plan equal to such lump sum payment plus interest. At the time of re-employment, the Member shall be informed by the Employer of his or her right to make such repayment.

(c) Return to Work after Break in Continuous Service

(i) An Employee who, on or after March 1, 1993, incurs a break in Continuous Service prior to becoming eligible for an immediate or deferred vested pension and who is re-employed by the Employer shall, upon completion of one year of Continuous Service following such re-employment, have such break in Continuous Service removed if the period of Continuous Service accrued prior to the break is in excess of the period between the break and the date of re-employment.

(ii) The period between a break in Continuous Service and the date of re-employment which results in the removal of a break in accordance with (c)(i) above shall not be creditable as Continuous Service, provided, however, that if an Employee is re-hired within 12 months the break in Continuous Service shall be removed, except that credit for the period commencing with termination of employment and ending with the re-hire date shall not be credited for the purposes of determining accrued benefits nor shall it be considered as Credited Service pursuant to Section 6.

Section 7 — Forms of Pension Payment On Retirement

7.01 Normal Form of Payment

The normal form of payment of the pension benefit pursuant to the Defined Benefit Provision shall be a lifetime pension payable in equal monthly installments, ceasing with the payment due for the month in which the Member dies.

7.02 Surviving Spouse Benefit

Notwithstanding Section 7.01, if a Member retires on his or her Early Retirement Date or Special Early Retirement Date at or after age 45, on or after March 1, 1990 and has a Spouse as of the Pension Commencement Date, and subsequently dies prior to reaching his or her Normal Retirement Date, the Member's surviving Spouse shall be entitled to receive a pension benefit payable in equal monthly installments commencing on the first day of the month following the date of the Member's death and continuing on the first day of each month thereafter until the first day of the month in which the Spouse dies, equal to 50% of the amount of the pension benefit accrued by the Member pursuant to Section 6.01(a), but excluding subsections (iv) and (v) thereof, or Section 6.01(b)(i), but excluding subsection (D) thereof, whichever would have been applicable to the Member, or \$140 per month if greater.

7.03 Automatic Form of Payment for a Member With a Spouse

The automatic form of payment of the pension benefit pursuant to the Defined Benefit Provision for a Member with a Spouse as of the Pension Commencement Date shall be a reduced pension payable in equal monthly installments for the lifetime of the Member, with 60% of the benefit continued after the Member's death to the Spouse for the remaining lifetime of the Spouse, provided that the Spouse survives the Member. Such reduced pension benefit shall be the Actuarial Equivalent of the normal form of payment pursuant to Section 7.01, and shall take into account the Surviving Spouse Benefit payable pursuant to Section 7.02.

7.04 Optional Forms of Payment

In lieu of the form of payment pursuant to Section 7.01 or Section 7.03, a Member with a Spouse as of the Pension Commencement Date may elect to receive a reduced pension payable in equal monthly installments for the lifetime of the Member, with either 50% or 100% of the reduced pension continued after the Member's death for the remaining lifetime of the Member's Spouse, provided that the Spouse survives the Member. Such reduced pension shall be the Actuarial Equivalent of the normal form of pension pursuant to Section 7.01 and shall take into account the Surviving Spouse Benefit payable pursuant to Section 7.02.

7.05 Election

In order to elect the normal form of payment pursuant to Section 7.01 or an optional form of payment pursuant to Section 7.04, a Member and the Member's Spouse, as applicable, shall sign and file the prescribed waiver form with the Employer within the 90-day period prior to the Member's Pension Commencement Date.

7.06 Defined Contribution Provision

The form of payment of the pension benefit pursuant to the Defined Contribution Provision shall be the form of payment applicable to the retirement savings vehicle to which the benefit is transferred pursuant to Section 6.04(c), subject to the *Income Tax Act* and the *Pension Benefits Act*.

Section 8 — Pre-Retirement Death Benefits

8.01 Refund of Amount from Defined Contribution Provision

If a Member dies while employed with the Employer or after termination of employment with the Employer but prior to payment of benefits pursuant to Section 6.04(b), the Member's surviving Spouse shall be entitled to receive a benefit equal to the amount in the Member's Account in a single lump sum cash payment. If the Member is not survived by a Spouse, said amount shall be paid to the Member's Beneficiary or, if none, to the Member's estate.

8.02 Surviving Spouse Benefit

If a Member dies either

- (a) while employed with the Employer and after completion of at least 15 years of Continuous Service; or
- (b) after termination of employment with the Employer on or after March 1, 1990, at or after age 45, after becoming eligible for retirement and an immediate pension pursuant to the Plan but prior to application therefor,

the Member's surviving Spouse shall be entitled to receive a pension benefit payable in equal monthly installments commencing on the first day of the month following the date of the Member's death and continuing on the first day of each month thereafter until the first day of the month in which the Spouse dies, equal to 50% of the amount of the pension benefit accrued by the Member pursuant to Section 6.01(a), but excluding subsections (iv) and (v) thereof, or Section 6.01(b)(i), but excluding subsection (D) thereof, whichever would have been applicable to the Member, or \$140 per month if greater.

8.03 Optional Pre-Pension Spouse Coverage

A Member who is an Employee and who has a Spouse and who has attained age 55 and completed at least 15 years of Continuous Service may elect Pre-Pension Spouse Coverage, the benefits pursuant to which shall be in addition to any other benefits pursuant to the Plan in the event of the Member's death prior to his or her Pension Commencement Date.

(a) Election

At least two years and 90 days prior to becoming eligible to elect Pre-Pension Spouse Coverage, the Pension Committee shall advise each eligible Member of the opportunity to elect such coverage. The Member may elect to obtain such coverage by filing the prescribed form with the Pension Committee, either at the time the Member is first notified by the Pension Committee or at any time thereafter prior to the Member's Pension Commencement Date. A Member who has attained age 65 and completed at least 10 years of Continuous Service shall be deemed to have elected Pre-Pension Spouse Coverage, unless the Member waives such coverage in writing, and shall be so notified by the Pension Committee at least 90 days prior to satisfying the age and service requirements.

(b) Effective Date

The effective date of Pre-Pension Spouse Coverage for a Member shall be the later of the date the Member satisfies the required age and service criteria and the date that is two years following the date the Member elects the coverage except that, for a Member who is deemed to have elected Pre-Pension Spouse Coverage, the effective date of such coverage shall be the date upon which such Member shall be so deemed to have elected the coverage. If a Member dies as a result of an accident after having satisfied the required age and service criteria and having elected or being deemed to have elected Pre-Pension Spouse Coverage but prior to the date such coverage becomes effective, such coverage shall be deemed to have become effective as of the date such Member elected the coverage or was deemed to have elected the coverage.

(c) Termination

- (i) A Member may terminate Pre-Pension Spouse Coverage at any time by filing the prescribed form with the Pension Committee and the effective date of such termination shall be the date such form is filed with the Pension Committee. The consent of the Member's Spouse to terminate the coverage shall not be required.
- (ii) A Member's Pre-Pension Spouse Coverage shall terminate on the earliest of the date the Member ceases to have a Spouse, the Member's Pension Commencement Date or the date the Member incurs a break in Continuous Service. The Pre-Pension Spouse Coverage of a Member who incurs a break in Continuous Service shall be restored upon the Member's re-employment as an Employee, however, such Member may elect to revoke such coverage effective as of the date of re-employment, within 30 days after such re-employment.

(d) Amount of Pension Payable to Surviving Spouse in the Event of Member's Death While Pre-Pension Spouse Coverage is in Effect

The Pre-Pension Spouse Coverage shall be a pension benefit payable in equal monthly installments commencing on the first day of the month following the date of the Member's death and continuing on the first day of each month thereafter until the first day of the month in which the Spouse dies, in an amount equal to 50% of the amount of pension accrued by the Member pursuant to

Section 6.01(a), but excluding subsections (iv) and (v) thereof, or Section 6.01(b)(i), but excluding subsection (D) thereof, whichever would have been applicable to the Member, as though the Member had attained his or her Normal Retirement Date on the date of death, multiplied by such actuarial factors as adopted from time to time by the Pension Committee based on the ages of the Member and the Member's Spouse as of the date of the Member's death. However, the amount determined pursuant to Section 6.01 shall be reduced by 0.75% multiplied by the number of years (and fractions thereof calculated to the nearest month) that the Pre-Pension Spouse Coverage was in effect for the Member.

(e) Adjustment to Amount of Pension Payable to Member On Retirement, if Pre-Pension Spouse Coverage is Elected

If a Member elects or is deemed to have elected Pre-Pension Spouse Coverage, the amount of the pension benefit payable to the Member upon his or her subsequent retirement pursuant to Section 6.01(a), but excluding subsections (iv) and (v) thereof, or Section 6.01(b)(i), but excluding subsection (D) thereof, whichever would have been applicable to the Member, shall be reduced by 0.75% multiplied by the number of years (and fractions thereof calculated to the nearest month) that the Pre-Pension Spouse Coverage was in effect for the Member.

(f) Evidence

The Member shall provide the Pension Committee with satisfactory proof of spousal status and proof of age of the Member and the Spouse prior to any payment of Pre-Pension Spouse Coverage. In order for Pre-Pension Spouse Coverage to terminate pursuant to Section 8.03(c)(ii), the Member shall provide the Pension Committee with satisfactory proof of loss of spousal status by death, divorce or separation.

(g) Communication

The Pension Committee shall make reasonable efforts to inform eligible Members and their respective Spouses of the availability of the Pre-Pension Spouse Coverage.

8.04 Statutory Minimum Benefits

In no event shall the Commuted Value of the pension benefit payable upon the death of a Member who has completed at least two years of Continuous Service be less than the Commuted Value of the pension benefit accrued by the Member pursuant to Section 6.01 in respect of Credited Service on and after January 1, 1990.

Section 9 — Payment of Benefits

9.01 Application of Benefits

A pension or other benefit under the Plan shall be granted by the Employer and payment shall be made only upon application therefor in the manner prescribed by the Employer, and upon submission of such relevant information and supporting documentation as the Employer in its discretion may request.

9.02 Proof of Age and Marital Status

A Member shall be required to inform the Employer of his or her age and marital status and the age of the Member's Spouse (if any) and to file such proof thereof as required by the Employer. Pension benefits shall not commence to be paid until such proof of age and marital status has been received and admitted by the Employer. In the event that payment of pension benefits is delayed pending receipt and admittance of satisfactory proof of age and marital status, retroactive payments shall be made once satisfactory proof has been received.

9.03 Misstatement in Application for Pension Benefit

If a Member either knowingly or unknowingly has submitted any information to the Employer relevant to the amount of benefits he or she is to receive from the Plan which is incorrect, the amount of benefits payable from the Plan may be adjusted either, in the case of underpayment, by making additional payments from the Plan or, in the case of overpayment, by requiring repayment from the Member, whichever is appropriate in the circumstances.

9.04 Method of Payment

All retirement income and other benefits payable under the Plan shall be paid by cheque mailed by ordinary prepaid mail to the last known address of the Member, Spouse or Beneficiary as the case may be, or may be deposited directly into an account as directed by the Member, Spouse or Beneficiary. Posting or deposit of the cheque shall be an effective discharge of the Plan for the amount thereof.

9.05 Evidence of Survival

The Employer shall have the right to require satisfactory evidence that a retired Member or other Beneficiary under the Plan is living on each and every date a pension benefit is due the retired Member or other Beneficiary. In the absence of such evidence when required by the Employer, the benefits otherwise due shall not be paid until the evidence has been received.

9.06 Payments to Minors or Incompetents

If the Employer receives evidence satisfactory to it that a person entitled to receive any payment under the Plan is physically or mentally incompetent to receive such payment and to give valid receipt therefore, or is a minor, and another person or an institution is then maintaining or has custody of the person and no guardian, committee or other representative of the person has been duly and legally appointed, the Employer may authorize payment of the benefit to be made to such other person or institution and the release of the other person or institution shall be a valid and complete discharge of the liabilities of the Plan therefore.

9.07 Beneficiary Designation

A Member may, by written notice communicated to the Employer during the Member's lifetime, designate a Beneficiary to receive any benefits payable pursuant to the Plan in the event of the Member's death. The Member may revise or revoke any such designation from time to time, subject to the provisions of any annuity, insurance or other contract or law governing designation of beneficiaries which may apply to the Member. The written notice shall be in such form and executed in such manner as the Employer in its discretion may specify from time to time. In the event a Member has not validly and effectively designated a Beneficiary or, if having done so, the Beneficiary is not living on the date of the Member's death or if the Member revoked the last designation so made, any amount payable pursuant to the Plan shall be paid in a lump sum amount to the Member's estate.

9.08 Maximum Limits Under the *Income Tax Act*

The *Income Tax Act* imposes conditions in order for a pension plan to maintain registered status under the *Income Tax Act*. Certain restrictions must be specifically stated in the Plan, even though the regular provisions of the Plan may be more restrictive. In administering the Plan, contributions and benefits are first determined pursuant to the regular provisions of the Plan, then tested against the provisions of this Section 9.08 and modified if necessary.

(a) Maximum Pension

Notwithstanding any other provision of the Plan, and subject to section (b) below, the annual pension payable to a Member under the Defined Benefit Provision on the date of the Member's retirement, termination of employment, or upon termination of the Plan, including any benefits paid to a Spouse pursuant to Section 12.05, shall not exceed the lesser of: