

## ***Record of Decisions***

**Trustees Meeting #11    2001 01 26**

*On a motion by Kevin Skerrett (KS), seconded by Christine Bounsall (CB), the Trustees approved amending the plan to reflect the solution proposed by Mercer [with respect to the calculation of Best Average Earnings using earning since date of plan participation for the period up to December 31, 1998 and earnings since date of employment for the period from January 1, 1999 onward].*

*On a motion by K[evin] S[kerrett], seconded by J[ohn] J[ohnston], the Trustees approved the contracts with M[urray] J[ohnstone] I[nternational] L[imited] and M[cLean] B[uddem] and directed the co-chairs to sign them on behalf of the Trustees.*

*On a motion by H[arvey] G[eddes], seconded by C[hristine] B[ounsall], the Trustees approved giving notice to RT Capital and transferring the assets of the Fund to McLean Budden.*

*On a motion by C[hristine] B[ounsall], seconded by S[hirley] McV[ittie], the Trustees approved the 2001 administration expense budget of \$675,000.*

*On a motion by C[hristine] B[ounsall], seconded by S[hirley] McV[ittie], the Trustees approved reimbursement to CBS for expenses paid on behalf of the plan in the amount of \$399,179.35 and directed the co-chairs to communicate the request for payment to the Custodian.*

*On a motion by S[hirley] McV[ittie], seconded by H[arvey] G[eddes], the Trustees approved:*

- Giving retiring and terminating plan members 120 days to elect a retirement or termination option, with a reminder letter at 90 days;
- That the default option for non-vested terminations, a cash payout, be automatic at 120 days;
- That the default option for vested terminations, a deferred benefit, be assumed at 120 days but members be permitted to apply for a transfer value after that time limit;
- That no transfer out of accrued value after age 55 be permitted (except as provided in the plan text in cases of small values or shortened life expectancy); and
- That the third-party administrator report annually on the number of non-elections and the costs of administering non-decisions.

*On a motion by C[hristine] B[ounall], seconded by F[aye] S[trike], the Trustees approved the Administration Committee's recommendation to request Morneau Sobeco to provide a firm quotation for adding a Trustee Information section to the web-site and for preparing an issue of *Pension Update* for the web-site launch.*

*On a motion by H[arvey] G[eddes], seconded by C[hristine] B[ounsall], the Trustees requested Morneau Sobeco to provide a written description of the security protocols for its systems.*

*On a motion by K[evin] S[kerrett], seconded by J[ohn] J[ohnston], the Trustees authorized the co-chairs to negotiate and conclude an agreement with Morneau Sobeco.*

*On a motion by K[evin] S[kerrett], seconded by J[ohn] J[ohnston], the Trustees authorized the co-chairs to negotiate and conclude an agreement with Mercer for actuarial and other services.*

*On a motion by K[evin] S[kerrett], seconded by J[ohn] J[ohnston], the Trustees authorized the co-chairs to negotiate and conclude an agreement with Campbell Grabb Management Consultants Inc for the services of Vicky Grabb.*

*It was the consensus of the Trustees that a two-year extension for D[eloitte &] T[ouche for audit services] be explored.*

## ***Record of Decisions***

**Trustees Meeting #12**

**2001 03 09**

*On a motion by Shirley McVittie (SMcV), seconded by Harvey Geddes (HG), the Trustees directed Koskie Minsky to take the steps necessary to ensure that the joint letter to CCRA [regarding the terms of the Pension Enrolment Review Process (Schedule 2.1 of the Mediated Settlement Agreement, ratified by order of the Ontario Superior Court May 19, 2000)] was submitted by March 31, 2001.*

*On a motion by John Johnston (JJ), seconded by H[arvey] G[eddes] (CB), the Trustees approved Amendment #4 [giving effect to the decision to using earnings from the date of plan entry for the period before January 1, 1999 and earnings from date of employment for the period from January 1, 1999 onward].*

*On a motion by John Johnston (JJ), seconded by H[arvey] G[eddes] (CB), the Trustees approved the Money Purchase Feature rate of return of 5.09% for year 2000.*

*On a motion by J[ohn] J[ohnston], seconded by S[hirley] McV[itte], the Trustees directed that:*

1. employee over-contributions be refunded or credited as appropriate;
2. employer over-contributions be credited against future contributions;
3. that employee and employer under-contributions be collected;
4. that contributions to the DB plan in error be transferred to the DC plan accounts with interest at the MPF rate, and contributions to the DC plan in error be transferred to the DB plan together with actual investment returns;
5. that no interest be charged or credited on employee or employer under- or over-contributions; and
6. that the actual individual corrections be brought to the Trustees for final review and approval.

*On a motion by H[arvey] G[eddes], seconded by K[evin] S[kerrett], the Trustees directed Koskie Minsky to*

1. check with Marshall's about the degree of commitment given to TDQC on behalf of the CBS DB Trustees;
2. review with Marshall's the three issues that were inconsistent with the SIP&P, as a basis for advising the Trustees on their significance;
3. confirm Barclay's trading practices and whether it is or has been under any investigation;
4. request Marshall's to confirm Barclay's fees.

## ***Record of Decisions***

**Trustees Meeting #13**

**2001 04 26**

*On a motion by Harvey Geddes (HG), seconded by Shirley McVittie (SMcV) the Trustees authorized John Johnston and Kevin Skerrett to sign the agreement with Morneau Sobeco based on correspondence from Koskie Minsky dated April 17<sup>th</sup> and 26<sup>th</sup> and from Miller Thompson dated April 24<sup>th</sup>, all of 2001.*

*On a motion by S[hirley] McV[it]tie], seconded by H[arvey] G[eddes] the Trustees approved the revised budget for Y2001.*

*On a motion by K[evin] S[kerrett], seconded by S[hirley] McV[it]tie] the Trustees approved entering into an investment counsel agreement with Barclays as index investment manager and authorized the co-chairs to sign the agreement on behalf of the Trustees.*

*On a motion by W[illiam] G[leed], seconded by H[arvey] G[eddes] the Trustees approved correction of the errors on the bases recommended and directed that the Administration Committee consider and approve any future error corrections in accordance with the policy guidelines established at the meeting of March 9<sup>th</sup> 2001.*

*On a motion by K[evin] S[kerrett], seconded by S[hirley] McV[it]tie] the Trustees instructed Mercer and Koskie Minsky to clarify the amendment [#4] to Morneau Sobeco.*

*On a motion by W[illiam] G[leed], seconded by K[evin] S[kerrett] the Trustees instructed the co-chairs to sign the agreements [with Mercer and Campbell Grabb Management Consultants Inc].*

*On a motion by H[arvey] G[eddes], seconded by K[evin] S[kerrett] the Trustees instructed Koskie Minsky to prepare the necessary compliance amendments and to amend the vesting provision for Alberta members to two years of continuous service for all periods of plan membership.*

*On a motion by K[evin] S[kerrett], seconded by H[arvey] G[eddes] the Trustees instructed Mercer to arrange a meeting with FSCO at which representatives of Mercer and William Gleed, as representative of the Trustees, could discuss the asset transfer issues.*

*On a motion by K[evin] S[kerrett], seconded by H[arvey] G[eddes] the Trustees instructed K[evin] S[kerrett] to consult with Marshall's and the investment managers about the feasibility of managing the CBS DB portion of Red Cross pension assets pending the actual transfer.*

*On a motion by W[illiam] G[leed], seconded by H[arvey] G[eddes], the Trustees and Advisory Committee members instructed Koskie Minsky to write to legal counsel for Red Cross to request audited financial statements for 1997, 1998, 1999 and 2000 and to request details of all expenses charged to the Red Cross pension plan.*

*On a motion by K[evin] S[kerrett], seconded by S[hirley] McV[itie], the Trustees and Advisory Committee members instructed VG to review the Royal Trust Custodial statements for the Red Cross pension plan to identify expense items requiring individual explanation and instructed Koskie Minsky to write to legal counsel for Red Cross to request such explanations.*

## ***Record of Decisions***

**Trustees Meeting #14**

**2001 10 19**

*On a motion by W[illiam] G[leed], seconded by Shirley McV[ittie], the Trustees instructed K[evin] S[kerrett] and J[ohn] J[ohnston] to sign the contract with Morneau Sobeco for Third Party Administration Services.*

*On a motion by Kevin Skerrett (KS), seconded by H[arvey] G[eddes] the audited financial statements were received.*

*On a motion by W[illiam] G[leed], seconded by S[hirley] McV[ittie], Deloitte & Touche were re-appointed as auditors for the plan years 2001 and 2002.*

*On a motion by W[illiam] G[leed], seconded by S[hirley] McV[ittie], the Trustees approved extending the Mercer contract to December 31, 2002 with no increase in fees, and undertaking an RFP process for actuarial services before the end of 2002.*

*On a motion by Christine Bounsall (CB), seconded by H[arvey] G[eddes], the Trustees approved extending the contract with Campbell Grabb Management Consultants for Vicky Grabb's services to December 31, 2002.*

*On a motion by K[evin] S[kerrett], seconded by H[arvey] G[eddes], the Trustees instructed Koskie Minsky to convey to CCRA the Trustees' concern about the delay in granting final registration of the plan and communicating the urgency of the matter.*

*On a motion by K[evin] S[kerrett], seconded by W[illiam] G[leed], the Trustees resolved that effective 28 September 1998, the Plan shall be amended as per the restated Plan Text [to incorporate the first three plan amendments approved by the Trustees at earlier meetings, along with the compliance amendments required by CCRA].*

*On a motion by K[evin] S[kerrett], seconded by W[illiam] G[leed], the Trustees resolved that effective September 28 1998 the Plan shall be amended as follows:*

1. Section 1.9 "Best Average Earnings" means:
  - a) for a person who became a Member of the Plan or the Red Cross Plan

prior to January 1, 1999, the highest average of the Member's Annualized Earnings Rate during any five consecutive years of Membership preceding the Member's date of retirement, death or termination of Membership. If a Member has not completed five years of Membership, his Best Average Earnings shall be based on the average of his Annualized Earnings Rate during the total period of Membership; and

- b) for a Member who joined the Plan on or after January 1, 1999, the highest average of the Member's Annualized Earnings Rate during any five years of Continuous Service since January 1, 1999 preceding the Member's date of retirement, death or termination of Membership. If a Member has not completed five years of Continuous Service since January 1, 1999, his Best Average Earnings shall be based on the average of his Annualized Earnings Rate during the total period of Continuous Service since January 1, 1999.

- 2. Section 1.34 of the Plan shall be amended by its deletion and its substitution by the following:

- 1.34 "Membership" means the period of time an Employee is an Employee Member of the Plan and/or a member of the CBS Defined Contribution Plan whether or not he is accruing Pensionable Service. For a Member who was a member of the Red Cross Plan – Part II on the day immediately preceding the Effective Date and who becomes a Member of the Plan on the Effective Date in accordance with Section 2.1, "Membership" shall also include membership under the Red Cross Plan before the Effective Date, as defined in the Red Cross Plan – Part II in effect on the day immediately preceding the Effective Date.

*On a motion by K[evin] S[kerrett], seconded by W[illiam] G[leed], the Trustees resolved that effective March 1, 2000 the Plan is amended by various changes to the Alberta Appendix in compliance with changes in the legislation of the Province of Alberta governing pensions.*

*On a motion by W[illiam] G[leed], seconded by S[hirley] McV[itie], the Trustees instructed JJ and KS to sign the Investment Counsel contract with Barclay's for the indexed mandate.*

*On a motion by C[hristine] B[ounsall], seconded by H[arvey] G[eddes], the Trustees approved the draft response to the Newfoundland survey of jointly trusteed pension plans.*

*On a motion by H[arvey] G[eddes], seconded by W[illiam] G[leed], the Trustees approved payment of interest at the rate credited to member contributions on delayed pension payments for the period from September 28, 1998 to December 31, 2001, provided that the delay was not the result of the member's delay in returning their options statement or provision of incomplete information by the member.*

*On a motion by K[evin] S[kerrett], seconded by S[hirley] McV[ittie], the Trustees accepted the recommendation made by James P Marshall to leave the assets of the Red Cross Pension Plan with the Red Cross investment managers until the actual transfer of funds and to continue to monitor the situation.*

*On a motion by J[ohn] J[ohnston], seconded by K[evin] S[kerrett], the Trustees approved the establishment of a two-person committee, a lawyer from Koskie Minsky representing the CBS DB plan and CBS and an actuary from Morneau Sobeco, representing the Héma-Québec.*