

MEMORANDUM OF AGREEMENT ["MOA"]

BETWEEN

THE UNIVERSITY OF GUELPH
(hereinafter referred to as the "University")

– and –

THE UNITED STEELWORKERS, LOCAL 4120
(hereinafter referred to as the "Union")

**MEMORANDUM OF AGREEMENT REGARDING CONSENT TO
THE CONVERSION TO THE UNIVERSITY PENSION PLAN (the "UPP")**

WHEREAS the University and the Union are parties to a collective agreement with an expiry date of April 30, 2020 (the "Collective Agreement");

AND WHEREAS the parties have been discussing the conversion of the University of Guelph Retirement Plan (the "Plan") to a new sector jointly sponsored pension plan, the UPP;

AND WHEREAS the parties wish to enter into this MOA to provide for the Union's consent pursuant to and in accordance with relevant provisions of the Pension Benefits Act and Regulations thereto for transition to the UPP and related amendments to the Collective Agreement;

NOW THEREFORE the parties agree as follows:

1. Consent to Conversion under the Pension Benefits Act

The Union will consent on behalf of all employees in the bargaining unit covered by the Collective Agreement to the conversion of the Plan to the UPP under section 80.4 of the Pension Benefits Act, including transfer of the Plan's assets and liabilities to the UPP, and will support the position of the University in its application, when made, for the approval of such conversion and transfer. Union consent under this paragraph 1 will be subject to ratification by both parties under paragraph 7 below. For clarity, if the Union does not provide consent on behalf of all employees in the bargaining unit covered by the Collective Agreement to the conversion of the Plan to the UPP under section 80.4 of the Pension Benefit Act before March 1, 2019, then the terms and conditions of this MOA, including the wage grid adjustment pursuant to paragraph 4 below, will be null and void and will not be implemented.

2. Participation in the UPP.

- (a) Effective January 1, 2020, or, if later, the effective date of the UPP, employees who are active members of the Plan shall become members of the UPP ("**Contingent UPP Members**"), provided that they shall not accrue any service under the UPP until the later of the date that the Superintendent of Financial Services (or his or her successor) approves a transfer of the assets from the Plan to the UPP and July 1, 2021 (or such other date as the transfer may be approved or the parties may agree) (the "**UG Conversion Date**").

- (b) Employees who become members of the Plan on or after January 1, 2020 but before the UG Conversion Date, will be enrolled in the UPP according to the UPP eligibility provisions as Contingent UPP Members.
- (c) Effective on the University Conversion Date, the Contingent UPP Members shall commence accruing pensionable service under and making contributions to the UPP in accordance with the terms of the UPP and shall no longer accrue pensionable service under, make contributions to, or have any entitlements or rights under the Plan and the Plan shall, as of the UG Conversion Date cease to exist as a separate pension plan.
- (d) Employees who are not members of the Plan as of the Conversion Date will join the UPP in accordance with its terms.
- (e) The terms of the UPP will be consistent with those terms set out in the Milestones Agreement dated October 18, 2018, as amended from time to time, and such other terms as are provided under the definitive documentation establishing the UPP.

3. Member/employer contributions under the UPP

On the date that pension accrual starts under the UPP for the members of the Plan, including the University UPP Contributing Members, the contributions shall be 50/50 and subject to change thereafter as determined by the Sponsors of the UPP, including under any Funding Policy developed by the Sponsors. 50/50 contributions on the date that pension accrual starts under the UPP are currently expected to be:

9.2% of Pensionable Salary up to the YMPE; and

11. 5% of Pensionable Salary over the YMPE

4. Pension Contribution Offset

Effective on the University Conversion Date, and upon the implementation of the increase in member contributions set out under paragraph 3 above, a one-time adjustment of one percent (1%) will be applied to the wage grid in the collective agreement in effect at that time. This one time adjustment will be fully conditional upon the conversion of the Plan to the UPP.

5. Amendments to the Collective Agreement

On or before the UG Conversion Date, and effective as of the UG Conversion Date, the Collective Agreement or any renewal collective agreement between the University and the Union in effect on the UG Conversion Date will be deemed for all purposes to be amended in a manner and to the extent necessary to reflect all of the terms and conditions of this MOA, including, without limiting the generality of the foregoing:

- (a) The following will be considered deleted from the USW Local 4120 Collective agreement or, equivalently considered void;
 - (i) Memorandum of Agreement 23 – Pension Contributions and Benefits

(ii) Memorandum of Agreement 24 – Early Retirement Subsidy

(iii) Memorandum of Agreement 25 – Termination Benefits

(iv) The reference to “pension plans” in Article 23.01(e)

- (b) The incorporation of “no grievance and arbitration provisions” respecting pension matters – i.e. any and all issues related to the UPP shall not constitute a “difference” between the parties for the purposes of the Ontario Labour Relations Act or the collective agreement in effect on the UG Conversion Date and must be addressed under the provisions of the UPP and whatever mechanism the Sponsors may implement for issues or disputes related to the UPP and that it is the intention of the University and the Union that an arbitrator appointed under the collective agreement shall have no jurisdiction to hear any grievance referred to arbitration or grant any remedy in any way related to the UPP; and
- (c) Acknowledgement that the terms and conditions of the UPP are not subject to collective bargaining, save and except for mutual agreement in writing to withdraw from the UPP pursuant to and in accordance with the terms and conditions of the UPP, including any notice provisions, for doing so.

6. Enforcement of the MOA

This MOA shall be appended to and form part of the Collective Agreement and any renewal collective agreement in effect before the UG Conversion Date and notwithstanding the grievance and arbitration provisions of any collective agreement, William Kaplan shall be seized as mediator-arbitrator of any issues related to the interpretation, application, administration or alleged violation of this MOA. If William Kaplan is unable or unwilling to serve as mediator-arbitrator than Eli Gedalof shall be seized as mediator-arbitrator

7. Ratification

The representatives of the parties respective negotiating committees hereby agree to unanimously recommend to their principals the ratification of this MOA.

FOR THE UNIVERSITY

Don O'Leary
▶
Jessica Harley
▶

▶

FOR THE UNION

Liz Cherry
▶
[Signature]
▶
Adam D. McLean
▶

DATED AT GUELPH THIS 04 DAY of January 2018. 19
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