

THIS AMENDED AND RESTATED TRUST AGREEMENT made as of the 31st day of May, 2010

Between:

THE MANITOBA SCHOOL BOARDS ASSOCIATION

(hereinafter called the "Association")

And:

**THE PENSION TRUSTEES WHO HAVE
EXECUTED THIS TRUST AGREEMENT**

(hereinafter called the "Pension Trustees")

WHEREAS:

- a) The Manitoba Association of School Trustees (now the Association) established the Manitoba Association of School Trustees Pension Plan for Non-Teaching Employees of Public School Boards in Manitoba (hereinafter referred to as the "**Existing Plan**") under an insurance contract with the Manufacturers Life Insurance Company effective August 1, 1974;
- b) a trust agreement governing the Existing Plan was executed effective January 1, 1996 (the "**Existing Trust Agreement**") delegating, inter alia, certain of the responsibilities for the administration and management of the Existing Plan from the Association to the trustees of the Existing Plan;
- c) the Existing Plan has or will be amended and restated effective as of May 31, 2010 to, inter alia, comply with recent amendments to The Pension Benefits Act (Manitoba) (the "**Pension Benefits Act**");
- d) the Association also wishes to amend and restate the Existing Trust Agreement effective May 31, 2010.

Trust Agreement in respect of The
Manitoba School Boards Association
Pension Plan for Non-Teaching Employees of Public School Boards in Manitoba

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NOW THEREFORE THIS AMENDED AND RESTATED TRUST AGREEMENT WITNESSETH that, in consideration of the premises and of the mutual covenants herein contained, the parties hereto do agree as follows:

Article I - DEFINITIONS

In this Amended and Restated Trust Agreement:

- (a) "**Administration Account**" means all monies received by the Pension Trustees or the Custodian, or under their control, to provide for the payment of Plan expenses, pursuant to a Participation Agreement and from time to time held by the Pension Trustees pursuant to this Trust Agreement;
- (b) "**Custodian**" means the person appointed by the Pension Trustees to hold the Pension Fund and the Administration Account. The Custodian as at January 1, 1996 and until changed by the Pension Trustees in accordance with this Trust Agreement is RBC Dexia Investor Services;
- (c) "**Member**" means:
- (i) any employee, whether full-time or non-full-time, employed by a Participating School Board that is a member of the Plan; or
 - (ii) a former employee who was a member of the Plan and who has terminated employment with a Participating School Board but has retained the right to benefits under the terms of the Plan; or
 - (iii) an employee of a Participating School Board that no longer participates in the Plan but such employee has retained the rights to benefits in the Plan.
- (d) "**Plan**" means the amended and restated pension plan effective May 31, 2010, a copy of which is set out in Exhibit C hereto, as may be hereafter amended, restated, superceded or replaced from time to time;
- (e) "**Plan Year**" means the fiscal year for the Plan as determined by the Pension Trustees. Currently the Plan Year is the calendar year.
- (f) "**Participating School Board**" means a school board that contributes to both the Plan and to the Administration Account under a Participation Agreement on behalf of employees who are eligible to participate in the Plan pursuant to the terms of the Plan;
- (g) "**Participation Agreement**" means a written agreement between the Association and a Participating School Board, signed by both parties, that provides for the Participating School Board to contribute to the Plan at rates and in a manner determined by the Association and applied uniformly to all Participating School Boards and further provides for the Participating School Board to contribute to the Administration Account in the manner and at the rate determined

by the Pension Trustees in accordance with this Trust Agreement;

(h) "**Pension Fund**" means all monies received by the Pension Trustees or the Custodian, or under their control, for the provision of benefits in accordance with the terms of the Plan, pursuant to a Participation Agreement and from time to time held by the Pension Trustees pursuant to this Trust Agreement and the Plan. The Pension Fund shall not include the Administration Account;

(i) "**Pension Trustees**", "**Board of Trustees**" or "**Board**" means the Pension Trustees who have executed this Trust Agreement together with any other successor trustees resident in Canada as are appointed from time to time in accordance with the provisions of this Trust Agreement who have executed and delivered to the Pension Trustees a consent in the form set forth in Exhibit A hereto;

(i) "**Plan Administrator**" means the person, corporation or firm, including a trust company or an insurance company, with whom the Pension Trustees have entered into an agreement to provide administration services for the Plan, and any successor thereto. The Plan Administrator as at August 1, 2011 and until changed by the Pension Trustees in accordance with this Trust Agreement is Eckler Ltd.;

(j) "**Quorum**" exists when a Pension Trustees meeting is attended by at least seventy percent of the appointed Pension Trustees who have signed an Acceptance of Trust as set out in Exhibit A, rounded up to the next whole multiple of one, but in no event less than five of such Pension Trustees. Pension Trustees participating in the meeting via a telephone conference call which permits all persons participating in the meeting to hear each other, shall be included in the number of Pension Trustees attending the meeting;

(k) "**With Interest**" means interest compounded annually at such rate of interest per annum calculated below. Interest shall be accumulated on a particular contribution from the middle of the period of contribution until the date it is paid as a pension or other payment. The rate so calculated shall be applicable to the Plan Year. The calculation of the appropriate rate of interest shall be based on the net rate of return earned by the Pension Fund. The net rate of return earned by the Pension Fund for each Plan Year will be at a rate equal to the rate of return that can be reasonably be attributed to the operation of the Pension Fund which reflects the amount of "interest for partial years" paid or transferred from the Pension Fund.

"**Interest for partial years**" means an amount of interest included within an amount paid or transferred from the Pension Fund, with respect to any period since the end of the most recent Plan Year for which the net rate of interest can be determined based on what can be reasonably attributed to the operation of the Pension Fund. The net rate of interest can be determined approximately 15 days after the end of a Plan Year upon receipt of investment statements.

Interest for partial years will be determined at the time of transfer or payment of a Member's benefit from the Pension Fund, and will be the greater (a) or (b) as follows:

(a) 0.5% per month since the end of the most recent Plan Year for which the net rate of interest earned by the Pension Fund can be determined,

- (b) for Members over the age of 55 at the beginning of a Plan Year, the rate which results in the Member's Account being equal to:
 - (i) the Member's Account on the later of January 1, 1994 or on 31st day of December coincident with or immediately following the Member's 55th birthday, plus
 - (ii) contributions made during each Plan Year subsequent to the date referred to in (i) above, plus
 - (iii) interest at a rate equal to the average yield on the 91 Day Treasury Bills calculated annually after the date referred to in (i) above, and accumulated on a contribution referred to in (ii) above from the middle of the period of contribution. The last annual interest rate calculated based on the average yield of the 91 Treasury Bills will be used from the end of the last Plan Year to the date of payment during a Plan Year.

Notwithstanding the above, in respect of interest for partial years the net rate of return credited will not be less than the rate of return that can reasonably be attributed to the operation of the Pension Fund from the end of the most recent Plan Year to the end of month prior to the month of payment or transfer in accordance with the Pension Benefits Act.

"Member's Account" is the account where the Member's contributions and the Participating School Board's contributions are directed on the Member's behalf, With Interest.

Article II - BOARD OF TRUSTEES

The Association delegates to the Pension Trustees all of the duties, obligations and responsibilities for the overall administration, maintenance and operation of the Pension Fund, the Plan and the Administration Account as a Board of Trustees, save and except for those duties, obligations or responsibilities specifically reserved to the Association pursuant to the provisions of this Trust Agreement.

The Board of Trustees, shall consist of the Pension Trustees to a maximum of nine persons, appointed as follows:

- (a) Five persons appointed by the Association Executive from among the school trustees of the Participating School Boards, at least one of whom shall be a member of the Association Executive,
- (b) One person appointed by Manitoba Association of School Business Officials, or its successor, from among its active members,
- (c) Two persons appointed by the Canadian Union of Public Employees, or its successor, from among the Members, and
- (d) One person appointed by the non-teaching associations listed in Exhibit B from among their active

members.

Any person nominated to be a Pension Trustee shall sign an Acceptance of Trust as set out in Exhibit A no later than the first meeting of the Board of Trustees after his or her appointment, and if any Pension Trustee shall refuse to sign such Acceptance of Trust, his or her office shall be deemed to be vacant.

The Board of Trustees shall be entitled to carry out their duties and obligations notwithstanding any vacancies on the Board provided there are at least five Pension Trustees properly appointed pursuant to the terms of this Trust Agreement.

Except for shorter terms of office that may be necessitated by the initial constituting of the Board of Trustees, a person appointed as a Pension Trustee shall serve a term of approximately three years from one annual general meeting of the Board of Trustees or until his or her successor is appointed. A Pension Trustee may be reappointed for an unlimited number of terms and may continue to serve until his or her death, incapacity, resignation or removal, as hereinafter provided.

A Pension Trustee appointed by the Association Executive who ceases to be a school trustee of a Participating School Board shall cease to be a Pension Trustee.

A Pension Trustee appointed by the Manitoba Association of School Business Officials who ceases to be an active member of the Manitoba Association of School Business Officials shall cease to be a Pension Trustee.

A Pension Trustee appointed by the Canadian Union of Public Employees who ceases to be a Plan member shall cease to be a Pension Trustee.

A Pension Trustee appointed by the non-teaching associations listed in Exhibit B who ceases to be a Plan member shall cease to be a Pension Trustee.

The Pension Trustees shall elect a Chairperson and a Vice-Chairperson annually from among the Pension Trustees.

Article III - REMOVAL AND APPOINTMENT OF PENSION TRUSTEES

A Pension Trustee shall continue as trustee until he or she resigns, dies, becomes incapacitated or is removed as hereinafter provided, or who ceases to be a Pension Trustee in accordance with Article II hereof.

Each party entitled to appoint a Pension Trustee may at any time remove such Pension Trustee, with or without cause, by notice in writing to the Pension Trustees, and may appoint a successor trustee to replace such Pension Trustee. Any Pension Trustee who dies, resigns, becomes incapacitated or otherwise can no longer carry out his or her responsibilities hereunder shall be replaced, by notice in writing to the Pension Trustees, by the party that appointed such Pension Trustee.

Article IV - PROCEEDINGS OF PENSION TRUSTEES

Decisions of the Pension Trustees shall be made either by a resolution in writing signed by all Pension Trustees or by a resolution passed by a simple majority of the Pension Trustees at a Pension Trustees meeting which has a Quorum. For the purposes of voting on resolutions at meetings of the Pension Trustees, each Pension Trustee present at the meeting or participating in the meeting via conference call shall have one vote. Decisions made by the Pension Trustees outside of a meeting of the Board of Trustees shall involve voting on a resolution presented by ballot, to be returned by ordinary mail or otherwise to the Secretary. A ballot not returned in 14 days shall be deemed to be a vote against the resolution.

The Pension Trustees shall appoint a secretary who shall keep minutes of every meeting of the Pension Trustees which minutes shall be available for inspection by the Pension Trustees or any of them at all times. The secretary shall be one of the Pension Trustees or someone designated and agreed to by the Pension Trustees. In all other respects the rules and procedures to apply to the meetings of the Pension Trustees shall be determined by the Pension Trustees.

The Pension Trustees shall hold at least four meetings each year, one of which shall be designated as the annual meeting of the Pension Trustees. The Chairperson shall be responsible for setting the date of each meeting, except that the annual meeting must be held no later than the October 31 of the year following each fiscal year end of the Pension Fund.

The Chairperson, Vice-Chairperson or at least 50% of incumbent Pension Trustees may cause a meeting of the Board of Trustees to be called. A written notice signed by the Chairperson, Vice-Chairperson or by all of the Pension Trustees causing the meeting to be called, shall be sent to the Pension Trustees at least seven days before any meeting of the Board. Any notice to a Pension Trustee shall be deemed sufficient notice if it is mailed by regular mail or facsimile machine to his or her address of record with the Secretary of the Board.

Every Pension Trustee (including the Chairperson and the Vice-Chairperson and notwithstanding their duties in their offices) shall vote, unless disqualified by law, on all questions put to the Pension Trustees when he or she is in attendance at a meeting of the Board of Trustees, and no Pension Trustee present at a meeting of the Board shall vote on behalf of an absent Pension Trustee.

At each annual general meeting of the Board of Trustees:

- (a)an audited financial statement shall be produced of the affairs of the Pension Fund, the Plan and the Administration Account as of a date no more than 60 days prior to the date of the meeting;
- (b)the Chairperson and the Association shall each report on the affairs of the Pension Fund, the Plan and the Administration Account, for the period since the last annual meeting;
- (c)the financial statement shall be approved if it is proper to do so;
- (d)an annual report on the affairs of the Plan shall be produced, and such annual report shall include the audited financial statement produced in accordance with this Article of the Trust Agreement. This annual report shall be distributed to all Participating School Boards and to every member of the Plan who so requests.

All questions pertaining to this Trust Agreement, its validity, construction and administration shall be determined pursuant to the laws of the Province of Manitoba, and the situs of the Trust Fund shall be deemed to be in said Province.

Article V - PAYMENT OF PENSION TRUSTEES

The Pension Trustees shall not receive compensation for the performance of their duties but shall be reimbursed from the Administration Account

- (a)for all reasonable expenses incurred by them in the performance of their duties,
- (b)an honorarium, determined in accordance with the rates established by the Association for attending the Association committee meetings, and
- (c)reasonable educational expenses.

Article VI - SERVICE PROVIDERS

- (a)Custodian

The Pension Trustees shall appoint and enter into a custodial agreement with a Custodian to hold and keep custody of the Pension Fund and the Administration Account.

A direction to the Custodian shall be sufficient authority to the Custodian if it is in writing and signed:

- (i)in the case of a direction with respect to the payment of a benefit in accordance with the Plan, by the person designated by a resolution of the Pension Trustees as Plan Administrator,

or

- (ii)by the Pension Trustees.

- (b)Investment Counsel

The Pension Trustees may engage investment counsel who, under the general guidance of the Pension Trustees as to matters of broad policy, assists the Pension Trustees in determining the investment policy of the Pension Fund and the Administration Account.

The Pension Trustees may direct the Custodian to act on the instructions of such investment counsel with respect to the purchase and sale of securities in the Pension Fund and the Administration Account.

- (c)Administration Support and Consulting Services

The Pension Trustees may

- (i)engage the services of a third party as the Plan Administrator to assist them in administering, monitoring and managing the Plan, and may delegate to them such powers with respect to the administration and management of the Plan, as the Pension Trustees deem advisable, and
- (ii)remove any person, firm or corporation appointed by the Pension Trustees, with or without cause, subject to any agreement between the Pension Trustees and such person, firm or corporation.

Article VII - THE TRUSTS - Pension Fund

The Pension Trustees shall hold the Pension Fund in trust for the purposes and uses set forth in the Plan and in this Trust Agreement and shall invest, administer, and pay out the Pension Fund in accordance therewith and in connection therewith may exercise the following powers in addition to such other powers as the Pension Trustees may have at law or in equity:

- (a)the Pension Trustees shall have full authority to determine all questions of coverage, eligibility and methods of providing or arranging for the provision of benefits and all other related matters;
- (b)the Pension Trustees shall have the power to interpret all ambiguous or doubtful provisions of this Trust Agreement and the Plan. The decision of the Pension Trustees shall be binding upon the Association, the Participating School Boards, and Members including their families, dependents, beneficiaries and/or legal representatives;
- (c)the Pension Trustees shall have power in addition to any other powers or authorities to which the Pension Trustees may be entitled at law or in equity:
 - (i)to make payments out of the Pension Fund, and to authorize the Plan Administrator to do so on their behalf, to such persons and corporations as the Pension Trustees or Plan Administrator may decide so as to carry out the purposes of the Plan; or, to purchase individual and/or group annuity contract certificates for the purpose of providing some or all of the benefits to be provided under this Pension Fund;
 - (ii)to compromise, settle, arbitrate, and/or release all claims or demands in favour of or against the Plan or the Pension Fund or the Pension Trustees on such terms and conditions as the Pension Trustees may deem fit and advisable;
 - (iii)to invest and re-invest the principal and income of the Pension Fund without distinction between principal and income in such investments as may be selected by the Pension Trustees in their sole discretion and which at the time of investment are not inconsistent with investments permitted pursuant to the provisions of the Income Tax Act in respect of approved and/or registered pension plans or any legislation or regulations relating to approved and/or registered pension plans established and promulgated by Federal or applicable Provincial authority;

- (iv) to sell for cash, convert, redeem, exchange for other investments permitted by paragraph (iii) hereof or otherwise dispose of any of the investments entered into pursuant to paragraph (iii) hereof and otherwise generally to act as the owner of and to exercise all ownership rights incidental to the investments;
- (v) to register any investments or securities held by the Pension Trustees hereunder in their own name or in the name of a nominee or nominees with or without the additional words indicating that such investments and/or securities are held in bearer form;
- (vi) to exercise any conversion privilege and/or subscription right available in connection with any investments at any time; to consent to the re-organization, consolidation, merger or re-adjustment of the finances of any corporation, partnership, or association the securities of which being at any time held by the Pension Trustees or to the sale, mortgage, pledge or lease of property of any such corporation, partnership or association, and to do any act with reference thereto including the exercise of options, the making of agreements or subscriptions and the payment of expenses, assessments or subscriptions which may be deemed necessary or advisable in connection therewith;
- (vii) to commence or defend suits or legal proceedings and to represent the Plan and the Pension Fund in all suits or legal proceedings;
- (viii) to hold all or any part of the Pension Fund to be held uninvested as the Pension Trustees deemed to be in the best interest of the Pension Fund;
- (ix) to appoint a bank or banks or trust company or trust companies or credit unions or other financial institutions authorized to receive deposits as the Pension Trustees may designate and to enter into and execute agreements with such bank or banks or trust company or trust companies or credit unions or other financial institutions authorized to receive deposits as the Pension Trustees may designate;
- (x) to delegate powers and authorities vested in the Pension Trustees to any Committee of the Pension Trustees or any other person, firm, or corporation the Pension Trustees may deem appropriate;
- (xi) to borrow or raise money and to pay such rate or rates of interests as the Pension Trustees in their absolute discretion deem appropriate occasionally on a short term basis to:
- (i) provide funds for the current payment of benefits or purchase of annuities without resort to a distress sale of assets of the Pension Fund or Plan, or
- (ii) make additional investments, provided that the assets of the Pension Fund are not pledged as security against the loan and the total indebtedness of the Pension Fund or Plan in respect of such borrowing does not exceed at anytime the sum of the required current service contributions to and reasonable earnings of the Pension Fund or the Plan to the immediately subsequent twelve month

period; and

(xii)to do all acts, whether or not expressly authorized herein, which the Pension Trustees may deem necessary to accomplish the general objectives of enabling the Members to obtain benefits under the Plan in the most efficient economical manner;

(xiii)to do all acts, whether or not expressly authorized herein, which the Pension Trustees may deem necessary to effect a transfer of Pension Fund assets in accordance with Article XVII of this Trust Agreement;

(xiv)to enter into reciprocal agreements with other like or similar pension funds or pension plans, in such manner and subject to such terms and conditions as the Pension Trustees may deem desirable, subject to the provisions of the Plan.

The exercise of any one or more of the foregoing powers or any combination thereof from time to time shall not be deemed to exhaust the rights of the Pension Trustees to exercise such power or powers or combination of them thereafter from time to time.

If any provision of this Trust Agreement, the text of the Plan, the rules and regulations made pursuant hereto, or any steps in the administration of the Pension Fund or Administration Account are held to be illegal or invalid for any reason, such illegality or invalidity shall not affect the remaining portions of this Trust Agreement, the text of the Plan or the said rules and regulations, unless such illegality or invalidity prevents accomplishment of the objectives and purposes of this Trust Agreement.

The text of the Plan and amendments thereto and all Pension Trustees' decisions, rules, regulations, policies and procedures made or established in accordance with the Trust Agreement or the Plan, shall be binding upon the Pension Trustees, the Association and the Participating School Boards.

Article VIII - THE TRUSTS - Administration Account

The Pension Trustees shall hold the Administration Account in trust separate and apart from the Pension Fund for the purpose and uses set forth in this Trust Agreement and shall invest, administer, and pay out the Administration Account in accordance therewith and in connection therewith may exercise the following powers in addition to such other powers as the Pension Trustees may have at law or in equity:

(a)the Pension Trustees shall have power in addition to any other powers or authorities to which the Pension Trustees may be entitled at law or in equity:

(i)to accumulate the Administration Account so as in the Pension Trustees' opinion to be adequate to provide for any administrative expenses and other obligations of the Plan that are not paid by the Association;

(ii)to make payments out of the Administration Account, and to authorize the Association to do so on their behalf, to such persons and corporations as the Pension Trustees may decide so as to carry out the purposes of the Plan;

- (iii) to employ such actuarial, accounting, executive consultant, administrative, clerical, secretarial, investment and legal personnel and other employees and assistants as may be necessary in connection with the administration of the Pension Fund, the Plan or the Administration Account and pay or cause to be paid out of the Administration Account the compensation and necessary expenses of such personnel and assistance and the cost of office space, furnishing and supplies and other essentials required in such administration;
- (iv) to incur and pay out of the Administration Account any other expenses reasonably incidental to the administration of the Plan, the Pension Fund or the Administration Account, other than those expenses paid by the Association, (all such charges and expenses set out in (i) to (iv) hereinafter collectively referred to as the "**Expenses**");
- (v) to invest and re-invest the principal and income of the Administration Account without distinction between principal and income in such investments as may be selected by the Pension Trustees in their sole discretion;
- (vi) to sell for cash, convert, redeem, exchange for other investments permitted by paragraph (v) hereof or otherwise dispose of any of the investments entered into pursuant to paragraph (v) hereof and otherwise generally to act as the owner of and to exercise all ownership rights incidental to the investments;
- (vii) to register any investments or securities held by the Pension Trustees hereunder in their own name or in the name of a nominee or nominees with or without the additional words indicating that such investments and/or securities in bearer form;
- (viii) to exercise any conversion privilege and/or subscription right available in connection with any investments at any time; to consent to the re-organization, consolidation, merger or re-adjustment of the finances of any corporation, partnership, or association the securities of which being at any time held by the Pension Trustees or to the sale, mortgage, pledge or lease of property of any such corporation, partnership or association, and to do any act with reference thereto including the exercise of options, the making of agreements or subscriptions and the payment of Expenses, assessments or subscriptions which may be deemed necessary or advisable in connection therewith;
- (ix) to hold all or any part of the Administration Account uninvested as the Pension Trustees deemed to be in the best interest of the Pension Plan;
- (x) to appoint a bank or banks or trust company or trust companies or credit unions or other financial institutions authorized to receive deposits as the Pension Trustees may designate and to enter into and execute agreements with such bank or banks or trust company or trust companies or credit unions or other financial institutions authorized to receive deposits as the Pension Trustees may designate;
- (xi) to borrow or raise money and to pay such rate or rates of interests as the Pension Trustees in their

absolute discretion deem appropriate occasionally on a short term basis to pay Expenses or to make provision to pay Expenses in the event that the Pension Trustees deem in their absolute discretion that the Administration Account is insufficient to pay the Expenses of the Plan.

Article IX - CONTRIBUTION FOR PLAN BENEFITS

All contributions required to be made under the Plan by a Participating School Board shall be remitted to the Pension Fund within 30 days after they are deducted from the Members' pay or after the period for which they are due.

Article X - CONTRIBUTION FOR PLAN EXPENSES

The Participating School Boards are responsible for the Expenses incurred by the Plan. Each Participating School Board shall contribute to the Administration Account in accordance with this Article X, from which the Expenses incurred by the Plan will be paid.

For the purposes of this Article X, the “**Expense Contribution Resumption Date**” shall be the first day of the fourth following calendar month after the end of a calendar quarter, which calendar quarters shall be either March 31, June 30, September 30 or December 31, in which it is determined by the Pension Trustees, or by the Plan Administrator on their behalf, using their best estimates and acting reasonably, that the amount accumulated in the Administration Account, including all investment income, realized gains and unrealized gains, is less than the total Expenses paid out of the Administration Account during the most recently completed Plan Year. The Pension Trustees shall provide each Participating School Board with at least 30 days advance notice of the Expense Contribution Resumption Date.

The amount contributed by a Participating School Board to the Administration Account shall be in an amount to be determined by the Pension Trustees, in their sole discretion. The current amount is 1.2% of the pensionable earnings paid by each Participating School Board to each Member that is employed by such Participating School Board at the relevant time. All contributions required to be made to the Administration Account by a Participating School Board shall be remitted to the Pension Trustees or the Custodian employed by them, within 30 days after the month for which they are due.

The Association shall monitor the amount accumulated under the Administration Account. If the Association believes that the balance in the Administration Account will be insufficient within the following twelve months, the Association shall provide the Pension Trustees with a recommendation to increase the Administration Account contribution rate. If the Association believes that the balance in the Administration Account will be in excess of the total Expenses paid out of the Administration Account during the most recently completed Plan Year within the following twelve months, the Association shall provide the Pension Trustees with a recommendation to either decrease the Administration Account contribution rate or suspend contributions altogether, subject always to the Pension Trustees' right, in their sole discretion, to recommence contribution obligations on an

Expense Contribution Resumption Date.

Where the Pension Trustees receive a recommendation from their Association to either increase or decrease the Administration Account contribution rate required from Participating School Boards in accordance with this Article, or where the Pension Trustees otherwise believe that a change in the Administration Account contribution rate is in order, the Pension Trustees may, but are not obligated to, in their sole discretion, revise the Administration Account contribution rate accordingly.

Where the Pension Trustees establish a new Administration Account contribution level in accordance with this Article of the Trust Agreement, the provisions of this Article shall be read with the new Administration Account contribution level adopted by the Pension Trustees.

Upon adopting a new Administration Account contribution level, the Pension Trustees shall set an effective date for the new Administration Account contribution level, such effective date being the July 1 following the date on which the Pension Trustees adopted the new Administration Account contribution level.

The Pension Trustees shall advise all Participating School Boards of a change in the Administration Account contribution rate required under this Article of the Trust Agreement within 30 days of the decision to change the Administration Account contribution rate. The advice from the Pension Trustees shall at least indicate the new Administration Account contribution rate, the effective date of the new Administration Account contribution rate, and the reason or reasons why a new Administration Account contribution rate is required.

The Pension Trustees shall assess an administration expense recovery charge from all Members who either have their employment terminated by the Participating School Board or become Remaining Members (as this term is defined in Article XVII hereof) of the Plan and who have elected to leave any or all of their accumulated account balance in the Pension Fund. Such assessment shall commence from the start of the Plan Year immediately after the date a Member becomes either a terminated or Remaining Member. To be clear there shall be no administrative expense assessment for the period from the date the Member became a terminated or Remaining Member to the end of that Plan Year. The amount of the administration expense recovery charge will be determined by the Pension Trustees, in their sole discretion, on the advice of the Association. This charge will be deducted from such terminated or Remaining Members' account balances and transferred from the Pension Fund to the Administration Account after the end of each Plan Year thereafter.

Article XI - LIABILITY OF PARTIES

In exercising powers and discharging duties under this Trust Agreement, the Pension Trustees shall:

- (a) act honestly and in good faith;
- (b) exercise the care, diligence and skill that a prudent and responsible person would exercise in

administering the property of others; and

(c)comply with the terms of the Plan and this Trust Agreement.

The Pension Trustees shall be liable only for their own negligence, wilful misconduct, lack of good faith, or breach of the provisions of the Plan or this Trust Agreement.

Subject to foregoing provisions of this Article, when the Pension Trustees employ agents, auditors or counsel, according to this Trust Agreement, the Pension Trustee shall not be responsible for any misconduct on the part of any of them. The Pension Trustees may act, or refrain from acting, and shall be fully protected in acting, or in refraining from acting, in good faith on the opinion or advice of or information obtained from such agents, auditors or counsel in relation to any matter arising in the administration of the trusts created by this Trust Agreement.

The Pension Trustees shall have the power to purchase such errors and omissions insurance as the Pension Trustees deem necessary or proper, the cost of which shall be paid out of the Administration Account.

Any Pension Trustee and any employee of the Pension Trustees, who handles or may handle, or deal with money or assets of the Pension Fund shall be bonded in such sum as the Pension Trustees may determine. The cost of such bond shall be paid out of the Administration Account.

The Association shall not, by reason of a Pension Trustee being an officer or employee of or in any way affiliated with any of them, be liable in respect of any acts or obligations of any such Pension Trustee.

The Plan Administrator and his or her staff are liable for their acts and omissions only to the same extent as the Pension Trustees are liable for their acts and omissions.

All persons dealing with the Pension Trustees are hereby released from any necessity for questioning the authority or powers of the Pension Trustees hereunder or from seeing to the application of any monies, securities or other property. A receipt given by the Pension Trustees, or by the Plan Administrator on their behalf, for any monies or other property received by them shall effectually discharge the person or persons paying or transferring the same to such person or persons and such person or persons shall not be bound to see to the application thereof or be answerable for the loss or misapplication thereof. Every instrument purporting to be an act or agreement of the Pension Trustees shall be conclusive evidence:

- (a)that at the time of delivery of such instrument this Trust Agreement was in full force and effect;
- (b)that such instrument was executed in accordance with the provisions of this Trust Agreement; and
- (c)that the Pension Trustees were duly authorized to execute such agreement.

Article XII - AMENDMENT TO TRUST AGREEMENT

This Trust Agreement may be amended at any time and from time to time by a written resolution of the

parties to the Trust Agreement, provided that no such amendment shall be effective to deprive a person without his or her consent of any right to benefits to which he or she had become entitled under the Plan or which had accrued to his or her credit under the Plan. All written resolutions amending the Trust Agreement may be decided by a majority of the Pension Trustees at a Quorum of a duly constituted meeting and must be signed by the chairperson and vice-chairperson of the Board of Trustees.

Article XIII - AMENDMENT TO PLAN

Subject always to the Pension Benefits Act, the Income Tax Act or any other applicable legislation, the Plan may be amended at any time and from time to time by a written instrument of amendment signed by at least seventy percent of the Pension Trustees rounded up to the next whole multiple of one, but in no event less than five Pension Trustees provided that:

- (a) no such amendment shall be effective to deprive a person without his or her consent of any right to benefits to which he or she had become entitled under the Plan or which had accrued to his or her credit under the Plan;
- (b) the amendment does not terminate the Plan in whole or in part;
- (c) the amendment does not change the amount that Participating School Boards are required to contribute towards Plan benefits;
- (d) the amendment does not deny a Participating School Board from participating in the Plan;
- (e) the amendment does not grant a school board that is not a Participating School Board the right to participate in the Plan; or
- (f) the amendment does not affect any other matter specifically reserved to be the responsibility of the Association (and not delegated to the Pension Trustees) under this Trust Agreement or otherwise.

The Plan may, subject always to the Pension Benefits Act, the Income Tax Act, or any other applicable legislation, be amended at any time and from time to time by a written resolution of the Association Executive in any manner whatsoever including, without limitation, to:

- (a) terminate the Plan in whole or in part;
- (b) change the amount that Participating School Boards are required to contribute to the Plan;
- (c) discontinue a Participating School Board's participation in the Plan; or
- (d) grant a school board that is not a Participating School Board the right to participate in the Plan.

All written resolutions of the Association Executive amending the Plan must be signed by the executive director of the Association and presented to the Board of Trustees as soon as possible thereafter.

Article XIV - TERMINATION OF PLAN

The Association may terminate the Plan by giving Participating School Boards 180 days notice that the Plan will be terminated.

The Pension Fund and Plan may also be wound-up and terminated:

(a) when contributions have ceased for a period of one year and the Pension Trustees determine that contributions to the Pension Fund are not likely to be resumed, then by a unanimous resolution of the Board of Pension Trustees, all Pension Trustees present and voting; or

(b) when no contributions to the Pension Fund have been made for a period of two years.

In the event the Pension Fund and Plan are wound-up and terminated, the balance then remaining in the Administration Account, if any, shall be applied in a manner determined at that time by the Pension Trustees, subject to the applicable requirements of the Pension Benefits Act and the Income Tax Act.

Article XV - PENSION PLAN MERGER

Notwithstanding any other provision of this Trust Agreement or of the Plan, the Pension Trustees may, with the consent in writing of the Association, merge or amalgamate the trust created by this Trust Agreement, the Plan, and the Pension Fund with one or more similar trusts, pension plans, and pension funds to create one trust, one pension plan and one pension fund (herein called the "Amalgamated Plan") provided that the Pension Trustees are satisfied that the merger or amalgamation will not have the effect of depriving any member, terminated member, or retired member of any rights to benefits to which he or she had become entitled or which had accrued to his or her credit and that the rights of such members under the Amalgamated Plan will at the effective date of the merger be the substantial equivalent of their rights under the Plan, and in connection therewith, the Pension Trustees may enter into a merger or amalgamation agreement with trustees of one or more other trusts, amend or terminate the Plan, terminate the engagement of custodians, investment counsellors, actuaries, administrators and other advisors and employees and execute and deliver all such other acts as may be required to carry out any such merger. No Pension Trustee shall be liable to any person for any action taken by a Pension Trustee pursuant to the powers given under this provision.

Article XVI - ACCOUNTING

With respect to each year of the Plan's operation the Pension Trustees shall obtain from the Custodian a complete accounting of all monies received, held and paid in respect of the Plan and shall deliver copies thereof on request therefor to the Association.

The Pension Trustees shall cause the accounts and assets of the Plan, Pension Fund and Administration Account to be audited by an independent firm of chartered accountants at least once each year and shall

deliver copies of the audit report to the Participating School Boards and to the Association.

Article XVII - TERMINATION OF PARTICIPATION BY A PARTICIPATING SCHOOL BOARD

A Participating School Board may elect to discontinue its participation in the Plan and terminate its obligations under the Participation Agreement and this Trust Agreement (the "Departing School Board") subject to the following terms and conditions:

- (i) the Departing School Board shall provide appropriate written notice of such an election to each of the Pension Trustees and to the Association, which notice shall include a certified copy of a resolution of the Departing School Board to that effect passed at a duly constituted meeting of its Board of Trustees;
- (ii) if such written notice is received prior to 120 days before the end of the Plan Year, the earliest date on which participation shall cease shall coincide with the end of that Plan Year, otherwise with the end of the next following Plan Year, or such other later Plan Year end as the Departing School Board may elect (the "**Discontinuance Date**");
- (iii) concurrent with its election, the Departing School Board shall also provide to the Pension Trustees all necessary and sufficient information regarding the registration status of the successor arrangement or arrangements to which the entitlements of its Members are to be transferred collectively (the "**Successor Plan**");
- (iv) the discontinuance and transfer shall be expressly subject to obtaining all necessary approvals for such discontinuance and transfer under applicable laws and regulations including, without limiting the generality of the foregoing, the Pension Benefits Act and the Income Tax Act (Canada) (the "**Income Tax Act**");
- (v) the Departing School Board shall also, as soon as is reasonably practicable, provide to the Pension Trustees copies of all announcements and other relevant materials provided to its Members who are affected by the election of the Departing School Board to discontinue participation in the Plan;
- (vi) as soon as reasonably possible following the completion of the annual accounting under the Plan as of the Discontinuance Date, the Pension Trustees, or the Plan Administrator on their behalf, shall provide the following information to the Departing School Board with respect to its Members affected by the election of the Departing School Board to discontinue participation in the Plan:
 - a) the accumulated value of all Member required and additional contributions, With Interest, as of the Discontinuance Date; and
 - b) the accumulated value of all contributions made by the School Board on the Member's behalf, With Interest, as of the Discontinuance Date;

(the aggregate of (a) and (b) collectively known as the “**Aggregate Contributions**”);

The date the Pension Trustees provide such information to the Departing School Board shall be known as the “**Final Accounting Date**”;

- (vii) after the Final Accounting Date (the “**Final Determination Date**”) the Departing School Board shall provide a list of its Members who wish to transfer their Aggregate Contributions to the Successor Plan (the “**Departing Members**”) and a list of its Members who wish to leave their Aggregate Contributions in the Plan, subject always to the provisions of the Pension Benefits Act and the Income Tax Act (the “**Remaining Members**”);
- (viii) within a reasonable time after the Final Determination Date, the Pension Trustees shall effect the transfer to the Successor Plan (the “**Transfer Date**”), of all the Aggregate Contributions to which Departing Members are entitled under the terms of the Plan;
- (ix) the amount transferred to the Successor Plan shall include interest in the With Interest amount per month for each full month between the Discontinuance Date and the Transfer Date;
- (x) up to and including the Discontinuance Date, the Departing School Board, the Departing Members and the Remaining Members shall remain bound by the terms and conditions of the Plan, the Participation Agreement and this Trust Agreement, including, without limiting the generality of the foregoing, the obligations of the Departing School Board to make its remittances to the Pension Fund and the Administration Account;
- (xi) between the Discontinuance Date and the Transfer Date the Departing School Board shall be responsible to pay to the Administration Account the administrative expenses related to the Aggregate Contributions at a rate to be determined by the Pension Trustees, in their sole discretion, but with the advice of the Plan Administrator. The current rate is 1.2% of the applicable Members’ pensionable earnings as at the Discontinuance Date;
- (xii) the Departing School Board shall be responsible for, and shall pay to the Administration Account within 60 days after the Transfer Date (the “**Payment Date**”), all costs, fees and expenses whatsoever and howsoever incurred by the Pension Trustees, in their sole discretion, on behalf of the Pension Fund in carrying out the terms of this Article XVII. If the Departing School Board does not pay said costs by the Payment Date, interest shall accrue on that sum at Royal Bank of Canada prime until paid in full. The Departing School Board shall also be responsible for any consulting or other fees and disbursements of the Plan Administrator in advising and/or assisting the Departing School Board in carrying out the terms of the Article XVII;
- (xiii) with respect to the Remaining Members after the Transfer Date, the Pension Trustees shall continue to invest and administer their Aggregate Amounts under the terms of the Plan, including the assessment of an administration expense recovery charge in accordance with

Article X of this Trust Agreement. The administration expense recovery charge will be deducted from such Remaining Members' account balances and transferred from the Pension Fund to the Administration Account at the end of each Plan Year. The amount of the administration expense recovery charge will be determined by the Pension Trustees on the advice of the Plan Administrator. In the Plan Year where any Remaining Member terminates employment or retires, the amount of the administration expense recovery charge shall be pro rated according to the date of the event.

Article XVIII - FAILURE TO CONTRIBUTE

If a Participating School Board does not contribute the amount required to the Pension Fund or the Administration Account as applicable within 60 days after they are deducted from the Members' pay or after the period for which they are due, the Pension Trustees shall advise the Participating School Board that required contributions are past due. If the Participating School Board does not remit the past due contributions within 60 days of receiving advice from the Pension Trustees that the contributions are past due, the Pension Trustees shall notify the Manitoba Pension Commission that the Participating School Board is delinquent in remitting its required contributions. If the past due contributions are not resolved to the satisfaction of both the Pension Trustees and the Manitoba Pension Commission within 60 days of the date the Pension Trustees notify the Manitoba Pension Commission, that Participating School Board's participation in the Plan shall be terminated with effect from the date that the Participating School Boards required contributions were last paid in full.

In addition to termination, the Participating School Board in question shall continue to be liable for all required contributions until the date of termination, including interest at Royal Bank of Canada prime, plus all costs including legal costs on a solicitor and its own client basis. The Pension Trustees are hereby authorized and directed to take such steps as the Pension Trustees see fit to collect contributions required to be made under the Plan or under a Participation Agreement including judicial proceedings against a Participating School Board and others to compel payment of contributions.

The Pension Trustees may, and are hereby authorized to appoint an agent to, inspect, copy and cause an audit to be performed of the payroll and time records of a Participating School Board relating to eligible Employees and such agent shall conduct such audit upon reasonable notice during normal business hours and in accordance with the instructions of the Pension Trustees. The Participating School Board will on request make such records available for such inspection, copying and audit.

Signed for
the Pension Trustees

Signed for
the Association

EXHIBIT A

Acceptance of Trust

**To act as a Pension Trustee of The
Manitoba School Boards Association
Pension Plan for Non-Teaching Employees of Public School Boards in Manitoba**

I _____ hereby confirm acceptance of my appointment as Pension Trustee of The Manitoba School Boards Association Pension Plan for Non-Teaching Employees of Public School Boards in Manitoba and my agreement to act as a Pension Trustee in accordance with the powers, duties and responsibilities set forth in the Trust Agreement made as of May 31, 2010, and as may be thereafter amended, restated, superceded or replaced from time to time, between the Association and the Pension Trustees.

Signature _____

Name _____

Appointed by _____

EXHIBIT B

Non-Teaching Associations

As at May 31, 2010, the non-teaching associations that represent certain employees who participate in the Plan are:

Pembina Trails Association of Non-Teaching Employees

Educational Assistants of Pembina Trails

River East Transcona Paraprofessional Association

Educational Assistants of Seven Oaks, formerly known as
Seven Oaks paraprofessional Association

Interlake Association of Non-Teaching Employees

Administration Office Support Staff Employee Association

EXHIBIT C

Amended and Restated Pension Plan Text

Attached hereto is a copy of the Amended and Restated Pension Plan Text effective as of May 31, 2010 as adopted by the Pension Trustees.