

APPENDIX "K"

TEACHERS' RETIREMENT ALLOWANCES FUND BOARD (TRAF) -Manitoba

1. ELIGIBILITY

- (a) For the purposes of section 3(a)(i) of the Agreement, the date specified is July 1, 1925.
- (b) For the purposes of section 3(a)(ii)(B) of the Agreement, Inactive Members of the Teachers' Retirement Allowances Fund are eligible, regardless of the date of termination.

2. ACTUARIAL COST METHOD AND ASSUMPTIONS

- (a) Actuarial Cost Method **projected unit credit**
- (b) Annual real rate of return
 - (i) Non-indexed rate **rate as per section 7(c)(i)(B) of the agreement**
 - (ii) Fully indexed rate **rate as per section 7(c)(i)(B) of the agreement**
- (c) Annual inflation rate **determined as [1+item 2(b)(i)]/[1+item 2(b)(ii)]-1**
- (d) Annual interest rate **equal to item 2(b)(ii)**
- (e) Annual YMPE increase rate **annual inflation rate plus 1%**
- (f) Annual salary increase **annual inflation rate plus 1% plus seniority salary scale**
- (g) Increase in Tax Act maximum **annual inflation rate plus 1% starting on January 1, 2005**
- (h) Mortality
 - (i) Pre-Retirement **None**
 - (ii) Post-Retirement **GAM83 mortality table, as published on pages 880 and 881 of Volume XXXV of the Transactions of the Society of Actuaries Gender Neutral: 35% male and 65% female**
- (i) Withdrawal rate **None**
- (j) Disability rate **None**

- (k) Retirement age **Age 57 or age at Date of Application if older than 57**
- (l) Seniority salary scale **0.75% per annum to retirement age**

3. SPECIFIED TERMS AND CONDITIONS OF THE PLAN

- (a) Where TRAF is the Importing Plan Pension Authority, the projected salary shall be the higher of
 - (i) the annualized salary of the Applicant on the Date of Application projected at annual inflation plus 1% plus seniority salary scale, or
 - (i) the average salary of the Applicant over the final five years of Credited Service reported by the Exporting Plan Pension Authority in Appendix "C".

- (b) Where TRAF is the Exporting Pension Plan Authority and British Columbia Teachers' Pension Plan is the Importing Pension Plan Authority, for applications for transfer where Dates of Application are during the period from January 1, 2002 to December 31, 2005 the Available Amount determined pursuant to Section 7(1)(i) of the agreement will be determined to be the value calculated using the actual YMPE and CPI from the date of last service in Manitoba until the Date of Application and the value calculated using the assumptions documented in Section 2 of this Appendix.