

THE BCNU SUPPLEMENTAL MONTHLY BENEFIT PLAN TEXT

Preamble

Certain funding advanced by the Government of the Province of British Columbia pursuant to the HEABC/NBA Provincial Agreement for 2006-2010 is managed and invested by the Trustees under the Trust Agreement to provide Existing Claimants with a supplemental long term disability indexing benefit. This document sets out the terms and conditions of the BCNU Supplemental Monthly Benefit Plan adopted by the Trustees pursuant to the authority and power conferred upon them under the Trust Agreement.

I. Definitions

In the Preamble and this Plan text, including the appendix:

“**BCNU**” means the British Columbia Nurses’ Union.

“**Benefit**” means the supplemental long term disability indexing benefit specified herein.

“**Existing Claimant**” means those disabled BCNU members previously covered by the HEABC/BCNU Master Agreement described below:

- (a) those who were covered by the long term disability provisions of the HEABC/BCNU Master Agreement underwritten by HBT with a date of disability or injury that occurred prior to April 1, 1998; and
- (b) all others with a date of disability or injury that occurred prior to April 1, 1999.

“**Fund**” means the BCNU SMB Trust Fund established by the Trust Agreement.

“**HEABC/BCNU Master Agreement**” means the provincial collective agreement between the Health Employer’s Association of British Columbia and the BCNU in effect at the relevant time.

“**HBT Plan**” means the Health Care Benefit Trust Plan.

“**Other Disability Income**” means any other income received by or available to an Existing Claimant as a result of the same accident, sickness, mental or nervous disorder that caused them to qualify as an “Existing Claimant” including without limitation:

- (a) any amount payable under any Workers Compensation Act or law or any other legislation of similar purpose;
- (b) any amount from any group insurance, wage continuation, or pension plan of the employer that provides disability income;

- (c) any amount of disability income provided by a compulsory act or law;
- (d) any periodic primary benefit payment from the Canada or Quebec Pension Plans or other similar social security plan of any country to which the Existing Claimant is entitled or to which they would be entitled had they applied for such a benefit; and
- (e) any amount of disability income provided by any group or association disability plan to which the Existing Claimant might belong to or subscribe.

“**Plan**” means the BCNU Supplemental Monthly Benefit Plan, the terms of which are set out herein.

“**Trust Agreement**” means the Trust Agreement made the 16th day of October, 2006 among the British Columbia Nurses’ Union and the Trustees named therein under which the Fund was established.

“**Trustees**” means the Board of Trustees of the BCNU SMB Trust appointed by or pursuant to the Trust Agreement.

II Supplemental Monthly Benefit

1. The effective date of the Plan is April 1, 2006.
2. Subject to the terms and conditions of the Plan, each Existing Claimant shall be paid from the Fund a monthly benefit calculated and adjusted from time to time in accordance with the appendix attached hereto.
3. In order to be eligible to receive the monthly Benefit under the Plan, an Existing Claimant must meet the following conditions:
 - (a) the Existing Claimant continues to be disabled;
 - (b) the Existing Claimant maintains membership in good standing in the BCNU;
 - (c) the Existing Claimant has not received a signing bonus under the HEABC/BCNU Master Agreement for 2006-2010 or, if a signing bonus has been received it has been repaid to the employer;
 - (d) the Existing Claimant has provided the Trustees with such documentation and information as may reasonably be required to establish the Existing Claimant’s right to the monthly Benefit; and
 - (e) the Existing Claimant has applied for any Other Disability Income to which they are or may be entitled to.
4. Where an Existing Claimant has received a signing bonus under the HEABC/BCNU Master Agreement for 2006-2010 and that Existing Claimant has refused or neglected to

repay the signing bonus to their employer, the Trustees may withhold payment of monthly Benefits under the Plan which the Existing Claimant would otherwise be entitled to up to the amount of such signing bonus and remit that amount to that Existing Claimant's employer on behalf of the Existing Claimant.

5. The Benefits payable under the Plan are intended to replace the benefits previously provided under the Supplemental Monthly Benefit Plan (April 2005-2007) which was administered and funded by the BCNU.

III. Miscellaneous

1. The Trustees may amend this Plan from time to time in accordance with the provisions of the Trust Agreement.
2. Existing Claimants shall have no right, title or interest in or to the Fund other than an entitlement to Benefits in accordance with the terms of this Plan. Benefits are payable only to the extent the Fund permits and shall not in any manner be transferred, alienated, assigned, encumbered, garnished, liened or charged by any Existing Claimant or any person claiming through them.
3. The terms of this Plan are subject to the provisions of the Trust Agreement and where there is an inconsistency between the terms of this Plan and the Trust Agreement, the provisions of the Trust Agreement shall prevail.

APPENDIX TO THE BCNU SUPPLEMENTAL MONTHLY BENEFIT PLAN TEXT

The Benefit is computed by comparing the difference in the wage rates used to determine the Long Term Disability (LTD) benefit payable when the Existing Claimant first became eligible for the LTD benefit and the wage rate in a most recent year and computing what the LTD (at 66.67%) would have been in such a recent year. The difference between the existing fixed LTD and the newly computed LTD is the Benefit.

The “recent year” is determined by adding intervals of four to the LTD qualification date such that an end point is reached that is as close to 2006 as possible but without exceeding 2006. For example, if the start date of LTD is 1992, then adding 12 (ie. 4 + 4 + 4) years will make the “recent year” 2004. If the start date is 1994, then the “recent year” is 2006, and so on.

In the above example where indexing is up to 2004, the next indexing date is $2004 + 4 = 2008$, meaning that in 2008 (but not earlier) another Benefit will be computed based on indexing to 2008.

All Other Disability Income is deducted from the computation of the Benefit so that the amount of the LTD benefit plus the Benefit under this Plan is net of such offsets. The deduction includes any increases in Other Disability Income due to cost of living. That is, if the CPP has risen from previous CPP due to cost of living increases, the current CPP will be used for the deduction. The offsets are calculated by applying the percentages of cost of living increases in each year to the original CPP benefit.

The Benefit is non-taxable and an amount equivalent to what would have otherwise been paid in taxes has been taken into account in setting the level of the Benefit.

The amount resulting from all the above steps is Benefit under the Plan.