

RETIREMENT COMPENSATION ARRANGEMENT FOR THE OMERS PRIMARY PENSION PLAN

Amended and Restated as of June 30, 2007

INTERPRETATION

1. (1) In this RCA,

“**ITA**” means the *Income Tax Act* (Canada) as amended from time to time;

“**ITA Regulations**” means the Income Tax Regulations, as amended from time to time;

“**OMERS Act 2006**” means the *Ontario Municipal Employees Retirement System Act, 2006*;

“**RCA**” means this retirement compensation arrangement, known as the Retirement Compensation Arrangement for the OMERS Primary Pension Plan, which is a continuation of the retirement compensation arrangement that was governed by the *Ontario Municipal Employees Retirement System Act* immediately before that Act was repealed;

“**RCA benefits**” means the benefits provided under this RCA;

“**RCA fund**” means the fund for the payment of RCA benefits, which is a continuation of the fund for the payment of RCA benefits that was governed by the *Ontario Municipal Employees Retirement System Act* immediately before that Act was repealed;

“**refundable tax**” has the meaning assigned by Part XI.3 of the ITA;

“**registered pension plan**” means a pension plan registered under the ITA;

“**retirement compensation arrangement**” has the meaning assigned by the ITA;

“**RPP**” means the registered pension plan known as the OMERS Primary Pension Plan;

“**RPP benefits**” means the benefits provided under the RPP;

“**RPP fund**” means the pension fund for the RPP;

“**RPP member**” means a member as defined in the RPP.

“**supplemental pension plan**” means a supplemental pension plan established pursuant to the OMERS Act, 2006;

(2) All words and expressions used in this RCA that are defined in the RPP have the meanings assigned by the RPP, except as otherwise provided herein.

(3) A reference to any particular statute, regulation or provision thereof includes a reference to a

successor to that statute, regulation or provision, as the case may be.

2. The purpose of this RCA is to provide the members of the RPP certain of the benefits that would have been provided under the RPP but for provisions of the ITA and the ITA Regulations that restrict benefits that may be provided under a registered pension plan.

RCA FUND

3. The RCA fund is continued for the payment of RCA benefits to and in respect of members in accordance with this RCA.
4. The RCA fund shall include the cash, investments and other assets and the liabilities and the reserves of this RCA.
5. The contributions of the employers and of the members, the income from investments plus profits less losses on the sale of investments and any other credits of the Administration Corporation in connection with this RCA shall be deposited in the RCA fund.
6. The RCA benefits and the expenses of this RCA shall be paid out of the RCA fund.
7. The assets of the RCA fund shall include the right to claim any refundable tax in respect of this RCA.
8. Except as otherwise expressly provided herein, the assets of the RCA fund shall not be commingled with those of the RPP fund.

MEMBERSHIP

9. Every member of the RPP is a member of this RCA.

RCA BENEFITS

10. Every member is entitled to RCA benefits in respect of the amounts, if any, calculated as a normal retirement pension for the member under section 16 of the RPP, that would exceed the limit provided under subsection 16(11) of the RPP.
11. RCA benefits are payable to members who are employed by an employer after December 31, 1992.
12. RCA benefits are payable in respect of a member's credited service after December 31, 1992, other than credited service that accrues under subsection 11(10), section 35 or 36, subsection 38(2) or section 39 of the RPP.
13. RCA benefits are payable in respect of credited service during 1992 (other than credited service that accrues under subsection 11(10), section 35 or 36, subsection 38(2) or section 39 of the RPP) of a member employed by an employer after December 31, 1992, to the extent that the member purchases RCA benefits for that service. Such a purchase is subject to any conditions determined by the Administration Corporation on the advice of the actuary.

14. RCA benefits are subject to the same terms and conditions as pension benefits provided under the RPP, but subsections 16(11) and 27(1) of the RPP do not apply with respect to RCA benefits.

CONTRIBUTIONS

15. The Sponsors Corporation, on the advice of the Administration Corporation, shall determine the amount of the contributions to be paid to the RCA fund and the manner of payment of contributions to provide the RCA benefits.
16. In addition to the contributions payable under section 15, each member of this RCA who is also a member of a supplemental pension plan shall, in each pay period in respect of which the member makes a contribution under a supplemental pension plan that is greater than zero, make such additional contributions required by section 14 of the OMERS Act, 2006.

ADMINISTRATION

17. An actuarial valuation of this RCA shall be conducted in conjunction with each actuarial valuation of the RPP.