

**Brandon University Retirement Plan
Board of Trustees
Monday, June 10, 2024 @ 1:00 p.m.
Clark Hall Room 104 & via Teams**

AGENDA

1.0 Call to Order

2.0 Approval of Agenda and Minutes

- 2.1 Approval of Minutes of February 14, 2024
- 2.2 Approval of Minutes of April 29, 2024
- 2.3 Approval of Agenda of June 10, 2024

3.0 Connor, Clark & Lunn Investment Management Ltd (L Ross Onder & P Muldowney)

- 3.1 Investment Performance Review
- 3.2 CC&L Q US Extension Fund
 - 3.2.1 Memo to Pension Trustees re: CC&L Q US Extension Strategy Enhancement
 - 3.2.2 CC&L Q US Equity Extension Fund SIPP - May 2024 Redlined
 - 3.2.3 CC&L Q US Equity Extension Fund SIPP – May 2024 Final
 - 3.2.4 Schedule ‘A’ Mandate – March 2022
 - 3.2.5 2024-2025 CC&L Canada MAA – BURP – Amendment Letter
 - 3.2.6 BURP Investment Policy Statement-CC&L Edits

4.0 New Business

- 4.1 Approval of the Brandon University Retirement Plan Annual Report Incorporating the Annual Financial Statements (Johan Maccas, BDO/Allison Noto, BU)
 - 4.1.1 Brandon University Retirement Plan – Audit Results Memo (2023)
 - 4.1.2 Brandon University Retirement Plan – Annual Report 2023
- 4.2 Eckler Memo to Trustees April 29, 2024 Meeting Follow-up
- 4.3 Retirement Plan Amendment – Draft version 2

5.0 Continuing Business

- 5.1 Eckler Pension Presentation – BU Staff & Faculty (Update)

6.0 Correspondence

- 6.1 CIBC Mellon Custodial Fees – Invoices

Invoice #	Duration	Amount
306462	Jan 1 – 31, 2024	\$12,046.41
308262	Feb 1 – 29, 2024	\$11,799.31
309683	March 1 – 31, 2024	\$11,829.45
311047	April 1 – 30, 2024	\$11,562.85

- 6.2 Connor, Clark & Lunn - Invoices

Invoice #	Duration	Amount
20684_1939	Oct 1 – Dec 31, 2024	\$241,758.63

6.3 Eckler

Invoice #	Duration	Amount
Administration Services 0194BUN10-EB1-24-0617	Dec 9, 2023 – March 31, 2024	\$12,674.07
Professional Services 0192BUN01-EB1-24-0825	Jan 1 – Mar 1, 2024	\$20,949.39

6.4 BU Misc Invoice

Account #	Duration	Amount
762549	Nov 2022 -2023	\$36,139.95

7.0 Upcoming Meeting Dates

Wednesday, November 20, 2024

1:00 – 4:00 p.m.

Clark Hall Room 104



**Brandon University Retirement Plan
Pension Trustees
Wednesday, February 14, 2024
MEETING MINUTES**

Present: Allison Noto (Exempt)
David Taylor (BUFA)
Doug Pickering (BUFA)
Eric Raine (MGEU)
Julee Galvin (Board of Governors) (via Teams)
Scott Lamont (Board of Governors)
Warren Wotton (IUOE-A)
Nicky Kreshewski (Resource) (via Teams)

Guests: Andrew Kulyk, Eckler Ltd. (via Teams)
Johan Maccès, BDO (via Teams)
Lizanne Ross Onder, CC&L (via Teams)
Peter Muldowney, CC&L (via Teams)

Regrets: Greg Misener (MGEU)
Jan Chaboyer (Retiree)

Recording Secretary: Donna Neufeld

1. Meeting called to order at 1:01 p.m.

The Chair started the meeting with an acknowledgement with respect to the lands the Brandon University campus is located.

2. Approval of Agenda & Minutes

2.1. Approval of Agenda of February 14, 2024. The following items were added to the agenda.

- 2.3 Audit Presentation – BDO
- 4.6 CIBC Mellon – BU’s current custodian

Motion: Moved and Seconded (W Wotton/S Lamont)

BE IT RESOLVED THAT THE agenda for the February 14, 2024 meeting of the Brandon University Retirement Plan Pension Trustees be approved as amended.

CARRIED

2.2. Approval of Minutes of November 22, 2023

Motion: Moved and Seconded (W Wotton/E Raine)

BE IT RESOLVED THAT THE minutes of the November 22, 2023 meeting of the Brandon University Retirement Plan Pension Trustees be approved as presented.

CARRIED

2.3. Audit Presentation – BDO

- Johan Maccès, CPA, CA from BDO gave a presentation on BDO's audit planning communication and highlighted their process.
- Audit Timeline
- Auditor's responsibilities: financial statements and fraud
- Significant risks and planned responses
- Materiality
- Using the work of others

3. Connor, Clark & Lunn Investment Management Ltd. (L. Ross Onder)

3.1. Investment Performance Review

- L Ross Onder gave an overview of the CC&L's fourth quarter 2023 Investment Performance Review presentation.
- Dashboard:
 - The Retirement Plan assets at the end of 2023 were \$233,008,438, grew \$20 million in the 4th quarter.
 - Performance over the 4th quarter was 0.4% over benchmark.
 - All funds held in the portfolio over the 4-year period ending December 31, 2023 have contributed to the added value. The Plan outperformed the benchmark by 1.7%.
 - Organizational updates – founding partner retired at the end of 2023; CC&L's Infrastructure & Crestpoint Real Estate are on track to launch new strategies; a partner has retired from Crestpoint Real Estate Investments.
- 2023 Year in Review
- Market Review
- Investment Returns as at December 31, 2023
 - For the 4th quarter, the Plan was up 9.5%, 0.4 above benchmark; for the calendar year the portfolio was 0.3% slightly behind the benchmark; for the 4-year period was up 6.4%, 1.7% ahead of the benchmark.
- Asset Class Returns
- Canadian Equity – Market Review
- Canadian Equity Performance Attribution
- Foreign Equity – Market Review & Performance Attribution
- Emerging Markets Equity – Market Review & Performance Attribution
- Fixed Income – Market Review & Performance Attribution
- Real Estate
 - The Fund finished slightly behind benchmark at the end of the third quarter 2023; and year to date 2023, the Funds' performance was flat.
 - The Real Estate Fund continues to be well diversified with 313 high quality properties located in major markets across Canada with effective occupancy rate with over 90%.
 - The Real Estate team will pursue select investments in opportunistic real estate within the Fund's existing value-added allocation.
- Infrastructure
 - The Infrastructure Fund delivered a 2.2% return for the quarter, which is in line with its performance benchmark.
 - For the first nine months 2023, the Infrastructure Fund returned 8.2% which is 0.9% over benchmark.
 - There is a new capital call. CC&L Investments will be investing in a wind project in southeastern Alberta. More details will follow shortly.

- Economic Picture & Outlook
 - GDP in the US has grown twice as fast as it has in Canada.
 - The reasons the US GDP growth are
 - Fiscal policy and spending have had much more of an impact on the US economy;
 - US benefits from better productivity compared to Canada;
 - The US consumer is much less indebted than the Canadian consumer; and therefore, more willing to spend;
- Asset Class Positioning - Equities
- Asset Class Positioning – Fixed Income
- Asset Class Positioning – Real Estate & Infrastructure
 - Real Estate: focus on stable income returns and long-term capital return preservation, selectively evaluating opportunities that may offer compelling risk-adjusted returns;
 - Infrastructure: high-quality new investments to further increase portfolio diversification with exposure to additional sectors, geographies and counterparties.
 - As of close of the stock market on February 13, 2024, the market value of the plan portfolio was \$232.5 million.
 - The forecast for Canada and the rest of the world is for a recession and a slowdown for 2024.

4. New Business

4.1. Board of Governors, Representative, Julee Galvin

- David introduced and welcomed Julee to the Pension Trustees.

Motion: Moved and Seconded (S Lamont/A Noto)

BE IT RESOLVED THAT THE Brandon University Retirement Plan Pension Trustees accept Julee Galvin as a new member to the Pension Trustees.

CARRIED

4.2. Annual Review of Statement of Investment Policies & Procedures (SIPP)

- Scott reviewed the changes to the SIPP; and noted the biggest changes were to the makeup of the portfolio.
 - The Infrastructure benchmark was set at 10%; but, was reduced to 7% and the maximum is at 9%. The extra 3% goes into Canadian Equity so the total benchmark adds up to 100%.
 - The fixed income minimum was brought down to 10% to make it in line with the longer-term bond allocation.
 - Under the Monitoring and Evaluating, the Canadian Equity target was raised to 18% from 15% because the Infrastructure was reduced from 10% to 7%.
 - Under The Pooled Funds and the Pooled Funds' Performance Objectives – the University Plan's SIPP, there are pooled funds, and each pooled fund has its own SIPP, if there is a conflict between the University's SIPP and a pooled fund SIPP, the pooled fund's SIPP prevails. If the University disagreed with the makeup of any of the pooled funds, the University would have to divest from the fund and invest elsewhere.
 - The remaining changes in this SIPP are made in the Pooled Funds' SIPPs not the University's.
 - There was nothing further of note that required changes.
 - Once approved, the new rule is the SIPP needs to be filed along the same time as the Annual Information Return with the Pension Commission at the end of June.

Motion: Moved and Seconded (E Raine/A Noto)

BE IT RESOLVED THAT THE Brandon University Retirement Plan Pension Trustees approve the changes to the Statement of Investment Policies & Procedures (SIPP) as presented.

CARRIED

4.3. Education Session – Plan Governance

- Andrew gave a presentation on Pension Plan Governance.
 - Pension Plan Governance is the structure and processes for overseeing, managing and administering a pension plan to ensure the fiduciary responsibilities and other obligations of the plan are met.
 - The benefits of good governance
 - Statutory Standards
 - Fiduciary Standard.
 - Fiduciary Relationship
 - Governance Structure consists of
 - Members of the pension trustees are made up of plan retiree members, members of staff and faculty as well as board appointed members. The Trustees are tasked with responsibility, oversight and management of the Retirement Fund.
 - There are at least as many trustees representing employee members of the Plan as there are trustees representing the employer.
 - The Pension Trustees delegate and use the services of advisors such as the actuary, investment manager, auditor, and lawyer, when required.
 - The Pension Trustees cannot make changes to the BU Retirement Plan without BUFA's approval as per the Collective Agreement (CA) with BUFA.
 - Documents to be maintained:
 - Plan Document or Plan Text
 - Trust Agreement
 - SIPP
 - Member booklets, statements, other member communication material
 - Delegating Responsibility
 - Role of the Administrator
 - Participants in Pension Management
 - Fiduciary Responsibilities of the Trustees
 - Monitoring of Performance
 - BU Retirement Plan Trust Agreement
 - Powers of Pension Trustees
 - Other terms and requirements
 - Reporting
- Andrew suggested giving his next presentation on Plan Overview, Benefits, Early Retirement, and Plan Formula

Motion: Moved and Seconded (S Lamont/J Chaboyer)

BE IT RESOLVED THAT THE Brandon University Retirement Plan Pension Trustees appoint BDO as the Auditor for the 2023 Fiscal Year.

CARRIED

- 4.4. Extrapolated funding position and considerations in performing a valuation as at December 31, 2023
- Andrew noted that the Funded Status Update as well as the Cost-of-Living Increases in his presentation.
 - For the past 13 years the University has been required to file annual valuations because of the funded status in part due to legislative changes as well as improvement in the financial position of the Plan. As of December 31, 2022, the Plan is on a 3-year valuation cycle instead of an annual cycle.
 - This will be the first year that the University will not be filing a valuation in more than a decade.
 - What Happened Since Previous Valuation as at December 31, 2022
 - The numbers included in this presentation are based on the first draft of the audited statements.
 - The net fund rate of return before expenses was 12.62%.
 - The median return for the balanced funds in 2023 was 10.95%.
 - The market value return net of expenses was 11.93%.
 - The Actuarial value return after smoothing was 5.26%.
 - Inflation was 3.4%.
 - Bond yields increased then dropped by the end of the year and were lower in December 2023 than in December 2022.
 - There was a decrease in the annuity purchase rate; however, there was an increase in the short-term commuted value rates by 40bps which decreased commuted values.
 - The long-term commuted value rate remained the same.
 - 2024 Cost of Living Increase
 - The rate of return is 11.93% for 2023; and the 4-year return is 5.81%. There is no excess; therefore, there is no COLA granted to retirees this year.
 - 2023 Funding Projection & Estimated Funded Status
 - The discount rate of 5.50% remains the same since December 31, 2022.
 - The Going Concern Surplus as at December 31, 2022 was \$24 million and \$25 million was projected for December 31, 2023.
 - The Estimated university current service cost at the end of 2023 was \$3.4 million; and \$3.8 million is projected for the end of 2024.
- 4.5. July 1, 2024 – Cost of Living Increases
- To summarize, there is no cost-of-living adjustment available to existing pensioners.
- 4.6. CIBC Mellon Custodian Discussion
- The CIBC Mellon custodian has made a significant operational change in how they manage BU's Fund in that they will no longer communicate directly with the Investment Manager (CC&L).
 - This has left the University in the middle of all transactions.
 - There are a number of steps to this new cash management process that require signatures and returned on a very tight deadline to make a single payment.
 - There was discussion on making CIBC Mellon aware that if the new process remains the same, the University may have to look for another custodian.

ACTION: Allison will investigate and bring information forward once completed.

5. Continuing Business

- 5.1. Eckler Pension Presentation – BU Staff & Faculty (Update)

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- Andrew will give dates when he is available, and Donna will assist in getting the presentations arranged.
- Scott noted he is a Board Appointed member of the Trustees, and the next meeting will be his last. The Board will need to appoint two members as Julee Galvin has served the maximum term as a member of the Board of Governors.

6.0 Correspondence

Motion Moved and Seconded (E Raine/A Noto)

BE IT RESOLVED THAT THE Brandon University Retirement Plan Pension Trustees approve the payment, after the fact, of the invoices from agenda items 6.1 through 6.4.

CARRIED

- There was a question raised about raising the BU maximum pensionable earnings.
- Scott stated that because of his current position in bargaining, he could not discuss this topic in detail.
- It was noted that if there is a change to the Pension Plan that is negotiated with BUFA, it would be brought to the Trustees for recommendation to the Board of Governors. The Board of Governors and BUFA would make a decision about the change.
- There are two areas to be considered by BUFA and the Board of Governors. One would be as it relates to the ratification of the CA and the other would be an amendment to the Pension Plan.

7.0 Upcoming Meeting Dates

Wednesday, June 5, 2024	1:00 – 4:00 p.m. Clark Hall Room 104
Wednesday, November 20, 2024	1:00 – 4:00 p.m. Clark Hall Room 104

ACTION: Donna to look at other dates in June for the next Pension Trustees' meeting.

8.0 Adjournment

Motion Moved and Seconded (D Pickering/E Raine)

BE IT RESOLVED THAT THE Brandon University Retirement Plan Pension Trustees approved adjournment of the meeting at 3:29 p.m.

CARRIED



**Brandon University Retirement Plan
Pension Trustees
Tuesday, April 29, 2024
MEETING MINUTES**

Present: Allison Noto (Exempt)
David Taylor (BUFA)
Doug Pickering (BUFA) (via Teams)
Eric Raine (MGEU)
Greg Misener (MGEU) (via Teams)
Jan Chaboyer (Retiree)
Scott Lamont (Board of Governors)
Warren Wotton (IUOE-A)

Guests: Andrew Kulyk, Eckler Ltd.
Nicky Kreshewski (Resource) (via Teams)

Regrets: Julee Galvin (Board of Governors)

Recording Secretary: Donna Neufeld

1. Meeting called to order at 1:02 p.m.

The Chair started the meeting with an acknowledgement with respect to the lands the Brandon University campuses are located.

2. Approval of Agenda

2.1. Approval of Agenda of April 29, 2024. The following items were added to the agenda.

- 2.5 Signing Authorities
- 2.6 Communication of Improvements to Plan Members

Motion: Moved and Seconded (W Wotton/J Chaboyer)

BE IT RESOLVED THAT THE agenda for the April 29, 2024 meeting of the Brandon University Retirement Plan Pension Trustees be approved as amended.

CARRIED

3. Approval of Brandon University Retirement Plan Amendment

The Chair noted that the purpose of the meeting was to discuss and hopefully approve the amendments that were negotiated in the Collective Bargaining process.

Andrew started with the PowerPoint presentation that detailed the discussed changes to the Plan and reviewed the changes to the Plan document. Andrew noted that there are three key administrative decisions that were deferred to the Pension Trustees.

- 3.1. Draft Plan Amendment 2024 – 1
- 3.2. Draft Office Consolidation (Changes included)
- 3.3. Draft Office Consolidation (Clean copy)
- 3.4. PowerPoint presentation
 - Summary of Plan Changes included the Summary of the BUFA negotiated changes, the Draft Amendment, the Pension Trustees Decisions and Policies and the Regulatory filings, Other considerations, and Next Steps.
 - The key administrative decisions for the Pension Trustees are:
 - Going concern funded ratio measurement frequency,
 - Going concern funded ratio valuation assumptions, and
 - Post age 65 actuarial increases
 - An agreement was made to improve the benefits by using 60% of the surplus and increase member and university contributions by approximately 1% of pay for each.
 - The estimated surplus at December 31, 2023 was \$25,829,000.
 - The desired benefit that was being discussed was not achievable for the budget as the cost of the future service was more than the cost of the past service. Not all of the 60% of the surplus was used to improve past benefits, it was subsidizing the cost of future service.
 - The ongoing accruals in the Plan or the current service cost is going up more than 2% of pay of additional contributions and this will be funded out of the surplus.
 - Instead of spending 60% of the surplus on past service, 28% of surplus was allocated. There is an increase in liabilities of approximately 28% of the surplus. The balance plus the increased contribution rate pays for the higher levels of benefits on a go-forward basis. The increased contribution rate works out to be approximately 2.3% combined.
 - There is a new benefit accrual rate and an updated fixed maximum pension for service prior to 2023. All services earned from 2023 on a go forward basis will increase automatically with changes in the federal maximum pension.
 - The notable changes are:
 - The Benefit rate below CPP earnings level or Years Maximum Pensionable Earnings (YMPE) was 1.4% on service after 1990 has increased to 1.6%.
 - The maximum pension per year of service since 2009 was \$1,975. This is now increasing to 63% of the 2023 Defined Benefit (DB) dollar limit which is \$2,209. This amount will automatically increase yearly to 63% of the DB dollar limit.
 - The year's maximum contributory earnings (YMCE) was \$119,300 for 2024. The formula has changed to (63% of the DB dollar limit X 50 + 20% X YMPE) which works out to \$127,400 for 2024. The formula was developed by determining the appropriate level of YMCE to result in a maximum pension of \$2,209 pre-2023.
 - The future indexing or the automatic increase of the maximum pension is conditional on the Plan being funded at 105% on a going concern basis.
 - Every member who receives this benefit improvement will have a Past Service Pension Adjustment (PSPA) which will reduce their available RRSP room. In many cases, members may end up with negative RRSP room.
 - Will members RRSP contributions in 2024 be affected by this change?
 - Does the improvement apply retroactively?
 - Andrew will look into this and get back to the Trustees.
 - Does the benefit improvement apply to someone turns 65 in 2022 does their age 65 pension increase on account of these changes?
 - Estimated Financial Impact of Plan Changes as of December 31, 2022
 - Increase in going concern liabilities of \$7.3 million;
 - Increase in current service costs of 4.56% of earnings;
 - Increase in member contributions of 1.22% of earnings;
 - Increase in University contributions or 1.12% of earnings;

- Future cost funded from surplus of 2.22% of earnings.
- The available surplus for benefit improvements is amortized for future service over approximately 10 years.
- The bargaining group deferred three administrative aspects of the plan changes to the Pension Trustees:
 - Measurement of Going Concern Funded Ratio
 - Frequency of measuring the going concern funded valuation;
 - Is it better to base it on the funding valuation that is a fully complete measurement which technically could be once every 3 years or if the University is at 105% does it automatically give the next three-year increases or do the Trustees want to measure more frequently?
 - Eckler proposed that the Trustees measure one year ahead of time, so when CRA releases in the Fall whatever the increase is the following January 1st, the Trustees would have complete information on what the increase is going to be.
 - On January 1st, when the Federal amount increases, the Plan amount will increase at the same time and there is no administrative burden of retroactive calculations.
 - Eckler could produce an estimated financial position about 3-4 months after the end of the year. This is about the time the financial statements are drafted.
 - Andrew asked if the Trustees were fine with calculation being measured based on the one year in advance or is there preference for it to be measured annually.
 - For the purposes of Pension, the calculation would be fixed at approximately one-half percent but for the purposes of the Budget for the University, a cushion could be built in the calculation.
 - The discretion would be removed wherever it impacted people's pensions and leaving the discretion where it would impact the University's budget.
 - An equivalent fixed rate or number on both the budget and the pension calculation would work best, especially for full transparency.
 - Should the allowance for all future increases be included in the measurement of the going concern liability?
 - There is a built-in liability in Eckler's costings that equate to about \$10 million, which is approximately 4% of assets. The advantage of including the allowance is that it provides greater cost containment for the University.
 - Should the measurement of 105% in all future increases?
 - As of December 31, 2022, the Going Concern Funded Ratio was 111%.
 - The Chair suggested the Trustees rely on Eckler's guidance given the guidelines of wanting transparency and more conservatism and ask Eckler to come up with a recommendation using these guidelines. Andrew advised the Trustees should probably not have a fixed rate.
 - The Pension Trustees agreed that they needed to see options from the guidelines suggested.
 - Andrew will give guidance on the discount rate as well as guidance on whether to have the funded ratio fixed at 105% for the future, and what would the fixing of the rate look like for the next 5 to 10 years. The Trustees will have to make decisions at that time.

Motion: Moved and Seconded (A Noto/S Lamont)

BE IT RESOLVED THAT THE Brandon University Retirement Plan Pension Trustees approve using the Annual Going Concern Valuation for the purposes of the Maximum Pension Index Calculation.

CARRIED

- Actuarial Equivalent Calculation

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- Currently the benefit improvement is retroactive to April 1, 2023, if a member turns 65 and continues working their pension would be the greater of the actuarial increased pension, they would have received at age 65.
- Should the benefit improvement apply retroactively before April 1, 2023 on a Member's age 65 pension for the purpose of the actuarial equivalent test?
- Andrew gave examples of Member 1
 - (a) a member earns above max earnings and 25 years of service before amendment – Actuarial Equivalent (AE) increase outpaces pension formula;
 - (b) a member earns above max earnings and 25 years of service after amendment and no retroactive application – AE increase outpaces pension formula except in year of amendment and nothing gained from 2023 benefit improvement at ages 69 or 70;
 - (c) a member earns above max earnings and 25 years of service after amendment with retroactive application; this adds the value of the benefit improvement into the actuarial increase;
- For Member 2
 - (a) a member earnings is less than YMPE and has 25 years of service before amendment – AE increase outpaces pension formula at age 68+, and a very marginal difference between the two pensions;
 - (b) a member's earnings is less than YMPE and has 25 years of service after amendment with no retroactive application – benefit improvement bumps formula pension to be better than AE increased pension
 - (c) a member's earnings is less than YMPE and has 25 years of service after amendment with retroactive application – this adds the value of the benefit improvement into the AE increased pension and AE increased pension again marginally outpaces the formula, in same pattern as before amendment (i.e. for ages 68-70);
- For Member 3
 - (a) a member earns above the max earnings and has 25 years of service, opted out of contributions and service after amendment with no retroactive application – gained nothing from 2023 benefit improvement at any age, and unlike 1(b), the AI wins in every case at all ages;
 - (b) a member earns above max earnings and has 25 years of service, opted out of contributions and service after amendment with retroactive application – this adds the value of the benefit improvement into the actuarial increase, and results here are the same as 1(c) where they did not opt out of contribution.
- As of December 31, 2022, there were 30 members over age 65 in the academic and non-union categories. In the unionized, non-academic categories there were 3 members.
- In 2010, the provincial legislation was changed to say that when a member postpones their retirement beyond their normal retirement date, they need to be provided with the greater of their accrued pension as if they had continued working and accruing service and the actuarially increased pension had they retired at that date. The actuarial increase represents the lost value from them delaying their pension.
- Last year with the change in the legislation, there were members contributing but they were not receiving any extra value at age 65. They were given the option to stop contributing.

ACTION: Andrew will complete a projection of costs related to retroactive adjustments and present it to the Trustees at the June 10th meeting.

ACTION: Andrew will also present information on the analysis of the margin.

- The financial impact of this decision would be between \$200,000 – \$230,000 which is approximately a 2% increase.

- Margin for conservatism
- Provision for future indexing of the maximum pension
- Actuarial equivalent calculation on post-age 65 retirement

- Does it apply retroactively to age 65 pension amount?
- Regulatory filing – actuarial cost certificate
 - There are three filing options
- Regulatory Filing Requirements
 - The Plan Amendment and submission form must be filed with the Manitoba government and the CRA within 60 days of adopting of the Amendment.
 - Written notice must be sent to all members and bargaining agents representing affected members also within 60 days of adoption.
 - There needs to be an Actuarial review of the Plan within 120 days of adopting the Amendment. This would include using the last file valuation data and amending the report to reflect the financial impact of the Amendment.
 - The Trustees agreed that this option appears to be the best option.

Motion: Moved and Seconded (S Lamont/J Chaboyer)

BE IT RESOLVED THAT THE Brandon University Retirement Plan Pension Trustees ask Eckler to refile the last valuation updates to reflect plan changes as per 4(a) of the Regulatory Filing Requirements.

CARRIED

- There is a Form T215 PSPA return that also needs to be filed within 120 days of adopting the Amendment.
- The Trustees agreed that communication should be sent to members from HR advising them of the upcoming contributions being deducted from their pay cheques as soon as it can be done.
- Other Consideration – Reciprocal Transfers
 - The Plan includes a reciprocal transfer agreement with a few public sector plans in Manitoba.
 - Now that there is a change to benefits prior to 2023 some with index maximum, some without, what benefit rate is credited when past service is purchased/transferred into the Plan?
 - Eckler recommends that the Plan apply the new benefit level to all services transferred in.

Motion: Moved and Seconded (S Lamont/W Wotton)

BE IT RESOLVED THAT THE Brandon University Retirement Plan Pension Trustees agree to apply the new benefit level to all reciprocal service transferred to the Plan.

CARRIED

3.2. Draft Office Consolidation (Changes included)

- Andrew reviewed the changes made in the Draft Plan Amendment from the BUFA collective bargaining.
- On Page 2 of the Amendment, the following paragraph was included:
 - *Effective {**Date Approved**}, the Plan was amended to reflect an increase in the contribution rates, the benefit accrual rate for earning below the maximum Canada Pension Plan earning, and the Maximum Pension, Contribution rate increases take effect April 1, 2024 and benefit increases take effect April 1, 2023 for any plan Member who is active on or after April 1, 2023 and continues to have a benefit entitlement from the Plan on April 1, 2024.*
- On Page 7, Section 1.38 “Year’s Maximum Contributory Earnings” means, was updated to reflect changes discussed.
- On page 10, Section 3.1 (a) Required Contributions – effective April 1, 2024, rate stays the same 8% of basic salary up to the year’s basic exemption, up 8% of the basic salary between the year’s basic

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exemption and the year's maximum pensionable earnings and stays at 8% of the basic salary which is in excess of the year's maximum pensionable earnings and less than the year's maximum contributory earnings.

- On Page 13, Section 4.1 (a) Regular Contributions – effective April 1, 2024, rate changes are the same as on page 10.
- On Page 14, Sections 4.1 (f), (g) and 4.2 (a) wording was removed that was no longer required.
- On Page 18, Sections 7.1 (a)(i & ii) and (b) were updated.
- On Page 20, Section 7.4 'Maximum Pension, the Defined Benefit Limit shall mean' information was updated. After discussion, Andrew will make a small change from \$2.209 to *\$2,210 per year of service*.
- On Page 28, Section 10.1 Immediate Vesting, a provision was added.
- On Page 35, Section 13.7 Going Concern Funded Ratio Below 105% was added.

Andrew answered the following questions from a member who is planning on retiring this year, that he received prior to the meeting.

1. If a change in the pension created a form of indexation, would that change be applicable to those that retire after the change?
 - Anyone who retires after this Plan change will be applicable including those who retired after April 2023.
2. Would the employee have to be a current contributor to the plan?
 - No, the employee does not have to be a current contributor of the Plan as long as they are an active or deferred member they would be entitled to the benefit improvements.
3. Under recent changes to the plan approved by the trustees, if an employee recently stopped contributions could they buy the recent time; say from January 1, 2024, until now to reinstall plan activity?
 - The annual increment in the accrued pension after the Plan change increases from one year to the next. The higher the increment is, the more likely that the accrued pension rises above the actuarial increase.
 - After some discussion, no decision was made to change the Plan.

2.5 Adding Signing Authorities

- More signing authorities are required as there are now critical documents that require signatures more frequently. Scott is retiring and the summer months are where people take vacation.
- We require another signatory on campus with Scott's upcoming retirement at the end of June.
- Any two of the four signing officers may sign on behalf of the Pension Trustees.

Motion Moved and Seconded (S Lamont/J Chaboyer)

BE IT RESOLVED THAT THE Brandon University Retirement Plan Pension Trustees add Eric Raine as one of the four signing officers along with David Taylor, Allison Noto and Scott Lamont.

CARRIED

2.6 Communication of Improvements to Plan Members

- Allison will speak to HR about communications on contributions being made to members as soon as possible.
- This item will be discussed more at the June meeting.

6.0 Upcoming Meeting Dates

Monday, June 10, 2024	1:00 – 4:00 p.m.	Clark Hall Room 104
Wednesday, November 20, 2024	1:00 – 4:00 p.m.	Clark Hall Room 104

7.0 Adjournment

Motion Moved and Seconded (J Chaboyer/W Wotton)

BE IT RESOLVED THAT THE Brandon University Retirement Plan Pension Trustees approved adjournment of the meeting at 3:55 p.m.

CARRIED



PENSION TRUSTEES' MEETING

LIZANNE ROSS ONDER & PETER MULDOWNEY

June 10th, 2024

BRANDON UNIVERSITY RETIREMENT PLAN

DASHBOARD

ASSETS UNDER MANAGEMENT:

Q1 2024

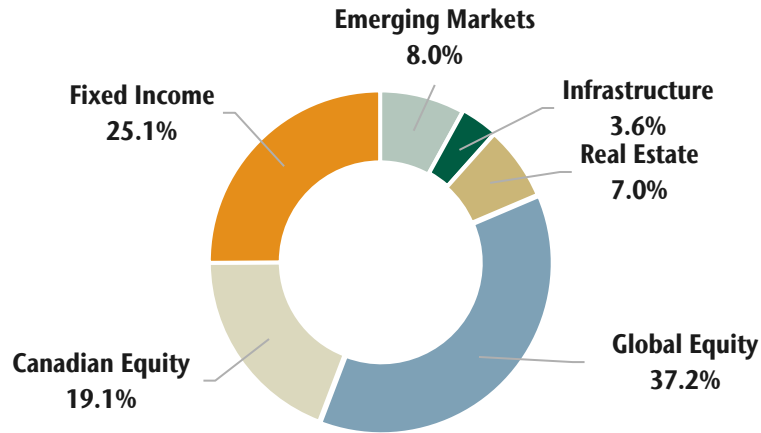
\$242,733,805

Q1 2024 growth

\$12,064,833*

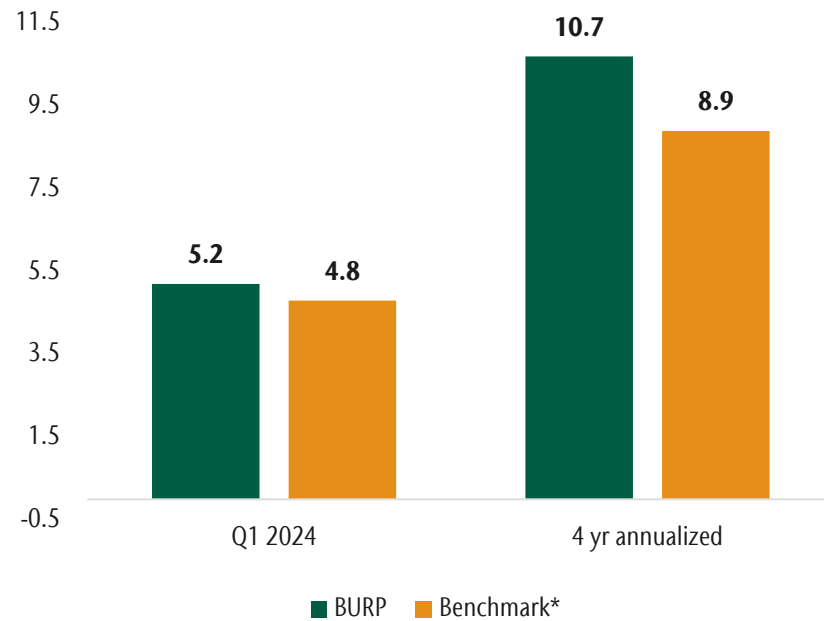
*excludes contributions & withdrawals

ASSET MIX:



- All asset classes were broadly in line with the interim policy mix
- The Retirement Plan participated in capital calls for real estate and infrastructure in March 2024

PERFORMANCE:



- In the first quarter and last 4 year periods, all asset classes, with the exception of real estate, were ahead of their respective benchmarks

OTHER UPDATES:

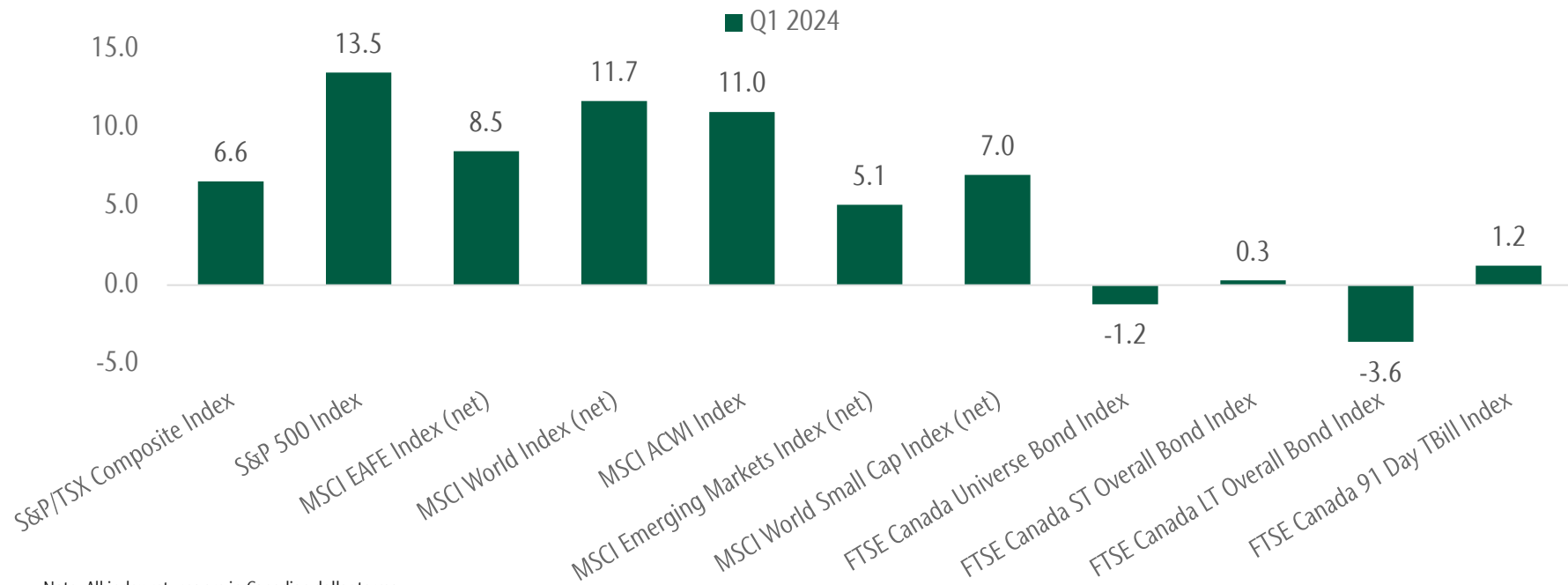
- TJ Sutter promoted to Co-Head of CC&L Investment Management’s Fixed Income team
- Emerging markets debt specialist FortWood Capital joins the Connor, Clark & Lunn Financial Group

** 18.5% S&P500 Index (Net 15%) (CAD\$) & 18.8% S&P/TSX Composite Index & 18.5% MSCI EAFE Index Net (CAD\$) & 8% MSCI Emerging Markets Net (CAD\$) & 25.3% FTSE Canada Long Term Overall Bond Index & 7% Inflation +4% (Canada CPI + 4%) & 4% Inflation +5% (Canada CPI + 5%).
 Prior to March 25, 2024, benchmark was 18.5% S&P500 Index (Net 15%) (CAD\$) & 18.8% S&P/TSX Composite Index & 18.5% MSCI EAFE Index Net (CAD\$) & 8% MSCI Emerging Markets Net (CAD\$) & 25.8% FTSE Canada Long Term Overall Bond Index & 6.5% Inflation +4% (Canada CPI + 4%) & 4% Inflation +5% (Canada CPI + 5%).
 Prior to March 14, 2024, benchmark was 18.5% S&P500 Index (Net 15%) (CAD\$) & 18.8% S&P/TSX Composite Index & 18.5% MSCI EAFE Index Net (CAD\$) & 8% MSCI Emerging Markets Net (CAD\$) & 27.3% FTSE Canada Long Term Overall Bond Index & 6.5% Inflation +4% (Canada CPI + 4%) & 2.5% Inflation +5% (Canada CPI + 5%).

MARKET REVIEW

Q1 2024

- Canadian and US economic growth and inflation data diverged during the first quarter of 2024
- US economic growth appeared to reaccelerate, while growth in Canada was relatively low, but still positive
- Equity investor sentiment turned more optimistic as the US “soft-landing” narrative continued and the US Fed remained accommodative despite higher inflation
- Strength in the US and higher commodity prices benefited the S&P/TSX Composite Index which gained 6.6% over the period and reached a new all-time high
- Bond yields rose, led by shorter and intermediate term maturities, resulting in the Long Bond Index ending the quarter down 3.6%



Note: All index returns are in Canadian dollar terms

INVESTMENT RETURNS

As at March 31, 2024

PERFORMANCE

	2024 (%)		Annualized (%)						Annual Ending December 31 (%)			
	QTR	YTD	1 YR	2 YR	3 YR	4 YR	5 YR	SI	2023	2022	2021	2020
Brandon University Retirement Plan	5.2	5.2	12.2	4.8	5.5	10.7	7.8	7.7	12.4	-12.1	13.5	14.2
Benchmark *	4.8	4.8	12.0	4.7	4.6	8.9	6.3	7.3	13.0	-12.7	10.0	10.8
Added Value	0.4	0.4	0.2	0.1	0.9	1.9	1.5	0.4	-0.6	0.6	3.5	3.4

* 18.5% S&P500 Index (Net 15%) (CAD\$) & 18.8% S&P/TSX Composite Index & 18.5% MSCI EAFE Index Net (CAD\$) & 8% MSCI Emerging Markets Net (CAD\$) & 25.3% FTSE Canada Long Term Overall Bond Index & 7% Inflation +4% (Canada CPI + 4%) & 4% Inflation +5% (Canada CPI + 5%).

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Due to the valuation lag for real estate and infrastructure:

QTD returns include the last available returns in the current calendar quarter

YTD returns include the last available returns in the current calendar year

Annualized returns include the last available returns for this investment

Inception Date: December 30, 1994

All returns are gross of fees except for infrastructure. Added value may differ due to rounding to 1 decimal place. If applicable to your mandate, a full benchmark history can be provided upon request

INVESTMENT RETURNS

As at March 31, 2024

ASSET CLASS RETURNS

	2024 (%)		Annualized (%)						Annual Ending December 31 (%)			
	QTR	YTD	1 YR	2 YR	3 YR	4 YR	5 YR	SI	2023	2022	2021	2020
Fixed Income	-3.2	-3.2	1.4	-2.6	-3.3	-1.8	-0.6	5.6	10.1	-20.5	-3.5	12.4
CC&L Long Bond Fund A ±	-3.2	-3.2	1.4	-2.6	-3.5	-2.3	-0.9	1.4	10.1	-21.4	-4.0	12.9
FTSE Canada Long Term Overall Bond Index	-3.6	-3.6	0.8	-3.3	-4.1	-3.1	-1.4	1.1	9.5	-21.8	-4.5	11.9
Canadian Equities	7.3	7.3	15.8	5.6	11.6	20.4	11.9	9.3	11.7	-2.4	31.4	5.7
CC&L Q Equity Extension I ±	8.1	8.1	17.9	7.3	13.5	22.7	12.9	10.7	13.8	-2.4	38.0	5.1
SRA Canadian Equity Fund ±±	5.5	5.5	13.1	3.9	11.9	20.6	11.9	8.7	9.3	0.9	32.4	4.2
PCJ Canadian Equity Fund A ±±	8.3	8.3	16.5	5.5	9.5	17.8	10.7	8.6	12.0	-5.7	23.9	7.4
S&P/TSX Composite Index	6.6	6.6	14.0	4.0	9.1	17.0	10.0	8.5	11.8	-5.8	25.1	5.6
Global Equities	10.7	10.7	20.7	10.9	9.5	16.7	12.7	8.2	16.8	-12.2	19.8	20.5
NS Partners International Equity Fund A ±±±	8.7	8.7	12.3	7.5	5.5	12.8	10.7	11.1	11.8	-14.7	13.7	25.4
MSCI EAFE Index (CAD\$)	8.7	8.7	15.9	11.6	7.9	12.7	8.1	10.2	15.7	-7.8	10.8	6.4
CC&L Q US Equity Extension Fund A ±±±±	14.2	14.2	31.1	15.3	16.0	22.0	16.4	16.6	23.3	-10.6	32.7	15.7
S&P500 Index (Net 15%) (CAD\$)	13.4	13.4	29.6	13.7	14.0	19.5	15.1	15.2	22.6	-12.4	27.3	16.0
CC&L Q Emerging Markets Equity Fund ±	7.9	7.9	16.7	7.9	2.7	12.6	7.5	9.5	13.5	-10.1	2.7	20.5
MSCI Emerging Markets Net (CAD\$)	5.1	5.1	8.1	2.3	-2.7	6.6	2.5	5.5	6.9	-14.3	-3.4	16.2
Cash	1.2	1.2	5.1	4.0	2.7	2.2	2.1	2.8	4.9	1.8	0.2	1.0
FTSE Canada 91 Day TBill Index	1.2	1.2	4.8	3.8	2.6	2.0	2.0	2.6	4.7	1.8	0.2	0.9
Inflation (Canada CPI)	0.9	0.9	2.9	3.6	4.6	4.0	3.4	2.1	3.4	6.3	4.8	0.7
Crestpoint Institutional Real Estate Fund ±±±±±	-3.4	-3.5	-3.5					1.9	-3.5			
Inflation +4% (Canada CPI + 4%)	0.9	7.4	7.4					7.6	7.4			
CC&L Institutional Infrastructure Fund ±±±±±±	2.3	10.7	10.7					9.7	10.7			
Inflation +5% (Canada CPI + 5%)	1.1	8.4	8.4					8.5	8.4			

± Inception Date: December 19, 2016

±± Inception Date: September 14, 2004

±±± Inception Date: November 8, 2012

±±±± Inception Date: March 22, 2019

±±±±± Inception Date: April 7, 2022. Returns are presented to the end of the last quarter for which returns were available due to the valuation lag for the Crestpoint Institutional Real Estate Fund.

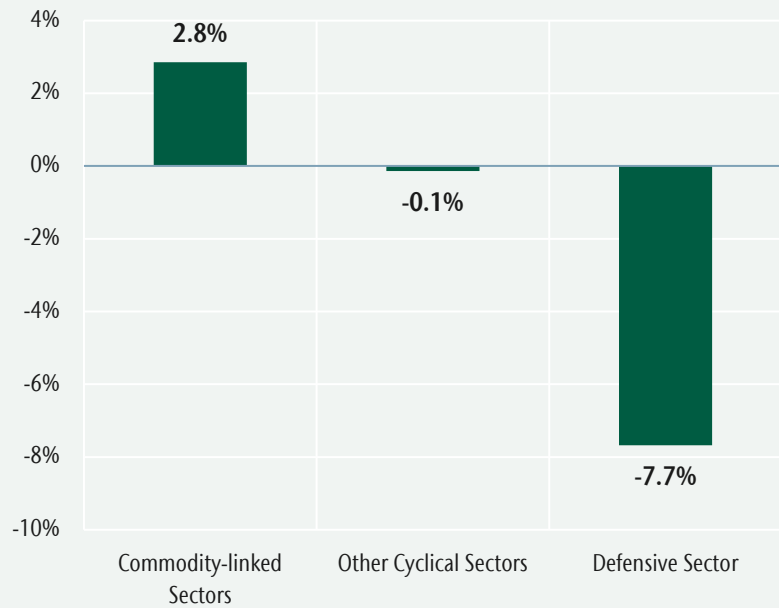
±±±±±± Inception Date: May 30, 2022. Returns are presented to the end of the last quarter for which returns were available due to the valuation lag for the CC&L Institutional Infrastructure Fund.

All returns are gross of fees except for infrastructure. Added value may differ due to rounding to 1 decimal place. If applicable to your mandate, a full benchmark history can be provided upon

CANADIAN EQUITY

Q1 2024 Market Review

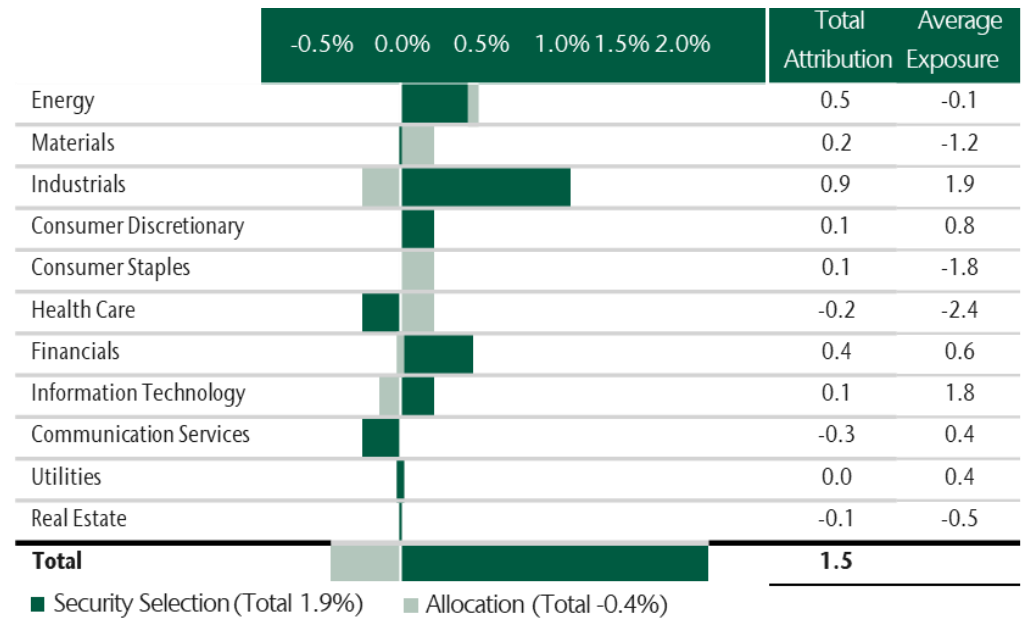
Commodity-linked Sectors Outperformed, Defensive Underperformed



Source: S&P Global, CC&L Investment Management
 Commodity-linked: Energy and Materials
 Other Cyclical: Industrials, Financials, Technology and Consumer Discretionary
 Defensive: Consumer Staples, Real Estate, Utilities and Communication Services
 Health care excluded.

CC&L Q Equity Extension

	Fund	Index
Q1 2024	8.1%	6.6%



CANADIAN EQUITY

Q1 2024 Performance Attribution

PCJ Canadian Equity Fund

	Fund	Index
Q1 2024	8.3%	6.6%

Sector	Benchmark*	Sector Allocation	Security Selection
Energy	13.1%	0.0%	0.2%
Materials	5.8%	0.0%	-0.1%
Industrials	11.2%	0.3%	0.8%
Consumer Discretionary	4.4%	0.0%	0.0%
Consumer Staples	3.8%	0.1%	-0.1%
Health Care	18.4%	0.3%	-0.4%
Financials	5.4%	0.0%	0.2%
Information Technology	4.9%	-0.1%	0.1%
Communication Services	-8.6%	0.1%	0.0%
Utilities	-1.1%	0.1%	0.1%
Real Estate	1.7%	0.0%	0.0%
Cash		-0.1%	0.0%
Total		0.8%	0.9%

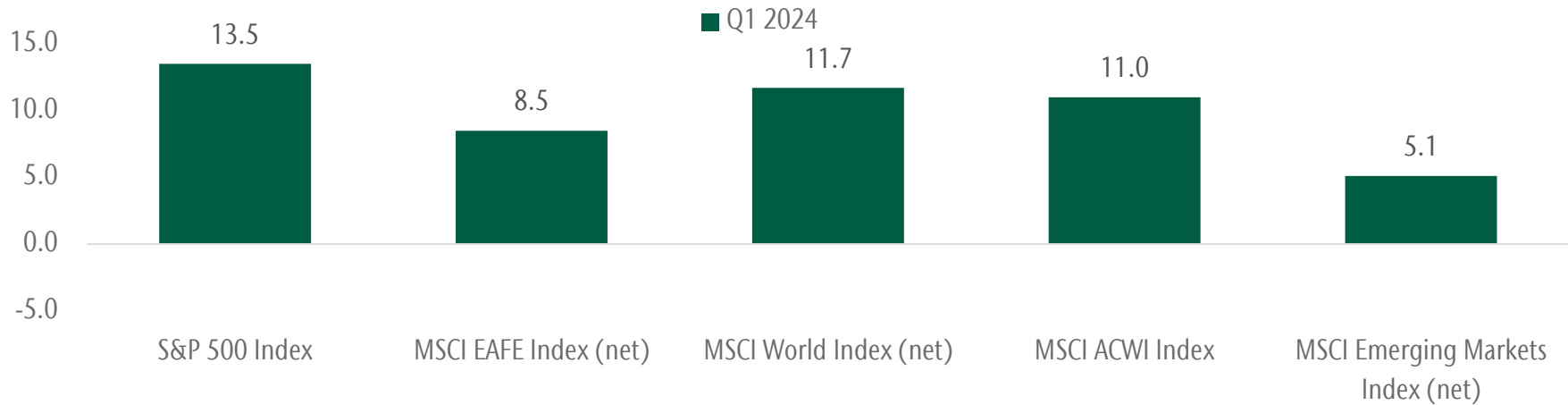
SRA Canadian Equity Fund

	Fund	Index
Q1 2024	5.5%	6.6%

Sector	Benchmark	Sector Allocation	Security Selection
Energy (ex Pipelines)	17.36%	-0.2%	0.2%
Pipelines	5.91%	0.0%	0.0%
Materials (ex Gold & Precious Metals)	9.49%	0.1%	-0.7%
Gold & Precious Metals	3.60%	0.1%	-0.1%
Industrials (ex Road & Rail)	10.71%	0.0%	-0.7%
Road & Rail	11.66%	0.0%	-0.1%
Consumer Discretionary	4.36%	-0.1%	0.1%
Consumer Staples	3.84%	0.1%	0.1%
Health Care	18.37%	0.0%	0.0%
Real Estate	1.68%	0.0%	-0.1%
Financials	5.40%	0.0%	0.2%
Information Technology	4.93%	0.1%	0.0%
Communication Services	-8.63%	-0.3%	0.2%
Utilities	-1.09%	0.0%	0.3%
Cash		-0.1%	0.0%
Total		-0.4%	-0.6%

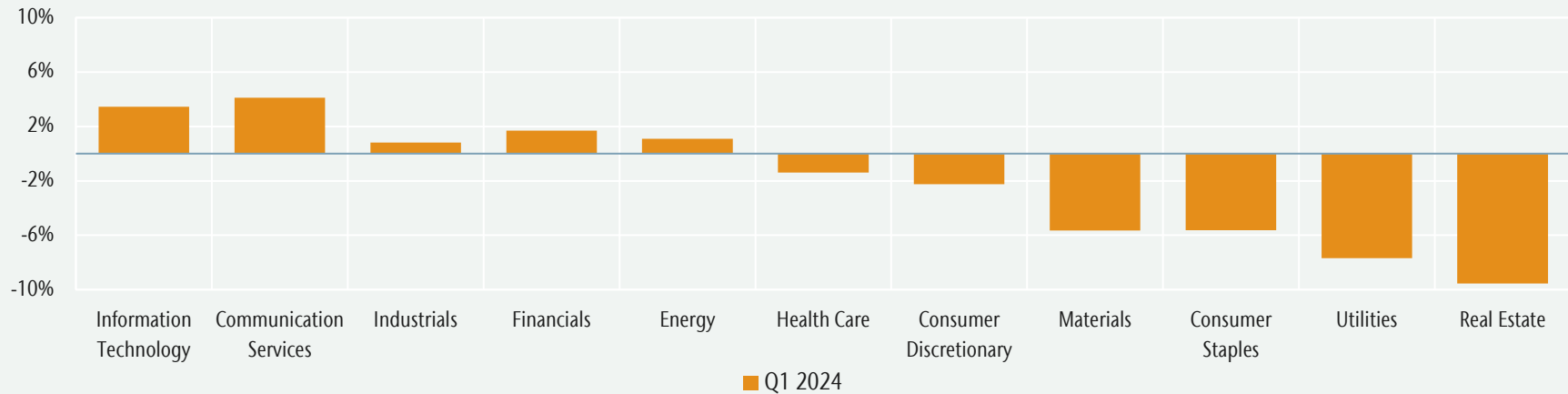
FOREIGN EQUITY

Q1 2024 Market Review



Market Relative Sector Performance

MSCI World Index (CAD\$)



Source: MSCI, Connor, Clark & Lunn Financial Group

FOREIGN EQUITY

Q1 2024 Performance Attribution

Q US Equity Extension

	Fund	Index
Q1 2024	14.2%	13.4%

NS Partners International Equity Fund

	Fund	Index
Q1 2024	8.7%	8.7%

	Quarter(%)				Total Attribution	Market Return	Average Exposure
	-0.5%	0.0%	0.5%	1.0%			
Energy					0.1	16.7	-0.2
Materials					0.1	11.8	-0.6
Industrials					0.2	13.9	1.0
Consumer Discretionary					0.0	7.7	0.4
Consumer Staples					0.2	10.3	-0.9
Health Care					-0.1	11.7	-1.2
Financials					0.3	15.4	0.3
Information Technology					0.2	15.6	0.9
Communication Services					-0.1	18.9	0.1
Utilities					0.0	7.3	0.2
Real Estate					0.0	2.1	-0.2
Total					0.7	13.5	

■ Security Selection (Total 0.9%) ■ Allocation (Total -0.2%)

Attribution is presented gross of operating expenses and may differ from figures shown in the performance table.

	Allocation	Selection	Net impact
Energy	0.0%	0.0%	0.1%
Materials	0.1%	0.2%	0.3%
Industrials	0.0%	0.5%	0.5%
Consumer discretionary	-0.2%	-0.8%	-1.0%
Consumer staples	-0.3%	-0.3%	-0.5%
Health care	-0.1%	0.9%	0.9%
Financials	-0.2%	-0.5%	-0.7%
Information technology	0.4%	-0.3%	0.1%
Communication services	0.0%	-0.3%	-0.3%
Utilities	0.3%	-0.1%	0.2%
Real estate	0.0%	0.6%	0.6%
Cash	-0.1%	0.0%	-0.1%

FOREIGN EQUITY

Q1 2024 Performance Attribution

CC&L Q Emerging Markets Equity

	Fund	Index
Q1 2024	7.9%	5.1%

Sector

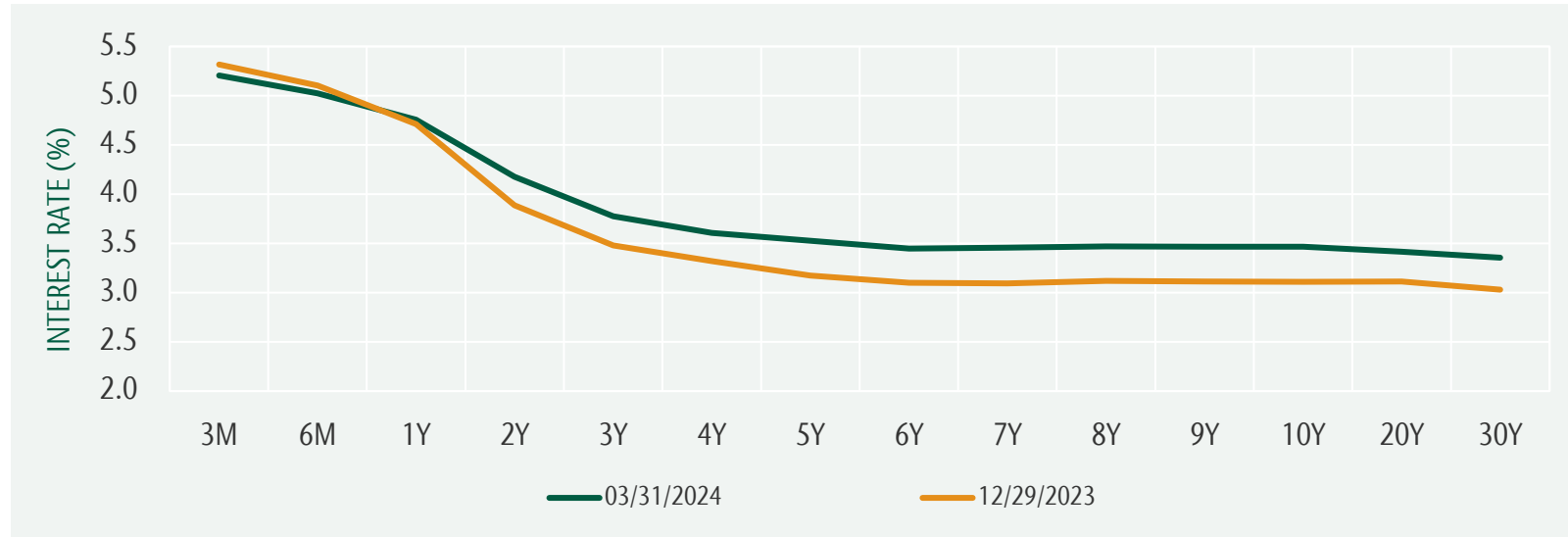
Sector	Quarter (%)				Total Attribution	Market Return	Average Exposure
	-2.0%	0.0%	2.0%	4.0%			
Energy					0.2	9.8	0.0
Materials					0.2	-2.0	-1.9
Industrials					0.9	4.1	2.0
Consumer Discretionary					0.4	2.2	0.6
Consumer Staples					0.3	-1.7	-1.6
Health Care					0.3	-2.0	-0.8
Financials					0.6	5.1	0.4
Information Technology					0.2	12.8	1.2
Communication Services					-0.2	3.4	-0.7
Utilities					0.2	6.3	0.3
Real Estate					0.0	-3.4	0.2
Total					3.1	5.1	

■ Security Selection (Total 2.4%)
 ■ Allocation (Total 0.7%)

FIXED INCOME

Q1 2024 Market Review

GOVERNMENT OF CANADA



Source: Baker Gilmore & Associates

CC&L Long Bond Fund

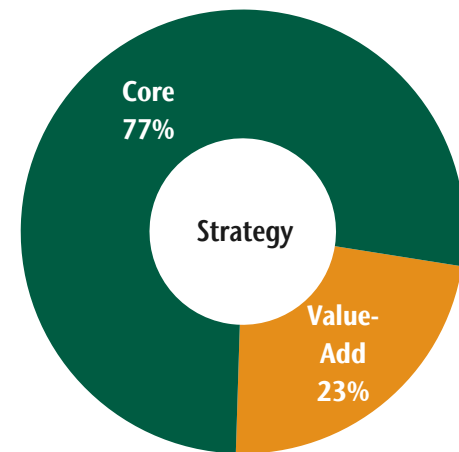
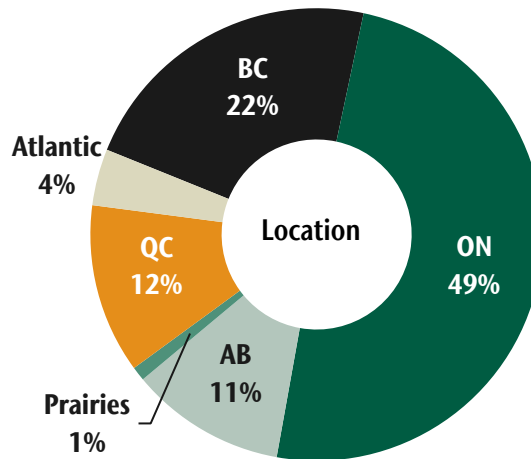
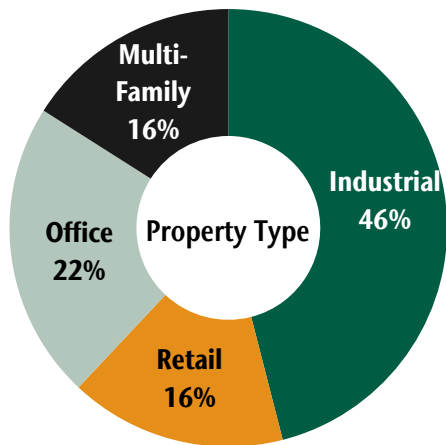
	Fund	Index	Macro Decisions	Security Selection
Q1 2024	-3.2%	-3.6%	Positive	Neutral

REAL ESTATE

Q4 2023

	Fund	Benchmark**	Diversification	Effective Occupancy	Q1 2024 Acquisitions
Q4 2023	-3.4%	0.9%	318 properties*	91% at end of December 2023	Multi-family residential, necessity-based retail, industrial
CY 2023	-3.5%	7.4%			

Portfolio Characteristics*



* Due to the valuation lag, returns are presented to the end of December 31, 2023.

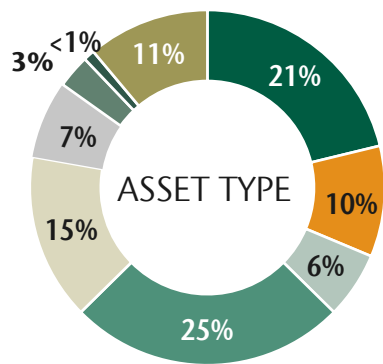
** Canada CPI + 4%.

INFRASTRUCTURE

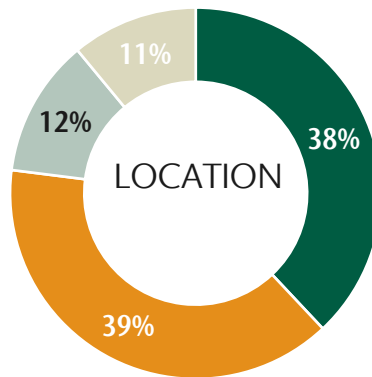
Q4 2023

	Fund	Benchmark*	Diversification	Pipeline	Q1 2024 Acquisition
Q4 2023	2.3%	1.1%	90+ individual projects	~\$2.8 billion of potential transactions under review	Sharp Hills wind farm
CY 2023	10.7%	8.4%	30+ investments*	review	

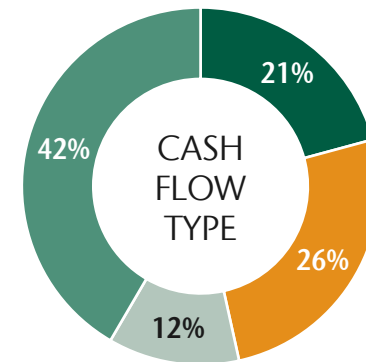
Portfolio Characteristics^{1,2}



- Solar
- Wind
- Hydro
- Rail
- Student Transport
- Social
- Road
- Hydrogen
- Airport



- Canada
- United States
- Chile
- Bermuda



- Concession Agreement
- Power Purchase Agreement
- Stabilized Pricing Regime
- Fixed Price Service Contracts & Other

¹ Based on percentage of estimated Fund NAV at December 2023. Totals may not add to 100% due to rounding.

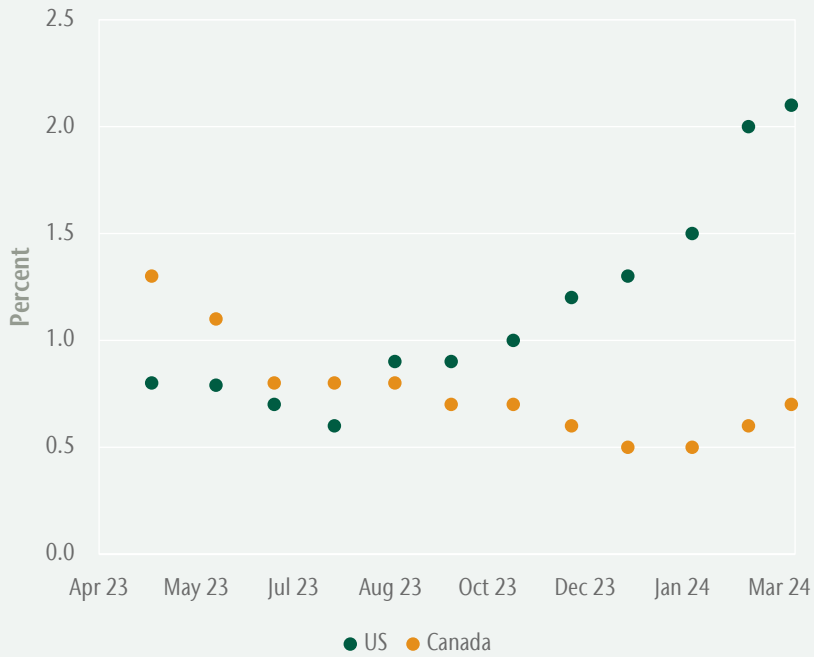
² 'Concession Agreement' and 'Power Purchase Agreement' refers to renewable energy and public-private partnership investments that operate under 20-to-40-year contracts primarily with investment grade government counterparties. 'Stabilized Pricing Regime' refers to the Distributed Solar Portfolios (12% of NAV), which operate under the Pequeños Medios de Generación Distribuida (PMGD) stabilized pricing regime in Chile. Power is sold to the grid at the stabilized price and purchased by a large pool of buyers consisting of local utilities and generators. 'Fixed Price Service Contracts & Other' primarily represents CC&L Infrastructure's rail assets (24% of NAV) and Landmark Student Transportation (15% of NAV), where revenues are highly contracted on individually negotiated terms with a variety of counterparties, including reputable corporate customers and local school districts across Canada and the United States.

* Due to the valuation lag, returns are presented to the end of December 2023. Fund returns are presented net of fees and expenses.

** Canada CPI +5%.

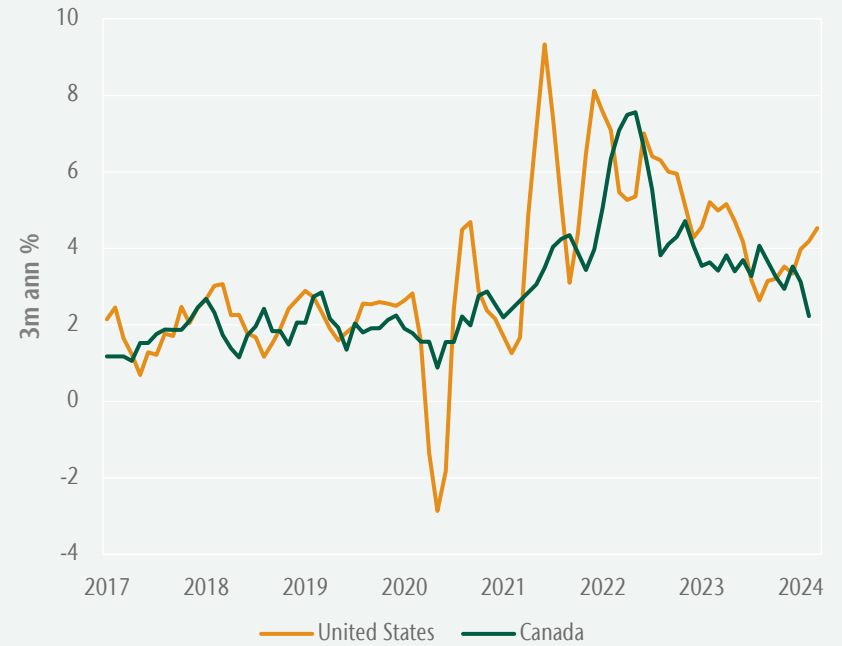
ECONOMIC PICTURE & OUTLOOK

US vs. Canada GDP forecasts for 2024



Source: Bloomberg, CC&L Investment Management

US vs. Canada core CPI inflation



Source: BLS, StatsCan, CC&L Investment Management, Macrobond

ASSET CLASS POSITIONING

FIXED INCOME

- Duration positioning in line with benchmark, positioned for slight steepening of yield curve

SYSTEMATIC EQUITIES

- Investment opportunity and forecast risk remain stable and close to their long-term average levels

FUNDAMENTAL EQUITIES

- Canadian value: Remain focused on investing with value philosophy mindset, to build portfolios with attractive risk-adjusted upside potential
- Canadian growth: Portfolio's exposure to cyclicals is balanced, given the dynamic nature of the current interest rate environment
- Foreign: Focus remains on quality growth companies with strong financials that should perform well in a softer market environment

REAL ESTATE & INFRASTRUCTURE

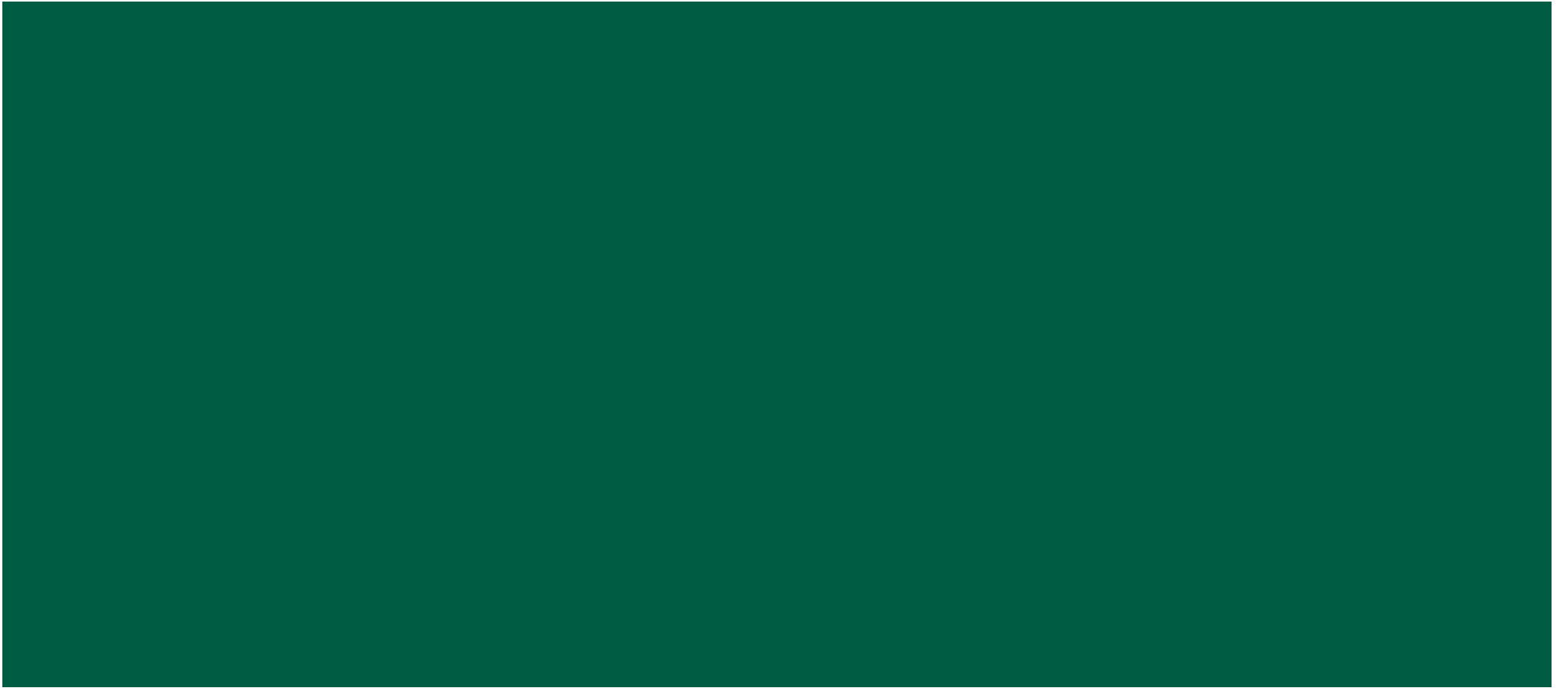
- Real estate: Focus on stable income returns and long-term capital return preservation, selectively evaluating opportunities that may offer compelling risk-adjusted returns
- Infrastructure: High-quality new investments to further increase portfolio diversification with exposure to additional sectors, geographies and counterparties

APPENDIX

CURRENT, INTERIM & LONG-TERM TARGET ASSET MIXES

Fund	Asset Class	Current MV (%) [*]	Current Interim Target (%) [*]	Long Term Target (%)
CC&L Long Bond Fund	Fixed Income	25.1	25.3	20.0
CC&L Q Equity Extension I	Canadian Equity	6.4	6.3	6.0
SRA Canadian Equity Fund	Canadian Equity	6.3	6.3	6.0
PCJ Canadian Equity A	Canadian Equity	6.4	6.3	6.0
NS Partners International Equity Fund A	Global Equity	18.5	18.5	18.5
CC&L Q US Equity Extension Fund A	Global Equity	18.7	18.5	18.5
CC&L Q Emerging Markets Equity Fund	Emerging Markets	8.0	8.0	8.0
Crestpoint Institutional Real Estate Fund	Real Estate	7.0	7.0	10.0
CC&L Institutional Infrastructure Fund	Infrastructure	3.6	4.0	7.0
<i>Total</i>		<i>100.0</i>	<i>100.0</i>	<i>100.0</i>

* As at March 31, 2024



memo

To: Brandon University Board of Trustees
From: Lizanne Ross Onder
Date: May 22, 2024
Re: CC&L Q US Equity Extension SIPP changes
Attachments: CC&L Q US Equity Extension Fund SIPP May 2024_Final, CC&L Q US Equity Extension Fund SIPP May 2024_Redline

The CC&L Investment Management Quantitative Equity team undertook a review of all of our extension strategies earlier this year. The team concluded that the optimal use of leverage to achieve the target investment objective for the CC&L Q US Equity Extension Fund (the “Fund”) can be increased to achieve a better risk-adjusted return for the strategy.

With that in mind, the Fund’s Investment Policy Statement has been amended effective May 3, 2024 to increase the degree of leverage used to sell short securities up to a maximum of 65% (*previously 35%*) of the Net Asset Value of the Fund. Proceeds from this short selling will be invested into further long security positions.

In practice and on average, for every one hundred dollars invested in the Fund, the Fund may sell short securities with a value of sixty dollars (*previously thirty dollars*), and purchase long security positions with a value of one hundred and sixty dollars (*previously thirty dollars*).

In addition, the Fund’s investment objective has been restated to reflect a gross of investment fees added value target, whereas before, the added value target had been described as net of fees. The change to the performance objective will not impact the investment fees paid by Brandon University.

STATEMENT OF INVESTMENT POLICIES AND PROCEDURES

CC&L Q US EQUITY EXTENSION FUND

Objectives

- Generate gross of fees returns equal to the return of the S&P 500 Index (net 15%) (C\$) (the “Benchmark”) plus 2.04.5% per annum over a market cycle.
- Maximize long-term total return while prudently managing investment risk relative to the Benchmark.

INVESTMENT STRATEGY

The Fund will invest in both long and short security positions. The Fund will assess specific investment opportunities through the disciplined application of a quantitative process which evaluates specific securities using a variety of factors.

INVESTMENT GUIDELINES

- 1. Strategy.** The Fund’s strategy is to invest in long and short security positions in global equity markets. The aggregate market value of long positions less the aggregate market value of short positions (net equity exposure) will generally be equal to the Net Asset Value of the Fund. The net equity exposure of the Fund is generally expected to be approximately 100% long US equities.
- 2. Permitted Investments.** The Fund invests primarily in equity securities including, but not limited to, common shares, limited partnerships, royalty trusts, income trusts, subscription receipts and real estate investment trusts that are traded on recognized exchanges, rights, warrants, cash and cash equivalents, and derivatives as outlined elsewhere in this Schedule. The holdings may be effected through participation in CC&L pooled investment funds or through the purchase of individual securities.
- 3. Leverage.** The Fund intends to employ a degree of leverage as the Investment Manager will sell short securities in amounts up to a maximum of 35.65% of the Net Asset Value of the Fund, and the Manager will then invest those short proceeds into further long security positions. On average, for every one hundred dollars invested in the Fund, the Fund may sell short securities with a value of sixtythirty dollars, and purchase long security positions with a value of one hundred and thirty-sixty dollars.
- 4. Sector Diversification.** Holdings are diversified among the Benchmark industry sectors. The net market value of the Fund invested in a sector shall range between +/- 8 percentage points of that sector's weight in the Benchmark.
- 5. Stock Diversification.** Investment in a single stock may range between the Benchmark weight plus 5% and the Benchmark weight minus 5%. The Fund will hold not less than 150 securities at any time.
- 6.** The Fund will be fully invested on an ongoing basis with minimum net long equity notional exposure of 95%.

ABILITY TO BORROW SECURITIES AND USE LEVERAGE

The Fund, in making investments, will engage in short selling, borrow securities and use leverage.

PENSION LEGISLATION

Investments of the Fund will comply with the investment rules under the respective Federal or provincial Pension Benefits Act.

DERIVATIVES

Derivative instruments will only be used in ways that are consistent with the Fund's investment objectives. The underlying exposures facilitated through the use of derivatives will be incorporated into the Fund's constraints detailed above. Counterparty risk arising from derivative transactions will be limited to credits rated "A-" or better. Instruments used may include but are not limited to futures, forwards, options and swaps.

VALUATION OF NON-MARKETABLE SECURITIES

In the case of a security that becomes illiquid, or an inherited security that does not have an active market over an extended period of time, the value of the security will be determined in such manner as the investment manager from time to time determines.

VOTING RIGHTS / SECURITIES LENDING

The guidelines for the authorization to vote are contained in the Managed Account Agreement. The Fund is permitted to carry out securities lending.

CODE OF ETHICS

CC&L's investment activities are conducted in a manner consistent with the Code of Ethics and Standards of Professional Conduct adopted by the CFA Institute.

The managers and financial analysts of CC&L, when making investment decisions or taking investment actions shall not knowingly permit their interest to conflict with their duties or powers relating to the Fund. Conduct of these individuals is subject to the CC&L Standards of Personal Conduct Policy. Any conflicts of interest must be reported immediately to the board of directors of CC&L.

STATEMENT OF INVESTMENT POLICIES AND PROCEDURES

CC&L Q US EQUITY EXTENSION FUND

Objectives

- Generate gross of fees returns equal to the return of the S&P 500 Index (net 15%) (C\$) (the “Benchmark”) plus 4.5% per annum over a market cycle.
- Maximize long-term total return while prudently managing investment risk relative to the Benchmark.

INVESTMENT STRATEGY

The Fund will invest in both long and short security positions. The Fund will assess specific investment opportunities through the disciplined application of a quantitative process which evaluates specific securities using a variety of factors.

INVESTMENT GUIDELINES

- 1. Strategy.** The Fund’s strategy is to invest in long and short security positions in global equity markets. The aggregate market value of long positions less the aggregate market value of short positions (net equity exposure) will generally be equal to the Net Asset Value of the Fund. The net equity exposure of the Fund is generally expected to be approximately 100% long US equities.
- 2. Permitted Investments.** The Fund invests primarily in equity securities including, but not limited to, common shares, limited partnerships, royalty trusts, income trusts, subscription receipts and real estate investment trusts that are traded on recognized exchanges, rights, warrants, cash and cash equivalents, and derivatives as outlined elsewhere in this Schedule. The holdings may be effected through participation in CC&L pooled investment funds or through the purchase of individual securities.
- 3. Leverage.** The Fund intends to employ a degree of leverage as the Investment Manager will sell short securities in amounts up to a maximum of 65% of the Net Asset Value of the Fund, and the Manager will then invest those short proceeds into further long security positions. On average, for every one hundred dollars invested in the Fund, the Fund may sell short securities with a value of sixty dollars, and purchase long security positions with a value of one hundred and sixty dollars.
- 4. Sector Diversification.** Holdings are diversified among the Benchmark industry sectors. The net market value of the Fund invested in a sector shall range between +/- 8 percentage points of that sector's weight in the Benchmark.
- 5. Stock Diversification.** Investment in a single stock may range between the Benchmark weight plus 5% and the Benchmark weight minus 5%. The Fund will hold not less than 150 securities at any time.
- 6.** The Fund will be fully invested on an ongoing basis with minimum net long equity notional exposure of 95%.

ABILITY TO BORROW SECURITIES AND USE LEVERAGE

The Fund, in making investments, will engage in short selling, borrow securities and use leverage.

PENSION LEGISLATION

Investments of the Fund will comply with the investment rules under the respective Federal or provincial Pension Benefits Act.

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Derivative instruments will only be used in ways that are consistent with the Fund's investment objectives. The underlying exposures facilitated through the use of derivatives will be incorporated into the Fund's constraints detailed above. Counterparty risk arising from derivative transactions will be limited to credits rated "A-" or better. Instruments used may include but are not limited to futures, forwards, options and swaps.

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In the case of a security that becomes illiquid, or an inherited security that does not have an active market over an extended period of time, the value of the security will be determined in such manner as the investment manager from time to time determines.

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The guidelines for the authorization to vote are contained in the Managed Account Agreement. The Fund is permitted to carry out securities lending.

CODE OF ETHICS

CC&L's investment activities are conducted in a manner consistent with the Code of Ethics and Standards of Professional Conduct adopted by the CFA Institute.

The managers and financial analysts of CC&L, when making investment decisions or taking investment actions shall not knowingly permit their interest to conflict with their duties or powers relating to the Fund. Conduct of these individuals is subject to the CC&L Standards of Personal Conduct Policy. Any conflicts of interest must be reported immediately to the board of directors of CC&L.

SCHEDULE "A" - MANDATE

The Account will be invested by the Investment Manager in the following pooled funds (each a "Fund" and collectively, the "Funds"):

- CC&L Q Equity Extension Fund;
- PCJ Canadian Equity Fund;
- Scheer, Rowlett & Associates Canadian Equity Fund;
- CC&L Q US Equity Extension Fund;
- NS Partners International Equity Fund;
- CC&L Q Emerging Markets Equity Fund;
- CC&L Long Bond Fund;
- Crestpoint Institutional Real Estate Trust;
- Connor, Clark & Lunn Institutional Infrastructure Fund.

The asset allocation targets and limits are outlined in the tables below. The first table outlines the Initial Interim Policy Percentages to be allocated to the various asset classes. As capital is called and invested in the Alternative Funds, the investments will be made in a manner that strives to achieve the Long Term Policy Percentages set out in the second table below. The parties agree that it may take some time to be fully invested in accordance with the Long Term Policy Percentages in the second table below.

The Investment Manager will manage the asset allocation to maintain the percentage allocations within the ranges outlined in the tables below. On a quarterly basis, or more frequently when there is a capital call for the Alternative Funds, the percentage allocations for the Account will be reviewed and rebalanced if required. In the event of market instability, or dislocation, the minimum and maximum percentages set out in the table below may be breached and the parties agree that in such circumstances the Investment Manager will contact the Client as soon as practicable.

It is expected that all capital calls by the Alternative Funds will be funded by redeeming units of the non-Alternative Funds. Capital calls for real estate and infrastructure will be funded in a manner that strives to maintain the Interim or Long Term Policy Percentages. Capital call funding will take into account any deviations from the most recent Interim or Long Term Policy Percentages, as applicable, at the time of the capital call such that overweight allocations may first be considered as a source of funding with consideration given to shifting the Portfolio toward the Long Term Policy Percentages. Interim Policy Percentages will be updated by the Investment Manager with each capital call to reflect the resulting allocation to the real estate and/or infrastructure funds.

The Client acknowledges that their assets may be invested in cash from time to time on a temporary basis to process distributions and for asset mix rebalancing.

All cash subscriptions and redemptions, other than capital calls, will be invested in or redeemed from the Funds in a manner that strives to maintain the policy percentage allocations for the asset classes in the tables set out below.

The statement of investment policies and procedures of each of the Funds as of the date of this Agreement, are reproduced below and form part of this Mandate, and may be amended from time to time.

Initial Interim Asset Allocation Policy*

Asset Class	Pooled Funds/Trust	Policy Mix %	Minimum %	Maximum %
Canadian Equity	CC&L Q Equity Extension Fund	6.7		
	PCJ Canadian Equity Fund	6.7		
	Scheer, Rowlett & Associates Canadian Equity Fund	6.7		
Total Canadian Equities		20.0		
Foreign Equity	CC&L Q US Equity Extension Fund	18.5		
	NS Partners International Equity Fund	18.5		
	CC&L Q Emerging Markets Equity Fund	8.0		
Total Equities		65.0	35.0	75.0
Fixed Income	CC&L Long Bond Fund	35.0		
Total Fixed Income		35.0	25.0	45.0
Cash & Short-Term Investments		0.0	0.0	5.0
Real Estate	Crestpoint Institutional Real Estate Trust	0.0	0.0	20.0
Infrastructure	Connor, Clark & Lunn Institutional Infrastructure Fund	0.0	0.0	20.0

Long-Term Target Asset Allocation Policy*

Asset Class	Pooled Funds/Trust	Policy Mix %	Minimum %	Maximum %
Canadian Equity	CC&L Q Equity Extension Fund	5.0		
	PCJ Canadian Equity Fund	5.0		
	Scheer, Rowlett & Associates Canadian Equity Fund	5.0		
Total Canadian Equities		15.0		
Foreign Equity	CC&L Q US Equity Extension Fund	18.5		
	NS Partners International Equity Fund	18.5		
	CC&L Q Emerging Markets Equity Fund	8.0		
Total Equities		60.0	35.0	70.0
Fixed Income	CC&L Long Bond Fund	20.0		
Total Fixed Income		20.0	10.0	30.0
Cash & Short-Term Investments		0.0	0.0	5.0
Real Estate	Crestpoint Institutional Real Estate Trust	10.0	0.0	20.0
Infrastructure	Connor, Clark & Lunn Institutional Infrastructure Fund	10.0	0.0	20.0

*The portfolio is expected to be fully invested however, there may at times be residual cash held in the portfolio while rebalancing quarterly as and when required and while raising cash to fund capital calls from the Alternative Funds.

The Client hereby irrevocably agrees to make an aggregate capital commitment to the Crestpoint Institutional Real Estate Trust of \$24 Million.

The Client hereby irrevocably agrees to make an aggregate capital commitment to the Connor, Clark & Lunn Institutional Infrastructure Fund of \$24 Million.



Connor, Clark & Lunn
(Canada) Ltd.
1400 - 130 King Street West
P.O. Box 240
Toronto, ON M5X 1C8
T: 416-862-2020
F: 416-363-2089
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May 24, 2024

Brandon University Retirement Plan
Room 231
270 – 18th Street
Brandon, MB R7A 6A9

Attention: Scott Lamont, Vice President, Administration and Finance for Brandon University

RE: Managed Account Agreement (the “MAA”) effective as of March 8, 2022 between the Brandon University Retirement Plan (the “Client”) and Connor, Clark & Lunn (Canada) Ltd. (the “Investment Manager”), as amended and/or restated from time to time - Amendments to MAA

Further to our recent discussions, we now write to amend the MAA as agreed upon by the parties. All capitalized terms not defined and used herein shall have the meanings ascribed to them in the MAA.

Amendment to the MAA

Pursuant to the terms of this letter agreement (the “Letter Agreement”), the Investment Manager and the Client hereby agree that Schedule “A” of the MAA be deleted, superseded and replaced in its entirety by the amended and restated Schedule “A” attached hereto.

General

Except with respect to the items set forth in this Letter Agreement, the terms of the MAA shall continue to be in full force and effect. This Letter Agreement will remain in effect until it is renegotiated by the parties or at the termination of the MAA.

As the foregoing paragraphs amount to a change in the MAA, we believe it to be prudent to document these changes in writing. Please indicate your acknowledgement and acceptance to the MAA amendments as discussed above by signing in the space provided below, and return the signed document by email to Lizanne Ross Onder at lrossonder@cclgroup.com

If you have any questions or concerns, please contact me.

Sincerely,

Lizanne Ross Onder
Associate Portfolio Manager,
Head of Multi-Asset Institutional
Portfolios

Acknowledged, agreed and accepted on this	
___	day of _____, 2024 on behalf of
Brandon University Retirement Plan	
By:	_____
Name:	
Title:	
By:	_____
Name:	
Title:	



Connor, Clark & Lunn
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SCHEDULE "A" – MANDATE

The Account will be invested by the Investment Manager in the following pooled funds (each a “**Fund**” and collectively, the “**Funds**”):

- CC&L Q Equity Extension Fund;
- PCJ Canadian Equity Fund;
- Scheer, Rowlett & Associates Canadian Equity Fund;
- CC&L Q US Equity Extension Fund;
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- CC&L Q Emerging Markets Equity Fund;
- CC&L Long Bond Fund;
- Crestpoint Institutional Real Estate Trust;
- Connor, Clark & Lunn Institutional Infrastructure Fund

The asset allocation targets and limits are outlined in the tables below. The first table outlines the Initial Interim Policy Percentages to be allocated to the various asset classes. As capital is called and invested in the Alternative Funds, the investments will be made in a manner that strives to achieve the Long Term Policy Percentages set out in the second table below. The parties agree that it may take some time to be fully invested in accordance with the Long Term Policy Percentages in the second table below.

The Investment Manager will manage the asset allocation to maintain the percentage allocations within the ranges outlined in the tables below. On at least a quarterly basis, and as required when there is a capital call for the Alternative Funds, the percentage allocations for the Account will be reviewed and rebalanced if required. In the event of market instability, or dislocation, the minimum and maximum percentages set out in the table below may be breached and the parties agree that in such circumstances the Investment Manager will contact the Client as soon as practicable.

It is expected that all capital calls in respect of the Alternative Funds will be funded by redeeming units of the non-Alternative Funds. Capital calls in respect of the Real Estate Fund and Infrastructure Fund will be funded in a manner that strives to maintain the Interim or Long Term Policy Percentages. Capital call funding in respect of the Alternative Funds will take into account any deviations from the most recent Interim or Long Term Policy Percentages, as applicable, at the time of the capital call such that overweight allocations may first be considered as a source of funding with consideration given to shifting the Portfolio toward the Long Term Policy Percentages. Interim Policy Percentages will be updated by the Investment Manager with each capital call in respect of the Alternative Funds to reflect the resulting allocation to the Real Estate and/or Infrastructure Funds (as applicable).

3.2.5 2024-25 CC&L Canada MAA - BURP Amendment Letter

The Client acknowledges that their assets may be invested in cash from time to time on a temporary basis to process distributions and for asset mix rebalancing.

All cash subscriptions and redemptions, other than capital calls, will be invested in or redeemed from the Funds in a manner that strives to maintain the policy percentage allocations for the asset classes in the tables set out below.

The statement of investment policies and procedures of each of the Funds as of the date of this Agreement, are reproduced below and form part of this Mandate, and may be amended from time to time.

Current Interim Asset Allocation Policy*

Asset Class	Pooled Funds/Trust	Policy Mix %	Minimum %	Maximum %
Canadian Equity	CC&L Q Equity Extension Fund	6.25%		
	PCJ Canadian Equity Fund	6.25%		
	Scheer, Rowlett & Associates Canadian Equity Fund	6.25%		
Total Canadian Equities		18.75%		
Global Equity	CC&L Q US Equity Extension Fund	18.50%		
	NS Partners International Equity Fund	18.50%		
	CC&L Q Emerging Markets Equity Fund	8.00%		
Total Equities		63.75%	35.00%	70.00%
Fixed Income	CC&L Long Bond Fund	25.25%		
Total Fixed Income		25.25%	10.00%	45.00%
Cash & Short-Term Investments		0%	0%	5.00%
Real Estate		7.00%	0%	20.00%
Infrastructure		4.00%	0%	9.00%

Long-Term Target Asset Allocation Policy*

Asset Class	Pooled Funds/Trust	Policy Mix %	Minimum %	Maximum %
Canadian Equity	CC&L Q Equity Extension Fund	6.00%		

3.2.5 2024-25 CC&L Canada MAA - BURP Amendment Letter

	PCJ Canadian Equity Fund	6.00%		
	Scheer, Rowlett & Associates Canadian Equity Fund	6.00%		
Total Canadian Equities		18.00%		
Global Equity	CC&L Q US Equity Extension Fund	18.50%		
	NS Partners International Equity Fund	18.50%		
	CC&L Q Emerging Markets Equity Fund	8.00%		
Total Equities		63.00%	35.00%	70.00%
Fixed Income	CC&L Long Bond Fund	20.00%		
Total Fixed Income		20.00%	10.00%	30.00%
Cash & Short-Term Investments		0%	0%	5.00%
Real Estate		10.00%	0.00%	20.00%
Infrastructure		7.00%	0%	9.00%

*The portfolio is expected to be fully invested however, there may at times be residual cash held in the portfolio while rebalancing quarterly as and when required and while raising cash to fund capital calls from the Alternative Funds.

The parties acknowledge that the Client irrevocably agreed to make an aggregate capital commitment to the Crestpoint Institutional Real Estate Trust of \$24 Million on 8 March 2022.

The parties acknowledge that the Client irrevocably agreed to make an aggregate capital commitment to the Connor, Clark & Lunn Institutional Infrastructure Fund of \$24 Million on 8 March 2022. This aggregate capital commitment amount was subsequently reduced to \$15 Million on 15 December 2023.

Statement of Investment Policies & Procedures

Brandon University Retirement Plan

Approved and adopted effective _____, 2024

Deleted: 2022

Statement of Investment
Policies & Procedures
Brandon University Retirement Plan

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1. OVERVIEW & BACKGROUND

1.1 Introduction

Brandon University Retirement Plan (the "Retirement Plan" or "Plan") maintains an investment portfolio of invested assets of the Retirement Plan (the "Portfolio"). This Statement of Investment Policies & Procedures (the "SIPP") addresses the manner in which the Portfolio shall be invested. Investments shall be selected in accordance with the criteria and limitations set forth herein and in accordance with all relevant legislation. The Retirement Plan is administered by Pension Trustees (the "Trustees"). The Trustees have prepared the SIPP to ensure continued prudent and effective management of the Portfolio so that they meet the objectives set out by the Trustees. The SIPP also defines the management structure and other procedures adopted for the ongoing operation of the Portfolio.

1.2 Purpose

The basic goal underlying this SIPP is to ensure that the current and future assets of the Plan shall be invested in a prudent manner so that the Plan assets shall be sufficient to meet the obligations of the Plan as they come due.

This SIPP provides the framework for the investment of the Portfolio. The purpose of this SIPP is to ensure that the Portfolio is invested in a prudent and effective manner. The SIPP also seeks to establish ongoing communication between the Trustees and the Investment Manager(s) and other agents engaged to manage and invest the assets of the Portfolio.

This SIPP may be changed or modified at any time by action of the Trustees; any such change shall be promptly communicated in writing to the appointed Investment Manager(s) and the Actuary.

1.3 Nature of the Plan

a) Contributions

The Plan is a final average contributory defined benefit pension plan established on April 1, 1974.

b) Administration

The Plan is administered by Trustees in accordance with a trust agreement with Brandon University. Day to day administration of the Retirement Plan is done by the Office of the Vice-President Administration and Finance of Brandon University.

c) Regulation

The Plan is registered with the Pension Commission of Manitoba and meets the requirements of the Pension Benefits Act of Manitoba.

2. GOVERNANCE

2.1 Trustees

The Trustees of the Retirement Plan (the "Trustees") have ultimate responsibility for the Portfolio and its overall management.

The Trustees are responsible for the following tasks with respect to the Retirement Plan's investment activities:

- a) Review and assist in developing the SIPP of the Retirement Plan; establish a suitable asset mix policy for the assets of the Retirement Plan;
- b) Ensure that no investments shall be made in any category not specifically permitted by this SIPP;
- c) Establish an investment manager structure and strategy as the means to implement the asset mix policy which specifies the number of investment managers, types of investment managers and allocation of assets between investment managers, including rebalancing of the asset mix as described in Section 5.2;
- d) Select, appoint and replace, when deemed necessary, the Investment Manager(s), the Investment Consultant (if applicable), the Custodian and other external providers;
- e) Review the SIPP annually for its continuing applicability and, if applicable, make any changes or modifications;
- f) Monitor the external service providers to the Plan in respect of their continuing suitability of performance;
- g) Review and monitor investment manager performance and make changes, as appropriate;
- h) Monitor the investment performance of the overall Portfolio;
- i) Satisfy itself that investments made by, and all other actions of the Investment Manager(s) are in compliance with this SIPP;
- j) Communicate any changes to this SIPP to the Investment Manager(s) and the Actuary which may affect the investment of the Plan assets.

2.2 Investment Managers

External Investment Manager(s) shall be responsible for:

- a) complying with the terms of an investment management agreement (the "Managed Account Agreement" in the case of Connor, Clark & Lunn (Canada) Ltd.);
- b) investing the assets allocated to them in accordance with sections 5 and 6 of this SIPP, the Appendices to this SIPP and as defined in Schedule A of the Managed Account Agreement (the "Mandate");
- c) placing orders with brokers, investment dealers, banks or trust companies for the purchase or sale of securities, purchasing securities directly from the issuers or holders thereof and selling securities directly to the issuers thereof or to other persons;

Statement of Investment
Policies & Procedures
Brandon University Retirement Plan

- d) giving such directions and instructions to custodians and others as may be necessary and appropriate to carry out the Mandate(s);
- e) investing, at its discretion, in other funds, including funds managed by persons other than the Investment Manager(s) (“Sub-Managers”);
- f) reporting to the Trustees and Investment Consultant (if applicable) on a quarterly basis and in writing in respect of their performance for the quarter relative to the individual asset classes and total portfolio benchmarks in section 7.1 of this SIPP, the investment holdings and transactions, the intended strategy for the following quarter and compliance with the quantitative investment guidelines in sections 5 and 6, and the Appendices to this SIPP;
- g) providing to the Committee on an annual basis, or whenever changes occur, their policies and procedures relating to voting rights on securities, soft dollars, professional standards, conflicts of interest and internal controls;
- h) advising the Trustees or a designated delegate of the Trustees on an ongoing basis of any material changes in the organization (the Investment Managers or any Sub-Managers), such as personnel or investment process, or any other fact that may reasonably be expected to influence future investment performance;
- i) attending meetings of the Trustees, as required; and
- j) being available for meetings or discussions with designated Administrators of the Retirement Plan on a reasonable basis.

2.3 Custodian

The Custodian for the Portfolio shall be responsible to:

- a) perform the duties required of the Custodian pursuant to agreements entered into from time to time with the Retirement Plan;
- b) report Portfolio holdings in a timely manner;
- c) process the security transactions that result from the buy and sell orders placed by the Investment Manager(s); and
- d) provide the Trustees with monthly portfolio reports of all assets of the Portfolio and monthly reports of all transactions during the period.

2.4 Investment Consultant (as or when applicable)

The Investment Consultant shall be responsible to:

- a) assist in the preparation and ongoing review of this SIPP;
- b) assess and evaluate, both quantitatively and qualitatively, the Investment Managers’ performance and risk relative to peers, to relevant indices, and to SIPP objectives;
- c) assist in reviewing the asset allocation of the Plan and any proposed changes;
- d) assist with the selection of investment managers, as required; and
- e) advise the Trustees of any changes in the Plan, market environment or governing legislation that may affect the Plan’s SIPP.

2.5 Actuary

The Actuary for the Plan shall be responsible to:

- a) perform actuarial valuations of the Plan as directed by the Trustees; and
- b) advise the Trustees on such matters as Plan design, membership and administration which may affect the Plan's SIPP.

2.6 Standard of Care

The agents of the Portfolio as identified above shall exercise the care, diligence and skill in the administration, investment, and management of the Portfolio that a reasonably prudent person would exercise in the circumstances. The agents shall use all relevant knowledge and skill that they possess or, by reason of their profession, business, or calling, ought to possess.

The Investment Manager(s) are expected to comply, at all times and in all respects, with the Code of Ethics and Standards of Professional Conduct as promulgated by the CFA Institute and any internal codes of conduct or ethics policies the Investment Manager(s) may have in place. The Investment Manager(s) will exercise the degree of care, diligence and skill on behalf of the Plan that a reasonably prudent investment manager would exercise in the circumstances. The Investment Manager(s) will also use all relevant knowledge and skill that they possess or ought to possess as prudent investment manager(s).

2.7 Conflicts of Interest

These guidelines apply to members of the Trustees, Investment Manager(s), the Custodian, and any employee or other agent retained to provide services related to Portfolio investments.

Any persons listed in this section shall disclose the nature and extent of their conflict to the Trustees in writing, upon the earliest of:

- a) first becoming aware of the conflict or potential conflict;
- b) at the first meeting in which the matter at issue is disclosed; or
- c) at the first meeting in which he knows or ought to have known that he/she has an interest in the matter discussed.

For the purposes of b) above, the disclosure must be made orally if knowledge of the conflict arises in the course of a discussion at the meeting. Upon disclosure, the conflict will be assumed ongoing unless the Chair of the Trustees is notified otherwise.

If the person disclosing the conflict has the capacity to participate in or to make decisions affecting the selection of the investments of the Portfolio, the person may only continue to participate with respect to the issue in conflict with the formal approval of the Trustees.

2.8 Related Party Transactions

The Trustees, on behalf of the Plan, may not enter into a transaction with a related party unless:

- a) the transaction is both required for operation and or administration of the Plan and if:
 - i) the terms and conditions of the transaction are not less favourable than market terms and conditions;
 - ii) it does not involve the making of loans to, or investments in, the related party;
- b) the transaction involves an investment:
 - i) in an investment fund or segregated fund that is open to investors other than the administrator and its affiliates;
 - ii) in securities issued or fully guaranteed by the Government of Canada or a provincial government, or an agency of either one;
 - iii) in an index fund;
 - iv) in an unallocated general fund of a person authorized to carry on a life insurance business in Canada; or
 - v) that involves the purchase of a contract or agreement linked to the performance of a widely recognized index; or,
- c) the combined value of all transactions with the same related party is nominal or the transaction(s) is immaterial to the Plan.

For the purposes of Section 2.8, only the market value of the combined assets of the Plan shall be used as the criteria to determine whether a transaction is nominal or immaterial to the Plan. Transactions less than 0.5% of the combined market value of the assets of the plan are considered nominal. Two or more transactions with the same related party will be considered as a single transaction.

A "related party" is defined to mean any person who is a member of the Trustees. It also includes the Investment Managers and their employees, a union representing employees of the employer, a member of the Plan, a spouse or child of the persons named previously, or a corporation that is directly or indirectly controlled by the persons named previously, among others. Related party does not include a government or a government agency, or a bank, trust company or other financial institution that holds the assets of the Plan.

3. INVESTMENT BELIEFS

3.1 Investment Beliefs

The Trustees have developed the following Investment Beliefs to guide decision making. These will be reviewed from time to time, as required.

- a) The Retirement Plan has limited resources to dedicate to managing the Portfolio investments and should therefore keep the investment structure relatively simple and easy to manage. We prefer the simplicity of multi-asset balanced managers where possible but will consider specialist investment managers for asset classes where our balanced managers do not have the necessary skill or capability.
- b) The Plan has a long-term investment time horizon and the assets should be managed to benefit from this competitive advantage. Over the long-term, investors should be rewarded with a higher return for taking investment risk.
- c) Maintaining a well-diversified portfolio is essential for risk management.
- d) In the long term, asset class prices tend to revert to average levels, so actively implementing a regular rebalancing program can help to reduce exposure to extreme market valuations and enhance long term returns.
- e) Active management can be expected to add value over and above fees charged.
- f) No one investment style (e.g. Value or Growth) will consistently produce higher returns, and it is not possible to predict which style will outperform over a given period so our portfolio should be style neutral.

4. PORTFOLIO EXPECTATIONS

4.1 Portfolio Return Expectations

The Investment Manager(s) appointed by the Trustees to invest the assets of the Portfolio are expected to achieve a satisfactory long-term rate of return through a diversified portfolio, consistent with acceptable risks and prudent management. The asset mix policy adopted for the Portfolio is expected to:

- Maximize long-term total return while protecting the capital value of the Portfolio from major market fluctuations through prudent management of asset allocation and prudent selection of investments;
- Maintain current purchasing power of monies placed in the Portfolio plus a real incremental return of 2% to 4% over rolling four-year periods. On a longer-term basis, the returns should equal or better the discount rate used in the Retirement Plan valuation, net of fees, over rolling four-year periods.
- Generate returns in excess of the Benchmark Portfolio return over rolling four-year periods;
- Obtain a 25-50th percentile performance ranking or better over rolling four-year periods for the individual asset classes as measured by a nationally recognized service, where available

Portfolio-level risk is controlled by investing in a well-diversified portfolio, including both Canadian and foreign equities, and by maintaining allocations to fixed income and alternative investments such as real estate and infrastructure.

4.2 Expected Volatility

The volatility of the Portfolio is directly related to its asset mix, specifically, the balance between Canadian bonds, Canadian equities, foreign equities and other investments such as real estate and infrastructure.

5. STRUCTURE OF PORTFOLIO INVESTMENTS

5.1 Asset Mix

Total Portfolio Asset Mix

Taking into consideration the investment and risk philosophy of the Portfolio, the following long-term asset mix has been established:

Long-Term Target Asset Allocation Policy

Assets	Minimum %	Benchmark %	Maximum %
Equity	35.0	63.0	70.0
Canadian Equity		18.0	
International Equity		18.5	
U.S Equity		18.5	
Emerging Markets Equity		8.0	
Fixed Income	10.0	20.0	30.0
Long Bonds		20.0	
Cash*	0.0	0.0	5.0
Real Estate	0	10.0	20.0
Infrastructure	0	7.0	9.0

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It is recognized that both real estate and infrastructure are less liquid assets classes and will take some time to reach the target allocation. During this period of initial investment, it is recognized that assets may be outside the long-term asset allocation policy strategic ranges. As a result, the following interim asset allocation will be adopted until the Investment Manager's initial infrastructure and real estate commitments are fully invested:

3.2.6 BURP Investment Policy Statement - CC&L Edits

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Current Interim Asset Allocation Policy

Assets	Minimum %	Benchmark %	Maximum %
Equity	35.0	63.75	70.0
Canadian Equity		18.75	
International Equity		18.5	
U.S Equity		18.5	
Emerging Markets Equity		8.0	
Fixed Income	10.0	25.25	45.0
Long Bonds		25.25	
Cash*	0.0	0.0	5.0
Real Estate	0.0	7.0	20.0
Infrastructure	0.0	4.0	9.0

Commented [LR01]: I have updated the benchmark percentages to align with those of the current interim asset allocation policy. If preferred, the benchmark weights of the initial interim asset allocation policy can be kept here instead.

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The benchmark and maximum percentage allocations to infrastructure reflect the requirement for the Portfolio to remain in compliance with the Pension Benefits Standards Act (see 6.1).

Capital calls for real estate and infrastructure will be funded in a manner that strives to maintain the Interim or Long Term Policy Percentages. Capital call funding will take into account any deviations from the most recent Interim or Long Term Policy Percentages, as applicable, at the time of the capital call such that overweight allocations may first be considered as a source of funding, with consideration given to shifting the Portfolio toward the Long Term Policy Percentages. Interim Policy Percentages will be updated by the Investment Manager with each capital call to reflect the resulting allocations to the real estate and/or infrastructure funds.

*The Portfolio is expected to be fully invested. However, there may at times be residual cash held in the Portfolio while rebalancing and while raising cash to fund capital calls from the real estate and infrastructure funds.

5.2 Monitoring of Asset Mix

In order to ensure that the Portfolio operates within the minimum and maximum guidelines stated in this SIPP, the Trustees shall monitor the asset mix on a calendar quarterly basis. Rebalancing the Portfolio can take place over a reasonably short period of time after an imbalance has been identified. While a single balanced manager is employed, the Investment Manager will be responsible for rebalancing the Portfolio on an ongoing basis. When more than one investment manager is employed, rebalancing may be affected by redirecting the net cash flows to and from the Portfolio, or by transferring cash or securities between the Portfolios or Investment Manager(s) (where applicable).

6. PERMITTED AND PROHIBITED INVESTMENTS

6.1 Regulations

The Retirement Plan must comply with the requirements and restrictions set out in the [Pension Benefits Act of the Province of Manitoba](#), [Pension Benefits Standards Act \(Canada\)](#) and the [Income Tax Act \(Canada\)](#), and their respective Regulations.

Legislation states that no more than 10% of the market value of the Portfolio may be invested in the securities of any one issuer except for securities issued or guaranteed by the Federal or Provincial governments.

6.2 Permitted Investments

Without limiting the generality of Section 6.1 above, investments of the Portfolio shall adhere to the investment policies of the pooled funds in which the Portfolio is invested.

The Portfolio may hold

- a) Cash, short-term securities;
- b) Canadian and foreign equities, including but not limited to common shares, rights, warrants, cash and cash equivalents, limited partnerships, royalty trusts, income trusts, private placements, unit trusts, income oriented equity unit trust securities, subscription receipts, securities convertible into common shares, real estate investment trusts that are traded on recognized exchanges and derivatives. These holdings may be effected through participation in collective investment vehicles including pooled funds, mutual funds, closed-end funds, exchange traded funds (such as i-shares) or through the purchase of individual securities and derivatives;
- c) Canadian and foreign fixed income securities, including but not limited to cash, short-term securities, bonds, debentures, notes, coupons, asset-backed securities, Tier 1 capital securities, structured notes, private placements and other evidence of indebtedness of Canadian or foreign issuers, and derivatives. These holdings may be effected through participation in pooled investment funds or through the purchase of individual securities;
- d) Investment in real estate by way of participation in a pooled fund is permissible. While it is recognized any real estate pooled fund in which the Plan participates is governed by its own investment policy, desirable traits in selection of a real estate manager and pooled fund include: an institutional investment focus, a core plus style of real estate investing that is predominantly focused on developed income producing properties, a well-diversified portfolio by property type and by region, measured use of leverage, not to exceed 80% on individual properties (market value at time of acquisition) and 65% on total Real Estate Fund assets (market value at the time the money is borrowed);
- e) Investment in infrastructure by way of participation in a pooled fund is permissible. While it is recognized any infrastructure pooled fund in which the Plan participates is governed by its own investment policy, desirable traits in selection of an infrastructure manager and pooled fund include: an institutional investment focus, a core/grow-to-core and core plus style of infrastructure investing that is predominantly focused on construction and operating stage infrastructure assets, a well-diversified portfolio by asset type and by region. It is recognized that infrastructure investments are customarily financed with leverage levels in the range of 70% to 90%+.

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6.3 Derivatives, Shorting and Use of Leverage

Derivatives instruments will only be used in ways that are consistent with the investment objectives of the pooled funds included in the Appendices to this SIPP. The underlying exposures facilitated through the use of derivatives will be incorporated into each of the pooled funds' constraints as detailed in the Appendices to this SIPP. Counterparty risk arising from derivative transactions will be limited to credits rated as per the pooled fund SIPPs included in the Appendices to this SIPP. Instruments used may include but are not limited to futures, forwards, options, swaps and structured notes.

Short selling, borrowing securities and using leverage are permitted in ways that are consistent with the investment objectives of the pooled funds included in the Appendices to this SIPP.

7. MONITORING AND EVALUATION

7.1 Performance Measurement

For purposes of evaluating the performance of the Portfolio and the Investment Manager(s), rates of returns are measured over various periods with a focus on moving four-year periods.

Return objectives relative to benchmarks and other objectives are gross of fees and include realized and unrealized capital gains or losses plus income from all sources.

Long-Term Total Portfolio Benchmark

Investment weightings and results of the Portfolio are to be measured against a long-term Benchmark Portfolio comprising:

Assets	Benchmark	Target %
Canadian Equity _v	S&P/TSX Composite Index	18.0
International Equity	MSCI EAFE Index (net) (CAD)	18.5
U.S Equity _v	S&P 500 Index (net 15%) (CAD)	18.5
Emerging Markets Equity	MSCI Emerging Markets Index (net) (CAD)	8.0
Long Bonds	FTSE Canada Long Term Overall Bond Index	20.0
Real Estate	Canada CPI + 4%	10.0
Infrastructure* _v	Canada CPI + 5%	7.0

_v*Performance of the CC&L Institutional Infrastructure Fund is reported net of investment management fees, performance fees (where applicable) and expenses.

The rate of return of the Portfolio will be expected to exceed the blended Benchmark return and each of the individual asset classes is expected to obtain a 25-50th percentile performance ranking or better as measured by a nationally recognized service over four-year rolling periods, where available, and as reported annually at the end of each calendar year. It is also expected that the rate of return of the Portfolio will be equal or better than the discount rate used in the Retirement Plan valuation, net of investment management fees, over rolling four-year periods. The University will instruct the Actuary to report the Retirement Plan's discount rate to the Investment Manager(s) on an annual basis, or more frequently if changes warrant.

Investment Manager(s) Performance Expectations

The primary expectation is for the Plan to earn annualized rates of return exceeding the return on a passive blended investment benchmark, net of investment management fees, to be developed in conjunction with the Investment Manager(s) and set out in the Mandate. Rate of return calculations are to be "time-weighted" and based on market values.

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Secondary expectations are to earn returns in each asset class that exceed the asset class benchmark index return, gross of investment management fees, and the median manager return in an appropriate comparative universe over moving four-year periods, where available.

Pooled Funds	Pooled Funds' Performance Objectives*
PCJ Canadian Equity Fund	<ul style="list-style-type: none"> S&P/TSX Composite Index +2% over rolling four-year periods. Obtain a 33rd Percentile Performance ranking over rolling four-year periods, as measured by a nationally recognized service.
Scheer, Rowlett & Associates Canadian Equity Fund	<ul style="list-style-type: none"> CPI+ 3% over long-term**. Annualized return of benchmark + 2% over a business cycle**. Obtain above median performance over rolling four-year periods, for similar mandates, as measured by a nationally recognized service.
CC&L Q Equity Extension Fund	<ul style="list-style-type: none"> S&P/TSX Composite Index +3.5% per annum over a market cycle.
NS Partners International Equity Fund	<ul style="list-style-type: none"> MSCI EAFE Index (CAD) +3% over a market cycle**. Obtain a 33rd Percentile Performance ranking over rolling four-year periods, as measured by a nationally recognized service.
CC&L Q US Equity Extension Fund	<ul style="list-style-type: none"> S&P 500 Index (net 15%) (CAD) +4.5% per annum over a market cycle.
CC&L Q Emerging Markets Equity Fund	<ul style="list-style-type: none"> MSCI Emerging Markets Index (CAD) (net) + 3% per annum over a market cycle**.
CC&L Long Bond Fund	<ul style="list-style-type: none"> FTSE Canada Long Term Overall Bond Index + 0.5% per annum over a market cycle**.
Crestpoint Institutional Real Estate Trust	<ul style="list-style-type: none"> Gross annualized returns of 8-11% over time
CC&L Institutional Infrastructure Fund	<ul style="list-style-type: none"> Net annualized returns of 8-11% over time***
CC&L Group Money Market Fund	<ul style="list-style-type: none"> FTSE Canada 91 Day T-Bill Index over a market cycle**.

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* Gross of fees and expenses unless otherwise stated.

** Long-term signifies over a business cycle. Business and market cycles may often vary in duration. For the purpose of performance measurement and consistency across the Retirement Plan's investments, the added value of all pooled funds listed above will be reviewed over rolling four year periods.

*** Net of investment management fees and performance incentive fees.

7.2 Compliance Reporting by Investment Managers

The Investment Manager(s) are required to complete and deliver a signed compliance report to the Trustees each quarter. The compliance report will indicate whether or not the Investment Manager(s) were in compliance with the quantitative investment guidelines listed in sections 5 and 6 of this SIPP and in the Appendices to this SIPP during the quarter.

In the event of any inconsistency between the main body of the SIPP and the Appendices, the terms of the Appendices shall prevail.

If at any time an investment or group of investments within the Portfolio does not comply with the guidelines set out in this SIPP, the Investment Manager(s) shall exercise their best judgment as to the action required to correct the situation. The Trustees will be notified by the Investment Manager(s) of the non-compliance as soon as is practicable.

Investments of the Portfolio assets in the pooled funds available through the Investment Manager, including its Sub-Managers identified in the Appendices to this SIPP are permissible. It is recognized that pooled funds are governed by their own investment policies, the provisions of which may diverge from those in this SIPP.

7.3 Evaluation of Investment Manager(s)

From time to time the Trustees shall appoint, by a competitive process, an investment management firm to act as Investment Manager who will carry out the day to day management of the investments in accordance with this SIPP. In order for an investment management firm to be considered for appointment, or retained after initial appointment, they will be assessed against the following criteria:

- i) the firm must have the relevant experience and expertise within its professional managers,
- ii) should be financially sound,
- iii) have experienced low turnover of key personnel,
- iv) have a clearly articulated process which is repeatable and consistently adhered to,
- v) show a sound approach to risk management which is consistent with the process employed,
- vi) demonstrate an acceptable level of performance over a variety of time periods and market conditions,
- vii) have the capacity to undertake the Portfolio investments,
- viii) reasonable fees

The Trustees, along with each Investment Manager and the Investment Consultant (where applicable) will develop the Mandate which will outline the terms under which the Investment Manager will operate, as agreed to and acknowledged by the Investment Manager.

7.4 Dismissal of an Investment Manager

Reasons for considering the termination of the services of an Investment Manager(s) include, but are not limited to, the following factors:

- Performance results which are below the stated performance objectives;
- Changes in the overall structure of the Portfolio's assets such that the Investment Manager's services are no longer required;
- Changes in personnel, firm structure or investment philosophy which might adversely affect the potential return and/or risk level of the portfolio; and/or;
- Failure to adhere to this SIPP;
- Failure to communicate effectively with the Trustees or administrators of the Retirement Plan.

8. MISCELLANEOUS

8.1 Liquidity

It is anticipated the public market Investment Manager(s) will invest in securities which are marketable, that are able to be sold at close to their prevailing quoted market prices.

Given the long-term nature of the Retirement Plan the Trustees may invest a portion of the Portfolio in less liquid assets such as real estate and infrastructure.

When liquidation becomes necessary, the Trustees will notify the Investment Manager(s) as far in advance as is practical to allow them sufficient time to build up necessary liquidity reserves.

8.2 Valuation of Investments Not Regularly Traded

In case of a security that becomes illiquid, or an inherited security that does not have an active market over an extended period of time, the value of the security will be determined in such manner as the Investment Manager(s) from time to time determines.

8.3 Voting Rights

The Trustees have delegated voting rights acquired through the investments held by the Portfolio to the Investment Manager(s). The Investment Manager(s) are expected to exercise all voting rights related to investments held by the Portfolio in order to protect the interests of the Portfolio. Written reports of proxy votes cast are to be provided to the Trustees annually.

8.4 Sanctions

Investments shall not be made in companies that have significant business interests in countries against which Canada has sanctions. The Committee will provide clarification to the Investments Manager(s) as necessary in uncertain circumstances.

It is recognized that investments may be implemented through the use of pooled funds governed by their own investment policies, the provisions of which may diverge from those in this SIPP.

8.5 Lending of Securities and Cash

The Portfolio may enter into securities lending agreements, for the purposes of generating incremental income, provided the loaned investments are secured by cash or highly liquid investments have a market value of at least 102% of the loan, and that this 102% level of security is maintained at least daily.

The Portfolio may not lend cash, other than through making investments allowed by Section 6 in this SIPP.

8.6 Discounted Brokerage Commissions

Investment Managers may use directed brokerage to pay for research and other investment related services provided they comply with, and provide the disclosure required by the Soft Dollar Standards as listed by the CFA Institute. In certain cases, Investment Managers may instead operate under the European MiFID II rules and would be subject to similar strict constraints.

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8.7 SIPP Review

This SIPP may be reviewed and revised at any time, but at least once every calendar year it must be formally reviewed. Any revisions shall be promptly communicated to the Investment Manager(s). Should the Investment Manager(s) wish to review this SIPP at any time, it is his/her responsibility to contact the client with specific instructions.

This Statement of Investment Policies and Procedures has been adopted by Brandon University Retirement Plan Trustees.

Accepted on behalf:

Client:

Signature: _____

Name: _____

Title: _____

Date: _____

Signature: _____

Name: _____

Title: _____

Date: _____

-END-

Statement of Investment
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Brandon University Retirement Plan

APPENDIX A: PCJ CANADIAN EQUITY FUND

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**APPENDIX B: SCHEER, ROWLETT & ASSOCIATES
CANADIAN EQUITY FUND**

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APPENDIX C: CC&L Q EQUITY EXTENSION FUND

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APPENDIX D: NS PARTNERS INTERNATIONAL EQUITY FUND

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APPENDIX E: CC&L Q US EQUITY EXTENSION FUND

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APPENDIX F: CC&L Q EMERGING MARKETS EQUITY FUND

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APPENDIX G: CC&L LONG BOND FUND

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APPENDIX I: CC&L GROUP MONEY MARKET FUND

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**APPENDIX J: CRESTPOINT INSTITUTIONAL REAL ESTATE
TRUST**

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**APPENDIX K: CONNOR, CLARK & LUNN INSTITUTIONAL
INFRASTRUCTURE FUND**

**BRANDON UNIVERSITY
RETIREMENT PLAN**

ANNUAL REPORT - 2023

Incorporating the Annual Financial Statements



**BRANDON
UNIVERSITY**

June 2024

Dear Member:

Enclosed is a detailed report on the operation of the Brandon University Retirement Plan this past year. Its purpose is to provide general information to the membership, particularly with regard to the financial operation and performance of the Plan. Full audited financial statements for the year ended December 31, 2023 are included in this report.

The Plan, under the guidance of Connor, Clark & Lunn Investment Management Ltd., had a rate of return of 12.4% in 2023 (-12.1% in 2022). Investment returns contribute to financing the obligations of the Retirement Plan. However, returns are “smoothed” over a four-year period, which minimizes the shock of a single bad (or good) year. The Plan is a defined benefit plan, which means that pensions should not be affected by periodic market fluctuations. Brandon University is also responsible, as the residual funder of the Plan, to cover periodic shortfalls that may arise.

An actuarial valuation was prepared at December 31, 2022 and was extrapolated to December 31, 2023 for the Brandon University Retirement Plan. This valuation and extrapolation were completed by the Plan actuary, Eckler Ltd. Based on this, it was determined that the Plan had a solvency excess of Plan assets over calculated Plan obligations (liabilities) of \$22,257,000 in 2022. The solvency ratio was 1.105 in 2022. Under the Solvency funding method, it is assumed the Plan is wound up. In January 2009, Brandon University filed an election to be exempt from the requirement to make solvency deficiency special payments in accordance with the Solvency Exemption for Public Sector Pension Plans Regulation. As a result of the election, the University is not required to make special payments into the Plan related to the solvency deficiency should it exist once again in the future. When the solvency ratio falls below 85%, the Plan is required to be valued annually. Otherwise, valuations are required every three years at minimum, or more often if determined by the Pension Trustees. As the solvency ratio of the plan on December 31, 2023 is greater than 0.85, the Pension Benefits Act of Manitoba requires the next valuation be effective no later than December 31, 2025.

The Going-Concern funding method shows a surplus of \$24,022,000 on December 31, 2022. As the University is currently in a surplus position, an annual special payment was not required for 2023, nor was this special payment required in 2022. A “Going-Concern Valuation” assumes Brandon University will continue to operate, the Retirement Plan will continue to operate, and pension benefit obligations will come due through member retirement, termination of employment, or death.

Plan improvements were negotiated for all members, which include an improvement to the reduction of the CPP integration formula which benefits all members of the plan. An increase to the maximum pension was also negotiated. The maximum pension is now indexed to a percentage of the Federal Maximum Defined Benefit Pension Plan Limit. The cost of the retroactive component of these improvements is included on the Statement of Changes in Pension Obligations. Part of the improvements are funded prospectively with increased employee contributions.

If in any fiscal year, the actuarial defined going concern ratio falls below 105%, there will be no rise in the pension maximum. Following year(s) of no increase, if the going concern ratio rises above 105%, the maximum shall be raised to the full amount allowed while keeping the ratio above 105%, to a maximum of 63% of the Federal Maximum Defined Benefit Pension Plan Limit described above.

The Board of Trustees of the Retirement Plan welcomes any comments or questions from all members.

Sincerely,

Mr. David Taylor
Chair, Board of Trustees
Brandon University Retirement Plan

Mr. Scott J.B. Lamont, FCPA, FCGA, MBA
Vice-President (Administration & Finance)
Brandon University

BRANDON UNIVERSITY RETIREMENT PLAN

**Annual Report for the year ended
December 31, 2023**

Members of the Board of Trustees (as of December 31, 2023):

Doug Pickering	BUFA
David Taylor	BUFA
Eric Raine	MGEU
Greg Misener	IUOE "A"
Warren Wotton	IUOE "D"
Allison Noto	Exempt Staff Board of
Scott Lamont	Governors
Jan Chaboyer	Pensioners

Consultant/Actuary	Eckler Ltd.
Investment Manager	Connor, Clark & Lunn Investment Management Ltd.
Investment Sector Managers	Connor, Clark & Lunn Long Bond Fund Connor, Clark & Lunn Crestpoint Institutional Real Estate Fund Connor, Clark & Lunn Institutional Infrastructure Fund Connor, Clark & Lunn Q Equity Extension I PCJ Canadian Equity A Scheer Rawlett & Associates Canadian Equity Fund Connor, Clark & Lunn Q US Equity Extension Fund A NS Partners International Equity Fund A Connor, Clark & Lunn Emerging Markets Equity Fund
Custodian	CIBC Mellon Global Securities Services Company
Plan Administrator	Trustees of the Brandon University Retirement Plan

General Information

a) The Brandon University Retirement Plan is a final average, defined benefit plan, which provides a benefit to all eligible employees of Brandon University upon retirement, termination, or death. The Plan is administered by the Trustees of the Brandon University Retirement Plan. A full description of the Plan is contained in the official Plan document and is available on the Brandon University website or from the Human Resources Office.

b) The Plan is funded by contributions from Plan members and the University, as well as the income from investments. Net assets in the plan, at market value, at December 31 were:

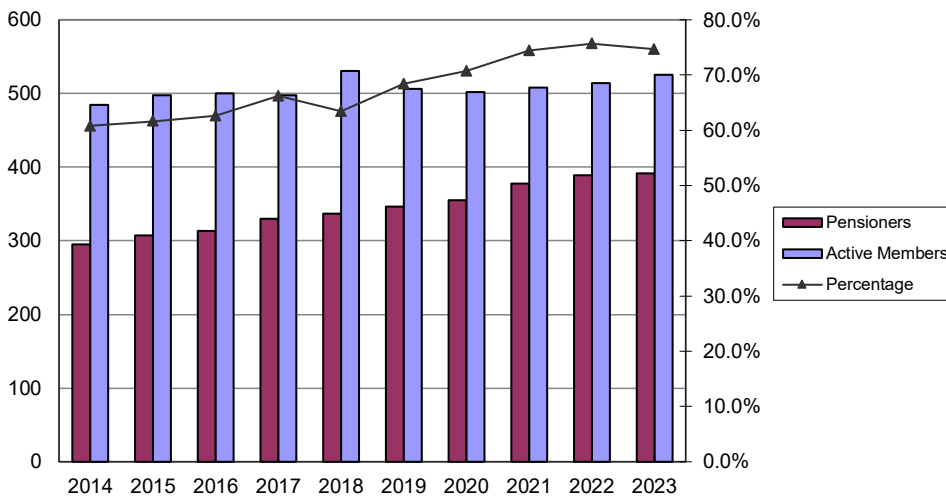
2023	\$232.7 million
2022	\$212.9 million
2021	\$249.9 million
2020	\$225.6 million
2019	\$203.9 million

c) Similar to many other maturing pension plans in Canada, the number of pensioners is increasing relative to the number of active contributing members of the Plan. Over the past ten years, the number of pensioners has increased from 59% of the active members to 75% in 2023. Brandon University Retirement Plan membership at December 31:

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	2023	2022
Active members	525	514
Pensioners	392	389
Deferred, inactive or Pending Election	121	107

Pensioners as a Percentage of Active Members



An impact of increasing numbers of pensioners relative to active contributing members is the increasing need for investment income of the Plan to fund future income requirements. Pensions paid annually to retirees are 175% of the annual regular contributions from Plan members and the University.

Plan member transactions:	2023	2022
Member and University regular contributions to the plan	\$6,145,067	\$5,688,785
Transfers from other plans	792,618	268,593
Pensions paid to retired members	10,783,142	10,202,212
Death benefits and refund settlements due to terminations	876,102	1,511,770

- d) The Brandon University Retirement Plan is subject to a periodic valuation by an independent actuary to determine whether the current Plan assets, contributions from members and the University, and earnings on Plan investments will adequately fund future benefits. The Pension Benefits Act of Manitoba requires that such a study be done at least every three years as long as the solvency ratio of the Plan is greater than 0.85. The most recent valuation was performed by Eckler Ltd. as at December 31, 2022. Using the solvency valuation method, the Plan had an excess of assets over actuarial (calculated) liabilities of \$22,257,000 (versus a deficiency of \$26,760,000 in 2021). Using the going-concern or aggregate method, the Plan had a surplus of \$24,022,000 in 2022 (\$21,901,000 surplus in 2021).

Commented [LS2]: Need help updating this section.

The University is no longer required to make special payments to fund any going concern unfunded liability. There was no annual special payment for 2023 or 2022. No additional special payment is required to be made for the solvency deficiency because the University is exempted under the Solvency Exemption for Public Sector Pension Plans Regulation. However, with the solvency ratio now exceeding .85, the next Plan valuation is not required until December 31, 2025. It will be completed in 2026.

- e) If the average net investment return on the Fund during the last four years exceeds 6.0% per annum, each pensioner who was receiving a pension at the end of that year, is entitled to receive an increase in that pension effective from July 1 in the following calendar year. The details of this entitlement are recorded in article 7.3 of the Brandon University Retirement Plan document, as amended April 11, 2013. The result of this calculation over the past 6 years is as follows:

**Brandon University
Historical Increases (Article 7.3 - Supplementary Pension)**

Brandon University Pension Increases - Post 2013 amendment						
	(1)	(2)	(3)	(4)	(5)	
Year	Net Investment Return (market value)**	Four-year Geometric Average Return	Excess of Average return over 6%	Increase in CPI	Actual COLA given	Effective Date of COLA Increase
2018	-2.80%	4.89%	0.00%	2.00%	0.00%	1 July 2019
2019	17.79%	8.23%	2.23%	2.20%	2.20%	1 July 2020
2020	13.51%	9.60%	3.60%	0.70%	0.70%	1 July 2021
2021	12.97%	10.08%	4.08%	4.80%	4.08%	1 July 2022
2022	-12.67%	7.17%	1.17%	6.30%	1.17%	1 July 2023
2023	11.66%	5.75%	0.00%	3.40%	0.00%	1 July 2024

COLA = lower of columns (3) or (4)

** Net investment return is net of expenses. Therefore, returns are lower than those reported by the investment manager.

Investment Management Objectives

The current investment manager, Connor, Clark & Lunn, Investment Management Ltd. (CC&L), was appointed December 30, 1994. Since that time, the plan investment management has been diversified by making use of several investment sector specialists within the family of companies working with CC&L, under the general management of CC&L.

The Investment Manager operates with the general objective to maximize long-term total returns while protecting the capital value of the fund. The Manager seeks to attain an average rate of return of 3% over the CPI increase for the same period. Secondary objectives are to generate returns in excess of the return of the Benchmark Fund over rolling four-year periods and to perform between the 25th and 50th percentile of investment managers as measured by a nationally recognized service. RBC Investor & Treasury Services was used as the measurement service for this report.

The Brandon University Retirement Plan annual investment performance (12.4%) exceeded the objective of CPI plus 3% (6.8%) for 2023, as did the four-year rolling average ending in 2023. (BU Plan was 7.0 % vs. 6.8%). The Plan exceeded the rolling four-year average benchmark return (BU Plan 7.0% vs. Benchmark 5.3%). Although the top third of managers is not reported by BIA, the BU Plan annual return (12.4%) was higher than the median (11.0%), and the top 25% (12.1%) of balanced fund investment managers in 2023. Although, the BU Plan four year annualized average return (6.4%) was higher than the median (5.8%), it was lower than the top 25% (7.0%) of balanced fund investment managers.

Commented [LS3]: This information also comes from Eckler - BUN Historical COLA Increases 20XX (request with Membership information).

Investment Performance

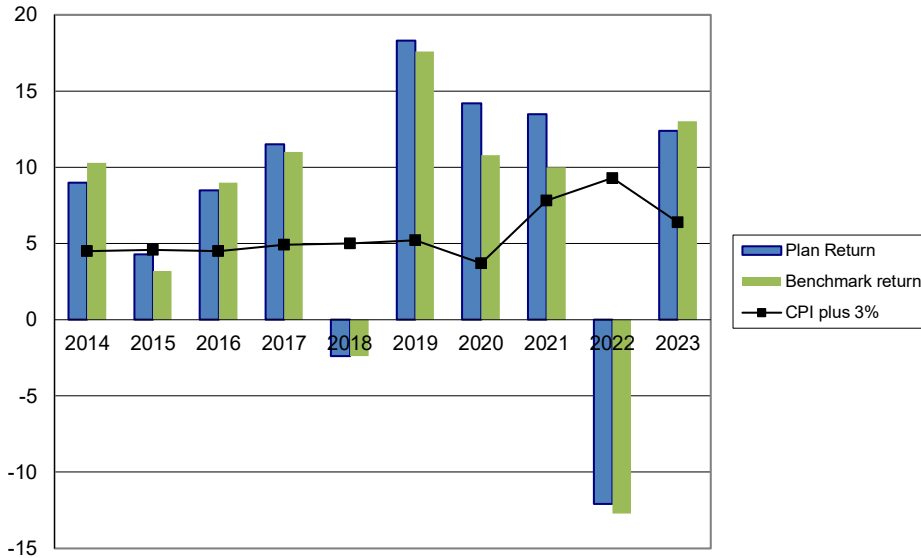
<u>Period Ending December 31</u>	<u>Total Return</u>	<u>Annual Rate of Increase in CPI</u>
2023	12.4%	3.4%
2022	-12.1%	6.3%
2021	13.5%	4.8%
2020	14.2%	0.7%
2019	18.3%	2.2%
Benchmark return for 2023		13.0%
Four year rolling average ending 2023		
Retirement plan performance		7.0%
Benchmark performance		5.3%

BIA Balanced Fund Performance Summary

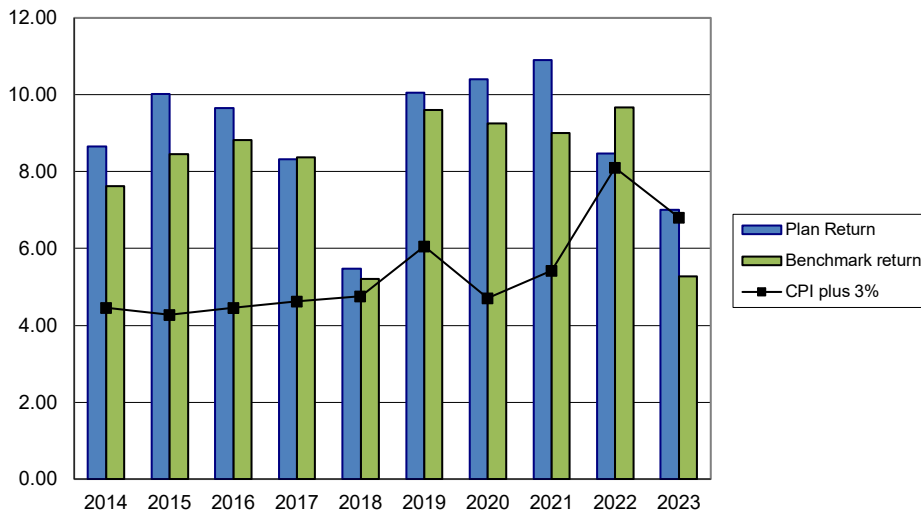
For the Period Ending December 31, 2023

BU Retirement Plan (12 months)	12.4%
Top quartile (12 months)	12.1%
Median (12 months)	11.0%
BU Retirement Plan (4 year annualized)	6.4%
Top quartile (4 year annualized)	7.0%
Median (4 year annualized)	5.8%

Annual Investment Performance



Rolling Four Year Average Investment Returns

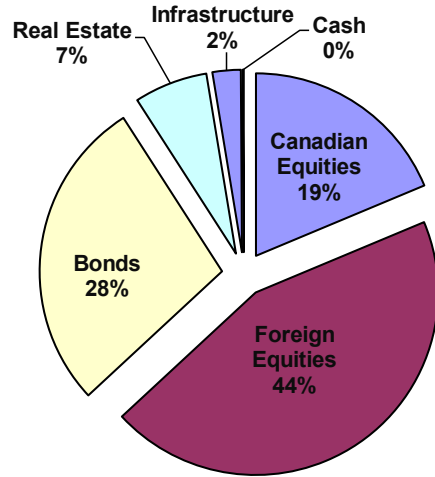


4.1.2 Draft BURP Annual Report & Financial Statements

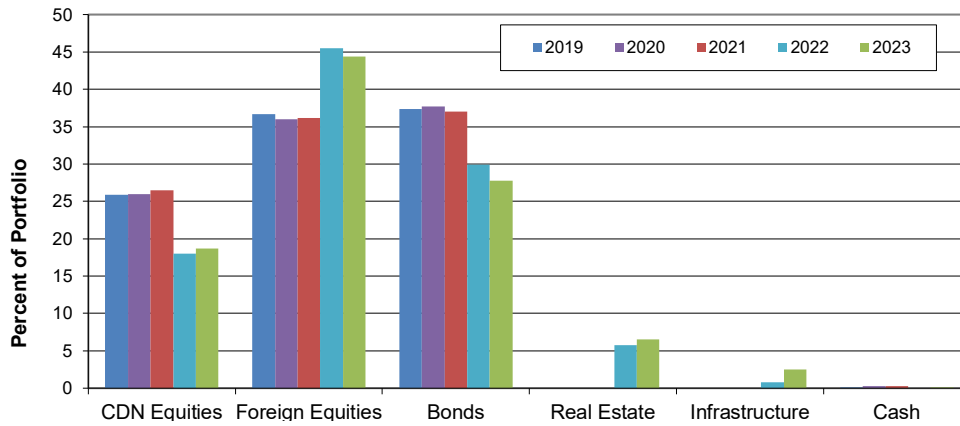
The investment mix of the Brandon University Retirement Plan is established by the Pension Trustees and investment manager. On December 31, 2023 the asset mix and the annual performance in each sector follows:

	% of Portfolio	12 month Portfolio return	12 month Benchmark return
Canadian Equities	18.7%	11.7%	11.8%
Foreign Equities	44.4%	16.8%	21.4%
Bonds	27.8%	10.1%	9.5%
Real Estate	6.5%	-3.5%	6.5%
Infrastructure	2.5%	10.7%	7.3%
Cash	0.1%	4.9%	4.7%
TOTAL FUND	100.0%	12.4%	13.0%

Fund Asset Mix - December 31, 2023



Asset Mix Trend



Independent Auditor's Report

To the Board of Trustees of the Brandon University Retirement Plan

Opinion

We have audited the financial statements of Brandon University Retirement Plan (the "Plan"), which comprise the statement of financial position as at December 31, 2023, and the statements of changes in net assets available for benefits and changes in pension obligations for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Plan as at December 31, 2023, and the changes in its net assets available for benefits and changes in its pension obligations for the year then ended in accordance with with Canadian accounting standards for pension plans.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Plan in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with with Canadian accounting standards for pension plans, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Plan's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Plan or to cease operations, or has no realistic alternative but to do so.

4.1.2 Draft BURP Annual Report & Financial Statements

Those charged with governance are responsible for overseeing the Plan's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Plan's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Plan to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants
Brandon, Manitoba

TBD

June Responsibility for Financial Reporting

The Board of Trustees of the Brandon University Retirement Plan is responsible for the preparation and presentation of the financial statements and the accompanying notes. The Board of Trustees relies upon the accounting and financial systems established by Brandon University. The financial statements are prepared in conformity with the accounting policies noted in the financial statements, and are reviewed and approved by the Board of Trustees of the Brandon University Retirement Plan. An independent financial auditor whose opinion is included herein examines the statements.

To fulfil its responsibility, Brandon University maintains internal control systems to provide reasonable assurance that relevant and reliable financial information is produced.

David Taylor
Chair, Board of Trustees
Brandon University Retirement Plan

Scott J. B. Lamont, FCPA, FCGA, MBA
Vice-President (Administration & Finance)
Brandon University

June 10, 2024

BRANDON UNIVERSITY RETIREMENT PLAN**Statement of Financial Position
as at December 31, 2023**

	2023	2022
ASSETS		
Accounts receivable	\$ <u>407,274</u>	\$ <u>952,329</u>
Investments (Note 2 b)		
Cash and short-term investments	530,104	788
Bonds and debentures	64,753,039	63,373,581
Canadian equities	43,453,861	38,378,667
Real estate and infrastructure	20,985,295	14,026,118
Foreign equities	<u>103,196,651</u>	<u>96,474,858</u>
	<u>232,918,950</u>	<u>212,254,012</u>
Total Assets	<u>233,326,224</u>	<u>213,206,341</u>
LIABILITIES		
Accounts payable	<u>577,546</u>	<u>296,436</u>
Total Liabilities	<u>577,546</u>	<u>296,436</u>
Net assets available for benefits	<u>232,748,678</u>	<u>212,909,905</u>
Pension obligations	<u>226,718,000</u>	<u>209,804,000</u>
Plan surplus (going concern basis)	<u>\$ 6,030,678</u>	<u>\$ 3,105,905</u>

The accompanying notes are an integral part of the financial statements.

BRANDON UNIVERSITY RETIREMENT PLAN**Statement of Changes in Net Assets Available for Benefits
for the year ended December 31, 2023**

	2023	2022
CONTRIBUTIONS		
Members	\$ 2,708,149	\$ 2,438,583
University	3,436,918	3,250,201
Transfers from other plans	<u>792,618</u>	<u>268,593</u>
	<u>6,937,685</u>	<u>5,957,377</u>
OTHER INCOME		
Investment income		
Interest	3,169,093	2,995,899
Dividends	<u>4,029,786</u>	<u>5,012,626</u>
	<u>7,198,879</u>	<u>8,008,525</u>
Change in fair value		
Realized	5,331,640	5,558,616
Unrealized	<u>13,408,665</u>	<u>(43,675,993)</u>
	<u>18,740,305</u>	<u>(38,117,377)</u>
Other income	<u>590</u>	<u>-</u>
Total Increase (Decrease) in Net Assets	<u>32,877,459</u>	<u>(24,151,475)</u>
PAYMENTS		
Benefit payments		
Retirements	10,783,142	10,202,212
Refunds	817,531	745,593
Deaths	<u>58,571</u>	<u>766,177</u>
	<u>11,659,244</u>	<u>11,713,982</u>
Administrative expenses		
Actuarial and consulting fees	143,814	123,848
Custodian and plan administration fees	281,333	236,176
Legal and audit fees	16,520	9,148
Investment management fees	954,493	832,192
Trustee expenses	303	144
GST rebate	<u>(17,021)</u>	<u>(14,989)</u>
	<u>1,379,442</u>	<u>1,186,519</u>
Total Decrease in Net Assets	<u>13,038,686</u>	<u>12,900,501</u>
Net Increase (Decrease) in Assets Available for Benefits	19,838,773	(37,051,976)
Net Assets Available For Benefits, beginning of year	<u>212,909,905</u>	<u>249,961,881</u>
Net Assets Available For Benefits, end of year	<u>\$ 232,748,678</u>	<u>\$ 212,909,905</u>

The accompanying notes are an integral part of the financial statements.

BRANDON UNIVERSITY RETIREMENT PLAN

**Statement of Changes in Pension Obligations
for the year ended December 31, 2023**

	2023	2022
Amendments to the Plan	\$ 9,872,000	\$ -
Interest accrued on benefits	11,419,000	11,013,000
Transfers	793,000	269,000
Benefits accrued	6,489,000	5,799,000
Benefits paid	(11,659,000)	(11,714,000)
Experience (gain)/loss	-	55,000
Changes in actuarial assumptions	<u>-</u>	<u>1,317,000</u>
Net Change in Pension Obligations	16,914,000	6,739,000
Pension Obligations, beginning of the year	<u>209,804,000</u>	<u>203,065,000</u>
Pension Obligations, end of year	<u><u>\$ 226,718,000</u></u>	<u><u>\$ 209,804,000</u></u>

The accompanying notes are an integral part of the financial statements.

BRANDON UNIVERSITY RETIREMENT PLAN

Notes to the Financial Statements for the year ended December 31, 2023

1. Description of the Plan

The following description of the Brandon University Retirement Plan (the "Plan") is only a summary. More complete information is contained in the official Plan document.

a) General

The Brandon University Retirement Plan is a final average contributory defined benefit pension plan established April 1, 1974 for the benefit of the employees of Brandon University. The assets of the Plan are held in trust in the name of ten Trustees - eight elected by and from the Plan membership and two appointed by the Board of Governors. The Trustees oversee the administration of the Plan and set forth the investment guidelines. Their obligations and responsibilities are defined in a trust agreement with Brandon University. An asset manager invests the Plan assets based on the approved investment guidelines and according to the terms of the Managed Account Agreement. The Plan is registered with the Pension Commission of Manitoba and meets the requirements of the Pension Benefits Act of Manitoba and the Income Tax Act (Canada) and as such is not subject to income taxes on contributions or investment income received.

b) Membership

Unless otherwise stated, all Brandon University employees are eligible to become members of the Plan on their date of employment. Full-time and certain part-time employees are required to join the Plan. Membership is optional for other part-time and certain specified employees.

c) Funding

The Plan receives its funds from:

- i) The contributions of members - Members of the University are each required to contribute at the rate of 8.0% of salary up to the Year's Basic Earnings (YBE), 6.2% between the YBE and the Year's Maximum Pensionable Earnings (YMPE) and 8.0% in excess of the YMPE. Members contribute only on the amount earned up to the Year's Maximum Contributory Earnings (YMCE). Effective April 1, 2024, Members contributions will be 8.0% of the member's basic salary, up to the YMCE. The YMCE will be adjusted each year to the level that coincides with the maximum pension benefit for that year.
- ii) The required and special contributions of the University - The University is required to contribute at the rate of 8.0% of salary in excess of the YMPE with no salary limitations applied, plus any special payments for the unfunded liability required under the Pension Benefits Act of Manitoba. There was no annual special payment for 2023 or 2022.
- iii) The income from investments.

An actuarial valuation is performed at least once every three years to determine the adequacy of the funding for pension benefits (see note 2g).

BRANDON UNIVERSITY RETIREMENT PLAN

Notes to the Financial Statements for the year ended December 31, 2023

1. Description of the Plan (continued)

d) Plan Benefits

The Plan provides for the payment of benefits to a member upon retirement, death, or termination of employment with Brandon University.

At retirement, the member is entitled to an annual pension equal to 2% of final average earnings multiplied by the member's years of credited service less 0.6% of CPP average earnings multiplied by the member's years of service since January 1, 1990. Final average earnings are the average of the best 5 years earnings in the last 12 years prior to retirement. CPP average earnings are the member's average earnings up to the YMPE in the 5 years prior to retirement. Full benefits are payable (a) upon normal retirement; (b) upon early retirement for members who qualify. Reduced benefits are provided to members who retire early and do not qualify for full benefits.

Pensions are increased automatically on July 1 of each year by the amount the net four-year geometric average investment return on the fund, as determined by the actuary, exceeds 6.0% per annum, subject to a maximum increase of CPI for the previous year.

Death and termination benefits are based on the value of the member's pension as determined by the Plan Administrator at the time of death or termination of employment. The options available to beneficiaries and terminating members are outlined in the official Plan document.

2. Significant Accounting Policies

a) General

The Brandon University Retirement Plan prepares its financial statements in accordance with Canadian accounting standards for pension plans. The Plan has adopted Part II (Private Enterprises) accounting standards for all accounting policies that do not relate to the valuation of the investment portfolio or pension obligations.

b) Financial Instruments

The financial instruments of the Plan consist of accounts receivable, investments, and accounts payable. The Plan recognizes and derecognizes all financial assets and liabilities in accordance with Financial Instruments, Section 3856, of Part II of the CPA Canada Handbook.

Initially, all financial assets and liabilities are recorded at fair value on the Statement of Financial Position. Subsequent measurement is determined by the classification of each financial asset and liability. Investments assets and liabilities are measured at fair value based on International Financial Reporting Standards (IFRS 13) with the change in fair value recognized in the Statement of Changes in Net Assets Available for Benefits. Financial instruments classified as accounts receivable and accounts payable are measured at amortized cost using the effective interest method.

Investments are recorded at fair value on a trade date basis.

BRANDON UNIVERSITY RETIREMENT PLAN

Notes to the Financial Statements for the year ended December 31, 2023

2. Significant Accounting Policies (continued)

b) Financial Instruments (continued)

Fair values of investments (including the underlying assets of investments held in pooled funds) are determined as follows:

Fixed Income:

Short-term investments are recorded at cost which approximates market value. Bonds and debentures are valued at market by an independent securities valuation company.

Equity:

Publicly traded securities are recorded at year end market prices.

Real Estate and Infrastructure:

Real estate investments are carried at amounts which are based on their appraised value. The appraisals are in accordance with generally accepted appraisal practices and procedures, based mainly on the discounted cash flows. Property valuations are generally determined using models based on expected capitalization rates and models that discount expected future net cash flows. The determination of the fair value of investment property requires the use of estimates such as future cash flows (such as future leasing assumptions, rental rates, capital and operating expenditures) and discount, reversionary and overall capitalization rates applicable to the asset based on current market rates.

Investments in limited partnerships are based on net asset or partnership unit values obtained from the fund's managers and are reviewed by management.

The Plan holds units in infrastructure investments which are not publicly traded. Investment values are calculated from financial statements which include fair values based on periodic, independent appraisals of the underlying assets.

The Plan's calculation of the fair value of these investments are based on the units it holds multiplied by the value per unit as reported in the audited financial statements of the investments.

The investments are held in trust by the corporate trustee, CIBC Mellon.

c) Investment Income

Dividend income is recognized on the ex-dividend date and interest income is recognized on the accrual basis as earned.

d) Foreign Currency Translation

The fair value of investments denominated in foreign currencies is translated into Canadian dollars at the exchange rate in effect at year end and the resulting change is included in the change in fair value of investments. Revenue and expense transactions are translated at the exchange rates prevailing on the dates of the transactions and are included in investment income or the change in fair value of investments (realized gains or losses) at the translated amounts.

e) Contributions

Contributions from the members and the University are recorded on an accrual basis. Cash received from members as transfers from other pension plans is recorded when received.

BRANDON UNIVERSITY RETIREMENT PLAN

Notes to the Financial Statements for the year ended December 31, 2023

2. Significant Accounting Policies (continued)

f) Use of Estimates

Preparation of the financial statements requires management to make estimates and assumptions that primarily affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of changes in net assets available during the year. Actual results could differ from these estimates.

g) Pension Obligations

The pension obligations of the Brandon University Retirement Plan are the actuarial present value of accrued pension benefits determined by applying the best estimate assumptions and the projected benefit method prorated on services.

3. Financial Risk Management

Management of investments is governed by the managed account agreement between the Brandon University Retirement Plan and Connor, Clark & Lunn Management Ltd. The investment management objective of the Plan is to maximize the long-term total return while protecting the capital value of the fund from major market fluctuations through prudent management of asset allocation and prudent selection of investments. The investment manager is to maintain current purchasing power of monies placed in the Portfolio plus a real incremental return of 2% to 4% over rolling four-year periods. On a longer-term basis, the returns should equal or better the discount rate used in the Retirement Plan valuation, net of fees, over rolling four-year periods.

There have been no substantive changes in the Plan's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from the previous period unless otherwise stated in this note.

a) Market Risk

Market risk is the risk the value of an investment will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to an individual investment or volatility in interest rates, foreign currencies or other factors affecting similar securities traded in the market.

BRANDON UNIVERSITY RETIREMENT PLAN

Notes to the Financial Statements
for the year ended December 31, 20233. Financial Risk Management (continued)a) Market Risk (continued)

The Plan's cash and investments, including investments denominated in foreign currencies, are reported in Canadian dollars as follows:

	(in thousands of dollars)			
	<u>2023</u>		<u>2022</u>	
Canadian cash and short-term investments	\$ 530	0.2 %	\$ 1	- %
Canadian bonds	64,753	27.8 %	63,373	29.9 %
Canadian equities	43,454	18.7 %	38,379	18.1 %
Real estate and infrastructure	<u>20,985</u>	<u>9.0 %</u>	<u>14,026</u>	<u>6.6 %</u>
	129,722	55.7 %	115,779	54.6 %
US equities	42,912	18.4 %	49,268	23.2 %
Non-North American equities	<u>60,285</u>	<u>25.9 %</u>	<u>47,207</u>	<u>22.2 %</u>
	<u>\$ 232,919</u>	<u>100.0 %</u>	<u>\$ 212,254</u>	<u>100.0 %</u>

i) Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The value of the Plan's fixed income investments is directly affected by changes in nominal and real interest rates. There are guidelines in the managed account agreement for the fixed income investment portfolio related to permitted investments, diversification, and quality, and duration management which are designed to mitigate the risks of interest rate volatility.

Duration is the most common measure used to quantify the impact of changes in bond prices due to change in interest rates. Using this measure it is estimated that a one percent increase or decrease in interest rates, with all other variables held constant, would result in a change in fair value on Canadian bonds of 14.8% or \$9,580,300 (2022 - 14.67% or \$9,229,604).

The term to maturity and the related market values of bonds and debentures are as follows:

	(in thousands of dollars)	
	<u>2023</u>	<u>2022</u>
Term to Maturity		
Less than one year	\$ 1,416	\$ 511
One to five years	4,322	4,013
Five to ten years	10,241	6,267
Over ten years	<u>48,774</u>	<u>52,582</u>
Total bonds and debentures	<u>\$ 64,753</u>	<u>\$ 63,373</u>

ii) Currency risk is the risk that the value of non-Canadian investments measured in Canadian dollars will fluctuate due to changes in foreign exchange rates primarily related to foreign equity holdings. In some instances, forward foreign exchange contracts are used to manage currency exposure in connection with securities purchased in foreign currency. Forward foreign exchange contracts are contractual agreements that establish an agreed upon exchange rate at a settlement date in the future for the purpose of protecting future cash flows from adverse price movements. No derivatives were used in the year.

BRANDON UNIVERSITY RETIREMENT PLAN

Notes to the Financial Statements for the year ended December 31, 2023

3. Financial Risk Management (continued)

a) Market Risk (continued)

A 10 percent increase or decrease in exchange rates, with all other variables held constant, would result in a change to the fair value of investments of \$10,319,665 (2022 - \$9,647,444). Generally when there is a 10% strengthening (weakening) of the Canadian dollar versus the corresponding currency, there would be a 10% decrease (increase) in the value of the corresponding country's portion of the portfolio from this currency movement.

iii) Other price risk is the risk that the fair value or future cash flows from portfolio holdings fluctuate because of changes generally, in market prices, other than those arising from interest rate risk or currency risk or as a result of a deterioration in the outlook for a specific issuer. To manage its price risk arising from investments in equity securities, by policy, the portfolio is well diversified. The managed account agreement sets out the limits of investments in any one security as well as concentration within market sectors.

Taking into consideration the investment and risk philosophy of the Portfolio, a long-term asset mix has been established. However, since real estate and infrastructure are less liquid asset classes and will take some time to reach the target allocation, the following interim asset allocation will be adopted until the Investment Manager's initial infrastructure and real estate commitments are fully vested:

Assets	Minimum %	Benchmark %	Maximum %
Equity	35.0	65.0	75.0
Canadian Equity		20.0	
International Equity		18.5	
U.S. Equity		18.5	
Emerging Markets Equity		8.0	
Fixed Income	25.0	35.0	45.0
Long Bonds		35.0	
Cash	0.0	0.0	5.0
Real Estate	0.0	0.0	20.0
Infrastructure	0.0	0.0	20.0

Total exposure to equities is to be no less than 35% of the Pension Fund and no more than 75% of the Pension Fund. The Plan's investments in equities, real estate and infrastructure including pooled funds are sensitive to market fluctuations. An immediate change of 10% in market values will impact the Plan's net assets by approximately \$16,763,581 (2022 - \$14,887,964)

b) Liquidity Risk

Liquidity risk is the risk that the Plan will encounter difficulty in having available sufficient funds to meet its commitments as they come due. It is the Pension Plan's policy to ensure that it will have sufficient cash and short-term investments to allow it to meet its liabilities when they come due.

The Plan's investment in bonds and equities are invested primarily in funds with underlying securities that are traded in an active market and can be readily disposed of as liquidity needs arise, assuming orderly markets.

The Plan's investments in real estate and infrastructure may be exposed to higher degree of liquidity risk.

BRANDON UNIVERSITY RETIREMENT PLAN

Notes to the Financial Statements for the year ended December 31, 2023

3. Financial Risk Management (continued)

c) Credit Risk

Credit risk arises from the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract. Credit risk is the risk the issuer of the debt security or a counter party to a derivative contract is unable to meet its financial obligation. Credit risk encompasses the risk of a deterioration of credit worthiness and concentration risk. The Plan limits credit risk through a managed account agreement with its investment manager that details the specific quality and concentration constraints.

At December 31, 2023, the Plan's maximum credit risk exposure related to cash and short-term investments and bonds and debentures is \$65,283,143 (2022 - \$63,374,369), and accounts receivable is \$407,274 (2022 - \$952,329). The Plan limits credit risk by acquiring high quality securities and following the managed account agreement. The managed account agreement establishes limits for ownership of investments and acceptable credit ratings. In the case of bonds and debentures, all must be rated BBB or higher.

The breakdown of the fixed income investment portfolio by credit rating from various rating agencies are as follows:

	(in thousands of dollars)			
	<u>2023</u>		<u>2022</u>	
Bonds and debentures investments				
Credit Rating				
AAA	\$ 8,846	13.6 %	\$ 5,072	8.0 %
AA	29,341	45.3 %	23,176	36.6 %
A	12,208	18.9 %	12,600	19.9 %
BBB	<u>14,358</u>	<u>22.2 %</u>	<u>22,525</u>	<u>35.5 %</u>
	64,753	100.0 %	63,373	100.0 %
Cash and short-term investments	<u>-</u>		<u>-</u>	
	<u>\$ 64,753</u>		<u>\$ 63,373</u>	

4. Capital Management

The capital of the Brandon University Retirement Plan is comprised of the net assets available for benefits. The combined assets of the Plan are held in the name of the Trustees of the Plan as described in Note 1 a).

The Trustees, as the administrators of the Plan, on behalf of Brandon University, have developed appropriate risk management strategies, as described in Note 3, to preserve the net assets available for benefits. In accordance with the provisions of The Pension Benefits Act of the Province of Manitoba and the provisions of the Income Tax Act (Canada) a Statement of Investment Policies and Procedures (SIPP) has been established. The SIPP states the investment objectives and investment guidelines by class of investment. The objective when managing capital is to maximize the long-term total return through prudent selection of investments in compliance with the investment rules under the respective federal and provincial Pension Benefits Acts.

There have been no significant changes to the University's capital management objectives, policies and processes in the year nor have there been any changes in what the Trustees consider to be the Plan's capital. The Pension Plan has complied with externally imposed capital requirements during the year.

BRANDON UNIVERSITY RETIREMENT PLAN

Notes to the Financial Statements
for the year ended December 31, 20235. Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurements are based on the assumptions that market participants would use when pricing the item being measured under current market conditions, including assumptions about risk.

The Plan uses a fair value hierarchy under which the inputs to valuations techniques used to measure fair value are categorized into three levels. They are as follows:

Level 1: Inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities the Plan can access at the measurement date.

Level 2: Inputs are inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (prices) or indirectly (derived from prices).

Level 3: Inputs are unobservable inputs for the asset or liability.

	(in thousands of dollars)							
	<u>2023</u>				<u>2022</u>			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Cash	\$ -	\$ 230	\$ -	\$ 230	\$ -	\$ 1	\$ -	\$ 1
Short-term investments	-	300	-	300	-	-	-	-
Bonds and debentures	-	64,753	-	64,753	-	63,373	-	63,373
Real estate and infrastructure	-	-	20,985	20,985	-	-	14,026	14,026
Canadian equities	14,432	29,022	-	43,454	12,705	25,674	-	38,379
Foreign equities	<u>42,192</u>	<u>61,005</u>	<u>-</u>	<u>103,197</u>	<u>40,499</u>	<u>55,976</u>	<u>-</u>	<u>96,475</u>
	<u>\$ 56,624</u>	<u>\$ 155,310</u>	<u>\$ 20,985</u>	<u>\$ 232,919</u>	<u>\$ 53,204</u>	<u>\$ 145,024</u>	<u>\$ 14,026</u>	<u>\$ 212,254</u>

The following is a reconciliation of Level 3 fair value investments:

	(in thousands of dollars)	
	<u>2023</u>	<u>2022</u>
Balance, beginning of the year	14,026	-
Purchases and reinvested distribution	7,730	13,679
Unrealized gain (loss)	<u>(771)</u>	<u>347</u>
Balance, end of the year	<u>20,985</u>	<u>14,026</u>

BRANDON UNIVERSITY RETIREMENT PLAN

Notes to the Financial Statements
for the year ended December 31, 20236. Investments

Section 3.29 of the Pension Benefits Act Regulations requires disclosure of each investment that has a fair value greater than 2% of the fair value of all investments. The investments, including pooled funds, are as follows:

	<u>2023</u>	<u>2022</u>
Bonds and debentures:		
Connor, Clark & Lunn Long Bond Fund Class A	\$ 64,753,039	\$ 63,373,581
Canadian equities:		
Connor, Clark & Lunn Q Equity Extension I	\$ 14,634,385	\$ 12,787,859
PCJ Canadian Equity Fund	\$ 14,432,343	\$ 12,705,093
Scheer Rowlett & Associates Canadian Equity Fund	\$ 14,387,133	\$ 12,885,715
US equities:		
Connor, Clark & Lunn Q US Equity Extension Fund A	\$ 42,911,752	\$ 39,012,737
Non-North American equities:		
NS Partners Int'l Equity Fund A	\$ 42,191,637	\$ 40,499,170
Connor, Clark & Lunn Emerging Markets Equity	\$ 18,093,263	\$ 16,962,951
Real Estate and Infrastructure:		
Connor, Clark & Lunn Crestpt Ins Real Es 1150	\$ 15,235,816	\$ 12,357,989
Connor, Clark & Lunn Inst Infr Fund	\$ 5,749,480	\$ 674,557
Connor, Clark & Lunn Inst Infr Holding	\$ -	\$ 993,572

7. Actuarial Valuation

The actuarial present value of accrued pension benefits was determined using the accrued benefit method prorated on service and using assumptions recommended by the actuary and approved by the Trustees. An actuarial valuation was prepared as at December 31, 2022 by Eckler Ltd., a firm of consulting actuaries. Those results provide the present value of accrued pension benefits as at December 31, 2022 and accruing cost in 2023. A second actuarial valuation was prepared at December 31, 2022 and extrapolated to December 31, 2023 to determine the present value of accrued pension benefits as at December 31, 2023.

BRANDON UNIVERSITY RETIREMENT PLAN

**Notes to the Financial Statements
for the year ended December 31, 2023**

7. Actuarial Valuation (continued)

The assumptions used in determining the actuarial value of accrued pension benefits were developed by reference to expected long-term market conditions. Significant actuarial assumptions used in the valuations were:

	<u>December 31, 2022</u>
Rate of return on investments	5.50 % p.a.
Rate of general wage increase	4.50 % p.a. for 2023, 3.00 % p.a. thereafter
Average rate of salary increase	4.50 % p.a. for 2023, 3.00 % p.a. thereafter for increases in general wage growth, plus a merit and promotion component*, if applicable
Post retirement cost of living increase	1.00 % p.a.
Mortality rate	Club Vita Canada's 2021 VitaCurves with generational mortality improvements using CPM scale B (CPM-B)

*Salaries are assumed to increase in accordance with general wage increases in Canada at the rate of 4.5% per year for 2023, and 3.0% per year thereafter for all members. Salaries for Division #1 plan members are assumed to increase by an additional merit and promotion component in accordance with the following table:

Age	Average Annual Increase over next 5 years	Average Annual Increase to age 65
30	3.3%	2.3%
35	2.8%	2.2%
40	2.5%	2.0%
45	2.2%	1.9%
50	2.0%	1.8%
55	1.8%	1.7%
60	1.7%	1.7%

Schedule rate increases according to collective bargaining agreements have been reflected in the valuation in place of assumed wage inflation, where applicable.

The actuarial value of net assets available for pension benefits has been determined reflecting long-term market trends (consistent with the assumptions underlying the valuation of accrued pension benefits). The valuation is based on a four year moving average market method with the market value being the underlying basis. The market value is adjusted by amortizing over a four year period the differences in each year between the fund's actual return and the long term expected return applicable for that year. The long term expected returns on plan assets for the smoothing period was 5.30% in 2020, 5.25% in 2021, 5.50% in 2022, and 5.50% in 2023. However, the excess of the actuarial value over the market value, positive or negative, is limited to 10%.

BRANDON UNIVERSITY RETIREMENT PLAN

Notes to the Financial Statements for the year ended December 31, 2023

7. Actuarial Valuation (continued)

The actuarial value of net assets as at December 31 were:

	<u>2023</u>	<u>2022</u>
Market value of net assets available for pension benefits	\$ 232,749,000	\$ 212,910,000
Market value of changes not reflected in the actuarial value of net assets	<u>8,397,000</u>	<u>20,916,000</u>
Actuarial value of net assets available for pension benefits before limit	<u>\$ 241,146,000</u>	<u>\$ 233,826,000</u>
Actuarial value as a percentage of market value	103.61 %	109.82 %
Actuarial value of net assets available for pension benefits after limit	\$ 241,146,000	\$ 233,826,000
Actuarial value as a percentage of market value	103.61 %	109.82 %

The next required valuation of the Plan will be as at December 31, 2025 and will be completed in 2026.

8. Election for Exemption from Special Payments

The Brandon University Retirement Plan is subject to the Manitoba Pension Benefits Act and Regulations. The University Pension Plans Exemption Regulation 141/2007 allowed the University to make an election to be exempt from solvency and transfer deficiency payments. "2(1) An employer in relation to a university plan may, by filing a written election with the plan administrator, elect to be exempt from the solvency and transfer deficiency provisions."

On January 19, 2009 the University filed such an election. With the exemption, the Plan will continue to be subject to the going-concern funding provisions of the Act.

9. Going-Concern Deficit Funding

An actuarial valuation performed by the Plan's actuary, Eckler Ltd., to determine the Plan's funding status as required by the Pension Benefits Act of Manitoba, was prepared as at December 31, 2022 and was filed with the Manitoba's Office of the Superintendent - Pension Commission in 2023.

The actuarial valuation indicates an actuarial surplus of \$24,022,000 as at December 31, 2022 using the accrued benefit method. The valuation is based on actuarial assumptions with regard to demographics, rate of return on investments and salary increases to compare the Plan's actuarial assets with its actuarial liabilities.

The University is required to fund the matching contributions, as well as the actuarial cost of the defined benefits in excess of the matching costs. Any funding deficit is required to be funded over a maximum period of 15 years. There were no annual special payments required in 2023 (2022 - nil). The next actuarial valuation of the Plan is required as at December 31, 2025 and will be completed during 2026.

10. Contributed Services

Brandon University provides staff and miscellaneous administrative services at no charge to the Plan. The cost of these services is not reflected in the Financial Statements.

MEMO

TO	Brandon University Pension Trustees
FROM	Andrew Kulyk, FSA, FCIA
DATE	May 22, 2023
RE	Follow-up items from April 29, 2024 Pension Board meeting

To the Pension Board:

I was provided with three follow-up items at our meeting on April 29, 2024, including:

1. The draft amendment is updated so that the maximum pension is rounded to the nearest ten dollars, i.e. \$2,210 vs. \$2,209. The updated draft amendment is attached.
2. Confirm the financial impact of crediting the benefit increase retroactively to age 65 for anyone currently beyond normal retirement, and/or confirm if the previous costings reflected that retroactively.

I can confirm that this was not captured in our costings. This adds an additional \$1.1M to the liability and \$55,000 to the annual current service cost.

3. Provide some analysis and numbers supporting different level of margin in the discount rate.
 - a. In preparing a recommendation for the valuation interest rate, we have a model that uses the asset mix of the fund to project returns stochastically over 5,000 trials. The model is updated annually for changes in capital market assumptions. We start by looking at the median long-term return of all the trials net of expected plan expenses. That is our best estimate interest rate. The Pension Board then selects a margin for adverse deviation (aka “conservatism”), which is represented by a deduction from the interest rate. That lower rate is used as the valuation discount rate. By lowering the return objective, you increase the probability of achieving your funding objectives.

Based on the Eckler model and 2023 capital market assumptions, 25bp of margin in the discount rate improves your probability of achieving the return by 5%. For example, using 25bp of margin means you have a 55% of achieving the return, 50bp of margin provides a 60% chance of achieving the return, and 100bp of margin provides a 70% chance of achieving the return.

- b. Including a margin in the discount rate has the effect of increasing the liabilities and increasing the current service cost. The following tables provides an estimate of impact on going concern liabilities of reducing the margin from its current level of 1.05%, all measured at Dec. 31, 2022. The estimated going concern ratio is provided as well, as a condition of the amendment, this ratio must be above 105% to maintain the indexation of the maximum pension.

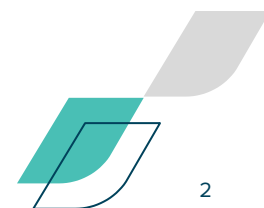
(in \$'000s)	Before Amendment	After Amendment
Margin in discount rate	1.05%	1.05%
Actuarial value of assets (smoothed)	\$233,826	\$233,826
Going-concern liabilities	209,804	217,281
Surplus/(Deficit)	24,022	16,545
Going-concern ratio	111.4%	107.6%
Impact of change in surplus		(7,477)

(in \$'000s)	After Amendment				
Margin in discount rate	1.00%	0.75%	0.50%	0.25%	0.00%
Actuarial value of assets (smoothed)	\$233,826	\$233,826	\$233,826	\$233,826	\$233,826
Going-concern liabilities	216,196	210,768	205,341	199,913	194,486
Surplus (deficit)	17,630	23,058	28,485	33,913	39,340
Going-concern ratio	108.2%	110.9%	113.9%	117.0%	120.2%
Impact of change in surplus relative to 1.05% margin in funding valuation	1,085	6,513	11,940	17,368	22,795

**The costing information provided in numbers 2 and 3 above have been prepared in a consistent manner with the costings that were previously prepared; i.e. using assumptions, data, and calculation date as at December 31, 2022. The costings in Item No. 3 do not include the additional \$1.1M liability identified in Item No. 2.*

I would be happy to answer any further questions from the Pension Trustees.

AK



**BRANDON UNIVERSITY
BOARD RESOLUTION**

**RE: AMENDMENT NO. 24-01 TO THE BRANDON UNIVERSITY RETIREMENT PLAN
(hereinafter referred to as the “Plan”)**

WHEREAS Brandon University (hereinafter referred to as the “University”) has established the Plan effective April 1, 1974,

AND WHEREAS the University, by Motions passed at the **May X, 2024** meeting of the Brandon University Board of Governors, ratified Plan improvements negotiated with the Brandon University Faculty Association, and extended the Plan improvements to other employee groups, and

AND WHEREAS the Brandon University Faculty Association ratified the negotiated Plan improvements on **[DATE]**, and

AND WHEREAS the University is updating the Plan for minor typographical changes and legislative updates, and

AND WHEREAS Paragraph 14.1 permits the University to amend the Plan.

Therefore, the Plan document is amended effective **May X, 2024 as follows:**

1. The following paragraph is added at the end of the Introduction.

“Effective **May X, 2024**, the Plan was amended to reflect an increase in the contribution rates, the benefit accrual rate for earnings below the maximum Canada Pension Plan earnings, and the Maximum Pension. Contribution rate increases take effect April 1, 2024 and benefit increases take effect April 1, 2023 for any plan Member who is active on or after April 1, 2023 and continues to have a benefit entitlement from the Plan on April 1, 2024.”

2. Section 1.38 “Year’s Maximum Contributory Earnings” is hereby deleted in its entirety and replaced with the following:

“1.38 “Year’s Maximum Contributory Earnings” means,

- (a) for each year from 2005 to 2023, the sum of:
 - (i) \$86,111 prior to 2009, or \$98,750 after 2008; and
 - (ii) 30% of the Year’s Maximum Pensionable Earnings for that year.
- (b) for each year from 2024, the sum of:
 - (i) the Maximum Pension for that year provided in Section 7.4 multiplied by 50; and
 - (ii) 20% of the Year’s Maximum Pensionable Earnings for that year.”

3. Member contributions are hereby amended by adding the following row to the table in Section 3.1 Regular Contributions, Paragraph 3.1(a):

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Effective	% of Basic Salary up to the Year's Basic Exemption	% of Basic Salary between the Year's Basic Exemption and the Year's Maximum Pensionable Earnings	% of Basic Salary which is in excess of the Year's Maximum Pensionable Earnings and less than the Year's Maximum Contributory Earnings
April 1, 2024	8.0%	8.0%	8.0%

4. University contributions are hereby amended by adding the following row to the table in Section 4.1 Regular Contributions, Paragraph 4.1(a):

Effective	% of Basic Salary up to the Year's Basic Exemption	% of Basic Salary between the Year's Basic Exemption and the Year's Maximum Pensionable Earnings	% of Basic Salary, if any, in excess of the Year's Maximum Pensionable Earnings
April 1, 2024	8.0%	8.0%	8.0%

5. Paragraph 4.1(f) is hereby deleted and replaced as follows:

“In addition to contribution obligations as provided in sub-paragraphs (a), (b), (c), (d), and (e), the University shall make contributions to the Fund in an amount equal to the normal actuarial cost of current service in respect of plan changes implemented effective November 10, 2008, as determined by the Actuary in an actuarial valuation prepared in compliance with the Pension Benefits Act. In determining the actuarial cost of current service in respect of the plan changes implemented effective November 10, 2008, the Actuary shall include the increase in cost related to the change in the normal form of pension for a Member with an Eligible Spouse at retirement implemented by amending Paragraph 8.1 effective November 10, 2008.”

6. Section 4.2 is hereby amended by deleting Paragraph 4.2(a) and renumbering remaining Paragraph 4.2(b) as 4.2(a).

7. Renumbered Paragraph 4.2(a) is hereby deleted and replaced as follows:

“Pension Benefits Act - In the event that the minimum University funding requirements exceed the contributions stipulated in accordance with Paragraph 4.1 as a result of an actuarial valuation, the University shall make additional contributions to satisfy those requirements.”

8. Section 5.1 Interest Rate on Contribution Accounts is hereby amended by replacing “CANSIM Series B-14045” with “CANSIM Series V180691336”.

9. Section 7.1 Basic Pension is hereby deleted in its entirety and replaced as follows:

“7.1 Basic Pension

Subject to 7.4, the annual pension payable to a Member who retires on or after his Normal Pension Commencement date shall be equal to

4.3 Retirement Plan Amendment - Draft Version 2

- (a) if he or she retires on or after April 1, 2023,
 - (i) 2% of Final Average Earnings multiplied by years of Credited Service, LESS
 - (ii) 0.4% of Canadian Pension Plan Average Earnings multiplied by years of Credited Service since January 1, 1990, or
- (b) if he or she retired on or after January 1, 1999 and prior to April 1, 2023,
 - (i) 2% of Final Average Earnings multiplied by years of Credited Service, LESS
 - (ii) 0.6% of Canadian Pension Plan Average Earnings multiplied by years of Credited Service since January 1, 1990, or
- (c) if he or she retired prior to January 1, 1999,
 - (i) 2% of Final Average Earnings multiplied by years of Credited Service, LESS
 - (ii) 0.6% of Canadian Pension Plan Average Earnings multiplied by years of Credited Service since January 1, 1966.

The pension payments for a Member who retired prior to January 1, 1999 shall be increased effective on that date so that the pension after the increase will be equal to that which it would have been at the date of retirement had paragraph (a) applied at that date, increased by all supplementary increases made since the date of retirement.

For the purpose of this Paragraph 7.1

"Final Average Earnings" means the annual average of the Member's Basic Salary in the 60 months of Service when such Basic Salary was highest during the 12 years prior to the date of death, retirement or termination of employment.

"Canada Pension Plan Average Earnings" means the annual average of that part of the Member's Basic Salary in the same 60 months as were used to calculate "Final Average Earnings" which is less than the Year's Maximum Pensionable Earnings during those months.

Where a member has made an election to stop contributing under Paragraph 3.9 and the contribution stop date is a date other than a calendar year-end, the Final Average Earnings and Canada Pension Plan Average Earnings would be calculated using prorated earnings and service for the last calendar year in which contributions were made."

10. Section 7.4 Maximum Pension is hereby deleted in its entirety and replaced as follows:

"7.4 Maximum Pension

The maximum annual pension at retirement, termination of employment or termination of the Plan, including any retirement income payable under any other registered pension plan of the University but excluding the portion of the annual retirement income derived from the Member's Additional Voluntary Contribution Account shall not exceed the lesser of:

- (i) the Defined Benefit Limit times the number of years of Credited Service, or
- (ii) an amount that is the product of 2% per year of Credited Service and the average of the best three non-overlapping 12-month periods of Basic Salary paid to the Member by the University.

In the above calculation, Credited Service prior to December 31, 1991 shall be limited to 35 years. For the purpose of this Paragraph 7.4, "Defined Benefit Limit" shall mean:

- (i) \$1,722.22 for Members whose employment terminates at any time prior to April 1, 2009,
- (ii) \$1,975.00 for Members whose employment terminates at any time between March 31, 2009 and April 1, 2023,
- (iii) \$1,975.00 for Members whose employment terminates at any time between March 31, 2023 and **April 1, 2024** if they are no longer a Plan Member as at **April 1, 2024**, and
- (iv) For all other Members whose employment terminates at any time after March 31, 2023:
 - (i) For Credited Service up to and including December 31, 2022, \$2,210 per year of service, and
 - (ii) For Credited Service accrued after December 31, 2022, 63% of the Income Tax Regulations defined benefit limit for the year in which employment terminates, subject to adjustment in accordance with Section 13.7 when the going concern funded ratio of the Plan is below 105%. The amount determined in this section is calculated without application of the 0.25% per month reduction for commencement before attaining the earliest of age 60, 30 years of Service, or age and Service equal to 80 points."

- 11. Section 10.1 Immediate Vesting is hereby amended by adding "as determined at his termination date" following "Total Deferred Pension".
- 12. Section 13.7 Going Concern Funded Ratio Below 105% is hereby added to Article 13 as follows:

"13.7 Going Concern Funded Ratio Below 105%

For the purpose of Section 7.4, the Defined Benefit Limit for Credited Service after December 31, 2022 is expected to increase each year by the increase in the average indexed wage for Canada such that it is equal to 63% of the Income Tax Regulations defined benefit limit. For 2023 this amount is 63% of \$3,506.67, or \$2,210. If the going concern funded ratio calculated by the Actuary is below 105%, no increase will be

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applied to the Defined Benefit Limit until such time that the going concern funded ratio exceeds 105%. The going concern funded ratio will be measured annually one year in advance of the increase to the Defined Benefit Limit which occurs January 1 of each calendar year. If the going concern funded ratio has fallen below 105% and subsequently increases above 105%, the Defined Benefit Limit will be increased to maximum extent possible while maintaining a going concern funded ratio of at least 105%, but not exceeding 63% of the Income Tax Regulations defined benefit limit. The Defined Benefit Limit in effect at the time of termination of employment will apply to a Member's pension, meaning that subsequent increases to the Defined Benefit Limit, if any, will not apply to pensions in pay or vested deferred pensions."

CERTIFIED to be a true copy of a resolution passed by the Board of Governors of the University on the _____ day of _____, 2024

Signature

Name

Title