

SYDNEY STEEL CORPORATION

NON-CONTRIBUTORY PENSION PLAN 1974
(CUPE)

As Amended to February 1998

SECTION I**DEFINITIONS**

The following words and phrases as used herein shall have the following meanings, unless the context otherwise indicates:

1. "Effective Date": December 1, 1974
2. "Corporation": Sydney Steel Corporation
3. "Unions": Local 1675 Canadian Union of Public Employees.
4. "Dosco": The Dominion Steel and Coal Corporation, Limited
5. "Plan": This Pension Plan as described herein and as from time to time hereafter amended.
6. "Pension Board": The Pension Board as provided in the Plan.
7. "Normal Retirement Date": The first day of the month following attainment of age 65.
8. "Fund": The Trust Fund consisting of the monies, property, and income therefrom which, from time to time, shall be received and held by the Trustee for the provision of benefits under this Plan.
9. "Trustee": The Trust Company and/or Insurance Company, or the Minister of Finance and Economics of Nova Scotia, appointed by the Corporation to act as Trustee of the Fund in accordance with the provisions of the Plan and the Trust Agreement.

10. "Agreement": The Trust Agreement under which the Fund shall be received, held, and disbursed by the Trustee.
11. "Employee": Employees of the Corporation employed under the terms of a Collective Agreement between the Corporation and the Union and other persons the Corporation may designate.

If the Employee has previously been an employee of the Corporation and is in receipt of a pension from any pension plan sponsored by the Corporation, the Employee shall continue to receive said pension and shall not accrue further benefits under this Plan during the period of re-employment.

12. "Former Dosco Employee": Any person who was employed at Sydney Works by Dosco and who ceased to be so employed prior to the Effective Date.
13. "Pensioner": Any Employee or Former Employee who has been retired or the spouse of a deceased Employee or Former Employee, who is entitled to receive a pension benefit under the provisions of this Plan.
14. "Continuous Service": The uninterrupted service of an Employee or Former Employee with Dosco and with the Corporation beginning with the date on which he was hired, or, in the event of any previous termination of his employment, last hired, and ending with the date of his retirement, death, or termination of employment, whichever shall first occur. For purposes of the Plan, time lost due to leave of absence, lay off, disability, sickness, or military service shall not be an interruption of Continuous Service except as provided for under uniform rules promulgated by the Pension Board in accordance with the Act. In particular, the purchase by the Corporation of substantially all of the assets and business of Sydney Works, as well as any action by the Corporation or by Dosco resulting from this purchase, shall not, by itself, be considered as an interruption of Continuous Service for purposes of the Plan.

15. "Credited Service": That portion of an Employee's or Former Employee's Continuous Service which occurs prior to his retirement date but not exceeding 40 years, and for which he accrues no benefit under any other Corporation Pension Plan with the exception of The 1955 Pension Plan, and/or that portion of a pension benefit determined by the Employee's contributions to the Contributory Pension Plan for salaried employees, determined on the following basis.

- (i) Credited Service prior to December 1, 1974, means the period of years and completed calendar months (expressed as twelfths of a year) of service calculated from the later of the date of employment or the date of re-employment or commencement of work following the last break in service, if any. Recognized service with subsidiaries of Dosco prior to May 1, 1955, shall be included as service with the Corporation.

Service shall be broken and no service prior to such break shall be credited (whether prior to or subsequent to the Effective Date) by

- (a) resignation or other voluntary termination of employment;
- (b) lay off for lack of work;
- (c) discharge or other termination of employment by the Corporation except that absence due to temporary disability compensable under the Workmen's Compensation Act or similar law or during which the Employee was disabled because of illness or non-occupational injury, shall not be deemed to have caused a break in service if the Employee returned to work within 30 days after recovery.

Lay off for less than 24 months shall not cause interruption of Credited Service but such periods of lay off shall be subtracted from the total

years of Credited Service in determining amounts of pension benefits occurring prior to January 1, 1966, and subsequently.

Credited Service which occurred between May 1, 1955 and December 31, 1965, shall be recognized as Credited Service for each Employee who participated in The 1955 Pension Plan or who was eligible to participate in The 1955 Pension Plan.

- (ii) With respect to each calendar year after December 1, 1974, one year of Credited Service shall consist of 1,800 hours and will be earned in one-tenth (1/10) of a year for the first 90 hours and for each 180 hours thereafter of work performed by him during the calendar year or for which he receives pay from the Corporation on and after the Effective Date.

Overtime shall be credited as straight time hours. Credited Service shall include 40 hours per week for each week of earned vacation, 40 hours per week for illness or accident during which he is in receipt of Workers Compensation payments and, with the consent of the Corporation, credited hours up to 40 hours per week in respect of periods during which he shall have been engaged in Union business while on approved leave of absence.

An Employee who is absent from work because of illness shall receive credit for such period, up to a maximum of 15 weeks in a calendar year, provided he is in receipt of wage continuation from the Corporation.

- (iii) In respect of each such calendar year, no Employee or Former Employee shall earn more than one year of Credited Service.
- (iv) Notwithstanding any other provision of this paragraph 15, Employees with a minimum of 30 years plant seniority, or those whose age plus

years continuous service equals at least 80, who were laid off prior to January 1, 1990 because of lack of work shall, at retirement, have such periods of lay off, up to a maximum of 48 months, provided no more than 24 consecutive months may be included, included in Credited Service for retirements occurring on and after January 1, 1995.

16. "Total and Permanent Disability": Impairment of mental or physical effectiveness resulting from bodily injury or disease, either occupational or non-occupational in cause, as a result of which it is established on the basis of medical evidence to the satisfaction of the Pension Board:
- (i) that the Employee or Former Dosco Employee is prevented from engaging in any occupation or employment for remuneration or profit, and
 - (ii) that his condition of Total and Permanent Disability has existed continuously for 210 calendar days, and
 - (iii) that his condition of Total and Permanent Disability will be permanent during the remainder of his life; but excluding disabilities resulting from:
 - (a) any activity while in the armed forces of any country;
 - (b) warfare or acts of the public enemy;
 - (c) participation in any criminal or unlawful act;
 - (d) intentionally self-inflicted injury or disease;
 - (e) wilful misconduct.

17. "The 1955 Pension Plan": The contributory Pension Plan of Dosco under which benefits relating to an Employee's or Former Dosco Employee's Continuous Service between May 1, 1955 and December 31, 1965, are determined.
18. "Salary Pension Plan": The contributory Pension Plan of Sysco under which benefits relating to an Employee's or Former Employee's Continuous Service from January 1, 1966, are determined.
19. "Act": The Pension Benefits Act of Nova Scotia.
20. "Actuarial Equivalent": A benefit of equal value computed upon an actuarial basis that does not take into account the sex of the member and that is approved by the Pension Board.
21. "Commutated Value": The Actuarial Equivalent of a pension or deferred pension benefit calculated as prescribed under the Act, or on such other basis established by the Committee that produces a larger value. The Commuted Value shall also be calculated in accordance with the requirements of the Income Tax Act.
22. "Regulations": The regulations made pursuant to the Act.
23. "Spouse": Either of a man and woman who
 - (i) are married to each other,
 - (ii) are married to each other by a marriage that is voidable and has not been annulled by a declaration of nullity,
 - (iii) have gone through a form of marriage with each other, in good faith, that is void and are cohabiting or, if they have ceased to cohabit, have cohabited within the 12 month period immediately preceding the date of entitlement, or

- (iv) not being married to each other and neither being married to another person have lived together as husband and wife for three years and are living together as husband and wife at the relevant time.

Notwithstanding, for all purposes of the Income Tax Act, the definition of spouse therein shall apply.

"Income Tax Act" means the Income Tax Act, Statutes of Canada and the Regulations thereunder, and where applicable includes the provisions of Information Circular 72-13R8 issued by the Department of National Revenue, as amended or replaced from time to time.

"Total Disability" means a disability throughout which the Employee is physically or mentally impaired so that he is prevented from performing the duties of employment in which he was engaged prior to the impairment and which is certified, in writing, by a medical doctor licensed in Canada or where the Member resides.

"Pension Adjustment" shall have the meaning as defined in the Income Tax Act. In no event shall the pension accrued in a Plan Year result in a Pension Adjustment in excess of the limits prescribed by the Income Tax Act.

"Plan Year" shall mean the calendar year.

SECTION II

DETERMINATION OF PENSION BENEFITS

1. In the case of an Employee who retires on or after January 1, 1995 the following amount of pension benefits, determined as provided in this Section II, shall be the basis of pension benefits provided under the terms of the Plan.

- (a) Current Service Pension

An Employee's Current Service Pension shall be \$35 per month multiplied by his years of Credited Service under the Plan, subject to a total of not more than 35 years of such credited service.

- (b) Prior Service Pension

An Employee's Prior Service Pension, if any, shall be an amount payable on his Normal Retirement Date and established under the provisions of The 1955 Pension Plan.

- (c) Supplementary Pension

An Employee's Supplementary Pension, if any, shall be \$30 per month for each completed year of Continuous Service prior to January 1, 1966 and for each completed year of Credited Service after January 1, 1966, subject to a total of not more than 30 years of service.

2. All pension, disability, death, or termination benefits will be determined in accordance with the rules of the Plan in effect on the date of retirement, date of determination of eligibility for a disability pension, date of death, or date of termination of employment, whichever be applicable.

3. Effective January 1, 1977, all Pensioners covered by this Plan, alive on that date, and who retired prior to November 1, 1976, will have their monthly pensions increased by a supplement of \$10 per month.
4. Effective January 1, 1979, all Pensioners covered by this Plan, alive on that date, and who retired prior to November 1, 1978, will have their monthly pensions increased by a supplement of \$10 per month.
5. Effective January 1, 1980, all Pensioners covered by this Plan, who were alive on July 1, 1980 and who retired prior to November 1, 1979, will have their monthly pension increased by a supplement of \$10 per month.
6. Notwithstanding any other provision of this Plan to the contrary:

The annual lifetime pension payable to an Employee under this Plan, including a pension payable to an Employee's Spouse or former Spouse pursuant to section XII subsection 7, determined at the time of pension commencement, shall not exceed the years of the Employee's pensionable service multiplied by the lesser of:

- (a) \$1,722.22 or such greater amount permitted under the Income Tax Act;
and
- (b) 2% of the Employee's highest average indexed compensation (as defined under the Income Tax Act) in any three non-overlapping periods of 12 consecutive months;

reduced, if the pension commencement date precedes the earlier of the day on which:

- (c) the Employee will attain age 60;
- (d) the Employee's age plus Continuous Service would have equalled 80;

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- (e) the Employee would have completed 30 years of Continuous Service;
and
- (f) the Employee becomes Totally and Permanently Disabled,

by 1/4 of 1% for each month by which the pension commencement date precedes that day.

7. Effective February 1, 1983, all Pensioners covered by this Plan, who were alive on February 1, 1983 and who retired prior to February 1, 1982, will have their monthly pension increased by a supplement of \$10 per month.

SECTION III

NORMAL, EARLY, EARLY VOLUNTARY, AND POSTPONED RETIREMENT

1. Upon retirement from the Corporation on or after his Normal Retirement Date, on or after the Effective Date, an Employee shall receive a pension equal to the sum of his Current Service Pension, his Prior Service Pension, and his Supplementary Pension, if any.
2. An Employee who has been a Member of the Plan for at least two years may retire from the Corporation on an Early Retirement Date which may be the first day of any month between his attainment of age 55 and 62. In such event he shall receive a pension equal to his Current Service Pension, and his Prior Service Pension, if any, all reduced by one-half of 1% for each month by which his Early Retirement date precedes the first day of the month following his sixty-second birthday, except that if the Employee is entitled to a retirement pension from The 1955 Pension Plan, the pension benefit from The 1955 Pension Plan will be reduced by one-half of 1% for each month by which his actual retirement date precedes his Normal Retirement Date.
3. An Employee who has completed thirty years of either Credited or Continuous Service, has attained the age of 62, or whose age plus years of Continuous Service equals or exceeds 80, shall be eligible, at his option, for an Early Voluntary Retirement on or after January 1, 1995.

An Employee who elects Early Voluntary Retirement shall receive a Current Service Pension based on his Credited Service accrued to his actual retirement date. He will also receive his Prior Service Pension. In addition to these amounts, he will be entitled to a Supplementary Pension which shall be paid to him until the attainment of his Normal Retirement Date.

4. An Employee may retire from the Corporation on a Postponed Retirement Date which may be the first day of any month between his Normal Retirement Date and the end of the year in which he attains the age of 69.
5. All pensions payable on Normal, Early, Early Voluntary, or Postponed Retirement under the provisions of the Plan shall be payable to the Pensioner in monthly instalments on the first day of each month with the first monthly instalment payable on the Pensioner's date of retirement from the Corporation and the last monthly instalment payable on the first day of the month in which the Pensioner's death occurs.
6. No Employee may retire under the provisions of this Section III, or Section V, while he is in receipt of benefits under the terms of any long term disability plan arranged by the Corporation.

SECTION IV

OPTIONS

1. An Employee entitled to a pension on Normal, Early, Early Voluntary, or Postponed Retirement under the Plan may elect at any time prior to his retirement from the Corporation that the pension otherwise payable to him shall be paid in accordance with one of the options described in this Section IV. Any such election must be made in writing to the Pension Board before his retirement from the Corporation and cannot be changed or rescinded after the first monthly instalment becomes payable to him.
2. Survivor Option: Under this option, an Employee who has been married to the same person (herein referred to as the spouse) for at least three years in the case of a legal marriage and seven years in the case of a recognized common-law marriage immediately prior to his retirement from the Corporation shall have a special pension, equivalent to a percentage of the initial amount of Current Service Pension and Prior Service Pension payable, if any, as if no options had been elected at the date of his retirement, which shall be payable to him for life, and following his death, a special pension payable to his surviving spouse for life. Should his spouse die prior to his retirement, the election of this option shall be automatically cancelled.

The percentage referred to above will, while the Employee is alive, be 95% increased or decreased by one-half of 1% for each full year by which the Employee's spouse is more than ten years older or younger than he is respectively.

After the death of the Employee, the percentage will, if and while the spouse is alive, be 60% of the percentage applicable before the Employee's death.

The Pension Board shall be provided with satisfactory proof of age of the retiring Employee's spouse with the retiring Employee's written election of this option to

them. The death of a Pensioner's spouse after his retirement from the Corporation shall not affect the terms or amount of pension payable to a Pensioner under this option, and in the event of his marriage or remarriage after his retirement from the Corporation, all pension payments shall nevertheless cease upon his death.

3. Guaranteed Pension Option: Under this option, an Employee shall have pension benefits otherwise payable to him under the Plan reduced on a basis of actuarial equivalence, on condition that if he dies before receiving a total of 72 monthly pension instalments, his monthly pension shall continue to be paid after his death to a beneficiary named by him in his written election of the option to the Corporation until a total of 72 monthly pension instalments in total have been paid to the deceased Pensioner and his named beneficiary.
4. None of the provisions of this Section IV except paragraph 5 shall be applicable to any Supplementary Pension, or pension payable as a consequence of Total and Permanent Disability, or Deferred Vested Pension to which an Employee or Pensioner may be entitled under the provisions of the Plan.
5. Notwithstanding any other provisions of the Plan should an Employee, at the date of retirement, have a Spouse, the Employee must elect, unless the Spouse gives consent in the manner prescribed under the Act or Regulations, a reduced pension of actuarially equivalent value payable throughout the lifetime of the Employee with the provision that, after the Employee's death, a stipulated percentage shall continue during the life of, and payable to, the Spouse. Such percentage must be at least 60. Such guarantees may be attached to the pension as may be allowed under the administrative rules of Revenue Canada. This paragraph does not, however, apply to any pension that is payable for a temporary period, or is of a "make-up" nature, such as, but not limited to, Supplementary Pensions payable under paragraph 1(c) of Section II.

SECTION V**DISABILITY RETIREMENT**

1. An Employee who suffers a Total and Permanent Disability while in the employ of the Corporation after he has completed not less than ten years of Continuous Service may apply to the Corporation for Disability Retirement. Such application must be supported by such information as may be requested by the Pension Board as to his eligibility for Disability Retirement, including one or more physician examinations by a physician selected by the Pension Board.
2. An Employee's Disability Retirement Date shall be the first day of the month following approval of his application for Disability Retirement by the Pension Board. The amount of pension payable on Disability Retirement shall be the greater of:
 - (a) The sum of the Employee's Current Service Pension and Prior Service Pension, if any, at date of disability; or
 - (b) Commencing February 1, 1983, a pension equivalent to \$340 per month.

Any benefit described in (a) or (b) above will be reduced by any amounts payable under any Corporation sponsored Disability Insurance Plan.
3. All pension benefits payable on Disability Retirement shall be paid in monthly instalments and shall be in lieu of any other pension benefit under the Plan. The first monthly

instalment shall be payable on an Employee's Disability Retirement date. The last monthly instalment shall be payable on the first day of the month in which a Pensioner:

- (a) shall recover or shall be deemed to recover from his Total and Permanent Disability; or
 - (b) shall accept any employment other than for the purpose of rehabilitation on a nominal wage basis; or
 - (c) shall attain his sixty-fifth birthday; or
 - (d) shall die.
4. A Pensioner in receipt of pension benefits on Disability Retirement shall be required from time to time, but not more often than twice in any calendar year, to submit proof of his continuing eligibility for Disability Retirement. Any such Pensioner who fails to comply with any request of the Pension Board pertaining to his continuing eligibility for Disability Retirement shall thereby be deemed to have recovered from his Total and Permanent Disability prior to the first day of the month following such failure to comply.
5. If a Pensioner on Disability Retirement shall recover or shall be deemed to have recovered from his Total and Permanent Disability prior to attaining his sixty-fifth birthday, his pension benefits on Disability Retirement shall cease and if he is re-employed he shall then recommence to accrue benefits under the terms of the Plan. If he is not re-employed, he shall then be entitled to a Deferred Vested Pension as provided in Section VII of the Plan, notwithstanding the fact that he may not have attained age 35, or, if qualified and with the consent of the Pension Board, be granted an Early Retirement Pension as provided in Section III.

6. When a Pensioner on Disability Retirement attains his sixty-fifth birthday, his Disability Retirement shall cease and he shall thereafter be entitled to the pension available to him under the Plan on his Normal Retirement Date.
7. The Pension Board shall have full authority to make all determinations in accordance with the Provisions of the Plan affecting any Employee's or Pensioner's right to any pension payment due because of Total and Permanent Disability and any such determination shall be conclusive and final.
8. With the consent of the Pension Board an Employee who suffers a disability while in the employ of the Corporation such that he is unemployable by the Corporation, and who has either attained age 55 and has 25 years of Continuous Service or who has 40 years of Continuous Service, is eligible for Early Voluntary Retirement under the provision of paragraph 3 of Section III, notwithstanding he may not meet the age and service requirements of that paragraph.

SECTION VI

DEATH BENEFITS

1. If a married Employee, or a Pensioner on Disability Retirement who has completed not less than ten years of Continuous Service shall die after attaining his fifty-fifth birthday and before his retirement from the Corporation, then his surviving spouse as defined in Section IV(2) of the Plan, shall under this Plan be entitled to a pension payable for life determined on the presumption that the Employee or a Pensioner on Disability Retirement had retired from the Corporation and become entitled to Early Retirement pension benefits under this Plan on the day preceding his death, and had elected the Survivor Option under this Plan. For the purposes of this paragraph only, if the Employee is not entitled to a pension under Section III, paragraph 3, the amount of the reduction specified in Section III, paragraph 2 shall be determined by the number of months between the date of death and the date on which the Employee would first have been entitled to a pension under Section III, paragraph 3.
2. If an Employee or a Pensioner on Disability Retirement to whom the above paragraph 1 does not apply shall die before retirement, no benefit shall be payable under the provisions of the Plan, except for such death benefit, if any, by way of a refund of his own contributions plus interest thereon as is established and payable to his beneficiary under the provisions of The 1955 Pension Plan.
3. If a Pensioner who has retired from the Corporation shall die, no benefits shall be payable under the provisions of the Plan except as follows:
 - (a) such pension benefits as may be payable to his surviving spouse or beneficiary under the provisions of Section IV of the Plan, or

- (b) where no option has been elected under Section IV of the Plan, such death benefit, if any, as is established and payable to his beneficiary under the provisions of The 1955 Plan.
4. Subject to any applicable laws, an Employee or Pensioner may name any beneficiary he chooses and may change his designation at any time by submitting proper notification to the Pension Board. Should an Employee have a Spouse, however, such Spouse must be designated as the beneficiary unless the Spouse gives consent in the manner prescribed under the Act or the Regulations for the designation of another Beneficiary. If no beneficiary exists at the time a death benefit becomes payable, such benefit shall be paid to the Employee's, Former Dosco Employee's, or Pensioner's widow, if surviving, otherwise to his heirs, executors, or successors.
5. Should an Employee die in the service of the Corporation before his Normal Retirement survived by a Spouse, there shall be paid to the Spouse, in addition to the benefit payable under paragraph 1 of this Section VI the excess, if any, of 60% of the Commuted Value of the deferred pension for service after December 31, 1987 to which the Employee would have been entitled had he terminated service on the date of death over the Commuted Value of the benefit provided in paragraph 1 with respect to service after December 31, 1987. Such excess shall be reduced by the amount of any group life insurance payable to the Spouse, and paid for by the Corporation.
6. Upon the death of a former Employee who is survived by a Spouse who has terminated service with the Corporation, and who is entitled to a deferred pension under Section VI, there shall be paid to the Spouse 60% of the Commuted Value of the deferred pension for service after December 31, 1987.

SECTION VII**TERMINATION OF EMPLOYMENT AND VESTING**

1. Provided the Employee has attained his thirtieth birthday and completed not less than a continuous period of ten years in the service of the Corporation or of ten years of membership in this Plan or a predecessor plan, he shall be entitled to a deferred Vested Pension. Such Deferred Vested Pension shall be established on the date of his termination and commence on his Normal Retirement Date, be payable for life, and shall be equal to his Current Service Pension plus his Prior Service Pension, if any.
2. An Employee entitled to receive a Deferred Vested Pension may request that the Deferred Vested Pension commence on the first day of any month following attainment of his fifty-fifth birthday. In the event of the Corporation's approval, his Deferred Vested Pension shall be reduced by one-half of 1% for each month by which the earlier commencement date precedes his Normal Retirement Date.
3. Notwithstanding the provisions of paragraph 1 of this Section VII, upon the Termination of Service of an Employee who has been a Member of the Plan, or any other pension plan sponsored by the Corporation for a period of two years, such Employee shall be entitled to receive a deferred pension as provided in said paragraph 1 with respect to service from January 1, 1988 to the date of termination. No pension provided under this paragraph 3 may duplicate any pension provided under paragraph 1.
4. For purposes of paragraph 3 any increase in pension benefits given after December 31, 1987 shall be deemed to be for service in the calendar year of the increase, and not for the specific period of service to which it applies.

5. Upon termination of employment, an Employee may authorize the Pension Board in writing to transfer the Commuted Value of any pension to which the Employee is entitled under any other provisions of Section VII, to the pension plan of the new employer, or into a retirement savings arrangement as prescribed under the Act or the Regulations, or use it to purchase a deferred life annuity with payments commencing no sooner than age 55, provided that the Member is not entitled to an immediate pension under Section III, and has not attained the age of 55.

In this event, such transfer shall discharge all liability of the Corporation and the Trustee in regard to the benefit of the said Employee under this Plan. All such transfers must be made in accordance with the Income Tax Act, and the Act and Regulations.

SECTION VIII**CONTRIBUTIONS AND TRUST FUND**

1. The Corporation shall make contributions to the Fund each year sufficient to fund the benefits provided by the Plan in accordance with the Pension Benefits Act of Nova Scotia and not in excess of the amount eligible under the Income Tax Act. Such contributions must be remitted to the Trustee in monthly instalments within the 90 days following the month to which they are applicable

An amount contributed by the Corporation under this subsection may be refunded at any time to the Corporation where such action is required to avoid the revocation of registration of the Plan under the Income Tax Act, subject to the approval of the Superintendent of Pensions of Nova Scotia.

2. The Fund shall be received, held, administered, and applied by the Trustee in accordance with the provisions of the Agreement and in accordance with the Pension Benefits Act of Nova Scotia. The fiscal year of the Fund shall be the calendar year. No part of the Fund shall be used for, or diverted to, purposes other than to provide for the exclusive benefit of Employees, Former Dosco Employees, and Pensioners under the Plan until after satisfaction of all actuarial liabilities thereunder with respect to the Employees or Pensioners under the Plan. No person shall have any interest in, or right to, the Fund or any part thereof, except as expressly provided in the Plan and/or the Agreement.
3. The Board of the Corporation shall appoint the Trustee and shall have the authority to remove the Trustee at any time upon the notice required under the terms of the Agreement and upon such removal or upon the resignation of the Trustee, the Corporation shall appoint a successor Trustee.

SECTION IX**ADMINISTRATION**

1. The general administration of the Plan and the responsibility for carrying out its provisions shall be placed in a Pension Board appointed by the Chairman of the Corporation. The Pension Board shall consist of not less than four nor more than six members. Any three members shall constitute a quorum. A member of the Pension Board may resign by delivering his written resignation to the Secretary of the Pension Board effective upon delivery or at any later date specified therein.
2. The Chairman of the Corporation shall designate a member of the Pension Board to be the Pension Board Chairman. The Pension Board shall elect a Secretary, who may, but need not be, a member of the Pension Board. The Pension Board may appoint such sub-committees with such powers as the Pension Board shall determine, and may authorize one or more of their members or the Secretary or any agent to make any payment on behalf of the Pension Board or to execute or deliver any instrument on its behalf, except that requests for funds from, or directions for the payment of funds by, the Trustee shall be given only by and pursuant to action by the Pension Board.
3. The Pension Board shall enact such uniform rules and regulations consistent with the Plan as it may consider desirable for the administration of the Plan. All actions of the Pension Board shall be taken with the concurrence of at least a majority of its members, either at a meeting or in writing without a meeting. Written record shall be kept of meetings and actions of the Pension Board. No member of the Pension Board shall act on any matter in which he alone is personally interested under the Plan. Except as may otherwise be determined by the Chairman of the Corporation, the Pension Board shall have all powers necessary to accomplish the purposes of the Plan including but not by way of limitation, the following:

- (a) To construe the Plan, its construction thereof in good faith to be final and conclusive;
 - (b) To decide all questions concerning the Plan and concerning the right of any person to receive benefits under the terms of the Plan;
 - (c) To compute the amount of benefits which shall be payable to any Employee or Pensioner in accordance with the provisions of the Plan;
 - (d) To authorize disbursements by the Trustee.
4. On the advice of the actuary appointed by the Corporation, the Pension Board shall adopt mortality tables and rates of interest for use in all actuarial calculations in connection with the Plan. The actuary, appointed by the Corporation, shall make periodic actuarial studies of the assets and liabilities of the Plan and shall recommend to the Pension Board mortality tables and rates of interest and amounts of contributions to the Fund under the terms of the Plan.
- The Pension Board shall be entitled to rely conclusively upon all tables, valuation certificates, opinions, and reports which shall be furnished by the actuary, counsel, or other person who shall be employed or engaged for such purposes.
5. If, for any reason, the Pension Board shall consider that it is undesirable because of the physical condition or other incapacity of the person entitled thereto, to make any payment provided for herein directly to such person, the Pension Board shall be at liberty to direct the making of any such payment to any third person who, in the judgement of the Pension Board, will apply the same for the benefit of the person entitled thereto. Such payment for the benefit of the person entitled thereto or to a third person for his benefit, having been made, the Pension Board and the Trustee shall be discharged from all further responsibility for such payment. The Pension Board may direct the withholding of any payment due to a

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person under legal disability until a representative of such person competent to receive such benefit in his behalf shall have been appointed pursuant to law.

SECTION X**TERMINATION OF CREDITED SERVICE**

1. The Corporation may from time to time, unless prevented by other contractual obligations, terminate in respect of any group of Employees any further accruals of Credited Service under the Plan, in which case benefits accumulated under the Plan up to the date of such termination shall be frozen and shall be payable in accordance with the terms and conditions of the Plan at the date of such termination.

SECTION XI**AMENDMENT AND TERMINATION OF THE PLAN**

1. The Corporation may, unless prevented by other contractual obligations, amend or terminate the Plan, in whole or in part, from time to time, provided that no amendment shall operate to deprive any Employee, Former Dosco Employee, or Pensioner of any rights or benefits accrued to him under the Plan prior to such amendment; and further provided that, without limiting the generality of the foregoing, the Corporation may make any and all changes or modifications which shall be necessary to qualify the Plan and Agreement or to keep the Plan and Agreement qualified under the Income Tax Act or under the applicable provisions of any other Federal or Provincial legislation specifically applicable to private pension plans and private pension funds. Notwithstanding, an amendment may be made that reduces accrued benefit if that amendment is required to maintain the registration under the Income Tax Act, with the approval of the Superintendent of Pensions of Nova Scotia.

Where an amendment results in a certifiable past service pension adjustment (as defined under the Income Tax Act) in respect of an Employee, the amendment shall not apply to such Employee prior to certification of the past service pension adjustment in accordance with the Income Tax Act.

2. Nothing contained in the Plan shall be deemed to give any Employee the right to be retained in the service of the Corporation or to deny the Corporation the right to transfer or to discharge any Employee at any time without regard to the effect which such transfer or discharge would have upon him under the Plan.
3. Employees or Pensioners shall look only to the Fund and/or the issuer of any annuity contract or contracts for payments of benefits under this Plan. No

Employee or Pensioner shall have any right, claim, or demand, therefore, against the Corporation.

4. In the event the Plan is terminated, all Corporation contributions to the Fund shall cease and the assets of the Fund then held by the Trustee shall be applied, to the extent possible, having regard to any applicable federal or provincial legislation specifically applicable to private pension plans and private pension funds, to and for the benefit of Employees and Pensioners in the order set forth below:
 - (1) There shall be credited to each Pensioner excluding a Pensioner on disability retirement but including a Pensioner and his spouse who has elected the Survivor Option and to each beneficiary or spouse of a deceased Pensioner an amount which will provide the pension to which they are entitled under the Plan.
 - (2) There shall be credited to each Employee who shall then have attained his Normal Retirement Date an amount which will provide the pension then accrued to him under Section II of the Plan and which he then would be eligible to receive without benefit of the Survivor Option.
 - (3) There shall be credited to each Employee or person receiving Disability Benefits under Section V hereof who, on the date on which the Plan shall terminate, shall be eligible to request early retirement as provided in Section III of the Plan an amount which will provide the pension then accrued to him under paragraphs 2 and 3 of Section II of the Plan without benefit of the Survivor Option. Persons who qualify under this sub-paragraph shall not be entitled to qualify under sub-paragraph (4) or (5) below.
 - (4) There shall be credited to each Employee or person receiving Disability Benefits under Section V hereof who, on the date on which the Plan shall terminate, shall be eligible to request a Deferred Vested Pension as

provided in Section VII, an amount which will provide the pension then accrued to him under paragraphs 2 and 3 of Section II of the Plan.

- (5) There shall be credited to each person receiving Disability Benefits under Section V hereof, and who qualifies under (4) above, an amount which will provide the Disability Pension payable to him until his Normal Retirement Date.
 - (6) There shall be credited to each other Employee an amount which will provide the pension then accrued to him under paragraphs 2 and 3 of Section II of the Plan.
 - (7) Any funds remaining after the satisfaction of all liabilities for benefits calculated in accordance with sub-paragraphs (1) through (6) above shall be returned to the Corporation.
5. Any surplus in the Plan certified by the Actuary may be withdrawn by the Corporation from the Fund while the Plan continues in existence, or may be used to increase benefits, or reduce contributions by the Corporation, but subject to the Act and Regulations.

SECTION XII**MISCELLANEOUS**

1. Any benefits which shall be provided under the Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge; and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, or charge the same shall be void; and any such benefit shall not in any manner be liable for or subject to the debts, contracts, liabilities, engagements, or torts of the person who shall be entitled to such benefits, nor shall be subject to attachment or legal process for or against such person.
2. If any person who shall be entitled to any benefit under the Plan shall become bankrupt or attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, or charge such benefit, then such benefit shall, in the discretion of the Pension Board, cease and terminate, and in that event the Pension Board may cause the same, or any part thereof, to be held or applied to the benefit of such person, his spouse, children, or other dependents, or any of them, in such manner and in such proportion as the Pension Board shall determine.
3. An Employee or Pensioner shall submit proof of age satisfactory to the Pension Board before receiving monthly pension benefits under the provisions of the Plan.
4. The masculine pronoun as used in the Plan shall include the feminine pronoun.
5. Each Employee shall be provided with a written explanation of the terms and conditions of the Plan and amendments thereto applicable to him, together with an explanation of his rights and duties with reference to the benefits available to him under the terms of the Plan and any other information required in accordance with any applicable federal or provincial legislation. Notwithstanding any of the other provisions of the Plan, any annual pension amounting to less than 2% of the

Year's Maximum Pensionable Earnings, as defined in the Canada Pension Plan, at the date of termination of employment may, at the discretion of the Pension Board, be commuted without recognition of any options elected under Section IV of the Plan.

6. Notwithstanding paragraph 1, part of the pension, or pension benefit credit, may be assigned to the Spouse, as defined in the Act or Regulations pursuant to a court order, in the event of divorce, annulment, or separation provided that the value of the pension or pension credit so assigned is no more than 50% of the value of the benefit the Employee would have received had employment terminated at the date of divorce, annulment, or separation, whichever be applicable and which was earned during the period of marriage. All such assignments must conform to the applicable Sections of the Act and Regulations.
7. Notwithstanding paragraph 1, a pension may be assigned if such assignment is allowed under the Act, or a similar act of another jurisdiction, or the Income Tax Act.

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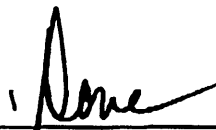
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Re: CUPE pension agreement

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David J. Nalepa,
Human Resources