

NAME: _____

**TEACHING STAFF
DEFERRED SALARY LEAVE PLAN MEMORANDUM OF AGREEMENT**

I have read the terms and conditions of the Agreement between the Board of Education of School District No. 34 and the Abbotsford District Teachers' Association setting up the Deferred Salary Leave Plan and understand same and I agree to participate in the Plan under the following terms and conditions:

1. ENROLMENT DATE

My enrolment in the Plan shall become effective for the school year commencing July 1, 20__.

2. NUMBER OF YEARS OF PARTICIPATION

I shall participate in the Plan for _____ school years and my Leave of Absence shall immediately follow thereafter, subject to the provisions of paragraph 3 below.

3. YEAR OF LEAVE

In accordance with clause 4.6, I shall take my Leave of Absence during the 20__ / __ school year but I shall have the right in accordance with clause 4.5 to postpone such leave for one school year and the Board shall have the right to defer such leave for one school year in accordance with clause 4.4.

4. FUNDING OF LEAVE OF ABSENCE

In accordance with clause 3.1, I direct that the percentage amounts as set out in this clause be withheld from my Current Compensation Amount with respect to my participation in the Plan for the following school years:

First Year	_____	Fourth Year	_____
Second Year	_____	Fifth Year	_____
Third Year	_____		

In accordance with clause 3.2, the maximum percentage of Current Compensation Amount deferred in any one year cannot exceed 100% divided by the number of years in the Plan including the Leave of Absence year, without taking into account any deferral under clauses 4.4 and 4.5.

Three Years	-	Maximum 33.30%
Four Years	-	Maximum 25.00%
Five Years	-	Maximum 20.00%

**TEACHING STAFF - DEFERRED SALARY LEAVE PLAN
MEMORANDUM OF AGREEMENT – (Continued)**

SCHEDULE A

The Participant may, by written notice to the Board given prior to September 1st in any given year, alter the percentage amounts for that or any subsequent year.

(Note: To be completed for the school year up to the school year in which the Leave of Absence specified in paragraph 2 above is to commence.)

5. PAYMENT OF ACCRUED INTEREST

The Administrator will pay on each December 31, any accrued interest payable to each participant under the Plan, by cheque, and mailed to the participant.

Dated this _____ day of _____, 20

Participant's Signature

Address

City/Province/Postal Code

AGREED TO BY THE BOARD

Superintendent of Schools or designate

Date

"Participant" means an eligible Teacher who has completed a Memorandum of Agreement (Schedule "A") and whose application for participation in the Plan has been approved by the Board in accordance with clause 2.2.

"Plan" means the Deferred Salary Leave Plan set out in this agreement and includes all amendments thereto.

2. AGREEMENT

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| FORMAL APPLICATION | 2.1 | In order to participate in the Plan, an eligible Teacher must make written application by way of Schedule "A" to the Board on or before March 31, or at a date otherwise agreed between the Board and the Association, stating the date when the eligible Teacher wishes the deferrals to commence. |
| APPROVAL | 2.2 | The approval of each application made under clause 2.1 shall rest solely with the Board. The Board shall, by May 15 of that year, or at a date otherwise agreed between the Board and the Association, advise each applicant of the Board's approval or disapproval of his/her application, and if the latter, an explanation thereof. |
| DATE OF PARTICIPATION | 2.3 | If the Board gives its approval in accordance with clause 2.2, the participation of the eligible Teacher in the Plan will become effective on the date requested by the eligible Teacher, or if such date is not agreed to by the Board, then on a date which is agreed to by the Board and the eligible Teacher. |

3. FUNDING FOR LEAVE OF ABSENCE

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| COMPENSATION | 3.1 | During each school year of the deferral period, the participant, for a maximum of five (5) school years, will receive his/her current compensation amount less the percentage amount which the participant has specified in the Memorandum of Agreement for the school year in question which is to be retained by the Trustee. Such percentage amounts will be retained by the Trustee and be invested in accordance with clause 3.3.

Such percentage amount may be varied, subject to clause 3.2, by giving notice to the Board at least one (1) month prior to July in any year for the next or subsequent years. |
| MAXIMUM PERCENTAGE DEFERRED INVESTMENT OF DEFERRED | 3.2 | The percentage of annual current compensation amount deferred by the participant cannot exceed thirty-three one third (33 1/3) per cent |
| | 3.3 | Monies retained by the Trustee for each participant in accordance with clause 3.1, including interest thereon (until |

COMPENSATION

paid out in accordance with clause 3.8) shall be pooled, and shall be invested in accordance with 3.5.

3.4 The Administrator agrees to establish an investment trust account in the name of each eligible Teacher participant for the purpose of crediting all contributions of the participants in the Plan. The Administrator agrees that the account will be used solely for this purpose.

3.5 The monies in the account are invested in Government of Canada Treasury Bill managed by the Trustee. Interest earned by the fund net of administrative and investment management charges is distributed and allocated to the participant accounts at the end of each month.

3.6 The monies deposited with the Trustee are held in trust on behalf of the individual participants, and the Administrator shall keep backup records to advise of the beneficial interest of each participant in the aggregate amount of the monies from time to time on deposit with the Trustee.

INSOLVENCY

3.7 In the event that any of the monies retained and invested pursuant to the terms of this plan be lost by reason of insolvency of the eligible financial institution, the Board shall not be obliged to pay the participants any further amounts in respect to services for the deferral period.

PAYMENT OF INTEREST

3.8 The Administrator will pay on each December 31, any interest credited to each participant under the Plan by cheque mailed to the participant.

REPORTING TO PARTICIPANTS

3.9 The Administrator shall make, no later than July 31 each year, each year, an annual report to the Board for each participant as to the deferred compensation amount held as at June 30.

3.10 The Administrator shall supply the Board by February 28 of each calendar year with a T4 tax slip for each participant as required by Canadian Revenue Agency for the preceding taxation year.

ADMINISTRATIVE AND INVESTMENT MANAGEMENT EXPENSES

3.11 The Board will bear the Administrative expenses of the Plan. The investment management expenses in the amount of 1.25% annually will be deducted monthly from the interest allocated to the member accounts.

4. TAKING OF LEAVE OF ABSENCE

The taking of a Leave of Absence shall be governed by the following provisions:

QUALIFICATION TO PARTICIPATE	4.1	The Leave of Absence shall be for not less than six (6) consecutive months and shall be in accordance with the Agreement.
MANNER OF PAYMENT DURING LEAVE	4.2	The manner of payment to the Participant during the Leave of Absence, shall be in instalments commencing September 30, being approximately equal to one-tenth of the monies held by the Board for the Participant in accordance with clause 3.1 as determined at the beginning of the Leave of Absence, unless otherwise directed by the Participant prior to September 1 of the Leave of Absence. In no event shall payment be made more frequently than monthly.
AMOUNT OF PAYMENT DURING LEAVE	4.3	The total of the payment to be made to a participant in accordance with clause 4.2 during a leave of absence shall be the deferred compensation amount retained by the Board, but less any monies required by law to be paid by the Board for or on behalf of a Participant.
BOARD'S RIGHT TO DEFER LEAVE	4.4	If the Board is unable to obtain a suitable replacement for a Participant for the period of a Leave of Absence specified in the Memorandum of Agreement, the Board, may in its discretion, defer the Leave of Absence on one occasion for one school year. In such case, the Participant may choose to remain in the Plan or he/she may withdraw from the Plan, in which case the Board shall pay to the Participant the Deferred Compensation Amount in one lump sum payment within sixty days of such withdrawal, or, at the option of the participant at a later date but not later than the end of the first taxation year that commences after the end of the deferral period.
PARTICIPANT'S RIGHT TO DEFER LEAVE	4.5	Notwithstanding the period of leave specified in the Memorandum of Agreement, a participant may, on one occasion only, with the consent of the Board given not less than six (6) months notice prior to the scheduled date for the commencement of the leave, may in its discretion postpone such leave for one year.
YEAR'S LEAVE OF ABSENCE	4.6	The year's Leave of Absence shall immediately follow the deferral period.

POSITION ON RETURN	4.7	On return from his/her Leave of Absence, the employee will be assigned to a position with the Board as required by the terms of the agreement then in force between the Board and the Association governing such matter.
RETURN TO EMPLOYMENT	4.8	The employee shall return to employment with the Board for a period not less than the period of the leave.
SALARY & BENEFITS AFTER LEAVE	4.9	After participation in the Plan, the employee's salary and benefits will be as set out in the agreement then in force between the Board and the Association governing such matter.

5. FRINGE BENEFITS

The provision of fringe benefits will be as follows:

PAYMENT	5.1	During a Leave of Absence, the responsibility for payment of premiums for fringe benefits for a Participant shall be as set forth in the agreement then in force between the Board and the Association governing such matter. Where a Participant is obligated to pay the cost of any fringe benefit during the Leave of Absence, the Board shall pay such costs on behalf of the Participant on his/her request and deduct the monies so paid from the monies otherwise payable to the Participant during the Leave of Absence.
SICK LEAVE CREDITS	5.2	Sick leave credits will be as set out in the Collective Agreement.
PENSION	5.3	In keeping with the Collective Agreement, if the member wishes to purchase service during this leave of absence, the Board will make its appropriate contribution to the Teachers Pension Plan provided the member elects to pay his/her share of the pension contributions as provided by the Pension Plan.

6. WITHDRAWAL

UPON TERMINATION OF EMPLOYMENT	6.1	A Participant who ceases to be employed by the Board must withdraw from the Plan. Within sixty (60) days the Board shall pay to the Participant the Deferred Compensation Amount as provided in clause 4.4.
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- CONSENT REQUIRED 6.2 In extenuating circumstances, such as financial hardship, and with the consent of the Board, a Participant may withdraw from the Plan at any time prior to May 31 in the year in which the Leave of Absence is scheduled to occur. Within sixty (60) days of such withdrawal the Board shall pay to the Participant the Deferred Compensation Amount as provided in clause 4.4.
- UPON DEATH 6.3 Should a Participant die, the Board shall within thirty (30) days of notification of such death to the Board, pay the Deferred Compensation Amount to the Participant's estate, subject to the Board receiving any necessary clearances and proofs normally required for payment to estates.

7. SUSPENSION FROM PARTICIPATION IN THE PLAN

- NOTICE TO SUSPEND 7.1 A Participant may on one occasion while he/she is participating in the Plan give notice to the Board stating that the Participant wishes to suspend his/her participation in the Plan for a period of one year as at September 1 which immediately follows such notice, in which case the Board shall pay the Current Compensation Amount to the Participant as if he/she were not participating in the Plan for such year, but the amounts previously retained by the Board and interest thereon in accordance with clause 3.3 (but less all interest paid to the Participant in accordance with clause 3.8) shall continue to be held by the Board until the Participant withdraws from the Plan or takes a Leave of Absence.
- RE-INSTATEMENT 7.2 If a Participant has given notice in accordance with clause 7.1, the Participant's participation in the Plan shall be re-instated commencing on September 1 which immediately follows the year in which his/her participation has been suspended.

8. TERMINATION OR AMENDMENT OF PLAN

- BY AGREEMENT 8.1 The Plan may be amended or terminated by agreement between the Board and the Association and the Administrator upon sixty (60) days written notice. Any amendment(s) shall be binding upon all present and future Participants.
- UPON TERMINATION 8.2 Upon Termination the Administrator shall pay to the Board all funds including accrued interest to date which it holds in the accounts and shall promptly deliver to the Board a statement showing the total amount of money to the credit of each participant in the individual trust accounts as at the date of termination.

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NOT TO PREJUDICE
RULING

8.3 No amendment shall be made to the Plan which will prejudice any tax ruling which is applicable to the Plan prior to the amendment.

9. GENERAL

ADMINISTRATION

9.1 The Board will bear the Administrative expenses of the Plan.

9.2 An Administrative fee will not be charged by the Administrator.

9.3 The assignment on return from leave, the salary and benefits after the leave, and the payment of fringe benefits during the leave shall be dealt with by separate agreement(s) between the Board and the Association.