

## Amended and Restated By-Law No. 7 ("Flat Rate Levy By-Law")

Being a by-law of OMERS Sponsors Corporation relating to  
the exercise of the powers of  
**OMERS Sponsors Corporation**  
(the "Corporation")  
pursuant to Section 28 of the  
*Ontario Municipal Employees Retirement System Act, 2006*

**WHEREAS** Section 28(1) of the Act provides that the Corporation may, by by-law, require the employers who participate in an OMERS pension plan and the members of an OMERS pension plan to pay a fee for the purpose of funding any of the Corporation's costs that may not lawfully be paid out of a pension fund;

**AND WHEREAS** pursuant to Section 27 of the Act the Corporation may require the Administration Corporation to reimburse it for any of its costs that in the opinion of the Administration Corporation may lawfully be paid out of the OMERS pension plans;

**AND WHEREAS** pursuant to Section 35 of the Act the Administration Corporation may provide reasonable technical and administrative support to the Corporation;

**AND WHEREAS** the Corporation and the Administration Corporation have entered into a protocol dated the 27<sup>th</sup> day of June, 2007 (the "**Protocol**") setting out categories of costs requiring reimbursement by the Administration Corporation to the Corporation and categories of technical and administrative support to be provided by the Administration Corporation to the Corporation;

**AND WHEREAS** the Ontario Superior Court of Justice, in a judgment released February 6, 2008, has concluded that the Protocol is legally valid, and that the Protocol's categories of costs and technical and administrative support to be reimbursed or provided by the Administration Corporation to the Corporation are reasonable and appropriate;

**AND WHEREAS** the Corporation wishes by this By-Law to establish the methodology by which fees for the purpose of funding those of the Corporation's costs that may not lawfully be paid out of a pension fund (and are therefore not eligible for reimbursement under the Protocol) will be collected under Section 28 of the Act.

**NOW THEREFORE** be it enacted as a by-law of the Corporation as follows:

### ARTICLE 1 INTERPRETATION

#### 1.1 Definitions

- (a) "**Active Plan Member**" means any member of an OMERS pension Plan who makes contributions to such plan at the time when a fee is to be paid hereunder;

- (b) “**Act**” means the *Ontario Municipal Employees Retirement System Act, 2006* or any statute which may be substituted therefore, including any regulations made thereunder, as amended from time to time;
- (c) “**Corporation**” means OMERS Sponsors Corporation as established pursuant to Section 22(1) of the Act;
- (d) “**Member**” means a member of the Corporation;
- (e) “**OMERS pension plans**” means the Primary Pension Plan, any retirement compensation arrangements that provide benefits for members and former members of the OMERS pension plans and such other pension plans as may be established by the Act or by the Corporation;
- (f) “**Plan Employer**” means any employer who participates in an OMERS pension plan; and
- (g) “**Sponsor**” means any union or employee association with which an Active Plan Member is associated and any employer association with which a Plan Employer is associated.

## **ARTICLE 2**

### **TIMING AND METHODOLOGY OF LEVY**

#### **2.1 Methodology**

So often as may be required to fund the Corporation’s costs that may not lawfully be paid out of a pension fund, but in any event no more frequently than once every three (3) calendar years, the Corporation shall be entitled to require that the Active Plan Members pay a single lump sum fee at a single flat rate which will be the same for all Active Plan Members (the “Levy”) and in such event each Plan Employer will be required to match the Levy payments paid by the Active Plan Members on its payroll. The aggregate amount of the Levy and the amount of the lump sum payment will be determined by the Members with reference to a budget for the Corporation which has been approved by the Members and which indicates anticipated costs of the Corporation that may not lawfully be paid out of a pension fund. Such amounts will be specified, together with the date on which the Levy will be imposed, in a by-law of the Corporation approved by a majority of the Members in connection with the Levy.

#### **2.2 Notice**

The Corporation will endeavour to give at least six (6) months’ notice of a Levy to Plan Employers and Active Plan Members.

#### **2.3 Sponsors May Pay**

At any time one hundred and twenty (120) days (or such longer period as may be specified by the Chief Executive Officer or the Chair of the Corporation) prior to the date specified in a notice of Levy delivered pursuant to Section 2.2, a Sponsor may elect to pay the fee specified in such notice on behalf of the Active Plan Members or Plan Employers who are affiliated with, or members of, such Sponsor. The Corporation will require, as a condition of honouring such election, that the Sponsor making the election enter into a legally binding written commitment with the Corporation to pay the aforementioned fees.

## 2.4 Separate Fund

The Chief Executive Officer of the Corporation is authorized on behalf of the Corporation to establish a separate fund to which all amounts collected pursuant to a Levy are to be allocated. The monies in such fund may be expended only on costs of the Corporation that may not be lawfully paid out of a pension fund.

# ARTICLE 3

## ENGAGEMENT OF OMERS ADMINISTRATION CORPORATION AND RULES AND PROCEDURES

### 3.1 Administration Corporation Engagement

The Chief Executive Officer of the Corporation is hereby authorized, on behalf of the Corporation, to engage the services of the Administration Corporation, on a fee for service basis, to manage the Levy collection process, the reconciliation of costs against any Levy, communications with Active Plan Members and Plan Employers with respect to any Levy, and responses to inquiries from such parties. The compensation and terms and conditions associated with such engagement shall be subject to further approval by resolution approved by a majority of the Members.

### 3.2 Rules and Procedures

The Chief Executive Officer of the Corporation is hereby authorized to develop and implement in consultation with the Administration Corporation rules and procedures to be followed in the implementation of a Levy. Such rules and procedures may cover, without limitation:

- (a) the manner of giving notice of a Levy to Active Plan Members and Plan Employers;
- (b) method of collection;
- (c) recordkeeping and accounting, including timing as to when payments are due, and rules for late payments;
- (d) responding to inquiries from Active Plan Members and Plan Employers; and
- (e) procedures to be adopted and a method of allocating costs, including any additional administration fees, should a Sponsor elect to pay the fee specified in a notice of Levy on behalf of its members, as described in Section 2.3, including rules concerning notification of Plan Employers.

No such rule or procedure shall be inconsistent with the provisions of the Act or the bylaws of the Corporation. In the event of any such inconsistency the provisions of the Act or the by-laws of the Corporation, as the case may be, shall prevail.

### 3.3 Signing Authority

The Chief Executive Officer of the Corporation is hereby authorized to execute and deliver on behalf of the Corporation all notices, instruments and documents contemplated herein or necessary to give effect to any Levy authorized in accordance with this By-Law.

## **ARTICLE 4**

### **SUSPENSION, WAIVER OR EXTENSION OF TIMELINES OR DEADLINES AND AMENDMENT TO BY-LAW**

#### **4.1 Suspension, Waiver or Extension of Timelines or Deadlines**

The Members may through a majority vote, suspend, waive or extend any of the timelines or deadlines specified in this By-Law.

#### **4.2 Amendments to By-Law**

An amendment to this By-Law shall require an affirmative vote of two-thirds (2/3) of the Members.

The foregoing is **CERTIFIED** by the Chair and Corporate Secretary of the Corporation to be a true copy of By-Law No. 7 (formerly By-Law No. 10) of the Corporation, as validly enacted by vote of the Members at a duly convened meeting of the Members held February 23, 2021, with effect as of February 23, 2021.

Signed by

“original signed by”  
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Chair

“original signed by”  
\_\_\_\_\_  
Corporate Secretary

*Enacted on April 17, 2008*  
*First Amendment and Restatement on February 21, 2012*  
*Second Amendment and Restatement on December 8, 2020*  
*Third Amendment and Restatement on February 23, 2021*