

## BY-LAW NO. 7

### Being a by-law of the OMERS Sponsors Corporation pertaining to certain specified changes to the OMERS Primary Pension Plan

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

#### ARTICLE I - INTERPRETATION

##### 1.1 Definitions

- (a) “**Administration Corporation**” means the OMERS Administration Corporation, as continued under Section 32(1) of the Act;
- (b) the “**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) “**Plan**” means the OMERS Primary Pension Plan; and
- (e) “**specified change**” has the same meaning as in subsection 26(2) of the Act.

#### ARTICLE II - SPECIFIED CHANGES

##### 2.1 Plan Change concerning Inflation Protection Methodology.

That, having considered the proposal and recommendations presented by the Administration Corporation on July 4, 2007, there is hereby approved an amendment to the Plan text to incorporate changes to the OMERS indexing formula as outlined under Section 31 of the Plan text (“**Adjustment of Pensions under Payment**”) so that it mirrors the Canada Pension Plan formula for Consumer Price Indexing calculations, which uses a twelve (12) month average from October to October rather than a yearly September over September comparison. The amendment shall be effective as of January 1, 2008. The particulars of the amendment are set out in the recommendation of the Administration Corporation attached as Schedule “A”.

##### 2.2 Specified Change concerning Clarification of Transfer Provisions related to Commuted Values.

That, having considered the proposal and recommendations presented by the Administration Corporation, there is hereby approved an addition to the Plan text under Section 34 (“**Transfers**”) as recommended by the Administration Corporation and as further reviewed on September 5, 2007, to add clarity to the provisions for transferring to

funds with reciprocal agreements with the Administration Corporation, as set out in Schedule "B" attached hereto, and that the amendment be effective the day immediately following the filing of the amendment with the Financial Services Commission of Ontario and the Canada Revenue Agency.

2.3 **Specified Change regarding Authority of the Administration Corporation to change Contribution Rates.**

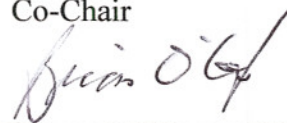
The deletion in its entirety of Section 14 of the Plan text "Deficiencies and Large Surpluses" of the Plan is hereby approved, as the authority to change contribution rates has been assigned to the Sponsors Corporation through the Act, and that the amendment be effective the day immediately following the filing of the amendment with the Financial Services Commission of Ontario and the Canada Revenue Agency.

**CERTIFIED** by the Co-Chairs of the Sponsors Corporation to have been validly enacted by vote of the Members of the Sponsors Corporation at a duly convened meeting of the Sponsors Corporation Members held the 3rd day of October, 2007.



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Marianne Love,  
Co-Chair



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Brian O'Keefe,  
Co-Chair

## SCHEDULE "A"

Delete the words crossed out and add the underlined to subsection (1) of section 31, Adjustment of Pensions Under Payment, of the restated Plan text:

- 31(1) In this section, the inflation increase for any adjustment year means the ~~percentage increase of the Consumer Price Index for Canada for September of the previous year over the Consumer Price Index for Canada for September of the year which is 2 years prior to the adjustment year.~~ monthly average for the Consumer Price Index (CPI) over the last 12 months of the 24 month period ending in October in the immediately preceding year compared to the monthly average for the CPI over the first 12 months of that period.

## SCHEDULE "B"

The Administration Corporation has recommended that the Plan be amended to provide clarity on transfer provisions and commuted values. If approved by the Sponsors Corporation, OMERS staff recommend that subsection 34(5) be added as follows:

- 34(5) In lieu of a benefit under this section, a member may elect to transfer his or her pension entitlement under an agreement established under section 36. Such transfer value will be calculated in accordance with section 36.