

**34.—Retiring Gratuity and Group Life Insurance**

1. The following definitions apply for the purpose of this Canon:
  - (a) “Committee” shall mean the Human Resources Committee of the Diocese;
  - (b) “Diocese” shall mean the Diocese of Huron;
  - (c) “Fund” shall mean the Retiring Gratuity Fund;
  - (d) “Lay Permanent Employees” shall mean persons who are not clerics of the Anglican Church of Canada or a church which is in full communion with the Anglican Church of Canada and who are not licensed by the Bishop and who are employed (other than on a specific contract basis) by the Synod to perform clerical or administrative duties for Synod;
  - (e) “Retirement” shall mean the earlier of:
    - (i) the date of the voluntary permanent cessation of permanent employment by a person; and
    - (ii) the date on which such person would be entitled to a normal retirement pension under the Regulations of the General Synod of the Anglican Church of Canada Pension Plan, if such person were a member of such Pension Plan.
  - (f) “Salary” shall mean an amount calculated solely by reference to those amounts considered income from employment or office under section 5 (1) of the Income Tax Act (Canada) as amended or replaced from time to time, but excluding any honoraria and/or other amounts payable such as those defined under section 6 (1) of that Act as amended or replaced from time to time;
  - (g) “Service in the Diocese” shall mean a period during which the cleric held a licence from the Bishop and his/her principal salary-paying source was the Synod and/or a parish/congregation within the Diocese, and includes a leave of absence approved by the Bishop for a cleric:
    - (i) for pension service credit under the Diocese of Huron Pension Plan;
    - (ii) for illness;
    - (iii) for a temporary exchange with a cleric from outside of the Diocese for a period of less than six months; or
    - (iv) for a period of job-protected temporary absence available pursuant to Part XIV of the Employment Standards Act, 2000 (Ontario).

The term also includes a period of up to two years during which a lay person held an appointment from the Bishop as the Lay Pastor in charge of a parish/congregation in the Diocese and his/her principal salary-paying source was the Synod and/or a parish/congregation within the Diocese, provided that such period was immediately followed by the ordination of such lay person as a cleric of the Anglican Church of Canada and such person immediately following ordination held a licence from the Bishop.

Service as a non-stipendiary cleric is ineligible for the Retiring Gratuity regardless of income source.

- (h) “Synod” shall mean the Incorporated Synod of the Diocese of Huron; and
  - (i) “Unit Amount” shall mean the amount payable for each month of service in the Diocese as a cleric or a Lay Permanent Employee up to the date of retirement.
2. The “Fund” is hereby continued for the purpose of providing clerics licensed by the Bishop and Lay Permanent Employees of the Synod upon retirement or on death or as a result of a permanent disability with a lump sum benefit.
  3. The Retiring Gratuity Fund shall be administered on behalf of the Synod by the Committee as a separate account in its pooled investment funds.
  4. The Fund shall be increased by:
    - (a) an annual contribution from the Diocesan budget of 8.75% of the aggregate of the parish apportionment receipts for all of the parishes/congregations of the Diocese for the year preceding the previous year, provided that the Committee in its discretion may, at the request of the Diocesan Council, return any part of this amount to the Diocese as a contribution towards the cost of providing health care benefits for retired clerics, retired Lay Permanent Employees of Synod and their respective dependants;
    - (b) all donations or contributions to the Fund;
    - (c) all additional amounts authorized by Synod;
    - (d) all interest and other income of the Fund;
 and the Fund shall be decreased by:
    - (e) any benefits paid to those entitled to them; and
    - (f) any expenses of management charged to the Fund.
  5. If in any year the amount of the Fund should be insufficient to meet the benefits payable from the Fund for that year, the extra amount required shall be paid by the

Diocese, and the Committee shall report to the next Synod as to the state of the Fund, with recommendations.

6. Every cleric who has held a licence from the Bishop at any time in his/her career shall upon retirement be entitled upon application to receive a Retiring Gratuity from the Fund equal to the Unit Amount for every completed month of service in the Diocese up to the date of retirement. The gratuity is awarded only once. Service past retirement does not make the cleric eligible for any further award.
7. Every Lay Permanent Employee of Synod who is so employed on the date of their retirement shall upon retirement be entitled upon application to receive a Retiring Gratuity from the Fund equal to the Unit Amount for every completed month of service in the Diocese as a Lay Permanent Employee up to the date of retirement. In computing periods of service for Lay Permanent Employees of Synod, part-time service shall be prorated in the proportion that time served bears to full-time service. The gratuity is awarded only once. Service past retirement does not make the Lay Permanent Employee eligible for any further award.
8. The Unit Amount shall be \$129.00 per month, effective June 1, 2015.
9. Each recipient of a Retiring Gratuity may choose to take it using any payment schedule that is acceptable to the Secretary-Treasurer of the diocese in consultation with the recipient.

If the recipient is receiving any part of the Retiring Gratuity in instalments, then he/she shall also receive interest annually in arrears on the unpaid balance of the Retiring Gratuity at a rate to be determined by the Committee from time to time.

If the recipient dies before the payment schedule is complete, the unpaid balance with interest to the date of death shall be payable to the beneficiaries named in his/her Group Life certificate, or if no beneficiaries are so named, to his/her estate.

10. Each cleric and Lay Permanent Employee entering the active service of the Diocese as a condition of service in the Diocese shall be required to purchase group life insurance coverage on his/her own life in such amounts and from such insurer as may be determined by resolution of the Diocesan Council from time to time.
11. For greater clarity, it is hereby provided that, effective January 1, 1994, in order to receive a Retiring Gratuity under this Canon, it shall not be necessary for a cleric who retires after January 1, 1994 to hold a licence from the Bishop immediately prior to the date of his/her actual Retirement but it shall be necessary for a Lay Permanent Employee of Synod to have been employed as such immediately prior to the date of his/her Retirement. All payments under this Canon shall be made only upon application to the Synod Office and while the Synod shall incur no liability in respect of any person who fails to make application for benefits payable hereunder, the Committee shall use its reasonable best efforts to provide information about the changes in this Canon to those clerics who did not hold a licence from the Bishop on January 1, 1994 but who have not yet retired and may be entitled to benefits under

this Canon and to all active clerics and to all Lay Permanent Employees. The amendments to this Canon made at the May, 1994 Synod do not apply to persons who retired on or before December 31, 1993.

12. In the event that a cleric or a Lay Permanent Employee of Synod is awarded a permanent disability pension under the provisions of the Long-Term Disability Plan of the General Synod of the Anglican Church of Canada, he/she shall be entitled to receive a Retiring Gratuity payable on their 65<sup>th</sup> birthday. In the case of a Lay Permanent Employee of Synod, such person must be working as a Lay Permanent Employee of Synod at the time the disability occurs. The amount of such benefit payable under the provisions of this Canon shall be calculated on the same basis as if such permanently disabled cleric or Lay Permanent Employee of Synod had continued to serve in the Diocese until he/she reached his/her 65th birthday except that the unit amounts accumulated over the period the member is disabled will be reduced to the same percentage as is set out for the monthly benefit in the Benefit schedule for the Long-Term Disability Plan of the General Synod of the Anglican Church of Canada. The gratuity is awarded only once. Service past his/her birthday does not make the individual eligible for any further award.
13. In the event of the death of a cleric or a Lay Permanent Employee of Synod before becoming entitled to a Retiring Gratuity under this Canon, a Retiring Gratuity shall be payable to the beneficiary named in his/her Group Life certificate, or if no beneficiary is so named, to his/her estate. For the purpose of calculating the amount of the Retiring Gratuity, the member shall be deemed to have retired on the date of death.
14. The Committee shall have the power to increase by resolution of the Committee the benefits payable pursuant to this Canon to clerics and their spouses and Lay Permanent Employees of Synod. Such resolution shall take effect immediately or as otherwise determined by the Committee but shall be considered at the annual session of the Synod next following its enactment by the Committee and, unless this Canon is amended in accordance with such resolution of the Committee, such resolution shall lapse with effect from the first day of the calendar quarter next following the conclusion of the Annual Synod at which such amendment to this Canon is considered. In the event of such lapse, no recipient shall be required to repay to the Diocese any money received by him/her as a result of such resolution of the Committee increasing a Retiring Gratuity.
15. The Committee shall from time to time, but at intervals of not more than three years, or any longer period available under the applicable legislation, have an examination of the Fund made by an Actuary. In doing so, the Actuary shall report on the solvency of the Fund with respect to the obligations incurred or to be incurred under the Plan and make such recommendations as deemed fit by the Actuary. Upon receipt of such actuarial report, the Committee shall submit its recommendations thereon to the next meeting of the Diocesan Council to which shall be appended the recommendations (if any) of the Actuary and a copy of the periodic report of the Actuary shall be available to any member of Synod upon written request.