

TERMS OF REFERENCE - THE BENEFITS COMMITTEE

The Executive of the General Council (the “Executive”) as the Plan Administrator, has established the Benefits Committee to support the Executive in governing, managing and operating the Benefits Plan of The United Church of Canada (the “Plan”) in accordance with the provisions set out below. The Executive continues to be responsible for overseeing all aspects of the Plan, as well as the activities of the Benefits Committee.

In carrying out the mandate to support the Executive in governing, managing and operating the Plan, and to seek, where possible, to support the church’s human resources objectives through the design and operation of the Plan, members of the Benefits Committee will use the skills and work-related knowledge that they possess, or ought to possess by virtue of their profession or calling, to exercise the care, diligence and skill that a person of prudence would exercise in dealing with the property of another person.

The Benefits Committee’s composition, operation and responsibilities are described below.

1. Benefits Committee Composition and Operation

- a) Three to five voting members with relevant professional experience and expertise in one or more of the following core areas of benefits practice: actuarial, legal, human resources, group benefits or benefits administration. Preference will be given to individuals who are currently employed or recently retired in one of these professional fields.
- b) Two to three members-at-large recruited from the membership of The United Church of Canada.
- c) The Nominations Committee will recommend professional and member-at-large members to the Executive of the General Council for appointment. If the number of members on the committee at any point in time is less than three, the Executive will appoint the number of members necessary to achieve at least three.
- d) The Executive will appoint one or two voting members to the Benefits Committee who are also members of the Executive (the “Executive rep(s)”).
- e) The two ex-officio designated staff members will consist of:
 - i. TBD; and
 - ii. TBD;
 - iii. or their designates (the “Designated Staff Reps”)
- f) Voting members will normally serve for a term of three years. The maximum number of terms that may be served consecutively by members is three, unless the Executive of the General Council grants an exception in writing on such terms and conditions as the Nominations Committee of the Executive may establish from time to time. Wherever possible, terms of the specialists should be staggered in such a manner as to promote continuity on the committee.
- g) The Executive of the General Council will appoint the chair of the committee. The chair’s appointment will be for a three-year term and may be renewed to coincide with their membership term for a maximum of nine consecutive years.
- h) No person will be eligible to serve as a voting member if they are a member of the General Council Office staff.

- i) The committee will meet at least four times a year and will adopt meeting processes and procedures.
- j) A meeting will be properly constituted only if a majority of the voting members are present in person or participating by means of a telephone, video conference or other technology.
- k) No motion at a meeting will be adopted unless it receives an affirmative vote from a majority of the voting members of the committee participating in the meeting. Should a motion be proposed by circulating hard copies, use of e-mail, or comparable technologies outside of a meeting, it will not be adopted unless it receives an affirmative vote from a majority of all voting members of the committee.
- l) In the event the chair cannot attend a particular meeting, the chair may appoint an acting chair in advance, or the remaining members present will appoint a member to act as acting chair for the purposes of that meeting.
- m) Benefits Committee members are entitled to reimbursement from the Plan of reasonable expenses incurred personally in the conduct of their duties.

2. Benefits Committee Responsibilities

The Benefits Committee has responsibilities in the following areas:

General governance:

- a) recommend to the Executive, governance policies necessary for the effective governance of the Plan and the Beliefs and Guiding Principles related to Plan design, funding, and investment;
- b) recommend a review of the Plan's governance structure at least every seven years;
- c) Annually, review compliance with:
 - i. all policies adopted by the Benefits Committee and the Executive;
 - ii. the Benefit Committee's Terms of Reference; and
 - iii. report results to the Executive;
- d) at least annually, undertake a collective self-assessment and report the results to the Executive.

Plan design, Plan funding, legal and administration:

Issues related to Plan design and Plan funding are analyzed and considered by the Benefits Committee. The Benefits Committee makes recommendations and presents items to the Executive for approval. The Benefits Committee shall:

- a) oversee and analyze the annual renewal process;
- b) regularly review the claims experience of the Plan;
- c) periodically review external benchmarking information;
- d) assess modifications or refinements to Plan design and any amendments to the Plan;
- e) approve the Plan's funding policy;
- f) oversee and analyze actuarial valuations and extrapolations;
- g) monitor and evaluate the consistency of the Plan's funded status with the funding policy and consider benefit improvements, contribution levels, and contribution holidays;
- h) appoint, monitor and terminate when necessary or appropriate external vendors and agents that provide Plan services, such as a third-party administration service provider(s), insurer(s), consultants and legal advisers and arrange for the review and execution of related documents in accordance with the Benefit Committee's relevant policies; and

- i) decide matters of Plan interpretation (including the payment of benefits) referred to the Benefits Committee by staff, and to initiate the review of staff decisions on matters of Plan interpretation where the committee deems such review necessary.

Investment:

Issues related to the Plan's investment are the responsibility of the Investment Committee of the United Church. The Benefits Committee will supply supporting rationale for consideration by the Investment Committee on the following:

- a) the appointment and/or termination of the Plan's Custodian;
- b) the approval and creation of investment policies, including the Statement of Investment Policies and Procedures and all other investment policies and guidelines not necessarily contained in the Statement of Investment Policies and Procedures such as policies related to responsible investing; and
- c) the approval of new asset classes, investment strategies and risk mitigation strategies of significance to the Plan.

Communications:

- a) given the importance of communication with Plan members and other stakeholders, the Benefits Committee will adopt a communications policy.

3. Orientation and Continued Learning Policies and Guidelines

The Benefits Committee, with support from staff, will develop policies regarding orientation of Benefits Committee members and continued learning for its members.

4. Review Terms of Reference

The Benefits Committee shall review this Terms of Reference document every three years or more often, as needed.