

Administrative Procedure 410 – Appendix

SCHEDULE A DEFERRED SALARY LEAVE PLAN BOARD-PARTICIPANT AGREEMENT

This Agreement made in duplicate this _____ day of _____, 20__

BETWEEN

The Northern Gateway Public Schools
(hereinafter referred to as the "Board")

and

(herein referred to as the Employee)

WHEREAS pursuant to Administrative Procedure 410 containing provisions under the heading "Deferred Salary Leave Plan", an eligible employee may, prior to March 31 in any calendar year, apply to The Board for the establishment, by the Board, of a salary deferral arrangement for the Employee, provided the Employee enters into an agreement in compliance with the conditions and terms set out in the set Plan;

AND WHEREAS pursuant to Regulation 6801 (the "Regulation") made pursuant to the Income Tax Act (Canada) (the "Act"), the Board is permitted to establish a "Salary Deferral Arrangement" for any employee, the contributions to which are not required to be included in the income of the Employee provided that certain conditions are met, such plan when established by the Board for the Employee to be referred to herein as the "Plan";

AND WHEREAS the Employee is an eligible employee and has applied to the Board to establish the Plan for the Employee and the Board and the Employee wish to enter into this agreement for the purposes of establishing the rights, privileges, restrictions and conditions applicable to the Board and the Employee in relation to the Plan;

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IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS HEREIN CONTAINED, parties hereto agree with one another as follows:

1. The Employee and the Board agree that the Board shall deduct from the salary payable to the Employee an amount equal to the percentage (not to exceed in any case 33 1/3%) set out in Schedule "A", which is attached to this agreement and forms an integral part hereof, of the annual salary payable by the Board to the Employee for the period (the "Deferral Period") set out in Schedule "A", which shall in any case not be more than six years after deductions for the Plan commence.
2. It is agreed by the Employee and the Board that the sole purpose of the establishment of the Plan is to fund, through salary or wage deferrals, a leave of absence from the Employee's employment with the Board and not to fund a retirement income of the Employee. The Employee agrees to return to employment with the Board after the end of the leave of absence for a period not less than the duration of the leave of absence.
3. The leave of absence of the Employee shall commence no later than the end of the maximum time for the Deferral Period allowed under this agreement and shall be for a period of not less than:
 - a) where the leave of absence is to be taken by the Employee for the purpose of permitting the full-time attendance of the Employee at a designated education institution (as defined in subsection 118.6(1) of the Act), three consecutive months; or
 - b) where the leave of absence is to be taken by the Employee for purpose other than full-time attendance of the Employee at a designated educational institution, six consecutive months.
4. All amounts deducted by the Board from the salary of the Employee for contribution to the Plan shall be:
 - a) held by or for the account of a trust governed by a plan or arrangement that is an employee benefit plan within the meaning of the definition thereof in subsection 248(1) of the Act; or
 - b) held by or for the account of any person other than a trust referred to in clause (a),

and any amount that may reasonably be considered to be the income of the trust or otherwise for the account of the Plan for the Employee for each taxation year of the Plan shall be paid to the Employee in that taxation year.

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In each year during the term of the Plan the Board shall cause the trustee or the custodian of the Plan to issue to the Employee such information slips in respect of the income of the Plan paid or payable to the Employee as may be required by the Act and the Regulations made pursuant thereto.

5. The Board shall not pay to the Employee and the Employee shall not be entitled to claim from the Board, during the leave of absence, any compensation other than the amount payable to the Employee from the Plan and reasonable fringe benefits that the Board usually pays to or on behalf of its employees.
6. All amount deferred in the Plan during the Deferral Plan, shall be paid from the Plan to the Employee during the first full taxation year commencing after the year in which the Deferral Period ends or the leave of absence commences.
7. This agreement shall be construed and enforce in accordance with the rights of the parties hereto shall be governed by the laws of the Province of Alberta. The parties hereby attorn to the jurisdiction of the Courts of the Province of Alberta for all matters arising out of or incidental to this Agreement.
8. Any notice given by either party hereto shall be given by personal delivery to the Employee and in the case of the Board may be given by personal delivery to a director or other authorized officer or by registered mail addressed to the address from time to time given by the Board to the Employee.
9. This agreement shall enure to the benefit of and be binding on the parties hereto together with their respective heirs, executors, administrators, successors and assigns as the case may be.
10. If this agreement does not contain any provision required for such arrangements as are evidenced by this agreement that may be required by the Income Tax Regulations Part LXVIII (SOR/ 96-311) the missing requirements of that Regulation as set out therein are deemed to be incorporated herein.
11. An Employee who ceases to be employed with the Board must withdraw from the Plan and within sixty (60) days the Board shall pay to the Employee the value of his or her account in one lump sum and upon such payment the Board shall have no further liability to the Employee.

In extenuating circumstances, such as financial hardship, and with the consent of the Superintendent, the Employee may withdraw from the Plan upon giving not less than six (6) months notice of intent to do so prior to the date of the scheduled start of the leave. Within sixty (60) days of the withdrawal the board shall pay to the Employee the value of his or her account in one lump sum and upon such payment the Board shall have no further liability to the Employee.

IN WITNESS WHEREOF the parties have executed this agreement on the day and year first above written.

SIGNED IN THE PRESENCE OF)

Witness

Signature

Print Name

Print Name

**NORTHERN GATEWAY PUBLIC
SCHOOL BOARD**

Per: _____

Per: _____

**SCHEDULE "A" TO THE SALARY DEFERRAL LEAVE
PLAN AGREEMENT BETWEEN _____
AND THE NORTHERN GATEWAY REGIONAL DIVISION
NO. 10**

DEDUCTIONS:

Percentage of annual compensation to be deducted and remitted to the Plan _____%

DEFERRAL PERIOD:

Start date for the Plan

_____,20__

Anticipated date for start of leave of absence

_____,20__

Latest date for start of leave of absence

_____,20__

Leave of absence to be used by the Employee for full-time attendance by the Employee at designated educational institution?

_____ Yes _____ No

Anticipated length of the leave of absence

Reference: Sections 33, 52, 53, 197, 204, 220, 222 Education Act
Section 248(1) Canada Income Tax Act
Canada Income Tax Regulation 6801