

ARTICLE 40 -- RETIREMENT ALLOWANCE

40.01 When a teacher having served at least five (5) continuous years, immediately prior thereto, retires on an immediate teacher's pension, or an annual allowance under the Teachers' Pension Act, or when his/her employment terminates because of disability, death, age or layoff, the Employer shall pay the teacher or his/her beneficiary a retirement allowance equal to five (5) days pay for each full year of service, but not exceeding one hundred and twenty-five (125) days, such five (5) days pay to be prorated for any year for which the teacher has not been credited with one hundred and ninety-five (195) teaching days. The parties agree that all years of service are credited for retirement allowance purposes regardless of interruptions in service. However, it is understood that once credited years of service have been utilized for the calculation of a retirement allowance they cannot be used in the calculation of a second retirement allowance following a subsequent hiring.

40.02 For the purposes of this Article, a teacher is credited with teaching service with any School District in the province.

40.03 Teachers who leave teaching and who opt for a deferred pension may receive a retirement allowance immediately if they are within five (5) years of being eligible to receive that pension or if they have completed thirty-five (35) years of service.

40.04 A retirement allowance shall be based on the teacher's annual rate of salary in effect at the time he/she became eligible for retirement allowance and in accordance with the formula: number of retirement allowance days divided by one hundred and ninety-five (195) times annual rate of salary.

40.05 A retirement allowance is payable in a lump sum at the time the teacher becomes eligible. A teacher who has been laid off becomes eligible after his/her period of recall has expired.

40.06 Notwithstanding Clause 40.04, at the teacher's request, the retirement allowance may be, in whole or in part:

- (a) held over to the next taxation year or any other year, or
- (b) converted to an individual income averaging annuity by the teacher.

40.07 Notwithstanding any of the provisions of this Article, a teacher, who normally would be entitled to retirement allowance may, within five (5) years of retirement, subject to satisfactory notice to the Superintendent or delegated designate and a replacement teacher being available, take up to three (3) paid pre-retirement vacations, with no more than one vacation in any school year, to be charged against his/her retirement allowance.

40.08 When a teacher applies for a retirement allowance because of disability, the Employer may refer the matter to a Board of medical doctors whose decision shall be final and binding on the parties of this Agreement and which shall be composed as follows: one doctor appointed by the Federation, one doctor appointed by the Employer and one doctor selected by the two appointed, who shall be the Chairman. If the said Board decides that a teacher is unable for medical reasons to perform the duties of a teacher, the teacher shall receive pay for any accumulative retirement leave entitled to under this Article. The expenses of this Board shall be paid for in the same manner as if it were an adjudication Board. If the permanent disability of a teacher has been established under the *Teachers' Pension Act*, or the *Workers' Compensation Act* or the *Canada Pension Act*, a further Board decision on this Article shall not be required.