

GRADUAL RETIREMENT AGREEMENT

| BETWEEN EMPLOYER | |
|---------------------------|--------------|
| Name of employer: | |
| Address (number, street): | |
| City: | Postal code: |

Hereinafter: "The employer"

| AND EMPLOYEE | | |
|---|------------------|--------------|
| Last name: | | First name: |
| DGPP identifier: | Employee number: | Email: |
| Address (number, street and apartment): | | |
| City: | | Postal code: |

Hereinafter: "Employee"

BACKGROUND

Gradual retirement allows active employees age 55 or over to come to an agreement with their employer to reduce their working hours (Reference: DGPP Regulation, section 8-13).

To be eligible, employees must:

- Be 55 or over and under 71
- Sign a gradual retirement agreement with their employer
- Reduce their number of working hours
- Have a target retirement date

WHEREAS the Employee is 55 or over.

WHEREAS the Employee's work schedule is currently ____ hours per 2-week cycle.

WHEREAS the parties want to modify their obligations relative to the Employee's work schedule and establish an agreement setting the terms for a gradual retirement.

IT IS AGREED AS FOLLOWS:

1. DURATION OF THE AGREEMENT

The Employee and the Employer have entered into a gradual retirement agreement for the period

from _____ Start date (Monday) _____ to _____ End date (Friday) _____ .

The Employee's employment ends when this agreement expires.

2. REDUCED WORKING HOURS

The Employee's working hours will be reduced by _____ hours per 2-week cycle for the period specified in point 1. The new work schedule will be _____ hours per 2-week cycle.

3. COMPENSATION

The Employee's annual salary will be adjusted to reflect their reduced working hours. The Employer may modify this salary in the future based on applicable working conditions.

4. GROUP INSURANCE PLAN

Life insurance coverage and premiums will be calculated based on the salary that the Employee would have received had his or her hours had not been reduced.

Disability insurance coverage and premiums will be calculated based on the salary earned for the reduced work schedule.

Group insurance premiums will be shared between the Employee and the Employer, under the usual terms and conditions.

For the duration of the agreement, the Employee and the Employer will be subject to any changes made to the group insurance plan, including changes to rates, coverage and the sharing of group insurance premiums.

5. DESJARDINS GROUP PENSION PLAN

DGPP contributions are calculated based on the salary paid to the Employee for their actual hours worked. For the purpose of the DGPP, the Employee is considered a part-time employee. Contributions will be shared between the Employee and the Employer based on the percentages in effect.

For the duration of the agreement, the Employee and the Employer will be subject to any changes made to the DGPP, including the contribution rate and changes to the DGPP Regulation.

6. LUMP-SUM ADVANCES

In Quebec, the Employee may request an annual lump-sum payment from the DGPP. The amount requested may not exceed the lowest of the following:

- 70% of the decrease in salary resulting from the reduction in working hours during the withdrawal year
- 40% of the maximum pensionable earnings for the withdrawal year, adjusted in proportion to the number of months covered under the agreement
- Value of the pension accrued in the DGPP

This agreement only allows for one advance per calendar year. The Employee must apply for each payment. Withdrawals are optional.

7. END OF THE AGREEMENT

The agreement will end at the first pay cycle following the pay cycle during which any of the following events occurs:

- The number of hours specified in point 2 changes
- The Employee becomes disabled
- The Employee ceases to reside in Quebec under the terms of the *Taxation Act*
- The Employee's employment is terminated

8. INFORMATION

The Employee declares that they have had sufficient time to read this document and obtain all they information they require.

The Employee further declares that they freely and voluntarily consent to this agreement.

9. TRANSACTION

The parties agree that this agreement constitutes a transaction under the *Civil Code of Québec* and that the agreement is made without any admission of liability by the parties and that cannot under any circumstances be used as a precedent.

10. CONFIDENTIALITY

The Employee agrees not to use or disclose, directly or indirectly, any confidential information entrusted or revealed to them by the Employer insofar as the use or disclosure of such information could be prejudicial to the Employer or to any other organization it is affiliated with. The Employee further agrees to return to the Employer any documents or materials that belong to the Employer or that might contain confidential information concerning the Employer.

The undersigned agree to the conditions herein.

Employee's signature
(Handwritten signature only)

Date

Employer representative's signature
(Handwritten signature only)

Date

| A PDF copy of this agreement must be sent to EACH of the following entities: | | |
|---|------------|--|
| DGPP Member Services By secure messaging via the Contact us section on the DGPP website: rcd-dgp.com | AND | Desjardins Group Support Centre Add file to Workday : Personal information/Worker documents/Add |

| ADDITIONAL INFORMATION |
|---|
| <p>DGPP Member Services Monday to Friday, from 8:30 a.m. to 4:30 p.m.</p> <p>By phone Call us at 1-866-434-3166 or 514-285-3166</p> <p>By secure messaging Write to us via the secure Contact us section of the DGPP website at rcd-dgp.com</p> |