

Gouvernement du Québec

O.C. 987-2005, 19 October 2005

Supplemental Pension Plans Act
(R.S.Q., c. R-15.1)

**Exemption of certain pension plans from the application of provisions of the Act
— Amendment**

IN THE MATTER of the Regulation amending the Regulation respecting the exemption of certain pension plans from the application of provisions of the Supplemental Pension Plans Act

WHEREAS in accordance with the second paragraph of section 2 of the Supplemental Pension Plans Act (R.S.Q., c. R-15.1), the Government may, by regulation and on the conditions it determines :

— exempt any pension plan or category of pension plan it designates from the application of all or part of the Act, particularly by reason of the special characteristics of the plan or category or by reason of the complexity of the Act in relation to the number of members in the plan ;

— prescribe special rules applicable to the plan or category ;

WHEREAS pursuant to sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), the draft regulation attached hereto was published in Part 2 of the *Gazette officielle du Québec* on 8 June 2005 with a notice that it could be made by the Government upon expiry of a period of 45 days following that publication ;

WHEREAS it is expedient to make the Regulation without amendment ;

IT IS ORDERED, therefore, upon the recommendation of the Minister of Employment and Social Solidarity :

THAT the Regulation amending the Regulation respecting the exemption of certain pension plans from the application of provisions of the Supplemental Pension Plans Act attached hereto be made.

ANDRÉ DICAIRE,
Clerk of the Conseil exécutif

Regulation to amend the Regulation respecting the exemption of certain pension plans from the application of provisions of the Supplemental Pension Plans Act*

Supplemental Pension Plans Act
(R.S.Q., c. R-15.1, s. 2)

1. The Regulation respecting the exemption of certain pension plans from the application of provisions of the Supplemental Pension Plans Act is amended by inserting, after section 14, the following division :

**“DIVISION III.1
PROVISIONS CONCERNING THE FUNDING OF
CERTAIN PENSION PLANS**

14.1. This division applies to the following pension plans :

(1) the Régime complémentaire de retraite des employés de La Presse, ltée assujettis à une convention collective de travail, registered with the Régie des rentes du Québec under number 7023 ;

(2) the Régime complémentaire de retraite des employés cadres de La Presse, ltée, registered under number 24460 ;

(3) the Régime complémentaire de retraite des employés de la direction de La Presse, ltée, registered under number 26414 ;

(4) the Régime complémentaire de retraite des employés de la haute direction de Gesca Ltée, registered under number 31687.

14.2. Each of the pension plans referred to in this division must be the subject of a complete actuarial valuation at 31 December 2004.

Notwithstanding section 67.4 of the Regulation respecting supplemental pension plans, the assumptions that shall be used are those described in section 4 of the standard of practice entitled “Standard of Practice for Determining Pension Commuted Values” confirmed by the Board of the Canadian Institute of Actuaries on

* The Regulation respecting the exemption of certain pension plans from the application of provisions of the Supplemental Pension Plans Act was made by Order in Council 415-2004 dated 28 April 2004 (*G.O.* 2004, 2, 1543) and has not been amended since.

15 June 2004, it being understood that those assumptions shall apply taking into account the rules set out in part D of section 3 of that standard of practice and that a sex-specific mortality table must be used.

14.3. The actuary who carries out the valuation provided for in section 14.2 shall, at a date set therein, determine the total of the commuted value of each of the amortization amounts payable for any month occurring in whole or in part between that date and 31 December 2009 with respect to any amount determined pursuant to subparagraph 4 of the second paragraph of section 137 of the Supplemental Pension Plans Act.

The actuary shall, at the same date, for any such amount determined during a valuation carried out before 31 December 2004, also determine the total of the commuted value of each of the amortization amounts payable for any month falling in whole or in part between that date and the date on which the period provided for the amortization of the said amount ends.

The date set pursuant to the first paragraph cannot be prior to the date this Regulation comes into effect.

The interest rate used to determine the commuted value of the amortization amounts shall be identical to the rate used to determine the liabilities of the plan for the purpose of determining the plan's solvency at the date of the actuarial valuation provided for under section 14.2.

14.4. The actuary shall, at the date set pursuant to the first paragraph of section 14.3, determine the total of the amortization amounts that should have been paid before that date with respect to the amount referred to in that paragraph.

The actuary shall, with respect to any amount referred to in the second paragraph of that section, also determine the total of the amortization amounts falling due after 31 December 2004 but before the date set pursuant to the first paragraph of section 14.3.

To each such amortization amount shall be added, where required, the interest referred to in section 48 of the Supplemental Pension Plans Act, accrued until the date set under the first paragraph of section 14.3.

14.5. The amount that must be added, in accordance with the third paragraph of section 41 of the Supplemental Pension Plans Act, to the first monthly amount payable after the transmission to the Régie of the valuation report required under section 14.2 is reduced by an amount equal to 45% of the amount calculated in accordance

with the first paragraph of section 14.4 and the amount calculated in accordance with the second paragraph of that section, taking into account, where required, the interest provided for in section 48 of the Act.

14.6. The actuary shall determine, at the date set pursuant to the first paragraph of section 14.3, the following amounts:

(1) the sum of the amount calculated in accordance with that paragraph and an amount equal to 45% of the amount determined in accordance with the first paragraph of section 14.4;

(2) the sum of the amount calculated in accordance with the second paragraph of section 14.3 and an amount equal to 45% of the amount determined in accordance with the second paragraph of section 14.4.

Those amounts are each deemed to be an amount determined in the course of the valuation provided for in section 14.2 pursuant to subparagraph 4 of the second paragraph of section 137 of the Supplemental Pension Plans Act. However, the amount referred to in paragraph 1 of the first paragraph shall be paid by the employer into the pension fund no later than 31 December 2014 and the amount referred to in paragraph 2 of the first paragraph shall be likewise paid, no later than 31 December 2007.

As of the date set pursuant to the first paragraph of section 14.3, the amortization amounts payable for a whole month or part of a month between that date and 31 December 2009 are reduced to zero with respect to any amount determined under the first or second paragraph of said section.

The provisions of this section prevail over those of the second paragraph of section 132 of the Supplemental Pension Plans Act and those of the first paragraph of section 140 of the Act.

14.7. No amendment increasing member or beneficiary benefits may be made to a plan where an amount determined in accordance with paragraph 1 of the first paragraph of section 14.6 with respect to the plan has not been fully amortized, unless such amendment is required by law.

14.8. The report on the actuarial valuation provided for in section 14.2 must contain a distinct section specifying:

(1) the date set pursuant to the first paragraph of section 14.3;

(2) the totals and the amounts calculated pursuant to sections 14.3 and 14.4;

(3) the amount determined in accordance with paragraph 1 of the first paragraph of section 14.6 and the amortization amounts to be paid monthly until the end of the period provided for the amortization ;

(4) the amount determined in accordance with paragraph 2 of the first paragraph of section 14.6 and the amortization amounts to be paid monthly until the end of the period provided for the amortization.”.

2. This Regulation comes into force on the fifteenth day following its publication in the *Gazette officielle du Québec*.

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