

SCHEDULE I**COMPUTATION OF THE RATE OF INTEREST**

The formula for the computation of the rate of interest for the reference year is the following :

$$i_y = ((1 + T_{y-1}) (1 + T_{y-2}) (1 + T_{y-3}))^{1/3} - 1$$

where

T_{y-1} is the rate of return for the year preceding the reference year

T_{y-2} is the rate of return for the year preceding the reference year by two years

T_{y-3} is the rate of return for the year preceding the reference year by three years.

7215

Gouvernement du Québec

O.C. 1009-2005, 26 October 2005

An Act respecting the Pension Plan of Elected Municipal Officers
(R.S.Q., c. R-9.3)

**Regulation
— Amendments**

Regulation to amend the Regulation respecting the application of the Act respecting the Pension Plan of Elected Municipal Officers

WHEREAS, under subparagraph 1 of the first paragraph of section 75 of Act respecting the Pension Plan of Elected Municipal Officers (R.S.Q., c. R-9.3), the Government may make a regulation to determine the rates of interest which must be fixed by regulation pursuant to the Act and, where that is the case, the rules governing the computation of the interest;

WHEREAS, under subparagraph 6 of the first paragraph of section 75 of the Act, the Government may make a regulation to determine the procedure for the establishment of any redemption cost referred to in section 63.0.3 or 63.0.8 of the Act;

WHEREAS the Government made the Regulation respecting the application of the Act respecting the Pension Plan of Elected Municipal Officers by Order in Council 1742-89 dated 15 November 1989, which was last amended by the regulation made by Order in Council 577-2004 dated 30 June 2004;

WHEREAS it is expedient to again amend the Regulation to modify the rules governing the computation of the interest applicable under the Act respecting the Pension Plan of Elected Municipal Officers to contribution refunds and to modify, in connection with the establishment of the procedure for computing a redemption referred to in section 63.0.3 or 63.0.8 of the Act, the rate of interest specifically applicable to redemption costs paid by instalments;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), the draft Regulation to amend the Regulation respecting the application of the Act respecting the Pension Plan of Elected Municipal Officers was published in Part 2 of the *Gazette officielle du Québec* of 13 July 2005 with a notice that it could be made by the Government on the expiry of 45 days following that publication;

WHEREAS the Commission administrative des régimes de retraite et d'assurances received no comment on the draft Regulation within that period;

WHEREAS it is expedient to make the Regulation without amendment;

IT IS ORDERED, therefore, on the recommendation of the Minister of Municipal Affairs and Regions:

THAT the Regulation to amend the Regulation respecting the application of the Act respecting the Pension Plan of Elected Municipal Officers, attached to this Order in Council, be made.

ANDRÉ DICAIRE,
Clerk of the Conseil exécutif

Regulation to amend the Regulation respecting the application of the Act respecting the Pension Plan of Elected Municipal Officers*

An Act respecting the Pension Plan of Elected Municipal Officers
(R.S.Q., c. R-9.3, s. 75, 1st par., subpars. 1 and 6 and 2nd par.)

1. The Regulation respecting the application of the Act respecting the Pension Plan of Elected Municipal Officers is amended by replacing section 1 by the following:

“**1.** For the purposes of the Act respecting the Pension Plan of Elected Municipal Officers (R.S.Q., c. R-9.3), the annual rate of interest is determined by computing the geometric mean of the annual rates of return for the three-year period ending on 31 December of the year preceding the reference year, according to the formula in Schedule I. The first rate of interest determined applies from 1 August 2004 and, thereafter, as of 1 June of each year.

The annual rate of return is the rate determined by the Caisse de dépôt et placement du Québec on 31 December of each year for the specific fund of the Pension Plan of Elected Municipal Officers, after deduction of the management expenses.”

2. Section 9.2 is amended by replacing the fifth paragraph by the following:

“If the amount is paid by instalments, interest compounded annually is added that corresponds to the rate in force on the date of receipt of the notice, computed from the date of expiry of the redemption proposal made by the Commission. The rate of interest applicable as of 1 June of each year is determined by computing the arithmetical mean of the monthly rates, for the 12-month period ending on 31 December of the preceding year, that corresponds to the nominal rates on Government of Canada marketable bonds (3-5 years) published in the Bank of Canada Review (CANSIM Series B14010 (V122485)).”

3. Schedule I is replaced by the following:

“SCHEDULE I

COMPUTATION OF THE RATE OF INTEREST

The formula for the computation of the rate of interest for the reference year is the following:

$$i_y = ((1 + T_{y-1}) (1 + T_{y-2}) (1 + T_{y-3}))^{1/3} - 1$$

where

T_{y-1} is the rate of return for the year preceding the reference year

T_{y-2} is the rate of return for the year preceding the reference year by two years

T_{y-3} is the rate of return for the year preceding the reference year by three years”.

4. Sections 1 and 3 have effect from 1 August 2004.

5. Section 2 has effect from the first day of the month following the date of coming into force of this Regulation.

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

7216

* The Regulation respecting the application of the Act respecting the Pension Plan of Elected Municipal Officers, made by Order in Council 1742-89 dated 15 November 1989 (1989, *G.O.* 2, 4153), was last amended by the regulation made by Order in Council 577-2004 dated 16 June 2004 (2004, *G.O.* 2, 2023). For previous amendments, refer to the *Tableau des modifications et Index sommaire*, Québec Official Publisher, 2005, updated to 1 September 2005.