

3. The following Division is added after section 18:

**“DIVISION V
TRANSITIONAL**

18.1. For the purposes of section 17, the amount of pension that would be obtained on the basis of the sums awarded to the spouse at the date of assessment is determined at that date according to the actuarial method and assumptions that were used for the assessment of accrued benefits.”.

4. This Regulation comes into force on 1 January 2011.

1028

Draft Regulation

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

**Pension Plan of Elected Municipal Officers
— Partition and assignment of benefits accrued
— Amendments**

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation to amend the Regulation respecting the partition and assignment of benefits accrued under the Pension Plan of Elected Municipal Officers, appearing below, may be made by the Government on the expiry of 45 days following this publication.

The draft Regulation amends the Regulation respecting the partition and assignment of benefits accrued under the Pension Plan of Elected Municipal Officers to replace the actuarial assumptions currently used by those recommended by the Canadian Institute of Actuaries according to its standards of practice entitled “Practice-Specific Standards for Pension Plans — 3800 Pension Commuted Values” in force since 1 February 2005 and periodically revised.

Further information may be obtained by contacting Clément Gosselin, director of actuarial services and development, Commission administrative des régimes de retraite et d’assurances, 475, rue Saint-Amable, Québec (Québec) G1R 5X3; telephone: 418 644-7651; fax: 418 528-2715.

Any person wishing to comment on the draft Regulation is requested to submit written comments within the 45-day period to the Minister of Municipal Affairs, Regions and Land Occupancy, 10, rue Pierre-Olivier-Chauveau, Québec (Québec) G1R 4J3.

LAURENT LESSARD,
*Minister of Municipal Affairs, Regions
and Land Occupancy*

**Regulation to amend the Regulation
respecting the partition and assignment
of benefits accrued under 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. 4.3, 4.4 and 4.5)

1. The Regulation respecting the partition and assignment of benefits accrued under the Pension Plan of Elected Municipal Officers is amended by replacing section 7 by the following:

“7. In this section, “CIA Standards” refer to the standards of practice entitled “Practice-Specific Standards for Pension Plans — 3800 Pension Commuted Values” of the Canadian Institute of Actuaries, in force since 1 February 2005 and periodically revised.

The actuarial value of the benefits is determined by using the “distribution of benefits” method and corresponds to the sum of 80% of the actuarial value determined for a male and of 20% of the actuarial value determined for a female.

The actuarial value is also determined by using the following actuarial assumptions:

(1) mortality rates:

The mortality rates are those determined in accordance with the CIA Standards.

(2) interest rates:

* The Regulation respecting the partition and assignment of benefits accrued under the Pension Plan of Elected Municipal Officers, made by Order in Council 1753-91 dated 18 December 1991 (1992, G.O. 2, 7), was last amended by the regulation made by Order in Council 1431-98 dated 27 November 1998 (1998, G.O. 2, 4783). For previous amendments, refer to the *Tableau des modifications et Index sommaire*, Québec Official Publisher, 2010, updated to 1 April 2010.

(a) the interest rates for fully-indexed benefits or non-indexed benefits are those determined in accordance with the CIA Standards;

(b) the interest rates for partially-indexed benefits are determined according to the following formula:

$((1 + \text{interest rate for a non-indexed benefit}) / (1 + \text{indexing rate for a partially-indexed benefit})) - 1$

The result must be adjusted in accordance with the CIA Standards.

(3) indexing rate:

(a) for a fully-indexed benefit according to the rate of increase in the Pension Index, the indexing rate is computed in the manner described in the CIA standards;

(b) for a benefit indexed according to the excess of the rate of increase in the Pension Index "PI" over 3%, the indexing rate corresponds to the excess of the indexing rate computed in the manner provided for in subparagraph a over 3%.

In order to take into account the inflation rate variations, the following additions are made to the results of effective indexing formulas for actuarial value computation purposes:

| Inflation level | Addition to the result of the PI-3% formula | Adjusted indexing rate |
|-----------------|---|------------------------|
| 0.5 | 0.1 | 0.1 |
| 1.0 | 0.1 | 0.1 |
| 1.5 | 0.3 | 0.3 |
| 2.0 | 0.5 | 0.5 |
| 2.5 | 0.7 | 0.7 |
| 3.0 | 1.0 | 1.0 |
| 3.5 | 0.8 | 1.3 |
| 4.0 | 0.6 | 1.6 |
| 4.5 | 0.5 | 2.0 |
| 5.0 | 0.4 | 2.4 |

(4) Turnover rate: Nil

(5) Disability rate: Nil

(6) Proportion of married persons at death:

| Age | Male | Female |
|--------------|------|--------|
| 18-64 years | 85% | 65% |
| 65-79 years | 80% | 30% |
| 80-109 years | 60% | 10% |
| 110 years | 0% | 0% |

(7) Age difference between spouses at death:

(a) the male spouse of the member is assumed to be 1 year older;

(b) the female spouse of the member is assumed to be 4 years younger.”.

2. Section 14 is replaced by the following:

“**14.** Interest compounded annually and accrued from the date of assessment up to the date of payment must be added to the sums awarded to the spouse at the rate provided for in section 1.1 of 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, in force on the date of assessment. However, where that date is prior to 1 June 2007, the applicable interest rate is 4.10%.”.

3. The following Division is added after section 22:

“**DIVISION V**
TRANSITIONAL

22.1. For the purposes of sections 18, 19 and 20, the amount of pension that would be obtained on the basis of the sums awarded to the spouse at the date of assessment is determined at that date according to the actuarial method and assumptions that were used for the assessment of accrued benefits.”.

4. This Regulation comes into force on 1 January 2011.

1029