

“In addition, for each metric tonne of residual materials received for disposal from 1 October 2010 to 30 June 2015, an operator of a disposal site must pay, in addition to the charges prescribed in the first paragraph, additional charges of \$9.50.”.

**2.** Section 4 is amended by inserting “prescribed in the first paragraph of section 3” in the first paragraph after “charges”.

**3.** Section 5 is amended

(1) by replacing “30 July, 30 October and 30 January” in the first paragraph by “31 July, 31 October and 31 January”;

(2) by replacing “a document must be sent on those dates to the Minister of Sustainable Development, Environment and Parks in which the following information is provided” in the introductory sentence of the second paragraph by “the following information must be sent on those dates to the Minister of Sustainable Development, Environment and Parks on the form provided by the Minister”.

**4.** Section 9 is amended by inserting “, on the form provided by the Minister for that purpose,” after “Parks”.

**5.** This Regulation comes into force on 1 October 2010.

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Gouvernement du Québec

### **O.C. 541-2010, 23 June 2010**

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

An Act to amend the Supplemental Pension Plans Act, particularly with respect to the funding and administration of pension plans  
(2006, c. 42)

#### **Funding of pension plans of the municipal and university sectors**

Regulation respecting the funding of pension plans of the municipal and university sectors

WHEREAS, under 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 that 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, and prescribe special rules applicable to the plan or category;

WHEREAS, under the third paragraph of section 2 of that Act, a regulation made under the second paragraph may, if it so provides, have retroactive effect from a date that is prior to the date of its coming into force but not prior to 31 December of the year preceding the year in which it was published in the *Gazette officielle du Québec* under section 8 of the Regulations Act (R.S.Q., c. R-18.1);

WHEREAS, under the first paragraph of section 53 of the Act to amend the Supplemental Pension Plans Act, particularly with respect to the funding and administration of the pension plans (2006, c. 42), the Government may, by regulation made before 1 July 2010, make any other transitional provision concerning the administration of the Supplemental Pension Plans Act as amended by that Act or the administration of the Act respecting the funding of certain pension plans (2005, c. 25);

WHEREAS, under the second paragraph of section 53 of the Act to amend the Supplemental Pension Plans Act, particularly with respect to the funding and administration of the pension plans, a regulation made under the first paragraph of that section may, once published in the *Gazette officielle du Québec* and if it so provides, apply from any date not prior to 13 December 2006;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act, a draft of the Regulation attached to this Order in Council was published in Part 2 of the *Gazette officielle du Québec* of 23 December 2009 with a notice that it could be made by the Government on the expiry of 45 days following that publication;

WHEREAS it is expedient to make the Regulation with amendments that take into account the comments made by interested persons;

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

THAT the Regulation respecting the funding of pension plans of the municipal and university sectors, attached to this Order in Council, be made.

GÉRARD BIBEAU,  
*Clerk of the Conseil exécutif*

## Regulation respecting the funding of pension plans of the municipal and university sectors

Supplemental Pension Plans Act  
(R.S.Q., c. R-15.1, s. 2, 2nd and 3rd pars.)

An Act to amend the Supplemental Pension Plans Act, particularly with respect to the funding and administration of pension plans  
(2006, c. 42, s. 53)

### DIVISION 1 APPLICATION

**1.** The provisions of this Regulation, except sections 57 and 58, only cover the pension plans to which Chapter X of the Supplemental Pension Plans Act (R.S.Q., c. R-15.1; hereinafter referred to as “the Act”) applies and for which the employer is a municipality, a body referred to in section 18 of the Act respecting the Pension Plan of Elected Municipal Officers (R.S.Q., c. R-9.3), a municipal housing bureau within the meaning of the Act respecting the Société d’habitation du Québec (R.S.Q., c. S-8), or an educational institution at the university level referred to in paragraphs 1 to 11 of section 1 of the Act respecting educational institutions at the university level (R.S.Q., c. E-14.1).

In the case of a multi-employer pension plan, even where it is not considered as such under section 11 of the Act, this Regulation applies only to the extent that, on 31 December 2008 or on the date of coming into force of the plan, if it is after 31 December 2008, and at the end of each fiscal year of the plan thereafter, at least 90% of the active members of the plan are employed by the employers referred to in the first paragraph.

### DIVISION 2 APPLICABLE LEGISLATIVE PROVISIONS

**2.** The following rules apply to a pension plan as of 31 December 2008:

(1) the plan is not subject to the application of paragraph 4 of section 24, sections 39, 39.1, 41, 42, 101, 116 to 146.3 and 172 and paragraph 1 of section 258 of the Act in their version prior to 1 January 2010;

(2) before 1 January 2010, the second paragraph of section 195 of the Act applies to the plan by replacing “in subdivision 1 of Division II of Chapter X” by “in sections 134 to 139”;

(3) even before 1 January 2010, the following provisions of the Act as amended or enacted by chapter 42 of the Statutes of 2006, subject to the amendments made to that Act by chapter 21 of the Statutes of 2008, apply to the plan taking into account the amendments made by this Regulation: sections 39, 39.1, 41, 42, 101, 116 to 127, 129, 134 to 146.1, 146.3.4 and 146.3.6 and paragraph 1 of section 258; and

(4) even before 1 January 2010, sections 60.1 to 60.5 of the Regulation respecting supplemental pension plans approved by Order in Council 1158-90 dated 8 August 1990, as enacted by Order in Council 1073-2009 dated 7 October 2009, apply to the plan taking into account the amendments made by this Regulation.

**3.** A pension plan covered by this Regulation is exempt from the application of sections 42.1, 128, 130 to 133 and 305.2 of the Act, as enacted or amended by chapter 42 of the Statutes of 2006 or chapter 21 of the Statutes of 2008.

It is also exempt from the application of sections 4 to 5.4 of the Regulation respecting supplemental pension plans.

### DIVISION 3 SPECIAL RULES FOR THE FIRST COMPLETE ACTUARIAL VALUATION AFTER 30 DECEMBER 2008

**4.** For the purposes of the first complete actuarial valuation of a pension plan undertaken after 30 December 2008, the following rules apply:

(1) amortization payments remaining to be paid on the valuation date and related to the technical actuarial deficiency determined pursuant to paragraph 3 of section 126 of the Act in its version prior to 1 January 2010 are deemed to be amortization payments related to a technical actuarial deficiency within the meaning of paragraph 1 of section 135 of the Act as replaced by section 20 of this Regulation;

(2) amortization payments remaining to be paid on the valuation date and related to the initial deficiency and to a improvement unfunded actuarial liability determined pursuant to paragraphs 1 and 2 of section 126 of the Act in its version prior to 1 January 2010 are deemed to be amortization payments related to an improvement unfunded actuarial liability within the meaning of paragraph 2 of section 135 of the Act as replaced by section 20 of this Regulation.

## DIVISION 4 CONTRIBUTIONS

**5.** The following subparagraph replaces subparagraph *b* of subparagraph 2 of the first paragraph of section 39 of the Act mentioned in paragraph 3 of section 2:

“(b) the total of the amortization payments determined in relation to the funding deficiencies and the special amortization payments payable during the fiscal year.”.

**6.** At the beginning of each fiscal year of a pension plan, after any transfer provided for in the first paragraph of section 13 or the first paragraph of section 15, payment of a portion of the amortization payment determined for that fiscal year in relation to the technical actuarial deficiency is made by a transfer from the reserve to the general account. That portion is equal to the lesser of the reserve at that time and 50% of the amortization payment. It is divided equally between each monthly payment relating to the deficiency for the fiscal year.

Where a report on a complete actuarial valuation is sent to the Régie des rentes du Québec during a fiscal year and the amount transferred from the reserve to the general account at the beginning of the fiscal year is less than what it should have been according to that actuarial valuation, the difference must be transferred from the reserve to the general account. If the amount transferred at the beginning of the fiscal year is instead greater than what it should have been according to that actuarial valuation, the difference must be transferred from the general account to the reserve.

A transfer provided for in the second paragraph is made on the date of the first monthly payment due after the report is sent to the Régie and the amount to be transferred is established by taking into account the interest referred to in section 48 of the Act.

## DIVISION 5 FUNDING RULES

### §1. General

**7.** The following section replaces section 118 of the Act mentioned in paragraph 3 of section 2:

“**118.** Every pension plan is the subject of an actuarial valuation

(1) at the date on which it becomes effective;

(2) not later than the date of the end of the last fiscal year of the plan occurring within 3 years after the date of the last complete actuarial valuation of the plan;

(3) in case of an amendment having an impact on the funding of the plan, at the date determined in accordance with section 121;

(4) at the date of the end of the fiscal year of the plan that immediately precedes the fiscal year during which the surplus assets is appropriated to the payment of employer contributions in accordance with section 146.3.4; and

(5) whenever so required by the Régie, at the date fixed by the Régie.

The actuarial valuation carried out under the first paragraph must be a complete actuarial valuation, although the valuation provided for in subparagraph 3 or 4 may be a partial actuarial valuation if the date of the valuation corresponds to the date of the end of a fiscal year of the plan and no complete actuarial valuation is required by this Act or the Régie at that date.”.

**8.** The first paragraph of section 119 of the Act mentioned in paragraph 3 of section 2 is replaced by the following:

“**119.** The pension committee must send a report to the Régie on every actuarial valuation referred to in section 118

(1) within 9 months after the date of the actuarial valuation if the report relates to an actuarial valuation required under subparagraph 2 or 4 of the first paragraph of that section; or

(2) within the time fixed by the Régie, which is at least 60 days, if the report relates to an actuarial valuation required under subparagraph 5 of the first paragraph of that section.”.

**9.** The following section replaces section 121 of the Act mentioned in paragraph 3 of section 2:

“**121.** Any amendment to a pension plan having an impact on the funding of the plan must be considered for the first time not later than the latest of the following dates:

(1) the date of the last end of fiscal year of the plan, the date of which is not later than the date the amendment is made; or

(2) the date of the last end of fiscal year of the plan, the date of which is not later than the date the amendment becomes effective.

However, where the date of the last complete actuarial valuation of the plan occurs after the date determined pursuant to the first paragraph without occurring after the latest of the date the amendment is made or the date the amendment becomes effective, the amendment must be considered for the first time not later than the date of the valuation.

If the actuarial valuation report was sent to the Régie and an amendment which should have been considered under the first or second paragraph was not taken into account, the report must be amended or replaced.”.

## §2. Solvency

**10.** The following paragraph replaces the second paragraph of section 127 of the Act mentioned in paragraph 3 of section 2:

“The degree of solvency of the plan at the date of a complete actuarial valuation corresponds to the value of the assets, increased by the special amortization payment provided for in section 21 of the Regulation respecting the funding of pension plans of the municipal and university sectors, but reduced as provided in the first paragraph, over the value of the liabilities reduced in the same manner, expressed as a percentage. “.

## §3. Funding

**11.** For the determination of the funding of a pension plan, the assets must be determined according to the market value.

**12.** The assets of a pension plan are divided between a general account and a reserve. The rate of return of each account corresponds to the rate of return derived from the investment of the plan’s assets.

The general account is initially equal to the value of the plan’s assets and the reserve is equal to zero.

**13.** Where, at the date of the complete actuarial valuation of a pension plan, the reserve exceeds the provision for adverse deviation, the surplus is, at that date, transferred from the reserve to the general account.

The provision for adverse deviation is calculated in accordance with sections 60.1 to 60.5 of the Regulation respecting supplemental pension plans, as amended by sections 16 to 18 of this Regulation, it being understood that the provision is calculated using financial data established on the solvency basis.

**14.** The actuarial gains are determined at the date of a complete actuarial valuation made for a pension plan. The amount corresponds to the amount by which the general account of the plan, increased by the value of the amortization payments remaining to be paid to amortize a funding deficiency determined during a prior actuarial valuation, exceeds the plan’s liabilities, the latter being reduced by the value of the additional obligations arising from an amendment considered for the first time during the valuation.

If actuarial gains are so determined, they are composed of the following elements:

(1) additional contributions corresponding to the amount by which the value of the contributions included in the plan’s assets since the date of the last complete actuarial valuation exceeds the value of the contributions provided for, for the same period, in subparagraph 2 of the first paragraph of section 39 of the Act as amended by section 5;

(2) the technical gains or losses whose amount corresponds to the sum of the variations, since the last complete actuarial valuation, in the value of obligations arising from the plan and its general account, caused by deviations between the results and forecasts and by changes made to the actuarial assumptions and methods, it being understood that the additional contribution determined in paragraph 1 are excluded from that calculation;

(3) other actuarial gains.

**15.** At the date of a complete actuarial valuation of a pension plan, the lesser of the following amounts must be transferred from the general account to the reserve:

(1) the amount of the technical gains determined during the valuation; or

(2) the amount by which the provision for adverse deviation referred to in the second paragraph of section 13 exceeds the reserve.

If there is a balance of actuarial gains after the transfer provided for in the first paragraph and the balance exceeds the value of the amortization payments that would remain to be paid in relation to the technical actuarial deficiency determined during the last complete actuarial valuation of the plan, the surplus may be used to reduce the amortization payments remaining to be paid in relation to any improvement unfunded actuarial liability.

The reduction is made by appropriating the surplus determined in the second paragraph to the reduction of the monthly payments that become due on the later date. It ceases where the residual surplus does not eliminate completely the monthly payments becoming due on a given date.

**16.** The part of section 60.1 of the Regulation respecting supplemental pension plans preceding paragraph 1, and paragraph 1 are replaced by the following:

“**60.1.** The following elements are likely to contribute to the establishment of the reserve provided for in section 12 of the Regulation respecting the funding of pension plans of the municipal and university sectors:

(1) if applicable, the amount by which the special amortization payment provided for in section 21 exceeds the value, using the funding basis, of the additional obligations arising from the amendments in respect of which that payment was made;”;

**17.** The first paragraph of section 60.2 of the Regulation respecting supplemental pension plans is replaced by the following:

“**60.2.** The provision for adverse deviation provided for in the second paragraph of section 13 of the Regulation respecting the funding of pension plans of the municipal and university sectors is calculated at the following dates:

(1) the date of the last complete actuarial valuation of a pension plan, before the transfer provided for in the first paragraph of section 13 or the first paragraph of section 15 of that Regulation; and

(2) the date of the last partial actuarial valuation of a pension plan, before the transfer provided for, as the case may be, in the fourth paragraph of section 146.1 of the Act as replaced by section 23 of this Regulation or the fourth paragraph of section 146.3.4 of the Act as replaced by section 24 of this Regulation, if that actuarial valuation establishes

(a) the maximum amount of surplus assets that may be appropriated to the payment of the value of the additional obligations arising from an amendment to the plan; or

(b) the maximum amount of surplus assets that may be appropriated to the payment of employer contributions.

However, the provision for adverse deviation does not have to be calculated at the date referred to in subparagraph *a* of subparagraph 2 of the first paragraph if the actuary certifies that, if a complete actuarial valuation were carried out on that date, the plan’s general account would be less than the value of its liabilities.”.

**18.** The expressions “of the general account” and “of the plan’s general account” replace the expressions “of the assets” and “of the plan’s assets” in sections 60.4 and 60.5 of the Regulation respecting supplemental pension plans.

**19.** The following section replaces section 134.1 of the Act mentioned in paragraph 3 of section 2:

“**134.1.** A plan is funded if, at the date of the actuarial valuation, the value of its general account is at least equal to the value of its liabilities.

A plan is partially funded if the value of its general account, increased by the value of the amortization payments relating to any funding deficiency determined at the date of the actuarial valuation or during a prior actuarial valuation, is, at that date, at least equal to the value of its liabilities.”.

**20.** The following section replaces section 135 of the Act mentioned in paragraph 3 of section 2:

“**135.** The following are funding deficiencies:

(1) the technical actuarial deficiency that, at the date of a complete actuarial valuation of the pension plan, corresponds to the surplus liabilities of the plan, after deducting the value of the additional obligations arising from an amendment to the plan considered for the first time during the valuation, over the sum of the general account and the value of the amortization payments remaining to be paid to amortize an improvement unfunded actuarial deficiency determined during a prior actuarial valuation; the value of the payments is established by using an interest rate identical to the rate used to establish the plan’s liabilities; and

(2) the improvement unfunded actuarial deficiency that corresponds to the surplus value of the additional obligations arising from an amendment to the plan considered for the first time during the valuation, over the special amortization payment provided for in section 21 of the Regulation respecting the funding of the pension plans of the municipal and university sectors. The deficiency is reduced, if applicable, by the amount representing the portion of the value of the obligations that is paid by appropriating the plan’s surplus assets.”.



**21.** If the actuarial valuation used to determine the value of the additional obligations arising from an amendment to the pension plan shows that the degree of solvency of the plan is less than 90%, a special amortization payment must be paid into the pension fund, payable in full on the day following the date of the valuation and at least equal to the lesser of:

(1) the amount corresponding to the value on a solvency basis of the additional obligations arising from an amendment to the plan considered for the first time during the valuation; or

(2) the amount corresponding to the assets lacking for the plan's degree of solvency to be 90%.

#### *§4. Amortization of unfunded actuarial liabilities*

**22.** The following paragraphs replace paragraphs 1 and 2 of section 142 of the Act mentioned in paragraph 3 of section 2:

“(1) no later than 5 years after the date of the valuation, if the liability is an improvement unfunded actuarial liability; or

(2) no later than 15 years after the date of the valuation, if the liability is a technical actuarial liability.”.

### **DIVISION 6**

#### **APPROPRIATION OF SURPLUS ASSETS**

**23.** Section 146.1 of the Act mentioned in paragraph 3 of section 2 is replaced by the following:

“**146.1.** The surplus assets of a pension plan to which Chapter X applies may only be appropriated to the payment of the value of the additional obligations arising from an amendment to the plan if, without reference to the value of those obligations, the actuarial valuation of the plan determines that there are surplus assets and if either of the following conditions is met:

(1) the value of the obligations is entirely paid by appropriation of the surplus assets;

(2) the maximum amount of surplus assets that may be appropriated for paying that value is entirely devoted to that end.

The maximum amount of surplus assets that may be so appropriated is determined in the valuation referred to in the first paragraph.

In the case of a complete actuarial valuation, that amount must be equal,

(1) on a solvency basis, to the amount by which the plan's assets exceed its liabilities, the latter being reduced by the value of the additional obligations arising from any amendment to the plan considered for the first time in the valuation;

(2) on a funding basis, to the amount by which the plan's general account exceeds its liabilities, the latter being reduced by the value of the additional obligations arising from any amendment to the plan considered for the first time in the valuation.

In the case of a partial actuarial valuation, that amount corresponds to the amount given by the actuary who certifies that, if a complete actuarial valuation taking into account the transfer provided for in the first paragraph of section 13 or the first paragraph of section 15 of the Regulation respecting the funding of pension plans of the municipal and university sectors was carried out at the valuation date, it would allow the establishment, in accordance with the third paragraph, of amounts at least equal to the amounts given.”.

**24.** Section 146.3.4 of the Act mentioned in paragraph 3 of section 2 is replaced by the following:

“**146.3.4.** The surplus assets of a pension plan to which Chapter X applies may only be appropriated to the payment of employer contributions if the actuarial valuation of the plan shows that,

(1) on a solvency basis, assets exceed liabilities; or

(2) on a funding basis, the general account exceeds liabilities.

The maximum amount of surplus assets that may be appropriated to the payment of employer contributions is determined in the valuation referred to in the first paragraph.

In the case of a complete actuarial valuation, that amount is equal to the lesser of the following amounts:

(1) the surplus assets of the plan determined on a solvency basis; or

(2) the surplus of the general account of the plan, on a founding basis, over liabilities.

In the case of a partial actuarial valuation, that amount corresponds to the amount given by the actuary who certifies that, if a complete actuarial valuation taking into account the transfer provided for in the first paragraph of section 13 or the first paragraph of section 15

of the Regulation respecting the funding of pension plans of the municipal and university sectors was carried out at the valuation date, it would allow the establishment, in accordance with the third paragraph, of a maximum amount at least equal to the amount given.”.

**25.** Section 146.3.6 of the Act mentioned in paragraph 3 of section 2 is replaced by the following:

“**146.3.6.** The appropriation of the surplus assets of a pension plan to the payment of employer contributions must cease

(1) at the date of any actuarial valuation showing that there are no surplus assets determined on a solvency basis or that the general account of the plan is no longer greater than its liabilities on a funding basis; and

(2) at the date of the end of the fiscal year that follows the date of an actuarial valuation that complies with the first paragraph of section 146.3.4 where no actuarial valuation is made at that date of the end of the fiscal year.”.

## DIVISION 7 REPORTS

**26.** A report on a complete actuarial valuation referred to in section 120 of the Act must contain the information and statements of the actuary provided for in Section 3600 of the standards of practice of the Canadian Institute of Actuaries, according to the revised version approved on 27 December 2007 by the Actuarial Standards Board of the Canadian Institute of Actuaries, the information provided for in sections 27 to 32 and the following information:

(1) the name of the plan and the number assigned to it by the Régie;

(2) the date of the actuarial valuation;

(3) the number of active members apportioned, if applicable, according to whether their benefits are accumulated under defined benefit provisions or money purchase provisions within the meaning of section 965.0.1 of the Taxation Act (R.S.Q., c. I-3) or both types of provisions, the number of non-active members to whom no pension is being paid and the number of the other non-active members and beneficiaries whose benefits are covered by the actuarial valuation;

(4) a summary of the provisions of the plan that must be taken into account for the purposes of the valuation, including those bearing on contributions, normal retirement age, conditions to be met to be entitled to an early

pension, pension indexation formula, assumptions used in accordance with the second paragraph of section 61 of the Act and the refunds and benefits payable under the pension plan;

(5) the name of the signatory, the signatory’s professional title, the name and address of the signatory’s office and the date of signing.

**27.** With respect to the portion of the actuarial valuation of the plan performed on a solvency basis, the report must contain the following information:

(1) the value of the plan’s assets, the value of the plan’s liabilities established without reference, if applicable, to any amendment to the plan considered for the first time at the valuation date, and the actuarial assumptions and methods used to determine those values;

(2) the value of the plan’s liabilities distributed among the group of active members of the plan, the group of non-active members to whom no pension is paid and the group of the other non-active members and beneficiaries, the actuarial assumptions and methods used to determine the value, and the degree of solvency of the plan;

(3) the estimated amount of the administration costs referred to in the first paragraph of section 123 of the Act;

(4) where the plan provides for obligations to which the last sentence of the first paragraph of section 124 of the Act applies:

(a) a description of the obligations;

(b) the scenario used by the actuary to determine the plan’s liabilities and, where that scenario results in liabilities that are less than the value of the obligations arising from the plan assuming that the plan is terminated at the valuation date in such circumstances that the benefits accrued to the members must be estimated at their maximum value, such maximum value;

(5) the description of the approach used to estimate the premium referred to in section 126 of the Act.

**28.** With respect to the provision for adverse deviation and the reserve, the report must contain the following information:

(1) the amount of the provision for adverse deviation, with an indication of the shares attributable to elements “R” and “S” of section 60.3 of the Regulation respecting supplemental pension plans;

(2) the amount of elements “R” and “S” of section 60.3 and the amount of element “D” determined in accordance with section 60.4 of that Regulation;

(3) element “d<sup>R</sup>” of that section 60.4 and the actuarial assumptions and methods used to determine it;

(4) the amount determined in accordance with paragraph 1 of element “V” of that section 60.4, and element “d<sup>M</sup>” of the same section;

(5) the maximum amount of surplus assets that may be appropriated to the payment of employer contributions, established in accordance with section 146.3.4 of the Act as replaced by section 24;

(6) if applicable, the amount transferred, at the date of the actuarial valuation, from the reserve to the general account or from the general account to the reserve, in accordance with, as the case may be, the first paragraph of section 13 or the first paragraph of section 15, and the amount of the reserve following the transfer;

(7) if applicable, the amount of the actuarial gains determined at the date of the actuarial valuation in accordance with section 14 and the amount of additional contributions, technical gains or losses and other actuarial gains forming them.

**29.** With respect to the portion of the plan’s actuarial valuation performed on a funding basis, the report must contain the following information:

(1) the value of the plan’s assets, the value of the liabilities determined without reference to any amendment to the plan considered for the first time at the valuation date and the actuarial assumptions and methods used to determine those values; and

(2) the value of the plan’s liabilities distributed among the group of active members of the plan, the group of non-active members to whom no pension is paid and the group of the other non-active members and beneficiaries, and the actuarial assumptions and methods used to determine the value.

**30.** Where the actuarial valuation determines the value of the additional obligations arising from an amendment to the plan considered for the first time, the report must also contain the following information:

(1) a summary of the amendment covered by the valuation and the date and effective date of the amendment;

(2) the value, determined on a solvency basis, of the additional obligations arising from the amendment;

(3) the amount of surplus assets determined on a solvency basis that may be appropriated to the payment of that value;

(4) the value, determined on a funding basis, of the additional obligations arising from the amendment;

(5) the amount of surplus assets determined on a funding basis that may be appropriated to the payment of that value; and

(6) the special amortization payment determined under section 21, where applicable;

**31.** With respect to unfunded actuarial liabilities, the report must contain the following information:

(1) for each funding deficiency determined under section 135 of the Act as replaced by section 20 or section 45, as the case may be:

(a) the type;

(b) the date of its determination and the date of the end of the period provided for its amortization;

(c) the monthly amounts, other than those referred to in paragraph 2, related to the amortization payments to be paid until the end of that period and their present value;

(2) when the pension committee was instructed to apply the measures provided for in section 39, the amount of the technical actuarial deficiency referred to in the instructions, the date of its determination, the monthly payments relating to the amortization payments, established in accordance with section 141 of the Act and section 41, becoming due as regards that deficiency until 31 December 2011 and thereafter and their funded value.

**32.** The report must contain the following financial information:

(1) the service contribution projected for the fiscal year or part of a fiscal year immediately following the actuarial valuation and the rule used to determine the service contribution;

(2) the rule used to determine the service contributions for the 2 subsequent fiscal years;

(3) the amounts to be paid respectively by the employer and by the members, and, for each amount, in the case of a defined benefit plan for which certain provisions are identical to those of a defined contribution plan, the share that must be paid for those provisions and the share that must be paid for the defined benefit provisions;



(4) the employer contribution provided for in the plan, if it is greater than the contribution provided for in section 39 of the Act as amended by section 5;

(5) a description of the adjustments to the contributions arising from the application of the third paragraph of section 41 of the Act.

**33.** A report on a partial actuarial valuation carried out under the conditions provided for in the second paragraph of section 118 of the Act as replaced by section 7 must contain the information provided for in sections 34 to 37 and the following information:

(1) the name of the plan and the number assigned to it by the Régie;

(2) the date of the actuarial valuation;

(3) the name of the signatory, the signatory's professional title, the name and address of the signatory's office and the date of signing.

The certifications provided for in sections 34 to 36 must be established on the basis of a conservative estimate made by the actuary.

**34.** Where the provision for adverse deviation is calculated on the basis of estimates authorized by section 60.5 of the Regulation respecting supplemental pension plans, the report must contain the following information:

(1) the amount;

(2) a certification of the actuary certifying that a complete actuarial valuation of the plan carried out at the valuation date would have established an amount for the provision for adverse deviation equal to or less than the amount indicated in paragraph 1.

**35.** Where the actuarial valuation determines the value of the additional obligations arising from an amendment to the plan considered for the first time, the report must contain the following information:

(1) a summary of the amendment covered by the valuation, the date and effective date of the amendment;

(2) the value of the additional obligations arising from the amendment, determined on a solvency basis and on a funding basis;

(3) the certification of the actuary certifying that, on a funding basis, the value of the additional obligations arising from the amendment was estimated using the same actuarial assumptions and methods as those used

during the most recent actuarial valuation of the plan, unless those assumptions and methods are not appropriate to the nature of the amendment;

(4) where the provision for adverse deviation is calculated on the basis of estimates authorized by section 60.5 of the Regulation respecting supplemental pension plans:

(a) the amount of surplus assets that may be appropriated to the payment of the value of the additional obligations arising from the amendment, determined on a solvency basis, and the amount determined on a funding basis;

(b) a certification of the actuary certifying that a complete actuarial valuation taking into account the transfer provided for in the first paragraph of section 13 or the first paragraph of section 15 carried out at the valuation date would allow the establishment of amounts at least equal to the amounts referred to in subparagraph a;

(c) the estimated amount of technical gains or losses and the estimated amount of the transfer provided for in the first paragraph of section 13 or the first paragraph of section 15, for the purposes of the complete actuarial valuation referred to in subparagraph b;

(5) where the provision for adverse deviation is not calculated, a certification of the actuary certifying that, if a calculation of the provision was carried out at the valuation date, the general account of the plan would be less than the value of its liabilities;

(6) for the improvement unfunded actuarial deficiency determined during the valuation pursuant to section 135 of the Act as replaced by section 20 or 45, as the case may be, the date on which it was determined, the date of the end of the period provided for its amortization, the monthly amortization payable until the end of that period and their funded value;

(7) the special amortization payment determined under section 21, where applicable.

**36.** Where an actuarial valuation determines the maximum amount of surplus assets that may be appropriated to the payment of employer contributions, the report must contain the following information:

(1) the maximum amount of surplus assets that may be appropriated to the payment of employer contributions until the date of the end of the fiscal year that follows the date of the actuarial valuation;

(2) the certification of the actuary required by the fourth paragraph of section 146.3.4 of the Act as replaced by section 24;

(3) the estimated amount of technical gains or losses and the estimated amount of the transfer provided for in the first paragraph of section 13 or the first paragraph of section 15, for the purposes of the complete actuarial valuation referred to in the fourth paragraph of section 146.3.4 of the Act as replaced by section 24;

(4) unless the actuarial valuation is also covered by section 35, the certification of the actuary certifying that, on a funding basis, the value of the plan's obligations was estimated using the same actuarial assumptions and methods as those used during the most recent actuarial valuation of the plan;

(5) the actuarial assumptions and methods used to estimate the value of the obligations of the plan on a solvency basis at the date of the valuation.

**37.** The report must contain the following financial information:

(1) any adjustment made to the rule referred to in paragraph 2 of section 32 that is related to the fiscal year immediately following the actuarial valuation, to take into account any amendment considered for the first time upon that valuation;

(2) the amounts that must be paid respectively by the employer and by the members, and, for each amount, in the case of a defined benefit plan for which certain provisions are identical to the provisions of a defined contribution plan, the share that must be paid for those provisions and the share that must be paid for the defined benefit provisions;

(3) the employer contribution provided for in the plan, if the contribution is greater than the contribution provided for in section 39 of the Act as amended by section 5;

(4) a description of the adjustments to the contributions arising from the application of the third paragraph of section 41 of the Act.

**38.** An actuarial valuation report must, in the case of a multi-employer plan, even where it is not considered as such under section 11 of the Act, indicate if at least 90% of the active members of the plan are employed by employers referred to in the first paragraph of section 1.

## DIVISION 8 RELIEF MEASURE

**39.** An employer participating in a pension plan — or, in the case of a multi-employer plan, even where it is not considered as such under section 11 of the Act, the

participating employers jointly — may, in writing, instruct the pension committee managing the plan that the monthly payments relating to a technical actuarial deficiency determined during a complete actuarial valuation of the plan dated after 30 December 2008 and prior to 31 December 2011 be reduced according to the conditions provided for in section 41.

The instructions must be sent to the pension committee for the purposes of the first complete actuarial valuation of the plan dated after 30 December 2008.

**40.** The report on the first complete actuarial valuation of a pension plan dated after 30 December 2008 must, when sent to the Régie, be accompanied by a writing in which the person who has the power to instruct under section 39 or section 6 of the Act to amend the Supplemental Pension Plans Act and other legislative provisions in order to reduce the effects of the financial crisis on plans covered by the Act (2009, c. 1) certifies that the report is established in accordance with the instructions given to the pension committee or that the person did not give such instructions.

**41.** Where the pension committee was instructed to apply the measure provided for in section 39, the monthly amortization established in accordance with section 141 of the Act mentioned in paragraph 3 of section 2 relating to the technical actuarial deficiency determined during a complete actuarial valuation dated after 30 December 2008 and prior to 31 December 2011 and that become due before 1 January 2012 are reduced as follows:

(1) in the case of a pension plan for which the employer is a municipality, a body referred to in section 18 of the Act respecting the Pension Plan of Elected Municipal Officers, or a municipal housing bureau, to one-third of the payments established otherwise;

(2) in the case of a pension plan for which the employer is an educational institution at the university-level referred to in any of paragraphs 1 to 11 of section 1 of the Act respecting educational institutions at the university level, to 20% of the payments established otherwise.

For the purposes of the first paragraph, the employer employing the greatest number of active members of a multi-employer pension plan, even where it is not considered as such under section 11 of the Act, is considered to be the employer of the plan.

**42.** In case of the merger of all or part of the assets and liabilities of several pension plans into a single plan, the measure provided for in section 39 applies to the absorbing pension plan after the date of the merger, if it applied on that date.

## DIVISION 9 TRANSITIONAL AND FINAL

### §1. *Maintenance of certain actuarial deficiencies*

**43.** Where a number of technical actuarial deficiencies remain with respect to a pension plan, the first paragraph of section 6 applies to all those deficiencies.

**44.** Monthly payments relating to technical actuarial deficiencies determined during an actuarial valuation dated prior to 31 December 2008 are eliminated during the first complete actuarial valuation undertaken after 30 December 2011. The elimination of monthly payments applies after the determination of actuarial gains.

Despite the foregoing, in the case of a pension plan for which an employer is a municipality, a body referred to in section 18 of the Act respecting the Pension Plan of Elected Municipal Officers or a municipal housing bureau within the meaning of the Act respecting the Société d'habitation du Québec, the monthly payments relating to the following technical actuarial deficiencies are not eliminated:

(1) a technical actuarial deficiency of a pension plan in which participated a municipality covered by an order of the Government made under section 125.11 of the Act respecting municipal territorial organization, made by section 1 of chapter 27 of the Statutes of 2000, and constituting a local municipality arising from an amalgamation, or by the Act to reform the municipal territorial organization of the metropolitan regions of Montréal, Québec and the Outaouais (2000, c. 56), that ceased to exist and that has not been reconstituted;

(2) a technical actuarial deficiency, other than one referred to in subparagraph 1, determined during an actuarial valuation undertaken neither prior to 31 December 2001 nor later than 1 January 2005;

However, from the first complete actuarial valuation of the plan later than 30 December 2011, such an employer — or, in the case of a multi-employer plan, even where it is not considered as such under section 11 of the Act, the participating employers jointly — may, in writing, instruct the pension committee managing the plan to eliminate the monthly payments related to a technical actuarial deficiency referred to in subparagraph 2 of the second paragraph. The elimination of monthly payments applies after the determination of actuarial gains.

**45.** For the purposes of an actuarial valuation undertaken after 30 December 2008 and prior to 31 December 2011, subparagraph 1 of the first paragraph of section 135 of the Act, as replaced by section 20, is replaced by the following:

“(1) the technical actuarial deficiency that, at the date of a complete actuarial valuation of the pension plan, corresponds to the surplus liabilities of the plan, after deducting the value of the additional obligations arising from an amendment to the plan considered for the first time during the valuation, over the sum of the general account, the value of the amortization payments remaining to be paid to amortize an improvement unfunded actuarial deficiency determined during a prior actuarial valuation and the value of the amortization payments remaining to be paid to amortize a technical actuarial deficiency determined during an actuarial valuation undertaken prior to 31 December 2008; the value of the payments is established by using an interest rate identical to the rate used to establish the plan’s liabilities;”.

The foregoing also applies for the purposes of an actuarial valuation dated after 30 December 2011, in the case of a pension plan for which the employer is a municipality, a body referred to in section 18 of the Act respecting the Pension Plan of Elected Municipal Officers, or a municipal housing bureau within the meaning of the Act respecting the Société d'habitation du Québec, and in respect of which monthly payments relating to a technical actuarial deficiency described in subparagraph 1 or 2 of the second paragraph of section 44 remain to be paid.

### §2. *Use of possible balance of actuarial gains*

**46.** For the purposes of a complete actuarial valuation undertaken after 30 December 2008 but prior to 31 December 2011, the second paragraph of section 15 is replaced by the following:

“If there is a balance of actuarial gains after the transfer provided for in the first paragraph and the balance exceeds the value of the amortization payments that would remain to be paid in relation to the technical actuarial deficiency determined during a complete actuarial valuation of the plan undertaken after 30 December 2008, the surplus may be used to reduce, in the following order, the amortization payments remaining to be paid in relation to:

(1) any technical actuarial deficiency determined prior to 31 December 2008 other than a technical actuarial deficiency referred to in subparagraph 2;

(2) concurrently, any technical actuarial deficiency referred to in subparagraph 1 or 2 of the second paragraph of section 44;

(3) any improvement unfunded actuarial deficiency.”.

**47.** For the purposes of the first complete actuarial valuation of a pension plan undertaken after 30 December 2011, the second paragraph of section 15 is replaced by the following:

“If there is a balance of actuarial gains after the transfer provided for in the first paragraph and the balance exceeds the total of the value of the amortization payments that would remain to be paid in relation to the technical actuarial deficiency determined during a complete actuarial valuation undertaken after 30 December 2008 and of the value of the amortization payments that would remain to be paid in relation to a technical actuarial deficiency for which the monthly payments are eliminated pursuant to section 44, that surplus may be used to reduce, in the following order and after the said elimination, the amortization payments remaining to be paid in relation to

- (1) any technical actuarial deficiency determined prior to 31 December 2008;
- (2) any improvement unfunded actuarial deficiency.”.

**48.** For the purposes of a complete actuarial valuation undertaken after the date of the actuarial valuation referred to in section 47, in the case of a pension plan for which the employer is a municipality, a body referred to in section 18 of the Act respecting the Pension Plan of Elected Municipal Officers, or a municipal housing bureau within the meaning of the Act respecting the Société d’habitation du Québec and if monthly payments remain to be paid in relation to a technical actuarial deficiency determined before 31 December 2008, the second paragraph of section 15 is replaced by the following:

“If a balance of actuarial gains remains after the transfer provided for in the first paragraph and the balance exceeds the total of the value of the amortization payments that would remain to be paid relating to the technical actuarial deficiency determined during the last complete actuarial valuation of the plan and of the value of the amortization payments that would remain to be paid relating to the technical actuarial deficiencies whose monthly payments are eliminated pursuant to the third paragraph of section 44, the surplus may be used to reduce, in the following order and after the elimination, the amortization payments remaining to be paid relating to

- (1) any technical actuarial deficiency determined prior to 31 December 2008;
- (2) any improvement unfunded actuarial deficiency.”.

### **§3. Other transitional and final provisions**

**49.** The provision for adverse deviation referred to in the second paragraph of section 13 is established at zero for the period preceding 31 December 2012.

**50.** If the effective date of an amendment or the date on which it is made is after 30 December 2008, the date of an actuarial valuation referred to in the first and second paragraphs of section 121 of the Act as replaced by section 9 must also be after 30 December 2008.

**51.** An actuarial valuation considering for the first time an amendment having an impact on the funding of a pension plan may be a partial actuarial valuation whose date differs from the date of the end of a fiscal year of the plan if the following conditions are met:

- (1) the date of the valuation corresponds to the date of coming into effect of the amendment and occurs after 30 December 2008 and prior to 23 December 2009;
- (2) the date on which the amendment occurred is prior to 1 January 2010;
- (3) no complete actuarial valuation has been made at the date of the end of the fiscal year of the plan preceding the date of the partial valuation;
- (4) the report on that partial actuarial valuation is sent to the Régie before 30 April 2010.

The partial actuarial valuation determines according to the rules applicable before 31 December 2008 the value of the additional obligations arising from the amendment or the variation of the current service contribution resulting therefrom.

**52.** Despite section 50, an amendment to a pension plan that has an impact on its funding may be considered for the first time at the date of a complete actuarial valuation determining surplus assets for the pension plan if the following conditions are met:

- (1) provisions in the plan in force at the date of the actuarial valuation provide that any surplus assets must, in whole or in part, be appropriated to the payment of the value of additional obligations resulting from an amendment to the plan;
- (2) the date of the actuarial valuation that determines the surplus assets is prior to 31 December 2008;
- (3) the amendment occurs not later than 31 December 2011.

**53.** A bond remitted before 31 December 2009 to a pension fund of a pension plan pursuant to section 255 of the Act to amend various legislative provisions concerning municipal affairs (2004, c. 20) may, at its term, be replaced by a new bond that meets the conditions set forth in the second and third paragraphs of that section.

**54.** The provisions of section 49 of the Act to amend the Supplemental Pension Plans Act, particularly with respect to the funding and administration of pension plans (2006, c. 42) do not apply to a pension plan to which this Regulation applies.

**55.** Despite section 119 of the Act as amended by section 8, a pension committee has until 31 August 2010 to send to the Régie des rentes du Québec the actuarial valuation report of a pension plan whose date is after 30 December 2008 and prior to 30 November 2009.

**56.** The fourth paragraph of section 14 of the Regulation respecting Supplemental Pension Plans, as made by Order in Council 1073-2009 dated 7 October 2009, does not apply to an actuarial valuation report whose date is prior to 15 December 2009.

**57.** Division IX of the Regulation respecting the exemption of certain categories of pension plans from the application of provisions of the Supplemental Pension Plans Act, made by Order in Council 1160-90 dated 8 August 1990, is revoked.

**58.** Section 1, made by Order in Council 1098-2006 dated 6 December 2006, of the Regulation respecting the exemption of certain pension plans from the application of provisions of the Supplemental Pension Plans Act, made by Order in Council 415-2004 dated 28 April 2004, is amended

(1) by replacing paragraphs 1.1 and 2 by the following:

“(1.1) the provisions mentioned in the Regulation respecting the funding of the pension plans of the municipal and university sectors, made by Order in Council 541-2010 dated 23 June 2010, in accordance with the terms and conditions provided for in that Regulation and by considering that pension plan as a multi-employer pension plan for which the employer employing the greatest number of active members is a university;

(2) sections 142 to 146 of the Act, in their version prior to 1 January 2010, and sections 143 to 146 of the Act, as enacted by chapter 42 of the Statutes of 2006.”;

(2) by adding the following at the end:

“However, the instructions in section 39 of the Regulation respecting the funding of pension plans of the municipal and university sectors may only be given by the Minister responsible for the administration of the Act to facilitate the establishment of a pension plan for employees working in childcare services (R.S.Q., c. E-12.011).”.

**59.** This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec* and has effect since 31 December 2008.

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Gouvernement du Québec

### O.C. 544-2010, 23 June 2010

An Act respecting immigration to Québec  
(R.S.Q., c. I-0.2)

#### Immigration consultants

Regulation respecting immigration consultants

WHEREAS, under subparagraphs *k*, *l*, *m*, *n* and *p* of the first paragraph of section 3.3 of the Act respecting immigration to Québec (R.S.Q., c. I-0.2), the Government may make regulations governing the matters set forth therein concerning immigration consultants;

WHEREAS, under subparagraph *q* of that section, the Government may make regulations determining the provisions of a regulation whose violation constitutes an offence;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), a draft of the Regulation respecting immigration consultants was published in Part 2 of the *Gazette officielle du Québec* of 3 March 2010 with a notice that it could be made by the Government on the expiry of 45 days following that publication;

WHEREAS the 45-day period has expired;

WHEREAS it is expedient to make the Regulation with amendments;

IT IS ORDERED, therefore, on the recommendation of the Minister of Immigration and Cultural Communities: