

EPPA Update 00-03

SPECIFIED MULTI-EMPLOYER PENSION PLANS (SMEPPs)

DESIGNATION OF SPECIFIED MULTI-EMPLOYER PLANS, Act. s. 1(1)(qq)

Under the revised *Employment Pension Plans Act* (EPPA) Chapter E-8, RSA 2000, a Specified Multi-Employer Pension Plan (SMEPP) means a pension plan administered for employees of two or more employers and designated by the Superintendent as a SMEPP. This definition replaces the former definition of Multi-Employer Pension Plan (MEPP). The Superintendent will designate as SMEPPs all union-sponsored collectively-bargained pension plans with multiple participating employers.

DECEMBER 31 DEADLINE FOR FILING AMENDMENTS, Regulation. s. 69

Amendments to pension plans required as a result of these changes to the Act and Regulations must be submitted to the Superintendent for registration no later than December 31, 2000. If the administrator is submitting other amendments during the year, the amendments arising from the legislative changes must be filed at the same time as those amendments.

VESTING AND LOCKING IN, Act. s. 31, 35

For service from January 1, 2000 forward, the right to a pension must vest in a member after two years of continuous plan membership. In a SMEPP, this is defined as fiscal years in which the member had at least 350 hours of employment and participated in the pension plan.

FILING OF AUDITED FINANCIAL STATEMENTS, A.s. 14(3)(d), Regulation s. 11(2)

A plan administrator of a SMEPP is required to file audited financial statements with the Superintendent 60 days after receiving them from the plan's auditor.

PARTICIPATION AGREEMENTS, Act. s. 19(1)(a)(iv), Regulation s. 1(1)(g), 5, 26

Participation agreements are defined. A participation agreement must be submitted to the Superintendent along with an application for registration of a new SMEPP. The agreement must

- 1) set out the terms of the employer's participation in the plan;
- 2) bind all participating employers to the terms of the trust deed or agreement; and
- 3) make each participating employer responsible for making contributions and special payments to the plan as required by the applicable collective agreement.

**DISCLOSURE OF AUDITED
FINANCIAL STATEMENTS,**
Act. s. 15(4)(f),
Regulation s. 25(1)(b)

Plan members have the right to examine the plan's three most recent audited financial statements upon request.

**ANNUAL STATEMENTS -
ELIGIBILITY FOR
TERMINATION,**
Regulation s. 14

A SMEPP member who has not completed at least 350 hours of employment during the period of the last two consecutive completed fiscal years of the plan must be informed on the annual statement that he/she may apply to exercise his/her termination options.

**REFUSAL OF AMENDMENTS
TO SMEPPs,** Act. s. 81(5)

The Superintendent may refuse to register an amendment to a Specified Multi-Employer Plan if the plan already has a solvency deficiency before taking into account the effect of the amendment. The Superintendent's discretion will be exercised only if she has concerns about the plan's ability to maintain proper funding.

**PAYING AGENT
AGREEMENTS,**
Regulation. s. 26

Any pension plan for which there exists an agreement between the plan administrator and the fund holder that gives the responsibility for making actual pension payments to the employer (as opposed to the fund holder) must file a copy of that agreement with the Superintendent. Such agreements must be acceptable to the Superintendent. In the case of a SMEPP, the Board of Trustees is considered an employer for the purpose of this Regulation.

For more information please contact:

Alberta Superintendent of Financial Institutions
Alberta Finance
Room 402, 9515 – 107 Street
Edmonton, AB T5K 2C3
Telephone: (780) 427-8322*
Fax: (780) 422-4283

Internet: <http://www.finance.gov.ab.ca/business/pensions>

* For toll-free dialing, contact your local Alberta Government R.I.T.E. line by calling 310-0000.

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