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PROSPECTS

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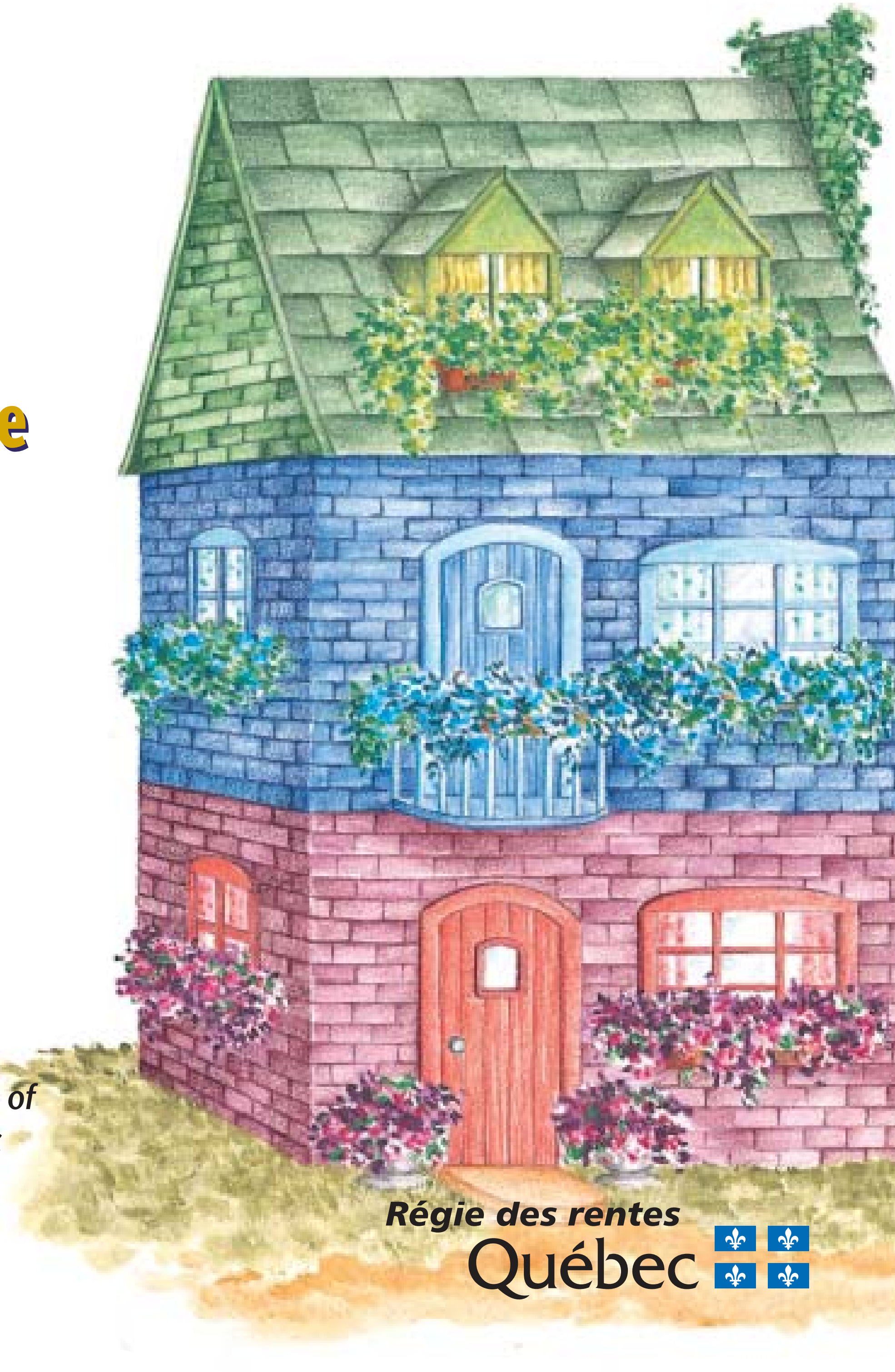
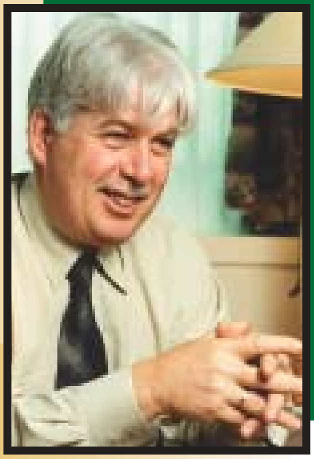
Supplemental Pension Plans

It's possible, doable and profitable

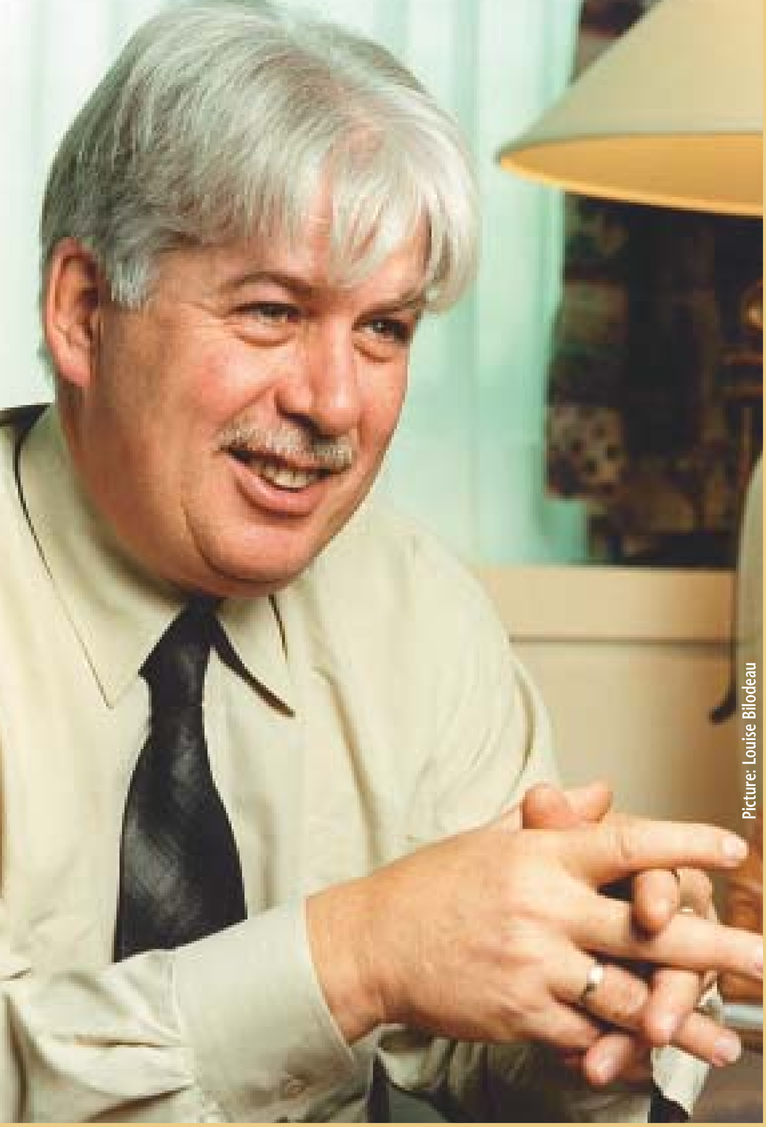


Interview



Mr. Guy Morneau,
President and General Director of the Régie des rentes du Québec

Régie des rentes
Québec



Mr. Guy Morneau, President and General Director of the Régie des rentes du Québec

Now they're to manage

Although supplemental pension plans are one of the keys to a comfortable retirement, they are still not sufficiently widespread. The President and General Director of the Régie des rentes du Québec, Mr. Guy Morneau, answers our questions.

***Prospects* — Less than half of Québec workers participate in a supplemental pension plan. What is the government doing to encourage businesses to set up supplemental pension plans?**

Guy Morneau — Bill 102, which was passed in November 2000, is a positive step in that direction. The government and the Régie wanted to modernize the *Supplemental Pension Plans Act* and bring it into line with changes in the labour force. The keywords of the reform are fairness, simplification and openness.

The *Act* went back to 1990 and we had to take into account the increasing diversity in the employment choices of Quebeckers.

The amendments were made to balance the rights of workers, to simplify plan administration and to clear up some uncertainties. The objective was to make sure that supplemental pension plans are perceived as a credible, effective and safe way to accumulate capital in order to ensure financial security after retirement.

***Prospects* — Exactly what improvements does the new *Act* make for workers?**

G.M. — Several. First, the new *Act* improves the situation of young workers by entitling them to the employer's portion as soon as they become members of a plan. It takes into account the fact that workers change jobs more often by improving departure benefits. It also improves members' and retirees' access to information on the management of their pension fund. Finally, the new *Act* clarifies the rules on employer contribution holidays.

***Prospects* — And what is in it for employers?**

G.M. — They have not been forgotten, far from it. One of the main improvements for employers is that the procedure for managing a supplemental pension plan has been simplified. Let's take an example that we often see these days: the closing of a business division. Until now, the partial termination procedure was long and complex. The employees were often indirectly affected by that complexity and the delays it entailed. People were more exposed to financial insecurity when changes in the business resulted in a job change or unemployment. In my opinion, eliminating partial terminations will simplify the procedure significantly.

***Prospects* — Are businesses sufficiently aware that supplemental pension plans make it easier to attract and hold employees?**

G.M. — In a context where there is an increasing labour shortage, employers who want to remain productive and competitive must offer advantages that include measures for improving the financial security of their workers. Increasingly, supplemental pension plans will be a strategic tool for enlightened management in a context where the population is aging and it is becoming more and more obvious that there will be some shortages of workers.

easier

***Prospects* — Is the touchy issue of employer contribution holidays addressed in the new *Act*?**

G.M. — Yes it is, but first let me clarify an important point. Aside from certain contentious cases, members and retirees have enjoyed very good returns on the financial markets over the past ten to fifteen years. Nonetheless, the government has decided to give the parties the opportunity to find solutions that suit their specific situation. Because of the obligation to consult, provide information and discuss solutions, any decisions regarding contribution holidays must now be made openly, and unions must be a part of the decision-making process.

***Prospects* — When you emphasize the importance of openness, what exactly are you talking about?**

G.M. — Openness is nothing new at the Régie des rentes du Québec. It means that both active and non-active members and beneficiaries have access to more information, in quantity and in quality, on the financial situation of their pension plan. In addition, they will receive the name and address of their retirees' association with their annual statement.

We do not consider openness to be simply another element of our mission; it is an essential condition that supports all the concerned parties at all stages of retirement planning and implementation. As a society, but also as individuals, Quebeckers are entitled to be informed of every aspect of the workings of the pension plan they have chosen. The reform is an example of how new ways to ensure openness are created as new needs arise.

Fairness, simplification, and openness: It's the law!

In conclusion, I would like to emphasize that the employees of the Direction des régimes de retraite do not restrict their interactions with plan administrators and members to their mandate of plan supervision. They are sensitive to the needs and concerns of everyone involved in the plans. They are neutral actors with a solid expertise that they use to assist them and to help them find solutions to the problems they face. In fact, their expertise was part of the reason the Régie was awarded the Grand Prix québécois de la qualité (Québec's quality award) for 2001!

What is a supplemental pension plan?

- For Québec workers, supplemental pension plans are the third floor of the system for financial security after retirement. Unlike the first two floors, which include the Old Age Security pension and a retirement pension under the Québec Pension Plan (benefits from public plans), supplemental pension plans are private and voluntary. This retirement savings tool is a natural complement to public plans.

- Supplemental pension plans, which are intended to provide additional retirement income for workers, are usually funded by both the employer and the employee. In some cases, though more and more rarely, only the employer contributes to the plan. The initiative for creating a supplemental pension plan may come from the employer, the employees or the union. The plan is generally managed by a committee made up of representatives of the employers, the workers and a third party.

- More than 1 300 000 Québec workers are members of a supplemental pension plan. Almost 100% of public and parapublic sector workers benefit from such plans, but only one quarter of private sector workers.

- Supplemental pension plans should not be confused with group RRSPs, a savings instrument for which there are no obligatory employer contributions or administrative tasks.

The ABCs of *supplemental* pension plans

There are two main types of supplemental pension plans: defined benefit plans and defined contribution plans. The latter can be either full plans or simplified plans.

Defined benefit plans

These plans guarantee a pre-determined pension amount. That amount is usually a percentage of the worker's salary multiplied by the number of years of service. For example: your eligible salary is \$40,000, you have 25 years of service and your plan provides for a pension of 1.5% a year. Your annual pension would be \$15,000 (\$40,000 x 1.5% x 25). The employer is entirely responsible for the pension fund and the pensions it generates. If there is not enough money to pay the pensions that were promised, the employer must deposit the missing amount into the pension fund.

Héroux-Devteck

At Héroux-Devteck Inc. in Longueuil, 380 unionized workers participate in a defined benefit pension plan. In 1981, this business in the aeronautics industry carried out collective negotiations that resulted in the creation of the plan. "In the beginning, only the employer contributed to the plan," Angèle Filion, a payroll and employee benefits adviser recalls. "Since 1996, the workers and the employer have been contributing the same set monthly amount to the plan." New employees begin contributing to the plan immediately! On the first day of the month after they are hired, workers at Héroux-Devtek are already planning for retirement.

Picture: Héroux-Devteck

Héroux-Devteck

Defined contribution plans

Defined contribution plans work a bit like a bank account. The pension amount is not guaranteed. The employer's contribution is set in advance and accumulates in the pension fund, where it is credited, along with employee contributions, to the account of each worker. When a worker retires, his or her pension is set on the basis of the amount invested and the interest generated over the years. In a defined contribution plan, the member alone takes the financial risks of the investment. If the returns are less than expected, or if the annuity purchase rate is not very good, the member will have less retirement income.

Canam Manac

In Canada, the 2,200 unionized, non-management employees of Canam Manac Inc. participate in a defined contribution supplemental pension plan. The initiative behind the plan was taken in 1988. It was the employer that wanted to ensure the financial security of its workers after they retire.

"From the outset, we set a contribution rate that we wanted to increase gradually, and in fact, it has increased over the past thirteen years," explains Pierre Tanguay, Vice-President of human resources for the company, whose administrative headquarters are in Boucherville. "Here, each party matches the contribution made by the other. Within the minimum and maximum amounts that were agreed on, the employee decides at

Picture: Canam Manac

Canam Manac

what rate his or her retirement savings accumulate. The employer deposits into the pension fund the same percentage of the employee's salary as the member does. We follow the employee's lead regarding the priority he or she places on retirement planning."

Quebeckers participate in 4,126 plans: 41% of them are defined contribution plans and 59% are defined benefit plans. Since the latter generally have more members, 7% of Quebeckers have a defined contribution plan and 93% have a defined benefit plan.*

The Canam Manac pension fund is managed by a professional firm. The pension committee gave a portfolio manager the responsibility of choosing investments. "In recent years, our returns have been very good and several employees have decided to add their personal savings (in RRSPs for example) to the company's pension fund," Mr. Tanguay points out. "The fact that employees can make voluntary contributions allows them to withdraw the additional contributions they have made to the plan if they need the money, as long as they respect certain income tax rules. In this way, everyone benefits from the assets constituted by the pension fund, whose size is an important factor in investment returns."

The simplified pension plan

A simplified pension plan is a way to make it easier to set up and administer a supplemental pension plan. Simplified plans are administered by an authorized financial institution and each member decides how he or she wants to invest contributions according to his or her plans, tolerance for risk and age. In a simplified pension plan, the employee makes all investment decisions.

* Statistics as at 31 December 1997, the last year for which data have been compiled by the Régie's Direction de l'évaluation et de la révision.

Exceldor, a poultry farming cooperative

Blaise Giguère, head of the payroll and employee benefits department at Exceldor

At Saint-Anselme, near Québec, the employees of Exceldor, a poultry farming cooperative, have a simplified plan. "Nearly 350 employees of our cooperative participate in the supplemental pension plan," explains Blaise Giguère, head of the payroll and employee benefits department. "The employer pays 2.6% of each person's salary into the pension fund, while the employee contributes as much as he or she wishes. Some contribute more than the employer or the same amount, whereas others choose to contribute $5 a week or nothing at all." The parties opted for a simplified pension plan because pension amounts are locked-in and plan administration and procedures are simplified.

Some advantages of supplemental pension plans

"More and more employers and unions are opting for this solution. Unlike groups RRSPs, supplemental pension plans guarantee retirement savings, explains Stéphane Lampron, an adviser at Fiducie Desjardins in Montréal.

All amounts are locked-in until the employee stops working and converts his or her investments into a retirement pension. So you can't be tempted to use the money to meet other needs! It's simple for everyone and there is no obligatory pension committee, nor any actuaries or accountants to pay.

The fees are minimal and determined by the worker's investment choices; each individual manages his or her own portfolio.

Lastly, fairness is ensured because the employer contributes exactly the same amount for all employees in the same category by depositing a minimum equal to 1% of their salary." Mr. Lampron believes that simplified pension plans are particularly advantageous for workers who are proactive in their financial planning.

A supplemental pension plan: Definitely an asset for Cascades

Cascades, in East Angus, has had a defined benefit supplemental pension plan for twenty years. Approximately 140 people, both in the offices and in the factory, are members. "It is a definite asset for attracting and holding our personnel," explains Mr. Carl Rivard, Director of human resources. "If we did not have this advantage that offers retirement security, my job of recruiting good workers would be much more difficult. "

Denis Dumont, Carl Rivard, Paul Fortin and François Bisson of Cascades papers.

The Cascades paper mill in Estrie is one of the many businesses that have to face the challenges of globalization and competitiveness. And those challenges are related both to productivity and to know-how. Mr. Rivard explains, "We sell 60% of our products in the United States and the rest in Québec. Not only would paper makers from a variety of countries like to get our share of the international market, they also covet our share here at home. In that context, one of our strategies has been to surround ourselves with reliable, well-qualified human resources. Our supplemental pension plan has been part of that strategy, because in addition to the employee benefits our employees already enjoy, there is the interest of participating in technology transfers and our concern for creating and maintaining a positive work atmosphere."

Carl Rivard

Since the objective of a defined benefit supplemental pension plan is to ensure that retirees will have a set pension, the employer's participation varies from one year to the next depending on actuarial valuations related to changes in the financial markets. Employees contribute 3,5% of their salary to the pension fund. After they retire, the pension of Cascades employees will be 50% of the amount that they put into their pension plan. For example, an employee who has put $1,000 a year into the pension fund will have a pension of $500 a year for the rest of his or her life.

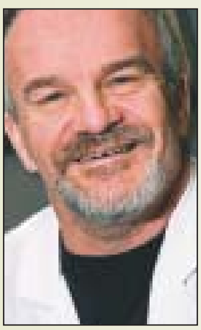
The possibility of an employer contribution holiday can also be an advantage for the employer. When the value of the fund exceeds the plan's obligations, whether because of good investments or favourable circumstances, the business can, in some cases, suspend contributions in all legality. In that case, the employer's contribution is paid with the surplus accumulated in the pension fund. But do not forget that in return, the employer shoulders all the risk if the plan has a deficit.

Businesses that have a supplemental pension plan benefit from income tax advantages, as do employees.

Workers at Aliments Lesters ltée manage their own pension fund

In 1985, the employees of Aliments Lesters ltée were going against the mainstream when they negotiated a defined contribution plan. "We did not try to get a defined benefit plan," explains Roger Pépin, one of the five people behind the project. "From the outset we wanted total control over our pension fund and we were very realistic as to our employer's ability to pay." In 2002, the company's pension plan, with about 125 members, had a pension fund of over 6 million $, and the employer's participation, which had been negotiated and accepted at 2%, rose to 4%.

The representatives designated by the workers went to the employer to make a clear and detailed proposal. "Right from the start, we announced that we wanted to manage our pension fund ourselves and that it wouldn't cost him a cent. You deposit the money and we'll take care of it!" recalls Mr. Pépin, who has administered the plan since it was created.


Roger Pépin

"Of course, we have a role to play in educating young people about the importance of starting to prepare for their retirement now, but the company culture is in line with that. Several employees make more than the obligatory 4% contribution and some have as much as 10% of their salary deducted for the pension fund. The income tax deduction is also made at the source." Currently, Roger Pépin and his colleagues are asking for a 1% increase in that contribution and early retirement arrangements.

At the Laval company, the pension committee does not have an employer representative. "However, the employer is informed of the committee's decisions and he is asked to ratify those decisions when the law so requires," explains Mr. Pépin.

They have made the safe management of funds a priority. "A credit check is made on each person who sits on the committee and we have also taken out civil responsibility insurance to protect our members from mistakes or fraud. We suggest that people stay informed of what is happening with their money and keep their eyes open."

Picture: Pierre Bédard

Roger Pépin, Daniel Bordeleau, Michel Labrecque and Roberto Bézina, employees of Aliments Lesters ltée

HOW TO GUIDE

Setting up a supplemental pension plan

An employer can decide to set up a supplemental pension plan, but the initiative sometimes comes from the employees or the union.

According to André Picard, an adviser at William M. Mercer Ltd., in Québec, there is no single model. In some companies, the personnel in place have the necessary skills to set up a plan, while others may prefer to use the services of independent professionals. "Whatever the case, there are four major stages," he says.

1 Decide who will be responsible for the supplemental pension plan, that is, who will be responsible for any deficits there may be. In the case of defined benefit plans, it is the employer. In defined contribution plans, the employees carry the risk of lower returns, which influences the amount of their retirement pension.

2 Design the plan. To do so, the parties must agree on how much they want the benefits to be. Are they aiming to provide a pension equal to 70% of pre-retirement income? Or do they want workers to be responsible for part of that, for example, by opting for a plan that covers only 40% of the salary? In a defined benefit plan, will the pension be set on the basis of the five highest-income years? The last five years? Overall career earnings? There are many different variants and it is important that everyone understands what impact the agreements, fluctuations and risk sharing could have. Analysts from consulting firms are often asked to support employers and the joint committee at this stage.

3 Set up the plan. Once the agreements have been made, it can be set up fairly quickly. The plan can be started with a temporary pension committee.

4 Write up all the documents required for plan registration with the Régie des rentes du Québec. Those documents include the regulations, the trust agreement, the investment policy and the report on the actuarial valuation. To be entitled to income tax deductions on the contributions, the formalities must be completed within the current fiscal year.

UNIONS AND PENSION FUNDS

The ripple effect takes over

"Unions are often behind the creation of new supplemental pension plans," explains Réjean Bellemare of the Fédération des travailleurs du Québec (FTQ). "Although these days, unfortunately, defined benefit plans are often transformed into defined contribution plans, we still see new plans being created in several sectors of the economy."

The traditions of a job sector are a strong incentive for new businesses to stay in line with the practices of rival companies. "That is true of the metalworking sector," explains Mr. Bellemare. "The aluminum workers' union of the Aluminerie de Bécancour negotiated the creation of a defined benefit supplemental pension plan about ten years ago. The plan, which is close to that of its competitors, was a must in that activity sector."

A supplemental pension plan can be created quickly when all parties can arrive at an agreement.

According to the FTQ adviser, that kind of ripple effect is common. "Not only in a specific industrial sector, but also in some municipalities or regions. When collective agreements are negotiated, they always take into account what comparable employers or neighbouring businesses are offering. In addition, workers recognize the value of a supplemental pension plan."

Many unions have retirement specialists working for them and some actuarial firms are specialized in advice for unions. The Régie des rentes du Québec is also a good adviser, in the view of this unionist. He believes that a supplemental pension plan can be created quickly when all parties can arrive at an agreement.

What can I do with my pension fund?

What becomes of your pension fund when you leave a job? The answer depends on your age, the amount available and the type of plan in which you are a member. Here are some examples.

I can leave my money in my supplemental pension plan.

Paul, who worked for the same company for 10 years, quit his job to follow his spouse, who was transferred to Québec. Since he planned to purchase a small business, he found it reassuring to leave the $15,000 he had accumulated in his defined contribution supplemental pension plan. In fifteen years, when he retires, that amount, with added interest, will give him a pension. The amount of that pension will vary according to changes in interest rates and annuity purchase rates.

I can transfer the amounts accumulated into my new employer's plan.

Nicole, who was working for a company where she participated in a defined benefit supplemental pension plan, has just been recruited by another company. She transfers her pension fund into her new employer's fund. That employer agrees to credit her with additional years of service for the equivalent of the amount transferred. This allows her to qualify more quickly for additional advantages under the plan.

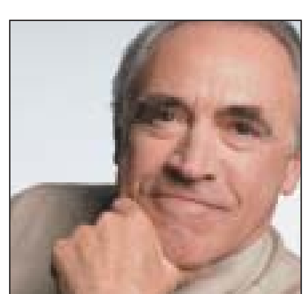
I can transfer the amounts accumulated into a locked-in retirement account (LIRA).

Simon, who is only 28, already had $25,000 in his pension fund, which his employer has been funding jointly for ten years. When he lost his job, Simon opened a locked-in retirement account (LIRA) at his banking institution. This allows him to manage the money himself in his account by choosing the investments according to his tolerance for risk. However, his savings will be inaccessible, unless he has a serious justification (for example, a disability or low income). On the other hand, he will be able to transform them into a life annuity or transfer them into a life income fund when he retires.

I can transfer the amounts accumulated into a life income fund (LIF).

Carolyn, who is 65, has just retired. She has accumulated $120,000 in her defined contribution pension plan, and she uses it to purchase a life income fund (LIF). In 2002, she will be able to withdraw a maximum of $9,000 and her withdrawal possibilities will be reassessed each year on the basis of the balance in the fund, her age and the long-term interest rates. However, any withdrawals she makes will be subject to income tax.

I can retire and purchase an annuity.



Robert has a defined contribution plan. He retires and opts for the most reassuring solution possible by purchasing an annuity from an insurance company. Although his financial adviser informed him that the economic circumstances are not the best for such a purchase – the lower the interest rates, the lower the annuity – Robert wants to have a regular amount each month. If this young retiree had participated in a defined benefit pension plan, his plan would have paid him a pension.

JOAN'S CASE

You too can have a comfortable retirement

"The smartest move of my career was to get involved in negotiating a supplemental pension plan with my employer 35 years ago," states Joan, who will stop working in 2002. With the (defined benefit) pension plan in which she has participated, she is guaranteed an income that will replace enough of her employment earnings for her to be able to maintain her standard of living.

At the end of her career, this administrative technician is earning $40,000. "My retirement income will be about $33,300," she says enthusiastically. My Old Age Security pension will be a bit more than $5,300; my pension under the Québec Pension Plan will be about $9,600; and my pension from my employer will be nearly $18,400. That amount will be indexed to the cost of living up to 1% a year. When I retire, my financial planner has estimated that my pension under my employer's pension plan will be worth about $233,000. If I had had to save all of that in RRSPs by myself, I would have had to save 10.8% of my salary every year. That is almost two and a half times the current contribution rate of 4.5% that I pay to my employer's plan."

While Joan has a defined benefit plan, her brother Paul participated in a defined contribution supplemental pension plan. Before he retired, his salary was $50,000 and he paid 5% of his salary into the pension plan. With his contributions and the money his employer paid into his account for ten years, Paul will have accumulated almost $63,000. Of course, that amount would have been lower if the financial markets had not been so good. He converted the capital into an annuity, which gives him nearly $5,900 a year. However, it is not indexed to the cost of living. He also receives an Old Age Security pension of about $5,312 and $9,583 under the Québec Pension Plan. Overall, he receives a total of $20,895 a year, that is, 42% of what he earned before retiring. If he had chosen to contribute earlier, for example, at age 35, in his employer's pension plan, he could have significantly improved his financial situation. He could have accumulated $200,000 in capital, half of which would have come from his employer's contributions. Each year he could have received an income of about $18,200. When combined with his other sources of income, he would have been able to replace about 66% of his pre-retirement salary.

For Joan and Paul, as for many Quebeckers, participating in a supplemental pension plan is the key to a comfortable retirement.

DON'T FORGET THE TAX ADVANTAGES

Members of supplemental pension plans and employers both benefit from income tax advantages.

- For **employers**, the contributions are deductible from the company's profits, just like salaries. In addition, they are exempt from the calculation made to determine contributions to other programs such as employment insurance, the health services fund, etc. In fact, in income tax terms, the choice of a supplemental pension plan is more advantageous than paying a severance allowance.
- For **employees**, the contributions are deductible from their earnings. Moreover, the contributions made by the employer to the pension fund are sometimes better than a salary increase because they are not subject to income tax.

ANY MORE QUESTIONS?

Are you afraid of "freezing" money that you might suddenly need tomorrow?
The *Act* provides for some flexibility, particularly in the case of life income funds (LIFs), if certain difficulties arise, such as a disability or periods of low income. There can be options for "freeing up" your savings in specific circumstances.

What if my employer goes bankrupt?
In no case can an employer dip into its employees' pension fund. The Régie strictly oversees pension funds and if a company goes bankrupt, only the last contributions could be affected.

How can I protect my family?
Supplemental pension plans are an excellent way to protect your family. The amounts accumulated cannot be seized, so they protect us from our own unreasonable impulses.

Worthwhile information and addresses to keep handy!

STATEMENT OF BENEFITS

All supplemental pension plans, whether they are defined benefit or defined contribution plans, must issue a statement of benefits each year. The statement is prepared by the pension committee and sent to both active and non-active members and beneficiaries. It shows the amounts accumulated, the contributions made and the interest earned. In the case of a defined benefit plan, the amount of the future retirement pension is also shown.

If you have any questions concerning your annual statement, or if you find a mistake on it, your plan's pension committee is the ideal place to go.

OPENNESS

Once you become eligible for a supplemental pension plan, the pension committee has 90 days to send you a summary of the plan's text and a description of your rights and obligations. In addition, members, beneficiaries and eligible workers can read the full-length version of their pension plan and some other documents.

CONFORMITY

The Régie des rentes du Québec has the mandate of ensuring that supplemental pension plans are open and that they are administered and operated in conformity with the Act. The Régie registers plan texts and any amendments that are made to them, it examines the annual returns and actuarial valuations sent by pension committees, and supervises plan solvability.

FOR MORE INFORMATION

The Régie des rentes du Québec also provides information and advice regarding supplemental pension plans. The Régie's Direction des régimes de retraite will answer any questions you may have about supplemental pension plans (SPPs), locked-in retirement accounts (LIRAs), life income funds (LIFs), and simplified plans. Simply call (418) 643-8282.

Vocabulary

Annuity purchase rate
Rate offered on the market for converting retirement capital into a periodic pension amount.

Beneficiary
A person other than a plan member, who is entitled to benefits under a pension plan.

Benefit
Lump sum or pension amount payable.

Contribution
Amount paid into a pension plan by the employer or by members.

Contribution holiday
The option of using a pension plan's surplus assets to pay contributions owed to the plan.

Defined benefit plan
Pension plan in which the pension amount is set in advance. It can be determined independently of the member's salary or as a percentage of that salary.

Defined contribution plan
Pension plan in which the amount or the method for calculating employer contributions, and in some cases, employee contributions, is set in advance. In such plans, the pension amount is not predetermined; it depends on the amounts accumulated in the member's account and the annuity purchase rate.

Life annuity
Pension payable until the death of the beneficiary.

Life income fund (LIF)
A special registered retirement income fund (RRIF) into which amounts can be transferred from a supplemental pension plan or a locked-in retirement account. Unlike RRIFs where only a minimum withdrawal is established, LIFs set both a minimum and a maximum annual withdrawal. Thus, the amount that can be withdrawn annually must be between the minimum and maximum amounts set.

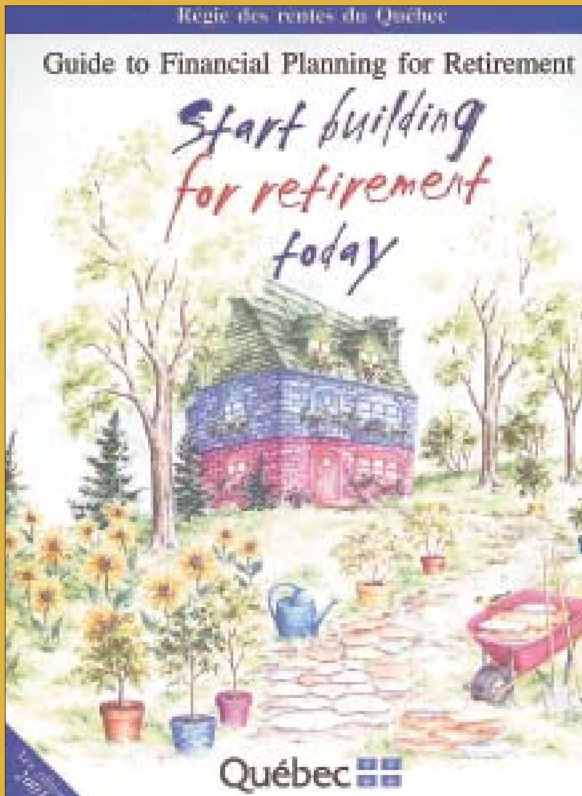
Locked-in retirement account (LIRA)
A special RRSP (registered retirement savings plan) into which amounts can be transferred from a supplemental pension plan or a life income fund (LIF). Unlike RRSPs, the money in an LIRA is locked-in, which means that aside from certain exceptions, it cannot be withdrawn. It must be used to buy a retirement income by purchasing an annuity or by transferring the amounts into a life income fund.

Member
Eligible worker who participates in a pension plan and who has rights under the plan.

Partial termination
Action of ending a supplemental pension plan for a group of members.

Simplified pension plan
Defined contribution pension plan set up and administered by an authorized financial institution to which an employer can subscribe. The legal requirements are limited, as long as certain conditions are respected.

Supplemental pension plan
Contract under which the members and the employer, or only the employer, agree to make periodic payments into a pension fund for the purposes of paying a pension to its members. The objective of such plans is to provide a supplement to the basic income paid by public plans such as the Québec Pension Plan, the Canada Pension Plan and the Old Age Security pension, which is why it is called a "supplemental pension plan".



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In person

At one of our client services centres or during our periodic visits to certain Québec towns.

To find our address and telephone number or our calendar of visits, consult our Internet site by clicking on “How to reach us” or contact us by telephone.

For further information on supplemental pension plans, LIRAs, LIFs or simplified plans, call (418) 643-8282.

Régie des rentes Québec

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Editor
Sylvie Lebreux
(Régie des rentes du Québec)

Coordination
Micheline Piché

Writers
Élaine Hémond

Special collaboration
Jacqueline Beaulieu
Claire Denis
(Régie des rentes du Québec)

Director of Communications
Danièle Noël
(Régie des rentes du Québec)

Translation
Mary Richardson

Graphic Design
Michel Martineau

Printing
Imprimerie Canada

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Direction des communications, Régie des rentes du Québec
Case postale 5200, Québec G1K 7S9