

**Provisions of the
Supplemental Pension Plans Act
Concerning plans for persons connected with an employer**

2.1. This Act, except sections 6, 64 and 107, the first paragraph of section 110 and section 171.1, which apply with the necessary modifications, does not apply to a pension plan if

- (1) all the members of the pension plan are persons connected with the employer within the meaning of subsection 3 of section 8500 of the Income Tax Regulations (Consolidated Regulations of Canada, 1978, chapter 945) and membership in the plan is optional and is restricted to those persons ;
- (2) only employees described in section 1 may become members of the pension plan ; and
- (3) active membership in the plan ceases when the member ceases to be a person connected with the employer.

Moreover, such a pension plan is deemed, for the purposes of section 98, not to be a pension plan governed by this Act.

A pension plan to which the first paragraph applies becomes subject to this Act upon being amended to allow other persons to become members.

288.0.2. Section 2.1 only applies to a pension plan registered before (*insert here the date of assent to this Act*) if

- (1) the pension committee has made a written application to that effect to the Régie ;
- (2) the pension plan has been amended, if necessary, to satisfy the requirements set out in the first paragraph of section 2.1;
- (3) all members and beneficiaries at the date of the application under subparagraph 1 have been notified in writing that their pension plan would no longer be subject to this Act and have consented thereto ;
- (4) the fees prescribed by regulation have been fully paid to the Régie in respect of the last complete fiscal year of the plan ; and
- (5) the Régie has revoked the registration of the plan, after making sure that all the conditions of this section were fulfilled.

Section 2.1 only applies to a pension plan registered after (*insert here the date immediately preceding the date of assent to this Act*) that does not satisfy the requirements set out in that section at the date of its registration if the requirements set out in the first paragraph of this section are satisfied after the benefits that were transferred into the pension plan are transferred into another plan in accordance with section 98.

