

15 May 1998

## **The Régie des rentes du Québec launches an information bulletin on supplemental pension plans**

This is the first issue of the Régie des rentes du Québec's new information bulletin for supplemental pension plan administrators, their consultants and financial institutions working in the pension field. Called **La Lettre express**, it will be published at least three times a year. As the name indicates, the bulletin is intended to rapidly inform those interested in the latest news about supplemental pension plans, amendments to the *Supplemental Pension Plans Act* and ways to meet its requirements. The bulletin will occasionally publish urgent notices, important reminders and will announce the publication of new documents.

**La Lettre express** readers are invited to participate in a survey to determine which delivery method they prefer: mail, fax or e-mail. You can let us know what you think by completing the enclosed survey form and returning it to us by mail or fax before 15 June 1998.

---

## **Don't forget to file your annual information return !**

Under the *Supplemental Pension Plans Act*, a plan has up to 6 months following the end of a fiscal year to file its annual information return with the Régie des rentes du Québec. For almost 85% of plans, the fiscal year coincides with the calendar year. The administrators of these plans have until 30 June 1998 to file their returns and avoid penalties. To make filing easier, the Régie has prepared an information guide and a checklist to help administrators avoid the most common errors and oversights.

Annual information returns make it possible for the Régie to collect the information that it needs to apply its selective approach to plan verification. Under this new approach, supervision is concentrated on the detection of plans at risk rather than on the routine verification of all plans. It allows the Régie to identify plans with shortcomings in the areas of the protection of member rights, pension fund assets and openness of plan administration.

## The annual meeting, an opportunity to show openness in the administration of a supplemental pension plan

The *Supplemental Pension Plans Act* requires pension committees to report on their administration to plan members and beneficiaries and to inform them of their rights. The annual meeting is the occasion to meet this requirement and to show the openness of plan administration.

At the annual meeting:

- plan members must be informed about amendments made to the plan, entries made in the conflict of interest register and the plan's financial situation;
- the pension committee reports on its management for the last fiscal year and discusses matters such as pension fund cash inflows and outflows, the fund's return on investments and other pertinent points;
- each group of active and non-active members can decide whether to elect a plan member to sit on the pension committee. If such is their desire, they do so during the meeting.

### Exemption from an audit

It is important to remember that all pension plans must have an audited financial report prepared, except in cases where an exemption is possible. A plan can be exempted from an accounting audit of financial report if it meets the following conditions:

- The plan has less than 50 members and the market value of its net assets is less than 1 000 000 \$.
- Less than a third of the members or representatives present at the annual meeting, held during the fiscal year concerned, request that the financial report be audited by a professional auditor.

A pension committee that intends to take advantage of an exemption from an audit must, both in the notice calling the meeting and during the meeting, inform the members of its intention and of their right to decide otherwise. The *Act* provides that the pension committee must, within 6 months after the end of the fiscal year, convoke in writing each member and the employer to the meeting.

For more informations,  
contact our :

#### Information Officer

Direction des régimes  
de retraite

Régie des rentes du Québec  
Case Postale 5200  
Québec (Québec)  
G1K 7S9

Telephone : (418) 643-8282  
Fax : (418) 643-7421

<http://www.rrq.gouv.qc.ca>



---

### Decisions of the Régie des rentes du Québec can be contested before the Administrative Tribunal of Québec

Amendments to the *Supplemental Pension Plans Act* have been made by the passage of the *Act respecting implementation of the Act respecting administrative justice*. The most important change concerns decisions of the Régie following an application for review of a decision made under the *Supplemental Pension Plans Act*. Since 1 April 1998, the Régie's review decisions can be contested before the Administrative Tribunal of Québec, if an application is made within 30 days following receipt of the review decision.

*(Version originale française disponible sur demande)*