

**Regulation respecting the exemption of certain  
pension plans from the application of provisions of the  
Supplemental Pension Plans Act  
(R-15.1, r. 4)  
and related provisions**

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Office consolidation  
Updated to July 01, 2006  
Last amendment November 17, 2005



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Régie des rentes du Québec



**Regulation respecting the exemption of certain  
pension plans from the application of provisions of the  
Supplemental Pension Plans Act**

*Regulation respecting the exemption of certain pension plans from the application of provisions of the Supplemental Pension Plans Act [R-15.1, r. 4]*

O. C. 415-2004, 28 April 2004

(2004) G. O. 2, 1543 (came into force on 27 May 2004, subject to the exceptions prescribed by sections 16 and 18.)

*Regulation to amend the Regulation respecting the exemption of certain pension plans from the application of provisions of the Supplemental Pension Plans Act*

O. C. 987-2005, 19 October 2005

(2005) G. O. 2, 4752 (came into force on 17 November 2005)



**Regulation respecting the exemption of certain pension plans from the application of provisions of the Supplemental Pension Plans Act**  
**[R-15.1, r. 4]**

Supplemental Pension Plans Act  
(R.S.Q. c. R-15.1, s. 2)

An Act to facilitate the establishment of a pension plan for employees working in childcare services  
(R.S.Q., c. E-12.011, s. 8)

Charter of Ville de Montréal  
(R.S.Q., c. C-11.4, Schedule C (s. 37.1); 2003, c. 3, s. 2)

**DIVISION I**

**PROVISIONS CONCERNING THE RÉGIME DE RETRAITE DU PERSONNEL DES CPE ET DES GARDERIES PRIVÉES CONVENTIONNÉES DU QUÉBEC**

1. The Régime de retraite du personnel des CPE et des garderies privées conventionnées du Québec is exempted from the following provisions of the Supplemental Pension Plans Act :

- (1) subparagraph 3 of the second paragraph of section 24;
- (2) sections 142 to 146;
- (3) sections 198 to 203.

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O. C. 415-2004, s. 1.

**DIVISION II**

**PROVISIONS CONCERNING CERTAIN PENSION PLANS TO WHICH THE VILLE DE MONTRÉAL IS PARTY**

2. This division applies to the following pension plans:

- (1) the Régime de retraite des contremaîtres de la Ville de Montréal, registered with the Régie des rentes du Québec under number 27693;
- (2) the Régime de retraite des fonctionnaires de la Ville de Montréal, registered under number 27543;
- (3) the Régime de retraite des professionnels de la Ville de Montréal, registered under number 28739;

(4) the Régime de retraite des cadres de la Ville de Montréal, registered under number 27542.

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O. C. 415-2004, s. 2.

**3.** The second paragraph of section 132 and section 133 of the Supplemental Pension Plans Act notwithstanding, the contribution paid by the Ville de Montréal to the pension fund of a plan in execution of an agreement referred to in the resolutions of the Council of the Ville de Montréal bearing the numbers CM03 0504 and CM03 0618 and made between the Ville de Montréal and the person, or if such be the case, the workers' association representing the majority of the plan's members, adjusted where required according to the said agreement, shall be used for the immediate reduction of the outstanding amortization amounts related to the initial unfunded actuarial liability identified in the report on the most recent complete actuarial valuation of the plan submitted to the Régie prior to 1 July 2003.

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O. C. 415-2004, s. 3.

**4.** Any excess amount determined by the application of the first paragraph of section 134 of the Supplemental Pension Plans Act shall, if need be, and sections 133 and 134 of the Act notwithstanding, be allocated to the redemption of the bond credited to the pension fund of the plan concerned as a result of the execution of the agreement referred to in section 3 until the value as at 1 July 2003 of the excess amounts thus allocated is equal to the amount related to the plan among the following amounts:

- (1) in the case of the plan referred to in paragraph 1 of section 2: \$16 974 000;
- (2) in the case of the plan referred to in paragraph 2 of the said section: \$27 195 000;
- (3) in the case of the plan referred to in paragraph 3 of the said section: \$37 191 000;
- (4) in the case of the plan referred to in 4 of the said section: nil.

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O. C. 415-2004, s. 4.

**5.** Sections 133 and 134 of the Supplemental Pension Plans Act notwithstanding, where the value as at 1 July 2003 of the excess amounts determined by applying the first paragraph of section 134 of the Act to a pension plan reaches the amount indicated in section 4 with respect to the said plan, a portion equal to 40% of any excess amount thus determined shall be allocated to increasing the benefits of the plan's members and beneficiaries, the balance of such excess being allocated, if need be, to the redemption of the bond referred to in section 4.

The first paragraph applies with respect to a pension plan until the later of the following events: the value referred to therein reaches the amount set for that plan by the second paragraph of section 32 of the Act respecting the negotiation of agreements concerning the reduction of labour costs in the municipal sector (1998, chapter 2) or the



bond credited to the pension fund of the plan concerned as a result of the execution of the agreement referred to in section 3 has been redeemed in full.

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O. C. 415-2004, s. 5.

**6.** The first paragraph of section 172 of the Supplemental Pension Plans Act applies to the said pension plans by replacing the percentage “10%” by the percentage “17.5%”.

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O. C. 415-2004, s. 6.

**7.** The said pension plans are exempted from the application of sections 135.2 to 135.5 and 306.2 to 306.6 of the Supplemental Pension Plans Act.

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O. C. 415-2004, s. 7.

**8.** Section 32 of the Act respecting the negotiation of agreements concerning the reduction of labour costs in the municipal sector (1998, c. 2), as amended by section 6 of the Act to amend various legislative provisions concerning municipal affairs (2003, c. 3), is further amended by inserting the following paragraphs, after the first paragraph:

“As at 1 July 2003, the value of the actuarial gains to be used for the purposes provided for in the first paragraph is, for the following plans referred to in the first paragraph, set at the following corresponding amount:

1° the plan referred to in paragraph 1: \$32 719 000;

2° the plan referred to in paragraph 3: \$219 669 000;

3° the plan referred to in paragraph 5: \$83 951 000;

4° the plan referred to in paragraph 6: \$33 793 000.

“Upon agreement thereto between the Ville de Montréal and the person, or if such be the case, workers’ association representing the majority of the members of a pension plan referred to in the second paragraph, such gains may likewise be used, in accordance with the terms and conditions set out in a regulation made pursuant to section 2 of the Supplemental Pension Plans Act, to provide for the redemption of a bond referred to in such regulation or to pay the employer portion of the current service contribution. Where such gains are not sufficient to redeem in full such bond, gains determined subsequently may also, insofar as the agreement so provides, be used to provide for the redemption of the bond or to increase the benefits of the plan’s members or beneficiaries, until the balance of the bond is nil.”.

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O. C. 415-2004, s. 8.

**DIVISION III****PROVISIONS CONCERNING THE SUPPLEMENTAL PENSION PLAN FOR EMPLOYEES OF THE QUÉBEC CONSTRUCTION INDUSTRY**

**9.** The Supplemental Pension Plan for Employees of the Québec Construction Industry, registered with the Régie des rentes du Québec under number 25299, is, on the conditions set forth hereinafter, exempted from the application of the following provisions:

(1) subparagraph 13 of the second paragraph of section 14, subparagraph 3 of the second paragraph of section 24, sections 26, 48, 51, 60.1, 66.1, 69.1, 77, 89.1, 91.1 and 92.1, the third paragraph of section 99, sections 166 and 198 to 203 of the Supplemental Pension Plans Act;

(2) section 44 of the Act, provided any contribution referred to therein bears interest, from the first day of the month following the one in which it must be paid into the pension fund, at the rate of return obtained on the investment of the assets credited to the account to which it must be paid, or in the case of a member contribution that must be paid to the general account, at the rate obtained monthly on five-year personal term deposits in chartered banks, as compiled by the Bank of Canada;

(3) section 66 of the Act, provided a member who ceases to be an active member but who is not entitled to a pension benefit is entitled to the refund of his member contributions, with accrued interest;

(4) section 69 of the Act, provided that every member who ceases to be an active member after having accumulated at least 2,800 hours worked as an active member is entitled to a deferred pension at least equal to the sum of the basic pension from the general account and the pension related to his complementary account;

(5) the first paragraph of section 71 of the Act, provided every member who ceases to be an active member after having accumulated at least 2,800 hours worked as an active member and whose period of continuous service ended within the ten years preceding the date on which he reaches the normal retirement age is entitled to an early pension;

(6) section 78 of the Act, provided the member is entitled to the refund of all the contributions paid in his behalf during the postponement period;

(7) the third paragraph of section 87 and the provisions of the first paragraph of section 88.1 of the Act that allow the spouse of a member to waive the benefits granted him under section 87 of the Act, provided the said spouse has the right to waive, to the benefit of such member, the right to receive a portion of the pension provided for in the second paragraph of section 87;

(8) the provisions of the first paragraph of section 88.1 of the Act that allow the spouse of a member to renounce the rights accorded to said spouse pursuant to section 86 of the Act;

(9) the second sentence of the first paragraph of section 99 of the Act but only to allow further restriction of the transfer right of a member who is entitled to an early pension;

(10) section 112 of the Act, provided the Commission de la construction du Québec transmits:

- (a) within nine months following the end of each of the Plan's fiscal years, to each active member, a statement containing the information referred to in section 112 of the Act and, where appropriate, the notice provided for in the second paragraph of that section;
- (b) every five years, to each non-active member and beneficiary, a statement and a notice containing information similar to that contained, respectively, in the statement and notice provided for in subparagraph (a), which applies with the required adaptations;

(11) the third paragraph of section 299 of the Act, with respect to the right of the spouse of a member to renounce the pension benefit referred to therein;

(12) section 15 of the Regulation respecting supplemental pension plans approved by Order in Council 1158-90, dated 8 August 1990, provided the Commission has made with the Régie des rentes du Québec an agreement related to the application of section 165 of the Act and provided such agreement is in effect;

(13) the provisions of Division V of the Regulation that prescribe the determination in months of the period between two dates, provided such determination is made on the basis of the hours worked credited to the worker between those dates;

(14) sections 56.2 to 59.0.2 of the Regulation, provided the information provided for in sections 57, 58, excluding the information provided for in subparagraph *n* of subparagraph 5 of that section, and 59 of the Regulation as it read on 30 December 2002 is provided to those concerned thereby;

In force on  
January 1,  
2006

(15) subparagraphs *b* and *c* of subparagraph 8 of section 58 as well as subparagraphs *e* and *f* of subparagraph 4 of section 59 of the Regulation, provided the information provided for by those provisions are provided to the applicant for a refund or transfer of his benefits or the payment of a pension benefit.

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O. C. 415-2004, s. 9.

**10.** The following provisions of the Supplemental Pension Plans Act apply to the plan, subject to the following changes:

(1) section 46, by replacing, in the first paragraph, the words "the actuary" with the words "a person who is a member of the Canadian Institute of Actuaries";

In force on  
January 1,

(2) section 60.1, by replacing, in the second paragraph, the words "the date the member ceases to be an active member" with the words "the end of the member's last period of active membership in the plan";

In force on  
July 1, 2004

(3) section 66, by replacing, in the first paragraph, the words, "ceases to be an active member" with the words "applies for a refund";

(4) section 111, by replacing, in the second paragraph, the number "90" with the number "120";

(5) Section 290.1, by replacing, in the first paragraph, the number “2001” with the number “2006”.

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O. C. 415-2004, s. 10.

**11.** For applying sections 60 and 61 of the Supplemental Pension Plans Act where a member has had several periods of active membership in the plan, the sum of the member’s member contributions and the value of any pension benefit to which he is entitled shall be determined at the last date as of which he became entitled to such pension benefit, taking into account his accrued benefits and the member contributions that he has paid with respect to all of such periods, with the exception of any periods for which he has already obtained a refund or transfer of his benefits.

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O. C. 415-2004, s. 11.

**12.** A member or spouse who has become entitled to a pension whose value is less than 4% of the Maximum Pensionable Earnings established pursuant to the Act respecting the Québec Pension Plan (R.S.Q., c. R-9) for the year in which he becomes entitled to such pension, may elect, before payment of the pension begins, to receive instead a lump-sum payment.

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O. C. 415-2004, s. 12.

In force on  
January 1,  
2006

**13.** The spouse of a member is entitled to a refund of the value of the benefits payable to him as a result of the member’s death if such value is less than 20% of the Maximum Pensionable Earnings established pursuant to the Act respecting the Québec Pension Plan for the year in which the member died. The spouse may not exercise that right once a pension arising from the death begins to be paid to him.

Where the conditions set forth in the first paragraph are met, the Commission may likewise make a full payment of the spouse’s benefits by refunding to him the sum corresponding to the value of his pension. Beforehand, the Commission must ask the spouse by notice in writing to make known to it his instructions as to the method of refund; failing receipt of a reply with 30 days from the transmission of such notice, the Commission may make the refund. The notice transmitted to the spouse must mention that eventuality.

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O. C. 415-2004, s. 13.

**14.** The Commission may, upon application of the spouse who benefits therefrom, make a refund of the residual value of a pension that began to be paid prior to the coming into effect of this section, provided the value is less than 20% of the Maximum Pensionable Earnings established pursuant to the Act respecting the Québec Pension Plan for the year in which the refund application is made.

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O. C. 415-2004, s. 14.

**DIVISION III.1****PROVISIONS CONCERNING THE FUNDING OF CERTAIN PENSION PLANS**

**14.1.** This division applies to the following pension plans :

(1) the Régime complémentaire de retraite des employés de La Presse, ltée assujettis à une convention collective de travail, registered with the Régie des rentes du Québec under number 7023 ;

(2) the Régime complémentaire de retraite des employés cadres de La Presse, ltée, registered under number 24460 ;

(3) the Régime complémentaire de retraite des employés de la direction de La Presse, ltée, registered under number 26414 ;

(4) the Régime complémentaire de retraite des employés de la haute direction de Gesca Ltée, registered under number 31687.

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O. C. 987-2005, s. 1.

**14.2.** Each of the pension plans referred to in this division must be the subject of a complete actuarial valuation at 31 December 2004.

Notwithstanding section 67.4 of the Regulation respecting supplemental pension plans, the assumptions that shall be used are those described in section 4 of the standard of practice entitled "Standard of Practice for Determining Pension Commuted Values" confirmed by the Board of the Canadian Institute of Actuaries on 15 June 2004, it being understood that those assumptions shall apply taking into account the rules set out in part D of section 3 of that standard of practice and that a sex-specific mortality table must be used.

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O. C. 987-2005, s. 1.

**14.3.** The actuary who carries out the valuation provided for in section 14.2 shall, at a date set therein, determine the total of the commuted value of each of the amortization amounts payable for any month occurring in whole or in part between that date and 31 December 2009 with respect to any amount determined pursuant to subparagraph 4 of the second paragraph of section 137 of the Supplemental Pension Plans Act.

The actuary shall, at the same date, for any such amount determined during a valuation carried out before 31 December 2004, also determine the total of the commuted value of each of the amortization amounts payable for any month falling in whole or in part between that date and the date on which the period provided for the amortization of the said amount ends.

The date set pursuant to the first paragraph cannot be prior to the date this Regulation comes into effect.

The interest rate used to determine the commuted value of the amortization amounts shall be identical to the rate used to determine the liabilities of the plan for the purpose of determining the plan's solvency at the date of the actuarial valuation provided for under section 14.2.

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O. C. 987-2005, s. 1.

**14.4.** The actuary shall, at the date set pursuant to the first paragraph of section 14.3, determine the total of the amortization amounts that should have been paid before that date with respect to the amount referred to in that paragraph.

The actuary shall, with respect to any amount referred to in the second paragraph of that section, also determine the total of the amortization amounts falling due after 31 December 2004 but before the date set pursuant to the first paragraph of section 14.3.

To each such amortization amount shall be added, where required, the interest referred to in section 48 of the Supplemental Pension Plans Act, accrued until the date set under the first paragraph of section 14.3.

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O. C. 987-2005, s. 1.

**14.5.** The amount that must be added, in accordance with the third paragraph of section 41 of the Supplemental Pension Plans Act, to the first monthly amount payable after the transmission to the Régie of the valuation report required under section 14.2 is reduced by an amount equal to 45% of the amount calculated in accordance with the first paragraph of section 14.4 and the amount calculated in accordance with the second paragraph of that section, taking into account, where required, the interest provided for in section 48 of the Act.

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O. C. 987-2005, s. 1.

**14.6.** The actuary shall determine, at the date set pursuant to the first paragraph of section 14.3, the following amounts :

(1) the sum of the amount calculated in accordance with that paragraph and an amount equal to 45% of the amount determined in accordance with the first paragraph of section 14.4 ;

(2) the sum of the amount calculated in accordance with the second paragraph of section 14.3 and an amount equal to 45% of the amount determined in accordance with the second paragraph of section 14.4.

Those amounts are each deemed to be an amount determined in the course of the valuation provided for in section 14.2 pursuant to subparagraph 4 of the second paragraph of section 137 of the Supplemental Pension Plans Act. However, the amount referred to in paragraph 1 of the first paragraph shall be paid by the employer into the pension fund no later than 31 December 2014 and the amount referred to in paragraph 2 of the first paragraph shall be likewise paid, no later than 31 December 2007.

As of the date set pursuant to the first paragraph of section 14.3, the amortization amounts payable for a whole month or part of a month between that date

and 31 December 2009 are reduced to zero with respect to any amount determined under the first or second paragraph of said section.

The provisions of this section prevail over those of the second paragraph of section 132 of the Supplemental Pension Plans Act and those of the first paragraph of section 140 of the Act.

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O. C. 987-2005, s. 1.

**14.7.** No amendment increasing member or beneficiary benefits may be made to a plan where an amount determined in accordance with paragraph 1 of the first paragraph of section 14.6 with respect to the plan has not been fully amortized, unless such amendment is required by law.

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O. C. 987-2005, s. 1.

**14.8.** The report on the actuarial valuation provided for in section 14.2 must contain a distinct section specifying :

- (1) the date set pursuant to the first paragraph of section 14.3 ;
- (2) the totals and the amounts calculated pursuant to sections 14.3 and 14.4 ;
- (3) the amount determined in accordance with paragraph 1 of the first paragraph of section 14.6 and the amortization amounts to be paid monthly until the end of the period provided for the amortization ;
- (4) the amount determined in accordance with paragraph 2 of the first paragraph of section 14.6 and the amortization amounts to be paid monthly until the end of the period provided for the amortization.

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O. C. 987-2005, s. 1.

## **DIVISION IV**

### **FINAL PROVISIONS**

**15.** This Regulation replaces the Order in Council number 215-98 dated 25 February 1998 respecting the exemption of the Supplemental Pension Plan for Employees in the Québec Construction Industry from the application of certain provisions of the Supplemental Pension Plans Act.

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O. C. 415-2004, s. 15.

**16.** The following provisions have effect from:

- (1) 26 April 1998, the provisions of paragraph 1 of section 9 with respect to section 91.1 and the third paragraph of section 99 of the Supplemental Pension Plans Act, paragraph 6 of the same section, paragraph 1 of section 10 and section 11;
- (2) 1 January 2001, the provisions of paragraph 1 of section 9 with respect to sections 60.1, 66.1, 89.1, 92.1 and 198 to 203 of the Supplemental Pension Plans Act,

paragraphs 2, 3, 7, 8, 10 and 11 of the same section, paragraphs 4 and 5 of section 10 and section 12;

- (3) 31 December 2002, the provisions of paragraph 14 of section 9;
- (4) 1 April 2003, the provisions of Division I;
- (5) 1 July 2003, the provisions of Division II.

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O. C. 415-2004, s. 16.

**17.** Section 6 will cease to have effect with respect to a pension plan to which Division II applies upon the expiry of the period prescribed for transmitting to the Régie the report on the complete actuarial valuation of the plan the date of which is after 1 July 2003 and that shows, for the first time, that the bond referred to in section 4 has been fully redeemed.

Furthermore, the following provisions will cease to have effect:

- (1) 1 July 2004, paragraphs 3, 4 and 5 of section 9 and the provisions of section 12 respecting a member;
- (2) 1 January 2005, the provisions of paragraph 1 of section 9 respecting section 92.1 of the Supplemental Pension Plans Act;
- (3) 1 July 2005, the provisions of paragraph 1 of section 9 respecting section 89.1 of the Supplemental Pension Plans Act and the provisions of paragraph 2 of the same section that refer in particular to the member contribution that must be paid into the general account of the plan's pension fund;
- (4) 1 January 2006, the provisions of paragraph 1 of section 9 respecting section 60.1 of the Supplemental Pension Plans Act, paragraphs 8, 11 and 14 of the same section, paragraph 3 of section 10 as well as the provisions of section 12 respecting a spouse;
- (5) 1 July 2006, the provisions of paragraph 1 of section 9 respecting sections 66.1 and 91.1 of the Supplemental Pension Plans Act;
- (6) 31 December 2007, the provisions of section 14.

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O. C. 415-2004, s. 17.

**18.** This Regulation comes into force on the fifteenth day following its publication in the *Gazette officielle du Québec*, with the exception of paragraph 3 of section 10, which will have effect from 1 July 2004 and paragraph 15 of section 9, paragraph 2 of section 10 and sections 13 and 14, which will have effect from 1 January 2006.

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O. C. 415-2004, s. 18.

*This regulation was published in the Gazette officielle du Québec on 12 May 2004 and came into force on 27 May 2004.*



## **OTHER REGULATORY PROVISIONS**

### **Regulation to amend the Regulation respecting the exemption of certain pension plans from the application of provisions of the Supplemental Pension Plans Act (O. C. 987-2005)**

Supplemental Pension Plans Act  
(R. S. Q., c. R-15.1, s. 2)

**2.** This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

*This regulation was published in the Gazette officielle du Québec on 12 November 2005 and came into force on 17 November 2005.*