



NATIONAL ASSEMBLY

SECOND SESSION

THIRTY-THIRD LEGISLATURE

Bill 95

An Act to amend the Act respecting supplemental pension plans

Introduction

1988

**Introduced by
Mr André Bourbeau
Minister of Manpower and Income Security**

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EXPLANATORY NOTES

The object of this bill is to amend the Act respecting supplemental pension plans so as to prohibit, for a limited period of time, any amendment to a retirement plan that would affect the right of the employer or of the members to any part of the assets of a retirement fund which exceeds the pension credits of the members of the plan. Moreover, the Régie des rentes du Québec will refuse, during the same period, to approve any amendment to a plan that would distribute the assets of a retirement fund among several plans, otherwise than pro rata to the pension credits of the members.

During the same period, any payment of any part of the assets of the retirement fund to the employer will also be prohibited.

Finally, this bill establishes the conditions governing the payment of any balance of assets remaining in a retirement fund to the members affected by the total termination of a retirement plan.

Bill 95

An Act to amend the Act respecting supplemental pension plans

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. The Act respecting supplemental pension plans (R.S.Q., chapter R-17) is amended by inserting, after section 9, the following section:

“9.1 From 15 November 1988 no amendment affecting the employer’s or the members’ right to any part of the assets of the retirement fund which exceeds the pension credits of the members may be made to a registered pension plan.

From the same date, the Board shall refuse to approve any amendment to any plan if it is of the opinion that the amendment would cause the assets of the retirement fund to be distributed otherwise than *pro rata* to the pension credits of the members, among several plans to which the same employer is or will be contributing.

The prohibition enacted by the first paragraph applies with respect to any amendment, even an amendment prior to 15 November 1988, which has not, before that date, been approved by the Board.

This section shall cease to have effect on the date fixed by the Government, or on 1 January 1990 at the latest, unless, before that date, the Government extends its effect for a period that it indicates.”

2. Section 43 of the said Act is amended by replacing the first paragraph by the following paragraph:

“43. Upon the total termination of a plan, the balance of assets remaining in the retirement fund shall be determined after the full

payment of all the pension credits has been made. From 15 November 1988, no such balance may be paid, wholly or in part, to the members, unless it is apportioned among all members affected by such termination, *pro rata* to their pension credits.”

3. The said Act is amended by inserting, after section 43, the following sections:

“**43.1** From 15 November 1988, no part of the assets of the retirement fund may be paid to the employer, even where he is entitled thereto pursuant to a plan registered before that date.

“**43.2** The administrator, or any person mandated by him or to whom he delegates all or part of his functions, shall be accountable for any amount paid in contravention of section 43 or 43.1. Where the administrator or the recipient of the mandate or delegation is a legal person, the members of the board of directors of that legal person who have consented to the illegal payment shall be jointly and severally accountable for such amounts.

“**43.3** Sections 43 to 43.2 shall cease to have effect on the date fixed by the Government, or on 1 January 1990 at the latest, unless, before that date, the Government extends the effect of those sections for the period it indicates.”

4. This Act comes into force on 15 November 1988.