THE DESJARDINS GROUP PENSION PLAN REGULATION

Regulation Revision, November 12, 2025

ADMINISTERED BY:
The Desjardins Group Retirement Committee
995, boulevard Alphonse-Desjardins, bureau 201
LÉVIS (Québec) G6V 0M5

This document is an unofficial translation of the official French version.
In case of discrepancies, the French version shall prevail.

Fédération des caisses Desjardins du Québec

Desjardins Group Pension Plan Division

Desjardins

TABLE OF CONTENTS

1. DEFINITIONS

2. ENROLMENT
- 2.1 Employer enrolment
- 2.2 Employer withdrawal requirements
- 2.3 Date of employer's withdrawal

3. RESPONSIBILITIES AND ADMINISTRATION
- 3.1 Overall Plan liability
- 3.2 Responsibility of the Federation through its Board of Directors
- 3.3 Composition of the Retirement Committee and appointment of members
- 3.4 Retirement Committee operations
- 3.5 Remuneration and reimbursement procedures for subsistence, accommodation and travel expenses and insurance coverage of Retirement Committee members.
- 3.6 Retirement Committee duties and powers
- 3.7 Plan administrative expenses
- 3.8 Responsibilities of employers that are parties to the Desjardins Group Pension Plan

4. ACTIVE MEMBERSHIP
- 4.1 Regular employees
- 4.2 Membership
- 4.3 Beginning of active membership
- 4.4 End of active membership

5. CREDITED YEARS OF SERVICE
- 5.1 Credited years of service
- 5.2 Disabilities
- 5.3 Leave without pay
- 5.4 Maternity leave
- 5.5 Paid leave

6. CONTRIBUTIONS
- 6.1 Contributory earnings
- 6.2 Regular employee contributions
- 6.3 Voluntary employee contributions
- 6.4 Regular employer contributions
- 6.5 Excess employee contributions
- 6.6 Interest paid on employee contributions
- 6.7 Additional financing to the Plan

7. TRANSFERS, PAST SERVICE BUYBACK AND PURCHASE OF SUPPLEMENTAL PENSIONS

7.1 Transfers via master agreements
7.2 Transfers out of the Plan, except for those via master agreements
7.3 Transfers into the Plan, except for those via master agreements
7.4 Past service buyback and purchase of supplemental pensions

8. BENEFITS

8.1 Entitlement to a normal retirement pension
8.2 Normal retirement pension conditions
8.3 Initial amount of the normal retirement pension
8.4 Normal pensions for service before January 1, 1990
8.5 Maximum pension
8.6 Additional pensions
8.7 Early retirement
8.8 Postponed retirement
8.9 Death before retirement
8.10 Termination of service
8.11 Life expectancy less than two years
8.12 Supplemental pension for years of contributions paid before age 25
8.13 Early benefits for gradual retirement
8.14 Temporary pensions
8.15 Partial replacement of pensions
8.16 Lump-sum payment for a defined contribution provision
8.17 Death benefit for dependent children

9. MISCELLANEOUS PROVISIONS

9.1 Other retirement plans
9.2 Spouse
9.3 Supplemental benefits when implementing a staff reduction program
9.4 Optional pensions
9.5 Death following retirement
9.6 Pension indexation
9.7 Entitlement to a reimbursement of the pension's value
9.8 Seizability
9.9 Transfer of entitlements between spouses
9.10 Unassignability, unseizability and non-reduction of entitlements
9.11 Average earnings for best-paid years
9.12 Return to the Desjardins Group
9.13 Termination and amendment of the Plan
9.14 Legislative amendments
9.15 Staying within the equivalence factor's applicable limits

SCHEDULES

Schedule I:	Desjardins Group employers
Schedule II:	List of employers that are parties to the Desjardins Group Pension Plan
Schedule III:	Purchases of supplemental pensions under Section 7.4
Schedule IV:	Integration of the Pension Plan for employees of the Fédération des caisses Desjardins du Québec and its affiliated caisses populaires or credit unions (referred to hereafter as the Federation Pension Plan) with the Desjardins Group Pension Plan.
Schedule V:	NorGroupe
Schedule VI.A:	Special provisions for members with service accrued in Ontario
Schedule VI.B:	Special provisions for members with service accrued in Alberta
Schedule VI.C:	Special provisions for members with service accrued in British Columbia
Schedule VI.D:	Special provisions for members with service accrued in Nova Scotia
Schedule VII.A:	Special provisions applicable to members as of April 4, 1994 under the Supplemental Pension Plan for senior executives of the Laurentian Group Corporation and its affiliates
Schedule VII.B:	Special provisions applicable to members as of April 29, 1994 under the Supplemental Pension Plan for employees of the Laurentian Group Corporation and its affiliates
Schedule VII.C:	Special provisions applicable to members as of January 1, 1995 under the Pension Plan for employees of Laurentian Life Inc.
Schedule VII.D:	Special provisions applicable to members as of January 1, 1995 under the Supplemental Pension Plan for senior executives of Laurentian Life Inc.
Schedule VII.E:	Special provisions applicable to members as of January 1, 1995 under the Supplemental Pension Plan for executives and employees of Canagex Associates Inc.
Schedule VII.F:	Special provisions applicable to members as of January 1, 1995 under the Supplemental Pension Plan for employees of Laurentian Investments (Financial Services) Inc.
Schedule VII.G:	Special provisions applicable to members as of January 1, 1996 under the Supplemental Pension Plan for employees of Laurentian Technology Inc.
Schedule VII.H:	Special provisions applicable to members as of January 1, 1996 under the Supplemental Pension Plan for employees of Aeterna Life

Schedule VII.I: Special provisions applicable to members as of January 1, 1998 under the Supplemental Pension Plan for Executives of the Imperial Life Assurance Company of Canada

Schedule VII.J: Special provisions applicable to members as of January 1, 1998 under the Pension Plan for employees of caisses affiliated with the former fédération de Montréal des caisses Desjardins

Schedule VII.K: Special provisions applicable to members as of January 1, 1998 under the Pension Plan of the Fiducie canadienne italienne

Schedule VII.L: Special provisions applicable to members as of January 1, 2001 of the Retirement Benefit Plan for the Employees of Imbrook Properties Limited and Associated Company

Schedule VII.M: Special provisions applicable to members as of January 1, 2001 of the Pension Plan for the Employees of Laurier Life Holdings Limited and its Associated Companies

Schedule VII.N: Special provisions applicable to members as of January 1, 2001 of the Pension Plan for the Non-Sales Staff of Laurentian Financial Services inc.

Schedule VII.O: Special provisions applicable to members as of January 1, 2005 of the Pension Plan of the Caisse d'économie Kebectel

Schedule VII.P: Special provisions applicable to members as of January 1, 2001 of the Pension Plan of the Employees of the Imperial Life

Schedule VII.Q: Special provisions applicable to members as of July 3, 2005 of the Pension Plan of the Caisses Populaires de l'Ontario (1977)

Schedule VIII.A: Payment of a lump-sum amount to specific retirees during the year 2000

Schedule VIII.B: Payment of a lump-sum amount to specific retirees during the year 2001

SECTION 1

For the purposes of this Regulation:

1.1) **Actuary** means anyone who is a member of the Canadian Institute of Actuaries and who has the title of "Fellow" or a status recognized as being equivalent by this Institute.

1.2) **Normal retirement age** means age 65 or over.

1.3) **Contributory service** means the total number of credited years of contributory service as of January 1, 1990.

1.4) **Years of active membership** means the total number of years of active membership credited under Chapter 4 since January 1, 1990, or since the date of an employer's enrolment in the Plan, if this date is later, including the number of years before this date during which the employee accrued entitlements credited under the Plan.

1.5) **Years of continuous service** means the total number of years of continuous service credited as of January 1, 1990, or as of the date of an employer's enrolment, if this date is later, including the period of continuous employment performed since that date.

1.6) **Credited years of service** means the total number of credited years giving an entitlement to a pension as of January 1, 1990, or as of the date of an employer's enrolment in the Plan if this date is later, including the number of credited years of service since this date under Section 5.1 (Credited years of service).

1.7) **Years of pensionable service** means the total number of years of pensionable service credited as of January 1, 1990, or as of the date of an employer's enrolment in the Plan if this date is later, and the number of years of pensionable service credited since this date in clause (i) under Section 8.5 (Maximum pension).

1.7.1) **Beneficiary** means a person designated by the member to receive a death benefit.

1.8) **Pension fund** means the trust patrimony appropriated especially for the payment of the refunds and benefits to which members and beneficiaries are entitled and into which contributions, and the income derived therefrom, are paid.

1.9) **Retirement Committee** means the Desjardins Group Retirement Committee whose composition is described in Chapter 3.

1.10) **Federation** means the Fédération des caisses Desjardins du Québec.

1.11) **Spouse** means the person designated in Section 9.2 (Spouses).

Part added	:	1.7.1)	
Part amended	:		1.7.1)
Date of decision	:	05-28-2002	06-04-2015
Effective date	:	01-01-2001	06-04-2015

SECTION 1

1.12) Effective date of the Plan means January 1,1979.

1.13) Employee means a wage earner who is remunerated for work by a Desjardins Group employer who is a party to the Plan.

1.14) Desjardins Group employer means an employer in the Desjardins Group as defined in Schedule I (Desjardins Group Employers).

1.14.1) Dependent Child: A person who

a) is under 18 and over whom the member or the member's spouse exercises parental authority; or
b) corresponds to the definition of a student, has no spouse, and over whom the member or the member's spouse exercises parental authority or would exercise parental authority if the person were a minor; or
c) has reached the age of majority, has no spouse, is living with the member or the member's spouse, and has functional disability as described under Quebec's *Regulation respecting the basic prescription drug insurance plan*, and that must have begun when the person met conditions a) or b) of this definition. In addition, in order to be considered as a person with a functional disability, the person must not be receiving benefits from any type of last resort assistance program provided by any provincial statute governing income support.

1.14.2) Student: A person age 25 or under who attends on a full-time basis as a duly registered student an educational institution recognized by competent government authorities on the following date:

a) On September 1 when the student's status is determined during the period from the foregoing September 1 to the following December 31;
b) On January 1 when the student's status is determined during the period from the foregoing January 1 to the following August 31.

1.15) Fiscal year means the calendar year.

Part added	:			1.14.1) and 1.14.2)		
Part amended	:	1.10)	1.13) and 1.14.1)		1.14.1)	1.14.1 c)
Date of decision	:	05-28-2002	05-28-2002	10-09-2003	12-11-2009	11-10-2022
Effective date	:	07-01-2001	07-01-2001	07-01-2003	12-11-2009	11-10-2022

SECTION 1

1.16) **Regular work schedule** means the work schedule which is to be repeated on a weekly basis for at least 4 weeks, or which has already been repeated for 4 weeks. Any work schedule combination within that period is also acceptable insofar as it is regular and is or will be repeated. Any hours worked in addition to this repetitive schedule are not part of the regular work schedule.

1.17) **Actuarial assumptions and methods approved by the Retirement Committee** means the actuarial assumptions and methods consistent with generally accepted actuarial principles, approved by the Retirement Committee and transmitted to Retraite Québec by the Retirement Committee at least 30 days before their effective date.

1.17.1) **Actuarial assumptions and methods determined by regulation** means the actuarial assumptions and methods that are determined by statutory regulation under the Act.

1.18) **Act** means the Québec Supplemental Pension Plans Act and the regulations adopted thereunder, as amended from time to time.

1.19) **MPE** means the maximum pensionable earnings under the Québec Pension Plan and Canada Pension Plan.

1.20) **Member** means a wage earner or former wage earner who has entitlements under the Plan.

1.20.1) **Active member** means a member who accrues years of active membership.

1.20.2) **Non-active member** means a member who does not accrue years of active membership

1.20.3) **Disabled member** means a member who is disabled as defined under Section 5.2.

1.21) **Period of continuous employment** means a period of time during which a wage earner is bound by a service contract or holds a position, including any period of temporary absence with or without remuneration.

1.22) **Benefit ceiling** means the maximum amount equal to $1,715 in 1990 and to $1,722.22 from 1991 to 2004. Thereafter, it will be indexed in keeping with the Canada Income Tax Act.

1.23) **Plan** means the Desjardins Group Pension Plan.

Part added	: 1.17.1), 1.20.1), 1.20.2) and 1.20.3)					
Part amended	:	1.20) and 1.21)	1.22) (1.24) previous version)	1.22)	1.23)	1.17)
Date of decision	: 05-28-2002	05-28-2002	01-19-1999	05-28-2002	05-28-2002	11-12-2020
Effective date	: 01-01-2001	01-01-2001	03-06-1996	01-01-2001	07-01-2001	10-15-2020

SECTION 1

1.24) **Administrative rule** means a ruling established and accepted by the Retirement Committee that provides details about or an interpretation of the Plan's Regulation. An administrative rule may not amend the Plan's Regulation.

1.25) **Plan's Regulation** means the Regulation as accepted by the Federation Board of Directors as well as any amendments subsequently made thereto.

1.26) **QPP/CPP** means the Québec Pension Plan or the Canada Pension Plan, depending on the employee's place of residence.

1.27) **Deferred pension** means a fixed retirement pension whose payment is deferred until normal retirement age.

1.28) **Fixed pension** means a pension the amount which does not vary following a member's future raises in earnings but is adjusted on the basis of an index defined in Section 9.6 (Pension indexation).

1.29) **Retiree** means a member who receives a retirement pension under the Plan.

1.30) **Postponed retirement** means retirement that begins after the normal retirement age.

1.31) **Early retirement** means retirement that begins before the normal retirement age.

1.32) **Earnings** mean the earnings referred to in Section 6.1 (Contributory earnings).

1.32.1) **Wage earner** means a person who is remunerated for work by a Desjardins Group employer.

1.33) **Normal work week** means the work week for which full-time remuneration is obtained from the employer. Usually, this work week corresponds to 35 hours, as accepted by the Federation Board of Directors and recommended to the Desjardins Group corporate entities as a standard. The normal work week must not under any circumstances be less than 28 hours.

Part added	:	1.32.1)	
Part amended	:		1.25) and 1.33)
Date of decision	:	05-28-2002	05-28-2002
Effective date	:	07-01-2001	07-01-2001

SECTION 2.1

2.1 Employer enrolment

a) Any Desjardins Group employer may enrol in the Plan upon obtaining authorization from the Retirement Committee and the Federation. The Retirement Committee must obtain the written cosent of the employer and the Federation Board of Directors. The date of enrolment is the one that is accepted by the Retirement Committee.

b) This date may not be any later than the earliest of the following dates:

   i) the date on which regular employee contributions begin to be collected;

   ii) the date from which the employees' years of service are taken into account as they are completed in order to determine the employees' normal retirement pension.

c) An employer who enrols in the Plan must enrol for all its employees. For certain groups of employers' employees, however, the date for beginning membership may be delayed, conditions may be different or membership in the Plan may be excluded.

   In all cases, special agreements must be concluded with the Retirement Committee, which may accept or refuse the agreements.

   Workers who do similar or identical work and who belong to the same worker category constitute a group of employees.

d) When a Desjardins Group employer has been allowed to enrol only some of its employees in the Plan, the employer is considered to be a Desjardins Group employer that is a party to the Plan for these employees and a Desjardins Group employer that is not a party to the Plan for the other employees.

e) Schedule II contains a list of the employers that are parties to the Plan.

Part amended	:	a) and d)	a)
Amendment date	:	05-28-2002	10-09-2003
Effective date	:	07-01-2001	10-09-2003

SECTION 2.2

2.2 Employer withdrawal requirements

a) A Desjardins Group employer may withdraw from the Plan if it obtains authorization from the Federation Board of Directors.

b) Once the employer has obtained this authorization, it must notify the members concerned and the Retirement Committee of its withdrawal from the Plan.

c) This notice must indicate the members concerned and the withdrawal date.

Part amended	:	b) and c)	a)
Amendment date	:	05-28-2002	05-28-2002
Effective date	:	01-01-2001	07-01-2001

SECTION 2.3

2.3 Date of employer's withdrawal

a) When an employer withdraws from the Plan, the date of the employer's withdrawal is the one that is accepted by the Federation Board of Directors.

b) The withdrawal date of an employer may not, however, be prior to the date on which regular contributions stopped being collected.

c) The employer's withdrawal date is subject to the approval of Retraite Québec.

Part amended	:	2.3	a)	c)
Amendment date	:	05-28-2002	05-28-2002	11-12-2020
Effective date	:	01-01-2001	07-01-2001	10-15-2020

SECTION 3.1

3.1 Overall Plan liability

The Federation, via its Board of Directors, takes on the responsibilities falling to the Plan sponsor and ensures the proper administration of the Plan in compliance with the laws and regulations in force. In addition, the Federation is the guarantor of obligations issuing from the participation of all Desjardins Group employers in the Plan.

The Federation Board of Directors designates a person responsible for operations assigned to liaise with the Retirement Committee.

SECTION 3.2

3.2 Responsibility of the Federation through its Board of Directors

The Federation Board of Directors along, acting as the representative for all Desjardins Group employers, has decision-making power to alter or terminate the Plan.

Acting through its Board of Directors, the Federation has the following responsibilities:

a) It ensures that the Plan corresponds with the Desjardins Group's basic orientations;

b) It ensures that the Plan does not jeopardize the financial security of Desjardins Group employers;

c) It determines the substance of the Plan and consequently rules on the nature of the benefits granted to members and retirees, and determines their procedures and implementation date in accordance with the Plan's Regulation;

d) It approves the Plan's Regulation as well as all subsequent amendments made thereto, except for an amendment issuing from the enrolment of an employer in keeping with paragraph (g) below;

e) It determines, in compliance with legislation, the sharing of the financing of the Plan between employers and members. It decides on the Plan's terms for paying contributions and approves the contribution rates which apply to members and employers;

f) It determines in accordance with the Plan's Regulation how members of the Retirement Committee will be remunerated and defines a policy for the reimbursement of their subsistence, accommodation and travel expenses;

g) It determines which employers are a part of the Desjardins Group. It rules on any enrolment applications that the Retirement Committee deems do not meet the requirements set out in Section 2.1(Employer enrolment);

h) It studies reports that it considers appropriate to request from the Retirement Committee, in particular the annual report and reports on the financial status of the pension fund, as well as reports sent by the Retirement Committee to the Federation on its own initiative. If applicable, it informs the Retirement Committee of the positions it takes;

i) It decides, while abiding by statutory law and the Plan's Regulation on the use or sharing of any surplus assets during the Plan's existence and on conditions for amortizing any actuarial deficit.

Part amended	:	1st clause		3.2
Repealed	:		f) (of the previous version)	
Date of decision	:	01-19-1999	01-19-2001	05-28-2002
Effective date	:	01-19-1999	01-19-2001	07-01-2001

SECTION 3.3

3.3 Composition of the Retirement Committee and appointment of members

a) The Retirement Committee is made up of 9 voting members. As provided in the Act, the Retirement Committee can also have two non-voting members who are elected at the annual meeting.

The voting members are as follows:

i) The chairperson, designated by the Federation Board of Directors;

ii) Five committee members designated by the employers and appointed by the Federation Board of Directors;

iii) Two committee members designated by members, elected according to the Retirement Committee's electoral procedures and comprising:

1) One member designated by active members who is an active member;

2) One member designated by non-active members and beneficiaries.

iv) A third party appointed by the Federation Board of Directors.

The active members as a group and the non-active members and beneficiaries as a group may each exercise their right to designate a non-voting member on the Retirement Committee. The electoral procedures are established by the Retirement Committee.

b) Retirement Committee members take office on the date of their appointment and remain in office until the end of their term of office, which cannot exceed three years. The cumulative total of a committee member's terms, whether served consecutively or otherwise, cannot exceed 12 years.

c) Members whose term of office has expired remain in office until they are reappointed or replaced.

Part amended	:	a) ii) and a) iii)	3.3	3.3	a)	a), a) ii), a) iii) and a) iv)	b)	a) and a) iii)	a) iii) 1)
Date of decision	:	01-19-1999	05-28-2002	05-28-2002	10-05-2007	12-06-2018	12-06-2018	12-06-2018	12-06-2018
Effective date	:	01-19-1999	01-01-2001	07-01-2001	10-05-2007	03-29-2019	01-01-2019	03-27-2020	03-25-2021

d) The term of office of members terminates automatically if they die, or:

   i) if they suffer from a mental or physical disability, which makes it impossible for them to carry out their duties. In this case, a resolution adopted by the Retirement Committee following a medical report constitutes sufficient and irrefutable evidence of the disability

   ii) if they submit their resignation in writing;

   iii) if their appointment is revoked by those who appointed them;

   iv) if one member designated by active members is no longer an active member.

e) If the position of a voting member on the Retirement Committee becomes vacant, it must be filled within 120 days of the vacancy as follows:

   i) In the case of members appointed by the Federation Board of Directors, the replacement is designated by the Federation Board of Directors and remains in office until the expiry of the term of office of the person he or she is replacing;

   ii) In the case of members elected by attendees, the replacement is appointed by the Retirement Committee. The replacement remains in office until the next annual meeting.

f) A voting member means a member entitled to vote and entitled to petition for a vote. A non-voting member means a member not entitled to vote or petition for a vote.

Part added	:	d) iv)				
Part amended	:		e)	3.3	3.3	d) iv)
Date of decision	:	01-19-1999	01-19-1999	05-28-2002	05-28-2002	12-06-2018
Effective date	:	01-19-1999	01-19-2001	01-01-2001	07-01-2001	01-01-2019

SECTION 3.4

3.4 Retirement Committee operations

a) The chairperson of the Retirement Committee is appointed by the Federation Board of Directors. Each year, the Committee selects the vice-chairperson from among the voting members following the annual meeting. The vice-chairperson performs the duties of the chairperson and/or the secretary, as required.

   The secretary keeps minutes during Retirement Committee meetings and the annual meeting, and is responsible for filling out any registers or books, as required. The Committee can also name an assistant secretary from among Committee members or otherwise, in order to support the secretary in the role.

b) The chairperson presides over the meetings of the Retirement Committee and ensures that decisions are carried out.

c) A meeting may be called by the chairperson or by six voting members. The chairperson, secretary or assistant secretary must provide written notice of any meeting to all members at least 48 hours before the meeting. A meeting may be held at any time without advance written notice if all voting members consent.

d) A majority of voting members constitutes a quorum at Retirement Committee meetings.

e) The Retirement Committee's decisions are made by a majority of the votes cast. In the event of a tie, the chairperson (or the chairperson's replacement) has a casting vote.

f) The Retirement Committee may create management committees as needed.

g) The Retirement Committee must specify in a resolution the mandate assigned to each management committee, the nature of the decisions it may make and the items that need to be submitted for final decision. All management committees must report on a regular basis to the Retirement Committee on their progress and accomplishments.

Part amended:	a), c) and d)	a)	c)	a) and e)		d), e) and f)
Repealed:					d) (of the previous version)	
Date of decision:	05-28-2002	05-28-2002	10-05-2007	10-23-2013	12-10-2014	12-06-2018
Effective date:	01-01-2001	07-01-2001	10-05-2007	10-23-2013	12-10-2014	01-01-2019

h) The Retirement Committee may assign one or more persons from outside the Retirement Committee to a management committee based on the persons' experience or recognized qualifications. The assigned person(s) perform(s) the same duties as the other members of the management committee in question.

i) The Retirement Committee acts by means of meetings whose proceedings are recorded in minutes and registers. Since the Act provides that every voting member of the Retirement Committee is deemed to have approved any decision made by the other voting members, a voting member who disagrees with a decision may petition at will to have such disagreement entered into the minutes. A member who is absent from a meeting of the Retirement Committee and who disagrees with a decision made during such absence, may petition to have that disagreement recorded in the minutes of the following meeting.

j) The Retirement Committee may adopt internal management rules that are compatible with the Plan's Regulation.

Part amended	:	k)		j) and k) became i) and j)
Repealed	:		i)	
Date of decision	:	05-28-2002	12-06-2018	12-06-2018
Effective date	:	01-01-2001	01-01-2019	01-01-2019

SECTION 3.5

3.5 Remuneration and reimbursement procedures for subsistence, accommodation and travel expenses and insurance coverage of Retirement Committee members

a) Retirement Committee members are remunerated for carrying out their administrative duties in accordance with rates determined by the Federation Board of Directors.

b) The Retirement Committee decides by resolution on how to remunerate any outside person appointed to one of the management committees created by the Retirement Committee.

c) The travel, subsistence and accommodation expenses of Retirement Committee members are reimbursed in keeping with the policy in force at the Fédération des caisses populaires Desjardins du Québec on the date that the expenses are incurred.

d) Within the scope of their administrative duties, the members of the Retirement Committee are covered by liability insurance. This liability insurance is the same as the one covering administrators who are members of the Federation Board of Directors and the Plan pays for it in entirety. Any outside people appointed to a management committee created by the Retirement Committee are also covered by the liability insurance.

Part amended : 3.5
Date of decision : 05-28-2002
Effective date : 07-01-2001

SECTION 3.6

3.6 Retirement Committee duties and powers

The Retirement Committee is the Plan administrator and the trustee of the Pension Fund. Within the scope of the responsibilities and liability conferred upon it by the Act and by the Federation Board of Directors, the Retirement Committee performs the following duties and exercises the following powers:

a) It administers, implements and interprets the Plan's Regulation and rules on any relevant issue or incident;

b) It prepares administrative rules specifying how various sections of the Plan's Regulation are to be implemented;

c) It submits recommendations for any amendments to the Regulation that it considers necessary to the Federation Board of Directors;

d) It informs members and retirees of their rights, privileges and obligations under the Plan's Regulation and the Act;

e) It calls and holds an annual meeting at which it gives an account of its administration to members and representatives of employers. It may decide to hold regional meetings if need be;

f) It chooses the Plan actuary and has this person conduct actuarial valuations in keeping with the statutes and regulations in force;

g) It accepts the actuary’s recommendations regarding the method for determining how to apply the interest rate to be credited for member contributions and recommends the contribution rate required to meet Plan requirements to the Federation Board of Directors;

h) It makes proposals to the Federation Board of Directors regarding the use of any actuarial surplus and ensures that deficits are amortized in compliance with the law;

i) It appoints an external auditor for the Plan, agrees on an annual auditing program and follows up on any recommendations made by the auditor;

j) It ensures that contributions are collected properly and authorizes the payment of all benefits and refunds;

k) It concludes with the approval of the Federation Board of Directors any transfer agreements that may prove favourable to Desjardins Group employers;

Part amended	:	3.6	3.6	g) and h)
Date of decision	:	01-19-1999	05-28-2002	10-05-2007
Effective date	:	01-19-1999	07-01-2001	10-05-2007

l) It determines the usual conditions that should apply to the redemption of past or current service by members or employers and ratifies all service redemption agreements;

m) It determines the procedure for crediting entitlements resulting from transfers other than those via master agreements;

n) It sets the conditions for determining and implementing the interest rate to be credited for contributions paid by members;

o) It defines the Plan's fund investment policy; it distributes retirement funds to one or more managers and, if applicable, it manages any portion of the retirement funds it deems appropriate;

p) It represents the Plan before government agencies and sends the agencies all reports requested by them;

q) It delegates, within the scope of the Act, all or part of its powers, and it retains the services of anyone involved in the administration of the Plan and the management of the retirement fund. Any delegation of powers and any services contract must be in writing and identify the delegated powers or services solicited, determining each party's duties and responsibilities and containing the terms and conditions of payment. The approval of the Federation Board of Directors is nonetheless required if the delegate is not an agent of the Desjardins Group, except if the required duty may not be carried out or if the service may not be provided by a Desjardins Group organization.

SECTION 3.7

3.7 Plan administrative expenses

a) Expenses related to the administrative management of the Plan are to be assumed by the employers. In particular, they include:

i) expenses stemming from amendments to the Plan or to the retirement fund;

ii) management expenses related to the collection of contributions and payment of entitlements;

iii) expenses for preparing and submitting actuarial and financial reports;

iv) plan-related expenses required by the Régie des rentes du Québec or any other government authority;

v) remuneration of Retirement Committee members and other expenses paid to the Federation;

vi) general Plan management expenses, such as record-keeping, benefit calculations, equivalence factor calculations, etc.

Nonetheless, these expenses that are the employers' responsibility will, insofar as possible, be collected directly into the retirement fund during contribution holiday periods.

b) Expenses incurred in conjunction with the use of the retirement fund are borne by the fund. In particular, they include:

i) consulting expenses with regard to the investment of retirement fund assets;

ii) brokerage expenses, broker fees and expenses for all other goods and services relating to the acquisition, use or disposal of retirement fund assets;

iii) expenses relating to the management of the retirement fund's portfolio;

iv) expenses related to custodial or intermediary services for retirement fund assets;

v) expenses for certain legal, accounting or auditing services relating to retirement fund assets.

c) The Retirement Committee is empowered to sign any administrative or business agreement that it deems conducive to the sound administration of the Plan. The Retirement Committee is also empowered to negotiate the expenses and fees described above on behalf of the employers.

Part added:			a) last clause	
Part amended	:	3.7		a) v)
Date of decision	:	01-17-1995	01-19-1999	05-28-2002
Effective date	:	01-01-1994	09-01-1996	07-01-2001

SECTION 3.8

3.8 Responsibilities of employers that are parties to the Desjardins Group Pension Plan

Responsibilities of employers that are parties to the Desjardins Group Pension Plan are namely the following:

a) Serving as an intermediary between the Retirement Committee and member employees or retirees from their respective organizations and affiliates;

b) Providing employees with information pertinent to the Plan;

c) Ensuring the eligibility of employees, compliance with the terms and conditions governing contributory earnings and the crediting of years of service;

d) Informing the Retirement Committee of any details relevant to the sound administration of the Plan.

Part amended	:	3.8 (3.11 of the previous version)	3.8
Date of decision	:	01-19-1999	05-28-2002
Effective date	:	01-19-1999	07-01-2001

SECTION 4.1

4.1 Regular employees

a) All employees are regular employees unless they have been hired specifically:

   i) to fill a position or perform duties which normally stem from a shortage, the temporary absence of an employee or an unexpected increase in the work load, and for which the remuneration is basically of a temporary nature;

   ii) to fill a position or perform duties for doing specific work within a set time frame;

   iii) as students.

b) Regular employees are considered to be full-time employees if they work the total number of hours for what is considered to be a normal work week in their job category for their employer.

c) Regular employees are considered to be part-time employees if they work fewer hours than those in a normal work week in their job category for their employer.

SECTION 4.2

4.2 Membership

a) All regular full-time employees age 25 or over must be members of the Plan.

b) All regular part-time employees age 25 or over who work at least 14 hours a week in keeping with their regular work schedule must be members of the Plan.

c) All other employees age 25 or over must be members of the Plan if they meet either of the following requirements:

   i) they received remuneration from their employer amounting to at least 35% of this year's MPE during the previous calendar year; or,

   ii) they worked at least 700 hours for their employer during the previous calendar year.

   For the purposes of this paragraph, the employees' remuneration and hours of work also include work done for any other Desjardins Group employer.

d) Any employee less than age 25 who meets the aforementioned requirements in (a), (b) or (c), except with regard to age, may become a member of the Plan on request.

e) Active members remain so even if they no longer meet the membership requirements listed in this Section.

f) Notwithstanding the foregoing, between April 10, 2016, and September 1, 2025, the person serving as both Chair of the Board and President and CEO of Desjardins Group is not eligible for the Plan owing to the independence that the position requires. The same applies for the transition period this person serves from September 2, 2025, to March 28, 2026.

   As of September 2, 2025, the President and CEO of Desjardins Group is eligible for the Plan.

g) Notwithstanding paragraphs a) to c), participation in the Plan is optional for employees who are hired at or after the normal retirement age.

Part added	:		f)	g)	
Part amended	:	c)			f)
Date of decision	:	05-28-2002	06-01-2016	03-15-2018	11-12-2025
Effective date	:	07-01-2001	04-10-2016	02-20-2018	11-12-2025

SECTION 4.3

4.3 Beginning of active membership

a) If the first remunerated day that the employee meets all the membership requirements is a Monday, active membership begins on the Sunday before, otherwise it falls on the following Sunday.

b) Employees who become active members of the Plan must complete and sign the application form provided for this purpose and meet all the other requirements stipulated by the Retirement Committee.

SECTION 4.4

4.4 End of active membership

a) Active members maintain their status for as long as they are in the service of a Desjardins Group employer who is or is not a party under the Plan.

b) An active member who has a stable, regular work schedule is deemed to in the employer's service up to the Sunday following the member's effective date of departure if the date falls on a Friday or a Saturday; otherwise, up to the preceding Sunday.

An active member who does not have a stable, regular work schedule is deemed to be in the employer's service up to the Sunday following the member's effective date of departure.

Nonetheless, the end of service may be extended to the end of the period corresponding to the vacation pay the employee was entitled to, provided that regular contributions have been paid for this period.

An active member is also deemed to be in the employer's service during any period of disability, leave with or without pay or maternity leave.

c) The active membership of active members who leave their job with a Desjardins Group employer that is a party to the Plan continues without interruption if:

i) they begin working for a Desjardins Group employer that is a party to the Plan within 6 months of the termination of employment (within 90 days if the termination was prior to January 1, 2020); and

ii) they have not exercised the provisions under Section 8.10 (Termination of service).

If not, the employees are deemed to have ended their active membership as of the date of termination of service.

Part added	:	4.4	4.4		
Part amended	:			b)	c) i)
Date of decision	:	05-28-2002	05-28-2002	10-09-2003	11-12-2020
Effective date	:	01-01-2001	07-01-2001	10-09-2003	01-01-2020

d) Active members who do not work for a Desjardins Group employer that is a party to the Plan are deemed to have ended their active membership.

e) Active members may end their active membership as soon as they reach the normal retirement age.

f) Active members stop being active members if they die or upon receiving a retirement pension.

g) All periods during which members are active are counted in the calculation of their years of active membership.

h) Notwithstanding paragraphs (a) to (g), active members may have their active membership terminated if they meet the following requirements:

   i) they have a physical or mental disability that reduces their life expectancy to less than two years;

   ii) they apply for termination in writing to the Retirement Committee;

   iii) they send the Retirement Committee a medical report attesting to the state of their health and their life expectancy.

   The benefits to which they are entitled are then determined under Section 8.11 (Life expectancy less than two years).

SECTION 5.1

5.1 Credited years of service

a) Every complete year of service for which active members are remunerated as full-time employees is credited.

b) A fraction of a year of service is credited;

b) to active members remunerated as full-time employees for part of the year; this fraction is equal to the ratio represented by the number of remunerated weeks to 52;

ii) to active members who do not work full time; this fraction is equal to the ratio represented by the number of hours of work for which the employee is bound to contribute to the Plan in relation to 52 times the number of hours in a normal work week.

c) The service referred to in this section is only credited if the required contributions have been deducted or paid.

d) No more than 1/52nd of a year of service may be credited for a given normal work week.

e) In the case of active members who fill more than one position to which the Plan applies, the service stemming from their main position is credited first; the service stemming from their second position may be added up to a total of one full year of service.

f) In addition during the year of their effective retirement, active members may not have more service credited than the service issuing from a full-time position for the period between January 1 and the date of their effective retirement.

Part amended : a), e) and f)
Date of decision : 05-28-2002
Effective date : 01-01-2001

SECTION 5.2

5.2 Disabilities

a) For the purposes of this section, the terms “disability” and “disabled” have the same meaning as “total disability,” as defined in the Desjardins Group Insurance Plan for employees.

b) Whether or not members are eligible to participate in the Desjardins Group Insurance Plan for employees, or whether or not they are eligible to receive disability benefits pursuant to this plan, the periods during which they are disabled are recognized as service periods up until the normal retirement age or the date on which their 12-month maximum disability period ends, whichever is the later date.

   Notwithstanding the aforementioned, no year of service is credited after the date on which the member takes advantage of the provisions set forth in case of termination of employment, a decrease in life expectancy or early retirement under the Plan.

c) For the purposes of this section, active members are deemed to work a number of hours on a weekly basis that is equal to the average of the working hours for which they were required to contribute during the 13 weeks prior to the disability.

   A disabled active member’s hourly pay is considered to be that which was in effect at the start of the disability.

d) A disabled member’s full regular contributions must be paid during the first 26 weeks of their disability. After those 26 weeks, there is no need to pay a disabled member’s full regular contributions for the periods during which service is recognized.

Repealed	:		b) iii) (of the previous version)					b) ii) 1) and 5) (of the previous version)	e), f) and g) (of the previous version)
Part amended	:	c) 1st clause		b) iv)	b) iv)	c)	d), e), f) and g)	b) ii), iii) and iv) and e), f) and g)	a), b) and d)
Date of decision	:	11-19-1996	04-15-1997	01-19-1999	05-28-2002	05-28-2002	10-09-2003	06-04-2015	11-13-2019
Effective date	:	12-29-1996	06-13-1996	01-19-1999	07-01-2001	01-01-2001	10-09-2003	06-04-2015	10-17-2019

SECTION 5.3

5.3 Leave without pay

a) Periods during which active members are on authorized leave without pay or working reduced hours are credited to them, provided that:

   i) the leave may be counted as pensionable service (except for periods during which an active member is disabled as set out in section 5.2) as provided under the Income Tax Act and its implementing regulation, and by the Retirement Committee;

   ii) active members submit requests to this effect to their employer no later than one month after the beginning of their leave;

   iii) the member's contributions and those of the employer are paid into the pension fund in keeping with the prescribed procedure; nonetheless, in the case of family obligations or a parental leave provided by an applicable statute, it is the employer who assumes the employer's share and not the member.

b) The total of recognized periods cannot exceed five (5) years. If the member is considered to be on leave without pay or working reduced hours for more than five (5) years, only five (5) years will be recognized. An additional three (3) years may be added to this five-year (5) limit for family or parental leaves provided for in applicable legislation.

   In addition, the leave without pay or reduced working hours are deemed to be terminated as soon as the active member no longer meets the conditions set out in the agreement made with the employer regarding his or her leave without pay or reduced working hours.

c) For the purposes of this section, active members are deemed to work a number of hours on a weekly basis that is equal to the average of the working hours for which they were bound to contribute over the 13 weeks prior to the leave of absence.

   The hourly pay rate for a period of leave is deemed to be that which was effective at the beginning of the leave.

d) Any leave without pay or reduced working hours that are not credited under the provisions of this section may be credited under those of Section 7.4 (Past service buyback and purchase of supplemental pensions).

Part amended	:	a) i)	c) 1st clause	a), b) and c)	a) iii)	a) iii)	a) i), b) and d)	d)
Date of decision	:	01-19-1999	11-19-1996	05-28-2002	10-09-2003	06-04-2015	03-15-2018	11-13-2019
Effective date	:	01-01-1990	12-29-1996	01-01-2001	10-09-2003	06-04-2015	02-20-2018	10-17-2019

SECTION 5.4

5.4 Maternity leave

a) Active members who are off work because of a pregnancy are deemed to be on maternity leave for:

i) the period that begins 10 weeks before the expected week of birth and ends 6 weeks after the expected week of birth;

ii) any leave taken in accordance with a provincial or federal statute or an agreement between the employer and the member;

iii) the period during which the member receives maternity benefits from the Québec Parental Insurance Plan or the Employment insurance.

In addition, any active member who is off work because of a total disability which began while she was pregnant is considered to be on maternity leave as of the 4th week before the expected week of birth.

b) The period of time during which an active member is on maternity leave is credited to her, provided that:

i) she asks her employer to have it credited no later than one month after the beginning of her leave;

ii) her contributions are paid into the pension fund in keeping with the prescribed procedure. The employer must pay her share in this case.

c) For the purposes of this section, active members are deemed to work a number of hours on a weekly basis that is equal to the average of working hours for which they were bound to contribute over the 13 weeks prior to the leave.

The hourly pay rate for the period of leave is deemed to be that which was effective at the beginning of the leave.

d) Any maternity leave that is not credited under the provisions of this section may be credited under those of Section 7.4 (Past service buyback and purchase of supplemental pensions).

Part amended	:	c) 1st clause	a), b) and c)	a) iii)	d)
Date of decision	:	11-19-1996	05-28-2002	12-10-2014	11-13-2019
Effective date	:	12-29-1996	01-01-2001	12-10-2014	10-17-2019

SECTION 5.5

5.5 Paid leave

a) Periods of time during which active members are on paid leave are credited to them, provided that:

   i) the leave meets the standards set by the Retirement Committee;

   ii) their contributions and those of their employer are paid into the pension fund in keeping with the prescribed procedure.

b) The Retirement Committee, via its administrative rules, prescribes the procedure for crediting members on paid leave with benefits.

c) Any paid leave that is not credited under the provisions of this section may be credited under those of Section 7.4 (Past service buyback and purchase of supplemental pensions).

Part amended	:	a)	c)
Date of decision	:	05-28-2002	11-13-2019
Effective date	:	01-01-2001	10-17-2019

SECTION 6.1

6.1 Contributory earnings

a) The earnings are the wage earner's regular remuneration .

b) A lump-sum payment, made in lieu of a raise in wages or paid to cover a retroactive raise in wages, is part of the wage earner's earnings for the year in which it is paid.

c) Lump-sum payments made to wage earners in the year after their effective retirement, however, are part of the wages for the year in which they retired.

d) A wage earner's earnings do not include:

i) commissions or fees;

ii) premiums, various bonuses or conditional remuneration, including lump-sum payments for superior or exceptional performance;

iii) remuneration for overtime;

iv) expense allowances;

v) bonuses and the value of the automobile;

vi) attendance fees;

vii) any monetary amount that is paid or could have been paid as compensation for monetary or non-monetary benefits;

viii) disability insurance benefits;

ix) any increase in wages paid as compensation for vacation, statutory holidays, floating holidays, sick leave or other kinds of leave or holidays;

x) lump-sum payments to reimburse unused sick days, unless preparatory to retirement;

xi) lump-sum payments made upon termination of service as severance pay;

xii) lump-sum payments as vacation pay for unused vacation days, unless the end of service was extended as provided for in the second clause under Section 4.4 (b) (End of active membership);

Part added	:	d) v) and vii)	
Part amended	:		6.1
Date of decision	:	09-22-1997	05-28-2002
Effective date	:	09-22-1997	01-01-2001

xiii) any part of the earnings corresponding to unused service under Section 5.1 (e) and (f) (Credited years of service);

xiv) any discount granted by the Employment Insurance;

xv) any returns under a group insurance contract;

xvi) bursaries.

e) Employees pay contributions on the earnings corresponding to the hours that they worked, up to the number of hours on a weekly basis considered to be part of the employer's normal working week.

f) The Retirement Committee may specify the contributory earnings in its administrative rules.

SECTION 6.2

6.2 Regular employee contributions

a) The regular contributions that employees must pay during the Plan's fiscal year must be deducted as withholdings from their earnings.

b) The amounts withheld depend on the employee's contributory earnings for a given year. An initial contribution rate of 2.3% applies to the portion of the contributory earnings which is less than 50% of the MPE and a second rate of 6.8% applies to the portion of the contributory earnings which is over 50% of the MPE. These rates apply up to December 31, 1994.

For service from January 1, 1995 to January 1, 2005, an initial contribution rate of 2.65% applies to the portion of the contributory earnings which is less than $17,200 and a second rate of 7.15% applies to the portion of the contributory earnings which is over $17,200. Notwithstanding the contribution rates applicable since January 1, 1995, temporary regular contribution holiday periods have been granted since then. These periods, whose terms and conditions for implementing these holidays are determined by the Retirement Committee, are as follows:

i) for service beginning on September 1, 1996 until December 28, 1996, a total contribution holiday has been granted to employees;

ii) for service beginning on December 29, 1996 until December 27, 1997, a total contribution holiday was granted to employees who enrolled in the Plan before October 27, 1996;

iii) for service beginning on December 28, 1997 until December 26, 1998, a total contribution holiday was granted to employees who enrolled in the Plan before October 21, 1997;

iv) for service beginning on January 3, 1999 until January 1, 2000, a partial contribution holiday equal to 50% of the regular contribution was granted to employees who enrolled in the Plan before October 21, 1997. This holiday applies uniformly throughout the intended period;

v) for service starting July 1, 2001 to December 27, 2003 inclusive, a partial contribution holiday equal to 50% of the regular contribution was granted to employees who enrolled in the Plan before December 31, 2000. This holiday applies uniformly throughout the intended period.

Part added	:		b) end of the 2nd clause and i)	b) ii)	b) iii)	b) v)	
Part amended	:	b) 1st and 2nd clauses					b)
Date of decision	:	09-20-1994	08-20-1996	11-19-1996	10-21-1997	04-24-2001	12-07-2004
Effective date	:	01-01-1995	09-01-1996	12-29-1996	12-28-1997	07-01-2001	01-02-2005

SECTION 6.2

For service starting January 2, 2005 to December 27, 2008, an initial contribution rate of 3.7% applies to the portion of contributory earnings less than, or equal to, 50% of the MPE, and a second rate of 7.4% applies to the portion of contributory earnings that exceeds 50% of the MPE.

For service starting December 28, 2008 to January 2, 2010, an initial contribution rate of 4.25% applies to the portion of the contributory earnings that are less than, or equal to, 65% of the MPE, and a second rate of 7.65% applies to the portion of contributory earnings that exceeds 65% of the MPE.

For service starting January 3, 2010, to December 31, 2011, an initial contribution rate of 6.45% applies to the portion of the contributory earnings that are less than, or equal to, 65% of the MPE, and a second rate of 9.85% applies to the portion of contributory earnings that exceeds 65% of the MPE.

For service starting January 1, 2012 to July 2, 2016, an initial contribution rate of 7.45% applies to the portion of the contributory earnings that are less than, or equal to, 65% of the MPE, and a second rate of 10.85% applies to the portion of contributory earnings that exceeds 65% of the MPE.

For service from July 3, 2016, to December 24, 2022, an initial contribution rate of 6.90% applies to the portion of the contributory earnings which is less than or equal to 65% of the MPE and a second rate of 10.30% applies to the portion of the contributory earnings which is over 65% of the MPE.

For service starting December 24, 2022, to December 21, 2024, an initial contribution rate of 5.90% applies to the portion of the contributory earnings which is less than or equal to 65% of the MPE and a second rate of 9.30% applies to the portion of the contributory earnings which is over 65% of the MPE.

For service starting December 22, 2024, an initial contribution rate of 4.40% applies to the portion of the contributory earnings which is less than or equal to 65% of the MPE and a second rate of 7.80% applies to the portion of the contributory earnings which is over 65% of the MPE.

c) The contributory earnings of an employee during a given year must not exceed the sum of 50 times the benefit ceiling and 25% of the MPE.

d) In keeping with the approved contribution formula, the Retirement Committee determines the contribution rates following the actuarial valuation, and the Federation Board of Directors approves them. The amount obtained once the rates have been applied cannot exceed 35% of the sum of the following amounts:

Part added	:	e)	d) iii)		
Part amended	:		d) iv) former iii) became iv))	b) and d)	b)
Date of decision	:	01-19-1999	11-13-2019	11-10-2022	11-08-2024
Effective date	:	01-01-1990	01-01-2016	11-10-2022	11-08-2024

i) the value of the current accrued obligations in the Plan, including expenses and fees paid by the Plan, plus the target stabilization provision;

ii) the contributions paid to amortize any technical actuarial, stabilization, amendment or, for more details, solvency deficit, except for special contributions for purchasing supplemental pensions which are defined in Section 7-4 (Past service buyback and purchase of supplemental pensions);

iii) the amount required to pay benefits towards members who have transferred their entitlements outside the Plan during the previous year;

iv) expenses and fees payable by employers as described in paragraph a) of Section 3-7 (Plan administrative expenses), plus the target stabilization provision.

e) Notwithstanding the preceding paragraphs, the regular contributions that active members must pay during the fiscal year must not be in excess of the limits allowed under the Income Tax Act and its implementing regulation.

Part added	:	e)	d) iii)		
Part amended	:		d) iv) former iii) became iv))	b) and d)	b)
Date of decision	:	01-19-1999	11-13-2019	11-10-2022	11-08-2024
Effective date	:	01-01-1990	01-01-2016	11-10-2022	11-08-2024

SECTION 6.3

6.3 Voluntary employee contributions

a) No voluntary contributions may be made after December 31, 1990.

Repealed : a) and b) (from the previous version)
Date of decision : 01-19-1999
Effective date : 01-01-1991

SECTION 6.4

6.4 Regular employer contributions

a) The regular employer contribution is a multiple of the regular contributions of its employees. This multiple is the same for all employers who are parties to the Plan.

It must be such that regular employer and employee contributions represent the sum of the amounts described in subparagraphs i) to iv) of paragraph d) of Section 6-2.

Employers must also pay the special contributions needed to amortize any initial deficit created on January 1, 1979 or on the date of the employer's enrolment in the Plan.

b) Interest equal to the prime rate of the Caisse centrale Desjardins du Québec plus 1% is charged to all employers who have not made their payments by the 15th day of the month following the one in which the contributions were collected. Interest begins to accrue as of that date.

Notwithstanding the preceding, beginning on January 1, 2001, the interest rate is equal to the retirement fund rate of return. Interest begins to accrue as of the last day of the month that follows the one during which the contributions are due.

c) Subject to section 6.7, the Federation Board of Directors may decide to use any surplus assets identified at the time of the actuarial valuation to reduce regular employee and employer contributions or to improve benefits for some or all members.

d) Notwithstanding the preceding paragraphs, the contribution of an employer may not exceed the limits allowed under the Income Tax Act and its implementing regulation, and it must comply with Section 147.2 (2) of this act.

e) In compliance with the aforementioned paragraph c), temporary regular contribution holiday periods have been granted to employers.

i) a total regular contributions holiday has been granted to employers for the period from September 1, 1996 until December 28, 1996;

Part added	:	e) 1st clause and i)			d)				
Part amended	:		a) 2nd clause	b)		b)	c)	c)	a) 2nd clause
Date of decision	:	08-20-1996	01-19-1999	01-19-1999	01-19-1999	05-28-2002	05-28-2002	12-12-2012	11-13-2019
Effective date	:	09-01-1996	01-01-1994	01-19-1999	01-01-1990	01-01-2001	07-01-2001	01-01-2012	01-01-2016

SECTION 6.4

ii) for employers who were members of the Plan on or before October 26, 1996, a total regular contributions holiday was granted for the period of December 29, 1996 until December 27, 1997, for any member employee whose enrolment was prior to October 27, 1996;

iii) for employers who were members of the Plan on or before October 20, 1997, a total regular contributions holiday was granted for the period of December 28, 1997 until December 26, 1998, for any member employee whose enrolment was prior to October 21, 1997;

iv) for employers who were members of the Plan on or before October 20, 1997, a partial regular contributions holiday equal to 50% of regular contributions was granted for the period of January 3, 1999 until January 1, 2000, for any member employee whose enrolment was prior to October 21, 1997;

v) for employers who were members of the Plan on or before December 31, 2000, a partial regular contributions holiday equal to 50% of regular contributions was granted for the period of July 1, 2001 until December 27, 2003 inclusively, for any member employee whose enrolment was prior to December 31, 2000.

Part added	:	e) ii)	e) iii)	e) iv)	e) v)
Date of decision	:	11-19-1996	10-21-1997	10-14-1998	04-24-2001
Effective date	:	12-29-1996	12-28-1997	01-03-1999	07-01-2001

SECTION 6.5

6.5 Excess employee contributions

a) Excess contributions are that part of the regular contributions paid by members, with accrued interest, that exceed 50% of the value of any pension to which the members are entitled.

b) This value must be determined on the date of acquiring an entitlement to a pension, in accordance with the actuarial assumptions and methods approved by the Retirement Committee and effective on that date.

Notwithstanding the preceding, beginning on January 1, 2001, this value must be determined on the date of acquiring entitlement to a pension, in accordance with the actuarial assumptions and methods prescribed by statutory regulation under the Act.

However, as of January 1, 2016, the test for excess employee contributions does not make a distinction between amortization contributions and the current service contribution as prescribed in the Act. The test will continue to be conducted with total employee contributions as described in the previous paragraph 6.5 a).

c) Members may not become entitled to excess contributions any later than the normal retirement age.

d) Paragraph (a) does not apply to voluntary contributions, amounts transferred into the Plan, unless transferred via a master agreement, or to the special contributions required under Section 7.4 (Past service buyback and purchase of supplemental pensions). It also does not apply to the pensions corresponding to these amounts or contributions.

SECTION 6.6

6.6 Interest paid on employee contributions

a) Regular and voluntary employee contributions bear interest as of the first day of the month that follows the one during which they must be paid into the retirement fund.

b) Excess contributions bear interest as of the date on which they are determined.

c) Regular, voluntary and excess contributions bear interest until they are transferred or refunded, or until an additional pension is purchased with them.

d) The annual interest rate for employee contributions is equal to the retirement fund rate of return, once investment expenses have been deducted. This rate is determined annually by the Retirement Committee and is based on the financial statements as of December 31; it applies from the following April 1 to March 31 of the next year. For the purposes of this paragraph, the retirement fund excludes such part of the retirement fund relating to components of specific contributions whose investment decisions are made by the members in question.

Part added : d) last sentence
Date of decision : 09-22-1997
Effective date : 04-04-1994

SECTION 6.7

6.7 Additional financing to the Plan

As of January 1, 2012 and in accordance with paragraph 3.2 (e) (Responsibility of the Federation through its Board of Directors), the Federation Board of Directors may decide, in exceptional ways, to make a supplemental amortization payment instead of another financing method permitted by applicable laws (such as letters of credit). This supplemental amortization payment will be determined by Plan actuaries and paid in its entirety by employers who are party to the Plan. According to the present section, any such contribution will be considered supplemental and will not be subject to the Plan's normal financing sharing rule between employers and employees described in sections 6.2 (Regular employee contributions) and 6.4 (Regular employer contributions), which describe how regular employee and employer contributions are established.

Any supplemental amortization payments made into the Plan by employers who are party to the Plan following a decision made pursuant to this section will be identified as a supplemental employer contribution. All supplemental amortization payments made by employers accumulate annually.

Despite the provisions in paragraph 6.4 (c) (Regular employer contributions), the Federation Board of Directors may independently decide to use in priority some or all of the surplus assets identified during an actuarial valuation to grant preferred contribution holidays to employers (meaning reducing or eliminating regular employer contributions that would otherwise be required according to section 6.4 of this document).

The total value of any such preferred contribution holiday cannot exceed the sum of all supplemental amortization payments made by employers plus the rate of return on Plan asset investments, deductions made from investment and administrative expenses for the period between the payment of the supplemental amortization amount and the preferred contribution holiday, subject to the applicable legal requirements in force at that time. The Federation could also decide to use any other means of recovery or contribution holiday pursuant to the legal requirements in force at that time.

Part added	:	6.7	
Part amended	:		6.7 (last paragraph)
Date of decision	:	12-12-2012	11-13-2019
Effective date	:	12-01-2012	01-01-2016

7 – TRANSFERS, PAST SERVICE BUYBACK AND PURCHASE OF SUPPLEMENTAL PENSIONS

SECTION 7.1

7.1 Transfers via master agreements

a) The Retirement Committee may conclude master agreements with any employers who have a supplemental retirement plan. These agreements enable employees to have all or part of their years of service with their former employer credited under their new employer's plan.

b) All transfers via master agreements are made in keeping with this agreement; they are subject, however, to the requirements of the Supplemental Pension Plans Act, the Income Tax Act, and any other statutes which may affect the transfers and the implementing regulations of these statutes.

c) Entitlements granted to members as a result of these transfers must be at least equal in value to those they would have received from a transfer without a master agreement.

SECTION 7.2

7.2 Transfers out of the Plan, except for those via master agreements

a) Members less than age 55 at the end of their active membership may ask to have the value of their entitlements under the Plan transferred to another retirement plan, as defined under Section 9.1 (Other retirement plans), specified by them.

Members must make their request, however, no later than 90 days after the date when they turn 55 or have received their statement of entitlements, whichever is the latest.

The value of a pension for which payments have begun may not be transferred.

b) The value of the entitlements is established by means of actuarial assumptions and methods specified by statutory regulation:

i) as of the date that active membership ends if the transfer is requested within 90 days following the date when the end of membership statement is received; or

ii) as of the date of the transfer request, if it is made more than 90 days after the time period provided under i).

This value bears interest between the date of its establishment and the transfer date, at the interest rate used to establish it.

c) If the value of a member's entitlements under the Plan is less than 20% of the MPE for the year, the Retirement Committee may transfer this value into another retirement plan chosen by the member or, if the member does not choose one, then chosen by the Retirement Committee.

d) The payment of amounts transferred under this section is subject to the conditions set forth under the Act in order to protect the Plan's solvency.

Quebec members whose entitlements are calculated before December 31, 2016, are entitled to the full value of their entitlements, subject to the conditions set forth under the Act, in force on December 31, 2015, in order to protect the Plan's solvency.

For calculations made as of January 1, 2017, and prior to January 1, 2023, benefits for Quebec members will be paid according to the Plan's solvency, without exceeding 100%, except for benefits paid out in accordance with the previous paragraph 7.2 c), subject to the conditions set forth under the Act on January 1, 2016.

Part added	:	e)			
Part amended	:		d)	Title of Section 7	d)
Date of decision	:	12-11-2009	06-01-2016	11-13-2019	11-10-2022
Effective date	:	01-04-2009	01-01-2016	10-17-2019	11-10-2022

SECTION 7.2

For calculations made as of January 1, 2023, benefits for Quebec members will be paid according to the Plan's solvency, applicable on the last day of the month prior to the month the entitlement is calculated, without exceeding 100%, except for benefits paid out in accordance with the previous paragraph 7.2 c), subject to the conditions set forth under the Act on January 1, 2016. Hence, the Plan's solvency will always be established on the last day of each month according to the methods determined by the Plan's actuary.

For the purposes of this paragraph, entitlements are calculated on the following dates:

i) For members having left employment before January 1, 2017:

- on the date members submit a request to the plan administrator to have their entitlements recalculated as described under paragraph 7.2 a) if members received their statement of benefits following their employment termination date;
- on the date of termination of employment for members who did not receive their statement of benefits following their employment termination.

ii) For other members, entitlements are calculated after December 31, 2016.

e) For service credited as of January 4, 2009, a minimum benefit will be paid when accrued entitlements are transferred. This minimum benefit will equal 175% of regular contributions paid by a member during the same period, with accrued interest.

Part added	:	e)			
Part amended	:		d)	Title of Section 7	d)
Date of decision	:	12-11-2009	06-01-2016	11-13-2019	11-10-2022
Effective date	:	01-04-2009	01-01-2016	10-17-2019	11-10-2022

SECTION 7.3

7.3 Transfers into the Plan, except for those via master agreements

No transfers are allowed into the Plan after December 31, 2016.

Part added	:		One sentence	
Part amended	:	a)		Title of Section 7
Repealed	:		a), b) and c)	
Date of decision	:	12-12-2012	10-20-2016	11-13-2019
Effective date	:	01-01-2001	01-01-2017	10-17-2019

SECTION 7.4

7.4 Past service buyback and purchase of supplemental pensions

a) For the purposes of this section, the following terms mean:

i) Past service buyback: option to buy back, under certain circumstances, the years during which there were no contributions to the Plan in order to convert them into recognized service which can be factored in when calculating the retirement pension.

ii) Purchase of supplemental pensions: option to purchase additional pensions from the Plan.

b) The Retirement Committee's administrative rules stipulate the administrative and financial terms and conditions for past service buybacks and the purchase of supplemental pensions.

c) Subject to the *Supplemental Pension Plans Act*, the *Income Tax Act*, and all other laws governing this section and their regulations, past service buybacks help recognize uncredited years of service, provided the necessary contributions are made.

The contributions required to finance past service buybacks are made by the employee, except if the Retirement Committee's administrative rules stipulate otherwise.

The types of past service buybacks allowed under the Plan are:

i) Any past service period that was pensionable under the Plan but for which no contribution was made, including unpaid, maternity or parental leave.

ii) Years of service that were not credited during a transfer made in accordance with Sections 7-1 (Transfers via master agreements) or 7-3 (Transfers into the Plan, except for those via master agreements).

iii) Years of service with a Desjardins Group employer that joined the Plan later.

iv) The period between the member's 24th and 25th birthday, provided the following conditions are met:

- The date on which the member was hired by a Desjardins Group employer is before their 25th birthday.
- The past service period in question is before January 1, 1990.
- The member was a regular employee, as described in Section 4-1 (Regular employees) during the period in question.
- The member is an active Plan member on the buyback date.
- The member buys back a year they spent with a Desjardins Group employee that now participates in the Plan.

d) Subject to the *Supplemental Pension Plans Act*, the *Income Tax Act*, and all other laws governing this section and their regulations, an employer may grant the purchase of supplemental pensions to an employee at retirement.

Contributions required to finance the purchase of supplemental pensions can only be paid by the employer.

The following benefits can be bought back as part of the purchase of supplemental pensions:

i) early retirement reduction or elimination of early retirement reduction, as described in paragraphs b) and c) of Section 8-7;

ii) temporary pensions which must cease no later than the last day of the month during which the member turns 65. There are restrictions in place, in accordance with the *Income Tax Act* and its regulations.

Part added	:	d)
Part amended	:	Title of Section 7
Date of decision	:	11-13-2019
Effective date	:	10-17-2019

SECTION 8.1

8.1 Entitlement to a normal retirement pension

To be entitled to a normal retirement pension, members must:

a) have accrued at least 2 years of active membership; or

b) have accrued at least 10 years of continuous service.

Notwithstanding the preceding, beginning on January 1, 2001, entitlement to a normal retirement pension is acquired immediately.

Part amended : 8.1
Date of decision : 05-28-2002
Effective date : 01-01-2001

SECTION 8.2

8.2 Normal retirement pension conditions

a.1) Members may retire once they reach the normal retirement age and receive their “normal retirement pension”.

They may also retire early under Section 8.7 (Early retirement) or postpone their retirement under Section 8.8 (Postponed retirement).

a.2) The “normal retirement pension” is made up of two annuity portions:

Portion i): For service accumulated before December 30, 2012

Portion ii): For service accumulated as of December 30, 2012

At retirement, the member may designate a different beneficiary for each portion of the “normal retirement pension”.

b.1) For each recognized year of service prior to December 30, 2012, portion i) of the “normal retirement pension” payable to a member with a spouse as of the date on which payment of his or her pension begins (normal, early or postponed), is an annual pension payable for the retiree's lifetime. If the retiree dies, the spouse, if still alive, is entitled to a lifetime survivor pension for portion i) of the “normal retirement pension”, that is a life annuity corresponding to 60% of the retiree's pension. In addition, portion i) of the “normal retirement pension” includes a guaranteed period of 10 years starting on the date that the retiree's pension payments begin and corresponding to 60% of the retiree's pension.

The spouse may waive their entitlement to the joint and survivor pension for portion i) of the “normal retirement pension” and may, before the date on which payment of the retiree's pension begins (normal, early or postponed), revoke the waiver, provided the Retirement Committee is notified in writing of the prescribed information before that date.

b.2) For each recognized year of service prior to December 30, 2012, a member who does not have a spouse as of the date on which payment of his or her pension begins (normal, early or postponed), or whose spouse has waived the entitlement to portion i) of the pension as describe above in subsection b.1), is entitled to an annual pension payable for their lifetime under portion i). The pension includes a guaranteed period of 15 years starting on the date the retiree's pension payments begin and corresponding to 100% of the retiree's pension.

Part added	:	b) 2nd clause				a.2)	
Part amended	:		b)	b) became b.1) and b.2)	a) became a.1)		b.1) and b.2
Date of decision	:	01-19-1999	05-28-2002	12-12-2012	06-04-2015	06-04-2015	06-04-2015
Effective date	:	01-01-1990	01-01-2001	12-30-2012	06-04-2015	06-04-2015	06-04-2015

SECTION 8.2

c.1) For each recognized year of service as of December 30, 2012, portion ii) of the “normal retirement pension” payable to a member, is an annual pension payable for the retiree's lifetime. Portion ii) of the “normal retirement pension” includes a guaranteed period of 10 years starting on the date the retiree's pension payments begin (normal, early or postponed), and corresponding to 100% of the retiree's pension.

c.2) However, the normal retirement pension, payable to a member with a spouse as of the date on which payment of his or her pension begins, is an annual pension payable for the retiree's lifetime. If the retiree dies, the spouse, if still alive, is entitled to a lifetime pension amounting to 60% of portion ii) of the retiree's “normal retirement pension”. This pension amount is calculated based on actuarial equivalence with the “normal retirement pension” subject to the above section c.1) for the years of service recognized as of December 30, 2012.

The spouse may waive their entitlement to the joint and survivor pension and may, before the date on which payment of the retiree's pension begins (normal, early or postponed), revoke the waiver, provided the Retirement Committee is notified in writing of the prescribed information before that date.

However, the total pension amount payable resulting from the procedure prescribed under terms a) to c.2) may not exceed the amount of the pension payable as described under paragraph 8503(2) k) of the Income Tax Regulation.

Part added	:				c.2)
Part amended	:	c)	c)	c) became c.1)	
Date of decision	:	05-28-1992	12-12-2012	06-04-2015	06-04-2015
Effective date	:	01-01-2001	12-30-2012	06-04-2015	06-04-2015

SECTION 8.2

d) Notwithstanding the above, for members whose service ended before January 1, 1990, and who are entitled to a deferred pension payable on or after January 1, 1990, the following special procedures applies to their normal retirement pension:

i) The normal retirement pension payable to a member who does not have a spouse as of the date on which payment of his or her pension begins, or whose spouse has waived the entitlement under clause (ii) below, is entitled to an annual lifetime pension. This pension includes a 10-year payment guarantee.

ii) The normal retirement pension, payable to a member with a spouse as of the date on which payment of his or her (normal, early or deferred retirement) pension begins, is an annual pension payable for the retiree's lifetime. If the retiree dies, the spouse is entitled to a pension amounting to 60% of the retiree's pension.

The initial amount of the normal pension must then be decreased or increased so that it is actuarially equivalent, as of the date on which payment of this pension begins, to the pension provided for in clause (i) above.

The spouse may waive this entitlement and may, before the date on which payment of the retiree's pension begins, revoke the waiver, provided the Retirement Committee is notified in writing of the prescribed information before that date.

e) Notwithstanding the preceding, effective as of January 1, 1994, the terms of a member's pension that meet the conditions described hereafter are readjusted on the basis of the provisions of this paragraph.

Basically, adjustment is designed to ensure that when a retiree dies the retiree's spouse (established at the time of retirement under Section 9.2 (Spouse)) has a lifetime pension amounting to at least 60% of the pension that was payable to the retiree.

i) Adjustment only applies to retirees meeting all of the following conditions:

- they retired prior to January 1, 1990;
- they were employees who were active members or suspended immediately before they retired;
- they had a spouse (under Section 9.2 (Spouse)) on the date of their retirement;

Part added	:	e) (relocalization of the previous Schedule VI)
Part amended	:	d) ii) 3rd clause
Date of decision	:	05-28-2002
Effective date	:	01-01-2001

- they, along with their spouse (established at the time of retirement under Section 9.2 (Spouse)), were still alive on January 1, 1994.

ii) For retirees with a lifetime pension which includes a guaranteed payment period, the spouse becomes entitled to a lifetime pension amounting to 60% of the pension owing to the retiree, as of the latest of the following two dates:

- the date on which the guaranteed payment period ends; or
- the date on which the retiree dies.

iii) For retirees with joint and last survivor pensions less than 60%, this percentage is increased to 60 %. A guaranteed payment period, if any, remains unchanged.

iv) For retirees with joint and last survivor pensions over 60%, the pension payable is increased as of January 1, 1994, in keeping with the following percentages:

- if the percentage of the inversed pension is 100%: the pension is increased by 11%;
- if the percentage of the inversed pension is 75%: the pension is increased by 11%;

f) The pension is paid to the retiree or the spouse monthly and in advance, starting on the retirement date, with each payment amounting to 1/12th of the annual amount.

g) A pension that has begun to be paid to the spouse does not end if this person later marries, unites in civil union or starts living a marital relationship with another person.

SECTION 8.3

8.3 Initial amount of the normal retirement pension

a.1) For each year of service credited as of December 30, 2012, the initial amount of the normal retirement pension is equal to the sum of subparagraphs (i) and (ii) below:

i) 1.5% of the wage earner's average earnings during his or her eight (8) best-paid years, or the MPE average for the year during which the member ceases to be a wage earner and the MPE for the four (4) previous years if this average is lower;

ii) 2% of the wage earner's average earnings during his or her eight (8) best-paid years exceeding, if applicable, the MPE average of the year during the member ceases to be a wage earner and the MPE for the four (4) previous years.

Notwithstanding the above, if the total number of credited years of service exceeds 35, the initial amount of the normal retirement pension for the years in excess of 35 is equal to 2% of the wage earner's average earnings during his or her eight (8) best-paid years.

a.2) For each year of service credited from January 4, 2009 to December 29, 2012, the initial amount of the normal retirement pension is equal to the sum of subparagraphs (i) and (ii) below:

i) 1.5% of the wage earner's average earnings during his or her five (5) best-paid years, or the MPE average for the year during which the member ceases to be a wage earner and the MPE for the four (4) previous years if this average is lower;

ii) 2% of the wage earner's average earnings during his or her five (5) best-paid years exceeding, if applicable, the MPE average of the year during the member ceases to be a wage earner and the MPE for the four (4) previous years.

Notwithstanding the above, if the total number of credited years of service exceeds 35, the initial amount of the normal retirement pension for the years in excess of 35 is equal to 2% of the wage earner's average earnings during his or her five (5) best-paid years.

Part added	:					a.1)
Part amended	:	a)	a)	a)	a)	a.2) became a.3) a.1) became a.2)
Date of decision	:	06-18-1996	10-14-1998	05-28-2002	12-11-2009	12-12-2012
Effective date	:	06-18-1996	07-01-1998	01-01-2001	01-04-2009	12-30-2012

SECTION 8.3

a.3) For each year of service credited from January 1, 1990 to January 3, 2009, the initial amount of the normal retirement pension is equal to the difference between the amount calculated under clause i) and the amount calculated under subparagraphs (ii), (iii), (iv), (v) or (vi), as applicable:

i) 2% of the wage earner's average earnings during his or her five (5) best-paid years;

ii) For members who cease to be wage earners on or after January 1, 1999:

0.7% of the wage earner's average earnings during his or her five (5) best-paid years, or the MPE average for the year during which the member ceases to be a wage earner and the MPE for the four (4) previous years if this average is lower.

iii) For a member who ceases or ceased to be a wage earner on or before December 31, 1998, at age 55 or older, but who is less than 60 years of age on December 31, 1998:

0.7% of the wage earner's average earnings during his or her five (5) best-paid years, or the MPE average for the year during which the member ceases to be a wage earner and the MPE for the four (4) previous years if this average is lower.

iv) For a member who ceases or ceased to be a wage earner between July 1, 1998, and December 31, 1998 inclusively, and who is 60 years of age or older on December 31, 1998:

0.7% of the wage earner's average earnings during his or her four (4) best-paid years, or the average MPE for the year during which the member ceases to be a wage earner and the MPE for the three (3) previous years if this average is lower.

v) For a member who ceased to be a wage earner before July 1, 1998 at age 55 or older and who reached 60 years of age between July 1, 1998 and December 31, 1998 inclusive:

0.7% of the wage earner's average earnings during his or her four (4) best-paid years, or the average MPE for the year during which the member ceases to be a wage earner and the MPE for the three (3) previous years if this average is lower.

Part added	:					a.1)
Part amended	:	a)	a)	a)	a)	a.2) became a.3) a.1) became a.2)
Date of decision	:	06-18-1996	10-14-1998	05-28-2002	12-11-2009	12-12-2012
Effective date	:	06-18-1996	07-01-1998	01-01-2001	01-04-2009	12-30-2012

vi) For all other members:

0.7% of the wage earner's average earnings during his or her three (3) best-paid years, or the average MPE for the year during which the member ceased to be a wage earner and the MPE for the two (2) previous years if this average is lower.

However, the credited years of service for the purposes of subparagraphs a.3)(ii), (iii), (iv), (v) or (vi), as applicable, when added to credited years of service prior to January 1, 1990, cannot exceed 35.

b) The following pensions are added to the pension calculated in the previous paragraph:

i) any supplemental pension purchased since January 1, 1990 under Section 7.4 (Past service buyback and purchase of supplemental pensions) or transferred under Section 7.3 (Transfers into the Plan, except for those via master agreements);

ii) any additional pension as described in Section 8.6 (Additional pensions);

iii) any pension for service credited as of January 1, 1990 in keeping with the provisions of Section 8.4 (Normal retirement pensions for service before January 1,1990);

iv) the supplemental pension for active members as of January 1, 1989 who contributed before age 25 as described under Section 8.12 (Supplemental pension for years of contributions paid before age 25).

c) For the purposes of this section, any pension paid as of December 31, 1998 to the retired member referred to by one of the conditions described under clauses iii), iv) or v) of the aforementioned paragraph (a), as the case may be, as well as any pension paid on this same date to his or her spouse or heirs, if applicable, is adjusted to take into consideration the specific provisions of the aforementioned paragraph (a).

The adjustment of the pension paid is determined by considering these specific provisions as if they had been added at the very moment of the retired member's retirement. The adjustment is also determined by considering the specific situation of the retired member at the time of his or her retirement, namely the applicable reduction for early retirement, the type of pension chosen and the indexation of the pension after retirement.

Part added	:	c)	b) iv)	
Part amended	:			b) i)
Date of decision	:	10-14-1998	01-19-1999	11-13-2019
Effective date	:	07-01-1998	07-01-1998	10-17-2019

SECTION 8.3

This adjustment of the pension which was paid as of December 31, 1998 was made at the time of the pension payment in January 1999, save for a member who retired as of December 31, 1998 referred to by clauses iv) or v) under paragraph (a) of the previous section. For the aforementioned retired member, the adjustment of the pension paid is made at the latest of the following two dates:

- the date of retirement; or
- the date on which the retired member turns 60.

Part added : c)
Date of decision : 10-14-1998
Effective date : 07-01-1998

SECTION 8.4

8.4 Normal pensions for service before January 1, 1990

a) The credited years of service referred to in this section are the ones which are credited to the member as of January 1, 1990.

b) The initial amount of the pension of the wage earner who retires at the normal retirement age is equal to the difference between the amounts calculated in subparagraphs (i) and (ii):

i) the wage earner's average earnings for his or her 5 (five) best-paid years multiplied by the sum of the following 2 percentages, which must not exceed 70%:

2% multiplied by the number of years of contributory service credited since age 25;

plus

1.65% multiplied by the number of credited years of service since age 25 during which there no contributions were made;

ii) the wage earner's average earnings, or the average MPE if this average is lower, multiplied by 0.7% for each year used in the calculation above in subparagraph (i), up to a maximum of 35 years. For the purposes of this subparagraph, the average earnings and average MPE are calculated in keeping with subparagraphs 8.3 (a.3) (ii), (iii), (iv), (v) or (vi) (Initial amount of the normal retirement pension), as the case may be.

Any additional pensions with which the members are credited as of January 1, 1990 are then added to this amount.

c) The amount established in the aforementioned paragraph (b) must not, however, be lower than the one obtained by adding the following amounts:

i) the fixed pension credited for service prior to January 1, 1979, or as of the date of enrolment in this Plan if plans were subsequently transferred;

ii) any supplemental pension with which the employee is credited as of January 1,1990;

Part amended	:	b)	b)	b)	b) ii)
Date of decision	:	10-14-1998	05-28-2002	12-11-2009	12-12-2012
Effective date	:	07-01-1998	01-01-2001	01-04-2009	12-30-2012

iii) a current service pension that is equal, for each year of service credited since January 1, 1979, and up to a maximum of 35 years, to 2% of the wage earner's average earnings for his or her 5 (five) best-paid years, minus 0.7% of the average earnings or the average MPE if this average is lower, calculated as specified under subparagraphs 8.3 (a.3) (ii), (iii), (iv), (v) or (vi) (Initial amount of the normal retirement pension), as the case may be.

d) The initial pension of a wage earner who retires at the normal retirement age or later must not be less than $300 multiplied by the number of credited years of service up to a maximum of 35 years.

e) In the case of early retirement, the initial pension must not be less than an amount which, when increased by 4% on December 31 of each year remaining before the wage earner turns 65, produces an amount equal to $300 multiplied by the number of credited years of service up to a maximum of 35 years. This pension is then reduced as provided for in the case of early retirement.

f) The initial deferred pension credited to a member who ceases being a wage earner must not be lower than an amount which, when increased by 4% on December 31 of each year remaining before the member turns 65, produces an amount equal to $300 multiplied by the number of credited years of service up to a maximum of 35 years.

g) For the purposes of paragraphs (b) and (c) of this section, any pension paid to the retired member as of December 31, 1998 and referred to by one of the conditions described under subparagraphs 8.3 (a.3) (iii), (iv) or (v) (Initial amount of the normal retirement pension), as the case may be, as well as any pension paid on this same date to his or her spouse or heirs, as applicable, is adjusted to take these specific provisions into consideration.

The adjustment to the pension paid is determined by considering these specific provisions as if they had been applied concomitant to the retiring member’s retirement. The adjustment is also determined by considering the specific situation of the retired member at the time of his or her retirement, namely the applicable reduction for early retirement, the type of pension chosen and the indexation of the pension after retirement.

Part added	:		g)			
Part amended	:	c) iii)		c) iii), d), e) and f)	c) iii) and g)	c) iii) and g)
Date of decision	:	10-14-1998	10-14-1998	05-28-2002	12-11-2009	12-12-2012
Effective date	:	07-01-1998	07-01-1998	01-01-2001	01-04-2009	12-30-2012

SECTION 8.4

This adjustment of the pension paid as of December 31, 1998 is made at the time of the pension payment in January 1999, with the exception of the retired member as of December 31, 1998 referred to under subparagraphs 8.3 (a.3) (iv) or (v) (Initial amount of the normal retirement pension). For the aforementioned retired member, the adjustment of the pension paid is made at the later of the following two dates:

- the date of retirement; or
- the date on which the retired member turns 60.

Part added	:	g)		
Part amended	:		g)	g)
Date of decision	:	10-14-1998	12-11-2009	12-12-2012
Effective date	:	07-01-1998	01-04-2009	12-30-2012

SECTION 8.5

8.5 Maximum pension

a) The benefits paid to members under this Plan are limited in order to meet the requirements of the Income Tax Act and its implementing regulation.

b) The initial retirement pension amount is limited to the lesser of:

i) the benefit ceiling multiplied by the number of years of pensionable service;

or

ii) 2% of the average of the best 3 years of indexed remuneration multiplied by the number of years of pensionable service.

c) The pension described in (b) must be reduced by 1/4% for each month between the date on which pension payments began and the date on which the member would have first met one of the following conditions if he or she had not retired:

i) turning 60;

ii) having accrued 30 years of service;

iii) having his or her age and the number of his or her years of service add to make 80.

The service referred to in this paragraph is the pensionable service combined with any other employment period with an employer who is a party to the Plan.

d) The earnings credited under the Plan for the calendar years from 1990 onward is limited in order to prevent members from acquiring a pension greater than the maximum pension for their credited years of pensionable service as of 1990.

e) The aforementioned restrictions do not apply:

i) if the remaining pension for service prior to 1990, once paragraph (ii) above has been taken into account, is $300 or less per year of pensionable service;

ii) to the part of the pension derived from voluntary contributions on current service by members, their excess contributions or the actuarial increase provided for in the case of postponed retirement.

Part amended	:	a)	c)	b)
Date of decision	:	01-19-1999	05-28-2002	12-10-2014
Effective date	:	01-01-1990	01-01-2001	12-10-2014

SECTION 8.5

f) Any bridge benefit that meets the requirements of the Income Tax Act and its implementing regulation, may be paid over and above the maximum pension provided for in this section.

g) The maximum pension for years of pensionable service prior to 1990 with which the member is credited after June 8, 1990 is limited to two thirds of the determined benefit ceiling for the year and for every year credited in this way.

h) For the purposes of the aforementioned paragraph (b), remuneration consists of the wages or earnings that the wage earner receives over the year, plus any other amounts which must be included in their income for the year, provided that these amounts are related to their employment with a Desjardins Group employer.

The average of the best 3 years of indexed remuneration corresponds to one third of the wage earner's remuneration, adjusted in keeping with the increase in the average earnings up to the year pension payments began, for the three 12-month non-overlapping periods that their indexed remuneration was the highest.

i) For the purposes of this section, pensionable service means the eligible periods for which wage earners are guaranteed life pension benefits under the Plan.

j) For active members as of January 1, 2004 and future members, the maximum benefit ceiling takes into account amendments made to the Income Tax Act and its implementing regulation during the year 2003.

k) For active members as of January 1, 2006 and future members, the benefit ceiling takes into account any applicable amendments made to the Income Tax Act and its regulations in 2005.

Part added	:				j)	k)
Part amended	:	f)	h) and i)	h)		
Date of decision	:	01-19-1999	05-28-2002	05-28-2002	10-09-2003	09-08-2005
Effective date	:	01-01-1990	01-01-2001	07-01-2001	10-09-2003	01-01-2006

SECTION 8.6

8.6 Additional pensions

a) Excess member contributions plus accrued interest must be used, as of the date the pension begins being paid to the member, to purchase an additional pension.

b) Voluntary member contributions plus accrued interest must be used, as of the date the pension begins being paid to the member, to purchase an additional pension. In addition, at the member's request, they are returned to the member or transferred into another retirement plan.

c) Additional pensions have the same characteristics as normal pensions. In the case of members who elect an optional retirement pension, their additional pension has the same characteristics as this optional pension.

d) Additional pensions are determined by using the actuarial assumptions and methods approved by the Retirement Committee that are effective on the date that these pensions are calculated. Notwithstanding the preceding, beginning on January 1, 2001, the additional pension is determined by using the actuarial assumptions and methods that are determined by statutory regulation under the Act.

Part amended : 8.6
Date of decision : 05-28-2002
Effective date : 01-01-2001

SECTION 8.7

8.7 Early retirement

a) Members may retire any time after they turn 55, provided that they stop working for any Desjardins Group employer that is a party to the Plan.

However, members who receive short-term or long-term disability insurance benefits from a Desjardins Group employer that is a party to the Plan may not retire early.

b) For service before January 4, 2009:

The initial retirement pension or the deferred pension is reduced in length by 1/4th of 1% for each month left until the member turns 65.

However, the following reduction formula is used if it results in a smaller reduction. This formula uses the member's years of continuous service and the member's age, as of the date on which he or she ceases to be a wage earner.

i) For members 57 or over at the time they cease to be wage earners, there is no reduction if the total of their age and years of continuous service equals 85 or more. If not, the reduction is 1/4 of 1% for each month of service left until the total of 85 is reached.

ii) For a member under 57 at the time that he or she ceases to be a wage earner, the reduction is:

1) 1/4th of 1% for each month left until they turn 57;

plus

2) 1/4th of 1% for each month left before the total of 85 is reached, if the total of their age and years of continuous service equals less than 85.

If the number of months used in the calculation is not a whole number, the remaining fraction is not counted if it is 15 days or less, but it is counted as a whole month if it represents 16 days or more.

Part amended	:	a)	b)
Date of decision	:	05-28-2002	12-11-2009
Effective date	:	07-01-2001	01-04-2009

SECTION 8.7

c) For service starting on January 4, 2009:

For members who cease to be wage earners at 55 or over, the reduction is 4% per year of early retirement before the age of 62.

However, for members entitled to a retirement pension before the end of 2013 without a calculated reduction according to paragraph 8.7(b); they will receive a pension that is at least equal to the pension that would have been calculated under subsection 8.3 (a.3), regardless of whether or not they choose to retire on or after the date representing zero reduction. For the purpose of this paragraph, the test for the highest pension described above is conducted separately for the service periods of January 4, 2009 to December 29, 2012, and December 30, 2012 and after. The pension amounts for each of these periods has specific characteristics.

Members who cease to be wage earners before age 55 will receive the actuarial equivalent of their pension, reduced in relation to the normal retirement age of 65.

d) Notwithstanding paragraphs (b) and (c) above, a member who retires early, before February 5, 2017, with a reduced pension, as described in paragraphs (b) and (c), may request that the indexation value of his or her pension, provided for in section 9.6 (Pension Indexation), be used to redeem the reduction after their retirement. This pension indexation conversion is based on actuarial equivalence and is determined using the relevant actuarial assumptions and methods approved by the Retirement Committee when the member takes early retirement. The resulting pension will no longer take into account the post-retirement indexation provision described in section 9.6. (Pension Indexation).

However, the resulting pension may not exceed the lesser of the following pension amounts:

i) the pension, prior to reduction, at the time of the member's early retirement that, if applicable, is reduced in accordance with the reduction procedure described in paragraph 8.5 (c) (Maximum Pension);

ii) the maximum pension described in section 8.5 (Maximum Pension).

If the resulting pension is limited by one of these two pensions, a partial pension indexation will be applied using actuarial equivalence.

The member may not change his or her mind once pension payments have started.

This option is not available to members retiring on or after February 5, 2017.

Part added	:	c)	d)				
Part amended	:			c) and d)		c)	d)
Repealed	:				e) and f)		
Date of decision	:	09-20-1994	11-21-1995 and 02-24-1998	12-11-2009	12-11-2009	12-12-2012	10-20-2016
Effective date	:	01-01-1995	01-01-1996	01-04-2009	01-04-2009	12-30-2012	10-20-2016

SECTION 8.8

8.8 Postponed retirement

a) A member who has reached the normal retirement age may ask that the beginning of the pension payments be postponed until he or she finishes the continuous employment period, provided that this is no later than the last day of the calendar year he or she reaches age 71.

b) The pension payable to the member at the end of the postponement period is equal to the greater of the following pension amounts:

i) The pension that is established by taking into account the service credited before the normal retirement age and during the postponement period, this being calculated according to the terms in Section 8.3 (Initial amount of the normal retirement pension) as if the member were retiring at the normal retirement age;

ii) The sum of the following pensions:

1) For years of service credited up until the normal retirement age, the greater of:

i) The pension that corresponds to the years of service credited up until the normal retirement age, which is adjusted to take into account the postponement period;

ii) The pension that is established by taking into account the service credited up until the normal retirement age and calculated according to the terms in Section 8.3 as if the member were retiring at the normal retirement age.

2) For years of service credited after the normal retirement age, the greater of:

i) The pension made up of the regular contributions paid by the member during the postponement period, plus the interest accruing thereto;

ii) The pension that is established by taking into account the service credited after the normal retirement age and calculated according to the terms in Section 8.3 as if the member were retiring at the normal retirement age.

The adjustment ensures that the pension payable at the end of the postponement period is actuarially equivalent to the one which would have been paid as of the normal retirement age if the pension had not been postponed.

Part amended	:	a)	b) 3rd clause	a)	a)	b)
Date of decision	:	01-19-1999	05-28-2002	12-11-2009	12-10-2014	12-10-2014
Effective date	:	01-01-1997	01-01-2001	01-04-2009	12-10-2014	01-01-1990

SECTION 8.8

The actuarial equivalence is determined by using the actuarial assumptions and methods approved by the Retirement Committee that were in effect as of the date when the member reached the normal retirement age. Notwithstanding the preceding, starting on January 1, 2001, the actuarial equivalence is determined by using the actuarial assumptions and methods determined by statutory regulation under the Act.

c) During the postponement period, the member may ask to have the payments start for part or all of his or her normal pension. The postponement period ends and the member than becomes a retiree for the purpose of the Plan. As such, the member is not credited with any period of service after the beginning of the payment of any part or all of the normal pension.

A retiree who receives a partial or whole pension must stop contributing to the Plan and, if he or she desires, may exercise their entitlement to an optional pension. The guaranteed pension payment period begins on the date that partial pension payments begin.

The amount of the partial pension may only be modified once every twelve (12) months.

Payment of the partial pension stops when the first of any of the following occurs:

i) the retiree asks the Retirement Committee for his or her full pension;

ii) the retiree stops working for an eligible employer;

iii) the retiree turns 71;

iv) the retiree dies.

Thereafter, the retiree may no reapply for a partial pension.

When the partial pension stops being paid, the retirement pension is adjusted so that the sum of the partial pension and the adjusted pension is actuarially equivalent to the pension for which payments would have begun at the beginning of the partial pension. The actuarial equivalence is determined using the relevant actuarial assumptions and methods approved by the Retirement Committee in effect on the date when the member reaches the normal retirement age.

Part amended	:	c) 1st clause	c) i)	c) iii)	c) iii)
Date of decision	:	01-19-1999	01-19-1999	01-19-1999	12-11-2009
Effective date	:	01-01-1990	01-19-1999	01-01-1997	01-04-2009

SECTION 8.8

d) This paragraph applies when a member dies during the postponement of his or her entire “normal retirement pension”.

The member's spouse is entitled, unless he or she has waived this entitlement, to a pension, whose value must be the greater of the following:

i) the value of the pension that the spouse could have received as a postponed pension if payment of this pension had begun on the day prior to the member's death. However, the value of this pension is decreased or nil, if the spouse has already waived their entitlement to the joint and survivor pension for one or both portions of the “normal retirement pension” under Section 8.2 (b.1 or c.2) (Normal retirement pension conditions);

ii) the value of the benefit that the spouse could have received under Section 8.9 (Death before retirement) and as a postponed pension.

If the member did not have a spouse, a designated beneficiary, if any, is entitled to the benefit that he or she could have received under Section 8.9 (Death before retirement) and as a postponed pension. If no beneficiary was designated, the benefit is payable to the member’s estate.

e) This paragraph applies when a member dies during the postponement of a part of his or her “normal retirement pension”.

The member's spouse is entitled, unless he or she has waived their entitlement to one or both portions of the “normal retirement pension”, whose value is equal to the one described in clause i) of the aforementioned paragraph d).

If, for one or the other of the portions of the “normal retirement pension”, the member did not have a spouse, if the spouse had waived their entitlement or if a beneficiary has been designated, the beneficiary, or the member’s estate if there is no beneficiary, is entitled to the benefit that he or she could have received under Section 8.9 (Death before retirement) and as a postponed pension.

With regard to the non-postponed part of the pension, the spouse, if he or she has not waived their entitlement, or the beneficiary, or the member’s estate, as the case may be, is entitled to the value of the rights attached to this non-postponed part, subject to one or both portions of the “normal retirement pension” that they inherit, if any.

SECTION 8.9

8.9 Death before retirement

a) In the case of a member who dies before retirement, the Plan benefit is a lump-sum payment equivalent to the entitlements to which the member was entitled or would have been entitled if he or she had stopped working for the employer immediately prior to his or her death.

If this happens, the value of the entitlements must not be adjusted according to the Plan's solvency.

b) If the member did not have a spouse on the day before his or her death, the beneficiary alone is entitled to the benefit.

If the member had a spouse on the day before his or her death, the spouse alone is entitled to the benefit.

The spouse may waive this entitlement and may, before the date on which payment of the retiree's pension begins, revoke the waiver, provided that the Retirement Committee is notified in writing of the prescribed information before such date.

In the case of deaths occurring before January 1, 2001, if the member had a spouse, and a beneficiary other than the spouse was designated, the beneficiary was entitled to the benefit pertaining to service performed before January 1, 1990 and determined in compliance with the following paragraph c). The spouse was then entitled to the excess amount.

c) This paragraph applies only to the situation where death occurs prior to January 1, 2001, and for service that is performed prior to January 1, 1990 and is credited on this date. It applies in the case where a member had a spouse at the time of his or her death before retirement, and a beneficiary other than the spouse was designated. This paragraph c) reproduces the provisions of the plan in force prior to January 1, 1990.

i) In the event that a member dies before retirement, the beneficiary is entitled to the reimbursement of contributions that the participant has paid into the plan, less any amounts already received as termination of service benefits before the retirement, including any interest accruing on such contributions.

ii) Nonetheless, if the member's death occurs when he has completed a continuous period of at least 10 years of service, the beneficiary may elect to receive, instead of the reimbursement provided in the aforementioned i), an amount equal to the current value of the pension to which the member was

entitled or to which he or she would have been entitled if he or she had stopped working for the employer immediately prior to his or her death.

d) The person who is entitled to the death benefit may elect to:

i) receive a cash reimbursement;

ii) transfer the reimbursable amount, or the value of the benefit payable, into a registered retirement savings plan.

Clause ii) applies only if the person who is entitled to the benefit is the spouse.

SECTION 8.10

8.10 Termination of service

I -Termination of service as of January 1, 2001

a) A member who stops working for a Desjardins Group employer becomes entitled to the benefits provided under this section:

   i) if he or she has accrued at least 2 years of active membership, if he or she has not worked for any Desjardins Group employer during the past 30 days at least and if he or she applies in writing to have his or her active membership terminated;

   ii) if he or she has not worked for any Desjardins Group employer during the past 90 days at least, regardless of whether he or she has filed the application.

b) A member who stops being active for a reason other than retirement or death and who has accrued less than 2 years of active membership and less than 10 years of continuous service, is entitled to the reimbursement of his or her regular contributions, including interest accrued thereto.

c) A member who stops being active for a reason other than retirement or death and who has accrued 2 or more years of active membership or 10 or more years of continuous service, is entitled to a deferred pension and to the excess contributions established under Section 6.5 (Excess employee contributions).

   However, a member who had entitlements in the Plan as of January 1, 1990 and who, upon termination of service, is under age 45 or has accrued less than 10 years of continuous service, may exercise the following rights instead of the ones provided hereabove:

   i) a deferred pension and excess contributions established as if membership in the Plan had begun on January 1, 1990; And

   ii) the reimbursement of his or her regular contributions and special contributions for redemption of former service, paid before January 1, 1990, plus interest accrued thereto.

d) The deferred pension referred to in the aforementioned paragraphs (b) and (c) is established in accordance with the provisions of Section 8.3 (Initial amount of the normal retirement pension) as if the member had reached the normal retirement age.

e) A member who stops being active before turning 55 may elect to transfer the value of the benefits to which he or she is entitled according to the terms and conditions set forth in Section 7.2 (Transfers out of the Plan, except for those via master agreements).

Part amended : 8.10
Date of decision : 05-28-2002
Effective date : 01-01-2001

SECTION 8.10

II - Termination of service after December 31, 2000

a) A member who stops working for a Desjardins Group employer becomes entitled to the benefits provided for in this section on the date of his or her termination of active membership.

b) A member who stops being an employee for a reason other than retirement or death, is entitled to a deferred pension and to the excess contributions established under Section 6.5 (Excess employee contributions).

c) The deferred pension referred to in the aforementioned paragraph b) is established according to the provisions under Section 8.3 (Initial amount of the normal retirement pension) as if the member had reached the normal retirement age.

d) A member who stops being an employee before turning 55 may elect to transfer of the value of the benefits to which he or she is entitled according to the terms and conditions set forth in Section 7.2 (Transfers out of the Plan, except for those via master agreements). This choice may be exercised, at the latest, 90 days after turning 55, or 90 days after having received his or her statement of entitlements, whichever of the two occurs on the latest date.

Part amended : 8.10
Date of decision : 05-28-2002
Effective date : 01-01-2001

SECTION 8.11

8.11 Life expectancy less than two years

a) A member who stopped being an active member according to paragraph (h) of Section 4.4 (End of active membership) is entitled to the benefits provided under Section 8.10 (Termination of service) as if it were a termination of service.

b) Notwithstanding Section 7.2 (a) (Transfers out of the Plan, except for those via master agreements), a member who is entitled to a deferred pension, or a member who terminated active membership under paragraph (h) of Section 4.4 (Termination of active membership), may receive 100% of the value of his or her entitlements if the following requirements are met:

   i) he or she has a physical or mental disability that reduces life expectancy to less than 2 years;

   ii) he or she applies for termination in writing to the Retirement Committee;

   iii) a medical report certifying his or her state of health, as well as life expectancy, is sent to the Retirement Committee;

   iv) he or she signs an agreement with the Retirement Committee for the settlement of this benefit; this agreement must also be signed by a witness.

   To this effect, notwithstanding Section 7.2 (d) (Transfers out of the Plan, except for those via master agreements), Quebec members will always be entitled to the full value of their entitlements, subject to the conditions set forth by the Act in effect on December 31, 2015, in order to protect the Plan's solvency.

Part added	:	8.11	b) last paragraph
Date of decision	:	09-17-1991	10-20-2016
Effective date	:	09-17-1991	01-01-2017

SECTION 8.12

8.12 Supplemental pension for years of contributions paid before age 25

a) An entitlement to a supplemental pension under this section was granted on January 1, 1994, to a member who meets the following requirements:

   i) the member was active as of January 1, 1989;

   ii) the member contributed to the Plan before turning 25;

   iii) the member was active or retired as of January 1, 1994;

   iv) no redemption was made on behalf of the member with regard to contributions that the latter made before turning 25.

b) The supplemental pension is granted as of January 1, 1994 and it is actuarially equal, as of that date, to the contributions that the member paid before turning 25, and the interest accrued thereto.

   The interest rate is the one credited to employees' contributions during the period of accumulation.

   The actuarial equivalence will be determined by using the actuarial assumptions and methods approved by the Retirement Committee and filed with Retraite Québec.

c) Nonetheless, the value of the supplemental pension granted in paragraph b) may not in any case, at the time that a pension will begin to be paid to the member, be less than the contributions that the member paid before turning 25, including the interest accrued thereto at that time.

d) The supplemental pension has the same characteristics as the normal pension. Nonetheless, if the member elects an optional form of retirement pension, the supplemental pension then has the same characteristics as the optional pension.

Part added	:	8.12 (relocalization of the preceding Schedule VII)
Part amended	:	b)
Date of decision	:	11-12-2020
Effective date	:	10-15-2020

SECTION 8.13

8.13 Early benefits for gradual retirement

a) An employee who enters into a agreement of fixed-length with a Desjardins Group employer that is a party to the Plan, that reduces his or her time at work, is entitled to an early benefit for gradual retirement. The employer has 60 days to inform the Retirement Committee that it has entered into an agreement with an employee. This entitlement is available for any employee at any time, once he or she has turned 55. The employee may not, however, receive a gradual early retirement benefit if a partial pension is being paid under Section 8.8 (Postponed retirement).

b) Employees who are Quebec members must file a gradual early retirement benefit application for each year covered by the agreement. The lump-sum amount of the benefit may not exceed the lesser of the following amounts:

   i) 70% of the reduction of his or her salary caused by the reduction of his or her time at work during the year;

   ii) 40% of the year's MPE;

   iii) the value of the employee's termination of service benefit, assuming that he or she has stopped being a wage earner on the date that he or she applies for the payment of a gradual early retirement benefit.

   The employee can choose to have the gradual early retirement benefit paid out as a taxable lump-sum or transferred to a registered retirement savings plan.

c) An employee's entitlements pertaining to a defined contribution provision are first assigned to the payment of the gradual early retirement benefit.

   An employee's entitlements pertaining to a defined contribution provision are thereafter assigned to the balance of the payment of the gradual early retirement benefit.

d) When the gradual early retirement benefit is paid for the entitlements pertaining to a defined contribution provision, the value of these entitlements, established on the date of payment, is reduced by the amount of the gradual early retirement benefit.

Part added	:	8.13				
Part amended	:		8.13	a)	b)	b)
Date of decision	:	01-19-1999	05-28-2002	05-28-2002	10-23-2013	06-01-2016
Effective date	:	06-05-1997	01-01-2001	07-01-2001	10-23-2013	06-01-2016

SECTION 8.13

When the gradual early retirement benefit is paid for the entitlements pertaining to a defined contribution provision, the Retirement Committee determines the amount of the part of the normal pension that would have been payable to the employee as of the normal retirement age, on the basis of the amount of the already-paid gradual early retirement benefit. As such, this part of the pension is a negative pension.

This amount of negative pension is determined on the date of payment in accordance with the conditions and characteristics of the Plan. In addition, this amount is determined in accordance with the actuarial assumptions and methods approved by the Retirement Committee that are in force on the date of the payment.

At the time of retirement, the pension paid under the determined benefits provision is reduced by the amount of the negative pension if the paid pension begins as of the normal retirement age, in accordance with the same conditions and characteristics that served to establish the negative pension. In any other situation, the pension paid under the determined benefits provision is reduced by an actuarial equivalence made to the negative pension.

SECTION 8.14

8.14 Temporary pensions

a) An employee eligible for early retirement as prescribed under Section 8.7 (a) (Early retirement) may replace, in all or in part, his or her early retirement lifetime pension with a temporary pension.

A employee may exercise his or her entitlement to a temporary pension:

i) if the payment of his or her lifetime pension has not yet begun; and

ii) if he or she has signed a declaration issued to him or her by the Retirement Committee stating that he or she does not receive any temporary pension from another supplemental retirement plan governed or established by a statute emanating from the Parliament of Québec or any other legislative authority, nor from a contract constituting a pension whose funding comes, whether directly or not, from such a plan, and that he or she has not filed any application and no application seeking this objective has been accepted.

b) The payment of the temporary pension must end, by the latest, on the last day of the month during which the member or member's spouse, as the case may be, turned 65.

Notwithstanding the provisions under Section 9.4 (Optional pensions), the annual amount of the temporary pension payable to the member under paragraph c) of this section, may only be paid in the form of a guaranteed pension to the member, his or her spouse or heirs, if applicable, up to the last scheduled payment. As such, no other form of optional pension may be elected for the purposes of this temporary pension.

c) The annual amount of the temporary pension payable to the member may vary from one year to another in compliance with instructions given by the member prior to the beginning of the payment of the temporary pension. The annual amount of the temporary pension may not, however, exceed 40% of the MPE in the year when the pension begins to be paid. This ceiling is reduced, if applicable, to the annual amount of any other temporary benefit payable to the member by the Plan.

d) The value of the temporary pension must be equal to the value of the lifetime pension or the portion of the lifetime pension that it replaces. This value is established by using the actuarial assumptions and methods approved by the Retirement Committee that are in force at the beginning of the pension payment.

Part added	:	8.14	
Part amended	:		a)
Date of decision	:	01-19-1999	05-28-2002
Effective date	:	06-05-1997	01-01-2001

SECTION 8.15

8.15 Partial replacement of pensions

A member who is at least 55 years old but less than age 65, and who has acquired an entitlement to a pension, is entitled to replace it partially, before it is paid, with an annual lump-sum payment. To do so, he or she must apply to the Retirement Committee and sign a declaration issued to him or her by the Retirement Committee stating that:

i) he or she does not own any locked-in retirement account, lifetime income fund or locked-in registered retirement savings plan;

ii) he or she indicates therein the total amount of temporary pensions to be received in the course of the year from another retirement plan or annuity contract.

The requested annual payment may not exceed 40% of the MPE during the year of the request, less the total amount declared in the aforementioned clause ii).

For the purposes of calculating the member's normal retirement pension and the maximum pension applicable, the pension will be reduced by an amount equivalent to the value of the partial replacement of the pension paid to him or her. This value is established by using the actuarial assumptions and methods approved by the Retirement Committee that are in force at the beginning of the pension payment.

Part added : 8.15
Date of decision : 01-19-1999
Effective date : 01-01-1998

SECTION 8.16

8.16 Lump-sum payment for a defined contribution provision

A member who is at least 65 years old, who has acquired an entitlement to a pension as a defined contribution provision under the Plan (or a provision similar to that of a defined contribution plan), is entitled to replace it, before it is paid, with a lump-sum payment. To do so, he or she must apply to the Retirement Committee and sign a declaration issued to him or her by the Retirement Committee stating that the total of the amounts accrued on his or her behalf are in the following retirement savings vehicles:

i) defined contribution retirement plans;

ii) defined benefit or defined contribution and benefit retirement plans, by applying provisions identical to those of a defined contribution plan;

iii) lifetime income funds;

iv) locked-in retirement accounts;

v) locked-in registered retirement savings plans.

To enable this lump-sum payment, the previously described total may not exceed 40% of the MPE in the year of application.

Part added : 8.16
Date of decision : 01-19-1999
Effective date : 06-05-1997

SECTION 8.17

8.17 Death benefit for dependent children

In the event that a member who retired after June 30, 2003 dies, a temporary pension will be payable on behalf of the member's dependent children for as long as one of them will correspond to the definition of a dependent child. This temporary pension will be equal to the lifetime pension that would have been payable had it not been for the death of the retiree less the pension paid to the spouse or to the beneficiary following the death of the pensioner, subject to a maximum of 40% of the lifetime pension payable before the death of the retiree. It will therefore be indexed in the same manner as the lifetime pension.

Part added : 8.17
Date of decision : 10-09-2003
Effective date : 07-01-2003

9.1 Other retirement plans

a) Other retirement plans are:

i) plans governed by the Supplemental Pension Plans Act;

ii) supplemental pension plans governed by a statute emanating from a legislative authority other than the Parliament of Québec and granting entitlement to deferred pensions;

iii) supplemental pension plans established by a statute emanating from the Parliament of Québec or a legislative authority;

a) locked-in account of a voluntary retirement savings plan governed by the Voluntary Retirement Savings Plans Act;

b) equivalent of a locked-in account of a voluntary retirement savings plan emanating from a legislative authority other than the Parliament of Québec if the member adheres to this plan in the course of employment;

iv) locked-in retirement accounts;

v) pension contracts with an insurer;

vi) lifetime income funds;

vii) registered retirement savings plans (RRSP) or deferred profit-sharing plans (DPSP) where the amounts transferred are reimbursements of regular, voluntary or special contributions to redeem past service, with the exception of excess contributions.

b) Any amount transferred into the account of a person in another retirement plan, as defined in clauses (i) through (vi) of the preceding paragraph a), may only be paid to this person in the form of a lifetime pension. What is more, the payment of this pension may not begin until this person retires partially or totally, or prior to his or her becoming disabled, as the case may be.

c) Notwithstanding the preceding paragraph b), any amount transferred into the account of a person into another retirement plan, as defined in clauses (i) through (vi) of the preceding paragraph a), may be used, depending on the application, in compliance with the Supplemental Pension Plans Act and its regulations:

i) for the payment of a gradual early retirement benefit;

ii) for the payment of a temporary pension;

iii) for the partial replacement of the pension by a lump-sum payment;

iv) for a lump-sum payment for a defined contribution provision.

Part added	:	a) vi)		c)	c) iii) and c) iv)	a) iii) a) and b)
Part amended	:		b)			
Date of decision	:	01-19-1999	01-19-1999	01-19-1999	01-19-1999	12-08-2015
Effective date	:	01-15-1998	01-15-1998	06-05-1997	01-01-1998	07-09-2014

SECTION 9.2

9.2 Spouse

a) The spouse is the person who is married to or united in civil union with the member:

   i) who is not separated from bed and board from the member; Or

   ii) who is separated from bed and board from the member where the separation from bed and board took place before September 1, 1990.

   Notwithstanding the preceding, beginning on January 1, 2001, the spouse is a person married to or united in civil union with the member who is not separated from bed and board from such member.

b) If the member is neither married nor civilly united, the spouse is a person who has been living with the member in a marital relationship for at least 3 years or, in the following cases, for at least 1 year:

   i) if at least one child has been born or will be born of their union;

   ii) if they have jointly adopted at least one child during their marital relationship;

   iii) if one of them has adopted at least one of the other's children during this period;

   iv) the birth or adoption of a child during marriage, civil union or a period of marital relationship prior to the marital relationship current on the day when the status of spouse is established, may make it possible to qualify a person as a spouse.

c) If no one meets any of the above definitions, the spouse is a person who the member has designated in writing to the Retirement Committee, and who meets one of the following two conditions:

   i) he or she is married to the member but lives separate from bed and board from the member, when such separation from bed and board occurred after August 31, 1990;

   ii) he or she has been living in a marital relationship with the member for at least 1 year.

   Notwithstanding the preceding, starting on January 1, 2001, the spouse is a person whom the member has designated in writing to the Retirement Committee and who has been living in a marital relationship with the member for at least 1 year.

Part amended	:	a) and c) i)	c) 1st clause	a) and c)	a) and b)	b) i), ii), ii) and iii) became i), ii), iii) and iv)
Date of decision	:	06-18-1996	01-19-1999	05-28-2002	10-09-2003	03-15-2018
Effective date	:	06-18-1996	01-19-1999	01-01-2001	06-24-2002	02-20-2018

d) If no one meets any of the above definitions, the member is deemed not to have a spouse for the purposes of the Plan.

e) In the event that a member dies before retirement, the spouse's status is determined on the day preceding the death. In the case of a member who dies after retirement, the spouse's status is determined when the pension payments began.

However, this spouse ceases to be the spouse at such time after retirement that there occurs a separation from bed and board, divorce, annulment of marriage or termination of living in a marital relationship, except if there has not been an assignment of entitlements between the spouses or that the member notifies the Retirement Committee in writing that this person is to remain the spouse.

Part amended	:		e)
Repealed	:	f)	
Date of decision	:	05-28-2002	10-09-2003
Effective date	:	01-01-2001	06-24-2002

SECTION 9.3

9.3 Supplemental benefits when implementing a staff reduction program

a) An employer may petition the Retirement Committee so that supplementary benefits be paid to employees of long standing when a staff reduction program is implemented. Employees so affected must be at least 55 years old at the time that employment is terminated and retirement begins.

b) If the Retirement Committee agrees to the employer's petition, an application for approval that presents the details of the program must be filed with the Canada Revenue Agency.

c) The supplemental benefits may be made up of the following items:

   i) an increase in the basic pension resulting from a pension calculated without taking into account the actuarial reduction that applies normally in the case of an early retirement;

   ii) an optional increase in the basic pension by including in the calculation of the pension the assumed years of service representing all or part of the period between the true age of retirement and the normal retirement age. The number of presumed years of service may not, however, exceed seven years.

d) Supplemental pensions stop being paid to a qualifying member at the time that he or she returns to an employment with the employer defined in Schedule I.

e) A qualifying employee may not receive a lump-sum payment as a replacement of the payment of such supplemental benefits, except if the conditions are met under Section 8-11 b) (Life expectancy less than two years).

f) Supplemental pensions may only be paid conditional to having received the approval of the Canada Revenue Agency.

g) Following the approval of the Canada Revenue Agency, the employer must then pay the additional costs thereby incurred. These costs are established using the actuarial assumptions and methods approved by the Retirement Committee that are in force on the date that the qualifying members retire.

Part amended	:	9.3	b), f) and g)	b), f) and g)
Date of decision	:	01-19-1999	05-28-2002	11-12-2020
Effective date	:	01-01-1990	01-01-2001	10-15-2020

SECTION 9.4

9.4 Optional pensions

a) A member who has no spouse, or whose spouse has waived the joint and survivor annuity in writing, as described in subsection 8.2 (b.1) (Normal retirement pension conditions), may select the following pension in lieu of a normal retirement pension:

   i) a pension combined with the pensions payable under the Canada Pension Plan (CPP) or the Old Age Security Act.

b) A member who is not affected by the aforementioned paragraph (a), may elect any of the following pensions in lieu of a normal retirement pension:

   i) a joint life and last survivor pension with a 10 to 15-year guaranteed payment period (the 15-year guaranteed payment period applies only to members retiring before February 5, 2017), and with the pension payable after the member's death being reduced to 60% or 75% of the pension that would have been paid if the member had not died (the pension reduced to 75% applies only to members retiring before February 5, 2017);

   ii) for members retiring before February 5, 2017, a 60%, 75% or 100% joint life and last survivor pension that includes the guarantee that the pensions will be paid at the rate chosen at retirement for at least 10 or 15 years;

   iii) the pension provided for in clause (i) of paragraph (a) under this Section.

c) The initial amount of the optional pension, with the exception of temporary supplemental pensions, must not under any circumstances be greater than that of a normal retirement pension.

d) The determination of the amount of the optional pension is based on an actuarial equivalence with the normal retirement pension. This actuarial equivalence is determined by using the actuarial assumptions and methods approved by the Retirement Committee that are in force on the date of retirement.

e) Notwithstanding paragraphs (a) and (b) above, as of December 30, 2012, the choices described in paragraph (a) and subparagraph (b) (iii) above are no longer available to members who are Quebec residents, or to members for whom those choices were available because of their participation on June 4, 1997.

Part added	:	e)			
Part amended:			a)	a) and e)	b) i) and ii)
Date of decision	:	01-19-1999	12-12-2012	10-23-2013	10-20-2016
Effective date	:	06-05-1997	12-30-2012	07-01-2013	10-20-2016

SECTION 9.5

9.5 Death following retirement

a) If a retiree who receives a “normal retirement pension” as described in subsection 8.2 (b.2 or c.1) (Normal retirement pension conditions) dies before the end of the guaranteed pension payment period, the present value of the payments still to be made in order to end the guaranteed payment period for the annuity they were entitled to is paid to their designated beneficiary, or their estate, except if the retiree had refused their beneficiary this right in a written notice sent to the Retirement Committee.

   This present value is established by using the actuarial assumptions and methods approved by the Retirement Committee that are in force on the date of the request.

   However, the beneficiary may require, in replacement of the present value, that the pension to which they member was entitled, be paid to the beneficiary until the end of the guaranteed payment period.

b) If a retiree who receives a “normal retirement pension” as described in subsection 8.2 (b.1 or c.2) (Normal retirement pension conditions) dies, one of the following applies:

   i) if the spouse is alive at the time of the retiree's death, the joint part of the portion(s) of the “normal retirement pension” payable is(are) then paid to the spouse;

      if the spouse subsequently dies before the end of the guaranteed pension payment period, the present value of the remaining joint annuity is paid to the beneficiary designated by the retiree with respect to this guarantee;

   ii) if the spouse is deceased at the time of the retiree's death, and the retiree dies before the end of the guaranteed pension payment period, the value of the pension to which the spouse would have been entitled at that time, if he or she were still alive, is paid to the retiree’s beneficiary until the end of the guaranteed payment period. If the retiree did not have a spouse and had no beneficiaries, the current value of the pension is paid to their estate;

   iii) if subparagraphs (i) and (ii) do not apply, the pension is immediately terminated.

c) If a retiree has elected an optional retirement pension, the pension payments to which he or she was entitled at the time of death stop, continue or are reduced, depending on the terms and conditions of the pension option he or she had elected.

Part amended	:	d) 1st clause	b)	a) and b)	b) i)	a) and b)	
Repealed	:						d)
Date of decision	:	01-19-1999	10-05-2007	12-12-2012	12-10-2014	06-04-2015	06-04-2015
Effective date	:	01-19-1999	10-05-2007	12-30-2012	12-10-2014	06-04-2015	06-04-2015

SECTION 9.6

9.6 Pension indexation

a) At the end of each year, the retirement pensions payable under QPP/CPP are increased by a certain percentage to take into account the pension index increase established under the Act. This index is based on the average of Canada's consumer price index for each month of the 12-month period ending on October 31 of the previous year.

b) At the end of each year, the fixed pensions credited to members for credited years of service as of December 30, 2012 are increased annually until the age of 55, as described in the paragraph below.

The increase in the fixed pension credited to the member is calculated as follows: at the end of the year following the termination of service, the lesser pro-rated amount of 2% and 50% of the percentage in paragraph (a) above will be applied according to the number of days between the date of the termination of service and the following January 1. At the end of each following year until age 55, the increase in the fixed pension credited to the member is based on 50% of the increase described in paragraph (a) above, to a maximum of 2% annually. At the end of the year in which the member reaches age 55, the lesser pro-rated amount of 2% and 50% of the percentage in paragraph (a) above will be applied. The pro-rated amount is calculated using the number of days between the previous January 1 and the age 55. If the member retires according to section 8.7 (Early retirement) in the year in which he or she reaches age 55, the increase in the fixed pension credited to the member occurs when the early retirement takes effect and not at the end of the year in which he or she reaches age 55.

c) At the end of each year, the fixed pensions credited to members for credited years of service from January 4, 2009 to December 29, 2012 are increased annually until the age of 55, based on 50% of the increase described in paragraph (a) above, without exceeding 2% per year.

d) At the end of each year, the fixed pensions credited to members for credited years of service prior to January 4, 2009 are increased by the percentage described in paragraph (a) above, without exceeding 4%.

Part added	:				b)
Part amended	:	d)	9.6 (except a))	b) and c) became c) and d)	c)
Date of decision	:	09-20-1994	12-11-2009	12-12-2012	12-12-2012
Effective date	:	12-31-1994	01-04-2009	12-30-2012	12-30-2012

e) At the end of each year, retiree's pension payments for the credited years of service as of December 30, 2012 are increased as described in the two paragraphs below beginning the January 1 after their 65th birthday, or at the age of retirement as described in section 8.8 (Postponed retirement) for a period of 10 years only.

The pension increase for retirees is calculated as follows: at the end of the year in which the member reaches age 65, the lesser pro-rated amount of 1% and the percentage in paragraph (a) above will be applied according to the number of days between the date of the member's 65th birthday and the following January 1. At the end of each following year, the pension increase paid to retirees is based on the percentage described in paragraph (a) above without exceeding 1%, for an effective global period of 10 years. At the end of the last year, the lesser pro-rated amount of 1% and the percentage described in paragraph (a) above is applied. The pro-rated amount is equal to the missing pro-rated amount used at the end of the year after that in which the member reaches age 65, thus completing a full year.

If the member retires according to section 8.8 (Postponed retirement), at the end of the year following the retiree's retirement date, the lesser pro-rated amount of 1% and the percentage in paragraph (a) above is applied according to the number of days between the date of the retiree's retirement date and the following January 1. At the end of each following year, the pension increase paid to retirees is based on the percentage described in paragraph (a) above without exceeding 1%, for an effective global period of 10 years. At the end of the last year, the lesser pro-rated amount of 1% and the percentage described in (a) above is applied. The pro-rated amount is equal to the missing pro-rated amount used at the end of the year after the retirement date, thus completing a full year.

f) At the end of each year, the pensions paid to retirees with credited years of service prior to December 30, 2012 and who retired after January 1, 1979, or who retired before January 1, 1979 but whose pensions were adjusted on January 1, 1979, are increased by the percentage described in paragraph (a) above, without exceeding 3%.

Part added	:		f)			e)
Part amended	:	e)		9-6 (except a))	d) became f)	f)
Date of decision	:	09-20-1994	02-27-1996 and 02-24-1998	12-11-2009	12-12-2012	12-12-2012
Effective date	:	12-31-1994	01-01-1996	01-04-2009	12-30-2012	12-30-2012

g) At the end of each year, the pension paid to a member who retired before January 1, 1979, but whose pension was not adjusted on January 1, 1979, is increased by the percentage described in paragraph (a) above, without exceeding 2%. However, at the end of 1994 and subsequent years, the pension paid to the member shall be increased by the percentage described in paragraph (a) above, without exceeding 3%.

h) The post-retirement indexation process described in the preceding paragraphs fully applies to members, provided they have not exercised the provisions set out in paragraph 8.7 (d) (Early retirement).

i) As at January 1, 1996, the pensions paid to retirees, spouses and beneficiaries were increased by the following percentage, based on the member's year of retirement:

Member's year of retirement	Percentage of increase as at January 1, 1996
1988 and earlier	3.74%
1989	3.17%
1990	2.26%
1991	1.36%
1992 and later	0.00%

j) As at January 1, 1997, the pensions paid to retirees, spouses and beneficiaries were increased by the following percentage, based on the member's year of retirement:

Member's year of retirement	Percentage of increase as at January 1, 1997
1988 and earlier	3.74%
1989	3.17%
1990	2.26%
1991	1.36%
1992 and later	0.00%

Part added	:	g)		
Part amended:			f) and g) became g) and h)	e), f), g) and h) became g), h), i) and j)
Date of decision	:	11-19-1996 and 02-24-1998	01-04-2009	12-12-2012
Effective date	:	01-01-1997	12-11-2009	12-30-2012

SECTION 9.7

9.7 Entitlement to a reimbursement of the pension's value

a) A member or spouse who has acquired an entitlement to a pension under the Plan may elect, before pension payments begin, to replace them with a lump-sum payment if the value of the pension is less than 20% of the MPE for the year in which he or she acquired an entitlement to this pension.

b) A member or spouse who has ceased being an active member and whose period of continuous employment has ended, is entitled to the reimbursement of the value of the pension if he or she has ceased to reside in Canada for the past two years at least.

The value is adjusted as provided under paragraph d) of Section 7-2.

Part amended	:	9.7	b)
Date of decision	:	05-28-2002	11-10-2022
Effective date	:	01-01-2001	11-10-2022

SECTION 9.8

9.8 Seizability

a) Notwithstanding the provisions of Section 9.10 (Unassignability, unseizability and non-reduction of entitlements), the following are seizable if they involve the execution of partition of the family patrimony between spouses, the payment of a support payment or compensatory allowance, or the execution of partition of the agreed upon entitlements between spouses pursuant Section 9.9 (b) (Transfer of entitlements between spouses) of the Plan:

   i) all contributions that have been paid or must be paid into the retirement fund, plus accrued interest;

   ii) all pensions granted or paid under the Plan or the Act;

   iii) all amounts awarded to the member's spouse as a result of partition or another transfer of entitlements as described under Section 9.9 (Transfer of entitlements between spouses), plus accrued interest, as well as the benefits derived from these amounts.

SECTION 9.9

9.9 Transfer of entitlements between spouses

a) In the event of separation from bed and board, divorce or marriage annulment, the dissolving or annulment of the civil union, entitlements accrued by a member under the Plan are, upon application in writing to the Pension Committee, partitioned with the spouse to the extent provided by the Civil Code of Québec or by a court judgment.

b) Likewise, if the court grants a member's spouse, in payment for a compensatory allowance, entitlements accrued by the member under the Plan, the entitlements are, upon application in writing to the Retirement Committee, transferred to the spouse to the extent provided by the court judgment.

c) When marital relations end between a member and his or her spouse, they may agree in writing, within 12 months, to a partition of the entitlements accrued by the member under the Plan; such an agreement may not, however, confer more than 50% of the value of these entitlements upon the spouse.

d) Upon presentation of an application for separation from bed and board, divorce, for marriage annulment, for dissolving or annulment of the civil union, for mediation performed prior to procedures in family law or to the payment of a compensatory allowance, or as the case may be within 12 months of the end of marital relations, the member and spouse are entitled, upon application in writing to the Retirement Committee, to obtain a statement:

   i) of the entitlements accrued by the member under the Plan and of their value as of the date of the institution of the action or, depending on the case, as of the date marital relations ended, as established in keeping with the rules stipulated by the Act;

   ii) containing any other information prescribed by the Act.

Part amended	:	c) and d)	a) and d)
Date of decision	:	05-28-2002	10-09-2003
Effective date	:	01-01-2001	06-24-2002

SECTION 9.9

e) Except as provided by the Act, the entitlements awarded to the spouse following partition of the member's entitlements, or in payment of a compensatory allowance, may only be used for the purchase of a lifetime pension.

If a spouse is already a Plan member, the benefits awarded to him or her following a partition of the member's benefits must be transferred to another pension plan or kept in the Plan in an account in the spouse's name. If the spouse is not a Plan member, the benefits awarded to him or her following a partition of the member's benefits must be transferred to another pension plan.

f) The total value of the member's benefits and of those of his or her spouse, following a partition executed pursuant to this Section, must not be greater than the value of those to which the member would normally have been entitled.

g) Following a divorce, marriage annulment, dissolving or annulment of a civil union, separation from bed and board and, for common-law spouses, termination of living in a marital relationship, a retiree may require having the amount and the form of his or her pension reinstated as if the member had not had a spouse at the effective time of retirement. These modifications to the pension are irreversible. In addition, when the member's entitlements are partitioned, the amount and the form of the pension are automatically reinstated unless the member requests, in writing, having the ex-spouse remain a spouse within the meaning of the regulation.

Part added	:		g)			
Part amended	:	e)		g)	e) last paragraph	g)
Date of decision	:	05-28-2002	05-28-2002	10-09-2003	03-15-2018	11-10-2022
Effective date	:	01-01-2001	01-01-2001	06-24-2002	02-20-2018	11-10-2022

SECTION 9.10

9.10 Unassignability, unseizability and non-reduction of entitlements

a) Except to the extent provided under Section 9.8 (Seizability), the amounts payable under the Plan are unassignable and unseizable.

b) The accrued benefits, as well as the indexation granted or interest credited, if applicable, may not be reduced once they have been credited to a member, except in the case of termination of the Plan according to the provisions under Section 9.13 (Termination and amendment of the Plan) or if the benefits exceed the maximum allowed under Section 8.5 (Maximum pension).

c) Except to the extent provided under Section 9.8 (Seizability), the entitlements of a person under the Plan may not be assigned, encumbered, advanced or given as collateral, or waived.

d) Notwithstanding the above, in the event of a pension credit that is too high for a member, the member's benefits will be reduced so that the Plan remains registered.

Part amended : c)
Date of decision : 01-19-1999
Effective date : 01-01-1990

SECTION 9.11

9.11 Average earnings for best-paid years

a) An wage earner's average earnings for his or her 5 best-paid years are calculated as follows:

i) The earnings with which a wage earner is credited during a given year are the pensionable earnings that the wage earner actually received during that year. The Retirement Committee may, however, reduce these earnings if the raises the wage earner has received over one or more of the past 10 years have been 2% per year greater than the raises recommended by the Federation;

ii) It is assumed that the earnings with which a wage earner is credited for a given year were earned in a uniform manner over the year. These earnings are therefore divided by 52, or by the actual number of weeks worked if this number is lower;

iii) The 260 best-paid weeks, calculated as above, are then added up and divided by 5 to obtain the average annual earnings of a wage earner who has always worked full-time. In the case of a part-time wage earner, the earnings calculated in clause (ii) for the 260 weeks that would have been the best-paid weeks if the wage earner had worked full time are added up and then divided by the total number of credited years of service over that period;

iv) For the purposes of the above calculations, the periods of disability recognized by the Plan are deemed to be made up of weeks that the wage earner worked. The earnings to be used for the first 26 weeks of disability are those for which the wage earner has paid contributions.

As of the end of this 26-week period, the same earnings are used until the end of the current year;

Earnings are then indexed to the cost of living at the end of each year, up to a maximum of 4% per year and according to the provisions in section 9.6 (Pension indexation);

v) For the purposes of the above calculations, any periods of leave without pay or maternity leave for which the required contributions were paid in accordance with Sections 5.3 (Leave without pay) and 5.4 (Maternity leave) are considered to be made up of weeks that the wage earner worked. The earnings to be used are the ones for which the employee paid contributions during this period.

Part amended	:	a) i)	a)	a) i)	a) iv)
Date of decision	:	01-19-1999	05-28-2002	05-28-2002	11-11-2009
Effective date	:	01-19-1999	01-01-2001	07-01-2001	12-11-2009

b) The average earnings for a wage earner's three (3) best-paid years are calculated in the same manner as above, but by using three (3) years instead of five (5), and 156 weeks instead of 260. Moreover, the average earnings for a wage earner's four (4) best-paid years are also calculated in the same manner as above, but by using four (4) years instead of five (5), and 208 weeks instead of 260. The average earnings for a wage earner's eight (8) best-paid years are also calculated in the same manner as above, but by using eight (8) years instead of five (5), and 416 weeks instead of 260.

c) If a wage earner worked less than 156, 208, 260, or 416 weeks, the average earnings are calculated, as the case may be, by using these working weeks only.

Part amended	:	b) and c)	b) and c)	b) and c)
Date of decision	:	10-14-1998	05-28-2002	12-12-2012
Effective date	:	07-01-1998	01-01-2001	12-30-2012

SECTION 9.12

9.12 Return to the Desjardins Group

a) If a member who is entitled to a deferred pension, or a former member becomes an active member once again before January 1, 2017, the benefits which they were credited upon their termination of employment are once more credited if they didn't withdraw any amount when they left.

This paragraph does not apply to voluntary contributions.

Failure to perform the foregoing means that the member is deemed to be a new employee. In such a case, his or her deferred pension is not cancelled and no reimbursements are required. Nonetheless, the years preceding his or her return to work for Desjardins Group, with the exception of years of continuous service, are not recognized.

b) If a member who is entitled to a deferred pension or a former member becomes an active member again after December 31, 2016, they are considered to be a new employee if the return-to-work date is later than either of the following:

i) 90 days after the termination of employment, if the termination was prior to January 1, 2020;

ii) 6 months after the termination of employment, if the termination was after December 31, 2019.

In such a case, the deferred pension, if applicable, is not cancelled. However, years of continuous or credited service preceding the return to work at Desjardins Group are not recognized.

c) A retiree who returns to work for a Desjardins Group employer that is a party to the Plan may become an active member again, provided that he or she applies as such to the Retirement Committee, and that he or she accepts that the pension payments be suspended.

When the member terminates their employment, the suspended pension amount is adjusted to take into account the suspension period.

The adjustment ensures that the pension payable at the end of the suspension period is actuarially equivalent to the one which would have been paid before the member's return to Desjardins Group, if the pension had not been suspended.

The actuarial equivalence is calculated using actuarial assumptions and methods approved by the Retirement Committee.

The pension which the member accumulates during the suspension period is also added to this adjusted pension.

Part amended	:	9.12	c)	a) and b)	a) last paragraph and b)	a) 1st paragraph	b)
Date of decision	:	05-28-2002	06-04-2015	10-20-2016	03-15-2018	11-13-2019	11-12-2020
Effective date	:	07-01-2001	06-04-2015	01-01-2017	01-01-2017	01-01-2017	01-01-2020

d) The provisions of this section are subject to the restrictions provided under the Income Tax Act, to any other statutes affecting this section, including the implementing regulations issuing from these statutes, and to administrative rules.

For clarification purposes for paragraphs a) and b) above, an active member will under no circumstances be able to start receiving his or her deferred pension benefits while he or she is an active member of the Plan.

Part added	:			Last paragraph
Part amended	:	d)	9.12	
Date of decision	:	01-19-1999	05-28-2002	03-15-2018
Effective date	:	01-01-1990	07-01-2001	01-01-2017

SECTION 9.13

9.13 Termination and amendment of the Plan

a) The Federation Board of Directors may, alone and on its own initiative, amend the Plan's Regulation or terminate the Plan in compliance with the requirements of the Act.

b) If an employer stops contributing to the Plan for any or all of its eligible employees, the Retirement Committee must immediately advise Retraite Québec.

c) If Retraite Québec deems that there is a total or partial termination, the Retirement Committee must draw up a termination report in compliance with the statutes and regulations then in force, and file this report with Retraite Québec.

d) If Retraite Québec does not deem that there is a total or partial termination, the members for whom the employer has stopped paying contributions are entitled to the same benefits to which they would have been entitled if they had stopped working for the employer immediately before the employer stopped paying the contributions.

e) In the event of total termination of the Plan, the un-used balance remaining in the retirement fund after payment of pension credits may be returned to the employers, provided that a number of employers representing more than half of the members apply to the Retirement Committee; if not, the unused balance will be used to increase pensions in a way that is deemed to be fair by the Retirement Committee. Nonetheless, pensions that have been increased in this manner may not be greater than the ones provided under Section 8.5 (Maximum pension), and the new unused balance must then be returned to the employers.

SECTION 9.14

9.14 Legislative amendments

The Plan's Regulation is established on the basis of the laws and implementing regulation issuing from such laws in force in the province of Québec at the time of its adoption and it must be interpreted accordingly.

If the laws or the implementing regulations issuing from these laws are amended thereafter, namely as regards:

a) the terms and conditions used to determine the MPE in light of the QPP or the CPP;

b) the terms and conditions used to index retirement pensions each year in light of the QPP or the CPP;

c) the maximum pension allowable in light of the Income Tax Act and its implementing regulation;

except if such statutory provisions are of public order, such amendments will not have any effect on the Plan's Regulation, except if the Federation Board of Directors amends it to take such changes into account or the amended laws or regulations take precedence over the Regulation.

Part added	:	9.14	9.14
Date of decision	:	06-18-1996 and 01-19-1999	05-28-2002
Effective date	:	06-18-1996	07-01-2001

SECTION 9.15

9.15 Staying within the equivalence factor's applicable limits

Notwithstanding any provisions contrary to the implementing regulation of the Income Tax Act, the equivalence factor for a member must comply with the applicable limitations in compliance with Section 147.1 (8) of the Income Tax Act.

Part added : 9.15
Date of decision : 01-19-1999
Effective date : 01-01-1990