



MEMORANDUM
TO ALL MEMBERS
OF THE DESJARDINS GROUP PENSION PLAN (DGPP)
(RRQ registration number: 25717)

November 14, 2016

Under the *Supplemental Pension Plans Act*, the Pension Committee must inform all plan members (employees, retirees, beneficiaries and members with deferred pensions) of all amendments made to the DGPP Regulation. Some changes have therefore been made to the DGPP Regulation, which result from a decision of the Fédération des caisses Desjardins du Québec Board of Directors during its November 9 meeting.

This memo is intended for active members; **the changes do not affect pensions being paid to retirees or their beneficiaries.**

Background

As part of an investigation into replacing the DGPP administrative system, some administrative provisions in the DGPP Regulation have been looked at. The objectives of this analysis were to simplify the processes, cut costs and make the Plan's provisions easier to understand. Here is a summary of the latest amendments.

1. Pension options at retirement (Sections 8.7 (d) and 9.4 (b))

Several new pension options were added in 2013 when changes were made to the Plan. However, some of the new options are rarely used, elicit many questions and are complicated to administer. Consequently, some [pension options](#) have been reviewed and optimized in order to meet the needs of retirees. These changes will be effective for members retiring on or after February 5, 2017. The retirement simulator will be updated as of February 5, 2017 to reflect these changes.

2. Transfers into the Plan and return to Desjardins Group (Sections 7.3 and 9.12 (a) and (b))

The option of transferring vested benefits from another pension plan, as well as the practice of recognizing prior years of service for an employee returning to work for Desjardins Group, will be abolished effective January 1, 2017. It is relatively costly to offer these opportunities and relatively few employees avail themselves of them. If you would like to make such a transfer, you will have to submit a complete request by December 31, 2016. Buybacks of past service for parental leave, unpaid leave and recognition for the 24th year of service are not affected by this change. The details of eligible buybacks are available at www.rcd-dgp.com.

3. Payment of benefits (Sections 8.9 (d) and 8.11 (b))

Following the adoption of new rules regarding the payment of benefits according to the solvency ratio (see the [June 16, 2016 memo](#) on the DGPP website), some precisions had to be made to the DGPP Regulation. The Plan text will be amended to stipulate that when an active member dies, the benefit paid to the spouse or any other beneficiary is paid irrespective of the Plan's solvency ratio. The Regulation's wording will also be amended so the same will apply in cases with a life expectancy of less than two years.

For more information or to consult the detailed changes, please contact the DGPP Member Services Team, Monday to Friday from 8:00 a.m. to 5:00 p.m.:

DGPP Member Services Team
Desjardins Group Pension Plan Division
☎ 514-285-3166 ☎ Toll free: 1-866-434-3166
Email: desjardinsgroupplans@desjardins.com

PS – This memo is for information purposes only. In the event of a discrepancy between this memo and the DGPP Regulation, the Regulation shall prevail.