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Part
2

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Laws and Regulations
Volume 145

Summary

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- (1) Acts assented to, before their publication in the annual collection of statutes;
- (2) proclamations of Acts;
- (3) regulations made by the Government, a minister or a group of ministers and of Government agencies and semi-public agencies described by the Charter of the French language (chapter C-11), which before coming into force must be approved by the Government, a minister or a group of ministers;
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Regulations and other Acts

Gouvernement du Québec

O.C. 762-2013, 25 June 2013

An Act respecting immigration to Québec
(chapter I-0.2)

Selection of foreign nationals

—Amendment

Regulation to amend the Regulation respecting the selection of foreign nationals

WHEREAS, under subparagraph *b* of the first paragraph of section 3.3 of the Act respecting immigration to Québec (chapter I-0.2), the Government may make regulations determining the conditions of selection applicable to each of the classes of foreign nationals who have filed an application for a selection certificate;

WHEREAS the Government made the Regulation respecting the selection of foreign nationals (chapter I-0.2, r. 4), which provides, in particular, the conditions of selection applicable to the four subclasses in the economic class having regard, in particular, to criteria such as the knowledge of languages and the vocational or professional training and experience of the foreign national;

WHEREAS the Minister of Immigration and Cultural Communities and Minister responsible for the Charter of the French language tabled a Bill in the National Assembly, on 5 December 2012, to amend the Charter of the French language, the Charter of human rights and freedoms and other legislative provisions;

WHEREAS it is expedient, in support of that Bill, to review the selection grid for skilled workers in the Regulation respecting the selection of foreign nationals in order to favour the francization and a quicker integration into the labour market of immigrants;

WHEREAS it is expedient to amend the Regulation respecting the selection of foreign nationals in order to introduce, in the selection grid provided in Schedule A, levels for the knowledge of French under which points will be awarded from the “advance intermediate” level to a skilled worker and his or her spouse;

WHEREAS, for consistency reasons, it is also necessary to similarly raise the requirements for the knowledge of French under the *Programme de l'expérience québécoise* (PEQ);

WHEREAS, under the second paragraph of section 3.3 of the Act respecting immigration to Québec, a regulation under any of subparagraphs *a* to *b.5, f.2* and *f.3* of the first paragraph of that section is not subject to the publication requirement set out in section 8 of the Regulations Act (chapter R-18.1) and, despite section 17 of that Act, comes into force on the date of its publication in the *Gazette officielle du Québec* or on any later date mentioned in the regulation;

WHEREAS it is expedient to make the Regulation;

IT IS ORDERED, therefore, on the recommendation of the Minister of Immigration and Cultural Communities and Minister responsible for the Charter of the French language:

THAT the Regulation to amend the Regulation respecting the selection of foreign nationals, attached to this Order in Council, be made.

JEAN ST-GELAIS,
Clerk of the Conseil exécutif

Regulation to amend the Regulation respecting the selection of foreign nationals

An Act respecting immigration to Québec
(chapter I-0.2, s. 3.3, 1st par. subparagraph *b*)

I. The Regulation respecting the selection of foreign nationals (chapter I-0.2, r. 4) is amended in section 38.1 by replacing paragraph *c* by the following:

“(c) accompanies the application with the result of a standardized French test showing an intermediate oral knowledge of French, level 7 or level 8 according to the Échelle québécoise des niveaux de compétence en français des personnes immigrantes adultes or its equivalent, or with a document certifying that the foreign national has met the linguistic requirements of a professional order, or has successfully completed at least 3 years of full-time studies in French at the secondary or post-secondary level or an intermediate French course, level 7 or level 8 according to that scale or its equivalent, offered by a Québec educational institution in Québec;”

2. Section 38.2 is amended

(1) by replacing “after 13 February 2008” in paragraph *c* by “during the 3 years preceding the filing of the application”;

(2) by replacing paragraph *d* by the following:

“(d) the foreign national completed the program of studies in Québec in French, or the foreign national accompanies the application with the result of a standardized French test showing an intermediate oral knowledge of French, level 7 or level 8 according to the Échelle québécoise des niveaux de compétence en français des personnes immigrantes adultes or its equivalent, or with a document certifying that the foreign national has met the linguistic requirements of a professional order, or has successfully completed at least 3 years of full-time studies in French at the secondary or post-secondary level or an intermediate French course, level 7 or level 8 according to that scale or its equivalent, offered by a Québec educational institution in Québec;”.

3. Schedule A is amended

(1) by replacing the factor “4. Language proficiency” by the following:

“ 4. Language proficiency 4.1 French

According to the Échelle québécoise des niveaux de compétence en français des personnes immigrantes adultes or its equivalent:

(a) oral interaction

—oral comprehension:

beginner

levels 1 and 2
levels 3 and 4

intermediate

levels 5 and 6
levels 7 and 8

advanced

levels 9 and 10
levels 11 and 12

(b) written interaction

—written comprehension:

beginner

levels 1 and 2
levels 3 and 4

intermediate

levels 5 and 6
levels 7 and 8

advanced

levels 9 and 10
levels 11 and 12

—written expression:

beginner

levels 1 and 2
levels 3 and 4

intermediate

levels 5 and 6
levels 7 and 8

advanced

levels 9 and 10
levels 11 and 12

4.2 English

According to the Canadian Language Benchmarks or its equivalent:

(a) oral interaction

—oral comprehension:

beginner

levels 1 to 4

intermediate

levels 5 to 8

advanced

levels 9 to 12

—oral expression:

	<i>beginner</i>	<i>beginner</i>
	levels 1 to 4	levels 1 and 2 levels 3 and 4
	<i>intermediate</i>	<i>intermediate</i>
	levels 5 to 8	levels 5 and 6 levels 7 and 8
	<i>advanced</i>	<i>advanced</i>
	levels 9 to 12	
	(b) written interaction	levels 9 and 10 levels 11 and 12
	—written comprehension:	—oral expression:
	<i>beginner</i>	<i>beginner</i>
	levels 1 to 4	levels 1 and 2 levels 3 and 4
	<i>intermediate</i>	<i>intermediate</i>
	levels 5 to 8	levels 5 and 6 levels 7 and 8
	<i>advanced</i>	<i>advanced</i>
	levels 9 to 12	
	—written expression:	levels 9 and 10 levels 11 and 12
	<i>beginner</i>	
	levels 1 to 4	(b) written interaction in French
	<i>intermediate</i>	—written comprehension:
	levels 5 to 8	<i>beginner</i>
	<i>advanced</i>	levels 1 and 2 levels 3 and 4
	levels 9 to 12";	<i>intermediate</i>
(2) by replacing the criterion	“6.5 Language proficiency” by the following:	levels 5 and 6 levels 7 and 8
	“6.5 Language proficiency	
	According to the Échelle québécoise des niveaux de compétence en français des personnes immigrantes adultes or its equivalent:	levels 9 and 10 levels 11 and 12
	(a) oral interaction in French	—written expression:
	—oral comprehension:	

<i>beginner</i>	
levels 1 and 2	
levels 3 and 4	
<i>intermediate</i>	
levels 5 and 6	
levels 7 and 8	
<i>advanced</i>	
levels 9 and 10	
levels 11 and 12".	

4. This Regulation does not apply to an application for a selection certificate as a skilled worker subject to the application of paragraph *a* of section 38 of the Regulation respecting the selection of foreign nationals, filed with the Minister prior to 1 August 2013 and whose preliminary processing has begun.

This Regulation does not apply to an application for a selection certificate as a skilled worker subject to the application of section 38.1 or section 38.2 of the Regulation respecting the selection of foreign nationals, filed with the Minister prior to 1 August 2013 and whose processing has begun.

5. This Regulation comes into force on 1 August 2013.

2863

M.O., 2013

**Order number 3454 of the Minister of Justice dated
19 June 2013**

An Act respecting the Ministère de la Justice
(chapter M-19)

Regulation respecting financial assistance to promote access to justice

THE MINISTER OF JUSTICE,

CONSIDERING the first paragraph of section 32.0.5 of the Act respecting the Ministère de la Justice (chapter M-19), which provides that the Minister of Justice may grant financial assistance to any person or body to facilitate the carrying out of projects or activities described in section 32.0.2 of the Act;

CONSIDERING the second paragraph of section 32.0.5 of the Act, which provides that the Minister determines, by regulation, the conditions for receiving such assistance, and the categories of persons or bodies to which some or all of those conditions do not apply;

CONSIDERING the publication of a draft Regulation respecting financial assistance to promote access to justice in Part 2 of the *Gazette officielle du Québec* of 13 March 2013, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1), with a notice that it could be made by the Minister on the expiry of 45 days following that publication;

CONSIDERING the expiry of the 45-day period and the comments made;

CONSIDERING that it is expedient to make the Regulation with amendment;

ORDERS AS FOLLOWS:

The Regulation respecting financial assistance to promote access to justice, attached to this Order, is made.

Québec, on 19 June 2013

BERTRAND ST-ARNAUD,
Minister of Justice

Regulation respecting financial assistance to promote access to justice

An Act respecting the Ministère de la Justice
(chapter M-19, s. 32.0.5)

DIVISION I

CONDITIONS FOR RECEIVING FINANCIAL ASSISTANCE

1. A person or body requesting financial assistance from the Minister of Justice under section 32.0.5 of the Act respecting the Ministère de la Justice (chapter M-19) must file a written application with the Minister of Justice.

2. An application for financial assistance must contain the following information and be accompanied by the following documents:

(1) in the case of a natural person,

(a) the person's name, address, telephone number and occupation;

(b) the person's résumé;

(c) the name of the body sponsoring the application and its business number assigned by the enterprise registrar, where applicable;

(d) in support of the application, a letter from the body sponsoring it;

(2) in the case of a legal person established in the public interest,

(a) its name, the address of its head office or its territory and its website address, where applicable;

(b) the name of the members of its decision-making body and their respective duties;

(c) the name, address, telephone number, email address and occupation of the person who is authorized to file an application for the body;

(d) proof of the authorization given to the person who files the application;

(3) in the case of another body,

(a) its name, the address of its head office or its territory and its website address, where applicable;

(b) the name of the members of its decision-making body and their respective duties;

(c) the name, address, telephone number, email address and occupation of the person who is authorized to file an application for the body;

(d) proof of the authorization given to the person who files the application;

(e) the number of meetings of its decision-making body in the last fiscal year of the year preceding the application, the date of the last annual general meeting and the number of members present, where applicable;

(f) a short history of the body, its objectives, its relations with the community bodies and resources, its clientele and the territory served;

(g) the administrative structure of the body, including an indication of the number of persons paid or volunteers and their respective duties, where applicable;

(h) a copy of its constituting act and of its general by-laws, where applicable;

(i) a copy of the financial report for the last fiscal year adopted at the last annual general meeting, where applicable;

(j) a copy of the last annual report of activities adopted at the last annual general meeting, where applicable.

3. An application for financial assistance made to promote the development of assistance services to the public, in particular to ensure the establishment and maintenance of bodies promoting access to justice, must also contain the following information:

(1) the nature of the services rendered based on the needs of the public, the clientele covered, the territory served and the activities to be carried out with the financial assistance;

(2) budget estimates to ensure the operation of the services, including an estimate of the expenses to be incurred and the expected revenues, for the period covered by the application and not exceeding 3 years;

(3) the other applications for financial assistance made by the person or body, the amount requested and, where applicable, the amount received;

(4) other sources of financing or contributions to the carrying out of the project;

(5) in the case of new services, a plan for their implementation, including a description of the activities and the deadlines to be met for each activity;

(6) the number of persons paid and volunteers assigned to the project and their respective duties.

4. An application for financial assistance made to promote research projects on any matter regarding access to justice, as well as the development and implementation of informational, educational and training programs must also contain the following information:

(1) a description of the project;

(2) the clientele covered;

(3) a statement of its objectives;

(4) a plan of operations, including a description of the activities and the deadlines to be met for each activity in relation to the objectives of the project;

(5) a budget, including an estimate of the expenses to be incurred and the expected revenues;

(6) the number of persons paid and volunteers assigned to the project and their respective duties;

(7) the other applications for financial assistance made by the person or body, the amount requested and, where applicable, the amount received;

(8) other sources of financing or contributions to the carrying out of the project;

(9) a letter in support of the project or program from the sector concerned.

5. The applicant person or body must pledge in writing to use the financial assistance only for the purpose for which it was granted and to report on its use.

DIVISION II CATEGORIES OF EXEMPTED PERSONS OR BODIES

6. Government bodies are exempted from the application of this Regulation.

Government bodies include bodies to which the Government or a minister appoints the majority of the members, to which, by law, the personnel are appointed in accordance with the Public Service Act (chapter F-3.1.1) or whose capital stock forms part of the domain of the State.

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

2860

M.O., 2013-11

Order number V-1.1-2013-11 of the Minister of Finance and the Economy, dated 12 June 2013

Securities Act
(R.S.Q., c. V-1.1)

CONCERNING Regulation to amend Regulation 31-103 respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations

WHEREAS subparagraphs 1, 3, 4.1, 8, 11, 26 and 34 of section 331.1 of the Securities Act (chapter V-1.1) provide that the *Autorité des marchés financiers* may make regulations concerning the matters referred to in those paragraphs;

WHEREAS the third and fourth paragraphs of section 331.2 of the said Act provide that a draft regulation shall be published in the *Bulletin de l'Autorité des marchés financiers*, accompanied with the notice required under section 10 of the Regulations Act (chapter R-18.1) and may not be submitted for approval or be made before 30 days have elapsed since its publication;

WHEREAS the first and fifth paragraphs of the said section provide that every regulation made under section 331.1 must be approved, with or without amendment, by the Minister of Finance and comes into force on the date of its publication in the *Gazette officielle du Québec* or on any later date specified in the regulation;

WHEREAS the Regulation 31-103 respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations has been approved by Ministerial Order no. 2009-04 dated September 9, 2009 (2009, G.O. 2, 3309A);

WHEREAS there is cause to amend this regulation;

WHEREAS the draft Regulation to amend Regulation 31-103 respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations was published for a first time in the *Bulletin de l'Autorité des marchés financiers*, vol. 8, no. 25 of June 24, 2011 and a second time in the *Bulletin de l'Autorité des marchés financiers*, volume 9, n° 24 of June 14, 2012;

WHEREAS the *Autorité des marchés financiers* made, on May 1st, 2013, by the decision no. 2013-PDG-0070, Regulation to amend Regulation 31-103 respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations;

WHEREAS there is cause to approve this regulation without amendment;

CONSEQUENTLY, the Minister of Finance and the Economy approves without amendment Regulation to amend Regulation 31-103 respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations appended hereto.

June 12, 2013

NICOLAS MARCEAU,
Minister of Finance and the Economy

**REGULATION TO AMEND REGULATION 31-103 RESPECTING
REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING
REGISTERANT OBLIGATIONS**

Securities Act

(chapter V-1.1, s. 331.1, par. (1), (3), (4.1), (8), (11), (26) and (34))

1. Section 1.1 of Regulation 31-103 respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations is amended:

(1) by inserting, after the definition of “subsidiary”, the following:

““trailing commission” means any payment related to a client’s ownership of a security that is part of a continuing series of payments to a registered firm or registered individual by any party;”;

(2) by inserting, before the definition of “Canadian financial institution” and after the definition of “mutual fund dealer”, respectively, the following:

““book cost” means the total amount paid to purchase a security, including any transaction charges related to the purchase, adjusted for reinvested distributions, returns of capital and corporate reorganizations;

“original cost” means the total amount paid to purchase a security, including any transaction charges related to the purchase;”;

(3) by inserting, after the definition of “mutual fund dealer” and after the definition of “subsidiary”, respectively, the following:

““operating charge” means any amount charged to a client by a registered firm in respect of the operation, transfer or termination of a client’s account and includes any federal, provincial or territorial sales taxes paid on that amount;

“transaction charge” means any amount charged to a client by a registered firm in respect of a purchase or sale of a security and includes any federal, provincial or territorial sales taxes paid on that amount;”;

(4) by inserting, after the definition of “subsidiary”, the following:

““total percentage return” means the cumulative realized and unrealized capital gains and losses of an investment, plus income from the investment, over a specified period of time, expressed as a percentage;”.

2. Section 8.7 of the Regulation is amended, in the French text:

(1) by replacing, in paragraph (3), the words “d’aucune commission de souscription” with the words “d’aucuns frais d’acquisition”;

(2) in paragraph (4):

(a) by replacing, in subparagraph (a), the words “frais de souscription différés ou éventuels” with the words “frais d’acquisition reportés”;

(b) by replacing, in subparagraph (b), the words “des espèces” with the words “des fonds”.

3. Section 11.1 of the Regulation is amended, in the French text, by replacing the word “contrôle” with the word “contrôles”.

4. Section 11.6 of the Regulation is amended by adding, in the French text of subparagraph (a) of paragraph (1) and after the word “ans”, the words “à compter de la date de leur établissement”;

5. Section 13.13 of the Regulation is amended by replacing, in the French text of paragraph (1), the words “en la forme suivante ou une forme équivalente” with the words “semblable pour l’essentiel à la suivante”.

6. The title of Division 1 of Part 14 and section 14.1 of the Regulation are replaced with the following:

“DIVISION 1 Investment fund managers

“14.1. Application of this Part to investment fund managers

Other than section 14.6, subsection 14.12(5) and section 14.14, this Part does not apply to an investment fund manager in respect of its activities as an investment fund manager.”.

7. Section 14.1 of the Regulation is amended by replacing “14.14” with “14.15”.

8. Section 14.1 of the Regulation is amended by inserting, after the words “Other than”, “section 14.1.1.”.

9. The Regulation is amended by inserting, after section 14.1, the following:

“14.1.1. Duty to provide information

An investment fund manager of an investment fund must, within a reasonable period of time, provide a registered dealer, or a registered adviser, who has a client that owns securities of the investment fund, with the information concerning deferred sales charges and any other charges deducted from the net asset value of securities, and the information concerning trailing commissions paid to the dealer or adviser, that is required by the dealer or adviser in order to comply with paragraphs 14.12(1)(c) and 14.17(1)(h).”.

10. Section 14.2 of the Regulation is amended:

(1) in paragraph (2):

(a) by replacing the part preceding subparagraph (a) with the following:

“(2) Without limiting subsection (1), the information delivered under that subsection must include the following.”;

(b) by replacing subparagraph (b) with the following:

“(b) a general description of the products and services the registered firm offers to the client”;

(c) by replacing, in subparagraph (c), the words “a description” with the words “a general description”;

(d) by replacing subparagraphs (f) to (h) with the following:

“(f) disclosure of the operating charges the client might be required to pay related to the client’s account;

“(g) a general description of the types of transaction charges the client might be required to pay;

“(h) a general description of any compensation paid to the registered firm by any other party in relation to the different types of products that a client may purchase through the registered firm.”;

(e) by replacing, in the French text of subparagraph (i), the words “des rapports” with the words “de l’information”;

(f) by deleting, in subparagraph (j) and after the words “available at the,” the word “registered”;

(g) by adding, after subparagraph (l), the following:

“(m) a general explanation of how investment performance benchmarks might be used to assess the performance of a client’s investments and any options for benchmark information that might be made available to clients by the registered firm;

“(n) if the registered firm is a scholarship plan dealer, an explanation of any terms of the scholarship plan offered to the client by the registered firm that, if those terms are not met by the client or the client’s designated beneficiary under the plan, might cause the client or the designated beneficiary to suffer a loss of contributions, earnings or government contributions in the plan.”;

(2) in paragraph (3), by replacing the part preceding subparagraph (a) with the following:

“(3) A registered firm must deliver the information in subsection (1), if appropriate, and subsection (2) to the client in writing, except that the information in paragraph (2)(b) may be provided orally or in writing, before the firm first”;

(3) in paragraph (4):

(a) by replacing the part preceding subparagraph (a) with the following:

“(4) If there is a significant change in respect of the information delivered to a client under subsections (1) or (2), the registered firm must take reasonable steps to notify the client of the change in a timely manner and, if possible, before the firm next”;

(b) by replacing, in subparagraph (a), “;” with “;”;

(4) by deleting paragraph (5);

(5) by inserting, after paragraph (5), the following:

“(5.1) A registered firm must not impose any new operating charge in respect of an account of a client, or increase the amount of any operating charge in respect of an account of a client, unless written notice of the new or increased operating charge is provided to the client at least 60 days before the date on which the imposition or increase becomes effective.”;

(6) by replacing paragraph (6) with the following:

“(6) This section does not apply to a registered firm in respect of a permitted client that is not an individual.

“(7) Except for subsections (5.1), (6) and (8), this section does not apply to a registered dealer in respect of a client for whom the dealer purchases or sells securities only as directed by a registered adviser acting for the client.

“(8) A registered dealer referred to in subsection (7) must deliver the information required under paragraphs (2)(a) and (e) to (j) to the client in writing, and the information in paragraph (2)(b) orally or in writing, before the dealer first purchases or sells a security for the client.”.

11. The Regulation is amended by inserting, after section 14.2, the following:

“14.2.1. Pre-trade disclosure of charges

“(1) Before a registered firm accepts an instruction from a client to purchase or sell a security in an account other than a managed account, the firm must disclose to the client

(a) the charges the client will be required to pay in respect of the purchase or sale, or a reasonable estimate if the actual amount of the charges is not known to the firm at the time of disclosure,

(b) in the case of a purchase to which deferred charges apply, that the client might be required to pay a deferred sales charge on the subsequent sale of the security and the fee schedule that will apply, and

(c) whether the firm will receive trailing commissions in respect of the security.

“(2) This section does not apply to a registered firm in respect of a permitted client that is not an individual.

“(3) This section does not apply to a dealer in respect of a client for whom the dealer purchases or sells securities only as directed by a registered adviser acting for the client.”.

12. The title of Division 5 of Part 14 of the Regulation is replaced with the following:

“DIVISION 5 Reporting to clients”.

13. The Regulation is amended by inserting, after the title of Division 5, the following section :

“14.11.1. Determining market value

“(1) For the purposes of this Division, the market value of a security

(a) that is issued by an investment fund which is not listed on an exchange must be determined by reference to the net asset value provided by the investment fund manager of the fund on the relevant date,

(b) in any other case, is the amount that the registered firm reasonably believes to be the market value of the security

(i) after referring to a price quotation on a marketplace, if one is published for the security, using the last bid price in the case of a long security and the last ask price in the case of a short security, as shown on a consolidated pricing list or exchange quotation sheet as of the close of business on the relevant date or the last trading day before the relevant date, and after making any adjustments considered by the registered firm to be necessary to accurately reflect the market value,

(ii) if no reliable price for the security is quoted on a marketplace, after referring to a published market report or inter-dealer quotation sheet, on the relevant date or the last trading day before the relevant date, and after making any adjustments considered by the registered firm to be necessary to accurately reflect the market value,

(iii) if the market value for the security cannot be reasonably determined in accordance with subparagraphs (i) or (ii), after applying the policy of the registered firm for determining market value, which must include procedures to assess the reliability of valuation inputs and assumptions and provide for

(A) the use of inputs that are observable, and

(B) the use of unobservable inputs and assumptions, if observable inputs are not reasonably available.

“(2) If a registered firm determines the market value of a security in accordance with subparagraph (1)(b)(iii), when it refers to the market value in a statement under section 14.14, 14.14.1, 14.14.2, 14.15 or 14.16, the registered firm must include the following notification or a notification that is substantially similar:

“There is no active market for this security so we have estimated its market value.”

“(3) If a registered firm reasonably believes that it cannot determine the market value of a security in accordance with subsection (1), the market value of the security must be reported in a statement delivered under section 14.14, 14.14.1, 14.14.2, 14.15 or 14.16 as not determinable, and the market value of the security must be excluded from the calculations in paragraphs 14.14(5)(b), 14.14.1(2)(b) and 14.14.2(5)(a).”.

14. Paragraph (3) of section 14.11.1 of the Regulation is replaced with the following:

“(3) If a registered firm reasonably believes that it cannot determine the market value of a security in accordance with subsection (1), the market value of the security must be reported in a statement delivered under section 14.14, 14.14.1, 14.14.2, 14.15 or 14.16 and in an investment performance report delivered under section 14.18 as not determinable, and the market value of the security must be excluded from the calculations in paragraphs 14.14(5)(b), 14.14.1(2)(b) and 14.14.2(5)(a) and subsection 14.19(1).”.

15. Section 14.12 of the Regulation is amended:

(1) in paragraph (1):

(a) by inserting, after subparagraph (b), the following:

“(b.1) in the case of a purchase of a debt security, the security’s annual yield;”;

(b) by replacing subparagraph (c) with the following:

“(c) the amount of each transaction charge, deferred sales charge or other charge in respect of the transaction, and the total amount of all charges in respect of the transaction;”;

(c) by inserting, after subparagraph (c), the following:

“(c.1) in the case of a purchase or sale of a debt security, either of the following:

(i) the total amount of any mark-up or mark-down, commission or other service charges the registered dealer applied to the transaction;

(ii) the total amount of any commission charged to the client by the registered dealer and, if the dealer applied a mark-up or mark-down or any service charge other than a commission, the following notification or a notification that is substantially similar:

“Dealer firm remuneration has been added to the price of this security (in the case of a purchase) or deducted from the price of this security (in the case of a sale). This amount was in addition to any commission this trade confirmation shows was charged to you.”;

(d) by inserting, in subparagraph (f) and after “if any,”, the word “involved”;

(e) by replacing subparagraph (h) with the following :

“(h) if applicable, that the security is a security issued by the registered dealer, a security issued by a related issuer of the registered dealer or, if the transaction occurred during the security’s distribution, a security issued by a connected issuer of the registered dealer.”;

(2) by replacing, in the French text of subparagraph (c) of paragraph (5), the words “frais de vente” with the words “frais d’acquisition”.

16. Section 14.14 of the Regulation is amended:

(1) in paragraph (2):

(a) by replacing, in the part preceding subparagraph (a), the word “at” with the word “after”;

(b) by replacing, in subparagraph (a), the word “receiving” with the words “to receive”;

(2) by replacing paragraph (3) with the following:

“(3) A registered adviser must deliver a statement to a client at least once every 3 months, except that if the client has requested to receive statements on a monthly basis, the adviser must deliver a statement to the client every month.”;

(3) in paragraph (4):

(a) by replacing subparagraph (b) with the following:

“(b) whether the transaction was a purchase, sale or transfer;”;

(b) by inserting, in subparagraph (e) and after the word “security”, the words “if the transaction was a purchase or sale”;

(c) by replacing subparagraph (f) with the following:

“(f) the total value of the transaction if it was a purchase or sale.”.

17. Section 14.14 of the Regulation is amended:

(1) by replacing paragraphs (1) to (3) with the following:

“(1) A registered dealer must deliver to a client a statement that includes the information referred to in subsections (4) and (5)

(a) at least once every 3 months, or

(b) if the client has requested to receive statements on a monthly basis, for each one-month period.

“(2) A registered dealer must deliver to a client a statement that includes the information referred to in subsections (4) and (5) after the end of any month in which a transaction was effected in securities held by the dealer in the client’s account, other than a transaction made under an automatic withdrawal plan or an automatic payment plan, including a dividend reinvestment plan.

“(2.1) Paragraph 1(b) and subsection (2) do not apply to a mutual fund dealer in connection with its activities as a dealer in respect of the securities listed in paragraph 7.1(2)(b).

“(3) A registered adviser must deliver to a client a statement that includes the information referred to in subsections (4) and (5) at least once every 3 months, except that if the client has requested to receive statements on a monthly basis, the adviser must deliver a statement to the client for each one-month period.”;

(2) by deleting paragraph (3.1);

(3) by replacing the part preceding subparagraph (a) of paragraph (4) with the following:

“If a registered dealer or registered adviser made a transaction for a client during the period covered by a statement delivered under subsections (1), (2) or (3), the statement must include the following:”;

(4) by replacing paragraph (5) with the following:

“(5) If a registered dealer or registered adviser holds securities owned by a client in an account of the client, a statement delivered under subsections (1), (2) or (3) must indicate that the securities are held for the client by the registered firm and must include the following information about the client’s account determined as at the end of the period for which the statement is made:

- (a) the name and quantity of each security in the account;
- (b) the market value of each security in the account and, if applicable, the notification in subsection 14.11.1(2);
- (c) the total market value of each security position in the account;
- (d) any cash balance in the account;
- (e) the total market value of all cash and securities in the account;
- (f) whether the account is covered under an investor protection fund approved or recognized by the securities regulatory authority and, if it is, the name of the investor protection fund;
- (g) which securities in the account might be subject to a deferred sales charge if they are sold.”;

(5) by deleting paragraph (6);

(6) by adding, after paragraph (6), the following:

“(7) For the purposes of this section, a security is considered to be held by a registered firm for a client if

- (a) the firm is the registered owner of the security as nominee on behalf of the client, or
- (b) the firm has physical possession of a certificate evidencing ownership of the security.”.

18. The Regulation is amended by adding, after section 14.14, the following:

“14.14.1. Additional statements

“(1) A registered dealer or registered adviser must deliver a statement that includes the information referred to in subsection (2) to a client if any of the following apply in respect of a security owned by the client that is held or controlled by a party other than the dealer or adviser:

- (a) the dealer or adviser has trading authority over the security or the client’s account in which the security is held or was transacted;

(b) the dealer or adviser receives continuing payments related to the client's ownership of the security from the issuer of the security, the investment fund manager of the issuer or any other party;

(c) the security is issued by a scholarship plan, a mutual fund or an investment fund that is a labour-sponsored investment fund corporation, or labour-sponsored venture capital corporation, under legislation of a jurisdiction of Canada and the dealer or adviser is the dealer or adviser of record for the client on the records of the issuer of the security or the records of the issuer's investment fund manager.

“(2) A statement delivered under subsection (1) must include the following in respect of the securities or the account referred to in subsection (1), determined as at the end of the period for which the statement is made:

(a) the name and quantity of each security;

(b) the market value of each security and, if applicable, the notification in subsection 14.11.1(2);

(c) the total market value of each security position;

(d) any cash balance in the account;

(e) the total market value of all of the cash and securities;

(f) the name of the party that holds or controls each security and a description of the way it is held;

(g) whether the securities are covered under an investor protection fund approved or recognized by the securities regulatory authority and, if they are, the name of the fund;

(h) which of the securities might be subject to a deferred sales charge if they are sold.

“(3) If subsection (1) applies to a registered dealer or a registered adviser, the dealer or adviser must deliver a statement that includes the information in subsection (2) to a client at least once every 3 months, except that if a client has requested to receive statements on a monthly basis, the adviser must deliver a statement to the client every month.

“(4) If subsection (1) applies to a registered dealer or a registered adviser that is also required to deliver a statement to a client under subsection 14.14(1) or (3), a statement delivered under subsection (1) must be delivered to the client in one of the following ways:

(a) combined with a statement delivered to the client under subsection 14.14(1) or (3) for the period ending on the same date;

(b) as a separate document accompanying a statement delivered to the client under subsection 14.14(1) or (3) for the period ending on the same date;

(c) as a separate document delivered within 10 days after the statement delivered to the client under subsection 14.14(1) or (3) for the period ending on the same date.

“(5) For the purposes of this section, a security is considered to be held for a client by a party other than the registered firm if any of the following apply:

(a) the other party is the registered owner of the security as nominee on behalf of the client;

(b) ownership of the security is recorded on the books of its issuer in the client’s name;

(c) the other party has physical possession of a certificate evidencing ownership of the security;

(d) the client has physical possession of a certificate evidencing ownership of the security.

“(6) This section does not apply to a registered firm in respect of a permitted client that is not an individual.

“14.14.2. Position cost information

“(1) If a registered dealer or registered adviser is required to deliver a statement to a client that includes information required under subsection 14.14(5) or 14.14.1(2), the dealer or adviser must deliver the information referred to in subsection (2) to a client at least once every 3 months.

“(2) The information delivered under subsection (1) must disclose the following:

(a) for each security position in the statement opened on or after July 15, 2015,

(i) the cost of the position, determined as at the end of the period for which the information under subsection 14.14(5) or 14.14.1(2) is provided, presented on an average cost per unit or share basis or on an aggregate basis, or

(ii) if the security position was transferred from another registered firm, the information referred to in subparagraph (i) or the market value of the security position as at the date of the position’s transfer if it is also disclosed in the statement that it is the market value as of the transfer date, not the cost of the security position, that is being disclosed;

(b) for each security position in the statement opened before July 15, 2015,

(i) the cost of the position, determined as at the end of the period for which the information under subsection 14.14(5) or 14.14.1(2) is provided, presented on an average cost per unit or share basis or on an aggregate basis, or

(ii) the market value of the security position as at July 15, 2015 or an earlier date, if the same date and value are used for all clients of the firm holding that security and it is also disclosed in the statement that it is the market value as of that date, not the cost of the security position, that is being disclosed;

(c) the total cost of all of the security positions in the statement, determined in accordance with paragraphs (a) and (b);

(d) for each security position for which the registered firm reasonably believes it cannot determine the cost in accordance with paragraphs (a) and (b), disclosure of that fact in the statement.

“(3) The cost of security positions required to be disclosed under subsection (2) must be either the book cost or the original cost and must be accompanied by the definition of “book cost” in section 1.1 or the definition of “original cost” in section 1.1, as applicable.

“(4) The information delivered under subsection (1) must be delivered to the client in one of the following ways:

(a) combined with a statement delivered to the client that includes the information required under subsection 14.14(5) or 14.14.1(2) for the period ending on the same date;

(b) in a separate document accompanying a statement delivered to the client that includes information required under subsection 14.14(5) or 14.14.1(2) for the period ending on the same date;

(c) in a separate document delivered within 10 days after a statement delivered to the client that includes information required under subsection 14.14(5) or 14.14.1(2) for the period ending on the same date.

“(5) If the information under subsection (1) is delivered to the client in a separate document in accordance with paragraph (4)(c), the separate document must also include the following:

(a) the market value of each security in the statement and, if applicable, the notification in subsection 14.11.1(2);

(b) the total market value of each security position in the statement;

(c) the total market value of all cash and securities in the statement.

“(6) This section does not apply to a registered firm in respect of a permitted client that is not an individual.

“14.15. Security holder statements

If there is no dealer or adviser of record for a security holder on the records of a registered investment fund manager, the investment fund manager must deliver to the security holder at least once every 12 months a statement that includes the following:

(a) the information required under subsection 14.14(4) for each transaction that the registered investment fund manager made for the security holder during the period;

(b) the information required under subsection 14.14.1(2) for the securities of the security holder that are on the records of the registered investment fund manager;

(c) the information required under section 14.14.2.

“14.16. Scholarship plan dealer statements

Sections 14.14, 14.14.1 and 14.14.2 do not apply to a scholarship plan dealer if both of the following apply:

(a) the scholarship plan dealer is not registered in another dealer or adviser category;

(b) the scholarship plan dealer delivers to a client a statement at least once every 12 months that provides the information required under subsections 14.14(4) and 14.14.1(2).”.

19. The Regulation is amended by adding, after section 14.16, the following:

“14.17. Report on charges and other compensation

“(1) For each 12-month period, a registered firm must deliver to a client a report on charges and other compensation containing the following information, except that the first report delivered after a client has opened an account may cover a period of less than 12 months:

(a) the registered firm’s current operating charges which might be applicable to the client’s account;

(b) the total amount of each type of operating charge related to the client’s account paid by the client during the period covered by the report, and the total amount of those charges;

(c) the total amount of each type of transaction charge related to the purchase or sale of securities paid by the client during the period covered by the report, and the total amount of those charges;

(d) the total amount of the operating charges reported under paragraph (b) and the transaction charges reported under paragraph (c);

(e) if the registered firm purchased or sold debt securities for the client during the period covered by the report, either of the following:

(i) the total amount of any mark-ups, mark-downs, commissions or other service charges the firm applied on the purchases or sales of debt securities;

(ii) the total amount of any commissions charged to the client by the firm on the purchases or sales of debt securities and, if the firm applied mark-ups, mark-downs or any service charges other than commissions on the purchases or sales of debt securities, the following notification or a notification that is substantially similar:

“For debt securities purchased or sold for you during the period covered by this report, dealer firm remuneration was added to the price you paid (in the case of a purchase) or deducted from the price you received (in the case of a sale). This amount was in addition to any commissions you were charged.”;

(f) if the registered firm is a scholarship plan dealer, the unpaid amount of any enrolment fee or other charge that is payable by the client;

(g) the total amount of each type of payment, other than a trailing commission, that is made to the registered firm or any of its registered individuals by a securities issuer or another registrant in relation to registerable services to the client during the period covered by the report, accompanied by an explanation of each type of payment;

(h) if the registered firm received trailing commissions related to securities owned by the client during the period covered by the report, the following notification or a notification that is substantially similar:

“We received \$[amount] in trailing commissions in respect of securities you owned during the 12-month period covered by this report.

Investment funds pay investment fund managers a fee for managing their funds. The managers pay us ongoing trailing commissions for the services and advice we provide you. The amount of the trailing commission depends on the sales charge option you chose when you purchased the fund. You are not directly charged the trailing commission or the management fee. But, these fees affect you because they reduce the amount of the fund’s return to you. Information about management fees and other charges to your investment funds is included in the prospectus or fund facts document for each fund.”

“(2) For the purposes of this section, the information in respect of securities of a client required to be reported under subsection 14.14(5) must be delivered in a separate report on charges and other compensation for each of the client’s accounts.

“(3) For the purposes of this section, the information in respect of securities of a client required to be reported under subsection 14.14.1(1) must be delivered in a report on charges and other compensation for the client’s account through which the securities were transacted.

“(4) Subsections (2) and (3) do not apply if the registered firm provides a report on charges and other compensation that consolidates, into a single report, the required information for more than one of a client’s accounts and any securities of the client required to be reported under subsection 14.14(5) or 14.14.1(1) and if the following apply:

(a) the client has consented in writing to the form of disclosure referred to in this subsection;

(b) the consolidated report specifies the accounts and securities with respect to which information is required to be reported under subsection 14.14.1(1).

“(5) This section does not apply to a registered firm in respect of a permitted client that is not an individual.

“14.18. Investment performance report

“(1) A registered firm must deliver an investment performance report to a client every 12 months, except that the first report delivered after a registered firm first makes a trade for a client may be sent within 24 months after that trade.

“(2) For the purposes of this section, the information in respect of securities of a client required to be reported under subsection 14.14(5) must be delivered in a separate report for each of the client’s accounts.

“(3) For the purposes of this section, the information in respect of securities of a client required to be reported under subsection 14.14.1(1) must be delivered in the report for each of the client’s accounts through which the securities were transacted.

“(4) Subsections (2) and (3) do not apply if the registered firm provides a report that consolidates, into a single report, the required information for more than one of a client’s accounts and any securities of the client required to be reported under subsections 14.14(5) or 14.14.1(1) and if the following apply:

(a) the client has consented in writing to the form of disclosure referred to in this subsection;

(b) the consolidated report specifies the accounts and securities with respect to which information is required to be reported under subsection 14.14.1(1).

“(5) This section does not apply to

- (a) a client’s account that has existed for less than a 12-month period;
- (b) a registered dealer in respect of a client’s account in which the dealer executes trades only as directed by a registered adviser acting for the client; and
- (c) a registered firm in respect of a permitted client that is not an individual.

“(6) If a registered firm reasonably believes there are no securities of a client with respect to which information is required to be reported under subsection 14.14(5) or subsection 14.14.1(1) and for which a market value can be determined, the firm is not required to deliver a report to the client for the period.

“14.19. Content of investment performance report

“(1) An investment performance report required to be delivered under section 14.18 by a registered firm must include all of the following in respect of the securities referred to in a statement in respect of which subsections 14.14(1), (2) or (3) or 14.14.1(1) apply:

(a) the market value of all cash and securities in the client’s account as at the beginning of the 12-month period covered by the investment performance report;

(b) the market value of all cash and securities in the client’s account as at the end of the 12-month period covered by the investment performance report;

(c) the market value of all deposits and transfers of cash and securities into the client’s account, and the market value of all withdrawals and transfers of cash and securities out of the account, in the 12-month period covered by the investment performance report;

(d) subject to paragraph (e), the market value of all deposits and transfers of cash and securities into the client’s account, and the market value of all withdrawals and transfers of cash and securities out of the account, since opening the account;

(e) if the client’s account was opened before July 15, 2015 and the registered firm reasonably believes market values are not available for all deposits, withdrawals and transfers since the account was opened, the following:

(i) the market value of all cash and securities in the client’s account as at July 15, 2015;

(ii) the market value of all deposits and transfers of cash and securities into the account, and the market value of all withdrawals and transfers of cash and securities out of the account, since July 15, 2015;

(f) the annual change in the market value of the client's account for the 12-month period covered by the investment performance report, determined using the following formula

$$A - B - C + D$$

where

A = the market value of all cash and securities in the account as at the end of the 12-month period covered by the investment performance report;

B = the market value of all cash and securities in the account at the beginning of that 12-month period;

C = the market value of all deposits and transfers of cash and securities into the account in that 12-month period; and

D = the market value of all withdrawals and transfers of cash and securities out of the account in that 12-month period;

(g) subject to paragraph (h), the cumulative change in the market value of the account since the account was opened, determined using the following formula

$$A - E + F$$

where

A = the market value of all cash and securities in the account as at the end of the 12-month period covered by the investment performance report;

E = the market value of all deposits and transfers of cash and securities into the account since account opening; and

F = the market value of all withdrawals and transfers of cash and securities out of the account since account opening;

(h) if the registered firm reasonably believes the market value of all deposits and transfers of cash and securities into the account since the account was opened or the market value of all withdrawals and transfers of cash and securities out of the account since the account was opened required in paragraph (g) is not available to the registered firm, the cumulative change in the market value of the account determined using the following formula

A – G – H + I

where

A = the market value of all cash and securities in the account as at the end of the 12-month period covered by the investment performance report;

G = the market value of all cash and securities in the account as at July 15, 2015;

H = the market value of all deposits and transfers of cash and securities into the account since July 15, 2015; and

I = the market value of all withdrawals and transfers of cash and securities out of the account since July 15, 2015;

(i) the amount of the annualized total percentage return for the client's account calculated net of charges, using a money-weighted rate of return calculation method generally accepted in the securities industry;

(j) the definition of "total percentage return" in section 1.1 and a notification indicating the following:

(i) that the total percentage return in the investment performance report was calculated net of charges;

(ii) the calculation method used;

(iii) a general explanation in plain language of what the calculation method takes into account.

"(2) The information delivered for the purposes of paragraph (1)(i) must be provided for each of the following periods:

(a) the 12-month period covered by the investment performance report;

(b) the 3-year period preceding the end of the 12-month period covered by the report;

(c) the 5-year period preceding the end of the 12-month period covered by the report;

(d) the 10-year period preceding the end of the 12-month period covered by the report;

(e) the period since the client's account was opened if the account has been open for more than one year before the date of the report or, if the account was opened before July 15, 2015 and the registered firm reasonably believes the annualized total percentage return for the period before July 15, 2015 is not available, the period since July 15, 2015.

“(3) Despite subsection (2), if any portion of a period referred to in paragraphs (2)(b), (c) or (d) was before July 15, 2015, the registered firm is not required to report the annualized total percentage return for that period.

“(4) Despite subsection (1), the information a scholarship plan dealer is required to deliver under section 14.18 in respect of each scholarship plan in which a client has invested through the scholarship plan dealer is the following:

(a) the total amount that the client has invested in the plan as at the date of the investment performance report;

(b) the total amount that would be returned to the client if, as at the date of the investment performance report, the client ceased to make prescribed payments into the plan;

(c) a reasonable projection of future payments that the plan might pay to the client's designated beneficiary under the plan, or to the client, at the maturity of the client's investment in the plan;

(d) a summary of any terms of the plan that, if not met by the client or the client's designated beneficiary under the plan, might cause the client or the designated beneficiary to suffer a loss of contributions, earnings or government contributions in the plan.

“(5) The information delivered under section 14.18 must be presented using text, tables and charts, and must be accompanied by notes in the investment performance report explaining

(a) the content of the report and how a client can use the information to assess the performance of the client's investments; and

(b) the changing value of the client's investments as reflected in the information in the report.

“(6) If a registered firm delivers information required under this section in a report to a client for a period of less than one year, the firm must not calculate the disclosed information on an annualized basis.

“(7) If the registered firm reasonably believes the market value cannot be determined for a security position, the market value must be assigned a value of zero in the calculation of the information delivered under subsection 14.18(1) and the fact that its market value could not be determined must be disclosed to the client.

“14.20. Delivery of report on charges and other compensation and investment performance report

“(1) A report under section 14.17 and a report under section 14.18 must include information for the same 12-month period and the reports must be delivered together in one of the following ways:

(a) combined with a statement delivered to the client that includes information required under subsection 14.14(1), (2) or (3), subsection 14.14.1(2) or section 14.16;

(b) accompanying a statement delivered to the client that includes information required under subsection 14.14(1), (2) or (3), subsection 14.14.1(2) or section 14.16;

(c) within 10 days after a statement delivered to the client that includes information required under subsection 14.14(1),(2) or (3), subsection 14.14.1(2) or section 14.16.

“(2) Subsection (1) does not apply in respect of the first report under section 14.17 and the first report under section 14.18 for a client.”.

20. The Regulation is amended by replacing, wherever they occur in the French text, the words “les espèces” with the words “les fonds”.

21. Coming into force

(1) Subject to paragraph (2), this Regulation is coming into force on July 15, 2013.

(2) The provisions of this Regulation listed in column 1 of the following table come into force on the date set out in column 2 of the table:

Column 1	Column 2
Provisions of this Regulation	Date
Paragraph (1) of section 1, subparagraph (g) of paragraph (1) of section 10, section 11, subparagraphs (a) and (c) of paragraph (1) of section 15	July 15, 2014
Paragraph (2) of section 1, sections 7, 13, 17 and 18	July 15, 2015
Paragraph (4) of section 1, sections 8, 9, 14, subparagraph (b) of paragraph (1) of section 15, section 19	July 15, 2016

Draft Regulations

Draft Regulations

Supplemental Pension Plans Act
(chapter R-15.1)

Funding of pension plans of the municipal and university sectors

—Amendment

Exemption of certain pension plans from the application of provisions of the Act

—Amendment

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1), that the following draft Regulations, appearing below, may be made by the government upon the expiry of 45 days following this publication:

— Regulation to amend the Regulation respecting the funding of pension plans of the municipal and university sectors;

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

The main purpose of the first draft Regulation is to offer for a period of two years the application of relief measures relating to technical deficiencies for defined benefit plans in the municipal and university sectors. The new measures will replace those ending on 31 December 2013 and will remain in effect until 31 December 2015.

The second draft Regulation ensures, during the same period, the application of similar measures to the Régime de retraite du personnel des CPE et des garderies privées conventionnées du Québec, and the Régime complémentaire de rentes des techniciens ambulanciers œuvrant au Québec.

Further information may be obtained by contacting Mr. Pierre Bégin, Régie des rentes du Québec, Place de la Cité, 2600, boulevard Laurier, Québec (Québec) G1V 4T3 (telephone: 418 657-8714, extension 3914; fax: 418 659-8983; email: pierre.begin@rrq.gouv.qc.ca).

Any person wishing to comment on the draft Regulation is asked to send his or her comments in writing before the expiry of the 45-day period mentioned above to Mr. Denys Jean, President and Chief Executive Officer of the

Régie des rentes du Québec, Place de la Cité, 2600, boulevard Laurier, 5^e étage, Québec (Québec) G1V 4T3. Comments will be forwarded by the Régie to the Minister of Employment and Social Solidarity, who is responsible for the administration of the Supplemental Pension Plans Act.

AGNÈS MALTAIS,
*Minister of Employment
and Social Solidarity*

Regulation to amend the Regulation respecting the funding of pension plans of the municipal and university sectors

Supplemental Pension Plans Act
(chapter R-15.1, s. 2, 2nd and 3rd pars.)

I. The Regulation respecting the funding of pension plans of the municipal and university sectors (chapter R-15.1, r. 2) is amended by inserting, after section 39.1, the following:

“39.2. An employer participating in a pension plan — or, in the case of a multi-employer plan, even where it is not considered as such under section 11 of the Act, the participating employers jointly — may, in writing, instruct the pension committee managing the plan that the monthly payments provided for in section 141 of the Act be reduced by 50% where the following conditions are met:

(1) they become payable after 31 December 2013 and before 1 January 2016;

(2) they relate to a technical actuarial deficiency determined during a complete actuarial valuation of the plan dated after 30 December 2008 and prior to 31 December 2015.

The pension committee that receives the instructions referred to in the first paragraph shall, as soon as possible, notify the Régie in writing of the following:

(1) the date on which the pension committee received the instructions;

(2) the amount, on the date of the actuarial valuation on which it is determined, of the technical actuarial deficiency to which the monthly payments referred to in the instructions pertain;

(3) the date of that actuarial valuation and the date on which the amortization period for the deficiency ends, as determined in accordance with section 142 of the Act;

(4) the monthly payments relating to the amortization payments, established in accordance with section 141 of the Act and this section, becoming due as regards that deficiency until 31 December 2015 and thereafter.

Any actuarial valuation report that determines an actuarial deficiency to which the monthly payments referred to in the instructions pertain must also contain that information.

Notwithstanding the second paragraph of section 120 of the Act, where such a report has already been sent to the Régie, it is deemed to have been amended by the writing provided for under the second paragraph, as of the date on which the instructions are received by the pension committee.”.

2. Section 42.1 of the Regulation is amended:

(1) by adding the following at the end of the first paragraph: “Where the pension committee was instructed to apply the measure provided for in section 39.2, the amortization payment determined for that fiscal year in relation to the technical actuarial deficiency is deemed to be 50% of the payment otherwise established.”;

(2) by replacing, in the second paragraph, “section 39.1” by “section 39.1 or section 39.2”.

3. This Regulation comes into force on 31 December 2013.

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

Supplemental Pension Plans Act
(chapter R-15.1, s. 2, 2nd and 3rd pars.)

1. The second paragraph of section 1 of the Regulation respecting the exemption of certain pension plans from the application of provisions of the Supplemental Pension Plans Act (chapter R-15.1, r. 8) is amended by replacing “in section 39 or section 39.1” by “in sections 39, 39.1 or 39.2”.

2. The second paragraph of section 1.1 of the Regulation is amended by replacing “in section 39 or section 39.1” by “in sections 39, 39.1 or 39.2”.

3. This Regulation comes into force on 31 December 2013.

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Draft Regulation

Supplemental Pension Plans Act
(chapter R-15.1)

Pension plans in the private sector

—New relief measures for the funding of solvency deficiencies

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1), that the draft Regulation providing new relief measures for the funding of solvency deficiencies of pension plans in the private sector, appearing below, may be made by the Government on the expiry of 45 days following this publication.

The purpose of the draft Regulation is to offer, for a two-year period, relief measures for the funding of deficiencies of defined benefit plans in the private sector. The measures follow and are comparable in several respects to those provided for under the Regulation providing temporary relief measures for the funding of solvency deficiencies (chapter R-15.1, r. 3.1).

Further information may be obtained by contacting Mr. Pierre Bégin, Régie des rentes du Québec, Place de la Cité, 2600, boulevard Laurier, Québec (Québec) G1V 4T3 (Telephone: 418 657-8714, extension 3914; fax: 418 659-8983; email: pierre.begin@rrq.gouv.qc.ca).

Any person wishing to comment on the draft Regulation is asked to send his or her comments in writing before the expiry of the 45-day period mentioned above to Mr. Denys Jean, President and Chief Executive Officer of the Régie des rentes du Québec, Place de la Cité, 2600, boulevard Laurier, 5^e étage, Québec (Québec) G1V 4T3. Comments will be forwarded by the Régie to the Minister of Employment and Social Solidarity, who is responsible for the administration of the Supplemental Pension Plans Act.

AGNÈS MALTAIS,
*Minister of Employment
and Social Solidarity*

Regulation providing new relief measures for the funding of solvency deficiencies of pension plans in the private sector

Supplemental Pension Plans Act
(chapter R-15.1, s. 2, 2nd and 3rd pars.)

DIVISION I APPLICATION

1. This Regulation applies to every pension plan to which Chapter X of the Supplemental Pension Plans Act (chapter R-15.1) applies, with the exception of a pension plan to which can apply other special funding measures provided for under a regulation made pursuant to section 2 of the Act.

2. The employer party to the plan may, in writing, instruct the pension committee that administers the plan to take one or more of the following relief measures provided for under section 3 for the purposes of the first actuarial valuation of the plan dated after 30 December 2013.

In the case of a multi-employer pension plan, even one not considered as such for the purposes of section 11 of the Act, the person or body empowered to amend the plan can give that instruction.

DIVISION II RELIEF MEASURES

3. The following relief measures can be taken in accordance with the terms and conditions in this Division:

(1) the application of an asset valuation method that levels the short-term fluctuations in the market value of the assets of the plan, called assets smoothing, for the purposes of determining the value of those assets on a solvency basis;

(2) the elimination, as of the date of the first actuarial valuation after 30 December 2013, of the amortization payments related to any solvency deficiency determined on the date of a previous actuarial valuation;

(3) the extension of the period provided in the Act to amortize the technical actuarial deficiencies determined on the date of the first actuarial valuation of the plan dated after 30 December 2013 or thereafter.

§1. Assets smoothing

4. Where instructions were given to apply the relief measure provided for under paragraph 1 of section 3, the asset valuation method on a solvency basis must include the taking into account of the short-term fluctuations in the market value of the assets during the reference period fixed in the instructions. That period cannot exceed five years.

However, where instructions were previously given under paragraph 1 of section 2 of the Regulation providing temporary relief measures for the funding of solvency deficiencies (chapter R-15.1, r. 3.1), the valuation method must remain the same as the method indicated in those instructions.

Notwithstanding the first paragraph of section 123 of the Act, the assets of the pension plan must be established in accordance with the asset valuation method indicated in the instructions, except when determining the degree of solvency of the plan, for the purposes of the first actuarial valuation after 30 December 2013 and subsequent actuarial valuations.

5. The value of the plan's assets, determined on a funding basis, may not be greater than the value that would be determined using the asset valuation method used in the last complete actuarial valuation of the plan dated prior to 31 December 2013.

§2. Extension of the amortization period

6. Notwithstanding section 142 of the Act, where instructions were given to apply the relief measure provided for under paragraph 3 of section 3, the amortization period for the technical actuarial deficiency determined on the date of the first actuarial valuation after 30 December 2013 or a subsequent actuarial valuation expires at the end of a fiscal year of the pension plan ending no later than 10 years after the date of the valuation that determined the deficiency.

DIVISION III ACTUARIAL VALUATION REPORT

7. Any actuarial valuation report of a pension plan whose date is after 30 December 2013 and prior to the end date of the plan's first fiscal year beginning after 31 December 2014 must indicate the measures taken in accordance with instructions. Where no instructions were given, the report must so mention.

The report must, in addition to meeting the requirements set out in sections 4 to 5.4 of the Regulation respecting supplemental pension plans (chapter R-15.1, r. 6), contain a description of the asset valuation method used.

DIVISION IV DURATION OF THE APPLICATION OF THE RELIEF MEASURES

8. The provisions of this Regulation cease to apply in respect of a pension plan on the earlier of the following dates:

(1) the date of the first actuarial valuation showing that the plan is solvent;

(2) the date fixed in a writing giving instructions to terminate their application on a given date. That date must fall on the date on which a fiscal year of the plan ends. The instructions must be given by one of the parties designated under section 2;

(3) the end date of the plan's first fiscal year beginning after 31 December 2014.

DIVISION V FINAL PROVISIONS

9. This Regulation comes into force on 31 December 2013.

Index

Abbreviations: A: Abrogated, N: New, M: Modified

	Page	Comments
Exemption of certain pension plans from the application of provisions of the Act . . . (Supplemental Pension Plans Act, chapter R-15.1)	1969	Draft
Financial assistance to promote access to justice (An Act respecting the Ministère de la Justice, chapter M-19)	1946	N
Funding of pension plans of the municipal and university sectors (Supplemental Pension Plans Act, chapter R-15.1)	1969	Draft
Immigration to Québec, An Act respecting... — Selection of foreign nationals . . . (chapter I-02)	1943	M
Ministère de la Justice, An Act respecting the... — Financial assistance to promote access to justice (chapter M-19)	1946	N
Pension plans in the private sector — New relief measures for the funding of solvency deficiencies (Supplemental Pension Plans Act, chapter R-15.1)	1970	Draft
Registration Requirements, Exemptions and Ongoing Registrant Obligations — Regulation 31-103 (Securities Act, chapter V-1.1)	1948	M
Securities Act — Registration Requirements, Exemptions and Ongoing Registrant Obligations — Regulation 31-103 (chapter V-1.1)	1948	M
Selection of foreign nationals (An Act respecting immigration to Québec, chapter I-02)	1943	M
Supplemental Pension Plans Act — Exemption of certain pension plans from the application of provisions of the Act (chapter R-15.1)	1969	Draft
Supplemental Pension Plans Act — Funding of pension plans of the municipal and university sectors (chapter R-15.1)	1969	Draft
Supplemental Pension Plans Act — Pension plans in the private sector — New relief measures for the funding of solvency deficiencies (chapter R-15.1)	1970	Draft

