

## Draft Regulations

### Draft Regulation

Professional Code  
(R.S.Q., c. C-26)

#### Notaries

- Trust accounting
- Amendments

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act, (R.S.Q., c. R-18.1), that the “Regulation to amend the Regulation respecting trust accounting by notaries”, adopted by the Bureau of the Chambre des notaires du Québec, the text of which appears below, may be submitted to the government for approval upon the expiry of forty-five days following the present publication. The government may approve it with or without amendment.

The Chambre des notaires du Québec believes that this regulation has a double purpose. It puts into place measures aiming at preventing the utilization of a trust account as a tax shelter or for money laundering, on the one hand; and, it transposes in a regulation a standard of professional practice applied for a long time in the keeping of trust accounting by notaries, on the other hand.

The Chambre des notaires du Québec believes that this regulation will have positive impacts as well towards citizens as for enterprises, particularly for small and medium size companies by stressing and supporting the existing legislative provisions on these subjects.

Additional information may be obtained by contacting M<sup>e</sup> Michel Poulin, Secretary of the Chambre des notaires du Québec, 800, Place-Victoria, bureau 700, C.P. 162, Montréal (Québec), H4Z 1L8; telephone no.: (514) 879-2908; fax no.: (514) 879-1923.

All interested persons wishing to comment on this draft regulation may do so in writing, before the expiry of the 45-day period, to the chairman of the Office des professions du Québec, complexe de la place Jacques-Cartier, 320, rue Saint-Joseph Est, 1<sup>er</sup> étage, Québec (Québec), G1K 8G5. These comments will be forwarded by the Office to the Minister responsible for the administration of legislation concerning the professions; they

may also be forwarded to the order professional that made the Regulation as well as to the persons, departments and agencies concerned.

ROBERT DIAMANT,  
*Chairman of the Office des  
professions du Québec*

### Regulation to amend the Regulation respecting trust accounting by notaries

Professional Code  
(R.S.Q., c. C-26 s. 89; 1994, c. 40, s. 77)

**1.** The Regulation respecting trust accounting by notaries, approved by O.C. 823-95 dated June 14, 1995 and amended by the regulation approved by O.C. 1256-96 dated October 2, 1996 is again amended by inserting the following after section 6:

“**6.1** The notary may not receive funds in trust unless such funds are related to the execution of a clearly defined and lawful contract of service.”

**2.** Section 25 of the Regulation is amended by adding the following after paragraph 6°:

“7° in the case of a file concerning the sale of an immovable under construction, use the first disbursement from the trust account for the purchase of the immovable and for the payment of any charge, priority or hypothec affecting it and that has not been assumed by the purchaser”.

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