

Draft Regulations

Draft Regulation

Financial Administration Act
(R.S.Q., c. A-6)

Savings products — Amendments

Notice is hereby given, in accordance with sections 10 to 13 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation to amend the Regulation respecting savings products, which appears below, may be made by the Government upon the expiry of 25 days following this publication.

This draft Regulation proposes to clarify the terms and conditions applicable to securities at maturity, where Placements Québec has received no instructions from the owner regarding the securities. The Regulation also proposes to introduce a provision whereby funds may be frozen in favour of a third party, upon written request from the participant.

To date, the study of the matter has shown no effect on individuals or businesses.

In accordance with section 13 of the Regulations Act, the Government is of the opinion that the urgency due to the following circumstances warrants a shorter publication period:

— given the considerable number of securities that will mature in the fall of 1998, it is imperative, in the interest of the participants, to clarify the terms and conditions applicable to the automatic reinvestment of the securities.

Further information may be obtained by contacting Ms. Lise Roberge of the Direction de l'organisation financière, Ministère des Finances, 12, rue Saint-Louis, 3^e étage, Québec (Québec) G1R 5L3, Tel.: (418) 691-2231, Fax: (418) 528-1463.

Any interested person having comments to make on the matter is asked to send them in writing, before the expiry of the 25-day period, to the Minister of Finance, 12, rue Saint-Louis, 1^{er} étage, Québec (Québec) G1R 5L3.

BERNARD LANDRY,
Minister of Finance

Regulation to amend the Regulation respecting savings products*

Financial Administration Act
(R.S.Q., c. A-6, ss. 69.0.4 and 69.0.5)

1. The Regulation respecting savings products is amended by inserting the following after section 26:

“**26.1.** Placements Québec may delay the reimbursement or the transfer of a security held for fewer than ten days, until the amount payable has been cleared by a bank and credited to the Government.”.

2. Section 33 is amended:

(1) by inserting the following words at the beginning of the first paragraph: “Subject to the automatic reinvestment provided for in sections 65.1 to 65.4 and”;

(2) by adding the following after the first paragraph:

“For the purposes of this Regulation, “maturity value” means the amount payable for a security on its maturity date, less the simple interest payable on the security, if applicable.”.

3. Section 46 is revoked.

4. The following is substituted for section 47:

“**47.** Any application for transfer shall be made by filling out the form prescribed in Schedule I, and shall describe the securities in the participant’s portfolio that are listed in the application.”.

5. The following is inserted after the title of Division V of Chapter I:

“§1. *Reinvestment upon application*”.

6. The following is inserted after section 65:

“§2. *Automatic reinvestment*

65.1. If Placements Québec has not received any instructions from the participant or the person authorized

* The Regulation respecting savings products was made by Order in Council 1038-96 dated 21 August 1996 (1996, G.O. 2, 3930) and has not been amended since.

to act in his name with respect to the securities that have matured, the term of which is more than one day, the maturity value of those securities shall automatically be reinvested on the maturity date in Québec term bonds with a one-year term bearing interest at a fixed rate and compounded annually or, if such bonds are not available on that date, in Québec transitory investment units.

However, the maturity value of 1996 units of the Investment Saving Plan, Québec savings bonds issued as of 1996, or Québec savings bonds issued before 1996 that have been registered in a book based system with Placements Québec, shall automatically be reinvested in Québec savings bonds on the maturity date, or if such bonds are not available, in Québec transitory investment units. In the latter case, the value of the units shall subsequently be reinvested in Québec savings bonds, if such bonds are issued in the year following the date of reinvestment in the units.

65.2. Placements Québec shall send the participant or the person authorized to act in his name a statement of transactions confirming the reinvestment.

65.3. The participant is deemed to have agreed to the reinvestment if, within 45 days following the date of the statement, Placements Québec has not received from the participant or the person authorized to act in his name a notice giving instructions either to reimburse the maturity value of the original securities or to invest it in other savings products available at such maturity date.

65.4. Where reimbursement instructions are received, Placements Québec shall reimburse the principal of the securities acquired by automatic reinvestment and the interest yielded by those securities up to the date of the reimbursement.

Where instructions to invest in savings products other than those acquired by automatic reinvestment are received, the investment shall have effect and be subject to the conditions in force on the maturity date of the original securities.”

7. The following is inserted after section 75:

“**75.1.** Placements Québec may, upon the written request of a participant, agree that the value of the securities designated by the participant be frozen in favour of a third party for the amount of the principal only or for the principal and interest.

No transaction may be carried out with respect to the securities while the funds are frozen, except for their reinvestment at maturity, unless there is a written authorization from the third party in favour of which the funds were frozen.

The funds shall be frozen by means of an entry in the participant’s account to the effect that the designated securities have been frozen, giving the name and address of the third party in whose favour they were frozen and, if applicable, the expiry date of the freeze. That entry in the account may be erased by means of a written agreement from the third party; however, the entry bearing an expiry date for the freezing of funds shall be cancelled by operation of law at 00:00 a.m. on the day following its expiry date.”

8. This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

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Notice

An Act respecting industrial accidents
and occupational diseases
(R.S.Q., c. A-3.001)

Experience ratios for 1999

Notice is hereby given in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that upon the expiry of 45 days following the publication of this notice the Regulation respecting the experience ratios for 1999 will be adopted by the Commission de la santé et de la sécurité du travail, with or without amendments.

The Regulation determines the experience ratios for each unit of activity for 1994, 1995, 1996 and 1997, which will be used to fix the assessment of employers subject to a personalized rate for 1999 under the Regulation respecting personalized rates.*

The purpose of the Regulation respecting personalized rates is to adjust the assessment of employers in relation to their own experience in the field of occupational injuries, so as to encourage prevention.

Any interested person having comments to make on matter is asked to send them in writing, before the expiry of the 45-day period, to Mr. Roland Longchamps, Vice-Chairman, Finance, Commission de la santé et de la sécurité du travail, 524, rue Bourdages, Québec (Québec) G1K 7E2.

TREFFLÉ LACOMBE,
*Chairman of the board and
chief executive officer
of the Commission de la santé
et de la sécurité du travail*