

## Regulations and other acts

Gouvernement du Québec

### O.C. 1171-99, 13 October 1999

An Act respecting the distribution of financial products and services  
(1998, c. 37)

#### **Chambre de la sécurité financière — Governing compulsory professional development**

Regulation of the Chambre de la sécurité financière governing compulsory professional development

WHEREAS under subparagraph 2 of the first paragraph of section 313 of the Act respecting the distribution of financial products and services (1998, c. 37), each Chamber shall determine, by regulation, the rules governing compulsory professional development in each sector or class of sectors other than financial planning in which its contributors carry on business;

WHEREAS under the second paragraph of that section, a regulation made under the first paragraph shall be submitted to the Government for approval with or without amendment;

WHEREAS in accordance with that section, the Chambre de la sécurité financière adopted the Regulation of the Chambre de la sécurité financière governing compulsory professional development;

WHEREAS in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), the text of that Regulation was published as a draft in the *Gazette officielle du Québec* of 12 May 1999 with a notice that it could be submitted to the Government for approval upon the expiry of 45 days following that publication;

WHEREAS it is expedient to approve the Regulation, with amendments;

IT IS ORDERED, therefore, on the recommendation of the Minister of State for the Economy and Finance and Minister of Finance:

THAT the Regulation of the Chambre de la sécurité financière governing compulsory professional development, attached to this Order in Council, be approved.

MICHEL NOËL DE TILLY,  
*Clerk of the Conseil exécutif*

#### **Regulation governing compulsory professional development of the Chambre de la sécurité financière**

An Act respecting the distribution of financial products and services  
(1998, c. 37, s. 313, 1st par., subpar. 2)

#### **DIVISION I SCOPE**

**1.** This Regulation applies to all representatives, whether or not they are independent, who hold a certificate issued by the Bureau des services financiers authorizing them to practise in any one of the following sectors including the classes thereof:

- (1) insurance of persons;
- (2) group insurance of persons;
- (3) group savings plan brokerage;
- (4) investment contract brokerage;
- (5) scholarship plan brokerage.

For the purposes of this Regulation, the sectors listed in subsections (3) to (5) are considered a single sector.

#### **DIVISION II OBLIGATIONS**

**2.** Any representative who holds a certificate issued before January 1, 2000, shall, between that date and December 31, 2001, take part in training activities recognized by the Chambre de la sécurité financière in accordance with Division III. These training activities shall consist of 30 professional development units and pertain to the following subjects if the representative holds a certificate authorizing him to practise in only one of the sectors mentioned in section 1: employee benefits, group insurance, accident or health insurance, disability insurance, life insurance, Civil Code, accounting, client counselling, ethics, legal aspects of insurance, economics, finance, management of an insurance or investment firm, investments, pensions, retirement planning, business planning, financial planning, tax planning, estate planning, professional practice, professional liability, actuarial sciences, annuities and underwriting or risk management.

Over the course of this period, this representative shall also take part in training activities recognized by the Chamber and consisting of, in addition to the 30

PDUs required under the first paragraph, 10 additional PDUs in the subjects provided for therein for each of the other sectors mentioned in section 1 in which he is authorized to practise by virtue of his certificate.

The number of PDUs to be accumulated by any representative who is issued a certificate between January 1, 2000, and December 31, 2001, or who is authorized to practise in a new sector over the course of this period shall be prorated based on the number of complete months he has held a certificate during these 24 months, unless he has held the certificate for less than 6 months.

In this Regulation, the term “professional development unit,” or “PDU,” means the quantitative value assigned to a training activity recognized by the Chamber, one PDU representing one hour of the activity.

**3.** As of January 1, 2002, any representative who holds a certificate shall, between that date and December 31, 2003, and every 24 months thereafter, take part in training activities recognized by the Chamber in accordance with Division III. These training activities shall consist of at least 60 PDUs and pertain to the subjects mentioned in the first paragraph of section 2. At least 10 of these PDUs shall pertain to the subjects below that are specific to each of the sectors mentioned in section 1 in which he is authorized to practise by virtue of his certificate:

- (1) insurance of persons
  - (a) life insurance;
  - (b) accident or health insurance;
  - (c) disability insurance;
  - (d) legal aspects of insurance;
  - (e) economics;
  - (f) finance;
  - (g) retirement planning;
  - (h) financial planning;
  - (i) tax planning;
  - (j) estate planning;
  - (k) underwriting or risk management;
  - (l) Civil Code;
  - (m) accounting;
  - (n) client counselling;
  - (o) ethics;
  - (p) management of an insurance or investment firm;
  - (q) investments;
  - (r) pensions;
  - (s) business planning;
  - (t) professional practice;
  - (u) annuities;
  - (v) professional liability;
  - (w) actuarial sciences;

(2) group insurance of persons

- (a) group insurance;
- (b) employee benefits;
- (c) any subject mentioned in paragraphs *c* and *d*, and *k* to *w* of subsection (1);

(3) group savings plan brokerage, investment contract brokerage and scholarship plan brokerage: all subjects mentioned in paragraphs *e* to *j* and *l* to *w* in subsection (1).

The number of PDUs to be accumulated by any representative who is issued a certificate between January 1, 2002, and December 31, 2003, or over the course of any 24-month period thereafter or who is authorized to practise in a new sector over the course of one of these periods shall be prorated based on the number of complete months he has held a certificate during these 24 months, unless he has held the certificate for less than 6 months.

**4.** Notwithstanding sections 2 and 3, any representative who holds a certificate authorizing him to practise only in the accident or health insurance class shall, over the course of each 12-month period that elapses between January 1, 2000, and December 31, 2001, take part in training activities recognized by the Chamber in accordance with Division III. These training activities shall consist of 15 PDUs and pertain to the subjects provided for in the first paragraph of section 2. For each subsequent 12-month period, he shall accumulate 30 PDUs.

The number of PDUs to be accumulated by any representative to whom such a certificate is issued over the course of one of the periods mentioned in the first paragraph shall be prorated based on the number of complete months he has held a certificate during these 12 months, unless he has held the certificate for less than 6 months.

**5.** The Chamber may relieve a representative from the obligations provided for in section 2, 3 or 4 if, due to overwhelming circumstances, he was unable to comply with them.

The fact that a representative was suspended or struck off the roll, that his certificate was cancelled or revoked pursuant to a decision of the disciplinary committee of the Chamber or pursuant to an enforceable decision of the disciplinary committee of the Association des intermédiaires en assurance de personnes du Québec, or that his certificate was revoked, suspended, not renewed or included restrictions and conditions imposed by the Bureau does not constitute overwhelming circumstances.

**6.** The representative referred to in the second paragraph of section 5 can take part in training activities recognized by the Chamber and earn PDUs. However, he may not act in the capacity of trainer, instructor or facilitator in these activities.

**7.** A representative who, over the course of a 24-month period for representatives referred to in sections 2 and 3, and over the course of a 12-month period for representatives referred to in section 4, takes part in training activities recognized by the Chamber and consisting of more PDUs than those provided for in section 2, 3 or 4 cannot carry them forward to a subsequent period.

**8.** Each representative shall keep the proofs of attendance, or the exam or test results attestations which are given to him by the person, organization or institution who offers training activities recognized by the Chamber.

### **DIVISION III** **RECOGNITION OF TRAINING ACTIVITIES**

**9.** The Chamber shall recognize a training activity that pertains to one of the subjects mentioned in section 2, if it develops the following professional skills:

- (1) personal development;
- (2) business development;
- (3) technical development;
- (4) clientele development.

However, it shall not recognize and assign PDUs for any activity offered by a person, organization or educational institution that pertains to specific insurance of persons or group insurance of persons products, or other financial products, including securities, nor for any training activity designed to motivate representatives to sell these products.

**10.** An application for recognition of a training activity may be submitted to the Chamber, before or after the activity is held, by the representative himself or by the person, organization or educational institution who is offering the activity.

**11.** The application for recognition shall include the following:

- (1) a description of the training activity;
- (2) an explanation of how this activity will be conducted;

(3) an explanation of how this activity develops the professional skills mentioned in section 9;

(4) if the application is submitted before the activity is held, the name and address of the person responsible for this activity;

(5) if the application is submitted by the representative after the activity is held, proof that he has attended this activity;

(6) the method of controlling the successful completion of the activity, if applicable;

(7) if the application is submitted after the activity is held by the person, organization or the educational institutional who offered it, the list of participants;

(8) the number of PDUs requested for the training activity.

**12.** The Chamber will recognize or refuse to recognize an activity within 45 days of receipt of the application. If the application is rejected or if the activity is recognized for a lesser number of PDUs than requested, the Chamber will provide an explanation to the applicant.

**13.** The recognition of an activity is valid for two years.

**14.** The person responsible for an activity shall submit any change to its content, duration or method of control to the Chamber.

The Chamber may then continue to recognize or may stop recognizing the activity, or increase or decrease the number of PDUs assigned to it.

**15.** The Chamber may stop recognizing an activity, or increase or decrease the number of PDUs assigned to it if it notices that the activity being offered is different from one that was recognized.

**16.** A representative who acts in the capacity of trainer, instructor or facilitator in an activity is entitled, only once for this activity, to double the number of PDUs assigned to it.

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