

### DIVISION III COMPULSORY PROFESSIONAL DEVELOPMENT

4. Every financial planner shall, once every two years, spend a total of sixty (60) hours on professional development as follows:

a) fifteen (15) hours of integrated training activities combining the seven (7) areas involving personal financial planning set forth in section 3; the type of such activities shall be developed and given by or in partnership with the Institut;

b) thirty (30) hours of training activities in one of the seven (7) areas mentioned above, which activities shall have been approved and validated by the Institut in advance; and

c) fifteen (15) hours of other training activities required to obtain, update and review knowledge and skills which are essential to a financial planning practice; the financial planner shall provide the Institut with a written declaration describing such activities.

### DIVISION IV TRANSITIONAL PROVISIONS

5. As of the expiry of the six (6) month period following the date this By-law comes into effect, the rules governing professional development provided herein shall apply to any person holding the title of financial planner in conformity with the Act respecting the distribution of financial products and services (1998, c. 37).

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#### **Draft Regulation**

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

#### **Multi-sector firms registered in the real-estate-brokerage sector**

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 respecting multi-sector firms registered in the real-estate-brokerage sector adopted by the Bureau des services financiers, the text of which appears hereunder, may be submitted to the Government for approval, with or without amendments, upon the expiry of a 45-day period from the date of this publication.

According to the Bureau des services financiers, this draft regulation is intended to determine the registers

and records that must be kept by multi-sector firms authorized to act in the field of real-estate-brokerage. It applies only to firms granted acquired rights by the Act in the real-estate-brokerage sector and in another discipline.

According to the Bureau, the examination of this file conducted to date reveals no impact on the public and business, particularly small and medium-sized business.

There is no new impact on multi-sector firms since the particular rules for the establishment, keeping and content of each type of book, register and record that are established are those which were specifically applicable thereto under the Regulation respecting multi-sector firms (D. 1864-93, s. 29).

Additional information may be obtained from M<sup>e</sup> Nathalie G. Drouin, Director of Legal Affairs, Bureau des services financiers, 140, Grande Allée Est, bureau 300, Québec (Québec) G1R 5M8, telephone number: (418) 525-6273 or 1-877-525-6273, facsimile number: (418) 525-9512, E-mail: ndrouin.bsf@megaquebec.net

Any interested party having comments regarding this matter is asked to forward them, in two copies, prior to the expiry of the 45-day period, to the Minister of Finance, 12, rue Saint-Louis, bureau 1.10, Québec (Québec) G1R 5L3.

BERNARD LANDRY,  
*Minister of State for the Economy and Finance*

#### **Regulation respecting multi-sector firms registered in the real-estate-brokerage sector**

An Act respecting the distribution of financial products and services  
(1998, c. 37, ss. 223, 549)

1. In addition to complying with the rules prescribed in the Regulation respecting the obligations of firms, independent representatives and independent partnerships in connection with the keeping of registers and records, a firm registered with the Bureau in the real-estate brokerage sector shall comply with the rules prescribed in this Regulation.

2. A firm registered for the real-estate-brokerage sector shall keep the following books and records in pursuing the activity of real-estate broker:

- (1) a record for each brokerage contract;

(2) a register of its brokerage contracts;

(3) a record for each transaction proposal that was not accepted, where the firm is not the real-estate broker to which the brokerage contract was awarded;

(4) a separate register for all transactions referred to in section 1 of the Real Estate Brokerage Act (R.S.Q., c. C-73.1);

(5) a record for all transactions referred to in section 1 of the Real Estate Brokerage Act (R.S.Q., c. C-73.1);

(6) a register for all transactions referred to in section 1 of the Real Estate Brokerage Act (R.S.Q., c. C-73.1);

(7) an accounting register showing the sums held in trust.

The firm may keep the registers provided for in paragraphs 1, 6 and 7 using electronic or computer-based data or document processing systems, as long provided that it takes reasonable care to prevent loss or destruction of the registers and any falsification of the entries therein, on the condition that the information may be produced within a reasonable time and in a form that is accurate and comprehensible to any person authorized by law to audit the information.

A firm pursuing real-estate-brokerage activities shall keep the registers and records prescribed in paragraphs 1 to 6 in each of its establishments in Québec but may keep the register prescribed in paragraph 7 at its principal establishment in Québec.

**3.** The record for each brokerage contract shall contain the following documents:

(1) the original brokerage contract;

(2) a copy of any document containing information used to describe the immovable property, stock-in-trade or loan secured by immovable hypothec to which the brokerage contract pertains;

(3) a copy of any document that the firm has in its possession to attest to the accuracy of the information it provides concerning the object of the brokerage contract;

(4) a copy of any agreement concerning a possible sharing of compensation;

(5) the original of any proposal not accepted;

(6) any other document related to the transaction to which the contract pertains, including any correspondence.

**4.** The register of brokerage contracts shall contain the following information in respect of each brokerage contract. The information shall be recorded in ascending numerical order of the individual numbers attributed by the firm to each brokerage contract or in alpha-numerical order of addresses or cadastral descriptions:

(1) the address, including the postal code, of the immovable property or stock-in-trade to which the brokerage contract pertains or, in the absence of an address, its cadastral description;

(2) the date on which the brokerage contract was awarded to the firm;

(3) the date of expiry of the brokerage contract;

(4) the individual number attributed to the brokerage contract, from a series of consecutive numbers used only by the establishment concerned;

(5) the name, address, postal code and telephone number of the person or partnership that awarded the brokerage contract to the firm.

**5.** Where the firm is not the real-estate broker to which the brokerage contract was awarded, the record for each transaction proposal that was not accepted shall contain the following documents:

(1) the original of the transaction proposal that was not accepted or, where the firm does not have the original in its possession, a copy thereof;

(2) a copy of any document containing information used to describe the immovable property, stock-in-trade or loan secured by immovable hypothec to which the transaction proposal pertains.

**6.** The separate register for all transactions referred to in section 1 of the Real Estate Brokerage Act (R.S.Q., c. C-73.1) shall contain the following information:

(1) the individual number attributed to the transaction by the firm, from a series of consecutive numbers used only by the establishment concerned;

(2) the date of acceptance of the transaction proposal;

(3) the date scheduled for completion of the transaction;

(4) the address, including the postal code, of the immovable property or stock-in-trade to which the transaction pertains or, in the absence of an address, its cadastral description;

(5) the nature of the transaction;

(6) the individual number attributed to the brokerage contract by the firm, from a series of consecutive numbers used only by the establishment;

(7) the name, address, postal code and telephone number of the person or partnership that is alienating a right through the transaction;

(8) the name, address, postal code and telephone number of the person or partnership that is acquiring a right through the transaction;

(9) the total value of the consideration agreed to by the parties;

(10) the address of the firm's establishment;

(11) the amount or market value, excluding applicable taxes, of the compensation that the firm is to receive;

(12) the name of the person or partnership that is to pay the firm's compensation and, where that person or partnership is different from those referred to in paragraphs 7 and 8, the address, postal code and telephone number of that person or partnership;

(13) the amount that the firm shares with the holder of a chartered real-estate broker's certificate, with a person or partnership entitled to pursue the activities of a real-estate broker in a jurisdiction outside Québec or with a representative;

(14) the name of the holder of a chartered real-estate broker's certificate, of the person or partnership entitled to pursue the activities of a real-estate broker in a jurisdiction outside Québec or the name of the representative with whom the firm shares its compensation, as well as the numbers of their respective certificates;

(15) the sum received in trust;

(16) the date of receipt of any sum received in trust, where that date differs from the date of any promise;

(17) an indication that the sum is a sum received in trust;

(18) an indication that any sum received in trust shall be deposited in a special trust account bearing interest

for the benefit of the depositor or in the general trust account;

(19) the name of the legal advisor who is expected to effect the transaction, including the name of the legal advisor's firm;

(20) the date of entry in the register;

(21) the signature of the natural person designated by the firm under section 7 of the Real Estate Brokerage Act (R.S.Q., c. C-73.1) to represent it for the purposes of that Act or to manage that place of business under section 13 of the Act.

**7.** The record for all the transactions referred to in section 1 of the Real Estate Brokerage Act (R.S.Q., c. C-73.1) shall contain the following documents:

(1) the contents of the record, provided for in section 3, in respect of the brokerage contract pertaining to the transaction or, where the firm does not have that record in its possession, a copy of any document in its possession and provided for in that section;

(2) the separate register for the transaction prescribed by section 6;

(3) the original of the accepted proposal or, where the firm does not have that original in its possession, a copy thereof;

(4) a copy of the receipt issued to the depositor for any sum received in trust;

(5) a copy of the cheque or other bill of exchange or of the transfer slip used to make a withdrawal from the trust account, except where such copy is kept at the firm's principal establishment;

(6) a copy of any written statement required under section 2 of the Regulation pertaining to certain disclosures and notices to be remitted by a representative concerning the sharing of a commission between the firm and a representative;

(7) any other document related to the transaction, including any correspondence.

**8.** The register of transactions referred to in section 1 of the Real Estate Brokerage Act (R.S.Q., c. C-73.1) shall contain the following information for each transaction, recorded in ascending numerical order of the individual numbers attributed to each transaction:

(1) the individual number attributed to the transaction by the firm, from a series of consecutive numbers used only by the establishment;

(2) the date of acceptance of the transaction proposal;

(3) the date scheduled for completion of the transaction;

(4) the address, including the postal code, of the immovable property or stock-in-trade to which the transaction pertains or, in the absence of an address, its cadastral description;

(5) the nature of the transaction;

(6) the individual number attributed to the brokerage contract by the firm, from a series of consecutive numbers used only by the establishment;

(7) the name, address, postal code and telephone number of the person or partnership that is alienating a right through the transaction;

(8) the name, address, postal code and telephone number of the person or partnership that is acquiring a right through the transaction;

(9) the total value of the consideration agreed to by the parties;

(10) the address of the firm's establishment;

(11) the amount or market value, excluding applicable taxes, of the compensation that the firm is to receive;

(12) the name of the person or partnership that is to pay the firm's compensation and, if that person or partnership is different from the person or partnership referred to in paragraphs 7 and 8, the address, postal code and telephone number of that person or partnership;

(13) an indication of whether or not the compensation is to be shared with a firm registered as a real-estate broker, other than an affiliated real-estate broker, with a person or partnership entitled to pursue the activities of a real-estate broker in a jurisdiction outside Québec or with a representative;

(14) the sum received in trust;

(15) an indication that the sum is a sum received in trust;

(16) the date of entry in the register.

The register of transactions may also consist of a compilation of copies from each of the separate registers prescribed in section 6, classified in ascending numerical order of the individual numbers attributed by the firm to each transaction.

9. The accounting registers indicating the sums held in trust by the firm shall be integrated into an accounting system kept according to generally accepted accounting principles and shall contain the following information, recorded in chronological order:

(1) in the case of a sum received in trust and deposited into the general trust account:

(a) the individual number attributed to the transaction by the firm;

(b) the sum received;

(c) the date of receipt of the sum, where different from the date of acceptance of the proposal;

(d) the number of the receipt issued to the depositor for the sum received;

(e) the date of entry in the register;

(f) the date of deposit with the financial institution;

(2) in the case of a sum received in trust and withdrawn from the general trust account:

(a) the individual number attributed to the transaction by the firm;

(b) the sum withdrawn;

(c) the individual number attributed to the cheque, bill of exchange or transfer slip used for the withdrawal;

(d) the name of the beneficiary of the cheque, bill of exchange or transfer slip used for the withdrawal;

(e) the date appearing on the cheque, bill of exchange or transfer slip used for the withdrawal;

(f) the date of entry in the register;

(3) in the case of a sum received in trust and deposited into a special trust account:

(a) the information listed in paragraph 1;

(b) identification of the special account;

(c) the name of the financial institution with which the account was opened;

(4) in the case of a sum received in trust and withdrawn from a special trust account:

(a) the information listed in paragraph 2;

(b) identification of the special account;

(c) the name of the financial institution with which the account was opened.

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## Draft Regulation

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

### Obligations of firms, independent representatives and independent partnerships

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 respecting the practice of firms, independent representatives and independent partnerships adopted by the Bureau des services financiers, the text of which appears hereunder, may be submitted to the Government for approval, with or without amendments, at the expiry of a 45-day period from the date of this publication.

According to the Bureau des services financiers, this draft regulation is intended to determine the conditions which must be respected by firms, independent representatives and independent partnerships in respect of advertising, representations and client solicitation. The rules pertaining to the keeping of registers and records, in particular registers of clients, registers of commissions and registers of complaints are also set out. The manner of dealing with complaints received is also included among the subjects covered. Moreover, this draft regulation highlights the rules pertaining to the compulsory maintenance of liability insurance by such registrants and the features that such insurance shall have. Finally, the draft regulation sets out rules applicable to franchisers and franchisees.

Other than the fact that it introduces a new obligation for processing complaints and keeping the corresponding register, this draft regulation has a minimal impact on small business. Firms and partnerships registered with the Bureau des services financiers must continue to comply with a variety of rules which were already appli-

cable thereto by the regulations of the organizations which respectively govern their sectors of activity prior to the coming into force of section 582 of the Act. In addition, according to the Bureau, an examination of the file reveals no impact on the public except for an increase in public protection by a harmonized supervision for all sectors, of the activities of firms, independent representatives and independent partnerships governed by the Bureau des services financiers.

Additional information may be obtained from M<sup>e</sup> Nathalie G. Drouin, Director of Legal Affairs, Bureau des services financiers, 140, Grande Allée Est, local 300, Québec (Québec) G1R 5M8, telephone number: (418) 525-6273 or 1-877-525-6273, facsimile number: (418) 525-9512, E-mail: ndrouin.bsf@megaquebec.net.

Any interested party having comments regarding this matter is asked to forward them, in two copies, prior to the expiry of the 45-day period, to the Minister of Finance, 12, rue Saint-Louis, local 1.10, Québec (Québec) G1R 5L3.

BERNARD LANDRY,  
*Minister of State for  
the Economy and Finance*

## Regulation respecting the obligations of firms, independent representatives and independent partnerships

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

### CHAPTER I ADVERTISING, REPRESENTATIONS AND CLIENT SOLICITATION

#### DIVISION 1 GENERAL PROVISIONS

1. Firms, independent representatives and independent partnerships shall render services and sell products that comply with their declarations and advertising.

2. Firms, independent representatives and independent partnerships shall not, by any means whatsoever, make false, misleading, or incomplete representations to persons with whom they transact business.

3. Firms, independent representatives, and independent partnerships shall not falsely, by any means whatsoever,