

Draft Regulation

An Act respecting registry offices
(R.S.Q., c. B-9)

Register of personal and movable real rights

— Tariff of fees

— 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 Tariff of fees respecting the register of personal and movable real rights, the text of which appears below, may be made by the Government upon the expiry of 45 days following this publication.

Any person having comments to make on the matter is asked to send them in writing, before the expiry of the 45-day period, to the undersigned, 1200, route de l'Église, 9^e étage, Sainte-Foy (Québec) G1V 4M1.

LINDA GOUPIL,
Minister of Justice

Regulation to amend the Tariff of fees respecting the register of personal and movable real rights*

An Act respecting registry offices
(R.S.Q., c. B-9, s. 8)

1. The following is substituted for section 1 of the Tariff of fees respecting the register of personal and movable real rights:

“1. The fee for the registration of a right mentioned in an application which, according to law, must fix the date after which registration ceases to be effective is \$27.00 per application, plus fees for the duration of the publication equal to \$3.00 per year or fraction of a year of intended publication, up to \$15.00.

In addition, in computing the fee for the registration of the renewal of the publication of a right, the fees for the duration of the intended publication shall be multiplied by the number of registration numbers indicated under the heading “Reference to registration in the register of personal and movable real rights” on the appropriate form.

* The Tariff of fees respecting the register of personal and movable real rights, made by Order in Council 1595-93 dated 17 November 1993 (1993, *G.O.* 2, 6238), was last amended by the Regulation made by Order in Council 445-98 dated 1 April 1998 (1998, *G.O.* 2, 1533).

1.1 The fee for the registration of a right mentioned in an application that does not have to specify the date after which registration ceases to be effective or for the registration of a correction in an entry is \$42.00 per application.”

2. The following is added after section 2:

“2.1 The fees exigible under sections 1, 1.1 and 2 shall be reduced by \$8.00 per application where the application is presented by electronic means.”

3. Section 3 is amended

(1) by inserting “and section 1.1” after the number “1” in the part preceding paragraph 1; and

(2) by adding the following paragraph at the end:

“(5) a right mentioned in an application presented in the form of a notice made on the form RZ “Application for registration of a reservation of ownership, rights under a lease or certain other rights — Transitional law.”

4. The following is substituted for section 13.2:

“13.2 The fee exigible for consulting the register using the identification number of a road vehicle is \$3.00 per number.”

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

2828

Draft Regulation

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

Rules for securities representatives and firms regulations

Notice is hereby given pursuant to the Regulations Act (R.S.Q., c. R-18.1) that the “Rules for Securities Representatives and Firms Regulations”, the text of which is published below, may be submitted for Government approval with or without amendments upon the expiry of a 45-day time period following such publication.

According to the Commission, the purpose of these proposed Regulations is to set forth the rules for securities representatives, and securities firms acting through

a securities representative, by reference to the existing rules governing the brokerage of group savings plans, of investment contracts and of scholarship plans. Such rules have already been set forth by the Government and the Commission des valeurs mobilières du Québec.

For this purpose, these proposed Regulations prescribe by reference the rules of professional conduct, the requirements for carrying on business, the rules governing solicitation, product information as well as business relationships and rules governing the disclosure thereof. Furthermore, the rules governing trust accounts and the rules governing the maintenance of financial resources for securities firms are also prescribed in the same manner.

The Commission believes that these Regulations will have a favourable impact on the public and the financial sector by ensuring that established rules are maintained and because no new obligations are created in addition to the obligations already existing.

Further information may be obtained by contacting Daniel Laurion, Commission des valeurs mobilières du Québec, 800, carré Victoria, 22^e étage, C.P. 246, Tour de la Bourse, Montréal (Québec) H4Z 1G3, (514) 940-2150.

Any interested persons wishing to comment on the above matter are requested to send two copies of their comments to the Minister of State for the Economy and Finance and Minister of Finance, 12 rue Saint-Louis, bureau 1.01, Québec (Québec) G1R 5L3 before the expiry of the 45-day time period.

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

Rules for securities representatives and firms regulations

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

DIVISION 1 GENERAL

1. These Regulations apply to the securities representatives referred to under section 9 of the Act respecting the distribution of financial products and services (1998, c. 37) who carry on business in the group savings plan, investment contract and scholarship plan brokerage sectors.

2. Such securities representatives, and securities firms acting through a securities representative, are subject to the rules provided under the Securities Act (R.S.Q., c. V-1.1), the Regulation concerning securities and any other subordinate legislation relating thereto, to the extent set forth under sections 4 to 6 hereof.

3. In the event of a conflict between the above-mentioned rules and the provisions of these Regulations, the above-mentioned rules shall take precedence.

DIVISION 2 SECURITIES REPRESENTATIVES

4. Securities representatives carrying on business are subject to the rules governing the representative of a dealer, which rules determine:

- (1) professional conduct;
- (2) occupations which are incompatible with the business carried on by a representative;
- (3) the conditions and restrictions relating to the business carried on by a representative;
- (4) client solicitation and representations made by a representative;
- (5) product information which a representative is required to provide to a client and the manner in which such information is to be provided;
- (6) the granting of another benefit or interest constituting a business relationship for the purposes of section 53 of the Act respecting the distribution of financial products and services.

5. For the purposes of section 54 of the Act respecting the distribution of financial products and services, securities representatives shall meet the requirements by demonstrating that they have completed the training recognized by a confederation governed by the Savings and Credit Unions Act (R.S.Q., c. C-4.1).

DIVISION 3 SECURITIES FIRMS

6. Firms acting through a securities representative are subject to the rules governing dealers with a restricted practice of the same class, which rules determine the establishment and maintenance of a trust account as well as the maintenance of sufficient financial resources.

DIVISION 4 FINAL PROVISIONS

7. These Regulations shall come into force on the day they are approved by the Government.*

2841

Draft Regulation

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

Special brokerage in damage insurance

Notice is hereby given, in accordance with the sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation respecting special brokerage in damage insurance 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 conditions that must be met by a damage insurance broker before it is authorized to act as a special broker, as well as the information that the broker must give to a client in writing before placing a risk. The form of statement to be given to the client is set out in the Schedule. The draft regulation substantially maintains the rules that were established in such respect by the Conseil des assurances de dommages.

The draft regulation also proposes an amount of \$100,000 as security to be provided by a firm on behalf of which a broker acts; such security was previously established at \$50,000.

The examination of this file conducted to date reveals, according to the Bureau, no impact on the public, other than an increase in public protection through the supervision of this activity. Regarding business and particularly small and medium-sized business, the only impact relates to the increase in the amount of security.

Additional information may be obtained from M^e 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 special brokerage in damage insurance

An Act respecting the distribution of financial products and services
(1998, c. 37, s. 212)

CHAPTER I AUTHORIZATION

1. For a broker to be authorized to act as a special broker, the firm in which he is employed or on whose behalf he acts must apply in writing to the Bureau and forward the following documents and information:

(1) the name, residential address and certificate number of the damage insurance broker who intends to act as a special broker;

(2) the names and addresses of at least three damage insurers holding insurance licences in Québec and whose products the firm is authorized to offer and to sell;

(3) a copy of the firm's financial statements for its most recent fiscal year, signed by two of the firm's directors;

(4) a copy of the security prescribed in section 2.

CHAPTER II SECURITY

2. The security provided for in the second paragraph of section 77 of the Act that must be furnished in the form of an insurance contract by the firm on whose behalf the broker acts, is hereby determined as a blanket amount of \$100,000, regardless of the number of insurance contracts placed through a special broker.

CHAPTER III REQUIREMENTS

3. A firm that employs or acts through representatives who hold broker's certificates in damage insurance and who are authorized by the Bureau to act as special brokers must forward to the Bureau, each month: