



NATIONAL ASSEMBLY

SECOND SESSION

THIRTY-SIXTH LEGISLATURE

Bill 107
(2002, chapter 45)

**An Act respecting the Agence nationale
d'encadrement du secteur financier**

**Introduced 8 May 2002
Passage in principle 6 June 2002
Passage 11 December 2002
Assented to 11 December 2002**

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EXPLANATORY NOTES

The purpose of this bill is to restructure the regulatory framework applicable in the financial industry in Québec. It creates a single regulatory body, the Agence nationale d'encadrement du secteur financier, whose mission is to administer all the legislation regulating the financial industry, in particular in the fields of insurance, securities, depository institutions and the distribution of financial products and services.

The Agency replaces the existing regulatory bodies, namely the Bureau des services financiers, the Fonds d'indemnisation des services financiers, the Commission des valeurs mobilières du Québec and the Régie de l'assurance-dépôts du Québec. The Agency also replaces the Inspector General of Financial Institutions regarding the functions and powers exercised by the Inspector General pursuant to the legislation that regulates the financial industry.

The new regulatory body will be administered by a president and director general who may delegate, generally or specifically, to a superintendent, to any other member of the Agency's staff or to any other person, the exercise of a function or power under any of the laws administered by the Agency.

The bill confers on the Agency all the powers necessary for the administration of those laws, in particular powers of inspection and investigation, provides for its operation and sets out the financial provisions applicable to it.

The bill also creates a Conseil consultatif de régie administrative consisting of seven members appointed by the Minister. The advisory council advises the Agency on the compatibility of its actions with its mission, on its corporate governance, in particular as regards its budgetary forecasts, staffing plan and annual activity plan, and on the appointment of the Agency's superintendents.

The bill includes provisions authorizing the Agency to recognize self-regulatory organizations to which it may delegate, on the conditions it determines, the exercise of functions and powers pertaining to the regulation of an activity governed by the laws applicable to the financial industry.

The bill establishes a Bureau de décision et de révision en valeurs mobilières that exercises certain powers provided for in the Securities Act including, in particular, the powers regarding applications for the review of decisions rendered by the Agency or by a self-regulatory organization pursuant to the said Act. The members of the board are appointed by the Government. The rules governing hearings, decisions and appeals from decisions of the Bureau de décision et de révision en valeurs mobilières are the rules provided in the Securities Act.

The bill also creates a Bureau de transition consisting of five members appointed by the Minister. The chief mission of the Bureau is to provide for the establishment of the Agency and promote and facilitate the implementation of the new regulatory framework for the main providers of financial products and services. The Bureau de transition has all the powers necessary for the application of measures for the integration and redeployment of the human, financial, physical and informational resources of the existing regulatory bodies transferred to the Agency under the bill, so that the new body becomes operational within twelve months or less.

The bill also includes provisions requiring the adoption of a policy on the processing of complaints and claims concerning the provision of financial products and services.

The bill introduces new provisions into the Securities Act to reinforce coercive measures, such as imprisonment for certain offences. It includes amending provisions to make the consequential amendments to various Acts that apply to the financial service industry. Amendments are also made to various laws that are to be administered by the enterprise registrar who takes the place of the Inspector General of Financial Institutions, under the authority of the Minister of Industry and Trade.

Lastly, the bill contains transitional provisions concerning in particular the transfer to the Agency of the staff of the Bureau des services financiers, the Fonds d'indemnisation des services financiers, the Commission des valeurs mobilières du Québec, the Régie de l'assurance-dépôts du Québec and certain directorates of the Inspector General of Financial Institutions and other provisions relating to the transfer of the rights, property and records of those bodies to the Agency.

LEGISLATION AMENDED BY THIS BILL :

- Civil Code of Québec (1991, chapter 64);
- Financial Administration Act (R.S.Q., chapter A-6.001);
- Automobile Insurance Act (R.S.Q., chapter A-25);
- Deposit Insurance Act (R.S.Q., chapter A-26);
- Act respecting prescription drug insurance (R.S.Q., chapter A-29.01);
- Act respecting insurance (R.S.Q., chapter A-32);
- Act respecting the caisses d'entraide économique (R.S.Q., chapter C-3);
- Act respecting certain caisses d'entraide économique (R.S.Q., chapter C-3.1);
- Act respecting international financial centres (R.S.Q., chapter C-8.3);
- Charter of Ville de Québec (R.S.Q., chapter C-11.5);
- Cinema Act (R.S.Q., chapter C-18.1);
- Cities and Towns Act (R.S.Q., chapter C-19);
- Fish and Game Clubs Act (R.S.Q., chapter C-22);
- Amusement Clubs Act (R.S.Q., chapter C-23);
- Code of Civil Procedure (R.S.Q., chapter C-25);
- Professional Code (R.S.Q., chapter C-26);
- Labour Code (R.S.Q., chapter C-27);
- Municipal Code of Québec (R.S.Q., chapter C-27.1);
- Companies Act (R.S.Q., chapter C-38);
- Cemetery Companies Act (R.S.Q., chapter C-40);
- Act respecting Roman Catholic cemetery companies (R.S.Q., chapter C-40.1);

- Timber-Driving Companies Act (R.S.Q., chapter C-42);
- Gas, Water and Electricity Companies Act (R.S.Q., chapter C-44);
- Telegraph and Telephone Companies Act (R.S.Q., chapter C-45);
- Mining Companies Act (R.S.Q., chapter C-47);
- Act respecting the Conseil des arts et des lettres du Québec (R.S.Q., chapter C-57.02);
- Act respecting the Conservatoire de musique et d’art dramatique du Québec (R.S.Q., chapter C-62.1);
- Act respecting the constitution of certain Churches (R.S.Q., chapter C-63);
- Cooperatives Act (R.S.Q., chapter C-67.2);
- Act respecting financial services cooperatives (R.S.Q., chapter C-67.3);
- Religious Corporations Act (R.S.Q., chapter C-71);
- Real Estate Brokerage Act (R.S.Q., chapter C-73.1);
- Forestry Credit Act (R.S.Q., chapter C-78);
- Act to promote forest credit by private institutions (R.S.Q., chapter C-78.1);
- Deposit Act (R.S.Q., chapter D-5);
- Act respecting the distribution of financial products and services (R.S.Q., chapter D-9.2);
- Roman Catholic Bishops Act (R.S.Q., chapter E-17);
- Act respecting Nasdaq stock exchange activities in Québec (R.S.Q., chapter E-20.01);
- Act respecting fabriques (R.S.Q., chapter F-1);
- Act to establish Fondation, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l’emploi (R.S.Q., chapter F-3.1.2);

- Act to establish the Fonds de solidarité des travailleurs du Québec (F.T.Q.) (R.S.Q., chapter F-3.2.1);
- Taxation Act (R.S.Q., chapter I-3);
- Act respecting the disclosure of the compensation received by the executive officers of certain legal persons (R.S.Q., chapter I-8.01);
- Act respecting the Inspector General of Financial Institutions (R.S.Q., chapter I-11.1);
- Act respecting the Institut de la statistique du Québec (R.S.Q., chapter I-13.011);
- Education Act for Cree, Inuit and Naskapi Native Persons (R.S.Q., chapter I-14);
- Winding-up Act (R.S.Q., chapter L-4);
- Act respecting the Ministère de la Culture et des Communications (R.S.Q., chapter M-17.1);
- Act respecting the special powers of legal persons (R.S.Q., chapter P-16);
- Public Protector Act (R.S.Q., chapter P-32);
- Consumer Protection Act (R.S.Q., chapter P-40.1);
- Act respecting the legal publicity of sole proprietorships, partnerships and legal persons (R.S.Q., chapter P-45);
- Act respecting the process of negotiation of the collective agreements in the public and parapublic sectors (R.S.Q., chapter R-8.2);
- Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10);
- Act respecting health services and social services (R.S.Q., chapter S-4.2);
- Act respecting health services and social services for Cree Native persons (R.S.Q., chapter S-5);
- Act respecting the Société des loteries du Québec (R.S.Q., chapter S-13.1);

- Act respecting the Société nationale du cheval de course (R.S.Q., chapter S-18.2.0.1);
- Act respecting farmers' and dairymen's associations (R.S.Q., chapter S-23);
- Act respecting mixed enterprise companies in the municipal sector (R.S.Q., chapter S-25.01);
- Act respecting the sociétés d'entraide économique (R.S.Q., chapter S-25.1);
- Horticultural Societies Act (R.S.Q., chapter S-27);
- Act respecting trust companies and savings companies (R.S.Q., chapter S-29.01);
- National Benefit Societies Act (R.S.Q., chapter S-31);
- Act respecting societies for the prevention of cruelty to animals (R.S.Q., chapter S-32);
- Professional Syndicates Act (R.S.Q., chapter S-40);
- Act respecting the Québec sales tax (R.S.Q., chapter T-0.1);
- Securities Act (R.S.Q., chapter V-1.1);
- Act respecting the Mouvement Desjardins (2000, chapter 77);
- Act respecting transportation services by taxi (2001, chapter 15);
- Act respecting public transit authorities (2001, chapter 23);
- Act respecting the Pension Plan of Management Personnel (2001, chapter 31);
- Act constituting Capital régional et coopératif Desjardins (2001, chapter 36).

LEGISLATION REPEALED BY THIS BILL :

- Loan and Investment Societies Act (R.S.Q., chapter S-30).

Bill 107

AN ACT RESPECTING THE AGENCE NATIONALE D'ENCADREMENT DU SECTEUR FINANCIER

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS :

TITLE I

THE AGENCE NATIONALE D'ENCADREMENT DU SECTEUR
FINANCIER

CHAPTER I

ESTABLISHMENT

1. The “Agence nationale d’encadrement du secteur financier” is hereby established, hereinafter called the “Agency”.

The Agency is a legal person and a mandatary of the State.

2. The property of the Agency forms part of the domain of the State but the execution of the obligations of the Agency may be levied against its property.

The Agency binds none but itself when it acts in its own name.

3. The Agency has its head office in the national capital at the location it determines. A notice of the location of the head office, and of any change in its location, shall be published in the *Gazette officielle du Québec*.

CHAPTER II

DIVISION I

MISSION

4. The mission of the Agency is to

(1) provide assistance to consumers of financial products and services, in particular by setting up consumer-oriented educational programs on financial products and services, processing complaints filed by consumers and giving consumers access to dispute-resolution services ;

(2) ensure that the financial institutions and other regulated entities of the financial sector comply with the solvency standards applicable to them as well as with the obligations imposed on them by law with a view to protecting the interests of consumers of financial products and services, and take any measure provided by law for those purposes ;

(3) supervise the activities connected with the distribution of financial products and services, administer the rules governing eligibility for and the carrying on of those activities, and take any measure provided by law for those purposes ;

(4) supervise stock market and clearing house activities and monitor the securities market, in particular, by administering the controls provided by law as regards access to the public capital market, ensuring that the issuers and other practitioners involved in the financial sector comply with the obligations imposed on them by law and taking any measure provided by law for those purposes ;

(5) see to the implementation of protection and compensation programs for consumers of financial products and services and administer the compensation funds set up by law.

5. The Direction de l'encadrement de l'assistance aux consommateurs, the Direction de l'encadrement de la solvabilité, the Direction de l'encadrement de la distribution, the Direction de l'encadrement des marchés de valeurs and the Direction de l'encadrement de l'indemnisation shall be established within the Agency.

The Agency shall achieve each aspect of its mission and develop the specialized skills needed to carry out the duties and powers that ensue from it through the intermediary of the directions mentioned above.

6. The Agency shall establish any other direction and any other administrative structure that is appropriate for the exercise of all of the duties and powers related to the regulation of the financial sector, coordination among directions, coordination of relations with the industry, coordination of the disclosure requirements and coordination of inspections and investigations.

DIVISION II

FUNCTIONS AND POWERS

7. The Agency shall perform the functions and exercise the powers conferred on it by the Acts listed in Schedule 1 or by other Acts, and shall administer all the Acts or legislative provisions entrusted to the administration of the Agency by an Act or by the Government.

The Agency shall also act as an information and reference centre in all fields of the financial sector.

In addition, the Agency shall perform the functions and exercise the powers conferred on it by this Act.

8. The Agency shall perform its functions and exercise its powers in a way as to:

(1) foster the confidence of the public and of the business community as regards financial institutions and practitioners in the financial sector as regards solvency and the competence of agents, advisers, brokers, representatives and other practitioners in the financial sector;

(2) promote the availability of high-quality, competitively priced financial products and services for individuals and enterprises in all regions of Québec;

(3) see to the establishment of an effective and efficient regulatory framework that promotes the development of the financial sector and facilitates innovative management and commercial practices;

(4) grant the public and the business community access to reliable, accurate and complete information on the financial institutions and practitioners in the financial sector and on the financial products and services offered;

(5) protect consumers against unethical, abusive or fraudulent practices and give individuals and enterprises access to various dispute resolution mechanisms.

CHAPTER III

INSPECTION AND INVESTIGATION

9. The Agency may, to verify compliance with an Act referred to in section 7, designate any person who is a staff member to carry out an inspection.

The Agency may, in writing, authorize a person other than a staff member to carry out an inspection and report to it.

It may also delegate, by agreement, all or part of its inspection functions and powers to a self-regulatory organization in accordance with Title III.

10. The person so authorized to carry out an inspection by the Agency or by a self-regulatory organization may

(1) enter, at any reasonable time of day, the establishment of a person or partnership where activities governed by an Act referred to in section 7 are carried on and carry out an inspection;

(2) require from the persons present any information related to the application of such an Act as well as the production of any book, register, account, contract, record or other relevant document;

(3) examine and make copies of the documents containing information that is relevant to the activities of the person or partnership.

Any person who has the custody, possession or control of documents referred to in this section must, on request, communicate them to the person carrying out the inspection and facilitate their examination by such person.

11. The person authorized to carry out an inspection by the Agency or by a self-regulatory organization must, on request, produce identification and show the document attesting his or her authorization.

No proceedings may be brought against that person by reason of acts performed in good faith in the exercise of his or her functions.

12. The Agency may, on its own initiative or on request, conduct any investigation if it has reasonable grounds to believe there has been contravention of an Act referred to in section 7.

13. The Agency may authorize a person referred to in the first or second paragraph of section 9 to exercise all or part of the powers conferred on it by section 12.

14. The person the Agency has authorized to conduct an investigation is vested with the powers and immunity of commissioners appointed under the Act respecting public inquiry commissions (R.S.Q., chapter C-37), except the power to order imprisonment.

15. The person shall transmit all investigation reports to the Agency.

16. No person employed by the Agency or authorized by the Agency to exercise the powers to make an inspection or inquiry shall communicate or allow to be communicated to anyone information obtained under this Act or a regulation made by the Government, or allow the examination of a document filed under this Act or the regulation, unless the person is authorized to do so by the Agency.

Notwithstanding sections 9, 23, 24 and 59 of the Act respecting Access to documents held by public bodies and the Protection of personal information (R.S.Q., chapter A-2.1), only a person generally or specially authorized by the Agency may have access to such information or such a document.

17. The Agency may summarily dismiss any request for investigation considered to be frivolous or clearly unfounded.

The applicant must be informed of any dismissal as well as the other persons concerned by the request.

18. Except on a question of jurisdiction, no recourse under article 33 of the Code of Civil Procedure (R.S.Q., chapter C-25) or extraordinary recourse

within the meaning of that Code may be exercised, nor any injunction granted against the Agency, against a self-regulatory organization or against any person authorized to carry out an inspection or conduct an investigation.

Any judge of the Court of Appeal may, on a motion, summarily annul any writ, order or injunction issued or granted contrary to the first paragraph.

19. Any person who hinders the action of the Agency or a person it has authorized in the exercise of a power under section 9, 10, 12 or 13 is guilty of an offence and is liable to a fine of not less than \$500 nor more than \$5,000.

The fine is doubled in the event of a second or subsequent offence.

CHAPTER IV OPERATION

20. The affairs of the Agency shall be administered by a president and director general appointed by the Government, which shall determine the remuneration, employee benefits and other terms of employment of the president and director general.

The term of the president and director general is five years. At the end of that term, the president and director general shall remain in office until replaced or reappointed.

21. The president and director general is responsible for the administration and direction of the Agency within the scope of its internal by-laws and policies and shall exercise his or her functions on a full-time basis.

22. The president and director general shall designate one or more members of the staff of the Agency to replace the president and director general in the case of absence or inability to act. The designation shall be published in the *Gazette officielle du Québec* and in the Agency's bulletin, but shall take effect as soon as the instrument evidencing the designation is signed by the president and director general.

23. The president and director general shall appoint at least three but no more than five superintendents who shall administer the activities and operations of the five directions of the Agency referred to in section 5.

The superintendents shall assist the president and director general in the exercise of his or her functions and shall exercise their administrative functions under the president and director general's authority.

The president and director general shall also appoint the secretary of the Agency.

24. Subject to all applicable legislative provisions, the Agency's president and director general may delegate, generally or specially, to any of the superintendents, any other member of the staff of the Agency or any other person he or she designates any function or power under an Act referred to in section 7. The decision shall be published in the *Gazette officielle du Québec* and in the Agency's bulletin.

The Agency's powers to make regulations, define a policy statement or establish a guideline that are provided for in those Acts may not, however, be delegated.

The president and director general may, in the instrument of delegation, authorize the subdelegation of the functions and powers he or she indicates ; in such a case, he or she shall identify the superintendent, the staff member or the person to whom such subdelegation may be made.

25. The decisions made by the Agency, and certified true by the president and director general, the secretary or any other person authorized for that purpose by the Agency, are authentic. The same applies to the documents or copies of documents emanating from the Agency or forming part of its records when they have been signed or certified true by any of such persons.

26. A by-law made by the Agency shall establish a staffing plan as well as the selection criteria and procedure of appointment of the members of its staff.

Subject to the provisions of a collective agreement, such by-law shall also determine the standards and scales of their remuneration, employee benefits and other terms of employment in accordance with the conditions defined by the Government.

27. The superintendents, the secretary and the other members of the staff of the Agency may not, on pain of dismissal, occupy another position or have a direct or indirect interest in an enterprise that may place their personal interests in conflict with their duties or functions. If such interest devolves to them by succession or gift, they must renounce it or dispose of it with diligence.

28. The Agency shall determine, by by-law, the rules of ethics and the disciplinary sanctions applicable to staff members.

29. The president and director general must, if he or she has an interest in an enterprise to which an Act the administration of which is entrusted to the Agency applies, or under which functions or powers are conferred on the president and director general, disclose that fact to the Minister, on pain of forfeiture of office.

30. The president and director general may not contract a loan with a legal person or partnership to which an Act the administration of which is entrusted to the Agency applies, or under which functions or powers are conferred on

the president and director general, without the Minister having been informed of that fact in writing.

31. A superintendent, the secretary or any other member of the staff of the Agency who exercises functions or powers delegated or subdelegated to him or her with respect to the administration of any Act must, at the time determined by the president and director general, send the president and director general a list of his or her interests in any partnership or legal person to which such an Act applies, as well as a list of the loans contracted with such enterprise and on which a balance remains due together with the related conditions.

32. No proceedings may be brought against the Agency, the president and director general, a superintendent, the secretary or any other member of the staff of the Agency by reason of acts performed in good faith in the exercise of his or her functions.

The same rule applies to every person who exercises a function or power under a delegation by the Agency.

33. The Agency may, as provided by law, enter into an agreement with a government other than the Government of Québec, a department of such a government, an international organization or a body of such a government or organization.

It may also, as provided by law, enter into an agreement with a person or an organization, from Québec or outside Québec, with a view to facilitating the application of this Act, an Act referred to in section 7, or a foreign Act on a similar subject.

34. The Agency shall publish a periodic bulletin to inform the financial institutions and the practitioners in the financial industry, as well as consumers and the public, on its activities. In particular, the Agency shall publish its draft regulations and regulations.

35. Chapter I of Title I of the Act respecting administrative justice (R.S.Q., chapter J-3) applies to the decisions of the Agency.

36. The Agency is subject to the Act respecting Access to documents held by public bodies and the Protection of personal information (R.S.Q., chapter A-2.1).

CHAPTER V

FINANCIAL PROVISIONS AND REPORTS

37. The Agency may, by regulation, prescribe the duties, fees and other charges payable for any formality provided for by this Act or the regulations, and for the services provided by the Agency as well as the terms and conditions of payment.

A regulation made pursuant to the first paragraph requires the approval of the Government which may approve it with or without amendment.

38. The expenses incurred for the application of this Act shall be borne, to the extent determined by the Government, by the persons, partnerships and other entities carrying on an activity governed by an Act referred to in section 7.

The Agency shall determine the share of the expenses that each person, partnership and entity must pay to it and may provide for cases of exemption, with or without conditions.

The share may vary according to categories of persons, partnerships and other entities and within the same category according to the nature of the activity they carry on, the nature of the services supplied by the Agency or the nature of the expenses the Agency incurs.

The attestation of the Agency shall establish the amount to be paid to it by each person, partnership and other entity under this section.

39. The Agency may not, without the authorization of the Government

(1) contract a loan that causes the aggregate of its outstanding loans to exceed the amount determined by the Government ;

(2) make a financial commitment in excess of the limits or in contravention of the terms and conditions determined by the Government ;

(3) acquire or transfer assets in excess of the limits or in contravention of the terms and conditions determined by the Government.

The Agency may not accept any gift, legacy or subsidy.

40. The Government may, on the conditions it determines

(1) guarantee the payment, in principal and interest, of any loan contracted by the Agency and any of its obligations ;

(2) authorize the Minister of Finance to advance any amount to the Agency that is considered necessary for the performance of its obligations or the pursuit of its mission.

The sums required for the purposes of this section shall be taken out of the consolidated revenue fund.

41. The fiscal year of the Agency ends on 31 March.

42. The Agency must file with the Minister, no later than 31 July each year, its financial statements and a report on its activities for the previous fiscal year.

The financial statements and activity report must contain all the information required by the Minister.

The activity report of the Agency may assemble all the activity reports that must be filed by the Agency under any Act.

43. The Minister shall table the activity report and the financial statements of the Agency before the National Assembly within 30 days of their receipt or, if the Assembly is not sitting, within 30 days of resumption.

44. The books and accounts of the Agency shall be audited by the Auditor General each year and whenever the Government so orders.

The Auditor General's report must be filed with the activity report and the financial statements of the Agency.

45. The Agency must furnish to the Minister any information required by the Minister concerning its activities.

46. The Agency shall establish a plan of activities according to the form, content and timetable determined by the Government. The plan requires the approval of the Government.

47. Every year, the Agency shall submit to the Minister its budget estimates for the following fiscal year, at the time, and according to the form and content determined by the Minister.

The estimates require the approval of the Government.

TITLE II

CONSEIL CONSULTATIF DE RÉGIE ADMINISTRATIVE

CHAPTER I

ESTABLISHMENT

48. The "Conseil consultatif de régie administrative", hereinafter called the "Council", is established within the Agency.

49. The Council is composed of seven members, including a chair, appointed by the Minister.

These persons are chosen for their knowledge of the financial industry as well as for their expertise in the area of administrative management.

However, a person holding employment or an office or exercising a function for a person, partnership or any other entity governed by this Act or an Act referred to in section 7 may not be appointed as member of the Council.

The same applies to a person holding employment or an office or exercising a function or receiving any form of compensation, pecuniary benefit or any other income of any nature whatever that may, directly or indirectly, place the person's interest in conflict with the person's duties as a member of the Council.

50. The members of the Council shall be appointed for a term of not more than three years which may be renewed only once.

At the end of the term, the members of the Council remain in office until they are reappointed or replaced.

51. Any vacancy occurring during a term of office shall be filled by the Minister for the time specified in section 50.

52. The members of the Council shall receive no remuneration except in the cases, on the conditions and to the extent determined by the Government.

The members are, however, entitled to the reimbursement of expenses incurred in the exercise of their functions on the conditions and to the extent determined by the Government.

53. The Council meets as often as necessary, at the request of the chair or of a majority of the members.

The Council may sit anywhere in Québec.

54. No instrument, document or writing binds the Council unless it has been signed by the chair or by a member of the Council authorized to do so in the by-laws of the Council.

55. The minutes of the sittings of the Council, approved by the latter and certified true by the chair or by a member of the Council authorized to do so in the by-laws of the Council, are authentic. The same applies to the documents and copies emanating from the Council or forming part of its records when signed and certified true by any of those persons.

56. No member of the Council may, unless duly authorized, disclose or communicate to any other person confidential information that has come to his or her knowledge in the exercise of or in connection with the exercise of the member's functions. No member shall use information so obtained for personal benefit or that of a third person.

CHAPTER II

FUNCTIONS

57. With respect to the Agency, the functions of the Council are

- (1) to advise the Agency on the compatibility of its actions with its mission ;
- (2) to advise the Agency on its corporate governance, in particular as regards its budget estimates, staffing plan and activity plan ;
- (3) to make recommendations to the president and director general of the Agency concerning the appointment of superintendents of the Agency ;
- (4) to report to the Minister on any matter submitted to it by the Minister and make recommendations concerning the administration of the Agency and the efficient use of its resources.

58. Not later than 31 July each year, the Council must submit a report to the Minister on its activities for the previous fiscal year. The Council's report shall be appended to the activity report of the Agency.

TITLE III

SELF-REGULATORY ORGANIZATIONS

CHAPTER I

RECOGNITION OF SELF-REGULATORY ORGANIZATIONS

59. A legal person, a partnership or any other entity whose objectives are related to the mission of the Agency may, on the conditions determined by the latter, be recognized as a self-regulatory organization responsible for supervising an activity governed by an Act referred to in Schedule 1.

60. A legal person, a partnership or any other entity may monitor or supervise the conduct of its members or participants as regards the carrying on, in Québec, of an activity governed by an Act referred to in Schedule 1 only if it is recognized by the Agency as a self-regulatory organization, on the conditions determined by the Agency.

61. Subject to the applicable legislative provisions, the Agency may, on the conditions it determines, delegate to a recognized organization the exercise of all or part of the functions and powers conferred on it by law.

Such a delegation of functions and powers shall be subject to the approval of the Government, except where it concerns the carrying on of securities trading or clearing activities and is made to a legal person, a partnership or any other entity referred to in the second paragraph of section 170 of the Securities Act (R.S.Q., chapter V-1.1) that carries on securities trading or clearing activities.

The Agency's powers to make regulations, define a policy statement or establish a guideline that are provided for in an Act referred to in section 7 may not, however, be delegated.

62. The recognized organization may, with prior authorization from the Agency, delegate its functions and powers to a committee formed by it or to a member of its staff.

63. No proceedings may be brought against an organization recognized by the Agency or any person exercising a function or power delegated by the Agency by reason of acts performed in good faith in the exercise of the function or power.

64. The recognized organization may not renounce the exercise of functions or powers without prior authorization from the Agency. The Agency may make its authorization subject to the conditions it considers necessary for the protection of the members or participants of the organization, or of the public.

65. An application for recognition or delegation of functions or powers must be accompanied with the documents and information required by the Agency.

66. The Agency shall publish in its bulletin a notice of the application and invite interested parties to submit their observations in writing.

The first paragraph also applies where the conditions governing the recognition of a recognized organization are modified by the Agency or new functions or powers are delegated to the recognized organization.

67. The recognition of a legal person, partnership or other entity is subject to the discretion of the Agency.

The Agency shall exercise its discretion in the public interest. Recognition must, in particular, secure effective supervision of the financial industry in Québec, promote the development and soundness in the operation of the financial industry and foster the protection of the public.

68. The Agency shall, after having ascertained that the constituting documents, by-laws and operating rules of the legal person, partnership or entity are in compliance with sections 69 and 70, grant recognition where it considers that the legal person, partnership or entity has the administrative structure and the financial and other resources necessary to exercise its functions and powers in an objective, fair and efficient manner.

The Agency must also ensure that the legal person, partnership or entity has the possibility of exercising its functions and powers without the risk of conflict of interest.

69. The Agency must be satisfied that the constituting documents, by-laws and operating rules of the legal person, partnership or entity allow the power to make decisions relating to the supervision of an activity governed by an Act referred to in Schedule 1 to be exercised mainly by persons residing in Québec.

70. The constituting documents, by-laws and operating rules of the legal person, partnership or entity must allow

(1) unrestricted membership for any person who meets the admission criteria;

(2) equal access to the services offered.

In the case of a legal person, partnership or entity referred to in section 60, the constituting documents, by-laws and operating rules must allow the imposition of disciplinary sanctions for any violation of the by-laws or operating rules or contravention of the law.

71. Any provision of the constituting documents, by-laws or operating rules of a recognized organization that operates to limit competition shall be submitted to the Agency, which shall authorize it if it considers the provision necessary for the protection of the public.

Such a provision has effect only after it is authorized by the Agency.

72. The Agency may, by regulation, confer on some of the rules or standards established by a recognized organization, and any amendments made thereto, the force and effect of a regulation made under an Act referred to in Schedule 1.

A regulation made under this section requires the approval of the Government with or without amendment.

A draft regulation shall also be published in the Agency's bulletin, accompanied with the notice required under section 10 of the Regulations Act (R.S.Q., chapter R-18.1).

A draft regulation may not be submitted for approval before the expiry of a period of 30 days from the day of its publication.

The regulation comes into force on the date of its publication in the *Gazette officielle du Québec* or on any later date specified in the regulation. It shall also be published in the Agency's bulletin.

73. The Agency may, on the conditions it determines, exempt a legal person, partnership or other entity from all or part of the requirements of this Title where it considers that the exemption does not adversely affect the protection of the public.

Such an exemption must be submitted to the Government for approval, except where it concerns a securities trading or clearing activity and where it is granted to a legal person, partnership or other entity referred to in section 170 of the Securities Act that carries on a securities trading or clearing activity.

CHAPTER II

CONTROL EXERCISED BY THE AGENCY

74. Every draft amendment pertaining to the constituting documents, the by-laws or the operating rules of a recognized organization requires the approval of the Agency.

75. The amendment is deemed to be approved on the expiry of a period of 30 days, or any other period agreed with the organization concerned, unless the Agency has invited it to present observations on the merits of the proposed amendment.

76. The Agency may, at any time, suspend, according to the terms and conditions it considers appropriate, the application of a provision of the by-laws or operating rules of a recognized organization.

77. The Agency may order a recognized organization to amend its constituting documents, by-laws or operating rules where it considers that an amendment is necessary to render such texts consistent with the applicable legislative provisions.

78. The Agency has the power to inspect the affairs of a recognized organization to ascertain the extent to which it complies with the provisions of the Acts and recognition requirements that are applicable to it and the decisions of the Agency and the manner in which it exercises its functions and powers.

79. Sections 9 to 11 and sections 18 and 19 apply, with the necessary modifications, to the inspection of a recognized organization.

80. The Agency may order a recognized organization to take a course of action if the Agency considers it necessary for the soundness of operation of that organization or the protection of the public.

81. Within the scope of the exercise of its functions and powers, a recognized organization must, before rendering a decision unfavourably affecting the rights of a person, partnership or entity, give the person, partnership or entity an opportunity to present observations.

The second, third and fourth paragraphs of section 90 apply, with the necessary modifications.

82. A recognized organization examining a disciplinary matter must do so at a public sitting.

However, it may, on its own initiative or on request, order a closed-door hearing or prohibit the publication or release of information or documents indicated by the Agency in the interest of good morals or public order.

83. A recognized organization shall, as soon as possible, communicate to the Agency its decisions rendered in the exercise of its functions and powers concerning the admission of a member or a disciplinary matter.

84. A person, partnership or other entity directly affected by a decision rendered in the exercise of a power sub-delegated pursuant to section 62 may within 30 days apply for a review of the decision by the recognized organization.

85. A person, partnership or other entity directly affected by a decision rendered by a recognized organization may within 30 days apply for a review of the decision by the Agency.

86. A recognized organization shall file with the Agency, within 90 days after the end of its fiscal year, the financial statements, the auditor's report and any other information, according to the requirements set by the Agency.

87. A recognized organization shall keep and maintain the books, registers or other documents determined by the Agency.

88. A recognized organization that wishes to terminate its activities must apply for authorization to the Agency.

The Agency shall give the authorization on the conditions it determines where it believes the interests of the organization's members and the public are sufficiently protected.

89. The Agency may, at any time, modify, suspend or withdraw all or part of the recognition granted to an organization if it considers that the organization has failed to comply with undertakings given to the Agency or is of the opinion that the interests of the organization's members or the public would be better protected.

The Agency may also, for the same reasons, modify, suspend or withdraw an exemption granted to a legal person, a partnership or any other entity.

90. The Agency must, before making a decision or an order under section 76, 77, 80 or 89, give the organization concerned notice in writing of its intentions indicating the grounds on which it is based, the date on which the order is to take effect and the right of the organization to present observations or produce documents to complete the file.

However, the Agency may, without prior notice, make a decision or a provisional order valid for a period not exceeding 15 days if the Agency is of the opinion that there is urgency or that any period of time granted to the organization concerned to present observations may be detrimental.

The decision or order must state the reasons on which it is based and becomes effective on the day it is served on the organization to which it applies. That organization may, within six days of receiving the decision or order, present observations to the Agency.

The Agency may revoke a decision or order made under those sections.

91. The costs incurred by the Agency for the administration of this Title shall be borne by the recognized self-regulatory organizations.

Such costs, established for each self-regulatory organization by the Agency at the end of its fiscal year, shall comprise a minimum contribution fixed by the Agency and the amount, if any, by which actual costs exceed the contribution. The actual costs shall be established on the basis of the rate schedule established by regulation.

A regulation made pursuant to this section requires the approval of the Government, which may approve it with or without amendment.

TITLE IV

BUREAU DE DÉCISION ET DE RÉVISION EN VALEURS MOBILIÈRES

92. A board called the “Bureau de décision et de révision en valeurs mobilières” is hereby established.

93. At the request of the Agency or any interested person, the board shall exercise the powers provided for in the Securities Act (R.S.Q., chapter V-1.1) as concerns:

(1) the revocation, suspension or imposition of restrictions on the rights granted by registration to a dealer or adviser under section 152 of that Act;

(2) an order prescribing a course of action concerning a legal person, partnership or entity carrying on securities trading or clearing activities under section 172 of that Act;

(3) a freeze order under Title IX of that Act;

(4) the recommendation to the Minister for the appointment of a provisional administrator, the winding-up of a person’s property or of a company under sections 257 and following of that Act;

(5) the refusal of an exemption under section 264 of that Act;

(6) an order prescribing the cessation of an activity in respect of a transaction in securities under section 265 of that Act, except as regards a failure to file financial statements as provided under Division II of Chapter II of Title III of that Act;

(7) an order directing a person to cease carrying on business as an adviser under section 266 of that Act;

(8) a prohibition or restrictions of representations in respect of a security determined under section 270 of that Act;

(9) a reprimand under section 273 of that Act;

(10) the imposition of an administrative penalty, the repayment of the cost of an investigation or an order prohibiting a person from acting as director or senior executive under sections 273.1 to 273.3 of that Act.

The board shall also exercise the powers of review with respect to decisions referred to in section 322 of that Act.

The board shall not, in appraising the facts or the law for the purposes of the second paragraph, substitute its appraisal of the public interest for the appraisal made by the Agency for the purposes of its decision.

94. At the request of the Agency, the board may take any measure conducive to ensuring compliance with the provisions of the Securities Act.

95. The head office of the Bureau de décision et de révision en valeurs mobilières shall be situated at the place determined by the Government; notice of the address of the head office shall be published in the *Gazette officielle du Québec* and in the bulletin published under section 34.

96. Sections 323 to 323.13 of the Securities Act apply to hearings and decisions of the board, with the necessary modifications.

97. The board shall be composed of members appointed by the Government, the number of which it shall determine.

The term of office of a member shall be five years.

The Government may determine a shorter term of office of a fixed duration in the instrument of appointment where the candidate so requests for a valid reason or where required by special circumstances stated in the instrument of appointment.

A member of the board who has been replaced shall continue the matters of which he or she had been seized.

98. No member of the board shall, on pain of forfeiture of office, have a direct or indirect interest in an enterprise or organization that may cause his or her personal interest to conflict with the duties of his or her office, except if the interest devolves to him or her by succession or gift, provided he or she renounces or disposes of it with diligence.

99. The Government shall designate, from among the members of the board, a chair and the number of deputy chairs, it determines.

They shall exercise their functions on a full-time basis.

The chair shall coordinate and assign the work of the members.

100. The Government shall designate the deputy chair who shall exercise the functions of the chair when the chair is absent or unable to act.

101. The Government shall determine the remuneration, employee benefits and other conditions of employment of the members of the board.

Once determined, a member's remuneration may not be reduced.

Notwithstanding the foregoing, the additional remuneration attaching to the duties of chair and deputy chair of the board shall cease when those functions cease to be exercised.

102. The pension plan of the full-time members of the board shall be determined pursuant to the Act respecting the Pension Plan of Management Personnel (2001, chapter 31).

103. A decision of the board shall be rendered by a single member.

The chair may, where he or she considers it expedient by reason of the complexity or importance of a matter, provide for a panel composed of two or more members.

In the event of a tie, the chair or the presiding deputy chair shall have a casting vote.

104. The secretary of the board and the other staff members of the board shall be appointed in accordance with the Public Service Act (R.S.Q., chapter F-3.1.1).

No proceedings shall be instituted against the secretary or staff members by reason of an act performed in good faith in the exercise of their functions.

105. The secretary shall have custody of the records of the board.

106. The documents emanating from the board are authentic if they are signed or, in the case of copies, if they are certified true by a member of the board, by the secretary or by any other person designated by the chair of the board.

107. The decisions of the board shall be published in the bulletin provided for in section 34.

108. The Government may make regulations to establish the tariff of duties, fees and other charges related to applications heard by the board as well as the categories of persons who may be exempted therefrom.

109. The fiscal year of the board ends on 31 March.

110. The chair of the board shall submit each year to the Minister the budget estimates of the board for the following fiscal year, according to the form, content and at the time determined by the Minister. The estimates shall be submitted to the Government for approval.

111. The books and accounts of the board shall be audited by the Auditor General each year and whenever the Government so orders.

112. Not later than 31 July each year, the board shall submit to the Minister its financial statements as well as a report on its activities for the previous fiscal year.

The report shall not refer by name to any person involved in an application heard by the board.

113. The Minister shall table the activity report and the financial statements of the board before the National Assembly within 30 days of their receipt or, if the Assembly is not sitting, within 30 days of resumption.

The Auditor General's report must accompany the activity report and the financial statements of the board.

114. The amounts required for the application of this Title shall be taken out of the fund of the Bureau de décision et de révision en valeurs mobilières.

The fund shall be made up of

(1) the sums paid by the Agency in the amount and according to the terms and conditions determined by the Government ;

(2) the sums collected pursuant to the tariff of duties, fees and other charges related to applications heard by the board.

115. The Government may, according to the conditions it determines, authorize the Minister of Finance to advance to the fund of the Bureau de décision et de révision en valeurs mobilières sums taken out of the consolidated revenue fund. The advance paid shall be repayable out of the fund of the board.

TITLE V**BUREAU DE TRANSITION****CHAPTER I****STRUCTURE AND ORGANIZATION**

116. A transition bureau called the “Bureau de transition de l’encadrement du secteur financier” is hereby established. It shall be composed of five members, including a chair, appointed by the Minister.

The chair and at least two other members shall exercise their functions on a full-time basis.

No person who is a member or employee of an organization mentioned in Schedule 2 may be a member of the Bureau de transition.

117. The Bureau de transition is a legal person and a mandatary of the State.

The property of the Bureau forms part of the domain of the State but the execution of the obligations of the Bureau may be levied against its property.

The Bureau binds none but itself when it acts in its own name.

118. The Bureau de transition has its head office at the location determined by the Minister. A notice of the location, and of any change in its location, shall be published in the *Gazette officielle du Québec*.

119. The Bureau de transition is not a body forming part of the Administration within the meaning of the Public Administration Act (R.S.Q., chapter A-6.01).

120. A member of the Bureau de transition shall receive the remuneration and allowances determined by the Minister.

The Minister may determine any other condition of employment of a member and, in particular, the rules pertaining to the reimbursement of expenses incurred by the members in the exercise of their functions.

121. No instrument, document or writing binds the Bureau de transition unless it is signed by the chair, the secretary or by another staff member of the Bureau and, in the latter case, only to the extent determined by by-law of the Bureau.

The Bureau may, on the conditions and for the documents it determines by by-law, allow a signature to be affixed by means of an automatic device or a facsimile to be engraved, lithographed or printed. However, the facsimile shall have the same value as the signature itself only if the document is countersigned by a person authorized by the chair.

122. The minutes of the sittings of the Bureau de transition, approved by the latter and certified true by the chair, the secretary or another staff member authorized to do so by by-law, are authentic. The same applies to documents and copies emanating from the Bureau or forming part of its records if they are signed or certified true by any of such persons.

123. The Minister shall appoint the secretary of the Bureau de transition and determine his or her remuneration and other conditions of employment.

The secretary shall attend the sittings of the Bureau. The secretary shall keep the registers and have custody of the records and documents of the Bureau and shall exercise any other responsibility the Bureau determines.

If the secretary is unable to act, the Bureau may temporarily replace the secretary by assigning another person to act as secretary. One of the members of the Bureau may also act as secretary if the secretary is unable to act.

124. The Bureau de transition may hire the employees required for the discharge of its responsibilities and determine their conditions of employment. It may also retain the services of experts that it considers necessary.

125. The members and the employees of the Bureau de transition as well as the employees assigned to the Bureau by a body under section 144 may not be prosecuted by reason of official acts done in good faith in the exercise of their functions. Section 32 of the Public Service Act applies, with the necessary modifications, to such members and employees.

The Government shall assume any responsibility that may be attached to the protection of members and employees under the first paragraph.

126. The Bureau de transition may not, without the authorization of the Government, contract a loan that causes the total of its current outstanding loans to exceed the amount determined by the Government.

127. The Government may, subject to the conditions it determines,

(1) guarantee the payment, in principal and interest, of any loan contracted by the Bureau de transition and any of its obligations;

(2) authorize the Minister of Finance to advance to the Bureau any amount considered necessary for the performance of its obligations and the pursuit of its mission.

The sums required for the purposes of this section shall be taken out of the consolidated revenue fund.

128. The provisions of the Act respecting guarantee fees in respect of loans obtained by government agencies (R.S.Q., chapter F-5.1) do not apply to the Bureau de transition.

129. The Government may, on the conditions and according to the terms it determines, authorize the Minister of Finance to grant the Bureau de transition any sum the Minister considers necessary for its operation.

Such sums shall be taken out of the consolidated revenue fund.

130. Unless otherwise provided in a government order, the mandate of the Bureau de transition shall end on (*insert here the date occurring one year after the date of coming into force of section 116 of this Act*).

After that date, the members and the secretary of the Bureau and any other employee designated by the chair shall remain in office for the time required to prepare and finalize the report to be submitted under section 155.

131. Within three months after the end of the mandate of the Bureau de transition, the chair shall draw up a notice of dissolution in respect of the Bureau de transition. The notice shall be published in the *Gazette officielle du Québec*.

On the date of publication of the notice of dissolution, the Bureau de transition is dissolved. The property, rights and obligations of the Bureau de transition are transferred to the Agency.

CHAPTER II

MISSION

132. The mission of the Bureau de transition is the setting up of the Agence nationale d'encadrement du secteur financier.

It shall, in addition, facilitate the implementation of the new regulatory framework for the financial sector and make the promotion thereof among the practitioners of the financial industry.

It shall also inform the public on the new regulatory framework that applies in Québec's financial sector and on the new measures put in place for the protection of the public.

CHAPTER III

OPERATION, POWERS AND RESPONSIBILITIES

DIVISION I

OPERATION AND POWERS

133. The decisions of the Bureau de transition shall be made at a sitting of the Bureau de transition.

The quorum at a sitting of the Bureau de transition is a majority of the members.

134. Subject to the second paragraph of section 143, the Bureau de transition shall, during its mandate, provide the organizations referred to in Schedule 3 with any information it considers advisable to inform them of the progress of its mission.

The Minister may issue directives to the Bureau in that respect.

135. The Bureau de transition may adopt by-laws to establish its operating rules.

136. An advisory committee to the Bureau de transition is hereby established.

The members of the committee, at least three of whom shall be from the Bureau des services financiers, the Inspector General of Financial Institutions and the Commission des valeurs mobilières du Québec, shall be appointed by the Minister.

137. The Bureau de transition may seek the advice of the advisory committee on any matter. The advisory committee may communicate to the Bureau de transition its opinion on any matter related to the Bureau's mandate.

138. The Bureau de transition shall hold at least one meeting each month with the advisory committee. Any member of the advisory committee who is unable to attend may be replaced by a person he or she designates.

The by-laws of the Bureau de transition may prescribe the operating rules of the advisory committee.

139. The Bureau de transition may set up any other committee to examine specific matters, determine its method of operation and designate its members, including the chair.

A committee may include a member who is not a member of the Bureau.

140. The chair of the Bureau de transition may entrust the exercise of certain functions or the examination of any matter he or she indicates to one or more members of the Bureau or, as the case may be, of a committee.

141. The Bureau de transition may require any body listed in Schedule 2 to provide the Bureau with such information, records or documents belonging to the body that it considers necessary to consult.

The first paragraph also applies to information, records and documents pertaining to a pension plan applicable to any group of employees of a body

listed in Schedule 3, held by any administrator of such a plan or by any public body which, by law, exercises a responsibility regarding such a plan.

142. The Bureau de transition may require any body listed in Schedule 3 to make a report in respect of a decision or a matter related to the body's financial position, staff or to any of its employees.

A copy of a report concerning an employee of a body that is submitted to the Bureau de transition shall be transmitted by the body to the person concerned within seven days of the filing of the report.

143. Sections 141 and 142 shall apply notwithstanding the Act respecting Access to documents held by public bodies and the Protection of personal information (R.S.Q., chapter A-2.1).

The members of the Bureau de transition, the members of any committee, the employees of the Bureau and the employees assigned by a body to the Bureau under section 144 are required to keep confidential the information obtained under sections 141 and 142.

The board shall establish a procedure to protect the confidentiality of the information referred to in this section.

144. The Bureau de transition may, where considered expedient for the exercise of its responsibilities, make arrangements to use the services of an employee of any of the bodies listed in Schedule 3. The terms and conditions of the employee's assignment are established by agreement between the Bureau and the body concerned. Failing an agreement, the decision of the Bureau shall prevail.

145. Any member or employee of a body listed in Schedule 2 is required to cooperate with any member or employee of the Bureau de transition and with any employee assigned by a body to the Bureau, acting in the exercise of his or her functions.

DIVISION II

RESPONSIBILITIES

146. The Bureau de transition shall prepare and implement the establishment plan of the Agence nationale d'encadrement du secteur financier.

The plan must take into account, in particular, the human, financial, material and informational resources existing in the bodies listed in Schedule 3, which are transferred to the Agency pursuant to this Act.

It must also provide measures for the integration and redeployment of the resources within the Agency.

147. The Bureau de transition may enter into any contract it considers necessary to establish the Agency and foster the soundness of its activities and operations. For these purposes, the Bureau may make any necessary financial commitment for the amount and for the term it considers appropriate.

148. The first by-law of the Agency referred to in section 26 shall be made by the Bureau de transition.

149. The Bureau de transition may recruit the employees of the Agency other than the employees transferred to the Agency pursuant to this Act and the superintendents.

It shall designate the positions of and assign the functions to be exercised by the employees it recruits and the employees transferred to the Agency.

150. The Bureau de transition shall provide, for the employees of the bodies listed in Schedule 3 who are not represented by a certified association, the procedures pertaining to the rights and recourses of an employee who believes he or she has been wronged by the application of integration and redeployment measures.

151. The Bureau de transition must authorize all hiring of personnel by the Bureau des services financiers and by the Commission des valeurs mobilières du Québec that takes place after 8 May 2002. Where the hiring has been authorized, the employee is deemed to have commenced in office on that date.

Until such time as the Bureau de transition is constituted, any authorization required by this section shall be requested from the Minister.

The Bureau de transition may, for special reasons, approve the hiring of personnel in respect of which an authorization was required under this section. The approval of the Bureau de transition is deemed to constitute such an authorization.

152. The Bureau de transition shall establish the first budget estimates of the Agency covering a twelve-month period, including an activity plan for the same period.

The budget estimates shall be transmitted to the Minister not later than (*insert here the date occurring ten months after the date of coming into force of section 116 of this Act*) for approval. Once approved, the estimates are binding on the Agency.

153. Any financial commitment made by a body listed in Schedule 3 for a period extending beyond (*insert here the date occurring twelve months after the date of coming into force of section 116 of this Act*) must be authorized by the Bureau de transition if the commitment is made on or after 8 May 2002.

Any collective agreement or contract of employment entered into or amended on or after 8 May 2002 by the Bureau des services financiers, the Commission des valeurs mobilières du Québec or the Fonds d'indemnisation des services financiers must be authorized by the Bureau de transition.

The Bureau de transition may, for special reasons, approve a decision, a collective agreement or a contract of employment in respect of which an authorization was required under this section. The approval of the Bureau de transition is deemed to constitute such an authorization.

This section does not apply to a first collective agreement entered into pursuant to the provisions of Division I.1 of Chapter IV of the Labour Code (R.S.Q., chapter C-27).

The Bureau de transition may, at all times, approve a decision, a collective agreement or a contract of employment for which an authorization is required under the first, second or third paragraph. The approval of the Bureau de transition is deemed to constitute such an authorization.

154. The Bureau de transition must examine any other matter or carry out any other mandate that the Minister may entrust to the Bureau within the scope of its mission.

155. The Bureau de transition must, within three months following the end of its mandate, submit a report on its activities to the Minister.

The Bureau may include in the report any additional recommendation that should, in its opinion, be brought to the attention of the Minister concerning in particular

- (1) the recognition of self-regulatory organizations ;
- (2) the difficulties encountered in the application of this Act and the proposed amendments ;
- (3) the special provisions that should, in its opinion, be incorporated into the legal framework applicable to the regulation of the financial sector.

156. The Bureau de transition shall, in addition, provide to the Minister any information or report the Minister requires on its activities.

TITLE VI

AMENDING PROVISIONS

CIVIL CODE OF QUÉBEC

157. Article 306 of the Civil Code of Québec (1991, chapter 64) is amended by replacing “the Inspector General of Financial Institutions” in the fourth line by “the enterprise registrar”.

158. Article 358 of the said Code is amended by replacing “the Inspector General of Financial Institutions” in the second and third lines by “the enterprise registrar”.

159. Article 1339 of the said Code, amended by section 7 of chapter 19 of the statutes of 2002, is again amended by replacing “the Commission des valeurs mobilières” in paragraph 9 by “the Agence nationale d’encadrement du secteur financier”.

160. Article 1341 of the said Code is amended by replacing “the Régie de l’assurance-dépôts du Québec” by “the Agence nationale d’encadrement du secteur financier”.

161. Article 2442 of the said Code is amended by replacing “the Inspector General of Financial Institutions” in the second and third lines of the second paragraph by “the Agence nationale d’encadrement du secteur financier”.

FINANCIAL ADMINISTRATION ACT

162. Schedule 1 to the Financial Administration Act (R.S.Q., chapter A-6.001), amended by section 35 of chapter 28 of the statutes of 2002, is again amended

(1) by striking out “Inspector General of Financial Institutions”;

(2) by inserting “Enterprise registrar” in the appropriate alphabetical order.

163. Schedule 2 to the said Act, amended by section 145 of chapter 9, section 21 of chapter 11 and section 16 of chapter 28 of the statutes of 2001, is again amended by inserting “Agence nationale d’encadrement du secteur financier” in the appropriate alphabetical order and by striking out “Commission des valeurs mobilières du Québec”.

164. Schedule 3 to the said Act is amended by striking out “Régie de l’assurance-dépôts du Québec”.

AUTOMOBILE INSURANCE ACT

165. Section 93 of the Automobile Insurance Act (R.S.Q., chapter A-25) is amended by replacing “Inspector General of Financial Institutions” in the last line of the second paragraph by “Agence nationale d’encadrement du secteur financier”.

166. Section 97.1 of the said Act is amended

(1) by replacing “the Inspector General of Financial Institutions” in the first, second and third lines of the second paragraph by “the Agence nationale d’encadrement du secteur financier”;

(2) by replacing “the Inspector General of Financial Institutions” in the second line of the third paragraph by “the Agence nationale d’encadrement du secteur financier”;

(3) by replacing “The Inspector General of Financial Institutions” in the first line of the fourth paragraph by “The Agence nationale d’encadrement du secteur financier”.

167. Section 156 of the said Act is amended by replacing “the Inspector General of Financial Institutions” in the third line of the second paragraph by “the Agence nationale d’encadrement du secteur financier”.

168. Section 161 of the said Act is amended by replacing “The Inspector General of Financial Institutions” in the first line by “The Agence nationale d’encadrement du secteur financier”.

169. The heading of Title VII of the said Act is replaced by the following heading:

“POWERS OF THE AGENCE NATIONALE D’ENCADREMENT DU SECTEUR FINANCIER AS REGARDS STATISTICS AND RATES”.

170. Section 177 of the said Act is amended

(1) by replacing “The Inspector General of Financial Institutions” in the first line of the first paragraph by “The Agence nationale d’encadrement du secteur financier”, and “prescribed by him” in the second line by “prescribed by it”, “which he” in the third line by “which it” and “persons insured by him” in the fourth line by “the persons insured”;

(2) by replacing “Inspector General” in the first and in the fourth lines of the third paragraph by “Agence nationale d’encadrement du secteur financier”.

171. Section 178 of the said Act is amended

(1) by replacing “The Inspector General of Financial Institutions” in the first line of the first paragraph by “The Agence nationale d’encadrement du secteur financier” and “him” in the second line by “it”;

(2) by replacing “the Inspector General of Financial Institutions” in the third line of the third paragraph by “the Agence nationale d’encadrement du secteur financier”;

(3) by replacing “The Inspector General of Financial Institutions” in the first line of the fourth paragraph by “The Agence nationale d’encadrement du secteur financier”.

172. Section 179 of the said Act is amended by replacing “The Inspector General of Financial Institutions” in the first line by “The Agence nationale

d'encadrement du secteur financier” and “in the manner he” in the third line by “in the manner the Agency”.

173. Section 179.1 of the said Act is amended

(1) by replacing “The Inspector General of Financial Institutions” in the first line of the first paragraph by “The Agence nationale d'encadrement du secteur financier”;

(2) by replacing “The Inspector General” in the first line of the second paragraph by “The Agence nationale d'encadrement du secteur financier”;

(3) by replacing the third paragraph by the following paragraph:

“The Agency may also, on the conditions it determines, authorize the agency designated in section 178 to make such communications on its behalf.”

174. Section 179.2 of the said Act is amended by replacing “the Inspector General” in the third line by “the Agence nationale d'encadrement du secteur financier”.

175. Section 180 of the said Act is amended by replacing “the Inspector General of Financial Institutions” in the second line of the first paragraph by “the Agence nationale d'encadrement du secteur financier”.

176. Section 181 of the said Act is amended by replacing “the Inspector General of Financial Institutions” in the first and second lines by “the Agence nationale d'encadrement du secteur financier” and “he” in the second line by “it”.

177. Section 182 of the said Act is amended by replacing “The Inspector General of Financial Institutions” in the second and third lines of the first paragraph and in the first and second lines of the second paragraph by “the Agence nationale d'encadrement du secteur financier”, “his” in the second line of the second paragraph by “its” and “him” in the third line of the second paragraph by “it”.

178. Section 183 of the said Act is amended by replacing “The Inspector General of Financial Institutions” in the first line by “The Agence nationale d'encadrement du secteur financier” and “with him” in the second line by “with it”.

DEPOSIT INSURANCE ACT

179. Section 1 of the Deposit Insurance Act (R.S.Q., chapter A-26), amended by section 618 of chapter 29 of the statutes of 2000, is again amended

(1) by replacing paragraph *a* by the following paragraph:

“(a) “Agency”: the Agence nationale d’encadrement du secteur financier established under section 1 of the Act respecting the Agence nationale d’encadrement du secteur financier (2002, chapter 45);”;

(2) by replacing paragraph *b* by the following paragraph:

“(b) “bank”: a bank listed in Schedule I or II of the Bank Act (Revised Statutes of Canada, 1985, chapter B-1.01) and registered with the Canada Deposit Insurance Corporation;”;

(3) by replacing “the Board” in paragraph *h* by “the Agency”.

180. The heading of Division II of the said Act is replaced by the following heading:

“GENERAL PROVISIONS”.

181. Section 2 of the said Act is repealed.

182. Section 2.1 of the said Act is amended by replacing the introductory phrase by the following “The functions of the Agency are”.

183. Sections 3 to 16 of the said Act are repealed.

184. Section 17 of the said Act is amended

(1) by striking out the first and second paragraphs;

(2) by replacing “the board” in the first and in the sixth lines of the third paragraph by “the Agency”.

185. Section 19 of the said Act is repealed.

186. Section 20 of the said Act is replaced by the following section:

“**20.** The Agency shall, not later than 31 July each year, submit to the Minister a report of its activities related to the administration of the said Act for the preceding fiscal year.

The activity report must contain all the information required by the Minister.

The Minister shall table the activity report of the Agency before the National Assembly within 30 days of its receipt or, if the Assembly is not sitting, within 30 days of resumption.”

187. Sections 21 and 22 of the said Act are repealed.

188. Section 26 of the said Act is amended by replacing “Commission des valeurs mobilières du Québec” in the second line of paragraph *b* by “Agency under the Securities Act (chapter V-1.1)”.

189. Section 31.4 of the said Act is amended by replacing “the Inspector General of Financial Institutions” in the third and fourth lines of the first paragraph by “the Agency”.

190. Section 34.2 of the said Act is amended by replacing “the Inspector General of Financial Institutions” in the fourth line of the first paragraph by “the Agency”.

191. The heading of Division VI of the said Act is amended by replacing “THE BOARD” by “THE AGENCY”.

192. Section 42 of the said Act is amended

(1) by replacing “The Board” in the first line of the first paragraph by “The Agency”;

(2) by replacing the second paragraph by the following paragraph:

“However, the examination by the Agency of the affairs of an institution pursuant to any Act applicable to the institution shall stand in lieu of the examination of the affairs of that institution.”;

(3) by replacing the words “the Board” wherever they appear in the third paragraph by the words “the Agency”;

(4) by replacing the fourth paragraph by the following:

“Where the affairs of an institution are examined by the Agency pursuant to this Act as well as pursuant to another Act applicable to the institution, this fact shall be taken into consideration by the Agency in determining the expenses incurred for the examination of the affairs of the institution.”

193. Section 43 of the said Act, amended by section 621 of chapter 29 of the statutes of 2000, is again amended

(1) by replacing the words “the Board” wherever they appear by the words “the Agency”;

(2) by striking out “ruling upon any matter requisite for its internal management and” in paragraph *u*.

194. Section 45 of the said Act is replaced by the following:

“**45.** A regulation made under section 43 is approved, with or without amendment, by the Government and comes into force on the date of its

publication in the *Gazette officielle du Québec* or on any later date determined therein.

The Government may make any regulation under section 43 not made within the prescribed time by the Agency.”

195. Section 51 of the said Act is amended by replacing “the Board” in the second line by “the Agency” and “President of the Board” in the fourth line by “president and director general of the Agency”.

196. Section 52 of the said Act is replaced by the following section :

“**52.** The Agency shall maintain a deposit insurance fund.

All the Agency’s financial obligations under this Act shall be discharged out of the deposit insurance fund.”

197. Section 56 of the said Act, amended by section 622 of chapter 29 of the statutes of 2000, is again amended

(1) by replacing “The funds in the possession of the Board” in the first line of the first paragraph by “The amounts received by the Agency under this Act”;

(2) by inserting “or an authorized foreign bank listed in Schedule I, II or III of the Bank Act” after “bank” in the second line of the first paragraph;

(3) by replacing “the Board” in the first line of the second paragraph by “the Agency”.

198. Sections 18, 27, 31 to 31.2, 32.1 to 33.1, 34, 34.1, 34.3, 35, 40, 40.2 to 40.3.2, 40.4 to 41.2, 46, 52.1 to 54 and 57 of the said Act are amended by replacing the words “the Board” wherever they appear by the words “the Agency”.

ACT RESPECTING PRESCRIPTION DRUG INSURANCE

199. Section 4 of the Act respecting prescription drug insurance (R.S.Q., chapter A-29.01) is amended by replacing “Inspector General of Financial Institutions” in the first and second lines of the first paragraph by “the Agence nationale d’encadrement du secteur financier”.

ACT RESPECTING INSURANCE

200. Section 1 of the Act respecting insurance (R.S.Q., chapter A-32), amended by section 86 of chapter 6 of the statutes of 2002, is again amended by replacing paragraph *n* by the following paragraph :

“(n) “**Agency**”: the Agence nationale d’encadrement du secteur financier;”

201. Section 15 of the said Act is amended

(1) by replacing “The Inspector General may, when he” in the first line of the first paragraph by “The Agency may, when it” and “his competence” in the second line by “its competence”;

(2) by replacing the second paragraph by the following paragraph :

“The person whom the Agency has authorized to conduct an inquiry shall have the powers and immunity granted to commissioners appointed under the Act respecting public inquiry commissions (chapter C-37), except the power to order imprisonment.”

202. Section 16 of the said Act is amended by replacing the words “Inspector General” wherever they appear by the word “Agency” and by striking out the word “himself” in the fourth line of the second paragraph.

203. Section 24 of the said Act is amended

(1) by replacing “the Inspector General” in the first line of the first paragraph by “the Agency”;

(2) by replacing “the Inspector General shall deposit the notice in the register” in the fifth line of the first paragraph by “the Agency shall send the notice to the enterprise registrar who shall deposit it in the register”.

204. Section 38 of the said Act is amended

(1) by replacing “the Inspector General” in the third line by “the Agency”;

(2) by replacing “him for deposit” in the first and second lines of paragraph *b* by “the Agency which shall send it to the enterprise registrar who shall deposit it”.

205. Section 39 of the said Act is amended by replacing the first sentence by the following sentence: “The Agency shall transmit the letters patent together with a notice of the date of their coming into force to the enterprise registrar who shall deposit them in the register.”

206. Section 41 of the said Act is amended

(1) by replacing the second paragraph by the following paragraph :

“The Agency shall, before dissolving a company, give it at least 60 days’ notice of the omission and the penalty provided. The Agency shall transmit the notice to the enterprise registrar who shall deposit it in the register.”;

(2) by replacing the first sentence of the fourth paragraph by the following sentence: “The Agency shall dissolve an insurance company by drawing up an act of dissolution which it shall transmit to the enterprise registrar who shall deposit it in the register.”;

(3) by replacing the first sentence of the fifth paragraph by the following sentence: “However, upon the application of any interested person, the Agency may, on the conditions it determines, retroactively revoke the dissolution of the company by drawing up an order to that effect. The Agency shall transmit the order to the enterprise registrar who shall deposit it in the register.”

207. Section 77 of the said Act is amended by replacing the first paragraph by the following paragraph:

“**77.** The Agency shall, if the company has complied with this Act, transmit a notice setting forth the facts notified to it in accordance with section 76 to the enterprise registrar who shall deposit it in the register.”

208. Section 93.20 of the said Act is amended

(1) by replacing “the Inspector General” in the second line of the first paragraph by “the Agency” and “order him” in the same line by “order it”;

(2) by replacing “the Inspector General” in the introductory sentence of the second paragraph by “the Agency”;

(3) by replacing subparagraph 3 of the second paragraph by the following subparagraph:

“(3) transmit a copy of the certificate and of the articles as well as the accompanying documents referred to in paragraphs 2 to 4 of section 93.18 to the enterprise registrar who shall deposit them in the register.”;

209. Section 93.27 of the said Act is amended by replacing the first sentence of the first paragraph by the following sentences: “The decision of the Agency shall be in writing, give reasons and be signed. The Agency shall transmit the decision to the enterprise registrar who shall deposit it in the register.”

210. Section 93.27.2 of the said Act is amended

(1) by replacing the first paragraph by the following paragraph:

“**93.27.2.** Where the Agency assigns a name to the association, it shall issue a certificate in duplicate establishing the change and send one duplicate to the enterprise registrar who shall deposit it in the register.”;

(2) by replacing “The Inspector General” in the first line of the second paragraph by “The Agency”.

211. Section 93.117 of the said Act is replaced by the following section :

“93.117. The Agency shall dissolve the association by drawing up a notice to that effect which it shall transmit to the enterprise registrar who shall deposit it in the register. The association is dissolved from the date of the deposit.”

212. Section 93.120 of the said Act is amended by replacing the second paragraph by the following paragraph :

“The Minister may, if the Minister considers it advisable and after obtaining the advice of the Agency, order the Agency to revoke the dissolution retroactively to the date on which it took effect. The Agency shall revoke the dissolution by drawing up an order to that effect which it shall transmit to the enterprise registrar who shall deposit it in the register.”

213. Section 93.165.1 of the said Act is replaced by the following section :

“93.165.1. A federation may, by agreement with the Agency, inspect in accordance with the terms of the agreement those of its members that are registered as firms under the Act respecting the distribution of financial products and services (chapter D-9.2).

Sections 107 and 113 of that Act apply, with the necessary modifications, to inspections performed under this section.

An agreement may specify

- (1) the manner in which the federation is required to report to the Agency ;
- (2) the powers of inspection that the Agency may exercise in respect of the federation ;
- (3) any other measure that the Agency considers appropriate.”

214. Section 93.192 of the said Act is amended

(1) by replacing “The Inspector General or, if he is absent or unable to act” in the first line of the first paragraph by “The Agency”, “his” in the first line of that paragraph by “its” and “if he” in the sixth line of that paragraph by “if it” ;

(2) by replacing “he” in the second line of subparagraph 1 of the first paragraph by “it” ;

(3) by replacing “financial or administrative” in the fourth line of subparagraph 2 of the first paragraph by “management”.

215. Section 93.197 of the said Act is amended by replacing “the Inspector General,” in the second and third lines of the third paragraph by “the Agency which shall transmit it to the enterprise registrar”.

216. Section 93.202 of the said Act is amended by replacing “the Inspector General, who shall deposit it in the register, and forward to him” in the second and third lines of the first paragraph by “the Agency which shall transmit it to the enterprise registrar who shall deposit it in the register. The federation shall also forward the notice to the Agency”.

217. Section 93.212 of the said Act is amended by replacing “the Inspector General, who” in the second line by “the Agency which shall then transmit it to the enterprise registrar who”.

218. Section 93.214 of the said Act is amended

- (1) by replacing “The Inspector General” in the first line by “The Agency”;
- (2) by replacing “which he shall” in the third line by “which it shall transmit to the enterprise registrar who shall”.

219. Section 93.217 of the said Act is amended by replacing the second paragraph by the following paragraph:

“The Minister may, if the Minister considers it advisable and after obtaining the advice of the Agency, order the Agency to revoke the dissolution, retroactively to the date on which it took effect. The Agency shall revoke the dissolution by drawing up an order to that effect which it shall transmit to the enterprise registrar who shall deposit it in the register.”

220. Section 93.245 of the said Act is amended by replacing “financial and administrative” in the third and fourth lines by “management”.

221. Section 93.269 of the said Act is amended

- (1) by replacing “The Inspector General or, if he is absent or unable to act” in the first line of the first paragraph by “the Agency”, “his” in the first line of that paragraph by “its” and “if he” in the sixth line of that paragraph and in the first line of subparagraph 1 of that paragraph by “if it”;
- (2) by replacing “he” in the first line of subparagraph 1 of the first paragraph by “it”;
- (3) by replacing “administrative” in the fourth line of subparagraph 4 of the first paragraph by “management”.

222. Section 93.271 of the said Act is amended by replacing “the Inspector General, who shall” in the second line of the second paragraph by “the Agency which shall transmit it to the enterprise registrar who shall”.

223. Section 99 of the said Act is amended

(1) by replacing “the Inspector General” in the first and second lines of the first paragraph by “the Agency”;

(2) by replacing the second sentence of the first paragraph by the following sentence: “The Agency shall transmit the notice to the enterprise registrar who shall deposit it in the register.”

224. Section 102 of the said Act is amended by replacing the first paragraph by the following paragraph:

“**102.** The Agency shall send one copy of the declaration to the enterprise registrar who shall deposit it in the register. It shall return the other copy to the provisional secretary of the association.”

225. Section 121 of the said Act is amended by replacing the second paragraph by the following paragraph:

“Such by-law shall not come into force until the Agency approves it and sends a notice to that effect to the enterprise registrar who shall deposit it in the register.”

226. Section 188 of the said Act is amended by replacing “the Inspector General, who shall” in the fourth line by “the Agency which shall transmit it to the enterprise registrar who shall”.

227. Section 191 of the said Act is amended

(1) by replacing “the Inspector General” in the first line of the first paragraph by “the Agency” and “his” in the third line of that paragraph by “its”;

(2) by replacing the second paragraph by the following paragraph:

“The Agency shall send the letters patent or one copy of the amalgamation agreement, as the case may be, to the enterprise registrar for deposit in the register.”

228. Section 197 of the said Act is amended by replacing “the Inspector General, who shall deposit it” in the fourth line by “the Agency which shall transmit it to the enterprise registrar who shall deposit it”.

229. Section 199 of the said Act is replaced by the following section:

“**199.** If the Minister accepts the petition, the Minister shall send the conversion by-law to the Agency which shall transmit it to the enterprise registrar who shall deposit it in the register. In the case of companies, the Agency shall issue letters patent which it shall transmit to the enterprise registrar who shall deposit them in the register.”

230. Section 200.6 of the said Act is replaced by the following section :

“**200.6.** If the Minister confirms the by-law, the Agency shall issue the letters patent, which it shall transmit to the enterprise registrar who shall deposit them in the register.”

231. Section 211 of the said Act is amended

(1) by replacing “The Inspector General” in the first line by “The Agency”;

(2) by replacing paragraph *d* by the following paragraph :

“(d) adheres to sound and prudent management practices, in particular those relating to commercial practices;”.

232. Section 245.0.1 of the said Act is amended by replacing “the Régie de l’assurance-dépôts du Québec” in paragraph *d* by “the Agence nationale d’encadrement du secteur financier pursuant to the Deposit Insurance Act (chapter A-26)”.

233. The said Act is amended by inserting the following after section 285.26:

“CHAPTER III.2

“EXAMINATION OF COMPLAINTS AND DISPUTE RESOLUTION

“**285.27.** Every insurer must provide equitable resolution of complaints filed with the insurer. To that end, an insurer must establish a policy dealing with

(1) the examination of complaints and claims filed by persons having an interest in a product or service it has provided;

(2) the resolution of disputes pertaining to a product or service it has provided.

“**285.28.** A person who is dissatisfied with the examination of a complaint by a mutual insurance company or with its outcome may refer the matter to the federation of which the company is a member.

The federation may make recommendations to the mutual insurance company as regards the complaint filed.

“**285.29.** Every insurer shall, each year, within two months of the closing date of its fiscal year or on any other date determined by the Agency, submit a report to that date concerning the policy it has established pursuant to section 285.27.

The report shall mention, in particular, the number and nature of the complaints filed.

“285.30. The Agency may, if it considers it appropriate, give written instructions to an insurer regarding the policy referred to in section 285.27.

Before exercising the power provided for under the first paragraph, the Agency must notify the insurer of its intent and give it the opportunity to present observations.

“285.31. Every insurer shall inform each complainant, in writing and without delay, that a complainant may, if he or she is dissatisfied with the complaint examination procedure or its outcome, request the insurer or, in the case of a mutual insurance company, the federation, to forward a copy of the complaint file to the Agency.

Where requested by a complainant, the insurer or the federation, as the case may be, shall forward a copy of the complaint file to the Agency.

The Agency shall examine the complaint file and may, if it considers it appropriate, act as a mediator if the interested parties agree.

“285.32. Notwithstanding sections 9 and 83 of the Act respecting Access to documents held by public bodies and the Protection of personal information (chapter A-2.1), the Agency may not communicate a complaint file without the authorization of the insurer or the federation that has transmitted it.

“285.33. The Agency may, with the authorization of the Government, enter into an agreement with any body or legal person in respect of the examination of complaints filed by persons dissatisfied with the complaint examination procedure or its outcome.

Such an agreement may also provide that the body or legal person may, where they consider it expedient, act as a mediator if the interested parties agree thereto.

“285.34. A mediator may not be compelled to disclose anything revealed to or learned by the mediator in the exercise of his or her functions or to produce a document prepared or obtained in the course of such exercise before a court of justice or before a person or body of the administrative branch exercising adjudicative functions.

Notwithstanding section 9 of the Act respecting Access to documents held by public bodies and the Protection of personal information, no person may have access to a document contained in the mediation record.”

234. Section 318 of the said Act is amended by replacing paragraph *c* by the following paragraph :

“(c) the management practices of the insurer;”.

235. The said Act is amended by replacing the heading of Chapter V.1 of Title IV with the following heading:

“GUIDELINES AND ORDERS OF THE AGENCY”.

236. The said Act is amended by inserting the following sections after the heading of Chapter V.1 of Title IV:

“**325.0.1.** The Agency may, after consultation with the Minister, give the guidelines applicable to one or more categories of the following legal persons or companies:

- (1) life insurance companies;
- (2) property insurance companies;
- (3) downstream holdings;
- (4) mutual insurance companies;
- (5) federations of mutual insurance companies;
- (6) guarantee funds;
- (7) mutual benefit associations;
- (8) professional orders, with regard to their insurance funds.

“**325.0.2.** The guidelines are not regulations. They are indicative of the exercise of the discretionary powers conferred by this Act on the Agency, concerning:

- (1) the policy insurers must establish pursuant to section 285.27;
- (2) any other sound and prudent management practices, in particular those relating to the marketing of insurance products.

“**325.0.3.** A legal person or company that fails to comply with the guidelines is, for the purposes of sections 325.5 and 378 to 389, deemed to have failed to adhere to sound and prudent management practices.”

237. Section 325.1 of the said Act is amended

- (1) by replacing “the Inspector General” in the first lines of the first and second paragraphs by “the Agency” and “he may order him or it” in the fourth line of the first paragraph by “the Agency may order the person or body”;

(2) by replacing “does not adhere to sound financial practices” in the second and third lines of the first paragraph by “has failed to adhere to sound and prudent management practices, in particular those relating to commercial practices”.

238. Section 358 of the said Act is amended

(1) by replacing the words “Inspector General” wherever they appear by the word “Agency”, and making the necessary modifications ;

(2) by replacing “sound financial and commercial practices” in paragraph *g* by “sound and prudent management practices, in particular those relating to commercial practices”.

239. Section 378 of the said Act is amended

(1) by replacing “The Inspector General or, if he is absent or unable to act” in the first line of the first paragraph by “The Agency” and “his” in the first line by “its”;

(2) by replacing “if he” in the seventh line and in subparagraph *a* of the first paragraph by “the Agency”;

(3) by replacing “administrative” in subparagraph *e* of the first paragraph by “management”.

240. Section 387 of the said Act is amended

(1) by replacing “The Inspector General, or any person designated by the Minister at the request of the Inspector General or in cases when he is absent or unable to act,” in the first and second lines of the first paragraph by “The Agency or any person designated by the Minister at the request of the Agency”;

(2) by replacing “Inspector General” in subparagraph *c* of the first paragraph by “Agency”.

241. Section 395 of the said Act is amended by replacing “the Inspector General by filing” in the second line of the first paragraph by “the Agency and file” and “forward to him a copy” in the fourth line by “forward a copy to the Agency”.

242. Section 420 of the said Act is amended

(1) by replacing “Inspector General” in paragraphs *g* to *j* and *y* by “Agency”;

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

“(av) determine the policy that must be established by every insurer pursuant to section 285.27 or elements of such a policy ;”.

243. Sections 5, 10, 11, 12, 12.1, 13, 18, 19, 21, 22, 23, 29, 31, 32, 37, 46, 48, 50.1, 50.2, 50.3, 68, 75, 76, 79, 80, 93.1, 93.7, 93.10, 93.17, 93.19, 93.25, 93.26, 93.27.1, 93.27.3, 93.27.4, 93.30, 93.34, 93.46, 93.48, 93.53, 93.56, 93.88, 93.89, 93.108, 93.110, 93.111, 93.114, 93.115, 93.116, 93.118, 93.125, 93.126, 93.130, 93.131, 93.132, 93.133, 93.154.3, 93.160, 93.167, 93.168, 93.180, 93.184, 93.186, 93.187, 93.188, 93.189, 93.191, 93.204, 93.205, 93.208, 93.210, 93.211, 93.215, 93.220, 93.224, 93.225, 93.230, 93.231, 93.238.3, 93.252, 93.259, 93.263, 93.264, 93.265, 93.266, 93.268, 95, 98, 100.1, 101, 109, 127, 171, 174.1, 174.2, 174.4, 174.5, 174.17, 174.18, 190, 198, 200.5, 201, 205, 209, 212, 218, 219, 219.1, 220, 222, 226, 230, 231, 233, 234, 235, 237, 238, 239, 242, 245.1, 247.1, 270, 275, 275.3, 275.4, 275.5, 277, 282, 283, 284, 285.7, 285.11, 285.13, 285.14, 285.15, 285.16, 285.17, 285.18, 285.19, 285.22, 285.23, 291.1, 292, 294.2, 294.3, 298, 298.2, 298.5, 298.7, 298.12, 298.13, 298.14, 298.15, 298.16, 303, 304, 305, 309, 311, 313, 314, 315, 316, 317, 319, 320, 321, 322, 323, 324, 325, 325.2, 325.3, 325.4, 325.5, 325.6, 325.7, 361, 362, 363, 364, 380, 384, 396, 397, 398, 400, 405, 406, 411, 415, 416, 422 and 422.1 of the said Act, amended by chapter 34 of the statutes of 2001, are amended by replacing the words “the Inspector General”, wherever they appear, by “the Agency”, and making the necessary modifications.

ACT RESPECTING THE CAISSES D’ENTRAIDE ÉCONOMIQUE

244. Section 17 of the Act respecting the caisses d’entraide économique (R.S.Q., chapter C-3) is amended by replacing “the Régie de l’assurance-dépôts du Québec” in the second line of the first paragraph by “the Agence nationale d’encadrement du secteur financier”.

245. Section 18 of the said Act is amended by inserting “or an authorized foreign bank listed in Schedule I, II or III of the Bank Act (Revised Statutes of Canada, 1985, chapter B-1.01)” after “bank” in the second line of the second paragraph.

246. Section 22 of the said Act is amended by replacing “the Régie de l’assurance-dépôts du Québec” in the fourth line by “the Agence nationale d’encadrement du secteur financier”.

247. Section 31 of the said Act is replaced by the following section :

“**31.** The Agence nationale d’encadrement du secteur financier is responsible for the administration of this Act.”

ACT RESPECTING CERTAIN CAISSES D’ENTRAIDE ÉCONOMIQUE

248. Sections 107 and 108 of the Act respecting certain caisses d’entraide économique (R.S.Q., chapter C-3.1) are repealed.

249. Section 146.1 of the said Act is replaced by the following section :

146.1. The Agence nationale d'encadrement du secteur financier is responsible for the administration of this Act to the extent that is within the jurisdiction of the Minister of Finance."

250. Sections 105, 106 and 109 of the said Act are amended by replacing the words "the Régie de l'assurance-dépôts du Québec" or "the Board", wherever they appear, by "the Agence nationale d'encadrement du secteur financier", and making the necessary modifications.

ACT RESPECTING CERTAIN INTERNATIONAL FINANCIAL CENTRES

251. Section 4 of the Act respecting certain international financial centres (R.S.Q., chapter C-8.3), amended by section 1 of chapter 9 of the statutes of 2002, is again amended by replacing "the Commission des valeurs mobilières du Québec" in the third and fourth lines of the definition of "organization" by "the Agence nationale d'encadrement du secteur financier".

CHARTER OF VILLE DE QUÉBEC

252. Section 35.9 of the Charter of Ville de Québec (R.S.Q., chapter C-11.5), introduced by section 10 of Order 1309-2001 dated 1 November 2001 (2001, G.O. 2, 5949), is amended by replacing "to the Inspector General of Financial Institutions" by "to the enterprise registrar".

253. Section 35.11 of the said Charter, introduced by section 10 of Order 1309-2001 dated 1 November 2001 (2001, G.O. 2, 5949), is amended by replacing "the Inspector General of Financial Institutions" in both paragraphs by "the enterprise registrar".

254. Section 35.13 of the said Charter, introduced by section 10 of Order 1309-2001 dated 1 November 2001 (2001, G.O. 2, 5949), is amended by replacing "the Inspector General of Financial Institutions" in the first paragraph by "the enterprise registrar".

255. Section 35.14 of the said Charter, introduced by section 10 of Order 1309-2001 dated 1 November 2001 (2001, G.O. 2, 5949), is amended by replacing "to the Inspector General of Financial Institutions" by "to the enterprise registrar".

CINEMA ACT

256. Section 144.4 of the Cinema Act (R.S.Q., chapter C-18.1) is amended by replacing "the Régie de l'assurance-dépôts du Québec" in the first and second lines of paragraph 3 by "the Agence nationale d'encadrement du secteur financier pursuant to the Deposit Insurance Act (chapter A-26)".

CITIES AND TOWNS ACT

257. Section 465.5 of the Cities and Towns Act (R.S.Q., chapter C-19) is amended by replacing “of the Inspector General of Financial Institutions” by “or the Agence nationale d’encadrement du secteur financier”.

258. Section 465.6 of the said Act is amended

(1) by replacing “Inspector General” in the first line of the English text of the first paragraph by “Agence nationale d’encadrement du secteur financier” and by replacing “à ce dernier” in the second line of the French text of the first paragraph by “à cette dernière”;

(2) by replacing “The Inspector General shall deposit the letters patent he issues” in the first line of the third paragraph by “The Agency shall send the letters patent to the enterprise registrar who shall deposit them”.

259. Section 465.13 of the said Act is amended by replacing “the Inspector General” in the first line of the first paragraph by “the Agence nationale d’encadrement du secteur financier”, “he may” in the fifth line by “the Agency may” and “he determines” in the seventh line by “that the Agency determines”.

260. Section 465.15 of the said Act is amended

(1) by replacing, wherever they appear, “the Inspector General” by “the Agence nationale d’encadrement du secteur financier” and making the necessary modifications;

(2) by replacing “he shall deposit a notice to that effect in the register” in the first and second lines of the second paragraph by “it shall transmit a notice to that effect to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons”.

261. Sections 458.16, 458.17.2, 458.18, 458.19, 458.21, 458.40, 465.8 and 465.9 of the said Act, amended by chapters 6, 25, 26, 35, 60 and 68 of the statutes of 2001, are again amended by replacing the words “the Inspector General of Financial Institutions” and “the Inspector General”, wherever they appear, by the words “the enterprise registrar”, and making the necessary modifications.

FISH AND GAMES CLUBS ACT

262. Section 1 of the Fish and Games Clubs Act (R.S.Q., chapter C-22) is amended

(1) by replacing “Inspector General of Financial Institutions” and “Inspector General” in the second line of the first paragraph and in the first line of the third, fourth and fifth paragraphs by “enterprise registrar”;

(2) by striking out “of Finance” in the third line of the sixth paragraph.

263. Sections 2 and 4 of the said Act are amended by replacing the words “the Inspector General of Financial Institutions” wherever they appear by the words “the enterprise registrar”.

264. The said Act is amended by adding the following sections after section 6:

“**7.** The enterprise registrar is responsible for the administration of this Act.

“**8.** The Minister of Industry and Trade is responsible for the application of this Act.”

AMUSEMENT CLUBS ACT

265. Sections 1, 1.2 and 4 of the Amusement Clubs Act (R.S.Q., chapter C-23) are amended by replacing the words “the Inspector General of Financial Institutions” and “the Inspector General”, wherever they appear, by the words “the enterprise registrar”, and making the necessary modifications.

266. The said Act is amended by adding the following sections after section 10:

“**11.** The enterprise registrar is responsible for the administration of this Act.

“**12.** The Minister of Industry and Trade is responsible for the application of this Act.”

CODE OF CIVIL PROCEDURE

267. Article 833 of the Code of Civil Procedure (R.S.Q., chapter C-25) is amended by replacing “to the Inspector General of Financial Institutions” in the third and fourth lines of the first paragraph by “to the enterprise registrar”.

PROFESSIONAL CODE

268. Section 16.8 of the Professional Code (R.S.Q., chapter C-26) is amended by replacing “the Régie de l’assurance-dépôts du Québec” in the first and second lines of paragraph 2 by “the Agence nationale d’encadrement du secteur financier pursuant to the Deposit Insurance Act (chapter A-26)”.

LABOUR CODE

269. Section 149 of the Labour Code (R.S.Q., chapter C-27) is amended by replacing “the Inspector General of Financial Institutions” in the second line of the second paragraph by “the enterprise registrar”.

MUNICIPAL CODE OF QUÉBEC

270. Article 711.7 of the Municipal Code of Québec (R.S.Q., chapter C-27.1) is amended

(1) by replacing “Inspector General” in the first line of the first paragraph by “Agence nationale d’encadrement du secteur financier” and by replacing “the latter” in the second line of that paragraph by “the Agency”;

(2) by replacing “The Inspector General shall deposit the letters patent he issues” in the first line of the third paragraph by “The Agency shall transmit the letters patent to the enterprise registrar who shall deposit them”.

271. Article 711.14 of the said Code is amended by replacing “The Inspector General” in the first line of the first paragraph by “The Agence nationale d’encadrement du secteur financier”, “he may” in the fifth line by “the Agency may” and “he determines” in the seventh line by “that the Agency determines”.

272. Article 711.16 of the said Code is amended

(1) by replacing “the Inspector General” by “the Agence nationale d’encadrement du secteur financier” and making the necessary modifications;

(2) by replacing “he shall deposit a notice to that effect in the register” in the first and second lines of the seventh paragraph by “it shall transmit a notice to that effect to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons”.

273. Articles 649, 650.2, 651, 652, 654 and 673 of the said Code, amended by chapters 6, 25, 26, 35 and 68 of the statutes of 2001, are again amended by replacing the words “the Inspector General of Financial Institutions”, wherever they appear, by “the enterprise registrar” and making the necessary modifications.

274. Articles 711.6, 711.9 and 711.10 of the said Code are amended by replacing the words “the Inspector General of Financial Institutions” and “the Inspector General”, wherever they appear, by the words “the Agence nationale d’encadrement du secteur financier”, and making the necessary modifications.

COMPANIES ACT

275. Section 1 of the Companies Act (R.S.Q., chapter C-38) is amended by replacing “Minister of Finance” by “Minister of Industry and Trade”.

276. Section 31 of the said Act is amended by replacing “the Inspector General” in the fifth line of subparagraph *j* of the second paragraph by “the Agence nationale d’encadrement du secteur financier”.

277. Section 134 of the said Act is amended by replacing “the Inspector General” in the fifth line of subparagraph *j* of the second paragraph by “the Agence nationale d’encadrement du secteur financier”.

278. Sections 1.1, 1.2, 2.4, 2.5, 2.7, 4, 6, 7, 8, 9, 9.2, 10, 10.1, 11, 12, 14, 15, 16, 17, 18, 18.1, 18.2, 19, 20, 21, 23, 28, 28.1, 28.2, 34.1, 38, 39, 40, 49, 50, 59, 62, 64, 65, 87, 110, 111, 113, 123.0.1, 123.11, 123.14, 123.15, 123.23, 123.24, 123.26, 123.27, 123.27.1, 123.27.2, 123.27.3, 123.27.4, 123.27.5, 123.27.6, 123.81, 123.104, 123.105, 123.108, 123.109, 123.118, 123.119, 123.135, 123.136, 123.141, 123.142, 123.143, 123.144, 123.145, 123.147, 123.148, 123.160, 123.161, 123.162, 123.163, 123.164, 123.169, 123.171, 126.1, 128, 131, 147, 148, 155, 156, 157, 180, 203, 204, 206, 218, 219, 220, 221, 221.1, 221.2, 228, 231 and 232 of the said Act are amended by replacing the words “the Inspector General of Financial Institutions” and “the Inspector General”, wherever they appear, by the words “the enterprise registrar” and making the necessary modifications.

CEMETERY COMPANIES ACT

279. Sections 1, 3.1, 4, 5 and 11 of the Cemetery Companies Act (R.S.Q., chapter C-40) are amended by replacing the words “the Inspector General of Financial Institutions” and “the Inspector General”, wherever they appear, by “the enterprise registrar” and making the necessary modifications.

280. The said Act is amended by adding the following sections after section 13:

“**14.** The enterprise registrar is responsible for the administration of this Act.

“**15.** The Minister of Industry and Trade is responsible for the application of this Act.”

ACT RESPECTING ROMAN CATHOLIC CEMETERY COMPANIES

281. Sections 2, 7.1, 8, 29, 30, 46 and 50 of the Act respecting Roman Catholic cemetery companies (R.S.Q., chapter C-40.1) are amended by replacing the words “the Inspector General of Financial Institutions” and “the Inspector General”, wherever they appear, by the words “the enterprise registrar”, and making the necessary modifications.

282. The said Act is amended by adding the following sections after section 51:

“**52.** The enterprise registrar is responsible for the administration of this Act.

“**53.** The Minister of Industry and Trade is responsible for the application of this Act.”

TIMBER-DRIVING COMPANIES ACT

283. Sections 6, 30, 56, 64 and 65 of the Timber-Driving Companies Act (R.S.Q., chapter C-42) are amended by replacing the words “the Inspector General of Financial Institutions” and “the Inspector General”, wherever they appear, by the words “the enterprise registrar”, and making the necessary modifications.

GAS, WATER AND ELECTRICITY COMPANIES ACT

284. Section 8 of the Gas, Water and Electricity Companies Act (R.S.Q., chapter C-44) is amended

(1) by replacing “the Inspector General of Financial Institutions” in the third and fourth lines of the first paragraph by “the enterprise registrar”;

(2) by replacing “The Inspector General” in the first line of the second paragraph by “The enterprise registrar”.

285. The said Act is amended by adding the following sections after section 97:

“**98.** The enterprise registrar is responsible for the administration of this Act.

“**99.** The Minister of Industry and Trade is responsible for the application of this Act.”

TELEGRAPH AND TELEPHONE COMPANIES ACT

286. Sections 4, 6, 14 and 25 of the Telegraph and Telephone Companies Act (R.S.Q., chapter C-45) are amended by replacing the words “the Inspector General of Financial Institutions” and “the Inspector General”, wherever they appear, by the words “the enterprise registrar” and making the necessary modifications.

287. Section 26 of the said Act is amended by replacing “Minister of Finance” by “Minister of Industry and Trade”.

288. The said Act is amended by adding the following section after section 27:

“**28.** The enterprise registrar is responsible for the administration of this Act.”

MINING COMPANIES ACT

289. Sections 5, 8, 11, 12, 13, 14, 15, 17 and 23 of the Mining Companies Act (R.S.Q., chapter C-47) are amended by replacing the words “the Inspector

General of Financial Institutions” and “the Inspector General”, wherever they appear, by the words “the enterprise registrar” and making the necessary modifications.

290. Section 24 of the said Act is amended by replacing “Minister of Finance” by “Minister of Industry and Trade”.

ACT RESPECTING THE CONSEIL DES ARTS ET DES LETTRES DU QUÉBEC

291. Section 25 of the Act respecting the Conseil des arts et des lettres du Québec (R.S.Q., chapter C-57.02) is amended by replacing “the Régie de l’assurance-dépôts du Québec” in the first and second lines of paragraph 3 by “the Agence nationale d’encadrement du secteur financier pursuant to the Deposit Insurance Act (chapter A-26)”.

ACT RESPECTING THE CONSERVATOIRE DE MUSIQUE ET D’ART DRAMATIQUE DU QUÉBEC

292. Section 61 of the Act respecting the Conservatoire de musique et d’art dramatique du Québec (R.S.Q., chapter C-62.1) is amended by replacing “the Régie de l’assurance-dépôts du Québec” in the first and second lines of paragraph 3 by “the Agence nationale d’encadrement du secteur financier pursuant to the Deposit Insurance Act (chapter A-26)”.

ACT RESPECTING THE CONSTITUTION OF CERTAIN CHURCHES

293. Sections 4 and 5 of the Act respecting the constitution of certain Churches (R.S.Q., chapter C-63) are amended by replacing the words “the Inspector General of Financial Institutions” and “the Inspector General”, everywhere they appear, by the words “the enterprise registrar” and making the necessary modifications.

294. The said Act is amended by adding the following sections after section 14:

“**15.** The enterprise registrar is responsible for the administration of this Act.

“**16.** The Minister of Industry and Trade is responsible for the application of this Act.”

COOPERATIVES ACT

295. Sections 13, 19, 121, 162.1, 171.1, 181.1, 182, 185.4, 189, 189.1, 190, 193, 211.6, 221.8, 226.10, 226.12, 226.13, 253 and 266 of the Cooperatives Act (R.S.Q., chapter C-67.2), amended by chapter 36 of the statutes of 2001, are again amended by replacing the words “the Inspector General of Financial

Institutions” and “the Inspector General”, everywhere they appear, by the words “the enterprise registrar” and making the necessary modifications.

ACT RESPECTING FINANCIAL SERVICES COOPERATIVES

296. Section 11 of the Act respecting financial services cooperatives (R.S.Q., chapter C-67.3) is amended by replacing “the Inspector General of Financial Institutions” in the second and third lines by “the Agence nationale d’encadrement du secteur financier”.

297. Section 15 of the said Act is amended

(1) by replacing both occurrences of the words “the Inspector General” in the second line of the first paragraph by “the Agency”;

(2) by replacing “the Inspector General” in the introductory sentence of the second paragraph by “the Agency”;

(3) by replacing subparagraph 4 of the second paragraph by the following subparagraph :

“(4) transmit a duplicate of the certificate and of the articles and a duplicate of the documents referred to in paragraphs 2 to 4 of section 12 to the enterprise registrar who shall deposit them in the register established under the Act respecting the legal publicity of sole proprietorships, partnerships and legal persons (chapter P-45);”.

298. Section 20 of the said Act is amended by replacing “The Inspector General shall refuse to deposit articles in the register” in the first line by the words “The Agency shall not transmit articles to the enterprise registrar” and by replacing “paragraph,” in the third line by “paragraph or”.

299. Section 25 of the said Act is amended

(1) by replacing the first paragraph by the following paragraph :

“**25.** The decision of the Agency must be in writing, contain reasons and be signed. A copy of the decision is transmitted without delay to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons. The Agency shall also send a copy of the decision to each of the parties.”;

(2) by replacing “123.146 of the Companies Act (chapter C-38)” in the second paragraph by “25.1”;

(3) by striking out the third paragraph.

300. The said Act is amended by inserting the following sections after section 25 :

“25.1. Any person who believes he or she has been wronged by a decision of the Agency under section 20, 22 or 23, may, within 30 days of being notified, contest the decision before the Administrative Tribunal of Québec.

“25.2. Notwithstanding the second paragraph of section 15 of the Act respecting administrative justice (chapter J-3), the Tribunal may only confirm or quash the disputed decision contested.

“25.3. Where the contested decision is a decision made under section 23, the Agency shall transmit a notice of the notification of the application to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons.

“25.4. The decision of the Tribunal is transmitted to the enterprise registrar who shall, where applicable, make the necessary changes to the register of sole proprietorships, partnerships and legal persons, together with an entry to the effect that the decision was rendered by the Québec Administrative Tribunal in the case of a decision made by the Agency under section 23. A copy of the decision shall also be transmitted to the Agency.”

301. Section 27 of the said Act is amended

(1) by replacing the first paragraph by the following paragraph :

“27. When assigning a name to a financial services cooperative, the Agency shall issue, in duplicate, a certificate attesting the change of name. The Agency shall transmit one copy to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons, and transmit the other copy to the cooperative.”;

(2) by replacing “The Inspector General” in the first line of the second paragraph by “The Agency”.

302. Section 31 of the said Act is amended by adding the following paragraph at the end :

“The cooperative must give notice of the change to the Agency within the same time limit.”

303. Section 37 of the said Act is amended

(1) by replacing “the Inspector General” in the introductory sentence by “the Agency”;

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

“The Agency shall transmit a copy of the list of the names and addresses of the members of the board of directors to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons.”

304. Section 39 of the said Act is amended

- (1) by replacing “the Inspector General” in the second line by “the Agency”;
- (2) by adding the following paragraph at the end:

“The Agency shall transmit a copy of the articles of replacement or amendment of the financial services cooperative to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons.”

305. Section 43 of the said Act is amended

(1) by replacing “required by the Inspector General, the Inspector General may amend or replace the articles if the Inspector General” in the third and fourth lines of the first paragraph by “required by the Agency, the Agency may amend or replace the articles if it”;

(2) by replacing “the Inspector General” in the first and the fourth and fifth lines of the second paragraph by “the Agency”;

- (3) by adding the following paragraph at the end:

“The Agency shall send a copy of the certificate attesting the replacement or amendment to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons.”

306. Section 70 of the said Act is amended by replacing “in accordance with this Act” in the fourth line of the English text by “according to law”.

307. Section 81 of the said Act is amended

(1) by replacing “the Commission des valeurs mobilières du Québec” in the first and second lines of paragraph 5 by “the Agency”;

- (2) by replacing “the Inspector General” in paragraph 8 by “the Agency”.

308. Section 100 of the said Act is amended

- (1) by replacing “the Inspector General” in the first line by “the Agency”;
- (2) by adding the following paragraph at the end:

“The Agency shall transmit a list of the names and addresses of such officers to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons.”

309. The said Act is amended by inserting the following after section 131 :

“CHAPTER V.1

“EXAMINATION OF COMPLAINTS AND DISPUTE RESOLUTION

“131.1. Every financial services cooperative must provide equitable resolution of complaints filed with the cooperative. To that end, a cooperative must establish a policy dealing with

(1) the examination of complaints and claims filed by persons having an interest in a product or service it has provided ;

(2) the resolution of disputes pertaining to a product or service it has provided.

“131.2. Every financial services cooperative shall, each year, within two months of the closing date of its fiscal year or on any other date determined by the Agency, submit to the latter a report to that date concerning the policy it has established pursuant to section 131.1.

The report shall mention, in particular, the number and nature of the complaints filed.

“131.3. The Agency may, if it considers appropriate, give written instructions to a financial services cooperative concerning the policy referred to in section 131.1.

Before exercising the power provided for in the first paragraph, the Agency must notify the cooperative of its intention and give it the opportunity to present observations.

“131.4. Every credit union shall inform each complainant, in writing and without delay, that a complainant who has filed a complaint with the federation under the second paragraph of section 258 may, if he or she is dissatisfied with the complaint examination procedure or its outcome, request the federation to forward a copy of the complaint file to the Agency.

Every federation shall inform each complainant, in writing and without delay, that a complainant may, if he or she is dissatisfied with the complaint examination procedure or its outcome in relation to a product or service the federation has provided, request the federation to forward a copy of the complaint file to the Agency.

Where requested by a complainant, the federation shall forward a copy of the complaint file to the Agency.

The Agency shall examine the complaint and may, if it considers it appropriate, act as a mediator if the interested parties agree.

“131.5. Notwithstanding sections 9 and 83 of the Act respecting Access to documents held by public bodies and the Protection of personal information (chapter A-2.1), the Agency may not communicate a complaint file without the authorization of the credit union or the federation that has transmitted it.

“131.6. The Agency may, with the authorization of the Government, enter into an agreement with any body or legal person in respect of the examination of complaints filed by persons dissatisfied with the complaint examination procedure or its outcome.

Such an agreement may also provide that the body or legal person may, where they consider it expedient, act as a mediator if the interested parties agree thereto.

“131.7. A mediator may not be compelled to disclose anything revealed to or learned by the mediator in the exercise of his or her functions or to produce a document prepared or obtained in the course of such exercise before a court of justice or before a person or body of the administrative branch exercising adjudicative functions.

Notwithstanding section 9 of the Act respecting Access to documents held by public bodies and the Protection of personal information, no person may have access to a document contained in the mediation record.”

310. Section 162 of the said Act is amended

(1) by replacing “159” in paragraph 7 by “151”;

(2) by replacing “the Inspector General” in paragraph 10 by “the Agency”.

311. Section 167 of the said Act is amended

(1) by replacing the first paragraph by the following paragraph:

“167. Every financial services cooperative shall provide the Agency, at its request and on the dates and in the form it determines, the statements, statistics, reports and other information that the Agency considers necessary for the application of the said Act.”;

(2) by replacing “The Inspector General” in the first line of the second paragraph by “The Agency”.

312. Section 171 of the said Act is amended by replacing the first paragraph by the following paragraph:

“171. Every financial services cooperative that has decided to wind up its operations must transmit to the Agency a certified true copy of the resolution of winding up. It must also notify the enterprise registrar by producing a declaration to that effect, in accordance with the Act respecting the legal

publicity of sole proprietorships, partnerships and legal persons (chapter P-45), within ten days of passing the resolution.”

313. Section 183 of the said Act is amended by replacing the first sentence by the following sentence: “The Agency shall dissolve the financial services cooperative by drawing up an act of dissolution and transmitting a certified true copy to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons.”

314. Section 187 of the said Act is amended by replacing “the Inspector General” in the second line of the first paragraph by “the Agency”.

315. Section 258 of the said Act is amended by striking out “if need be” in the second line of the first paragraph.

316. Section 280 of the said Act is amended

(1) by replacing “by the Inspector General, the Inspector General may authorize the amalgamation if the Inspector General” in the third and fourth lines of the first paragraph by “by the Agency, the Agency may authorize the amalgamation if the Agency”;

(2) by replacing “the Inspector General” in the first line of the second paragraph by “the Agency”;

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

“The Agency shall transmit a copy of the certificate attesting the amalgamation to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons.”

317. Section 333 of the said Act is amended

(1) by replacing “the Inspector General” in the second and third lines by “the Agency”;

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

“The Agency shall transmit the list of the names and addresses of officers to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons.”

318. Section 377 of the said Act is amended by replacing “the Inspector General” in the first line of the third paragraph by “the Agency”.

319. Section 436 of the said Act is amended

(1) by replacing “by the Inspector General, the Inspector General may authorize the amalgamation if the Inspector General” in the third and fourth

lines of the first paragraph by “by the Agency, the Agency may authorize the amalgamation if the Agency”;

(2) by replacing “the Inspector General” in the first line of the second paragraph by “the Agency”;

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

“The Agency shall send a copy of the certificate attesting the amalgamation to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons.”

320. Section 480 of the said Act is amended by replacing the third paragraph by the following paragraph:

“Notwithstanding sections 123.15, 123.105, 123.119, 123.136 and 123.160 of the Companies Act, any provision relating to the objects of a legal person constituted under Part IA of the Companies Act and referred to in the first paragraph must receive prior approval from the Agency. Following such approval, the Agency shall issue a certificate and transmit it to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons in accordance with the procedure set out in section 123.15 of that Act.”

321. Section 495 of the said Act is replaced by the following section:

“**495.** The Government shall transmit a notice of constitution to the Agency. It also shall transmit a notice to that effect to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons.”

322. Section 505 of the said Act is amended by replacing the second paragraph by the following paragraph:

“Such by-law must be approved by the Agency. If it approves the by-law, the Agency shall transmit a notice to that effect to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons. The by-law comes into effect on the date of deposit.”

323. Section 528 of the said Act is amended by replacing “Inspector General, who shall send a copy of it to the Régie de l’assurance-dépôts du Québec,” in the second and third lines and “Inspector General” in the fourth line by “Agency”.

324. Section 532 of the said Act is amended by replacing “the Inspector General” in the second paragraph by “the president and director general of the Agency or by any staff member so authorized by by-law”.

325. Section 533 of the said Act is repealed.

326. Section 548 of the said Act is replaced by the following section :

“548. Where the Agency is of the opinion that the value of an immovable securing a claim of a financial services cooperative is less than the amount of the loan granted, including accrued interest, or where the Agency considers the immovable to be insufficient security, the Agency may require the cooperative to cause an appraisal of the immovable to be made by an appraiser who must receive the approval of the Agency, or the Agency may itself cause the appraisal to be made.

The Agency may, following such appraisal, reduce the value of the loan entered in the books of the cooperative.”

327. Section 549 of the said Act is replaced by the following section :

“549. Where the Agency is of the opinion that the market value of the assets of a financial services cooperative is less than the recorded book value, it may require that such cooperative cause an appraisal of the immovable to be made by an appraiser who must receive the approval of the Agency, or the Agency may itself cause the appraisal to be made.

The Agency may, following such appraisal, reduce the value of the loan entered in the books of the cooperative.”

328. Section 556 of the said Act is amended

(1) by replacing “Inspector General” in the first and second lines of the first paragraph and in the first and fourth lines of the second paragraph by “Agency”;

(2) by replacing “on his or her own” in the first line of the first paragraph by “on the Agency’s own”.

329. Section 560 of the said Act is amended by replacing “the Inspector General” in the third line by “the president and director general of the Agency or by any staff member so authorized by by-law”.

330. Section 567 of the said Act is replaced by the following section :

“567. The Agency may order a financial services cooperative to cease a course of action or to implement specified measures if the Agency is of the opinion that the cooperative is not adhering to sound and prudent management practices or is not complying with

(1) a provision of this Act, a prescriptive instrument adopted by the Government or a federation under this Act, an order made under the second paragraph of section 67, or a written instruction ;

(2) a compliance program ;

(3) an undertaking under this Act.

The Agency may also order a legal person or partnership controlled by a financial services cooperative to cease a course of action or to implement specified measures if the Agency is of the opinion that the legal person or partnership is not complying with a provision of this Act, a prescriptive instrument adopted under this Act or a written instruction or an undertaking under this Act.”

331. Section 585 of the said Act is amended

(1) by replacing both occurrences of the words “the Inspector General” in the first and second lines of the first paragraph by the words “the Agency”;

(2) by replacing the second paragraph by the following paragraph :

“The signature of the president and director general of the Agency, or any staff member authorized by by-law, on copies of documents, registers or archives is proof of the fact that such documents exist and are in the lawful possession of the Agency.”;

(3) by replacing “the Inspector General” in the first line of the third paragraph by “one of the persons referred to in the second paragraph” and by replacing “the Inspector General” in the third line of the third paragraph by “such person”.

332. Section 586 of the said Act is amended

(1) by replacing “The Inspector General” in the first paragraph by “The Agency”;

(2) by replacing the third paragraph by the following paragraph :

“The Agency shall transmit a certified copy of the completed or corrected certificate to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons.”

333. Section 588 of the said Act is amended by replacing “the Inspector General” in the second and third lines by “the Agency or the enterprise registrar” and “by the Inspector General” in the third line by “by the president and director general of the Agency or by any staff member so authorized by by-law or, as the case may be, by the enterprise registrar”.

334. Section 599 of the said Act is amended

(1) by inserting the following subparagraphs after subparagraph 7 of the first paragraph :

“(7.1) determine the policy the caisses must adopt in accordance with section 131.1 or elements of such a policy;

“(7.2) determine the policy that a federation must adopt in accordance with section 131.1 or elements of such a policy;”;

(2) by inserting “and inspection” after “audit” in subparagraph 9 of the first paragraph.

335. Section 721 of the said Act is amended by replacing “fund corporations” in the second line of the English text by “funds”.

336. Section 727 of the said Act is replaced by the following section:

“**727.** The Agence nationale d’encadrement du secteur financier is responsible for the administration of this Act.”

337. Section 731 of the said Act is amended by replacing “sections 126 718” in the third line of the English text of the first paragraph by “sections 718”.

338. Sections 13, 14, 21 to 24, 26, 42, 61, 71, 82, 113, 120, 122, 123, 127, 132, 135, 136, 138, 142, 146, 147, 151, 152, 157, 158, 160, 163, 166, 170, 175 to 182, 184, 185, 188 to 192, 194, 231, 243, 259, 265, 266, 268, 277 to 279, 283, 292, 314, 316, 325, 348, 350, 353, 355, 376, 379 to 381, 387, 389 to 391, 399, 403, 404, 406, 413, 424, 426, 427, 433 to 435, 442, 443, 445 to 449, 452, 453, 455 to 460, 463, 465, 467, 471, 478, 483, 485, 487, 488, 519, 523, 529 to 531, 534, 537, 538, 543, 545, 550 to 554, 557, 559, 562 to 565, 568 to 574, 581, 584, 587, 589, 590, 595, 597, 598, 605 and 609 of the said Act are amended by replacing the words “the Inspector General” and the words “the Inspector General of Financial Institutions”, wherever they appear, by the words “the Agency”, and making the necessary modifications.

RELIGIOUS CORPORATIONS ACT

339. Sections 2, 5, 5.1, 6, 7, 15 and 16 of the Religious Corporations Act (R.S.Q., chapter C-71) are amended by replacing the words “the Inspector General of Financial Institutions” and the words “the Inspector General”, wherever they appear, with the words “the enterprise registrar”, and making the necessary modifications.

340. The said Act is amended by adding the following sections after section 18:

“**19.** The enterprise registrar is responsible for the administration of this Act.

“**20.** The Minister of Industry and Trade is responsible for the application of this Act.”

341. Form 1 of the said Act is amended by replacing “The Inspector General of Financial Institutions” in the first line by “The enterprise registrar”.

REAL ESTATE BROKERAGE ACT

342. Section 1 of the Real Estate Brokerage Act (R.S.Q., chapter C-73.1) is amended by striking out “to a loan secured by immovable hypothec,” in the fifth line.

343. Section 2 of the said Act, amended by section 722 of chapter 29 of the statutes of 2000, is again amended

- (1) by striking out “to a loan secured by hypothec or” in paragraph 5;
- (2) by striking out “or engaging in a transaction relating to a loan secured by hypothec” in paragraph 6;
- (3) by striking out paragraph 9.

344. Section 25 of the said Act is amended by replacing “of the Bureau” in the fourth line by “of the Agence nationale d’encadrement du secteur financier”.

345. The heading of Chapter VII of the said Act is replaced by the following heading:

“ENTERPRISE REGISTRAR”.

346. Sections 61, 62, 75, 79, 101, 105, 106, 142, 144, 146 to 154, 160.3, 164, 166 and section 189 of the said Act are amended by replacing “the Inspector General of Financial Institutions” and the words “the Inspector General”, wherever they appear, by the words “the enterprise registrar”, and by making the necessary modifications.

347. Section 190 of the said Act is replaced by the following section:

“**190.** The Minister of Industry and Trade is responsible for the application of this Act.”

FORESTRY CREDIT ACT

348. Section 46.5 of the Forestry Credit Act (R.S.Q., chapter C-78) is amended by replacing “the Régie de l’assurance-dépôts du Québec” in the third line by “the Agence nationale d’encadrement du secteur financier pursuant to the Deposit Insurance Act (chapter A-26)”.

ACT TO PROMOTE FOREST CREDIT BY PRIVATE INSTITUTIONS

349. Section 58 of the Act to promote forest credit by private institutions (R.S.Q., chapter C-78.1) is amended by replacing “the Régie de l’assurance-

dépôts du Québec” in the second and third lines of the first paragraph by “the Agence nationale d’encadrement du secteur financier pursuant to the Deposit Insurance Act (chapter A-26)”.

DEPOSIT ACT

350. Section 8 of the Deposit Act (R.S.Q., chapter D-5) is amended

(1) by inserting “listed in Schedule I or II to the Bank Act (Revised Statutes of Canada, 1985, chapter B-1.01)” after “bank” in the fourth line of the first paragraph;

(2) by inserting “listed in Schedule I or II to the Bank Act” after “bank” in the fourth line of the second paragraph.

ACT RESPECTING THE DISTRIBUTION OF FINANCIAL PRODUCTS AND SERVICES

351. Section 5 of the Act respecting the distribution of financial products and services (R.S.Q., chapter D-9.2) is amended by replacing “the Bureau des services financiers” in the last line of the second paragraph by “the Agence nationale d’encadrement du secteur financier”.

352. Section 17 of the said Act is amended by replacing “of the Bureau or, as the case may be, of the Commission des valeurs mobilières du Québec” in the third and fourth lines by “of the Agency”.

353. Section 28 of the said Act is replaced by the following section:

“28. Insurance representatives must, before making an insurance contract, describe the proposed product to the client in relation to the needs identified and specify the nature of the coverage offered.

Insurance representatives must also indicate clearly to the client any particular exclusion of coverage, if any, having regard to the needs identified and provide the client with the required explanations regarding such exclusions.”

354. Section 56 of the said Act is amended by replacing “the Bureau” in the third line by “the Agency”.

355. Section 58 of the said Act is repealed.

356. Section 59 of the said Act is amended

(1) by replacing “Bureau” in the seventh line of the first paragraph by “Agency”;

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

“However, the provisions of this chapter do not apply to a member of an order who holds a certificate issued by the Agency in a sector other than financial planning or who is an executive officer or employee of a firm registered for a sector other than financial planning, where the member acts in the field of financial planning for the firm.”

357. Section 72 of the said Act, amended by section 637 of chapter 29 of the statutes of 2000, is again amended

(1) by replacing “the Bureau” in the second line of the first paragraph by “the Agency”;

(2) by replacing “banks governed by the Bank Act (Statutes of Canada, 1991, chapter 46);” in the second paragraph by “banks or authorized foreign banks listed in Schedule I, II or III to the Bank Act (Revised Statutes of Canada, 1985, chapter B-1.01)”.

358. Section 77 of the said Act is amended

(1) by replacing the first paragraph by the following paragraph:

“**77.** The legal person that registers must, in addition to paying the fees required for registration, pay the contribution payable to the Fonds d’indemnisation des services financiers pursuant to section 278.”;

(2) by replacing “to the Bureau” in the second line of the second paragraph by “to the Agency”.

359. Section 81 of the said Act is amended

(1) by replacing the first paragraph by the following paragraph:

“**81.** While registered, a firm must pay the annual fees prescribed by regulation to the Agency.”;

(2) by replacing the second paragraph by the following paragraph:

“A firm must also pay the contribution payable to the Fonds d’indemnisation des services financiers pursuant to section 278.”

360. Section 83 of the said Act is amended

(1) by replacing “the Bureau” in the third and seventh lines of the first paragraph by “the Agency”;

(2) by replacing “Notwithstanding sections 115 to 125, the Bureau” in the first line of the second paragraph by “Notwithstanding sections 115, 117, 119, 121, 122 and 124, the Agency” and by replacing “the Bureau” in the fifth line by “the Agency”.

361. Section 96 of the said Act is amended by striking out “through an insurance representative or securities representative” in the third line.

362. Section 103 of the said Act is replaced by the following sections :

“**103.** Every firm must provide equitable resolution of complaints filed with the firm. To that end, a firm must establish a policy dealing with

(1) the examination of complaints and claims filed by persons having an interest in a product or service it has distributed ;

(2) the resolution of disputes pertaining to a product or service it has distributed.

“**103.1.** Every firm shall, each year, within two months after the closing date of its fiscal year or on any other date determined by the Agency, submit to the latter a report to that date concerning the policy it has established pursuant to section 103.

The report shall mention, in particular, the number and nature of the complaints filed.

“**103.2.** Every firm shall inform each complainant, in writing and without delay, that a complainant may, if he or she is dissatisfied with the complaint examination procedure or its outcome, request the firm to forward a copy of the complaint file to the Agency.

Where requested by a complainant, the firm shall forward a copy of the complaint file to the Agency.

The Agency shall examine the complaint and may, where it considers it appropriate, act as a mediator if the interested parties agree.

“**103.3.** Notwithstanding sections 9 and 83 of the Act respecting Access to documents held by public bodies and the Protection of personal information (chapter A-2.1), the Agency may not communicate a complaint file without the authorization of the firm that has transmitted it.

“**103.4.** A mediator may not be compelled to disclose anything revealed to or learned by the mediator in the exercise of his or her functions or to produce a document prepared or obtained in the course of such exercise before a court of justice or before a person or body of the administrative branch exercising adjudicative functions.

Notwithstanding section 9 of the Act respecting Access to documents held by public bodies and the Protection of personal information, no person may have access to a document contained in the mediation record.”

363. Section 114 of the said Act is repealed.

364. Section 116 of the said Act is repealed.

365. Section 118 of the said Act is repealed.

366. Section 119 of the said Act is replaced by the following section :

“**119.** An appeal lies to the Court of Québec from any decision rendered by the Agency pursuant to section 115.”

367. Section 120 of the said Act is repealed.

368. Section 121 of the said Act is amended by striking out “or, as the case may be, the Commission” in the second line.

369. Section 122 of the said Act is amended by striking out the second paragraph.

370. Section 123 of the said Act is repealed.

371. Section 124 of the said Act is replaced by the following section :

“**124.** The secretary of the Agency shall transmit the record to the Court of Québec.”

372. Section 125 of the said Act is repealed.

373. Section 133 of the said Act is amended by replacing “collected by the Bureau on behalf of the financial services compensation fund and the dues collected on behalf of the Chambers” in the first paragraph by “payable to the Fonds d’indemnisation des services financiers pursuant to section 278”.

374. Section 135 of the said Act is amended

(1) by replacing “to the Bureau” in the second line of the first paragraph by “to the Agency”;

(2) by replacing “collected by the Bureau on behalf of the financial services compensation fund and the dues collected on behalf of the Chambers” in the second paragraph by “payable to the Fonds d’indemnisation des services financiers pursuant to section 278”.

375. Section 136 of the said Act is amended

(1) by replacing “the Bureau” in the third and fourth lines of the first paragraph by “the Agency”;

(2) by replacing “Notwithstanding sections 115 to 125, the Bureau” in the first line of the third paragraph by “Notwithstanding sections 115, 117, 119, 121, 122 and 124, the Agency”.

376. Section 145 of the said Act is repealed.

377. Section 146 of the said Act is amended

(1) by replacing “103, 106 to 113, 115 to 117 and 119 to 127” in the first paragraph by “103 to 103.4, 106 to 113, 115, 117, 119, 121, 122, 124 and 126”;

(2) by replacing “103, 106 to 113, 115 to 117 and 119 to 127” in the second line of the second paragraph by “103 to 103.2, 106 to 113, 115, 117, 119, 121, 122, 124, 126 and 127”.

378. The said Act is amended by inserting the following after section 157:

“TITLE II.1

“MORTGAGE BROKER

“**157.1.** A mortgage broker is a person or partnership that engages in brokerage activities regarding loans secured by immovable hypothecs.

“**157.2.** No person or body may act as a mortgage broker, or represent himself or itself as such, unless the person or body holds a licence issued for such purpose by the Agency.

“**157.3.** The Agency may refuse to issue a mortgage broker licence if the applicant or a director or officer of the applicant does not, in the opinion of the Agency, show the required honesty or competence.

“**157.4.** The Agency may revoke a mortgage broker’s licence, suspend it or attach restrictions or conditions to it, if it considers that a broker is not complying with the provisions of this Act or where necessary in order to protect the public.

The Agency may also impose a penalty not exceeding \$100,000 on the broker.

“**157.5.** Sections 106 to 109, 111, 112, 117, 119, 121, 122 and 124 apply, with the necessary modifications.

“**157.6.** The provisions of this Title do not apply to banks, financial services cooperatives, insurance companies, mutual insurance companies, mutual benefit associations, savings companies and trust companies, or to their employees and exclusive representatives.

The provisions of this Title do not apply to firms, independent partnerships and independent representatives registered with the Agency under this Act.

The provisions of this Title do not apply to a person who only communicates to a client the name and address of a person or partnership offering hypothecary loans or otherwise puts them in contact, if the person does so as an ancillary activity.”

379. Chapter I of Title III of the said Act comprising sections 158 to 183 is repealed.

380. The heading of Chapter II of Title III of the said Act is amended by adding “OF THE AGENCY” at the end.

381. Section 184 of the said Act is amended

(1) by replacing the first paragraph by the following paragraph :

“**184.** The Agency’s mission is to see to the protection of the public regarding the exercise of the activities governed by this Act.”;

(2) by replacing “The Bureau” in the first line of the second paragraph by “The Agency”.

382. Section 186 of the said Act is amended

(1) by replacing “Bureau” in the first line of the first paragraph by “Agency”;

(2) by striking out the second paragraph.

383. The said Act is amended by inserting the following section after section 186 :

“**186.1.** In the case of a complaint filed against a certificate holder, the Agency shall advise the firm or the independent partnership to which the certificate holder is attached of the filing of the complaint and its nature.

The Agency shall also advise the certificate holder.”

384. Section 187 of the said Act is replaced by the following section :

“**187.** The Agency shall also receive complaints filed against mortgage brokers and distributors.

The Agency shall investigate complaints of a penal nature and, if it considers that there exists sufficient evidence that an offence has been committed, it shall institute proceedings.

The Agency shall examine complaints of a civil nature and may forward them to the mortgage broker and lender concerned or, as the case may be, to the distributor and the insurer concerned.

The Agency shall, in a periodic report published in its information bulletin, state the types of complaints of a civil nature it has received.”

385. Section 188 of the said Act is amended by replacing “The Bureau shall forward every complaint it receives concerning a representative to the syndic having jurisdiction or to the co-syndic” in the first and second lines by “The Agency shall forward every complaint it receives concerning a representative to the syndic having jurisdiction”.

386. Section 189 of the said Act is amended

(1) by replacing the first paragraph by the following paragraph :

“**189.** The Agency may enter into agreements with the Government, a government body or any other person in Québec.”;

(2) by replacing “The Bureau may, after obtaining the advice of the Commission, enter into agreements authorized by law” in the first and second lines of the second paragraph by “The Agency may, in accordance with the applicable legislative provisions, enter into agreements”.

387. The said Act is amended by inserting the following section after section 189:

“**189.1.** The Agency may, with the authorization of the Government, enter into an agreement with any body or legal person concerning the examination of complaints filed by persons dissatisfied with the examination procedure or its outcome.

Such an agreement may provide that the body or legal person may, where it considers it advisable, act as a mediator if the interested parties agree.”

388. Section 191 of the said Act is amended

(1) by replacing “The Bureau” in the first line by “The Agency”;

(2) by striking out “or the co-syndic” in the first and second lines.

389. Section 192 of the said Act is replaced by the following section :

“**192.** The Agency may request from a chamber or a syndic any information or document necessary for the exercise of its functions.”

390. Section 193 of the said Act is replaced by the following section :

“**193.** The Agency shall periodically publish an information bulletin to inform representatives, firms, independent representatives and independent partnerships as well as the public of its activities. In particular, the hearing schedule of the discipline committees, a summary of the decisions reached by

the Agency regarding firms, independent representatives and independent partnerships, mortgage brokers and holders of restricted-practice certificates, decisions reached regarding representatives and a summary of the Agency's activity report must be published."

391. Section 194 of the said Act is amended

(1) by replacing the first paragraph by the following paragraph :

"**194.** The Agency shall publish its draft regulations in the information bulletin.";

(2) by replacing the third paragraph by the following paragraph :

"The Agency shall also publish all the regulations approved by the Government in the information bulletin."

392. Section 195 of the said Act is repealed.

393. Section 196 of the said Act is amended

(1) by replacing "The Bureau" in the first line of the first paragraph by "The Agency";

(2) by striking out the third paragraph.

394. Section 198 of the said Act is amended

(1) by replacing "The Bureau" in the first line of the first and second paragraphs by "the Agency";

(2) by striking out the third paragraph;

(3) by replacing "174.1 to 174.11 and 174.13 to 174.18" in the first line of the fourth paragraph by "174.13 to 174.16" and by replacing "the Bureau" in the third line by "the Agency";

(4) by striking out the fifth paragraph.

395. Section 200 of the said Act is amended

(1) by replacing the introductory sentence by the following sentence :

"The Agency may, for each discipline, determine by regulation";

(2) by inserting the following paragraph after paragraph 5 :

“(5.1) the rules relating to compulsory professional development of financial planners, after consultation with the Institut québécois de planification financière;”.

396. Section 201 of the said Act is replaced by the following section :

“**201.** The Agency may, by regulation, determine the rules of ethics applicable to securities representatives.”

397. Section 202 of the said Act is amended

(1) by replacing the introductory sentence in the first paragraph by the following sentence :

“**202.** The Agency may, for each sector, determine by regulation” ;

(2) by striking out the second paragraph.

398. The said Act is amended by inserting the following section after section 202 :

“**202.1.** The Agency shall determine, by regulation,

(1) the rules of ethics applicable to representatives, other than securities representatives, of each sector or class of sector ;

(2) the rules governing compulsory professional development for representatives of each sector or class of sector other than financial planning.”

399. Section 203 of the said Act is amended

(1) by replacing “The Bureau” in the first line of the first paragraph by “The Agency” ;

(2) by striking out the second paragraph.

400. The said Act is amended by inserting the following section after section 203 :

“**203.1.** The Agency may, with respect to mortgage brokers, determine by regulation

(1) the conditions and restrictions that apply to the pursuit of mortgage broker activities ;

(2) the rules applicable to client solicitation and the representations made by brokers ;

(3) the services information that a broker must give to a client, and the manner of giving such information;

(4) the period of validity of a broker's licence;

(5) the fees payable by a broker for the issuance and renewal of a licence;

(6) the rules and procedure governing the issue and renewal of a licence;

(7) the manner in which and the time within which the Agency must be informed by a broker of any change affecting the information entered in the register in respect of that broker.

The Agency may exercise the powers conferred on it by subparagraphs 1 to 3 regarding the holder of a mortgage broker licence and regarding the broker's employees."

401. Section 204 of the said Act is replaced by the following section:

"204. The Agency may exercise the powers conferred on it by sections 200 to 203 according to such classes of sector it may determine."

402. Section 205 of the said Act is replaced by the following section:

"205. The Agency may, for each sector, allow representatives of a given sector to pursue activities in Québec from a base in another province or another country, and fix the professional requirements for the pursuit of such activities."

403. Section 206 of the said Act is replaced by the following section:

"206. The Agency may, by regulation, determine the conditions to be met by a firm, an independent partnership or an independent representative before engaging in brokerage operations in connection with loans secured by immovable hypothec."

404. Section 207 of the said Act is replaced by the following section:

"207. The Agency may, by regulation, determine what constitutes a business relationship and the rules relating to the disclosure of business relationships for the purposes of sections 26 and 53."

405. Section 217 of the said Act is replaced by the following section:

"217. A regulation made pursuant to this Act shall be submitted to the Government for approval with or without amendment.

The Government may make any regulation the Agency fails to make within the time the Government indicates."

406. Section 221 of the said Act is repealed.

407. Section 223 of the said Act is amended

(1) by replacing “The Bureau” in the introductory sentence of the first paragraph by “the Agency”;

(2) by replacing subparagraph 8 of the first paragraph by the following subparagraph:

“(8) the rules relating to the keeping of records and the register of commissions;”;

(3) by striking out subparagraph 10 of the first paragraph;

(4) by striking out the second and third paragraphs.

408. Section 224 of the said Act is amended

(1) by replacing “The Bureau” in the first line of the first paragraph by “The Agency”;

(2) by striking out the second paragraph.

409. The said Act is amended by inserting the following section after section 224:

“**224.1.** The Agency may, by regulation, determine the conditions to be met by an executive officer of a firm acting through a securities representative.”

410. Section 225 of the said Act is amended

(1) by replacing “The Bureau” in the first line of the first paragraph by “The Agency”;

(2) by striking out the second paragraph.

411. Section 226 of the said Act is amended

(1) by replacing “The Bureau” in the first line of the first paragraph by “the Agency”;

(2) by striking out the second paragraph.

412. Section 227 of the said Act is amended

(1) by replacing “The Commission” in the introductory sentence of the first paragraph by “The Agency”;

(2) by striking out the second paragraph.

413. Section 228 of the said Act is amended

(1) by replacing “The Bureau” in the introductory sentence of the first paragraph by “The Agency”;

(2) by striking out subparagraphs 1 and 2 of the first paragraph;

(3) by striking out the second paragraph.

414. Section 230 of the said Act is amended

(1) by replacing “by the Bureau” in the first line by “by the Agency”;

(2) by striking out “or 116” in the fourth line.

415. Section 233 of the said Act is repealed.

416. The said Act is amended by inserting the following section after section 235:

“235.1. The Agency shall keep and maintain a register of mortgage brokers to whom it has issued a licence.

This register shall contain, if the holder of the licence is a natural person, the holder’s name, the address of the establishment to which the holder is attached, the conditions and restrictions that may apply to the holder’s licence and the period of validity of the licence.

The register shall contain, if the holder of the licence is a legal person, the address of its head office and of any establishment it maintains in Québec as well as the conditions and restrictions that may apply to its licence and the period of validity of the licence.

If the holder of the licence is a partnership, the register shall contain, in addition to the information specified in the third paragraph, the name of each partner.

This register shall also contain any other information relating to the holder of the licence that the Agency considers appropriate.”

417. Section 237 of the said Act is repealed.

418. Section 238 of the said Act is amended by replacing “and independent partnerships shall inform the Bureau” in the first and second lines by “, independent partnerships as well as mortgage brokers shall inform the Agency”.

419. Section 244 of the said Act is amended

(1) by replacing “The Bureau” in the first line by “The Agency”;

(2) by adding “relating to the administration of this Act” at the end.

420. Sections 245 to 247 of the said Act are repealed.

421. Section 248 of the said Act is replaced by the following section :

“**248.** Subject to the contributions payable to an insurance fund or to the Fonds d’indemnisation des services financiers, the amounts payable to the Agency under this Act shall be part of its revenues. Such revenues shall be applied to the payment of its expenses incurred for the purposes of the administration of this Act.”

422. Sections 250 to 255 of the said Act are repealed.

423. Section 256 of the said Act is replaced by the following section :

“**256.** The Agency must, no later than 31 July of each year, file with the Minister a report on its activities relating to the administration of this Act for the preceding fiscal year.

The report must contain all the information required by the Minister.

The report shall mention the Agency’s findings regarding the manner in which firms, independent representatives, independent partnerships and the holders of restricted-practice certificates protect the personal information they hold on their clients.”

424. Section 258 of the said Act is amended by adding the following paragraph after the first paragraph :

“The fund shall be assigned to the payment of indemnities payable to victims of fraud, fraudulent tactics or embezzlement for which a firm, an independent representative or an independent partnership is responsible.”

425. This Act is amended by inserting the following section after section 258 :

“**258.1.** The Fonds d’indemnisation des services financiers shall be constituted of dues paid by firms, independent representatives or independent partnerships pursuant to section 278 as well as of amounts recovered under section 277.”

426. Sections 259 to 273 of the said Act are repealed.

427. Section 274 of the said Act is replaced by the following sections :

“**274.** The amounts constituting the Fonds d’indemnisation des services financiers are managed by the Agency. The Agency shall keep separate books in respect of such amounts and the costs incurred for the administration and operation of the fund pursuant to this Title shall be defrayed out of the amounts constituting the fund.

The assets of the fund are not part of the assets of the Agency and may not be used for the execution of the Agency’s obligations.

“**274.1.** The Agency, in accordance with the rules determined by regulation, shall rule on the admissibility of claims submitted to it and shall decide the amount of the indemnities to be paid.”

428. Section 275 of the said Act is repealed.

429. Section 276 of the said Act is amended by replacing “The fund” in the first line by “The Agency”.

430. Section 277 of the said Act is amended

(1) by replacing “The fund” in the first line by “The Agency”;

(2) by adding the following sentence at the end : “The amounts so recovered shall be paid into the fund.”

431. Section 278 of the said Act is amended

(1) by replacing “The fund” in the first paragraph by “The Agency”;

(2) by replacing “The fund” in the second paragraph by “The Agency”;

(3) by striking out the third paragraph.

432. Section 279 of the said Act is amended by replacing “made by” in the first line by “of the amounts constituting”.

433. Sections 280 to 283 of the said Act are repealed.

434. Section 292 of the said Act is repealed.

435. Section 293 of the said Act is replaced by the following section :

“**293.** Each member is entitled to stand as a candidate for a vacant position and to vote. However, a member may stand as a candidate for only one position.”

436. Section 294 of the said Act is amended by striking out the second paragraph.

437. Section 295 of the said Act is amended

(1) by replacing “The secretary of the Bureau” in the first line of the first paragraph by “The Chamber”;

(2) by replacing the second paragraph by the following paragraph :

“The Chamber shall then forward a list of the candidates declared elected to the Minister and to the Agency, which shall publish the list in its information bulletin.”

438. Section 296 of the said Act is amended by striking out the second paragraph.

439. Section 297 of the said Act is amended by striking out the second paragraph.

440. Section 298 of the said Act is amended by adding the following paragraph at the end :

“Notwithstanding the expiry of their terms, the members of the board shall remain in office until they are replaced or re-elected.”

441. Section 300 of the said Act is amended by striking out “held by the secretary of the Bureau” in the second line of the second paragraph.

442. Section 312 of the said Act is replaced by the following section :

“312. The mission of a Chamber shall be to ensure the protection of the public by maintaining discipline among and supervising the training and ethics of its members.

The Chambers shall exercise the functions and powers provided for in this chapter, Chapter III of this Title and Chapters I and II of Title VI of this Act as recognized self-regulatory organizations to which the provisions of Title III of the Act respecting the Agence nationale d’encadrement du secteur financier (2002, chapter 45) apply, with the necessary modifications.

In addition, they shall exercise any other function or power delegated to them by the Agency under section 58 of that Act.

They shall also exercise, in respect of their members, the regulatory power provided for in section 202.1.

The representatives referred to in the first paragraph of section 289 are members of the Chambre de la sécurité financière and the representatives

referred to in the first paragraph of section 290 are members of the *Chambre de l'assurance de dommages*.”

443. Section 313 of the said Act is amended

(1) by striking out subparagraphs 1 and 2 of the first paragraph;

(2) by replacing the second paragraph by the following paragraph:

“Section 217 does not apply to a regulation made under the first paragraph.”

444. Section 315 of the said Act is amended

(1) by replacing “contributors” in the first line by “members”;

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

“Section 217 does not apply to a regulation made under the second paragraph.”

445. Section 320 of the said Act is replaced by the following sections:

“320. A Chamber shall, by regulation, determine the amount of the annual contribution its members must pay to it and the date before which such contribution must be paid.

The regulation shall be submitted to the members for approval.

Section 217 does not apply to a regulation made under the first paragraph.

“320.1. Each member must, within the time prescribed, pay the contribution determined pursuant to section 320 to the Chamber.

“320.2. The Chamber must notify the Agency if a member fails to pay the annual contribution.

“320.3. The Agency shall serve on a member who fails to pay the annual contribution to a Chamber a 15-day notice of the date on which the representative’s certificate of the member will be suspended for failure to pay the annual contribution within the time prescribed.

Upon the expiry of the time prescribed, the Agency shall suspend the representative’s certificate of the member having failed to pay the amount of the annual contribution and the applicable fees. The Agency shall then indicate in the register that the certificate has been suspended and notify the member, the Chamber and, where applicable, the firm or independent partnership for which the member is acting, that the member may no longer act as or purport to be a representative.

“320.4. A member whose representative’s certificate has been suspended for failure to pay the annual contribution may request that the Agency lift the suspension of the certificate after paying directly to the Agency the amount of the contribution together with the applicable fees.

Upon payment of the contribution and applicable fees, the Agency shall lift the suspension and issue a representative’s certificate to the member, unless other grounds exist that prevent a certificate being issued to the member.

The Agency shall in such case enter in the register an indication to that effect and notify the persons referred to in the second paragraph of section 320.3. The Agency shall remit the contribution received to the Chamber and retain the fees collected.

“320.5. At the request of a Chamber, the Agency shall collect the annual contributions from its members. The collection costs incurred by the Agency shall be borne by the Chamber.”

446. Sections 321 and 322 of the said Act are repealed.

447. Section 324 of the said Act is repealed.

448. Section 325 of the said Act is repealed.

449. Section 326 of the said Act is repealed.

450. Section 327 of the said Act is amended by striking out the second paragraph.

451. Section 328 of the said Act is amended by striking out the second paragraph.

452. Section 329 of the said Act is amended by striking out “and of the co-syndic” in the first line.

453. Section 330 of the said Act is replaced by the following section :

“330. The duties of the syndic of the Chambre de la sécurité financière shall relate to representatives in insurance of persons, group insurance representatives, financial planners and securities representatives.

The duties of the syndic of the Chambre de l’assurance de dommages shall relate to damage insurance agents, damage insurance brokers and claims adjusters.

A syndic shall have jurisdiction to act in respect of a representative authorized to act in more than one sector if one of such sectors falls within the syndic’s jurisdiction.”

454. Section 331 of the said Act is amended by striking out the second paragraph.

455. Section 332 of the said Act is amended

(1) by striking out “or co-syndic” in the first line and the second line of the first paragraph;

(2) by striking out “or co-syndic” in the second paragraph.

456. Section 333 of the said Act is amended by striking out “or co-syndic” in the second line of the first paragraph.

457. Section 334 of the said Act is amended by striking out “, co-syndic” in the first line.

458. Section 335 of the said Act is replaced by the following section :

“335. The syndics may exchange personal information with each other and with the Agency for the purpose of detecting or repressing offences under this Act or the regulations.

They may also obtain any information from the Agency concerning the Fonds d’indemnisation des services financiers.”

459. Section 336 of the said Act is replaced by the following section :

“336. Upon receiving a complaint, a syndic shall immediately advise the Agency of the filing and nature of the complaint. The first paragraph of section 186.1 applies to such a complaint.

The syndic shall also advise another syndic having jurisdiction in respect of the certificate holder as well as the certificate holder against whom the complaint is directed.”

460. Section 337 of the said Act is amended by striking out “or the co-syndic” in the second line.

461. Section 338 of the said Act is amended by striking out “and the co-syndic” in the first line.

462. Section 339 of the said Act is amended by striking out “or by the co-syndic” in the second line.

463. Section 343 of the said Act is amended by striking out “, the co-syndic” in the first and second lines.

464. Section 344 of the said Act is amended

(1) by striking out “or the co-syndic” in the first line of the first paragraph ;

(2) by replacing “ the Bureau or by the Commission” at the end of the second paragraph by “the Agency”.

465. Section 345 of the said Act is amended by striking out “or co-syndic” in the second line.

466. Section 347 of the said Act is amended by replacing the first paragraph by the following paragraph :

“**347.** A person who requested that an inquiry be held shall be informed, in writing, by the syndic of any decision not to file a complaint, of the reasons for the decision and of the possibility of seeking the opinion of the Agency’s review committee.”

467. Sections 348 to 350 of the said Act are amended by striking out the words “or the co-syndic” and the words “or co-syndic”, wherever they appear.

468. Section 351 of the said Act is replaced by the following section :

“**351.** The syndics shall report on their activities to the Chambers and to the Agency in the manner determined by the Agency.”

469. The said Act is hereby amended by inserting the following after section 351 :

“TITLE V.1

“REVIEW COMMITTEE

“**351.1.** A review committee is hereby established within the Agency.

The purpose of the committee is to give any person who so requests an opinion concerning the decision of the syndic or syndic’s assistant of one of the Chambers not to file a complaint following an inquiry held at the person’s request.

The committee shall be made up of the members appointed by the Agency, whose number it shall determine.

At least two of the persons appointed shall be chosen from among the persons whose names appear on a list that the Agency may draw up for such purpose. The persons appointed in accordance with this paragraph shall be entitled, to the extent and subject to the conditions determined by the Government, to an attendance allowance and to the reimbursement of reasonable expenses incurred in the performance of their functions. The allowance and reimbursement shall be borne by the Agency.

The committee shall sit with three persons, at least one of whom shall be a member chosen in accordance with the fourth paragraph.

If the number of persons appointed so permits, the committee may sit in divisions of three persons, at least one of whom shall be a member chosen in accordance with the fourth paragraph.

“351.2. The person who requested the syndic to hold an inquiry may, within 30 days following the date of receipt of the decision of the syndic or syndic’s assistant not to file a complaint before the discipline committee, request the opinion of the review committee.

Within 90 days following the date of receipt of a request for an opinion referred to in the first paragraph, the review committee shall render its decision in writing after examining the entire record and the evidence, which the syndic or syndic’s assistant shall transmit to the committee, and after hearing the syndic or syndic’s assistant as well as the person who requested the inquiry.

“351.3. In its opinion, the review committee may

(1) conclude that there is no reason to file a complaint before the discipline committee;

(2) ask the syndic or syndic’s assistant to complete the inquiry; or

(3) conclude that there is reason to file a complaint before the discipline committee and suggest the name of a person who, acting in the capacity of a syndic, may file a complaint.”

470. Section 359 of the said Act is amended by replacing “contributors” in the second line by “members”.

471. The said Act is amended by inserting the following section after section 366:

“366.1. Section 124 of the Professional Code (chapter C-26) applies to members and secretaries of the discipline committees and to syndics, syndics’ assistants and members of their personnel and to members of the review committee, with the necessary modifications.”

472. Section 379 of the said Act is amended by striking out “with respect to a representative, except a representative authorized to act in the securities field,” in the first and second lines of the first paragraph.

473. Section 380 of the said Act is repealed.

474. Section 381 of the said Act is amended by striking out “or, as the case may be, the Commission” in the second line.

475. Section 382 of the said Act is amended

(1) by replacing “under section 379 or 380” in the first line of the first paragraph by “under section 379”;

(2) by striking out the second and third paragraphs.

476. Section 383 of the said Act is amended by striking out “or, as the case may be, to the Commission,” in the second line.

477. Section 384 of the said Act is repealed.

478. Chapters I and II of Title VII of the said Act, comprising sections 385 to 402, are repealed.

479. Section 419 of the said Act is replaced by the following section :

“**419.** Where an insurer fails to comply with an order of the Agency, the Agency may order the insurer to cease distributing the product through distributors.”

480. Section 449 of the said Act is amended

(1) by replacing “The Bureau” in the introductory sentence of the first paragraph by “The Agency”;

(2) by striking out the second paragraph.

481. Section 454 of the said Act is amended by replacing “The Bureau, or a panel of three of its members established for the purpose,” in the first and second lines by “The Agency”.

482. Section 456 of the said Act is amended by replacing “the Bureau or by a panel of its members” in the first and second lines of the first paragraph by “the Agency”.

483. The said Act is amended by inserting the following section after section 467 :

“**467.1.** Subject to the provisions of section 157.6, every person that acts as a mortgage broker or purports to be one without being the holder of a mortgage broker licence or without being a partner or an employee of a holder of such a licence is guilty of an offence.”

484. Section 468 of the said Act is amended by inserting “, mortgage broker” after “firm”.

485. Section 483 of the said Act is amended

- (1) by inserting “partner,” after “director,” in the first line ;
- (2) by inserting “or partnership” after “legal person” in the first and second lines ;
- (3) by replacing “a legal person” in the third line by “the legal person or partnership”.

486. Section 484 of the said Act is repealed.

487. Section 492 of the said Act is replaced by the following section :

“492. Proceedings for an offence under any of sections 461 to 483 may be instituted by the Agency.

When the Agency has taken charge of the prosecution, the fine imposed to punish the offence belongs to the Agency.”

488. Section 493 of the said Act is repealed.

489. Section 494 of the said Act is amended by replacing “of the Bureau or of the Commission” in the first line of the second paragraph by “of the Agency”.

490. The said Act is amended by inserting the following after section 494 :

“TITLE IX.1

“REGULATORY POWERS OF THE GOVERNMENT

“494.1. The Government may, by regulation,

- (1) determine the policy that firms must adopt pursuant to section 103 or elements of such policy ;
- (2) determine the policy that independent representatives must adopt pursuant to section 103 or elements of such policy ;
- (3) determine the policy that independent partnerships must adopt pursuant to section 103 or elements of such policy.”

491. Section 542 of the said Act is amended by adding “in accordance with the provisions of Title II.1” at the end.

492. Section 553 of the said Act is amended

- (1) by inserting “on behalf of a firm” after “immovable hypothec” in the second line of the first paragraph ;

(2) by replacing “the Bureau” in the second line of the second paragraph by “the Agency”.

493. Section 559 of the said Act is amended by replacing “The Fonds d’indemnisation des services financiers” in the first line by “The Agency”.

494. Section 560 of the said Act is amended by replacing “the Fonds d’indemnisation des services financiers” in the third and fourth lines of the first paragraph by “the Agency”.

495. Section 561 of the said Act is replaced by the following section :

“561. The Government may, from 1 October 2004, authorize the Agency to integrate into the Fonds d’indemnisation des services financiers the amounts deriving from the three separate funds referred to in section 558.”

496. Section 563 of the said Act is repealed.

497. Section 566 of the said Act is amended

(1) by replacing “The Bureau” in the first line of the first paragraph by “The Agency”;

(2) by replacing “117 to 127” in the second paragraph by “117, 119, 121, 122, 124, 126 and 127”.

498. The said Act is amended by inserting the following section after section 580:

“580.1. The Agence nationale d’encadrement du secteur financier is responsible for the administration of this Act.”

499. Sections 12, 13, 19, 22, 29, 41, 44, 46, 57, 64, 69, 71 to 73, 74, 76, 78, 79, 88, 93, 104 to 108, 112, 115, 117, 122, 126 to 128, 130 to 132, 139, 144, 185, 186.1, 190, 197, 199, 208 to 213, 215, 216, 218 to 220, 222, 229, 231, 232, 234 to 236, 239 to 243, 249, 286, 314, 317, 318, 336, 346, 368 to 370, 413, 414, 416 to 418, 422, 423, 428, 432, 440, 443, 445, 447, 450 to 452, 455, 457 to 462, 465, 474, 476, 535, 539, 540, 545, 549, 554 and 567 of the said Act, amended by chapter 29 of the statutes of 2000 and by chapter 9 of the statutes of 2001, are amended by replacing the words “the Bureau”, wherever they appear, by the words “the Agency”, and making the necessary modifications.

500. Sections 53 to 55, 98, 99, 214 and 319 of the said Act, amended by chapter 29 of the statutes of 2000 and by chapter 9 of the statutes of 2001, are amended by replacing the words “the Commission”, wherever they appear, by the words “the Agency”, and making the necessary modifications.

ROMAN CATHOLIC BISHOPS ACT

501. Sections 2.2, 3, 6, 13, 17 and 19 of the Roman Catholic Bishops Act (R.S.Q., chapter E-17) are amended by replacing the words “the Inspector General of Financial Institutions” or “the Inspector General”, wherever they appear, by the words “the enterprise registrar”, and making the necessary modifications.

502. The said Act is amended by adding the following sections after section 21 :

“**22.** The enterprise registrar is responsible for the administration of this Act.

“**23.** The Minister of Industry and Trade is responsible for the application of this Act.”

ACT RESPECTING NASDAQ STOCK EXCHANGE ACTIVITIES
IN QUÉBEC

503. Section 2 of the Act respecting Nasdaq stock exchange activities in Québec (R.S.Q., chapter E-20.01) is replaced by the following section :

“**2.** Nasdaq Canada Inc., a company legally incorporated under the Canada Business Corporations Act (Revised Statutes of Canada, 1985, chapter C-44), is recognized as a self-regulatory organization within the meaning of the second paragraph of section 170 of the Securities Act (chapter V-1.1) and is authorized to carry on its securities trading and clearing activities in Québec within the meaning of section 169 of the Securities Act (chapter V-1.1).”

504. Section 5 of the said Act is amended by replacing “26 of section 331” in the third line of the second paragraph by “32 of section 331.1”.

505. Section 6 of the said Act is amended by replacing “the Commission des valeurs mobilières du Québec” in the third and fourth lines by “the Agence nationale d’encadrement du secteur financier” and “Securities Act (chapter V-1.1)” in the fifth line by “Act respecting the Agence nationale d’encadrement du secteur financier”.

506. Section 7 of the said Act is amended

(1) by replacing “the Commission des valeurs mobilières du Québec under sections 177 to 181 of the Securities Act (chapter V-1.1)” in the first, second and third lines of the first paragraph by “the Agence nationale d’encadrement du secteur financier under sections 74 to 80 of the Act respecting the Agence nationale d’encadrement du secteur financier (2002, chapter 45)”;

(2) by replacing “the Commission” in the sixth line of the first paragraph and the first line of the second paragraph by “the Agency”;

(3) by replacing “180.1 and following of the Securities Act” in the third and fourth lines of the second paragraph by “73 and following of the Act respecting the Agence nationale d’encadrement du secteur financier”.

507. Section 8 of the said Act is amended

(1) by replacing “the Commission des valeurs mobilières du Québec” in the second line by “the Agence nationale d’encadrement du secteur financier”;

(2) by inserting “stock exchange and” after “as a” in the third line;

(3) by adding “and of the Act respecting the Agence nationale d’encadrement du secteur financier (2002, chapter 45)” at the end.

ACT RESPECTING FABRIQUES

508. Sections 2, 11, 16 and 21 of the Act respecting fabriques (R.S.Q., chapter F-1) are amended by replacing the words “the Inspector General of Financial Institutions” and “the Inspector General”, wherever they appear, by the words “the enterprise registrar”, and making the necessary modifications.

509. The said Act is amended by adding the following sections after section 74:

“**75.** The enterprise registrar is responsible for the administration of this Act.

“**76.** The Minister of Industry and Trade is responsible for the application of this Act.”

ACT TO ESTABLISH FONDATION, LE FONDS DE DÉVELOPPEMENT DE LA CONFÉDÉRATION DES SYNDICATS NATIONAUX POUR LA COOPÉRATION ET L’EMPLOI

510. Section 7 of the Act to establish Fondation, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l’emploi (R.S.Q., chapter F-3.1.2) is amended by replacing “the Inspector General of Financial Institutions” in the second and third lines of the second paragraph by “the enterprise registrar”.

511. Section 21 of the said Act is amended by inserting “or an authorized foreign bank listed in Schedule I, II or III to the Bank Act (Revised Statutes of Canada, 1985, chapter B-1.01)” after “bank” in subparagraph 3 of the fourth paragraph.

512. Section 37 of the said Act is amended

(1) by replacing “the Commission des valeurs mobilières du Québec” in the second line of the first paragraph by “the Agence nationale d’encadrement du secteur financier”;

(2) by replacing “The Commission” in the first line of the third paragraph by “The Agency”.

ACT TO ESTABLISH THE FONDS DE SOLIDARITÉ DES TRAVAILLEURS DU QUÉBEC (F.T.Q.)

513. Section 6 of the Act to establish the Fonds de solidarité des travailleurs du Québec (F.T.Q.) (R.S.Q., chapter F-3.2.1) is amended by replacing “the Inspector General of Financial Institutions” in the third and fourth lines of the second paragraph by “the enterprise registrar”.

514. Section 16 of the said Act is amended by inserting “or an authorized foreign bank listed in Schedule I, II or III to the Bank Act (Revised Statutes of Canada, 1985, chapter B-1.01)” after “bank” in subparagraph 3 of the fourth paragraph.

515. Section 29 of the said Act is amended by replacing “the Commission des valeurs mobilières du Québec” in the first and second lines of the second paragraph by “the Agence nationale d’encadrement du secteur financier”.

516. Section 30 of the said Act is amended

(1) by replacing “the Commission des valeurs mobilières du Québec” in the second line of the first paragraph by “the Agence nationale d’encadrement du secteur financier”;

(2) by replacing “The Commission” in the first line of the third paragraph by “The Agency”.

TAXATION ACT

517. Section 1 of the Taxation Act (R.S.Q., chapter I-3), amended by section 1 of chapter 7, section 17 of chapter 51 and section 1 of chapter 53 of the statutes of 2001, is again amended by inserting “from the Agence nationale d’encadrement du secteur financier or” after “obtained” in subparagraph ii of paragraph *b* of the definition of “registered securities dealer”.

518. Section 895 of the said Act is amended by inserting “the Agence nationale d’encadrement du secteur financier,” after “the promoter with” in the second line of paragraph *b*.

519. Section 897 of the said Act is amended by inserting “the Agence nationale d’encadrement du secteur financier,” after “such a prospectus with” in the fourth line.

520. Sections 346.2, 998, 999.0.1 and 1175.1 of the said Act are amended by replacing the words “the Inspector General of Financial Institutions”, wherever they appear, by the words “the Agence nationale d’encadrement du secteur financier”, and making the necessary modifications.

521. Sections 965.1, 965.6.23.1, 965.7, 965.9.2, 965.9.7.0.2, 965.9.7.1, 965.9.7.2, 965.9.7.3, 965.24.2, 965.28, 965.28.1, 965.28.2, 965.31.5, 979.1, 1029.8.36.95, 1029.8.36.147, 1049.2.8 and 1049.2.9 of the said Act are amended by replacing the words “the Commission des valeurs mobilières du Québec” and “the Commission”, wherever they appear, by the words “the Agence nationale d’encadrement du secteur financier” and making the necessary modifications.

ACT RESPECTING THE DISCLOSURE OF THE COMPENSATION RECEIVED BY THE EXECUTIVE OFFICERS OF CERTAIN LEGAL PERSONS

522. Section 3 of the Act respecting the disclosure of the compensation received by the executive officers of certain legal persons (R.S.Q., chapter I-8.01) is amended by striking out the second paragraph.

523. Section 6 of the said Act is amended by replacing “A body responsible for the administration of this Act” in the first line by “The Agence nationale d’encadrement du secteur financier”.

524. Section 7 of the said Act, amended by section 99 of chapter 38 of the statutes of 2001, is replaced by the following section :

“**7.** The Agence nationale d’encadrement du secteur financier is responsible for the administration of this Act.

It may, in this respect, exercise the powers conferred on it by the Securities Act.”

ACT RESPECTING THE INSPECTOR GENERAL OF FINANCIAL INSTITUTIONS

525. The title of the Act respecting the Inspector General of Financial Institutions (R.S.Q., chapter I-11.1) is replaced by the following title :

“An Act respecting the enterprise registrar”.

526. Section 1 of the said Act is amended

(1) by replacing the first paragraph by the following paragraph :

“**1.** An enterprise registrar shall perform the functions and powers conferred on him or her by the Companies Act (chapter C-38), the Real Estate Brokerage Act (chapter C-73.1), the Winding-up Act (chapter L-4), the Act

respecting the special powers of legal persons (chapter P-16), the Act respecting the legal publicity of sole proprietorships, partnerships and legal persons (chapter P-45) or by other Acts and is responsible for carrying on the administration of every Act or legislative provision assigned to the enterprise registrar by an Act or by the Government.”;

(2) by striking out “supervise and inspect financial institutions and” in the second paragraph.

527. Section 8 of the said Act is amended

(1) by replacing “The Inspector General” in the first line of the first paragraph by “The enterprise registrar”;

(2) by striking out the second paragraph.

528. Section 18 of the said Act is amended by replacing “Inspector” in the second line by “enterprise registrar”.

529. Section 26 of the said Act is amended by replacing “the Inspector General” and “Deputy Inspector General” in the first line of the first paragraph by “the enterprise registrar” and “deputy enterprise registrar” and by striking out “as a shareholder” in the second line of the first paragraph.

530. Section 27 of the said Act is repealed.

531. Section 28 of the said Act is repealed.

532. Section 32 of the said Act is amended by replacing “sections 14 and 28” by “section 14”.

533. Sections 36 to 41 of the said Act are repealed.

534. Section 42 of the said Act is replaced by the following section :

“**42.** The enterprise registrar is authorized to use any document or means of identification already printed with the name of Inspector General of Financial Institutions until they are replaced with documents and means of identification printed with the name of the enterprise registrar.”

535. Section 44 of the said Act is amended

(1) by replacing ““Minister of Financial Institutions and Cooperatives”, “Superintendent of Insurance”” in the second and third lines of the first paragraph by ““Inspector General of Financial Institutions” or “Inspector General””;

(2) by replacing the second paragraph by the following paragraph :

“The regulation made under this section may have effect as of any date not earlier than (*insert here the date of coming into force of section 526*).”

536. Section 45 of the said Act is replaced by the following section :

“**45.** In any order, order in council, proclamation, contract or document, the expressions “Inspector General of Financial Institutions” and “Inspector General” designate the enterprise registrar with respect to the duties or powers that are entrusted to the enterprise registrar or, if the Government decides otherwise, any other person or organization designated by the Government.

An order of the Government made pursuant to the first paragraph may have effect from any date not prior to (*insert here the date of coming into force of section 526*).”

537. Section 46 of the said Act is amended by striking out “, for the fiscal years 1982-1983 and 1983-1984 out of the consolidated income fund and, for subsequent years,”.

538. Section 55 of the said Act is repealed.

539. Section 275 of the said Act is amended by replacing “of Finance” by “of Industry and Trade”.

540. Sections 2 to 7, 9, 9.1, 10 to 14, 16, 17, 20 to 25, 29 to 31, 34, 35 and 43 of the said Act are amended by replacing the words “Inspector General”, wherever they appear, by the words “enterprise registrar”.

ACT RESPECTING THE INSTITUT DE LA STATISTIQUE DU QUÉBEC

541. Section 39 of the Act respecting the Institut de la statistique du Québec (R.S.Q., chapter I-13.011), amended by section 660 of chapter 29 of the statutes of 2000, is again amended by inserting “or an authorized foreign bank listed in Schedule I, II or III to the Bank Act (Revised Statutes of Canada, 1985, chapter B-1.01)” after “bank” in the second line of paragraph 1.

THE EDUCATION ACT FOR CREE, INUIT AND NASKAPI NATIVE PERSONS

542. Section 233 of the Education Act for Cree, Inuit and Naskapi Native Persons (R.S.Q., chapter I-14) is amended by replacing “the Inspector General of Financial Institutions” in the second line of the third paragraph by “the Agence nationale d’encadrement du secteur financier”.

WINDING-UP ACT

543. Sections 9, 17, 18, 19, 25.1, 32 and 32.1 of the Winding-up Act (R.S.Q., chapter L-4) are amended by replacing the words “the Inspector General of Financial Institutions” and “the Inspector General”, wherever they

appear, by the words “the enterprise registrar” and making the necessary modifications.

544. The said Act is amended by adding the following sections after section 33:

“34. The enterprise registrar is responsible for the administration of this Act.

“35. The Minister of Industry and Trade is responsible for the application of this Act.”

ACT RESPECTING THE MINISTÈRE DE LA CULTURE ET DES COMMUNICATIONS

545. Section 18 of the Act respecting the Ministère de la Culture et des Communications (R.S.Q., chapter M-17.1) is amended by replacing “to the Inspector General of Financial Institutions” in the second and third lines of the first paragraph by “to the enterprise registrar”.

546. Section 38 of the said Act is amended by replacing “the Inspector General of Financial Institutions” by “the enterprise registrar” in the first and second lines.

ACT RESPECTING THE SPECIAL POWERS OF LEGAL PERSONS

547. Sections 5, 7, 14, 17, 19, 20, 24 and 53 of the Act respecting the special powers of legal persons (R.S.Q., chapter P-16) are amended by replacing the words “the Inspector General of Financial Institutions” and “the Inspector General”, wherever they appear, by the words “the enterprise registrar”, and making the necessary modifications.

548. Section 54 of the said Act is amended by replacing “Minister of Finance” by “Minister of Industry and Trade”.

PUBLIC PROTECTOR ACT

549. Section 15 of the Public Protector Act (R.S.Q., chapter P-32) is amended by replacing paragraph 5 by the following paragraph:

“(5) the Agence nationale d’encadrement du secteur financier”.

CONSUMER PROTECTION ACT

550. Section 321 of the Consumer Protection Act (R.S.Q., chapter P-40.1) is amended by replacing “the Inspector General of Financial Institutions” in the last line by “the Agence nationale d’encadrement du secteur financier”.

ACT RESPECTING THE LEGAL PUBLICITY OF SOLE
PROPRIETORSHIPS, PARTNERSHIPS AND LEGAL PERSONS

551. Sections 8, 9, 10, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25, 26, 29, 31, 32, 38, 39, 41, 42, 43, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 73.1, 74, 75, 76, 77, 78, 79, 80, 81, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 96, 98, 110, 517, 519, 520, 521, 527, 533, 534 and 538 of the Act respecting the legal publicity of sole proprietorships, partnerships and legal persons (R.S.Q., chapter P-45), amended by chapters 20 and 34 of the statutes of 2001, are again amended by replacing the words “the Inspector General of Financial Institutions” and “the Inspector General”, wherever they appear, by the words “the enterprise registrar”, and making the necessary modifications.

552. Section 539 of the said Act is replaced by the following section :

“**539.** The Minister of Industry and Trade is responsible for the application of this Act.”

553. Schedule 1 to the said Act is amended by inserting “Act respecting financial services cooperatives (chapter C-67.3)” after “Cooperatives Act (chapter C-67.2)”.

ACT RESPECTING THE PROCESS OF NEGOTIATION
OF COLLECTIVE AGREEMENTS IN THE PUBLIC AND PARAPUBLIC
SECTORS

554. Schedule C to the Act respecting the process of negotiation of collective agreements in the public and parapublic sectors (R.S.Q., chapter R-8.2) is amended by inserting “The Agence nationale d’encadrement du secteur financier”, in alphabetical order.

ACT RESPECTING THE GOVERNMENT AND PUBLIC EMPLOYEES
RETIREMENT PLAN

555. Schedule I to the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10), amended by the Conseil du Trésor’s decisions no. 196698 dated 26 June 2001, 196963 dated 21 August 2001, 197036 and 197037 dated 11 September 2001, 197300, 197301, 197302 and 197303 dated 20 November 2001, 197373 and 197375 dated 4 December 2001, 197464 dated 18 December 2001 and 198080 dated 16 April 2002, by section 361 of chapter 31 of the statutes of 2001 and section 71 of chapter 30 of the statutes of 2002, is again amended

(1) by inserting the following mention in alphabetical order in paragraph 1 :

“The Agence nationale d’encadrement du secteur financier, in respect of employees who were transferred from the Commission des valeurs mobilières du Québec, from the Inspector General of Financial Institutions and from the

Régie de l'assurance-dépôts du Québec pursuant to the Act respecting the Agence nationale d'encadrement du secteur financier (2002, chapter 45)";

(2) by striking out the following mention in paragraph 1: "the Commission des valeurs mobilières du Québec";

(3) by striking out "the Commission des valeurs mobilières du Québec if they are employed full-time" in paragraph 3;

(4) by striking out "the Commission des valeurs mobilières du Québec" in paragraph 4.

ACT RESPECTING HEALTH SERVICES AND SOCIAL SERVICES

556. Sections 318, 321, 322, 328, 331, 333, 451.14, 533 and 548 of the Act respecting health services and social services (R.S.Q., chapter S-4.2), amended by chapters 24, 43, 60 and 78 of the statutes of 2001, are again amended by replacing the words "the Inspector General of Financial Institutions" and "the Inspector General", wherever they appear, by the words "the enterprise registrar", and making the necessary modifications.

ACT RESPECTING HEALTH SERVICES AND SOCIAL SERVICES FOR CREE NATIVE PERSONS

557. Sections 64, 66 to 67 and 119 to 121 of the Act respecting health services and social services for Cree Native persons (R.S.Q., chapter S-5) are amended by replacing the words "the Inspector General of Financial Institutions", wherever they appear, by the words "the enterprise registrar", and making the necessary modifications.

558. Section 134 of the said Act is amended by replacing "the Régie de l'assurance-dépôts du Québec" in the second and third lines of the fourth paragraph by "the Agence nationale d'encadrement du secteur financier pursuant to the Deposit Insurance Act (chapter A-26)".

ACT RESPECTING THE SOCIÉTÉ DES LOTERIES DU QUÉBEC

559. Section 18 of the Act respecting the Société des loteries du Québec (R.S.Q., chapter S-13.1) is amended

(1) by inserting "or an authorized foreign bank listed in Schedule I, II or III to the Bank Act (Revised Statutes of Canada, 1985, chapter B-1.01)" after "bank" in the first line;

(2) by replacing "the Régie de l'assurance-dépôts du Québec" in the second line by "the Agence nationale d'encadrement du secteur financier pursuant to the Deposit Insurance Act (chapter A-26)".

ACT RESPECTING THE SOCIÉTÉ NATIONALE DU CHEVAL DE COURSE

560. Section 17 of the Act respecting the Société nationale du cheval de course (R.S.Q., chapter S-18.2.0.1) is amended by replacing “à l’Inspecteur général des institutions financières” in the second and third lines of paragraph 2 by “au registraire des entreprises” and by replacing “to the Inspector General of Financial Institutions” in the seventh and eighth lines of that paragraph by “to the registrar of enterprise”.

ACT RESPECTING FARMERS’ AND DAIRYMEN’S ASSOCIATIONS

561. Sections 4, 5.3, 5.5, 5.8 and 5.10 of the Act respecting farmers’ and dairymen’s associations (R.S.Q., chapter S-23) are amended by replacing the words “The Inspector General of Financial Institutions” or “the Inspector General”, wherever they appear, by the words “the enterprise registrar”, and making the necessary modifications.

ACT RESPECTING MIXED ENTERPRISE COMPANIES IN THE MUNICIPAL SECTOR

562. Section 17 of the Act respecting mixed enterprise companies in the municipal sector (R.S.Q., chapter S-25.01) is amended by replacing “the Inspector General of Financial Institutions” in the first and second lines of the first paragraph by “the enterprise registrar”.

ACT RESPECTING THE SOCIÉTÉS D’ENTRAIDE ÉCONOMIQUE

563. Section 112 of the Act respecting the sociétés d’entraide économique (R.S.Q., chapter S-25.1) is amended by replacing “bank, a savings bank” in the first line of paragraph 1 by “bank listed in Schedule I or II to the Bank Act (Revised Statutes of Canada, 1985, chapter B-1.01) registered with the Canada Deposit Insurance Corporation”.

564. Sections 37, 40, 41, 91, 101 to 104, 108, 110, 111, 113, 116, 118, 121, 122, 125, 131, 133 to 135, 137, 144, 145, 147, 149 to 153, 155, 157, 158, 160, 161, 169, 170, 175, 190, 192 and 202 of the said Act are amended by replacing the words “the Inspector General of Financial Institutions” and “the Inspector General”, wherever they appear, by the words “the Agence nationale d’encadrement du secteur financier”, and making the necessary modifications.

HORTICULTURAL SOCIETIES ACT

565. Sections 3.1 and 10.1 of the Horticultural Societies Act (R.S.Q., chapter S-27) are amended by replacing the words “the Inspector General of Financial Institutions” and “the Inspector General”, wherever they appear, by the words “the enterprise registrar”, and making the necessary modifications.

ACT RESPECTING TRUST COMPANIES AND SAVING COMPANIES

566. Section 2 of the Act respecting trust companies and savings companies (R.S.Q., chapter S-29.01) is amended by replacing “the Régie de l’assurance-dépôts du Québec” in the third line of the first paragraph by “the Agence nationale d’encadrement du secteur financier pursuant to the Deposit Insurance Act (chapter A-26)”.

567. Section 3 of the said Act, amended by section 722 of chapter 29 of the statutes of 2000, is again amended by replacing “by Part I of the Bank Act (Revised Statutes of Canada 1985, chapter B-1) or the Québec Savings Banks Act (Revised Statutes of Canada 1970, chapter B-4)” in the third, fourth and fifth lines of the second paragraph by “and the bank or the authorized foreign bank listed in Schedule I, II or III to the Bank Act (Revised Statutes of Canada, 1985, chapter B-1.01)”.

568. Section 13 of the said Act is amended

(1) by replacing the first paragraph by the following paragraphs:

“**13.** The applicants shall transmit to the Agence nationale d’encadrement du secteur financier a notice signed by them indicating their wish to be incorporated as a trust company or a savings company, accompanied with the fees prescribed by regulation.

The Agency shall transmit the notice to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons.”;

(2) by replacing the words “the Inspector General of Financial Institutions” in the first and second lines of the second paragraph by “the Agency”.

569. Section 15 of the said Act is amended

(1) by inserting “or an authorized foreign bank listed in Schedule I, II or III to the Bank Act” after “bank” in the second line of paragraph 2;

(2) by replacing the words “the Régie de l’assurance-dépôts du Québec” in the second line of paragraph 2 by “the Agence nationale d’encadrement du secteur financier pursuant to the Deposit Insurance Act”.

570. Section 16 of the said Act is amended

(1) by replacing “the Inspector General” in the second line by “the Agency”;

(2) by replacing the second paragraph by the following paragraph:

“The Agency shall transmit the letters patent to the enterprise registrar who shall deposit them in the register of sole proprietorships, partnerships and legal persons.”

571. Section 18 of the said Act is amended

(1) by replacing “the Inspector General” in the second line of the first paragraph by “the Agency”;

(2) by replacing the first sentence of the second paragraph by the following sentence: “The Agency shall transmit the letters patent and a notice indicating their date of taking effect to the enterprise registrar who shall deposit them in the register of sole proprietorships, partnerships and legal persons.”

572. Section 19 of the said Act is amended

(1) by replacing “the Inspector General” in the third line of the first paragraph by “the Agency”;

(2) by replacing paragraph 2 by the following paragraph:

“(2) a notice summarizing the by-law has been sent to the Agency, accompanied with the fees prescribed by regulation and transmitted to the enterprise registrar for deposit in the register of sole proprietorships, partnerships and legal persons, at least one week before the presentation of the application.”

573. Section 24 of the said Act is amended by replacing the first sentence by the following sentence: “The company shall send a notice of the by-law to the Agency, which shall transmit it to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons.”

574. Section 30 of the said Act is replaced by the following section:

“**30.** The Agency shall transmit the letters patent to the enterprise registrar who shall deposit them in the register of sole proprietorships, partnerships and legal persons.”

575. Section 37 of the said Act is amended by replacing “the Inspector General, who shall deposit it in the register” in the second line by “the Agency, which shall transmit it to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons.”

576. Section 43 of the said Act is replaced by the following section:

“**43.** The Agency shall transmit the letters patent to the enterprise registrar who shall deposit them in the register of sole proprietorships, partnerships and legal persons.”

577. Section 50 of the said Act is replaced by the following section:

“**50.** The company shall send a notice of the by-law accompanied with the fees prescribed by regulation to the Agency, which shall cause it to appear

for four consecutive weeks in a daily newspaper published in the locality of the head office of the company. The Agency shall send the notice to the enterprise registrar for deposit in the register of sole proprietorships, partnerships and legal persons.”

578. Section 56 of the said Act is replaced by the following section :

“**56.** The Agency shall transmit the letters patent to the enterprise registrar who shall deposit them in the register of sole proprietorships, partnerships and legal persons.”

579. Section 97 of the said Act is replaced by the following section :

“**97.** A Québec company must give notice to the Agency of the resignation of a director within 10 days of the resignation and must file a copy of the statement referred to in section 96. The Agency shall send the notice and the copy of the statement to the enterprise registrar who shall deposit them in the register of sole proprietorships, partnerships and legal persons.”

580. Section 102 of the said Act is amended

(1) by replacing “the Inspector General” in the third line of the first paragraph by “the Agency”;

(2) by replacing the second paragraph by the following paragraph :

“The Agency shall register the notice in the register of trust companies and savings companies.”

581. Section 125 of the said Act is amended

(1) by replacing “the Régie de l’assurance-dépôts du Québec” in the second line of paragraph 1 by “the Agence nationale d’encadrement du secteur financier pursuant to the Deposit Insurance Act” ;

(2) by replacing “the Inspector General” in the third line of paragraph 4 by “the Agency”.

582. The said Act is amended by inserting the following chapter after section 153 :

“CHAPTER XI.1

“EXAMINATION OF COMPLAINTS AND DISPUTE RESOLUTION

“**153.1.** Every company must provide equitable resolution of complaints filed with the company. To that end, a company must establish a policy dealing with

(1) the examination of complaints and claims filed by persons having an interest in a product or service it has provided;

(2) the resolution of disputes pertaining to a product or service it has provided.

“153.2. Every company shall, each year within two months of the closing date of its fiscal year or on any other date determined by the Agency, submit to the latter a report to that date concerning the policy it has established pursuant to section 153.1.

The report shall mention, in particular, the number and nature of the complaints filed.

“153.3. The Agency may, if it considers it appropriate, give written instructions to a company concerning the policy referred to in section 153.1.

Before exercising the power provided for in the first paragraph, the Agency must notify the company of its intention and give it the opportunity to present observations.

“153.4. Every company shall inform each complainant, in writing and without delay, that a complainant may, if he or she is dissatisfied with the complaint examination procedure or its outcome, request the company to forward a copy of the complaint file to the Agency.

Where requested by a complainant, the company shall forward a copy of the complaint file to the Agency.

The Agency shall examine the complaint file and may, where it considers it appropriate, act as a mediator if the interested parties agree.

“153.5. Notwithstanding sections 9 and 83 of the Act respecting Access to documents held by public bodies and the Protection of personal information (chapter A-2.1), the Agency may not communicate a complaint file without the authorization of the company that has transmitted it.

“153.6. The Agency may, with the authorization of the Government, enter into an agreement with any body or legal person in respect of the examination of complaints filed by persons dissatisfied with the complaint examination procedure or its outcome.

Such an agreement may also provide that the body or legal person may, where they consider it expedient, act as a mediator if the interested parties agree thereto.

“153.7. A mediator may not be compelled to disclose anything revealed to or learned by the mediator in the exercise of his or her functions or to produce a document prepared or obtained in the course of such exercise before

a court of justice or before a person or body of the administrative branch exercising adjudicative functions.

Notwithstanding section 9 of the Act respecting Access to documents held by public bodies and the Protection of personal information, no person may have access to a document contained in the mediation record.”

583. Section 155 of the said Act is amended

(1) by replacing paragraph 3.1 by the following paragraph :

“(3.1) a notice of the agreement, accompanied with the fees prescribed by regulation, must be transmitted to the Agency, which shall transmit it to the enterprise registrar for deposit in the register of sole proprietorships, partnerships and legal persons;”;

(2) by replacing “the Inspector General” in the second line of paragraph 7 by “the Agency”.

584. Section 163 of the said Act is amended by replacing “the Inspector General” in the second line of the first paragraph by “the Agency”, “him” in that line by “the Agency” and “the Inspector General, who shall deposit it in the register,” in the third and fourth lines by “the Agency, which shall send it to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons,”.

585. Section 169.1 of the said Act is amended

(1) by replacing “the Inspector General” in the first line of the first paragraph by “the Agency” and by replacing “and shall deposit the notice in the register” in the third line by “and shall send the notice to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons”;

(2) by replacing “The Inspector General shall send” in the first line of the second paragraph by “The Agency shall send”.

586. Section 169.2 of the said Act is amended

(1) by replacing the first sentence of the first paragraph by the following sentence: “The Agency shall dissolve the company by drawing up an act of dissolution and transmitting it to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons.”;

(2) by replacing “the Inspector General” in the first line of the second paragraph by “the Agency”, “he” in the second line by “the Agency” and “which he shall deposit in the register” in the third and fourth lines by “which it shall send to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons”.

587. Section 172 of the said Act is amended by replacing “the Régie de l’assurance-dépôts du Québec” in the fifth paragraph by “the Agence nationale d’encadrement du secteur financier pursuant to the Deposit Insurance Act”.

588. Section 177 of the said Act is amended by replacing “the Régie de l’assurance-dépôts du Québec” in the fourth paragraph by “The Agence nationale d’encadrement du secteur financier pursuant to the Deposit Insurance Act”.

589. Section 194 of the said Act is amended

(1) by inserting “or an authorized foreign bank listed in Schedule I, II or III to the Bank Act” after “bank” in the second line;

(2) by replacing “the Régie de l’assurance-dépôts du Québec” in the third and fourth lines by “the Agence nationale d’encadrement du secteur financier pursuant to the Deposit Insurance Act”.

590. Section 203 of the said Act is amended

(1) by inserting “listed in Schedule I, II or III to the Bank Act and registered with the Canada Deposit Insurance Corporation” after “bank” in the second line of subparagraph 5 of the first paragraph;

(2) by replacing “the Régie de l’assurance-dépôts du Québec” in the first and second lines of subparagraph 6 of the first paragraph by “the Agence nationale d’encadrement du secteur financier pursuant to the Deposit Insurance Act”.

591. Section 216 of the said Act is amended

(1) by replacing “the Régie de l’assurance-dépôts du Québec” in the second line by “the Agence nationale d’encadrement du secteur financier pursuant to the Deposit Insurance Act”;

(2) by striking out “outside Canada” in the third line.

592. Section 226 of the said Act is amended

(1) by replacing “Inspector General” in the second line of the second paragraph by “Agency”;

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

“The representative shall ensure that the policy referred to in section 153.1 is applied and that a response is given to all requests for information.

The company shall facilitate the representative's access, at its head office and at any business location, to any information and document the representative considers useful for the accomplishment of his or her duties."

593. Section 227 of the said Act is amended

(1) by replacing the words "Inspector General", wherever they appear, by the word "Agency";

(2) by replacing subparagraph 3 of the first paragraph by the following subparagraph:

"(3) adheres to sound and prudent management practices, in particular those relating to commercial practices;"

594. Section 234 of the said Act is amended

(1) by replacing "the Inspector General" in the second line of the first paragraph by "the Agency" and by replacing "his" in that line by "its";

(2) by replacing the second paragraph by the following paragraph:

"Where of its own initiative, the Agency assigns a name to a Québec company, it shall issue supplementary letters patent in duplicate and send one copy to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons."

595. Section 236 of the said Act is amended

(1) by replacing "the Inspector General" in the second line of the first paragraph by "the Agency";

(2) by replacing the second paragraph by the following paragraph:

"The Agency shall change the licence accordingly and send a notice of name change to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons."

596. Section 242 of the said Act is amended

(1) by replacing "Inspector General" in the first line of the first and second paragraphs by "Agency";

(2) by inserting "and in the bulletin of the Agency" after "du Québec" in the second line of the first and second paragraphs.

597. Section 244 of the said Act is amended

(1) by replacing the words “Inspector General”, wherever they appear, by the word “Agency”;

(2) by replacing “sound commercial and financial practices” in paragraph 3 by “sound and prudent management practices, in particular those relating to commercial practices”.

598. The heading of Division IV of Chapter XVI of the said Act is replaced by the following heading :

“ANNUAL STATEMENT FOR THE AGENCY”.

599. Section 293 of the said Act is amended

(1) by replacing “the Inspector General” in the third line of the first paragraph and in the second and third lines of the third paragraph by “the Agency”;

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

“The Agency shall transmit to the enterprise registrar the information referred to in the second paragraph.”

600. Section 295 of the said Act is amended by replacing “sound financial practices” in paragraph 4 by “sound and prudent management practices”.

601. The heading of Division VI of Chapter XVI of the said Act is replaced by the following heading :

“REPORT OF THE AGENCY”.

602. Section 313 of the said Act is replaced by the following section :

“**313.** The Agency must, no later than 31 July of each year, submit a report on the financial position of the companies to the Minister. Such report shall include all the information that the Agency considers appropriate.”

603. Section 314 of the said Act is replaced by the following section :

“**314.** The Minister shall table the Agency’s report on the state of the affairs of companies in Québec in the National Assembly within 30 days of its receipt or, if the Assembly is not sitting, within 30 days of resumption.”

604. The said Act is amended by replacing the heading of Division VII of Chapter XVI by the following heading :

“GUIDELINES AND ORDERS OF THE AGENCY”.

605. The said Act is amended by inserting the following sections after the heading of Division VII of Chapter XVI:

“**314.1.** The Agency may, after consulting with the Minister, issue guidelines applicable to companies.

The guidelines are not regulations. They are indicative of the exercise of the discretionary powers conferred on the Agency by this Act concerning :

- (1) the adequacy of the capital base ;
- (2) the adequacy of liquid assets ;
- (3) the policy that companies must adopt in compliance with section 153.1 ;
- (4) any other sound and prudent management practices, in particular those relating to commercial practices.

“**314.2.** A company that does not comply with the guidelines is presumed, for the purposes of sections 328 and 337 to 349, not to be adhering to sound and prudent management practices.”

606. Section 315 of the said Act is amended

(1) by replacing the words “Inspector General” , wherever they appear, by the word “Agency” and making the necessary modifications ;

(2) by replacing the words “does not adhere to sound financial practices” in the second line of the first paragraph by “does not adhere to sound and prudent management practices”.

607. Section 333 of the said Act is amended by inserting “or a foreign authorized bank listed in Schedule I, II or III to the Bank Act” after “bank” in the first line.

608. Section 351 of the said Act is amended

(1) by replacing the words “Inspector General”, wherever they appear, by the word “Agency” ;

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

“(35) the policy that companies must adopt in compliance with section 153.1 or elements of such policy.”

609. Section 396 of the said Act is repealed.

610. Section 408 of the said Act is replaced by the following section :

“**408.** The Minister of Finance is responsible for the application of this Act.”

611. Sections 14, 25 to 28, 38 to 41, 51, 52, 54, 67, 71, 75, 77, 96, 98, 108, 118, 119, 121 to 123, 130, 133, 137, 148, 149, 156, 164 to 167, 169, 192, 195 to 199, 210 to 212, 214, 222, 228, 233, 235, 237, 238, 240, 241, 243, 245 to 248, 251, 264, 265, 270, 271, 276, 280, 285, 286, 294, 296 to 298, 302 to 310, 312, 316 to 329, 331, 335 to 337, 339, 341, 344 to 346, 356, 361, 382, 385, 388 to 395, 401, 406 and 407 of the said Act are amended by replacing the words “Inspector General of Financial Institutions”, wherever they appear, by the words “Agence nationale d’encadrement du secteur financier” and the words “Inspector General”, wherever they appear, by the word “Agency”, and making the necessary modifications.

LOAN AND INVESTMENT SOCIETIES ACT

612. The Loan and Investment Societies Act (R.S.Q., chapter S-30) is repealed.

NATIONAL BENEFIT SOCIETY ACT

613. Section 1.2 of the National Benefit Society Act (R.S.Q., chapter S-31) is amended by replacing “The Inspector General of Financial Institutions” by “The enterprise registrar”.

614. The said Act is amended by adding the following sections after section 6 :

“**7.** The enterprise registrar is responsible for the administration of this Act.

“**8.** The Minister of Industry and Trade is responsible for the application of this Act.”

ACT RESPECTING SOCIETIES FOR THE PREVENTION OF CRUELTY TO ANIMALS

615. Sections 1 and 1.2 of the Act respecting societies for the prevention of cruelty to animals (R.S.Q., chapter S-32) are amended by replacing the words “the Inspector General of Financial Institutions” and “the Inspector General”, wherever they appear, by the words “the enterprise registrar”, and making the necessary modifications.

616. The said Act is amended by adding the following sections after section 3 :

“4. The enterprise registrar is responsible for the administration of this Act.

“5. The Minister of Industry and Trade is responsible for the application of this Act.”

PROFESSIONAL SYNDICATES ACT

617. Section 9 of the Professional Syndicates Act (R.S.Q., chapter S-40), amended by section 236 of chapter 6 of the statutes of 2002, is again amended by replacing “the Inspector General” in the last line of subparagraph 1 of the second paragraph by “the Agence nationale d’encadrement du secteur financier”.

618. Section 20 of the said Act is amended by replacing “the Inspector General” in the first line of the second paragraph by “the Agence nationale d’encadrement du secteur financier”.

619. Sections 1, 10, 11 and 26 of the said Act are amended by replacing “the Inspector General of Financial Institutions” and “the Inspector General”, wherever they appear, by the words “the enterprise registrar”, and making the necessary modifications.

620. The said Act is amended by adding the following sections after section 29:

“30. The enterprise registrar is responsible for the administration of this Act.

“31. The Minister of Industry and Trade is responsible for the application of this Act.”

ACT RESPECTING THE QUÉBEC SALES TAX

621. Section 1 of the Act respecting the Québec sales tax (R.S.Q., chapter T-0.1) is amended by replacing “the Régie de l’assurance-dépôts du Québec” in subparagraph 7 of the definition of “listed financial institution” by “the Agence nationale d’encadrement du secteur financier”.

622. Section 519 of the said Act is amended by replacing “the Inspector General of Financial Institutions” in the second and third lines by “the Agence nationale d’encadrement du secteur financier”.

SECURITIES ACT

623. Section 3 of the Securities Act (R.S.Q., chapter V-1.1), amended by section 674 of chapter 29 of the statutes of 2000 and by section 3 of chapter 38 of the statutes of 2001, is again amended

(1) by replacing “bank governed by the Bank Act (Revised Statutes of Canada, 1985, chapter B-1) or by the Quebec Savings Bank Act (Revised Statutes of Canada, 1970, chapter B-4)” in paragraph 9 by “bank listed in Schedule I or II to the Bank Act (Revised Statutes of Canada, 1985, chapter B-1.01) and registered with the Canada Deposit Insurance Corporation”;

(2) by replacing “a bank established under the Bank Act or the Quebec Savings Bank Act” in paragraph 14 by “a bank listed in Schedule I or II to the Bank Act and registered with the Canada Deposit Insurance Corporation”.

624. Section 44 of the said Act, amended by section 675 of chapter 29 of the statutes of 2000, is again amended

(1) by replacing paragraph 2 by the following paragraph :

“(2) a bank or an authorized foreign bank listed in Schedule I, II or III to the Bank Act;”;

(2) by replacing paragraph 4 by the following paragraph :

“(4) a financial services cooperative within the meaning of the Act respecting financial services cooperatives (chapter C-67.3);”;

(3) by replacing “the Commission” in the first line of paragraph 12 by “the Agency”.

625. Section 92 of the said Act is amended

(1) by replacing “an option” in the first line by “a derivative financial instrument”;

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

“The Agency may, by regulation, determine any other securities transaction effecting a change in the control of a security.”

626. The said Act is amended by inserting the following section after section 151.1 :

“151.1.1. The Agency may inspect the affairs of a mutual fund, a person acting as depositary, trustee or manager of such a fund or any other market participant determined by regulation to assess compliance with a provision of this Act or a regulation.

Sections 151.2 to 151.4 apply to such an inspection, with the necessary modifications.”

627. Section 154 of the said Act, amended by section 677 of chapter 29 of the statutes of 2000, is again amended

(1) by replacing “a bank constituted under the Bank Act (Revised Statutes of Canada, 1985, chapter B-1) or the Quebec Savings Banks Act (Revised Statutes of Canada, 1970, chapter B-4)” in paragraph 1 by “a bank or an authorized foreign bank listed in Schedule I, II or III to the Bank Act”;

(2) by replacing “a bank constituted under the Bank Act or the Quebec Savings Banks Act” in paragraph 2 by “a bank or an authorized foreign bank listed in Schedule I, II or III to the Bank Act”;

(3) by replacing “bank constituted under the Act respecting banks and banking” in paragraph 3 by “bank or an authorized foreign bank listed in Schedule I, II or III to the Bank Act”.

628. Section 156 of the said Act, amended by section 678 of chapter 29 of the statutes of 2000, is again amended by replacing paragraph 4 by the following paragraph:

“(4) a bank or an authorized foreign bank listed in Schedule I, II or III to the Bank Act”.

629. The heading of Chapter III of Title V of the said Act is amended by replacing “THE COMMISSION” by “THE AGENCY”.

630. The said Act is amended by inserting the following sections after section 168.1:

“**168.1.1.** Every securities dealer or adviser must provide equitable resolution of complaints filed with the dealer or adviser. To that end, the dealer or adviser must establish a policy dealing with

(1) the examination of complaints and claims filed by persons having an interest in a product or service it has provided;

(2) the resolution of disputes pertaining to a product or service it has provided.

“**168.1.2.** Every securities dealer or adviser shall, each year, within two months of the end of its fiscal year or on any other date determined by the Agency, submit to the latter a report to that date concerning the policy it has established pursuant to section 168.1.1.

The report shall mention, in particular, the number and nature of the complaints filed.

“**168.1.3.** Every securities dealer or adviser shall inform each complainant, in writing and without delay, that a complainant may, if he or she is dissatisfied with the complaint examination procedure or its outcome, request the securities dealer or adviser to forward a copy of the complaint file to the Agency.

Where requested by a complainant, the securities dealer or adviser shall forward a copy of the complaint file to the Agency.

The Agency shall examine the complaint and may, if it considers it appropriate, act as a mediator if the parties agree.

“168.1.4. Notwithstanding sections 9 and 83 of the Act respecting Access to documents held by public bodies and the Protection of personal information (chapter A-2.1), the Agency may not communicate a complaint file without the authorization of the securities dealer or adviser that has transmitted it.

“168.1.5. A mediator may not be compelled to disclose anything revealed to or learned by the mediator in the exercise of his or her functions or to produce a document prepared or obtained in the course of such exercise before a court of justice or before a person or body of the administrative branch exercising adjudicative functions.

Notwithstanding section 9 of the Act respecting Access to documents held by public bodies and the Protection of personal information, no person may have access to a document contained in the mediation record.”

631. Title VI of the said Act, comprising sections 169 to 186, is replaced by the following Title :

“TITLE VI

“SELF-REGULATORY ORGANIZATIONS AND SECURITIES TRADING OR CLEARING

“169. No legal person, partnership or other entity may carry on securities trading or clearing activities in Québec without the authorization of the Agency.

“170. The Agency may authorize the carrying on of an activity mentioned in section 169 on the conditions it determines.

The Agency may also determine that a legal person, partnership or other entity that carries on such an activity or any other activity governed by this Act is to be recognized as a self-regulatory organization under Title III of the Act respecting the Agence nationale d’encadrement du secteur financier (2002, chapter 45).

The organization referred to in the second paragraph shall also be subject to the provisions of this Act which are applicable to a self-regulatory organization.

“171. The Agency may grant a legal person, a partnership or any other entity the authorization to operate an electronic securities trading system in Québec under a special framework established by the Agency in its regard, or register the legal person, partnership or other entity as a securities dealer.

In making a decision under this section, the Agency shall determine the connecting factors that are relevant for the protection of investors.

“172. The Agency may prescribe a course of action to a legal person, a partnership or any other entity authorized to carry on securities trading or clearing activities in Québec under section 169 where it considers it necessary for the proper operation of the legal person, partnership or entity or for public protection.”

632. Section 195 of the said Act is amended

(1) by replacing “Commission” in paragraphs 1, 2 and 4 by “Agency”;

(2) by inserting the following paragraph after paragraph 4:

“(5) to attempt, in any manner, to hinder a representative of the Agency in the exercise of his or her functions in the course or for the purposes of an inspection or an investigation.”

633. The said Act is amended by inserting the following section after section 195.1:

“195.2. Influencing or attempting to influence the market price or the value of securities by means of unfair, improper or fraudulent practices is an offence.”

634. Section 204 of the said Act is amended by inserting “195.2,” before “196” in the first line of the first paragraph.

635. The said Act is amended by inserting the following section after section 208:

“208.1. Every person who makes a distribution of securities in contravention of section 11 or who contravenes any of sections 187 to 190, 195.2, 196, 197, 205, 207 and 208 is liable, in addition to the fine provided for in the applicable penal provision, to imprisonment not exceeding five years, notwithstanding article 231 of the Code of Penal Procedure (chapter C-25.1).”

636. Section 234 of the said Act is amended by replacing “one year” in the second line by “three years”.

637. Section 235 of the said Act is amended by replacing “one year” in the first and second lines by “three years”.

638. Section 236 of the said Act is amended

(1) by replacing “three” in paragraph 1 by “five”;

(2) by replacing “three” by “five” and “Commission” by “Agency” in paragraph 2.

639. Section 249 of the said Act is amended by replacing the introductory phrase by the following :

“**249.** The Agency may, for the purposes of or in the course of an investigation, request the Bureau de décision et de révision en valeurs mobilières to”.

640. Section 253 of the said Act is amended by inserting “or an authorized foreign bank listed in Schedule I, II or III to the Bank Act, a” after “bank” in the first line.

641. Section 273.1 of the said Act, enacted by section 73 of chapter 38 of the statutes of 2001, is amended

(1) by replacing “Commission” in the first and fifth lines of the first paragraph by “Agency” and by replacing “sous le régime d’une dispense” in the third line of the first paragraph of the French text by “sous le régime d’une dispense”;

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

“Where the Bureau de décision et de révision en valeurs mobilières becomes aware of facts establishing that a senior executive or an insider has, by an act or omission, contravened or assisted a person in contravening a provision of this Act or a regulation thereunder, it may impose an administrative penalty on the person.”;

(3) by replacing “under the first paragraph” in the fourth paragraph by “by the Agency pursuant to this section”.

642. The heading of Chapter III of Title IX of the said Act is replaced by the following heading :

“OTHER POWERS OF THE AGENCY”.

643. The heading of Chapter I of Title X of the said Act is replaced by the following heading :

“GENERAL PROVISIONS”.

644. Section 276 of the said Act is replaced by the following section :

“276. The Agence nationale d’encadrement du secteur financier established under section 1 of the Act respecting the Agence nationale d’encadrement du secteur financier is responsible for the administration of this Act and shall discharge the functions and exercise the powers specified thereunder.

In addition, the Agency’s mission is

- (1) to promote efficiency in the securities market;
- (2) to protect investors against unfair, improper or fraudulent practices;
- (3) to regulate the information that must be disclosed to security holders and to the public in respect of persons engaging in the distribution of securities and in respect of the securities issued by these persons;
- (4) to define a framework for the activities of the professionals of the securities market and organizations responsible for the operation of a stock market.”

645. Section 276.1 of the said Act is repealed.

646. Section 276.4 of the said Act is replaced by the following section:

“276.4. The Agency may, in the pursuit of its mission under this Act, set up a contingency reserve or, with the authorization of the Government, a designated fund into which it may deposit part of the revenues generated under this Act.”

647. Sections 276.5 to 282 of the said Act are repealed.

648. Section 283 of the said Act, replaced by section 78 of chapter 38 of the statutes of 2001, is amended by replacing “the Commission, a member of the Commission or” in the first and second lines by “the Agency, a member”.

649. Section 284 of the said Act is amended by replacing “the Commission or its members or” in the third line by “the Agency, the members of its personnel or its”.

650. Sections 287 to 291 of the said Act are repealed.

651. Section 292 of the said Act is amended by replacing “The Commission” in the first line by “The Agency” and “for the exercise of its functions” in the second line by “in the pursuit of the mission conferred on it by this Act”.

652. Section 293 of the said Act is replaced by the following section:

“293. Every document required under this Act or a regulation made hereunder must be forwarded to or deposited at the office of the Agency, at the

place determined by the Agency; notice of the address of the office shall be published in the *Gazette officielle du Québec* and in the Agency's bulletin."

653. The said Act is amended by inserting the following section after section 295.1 :

"295.2. The Agency may, with the authorization of the Government, enter into an agreement with any organization or legal person for the examination of complaints filed by persons who are dissatisfied with the examination procedure or its outcome.

Such an agreement may also provide that the organization or legal person may, if it considers it appropriate, act as a mediator if the concerned parties agree."

654. Sections 299 to 301.1 of the said Act are repealed.

655. Section 302 of the said Act is replaced by the following section :

"302. The Agency must, no later than 31 July each year, submit to the Minister a report of its activities related to the administration of this Act for the preceding year.

The Minister shall table the Agency's activities report in the National Assembly within 30 days of its receipt or, if the Assembly is not sitting, within 30 days of resumption."

656. Section 303 of the said Act is replaced by the following section :

"303. The Agency shall furnish to the Minister any information and any report that the Minister may require on the activities of the Agency."

657. Sections 304 and 305 of the said Act are repealed.

658. Section 307 of the said Act is amended by replacing "The Commission may, subject to section 308, delegate to one of its members or" in the first and second lines by "The president and director general may, subject to section 308, delegate".

659. Section 308 of the said Act, replaced by section 84 of chapter 38 of the statutes of 2001, is again replaced by the following section :

"308. The Agency may only delegate to a superintendent the powers to review its decisions, to order an investigation under section 239, to institute court proceedings under this Act in the name of the Agency and to render a decision pursuant to Title VI."

660. The heading of Chapter III of Title X of the said Act is replaced by the following heading :

“CONTROL EXERCISED BY THE AGENCY”.

661. Section 309 of the said Act is amended by replacing “Commission” in the first line by “Agency” and by replacing “statuer” in the second line of the French text by “décider”.

662. Section 310 of the said Act is replaced by the following section :

“**310.** The Agency may, of its own initiative, review any decision made by a person exercising a delegated power or by a self-regulatory organization.

The Agency must give the person or self-regulatory organization an opportunity to present observations within the time prescribed in section 318.”

663. Section 311 of the said Act is replaced by the following section :

“**311.** Any person examining a matter pursuant to a delegation of power may refer it to the Agency.”

664. The heading of Chapter IV of Title X of the said Act is replaced by the following heading :

“RULES APPLICABLE TO DECISIONS OF THE AGENCY”.

665. Section 312 of the said Act is replaced by the following section :

“**312.** The Agency may, within the scope of its powers, participate in the making of any decision in conjunction with any other authority responsible for the supervision of securities trading.”

666. Section 312.1 of the said Act, enacted by section 85 of chapter 38 of the statutes of 2001, is replaced by the following section :

“**312.1.** A member of the personnel of the Agency or a person exercising a delegated power who has examined a matter for the purposes of undertaking an investigation ordered under section 239 must refrain from participating in the making of any decision pertaining to the matter, unless the parties consent thereto.”

667. Section 313 of the said Act is replaced by the following section :

“**313.** The Agency shall exercise its powers according to the rules referred to in section 35 of the Act respecting the Agence nationale d’encadrement du secteur financier.

The Agency shall determine the supplementary rules of procedure applicable to the conduct of its affairs.”

668. Section 314 of the said Act is repealed.

669. Section 314.1 of the said Act, introduced by section 86 of chapter 38 of the statutes of 2001, is replaced by the following section :

“314.1. By way of exception, the Agency may suspend the making of a decision until the applicant undertakes to pay the cost of the research work that the Agency considers necessary in order to make a decision on the application filed with it.

Similarly, the Agency may require the applicant to pay the representation costs incurred by investors or, if it is in the public interest, it may pay such costs itself.”

670. Section 315 of the said Act is repealed.

671. The said Act is amended by striking out the following headings after section 315:

**“CHAPTER V
“DECISIONS”.**

672. Section 317 of the said Act is repealed.

673. Section 318 of the said Act is replaced by the following section :

“318. The Agency or a person exercising a delegated power must, before making a decision unfavourably affecting the rights of a person, give that person a 15-day prior notice of the Agency’s or person’s intention indicating the grounds on which it is based and the right of the person to present observations or produce documents to complete the person’s record.

However, the Agency or the person exercising a delegated power may, without prior notice, make a decision valid for a period not exceeding 15 days if the Agency or person is of the opinion that there is urgency or that any period of time granted to the person concerned to present observations may be detrimental.

The decision must state the reasons on which it is based and becomes effective on the day it is served on the person to whom it applies. That person may, within six days of receiving the decision, present observations to the Agency or, where applicable, to the person exercising the delegated power.

The Agency or the person exercising the delegated power may revoke such a decision.”

674. Section 319 of the said Act is replaced by the following section :

“**319.** The Agency or the person exercising delegated powers must give reasons for every decision that adversely affects the rights of a person.”

675. Section 320 of the said Act is amended by replacing the first paragraph by the following paragraph :

“**320.** The Agency shall send to the person concerned the decision made by the Agency or the person exercising a delegated power.”

676. Section 320.1 of the said Act, amended by section 88 of chapter 38 of the statutes of 2001, is replaced by the following section :

“**320.1.** Every decision of the Agency or a person exercising a delegated power may be homologated at the request of the Agency by the Superior Court or the Court of Québec, according to their respective jurisdictions, at the expiry of the time prescribed for applying for a review of the decision before the Bureau de décision et de révision en valeurs mobilières, and the decision becomes executory under the authority of the court that has homologated it.”

677. Section 320.2 of the said Act, enacted by section 89 of chapter 38 of the statutes of 2001, is amended by replacing “a member of the Commission” in the second and third lines by “the Agency or the person exercising delegated power”.

678. The said Act is amended by inserting the following section after section 321 :

“**321.1.** For the purposes of section 81 of the Act respecting the Agence nationale d’encadrement du secteur financier and sections 283, 318 to 319 and 321 of this Act, the person or committee exercising a power subdelegated under section 62 of the Act respecting the Agence nationale d’encadrement du secteur financier is the person exercising a delegated power.”

679. Section 322 of the said Act is replaced by the following section :

“**322.** A person directly affected by a decision rendered by the Agency or by a self-regulatory organization may, within 30 days, apply for a review of the decision by the Bureau de décision et de révision en valeurs mobilières established under section 92 of the Act respecting the Agence nationale d’encadrement du secteur financier (2002, chapter 45).

A self-regulatory organization may also apply for a review of a decision of the Agency rendered under section 74, 76, 77, 80, 88 or 89 of that Act.”

680. The said Act is amended by inserting the following after section 322 :

“CHAPTER V**“RULES APPLICABLE TO HEARINGS AND DECISIONS
OF THE BUREAU DE DÉCISION ET DE RÉVISION EN VALEURS
MOBILIÈRES”.**

681. Section 323 of the said Act is replaced by the following section :

“323. The Bureau de décision et de révision en valeurs mobilières may, within the scope of its powers, hold hearings in conjunction with and consult with any other authority responsible for the supervision of securities trading.”

682. The said Act is amended by inserting the following sections after section 323 :

“323.1. The board shall determine the rules of procedure applicable to its hearings.

“323.2. Sections 240 to 243 apply to any hearing of the board, with the necessary modifications.

“323.3. By way of exception, the board may suspend the holding of a hearing until the applicant undertakes to pay the cost of the research work that the board considers necessary in order to rule on the issue submitted to it.

Similarly, the board may require one of the parties to pay the representation costs incurred by investors or, if it is in the public interest, it may pay such costs itself.

“323.4. Any person appearing before the board may request that the testimony be recorded, at the person’s own expense. If the person causes the testimony to be recorded, the person is required, at the request of the board, to provide it with a copy of the transcript.

“323.5. Subject to the third paragraph of section 85 of the Act respecting the Agence nationale d’encadrement du secteur financier, the board shall exercise the discretion conferred on it in accordance with the public interest.

“323.6. The board, before rendering a decision that adversely affects the rights of a person, must give the person an opportunity to be heard.

“323.7. A decision adversely affecting the rights of a person may, where it is imperative to do so, be rendered without a prior hearing.

In such a case, the board must give the person concerned the opportunity to be heard within 15 days.

“323.8. For the purpose of rendering a decision, the board may, within the scope of a consultation mechanism established by regulation or an agreement under section 295.1, consider a factual analysis prepared by the personnel of an organization pursuing similar objects.

“323.9. The board must give reasons for every decision that adversely affects the rights of a person.

“323.10. The Bureau de décision et de révision en valeurs mobilières may file an authentic copy of a decision it has rendered at the office of the clerk of the Superior Court of the district in which the residence or domicile of the person concerned is situated or, if the person has neither residence nor domicile in Québec, at the office of the Superior Court in the district of Montréal.

The decision on being filed becomes executory in the same way as a decision of the Superior Court, and has all the effects thereof.

“323.11. A decision containing a clerical error, a mistake in calculation or any other error of form may be rectified on the record by a member of the board having taken part in the decision.

“323.12. The board may review its decisions at any time, except in the event of an error in law.

“323.13. An application to the Bureau de décision et de révision en valeurs mobilières for a review of a decision does not suspend the execution of the decision contested, unless the board decides otherwise.”

683. The heading of Chapter VII of Title X of the said Act is amended by striking out “DE LA COMMISSION” in the French text.

684. Section 330.1 of the said Act is amended by replacing “the Commission” in the first and second lines of the first paragraph by “the Agency” and by replacing “its expenditures” in the third line of the first paragraph by “the costs incurred in relation to the administration of this Act”.

685. Section 330.3 of the said Act is amended by replacing “The chairman of the Commission” in the first line of the first paragraph by “The Agency” and by replacing “the Commission’s budgetary estimates” in the second line of the first paragraph by “estimates of the Agency related to the administration of this Act”.

686. Section 330.5 of the said Act, amended by section 679 of chapter 29 of the statutes of 2000, is again amended

(1) by replacing “Commission” in the first line by “Agency”;

(2) by inserting “or an authorized foreign bank listed in Schedule I, II or III to the Bank Act” after “bank” in the second line.

687. Sections 330.7 and 330.8 of the said Act are repealed.

688. Section 330.9 of the said Act is amended

(1) by replacing the first paragraph by the following paragraph :

“330.9. The costs incurred by the Agency for the purposes of Title III of the Act respecting the Agence nationale d’encadrement du secteur financier in respect of an activity governed by this Act shall be borne by the recognized self-regulatory organizations that carry on such activities.”;

(2) by replacing the words “the Commission” wherever they appear in the second and third paragraphs by “the Agency”.

689. Section 330.10 of the said Act is amended

(1) by replacing “Commission” in the first and second lines of the first paragraph by “Agency”;

(2) by replacing “and sections” in the fourth line of the first paragraph by “, sections”;

(3) by replacing “, shall be borne by those Funds” in the sixth and seventh lines of the first paragraph by “and section 33 of the Act constituting Capital régional et coopératif Desjardins (2001, chapter 36) shall be borne by those legal persons”;

(4) by replacing “Commission” in the seventh and eighth lines of the first paragraph by “Agency”;

(5) by replacing “Commission” in the first line of the second paragraph by “Agency” and by replacing “Fund” in the second line of the second paragraph by “legal person”.

690. Section 331 of the said Act, replaced by section 91 of chapter 38 of the statutes of 2001, is amended

(1) by inserting the following subparagraph after subparagraph 6 :

“(6.1) determine, for the purposes of section 151.1.1, the other market participants likely to be the subject of an inspection;”;

(2) by adding the following subparagraph after subparagraph 11 :

“(12) define the terms and expressions used for the purposes of the regulations made pursuant to this section.”;

(3) by replacing “Commission” wherever it appears by “Agency”, with the necessary modifications.

691. Section 331.1 of the said Act, replaced by section 92 of chapter 38 of the statutes of 2001, is amended

(1) by inserting the following paragraphs after paragraph 19:

“(19.1) determine the rules applicable to an accountant’s audit of the affairs of any person subject to this Act;

“(19.2) determine the rules applicable to a committee auditing the affairs of an issuer governed by this Act;”;

(2) by inserting the following paragraph after paragraph 20:

“(20.1) determine, for the purposes of section 92, a securities transaction effecting a change in the control of a security;”;

(3) by replacing “the over-the-counter market” in paragraph 32 by “a listed market or an over-the-counter market”;

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

“(34) define the terms and expressions used for the purposes of the regulations made pursuant to this section.”;

(5) by replacing “Commission” wherever it appears by “Agency”, and making the necessary modifications.

692. Section 332 of the said Act, replaced by section 94 of chapter 38 of the statutes of 2001, is amended by adding the following subparagraph at the end:

“(3) determine the policy that securities dealers and advisers must establish pursuant to section 168.1.1 or elements of that policy.”

693. Section 334 of the said Act is replaced by the following section:

“334. A regulation made under this Act may confer a discretionary power on the Agency.”

694. Section 351 of the said Act is repealed.

695. Section 348 of the said Act is replaced by the following section:

“348. The Minister of Finance is responsible for the application of this Act.”

696. Sections 4, 7, 7.1, 10.2, 10.5, 10.6, 11, 12, 14, 15, 20, 27, 28, 34, 35, 37, 38, 39, 40, 40.1, 46, 47, 48, 48.1, 49, 50, 53, 53.1, 59.1, 64, 66, 67, 68, 68.1, 69, 69.1, 70, 71, 73, 75, 76, 77, 78, 79, 80.1, 82, 84, 85, 96, 103.1, 104, 108, 119, 120, 121, 128, 130, 133, 139, 140, 142, 145, 147, 147.10, 147.11, 147.15, 147.16, 148, 148.1, 149, 151, 151.1, 153, 158, 159, 168.1, 192, 195.1, 197, 199, 205, 210, 210.1, 211, 212, 221, 233, 237, 238, 239, 240, 242, 243, 245, 247, 248, 251, 256, 258, 259.1, 260, 263, 268, 269, 269.1, 269.2, 271, 272, 272.1, 274, 276.2, 276.3, 285, 294 to 295.1, 296 to 298, 302.1, 306, 316, 318.1, 321, 330.2, 330.4, 330.6, 331.2, 333 and 335 of the said Act are amended by replacing the words “Commission des valeurs mobilières du Québec”, wherever they appear, by “Agence nationale d’encadrement du secteur financier” and the words “Commission” and “Bureau des services financiers” by “Agency”, and sections 152, 250, 255, 257, 261, 264 to 266, 270, 273, 273.2, 273.3, 324, 325, 328 and 329 are amended by replacing the word “Commission”, wherever it appears, by “Bureau de décision et de révision en valeurs mobilières”, and making the necessary modifications.

ACT RESPECTING THE MOUVEMENT DESJARDINS

697. Section 15 of the Act respecting the Mouvement Desjardins (2000, chapter 77) is amended

(1) by replacing “, within 10 days, give notice to the Inspector General of Financial Institutions who” in the second paragraph by “give notice within ten days to the Agence nationale d’encadrement du secteur financier, which shall send it to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons. The Agency”;

(2) by replacing “the Inspector General” in the second paragraph by “the Agency, which shall send it to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons”.

698. Sections 9, 46, 48, 49, 51, 53, 65 and 70 of the said Act are amended by replacing the words “the Inspector General of Financial Institutions”, wherever they appear, by the words “the Agence nationale d’encadrement du secteur financier” and the words “the Inspector General” by the words “the Agency”, and making the necessary modifications.

ACT RESPECTING TRANSPORTATION SERVICES BY TAXI

699. Section 135 of the Act respecting transportation services by taxi (2001, chapter 15) is amended by replacing “to the Inspector General of Financial Institutions” in the first line of subparagraph 1 of the second paragraph by “to the enterprise registrar”.

700. Section 138 of the said Act is amended by replacing “to the Inspector General of Financial Institutions” in paragraphs 3 and 8 by “to the enterprise registrar”.

ACT RESPECTING PUBLIC TRANSIT AUTHORITIES

701. Sections 1, 83, 160, 164.1, 167 and 175 of the Act respecting public transit authorities (2001, chapter 23) are amended by replacing the words “the Inspector General of Financial Institutions”, wherever they appear, by the words “the enterprise registrar”.

702. Section 71 of the said Act is amended by replacing “the Inspector General of Financial Institutions” in the second paragraph by “the Agence nationale d’encadrement du secteur financier”.

ACT RESPECTING THE PENSION PLAN OF MANAGEMENT PERSONNEL

703. Schedule II to the Act respecting the Pension Plan of Management Personnel (2001, chapter 31), amended by the Conseil du trésor’s decisions no. 197299, 197300, 197301, 197302 and 197303 dated 20 November 2001, 197373 and 197375 dated 4 December 2001 and 197464 dated 18 December 2001 and 198080 dated 16 April 2002, and by section 156 of chapter 30 of the statutes of 2002, is again amended

(1) by inserting the following mention in paragraph 1, in alphabetical order:

“the Agence nationale d’encadrement du secteur financier, in regard to the employees transferred from the Commission des valeurs mobilières du Québec, the Inspector General of Financial Institutions and the Régie de l’assurance-dépôts du Québec for application of the Act respecting the Agence nationale d’encadrement du secteur financier (2002, chapter 45)”;

(2) by striking out the following mention: “the Commission des valeurs mobilières du Québec” in paragraph 1;

(3) by striking out “the Commission des valeurs mobilières du Québec if they are full-time members” in paragraph 4;

(4) by striking out “the Commission des valeurs mobilières du Québec” in paragraph 5.

ACT CONSTITUTING CAPITAL RÉGIONAL ET COOPÉRATIF DESJARDINS

704. Section 20 of the Act constituting Capital régional et coopératif Desjardins (2001, chapter 36) is amended by replacing subparagraph 3 of the fourth paragraph by the following subparagraph:

“(3) bills of exchange accepted or certified by a bank listed in Schedule I or II to the Bank Act (Revised Statutes of Canada, 1985, chapter B-1.01) and registered with the Canada Deposit Insurance Corporation or a financial

institution registered with the Agence nationale d'encadrement du secteur financier pursuant to the Deposit Insurance Act (R.S.Q., chapter A-26)."

705. Section 33 of the said Act is amended

(1) by replacing "the Commission des valeurs mobilières du Québec" in the second and third lines of the second paragraph by "the Agence nationale d'encadrement du secteur financier";

(2) by replacing "the Commission" in the first lines of the second and third paragraphs by "the Agency".

706. Section 43 of the said Act is amended by replacing "the Inspector General of Financial Institutions" in the third line by "the Agence nationale d'encadrement du secteur financier, which shall send a copy to the enterprise registrar who shall deposit it in the register of sole proprietorships, partnerships and legal persons".

TITLE VII

TRANSITIONAL AND FINAL PROVISIONS

707. The Agence nationale d'encadrement du secteur financier established by section 1 replaces the Bureau des services financiers and the Fonds d'indemnisation des services financiers established by chapter 37 of the statutes of 1998 and acquires the rights and assumes the obligations thereof.

708. The Agence nationale d'encadrement du secteur financier established by section 1 replaces the Commission des valeurs mobilières du Québec established by chapter 36 of the statutes of 1997 and acquires the rights and assumes the obligations thereof.

709. The Agence nationale d'encadrement du secteur financier established by section 1 replaces the Régie de l'assurance-dépôts du Québec established by chapter 67 of the statutes of 1967 and acquires the rights and assumes the obligations thereof.

710. The Agence nationale d'encadrement du secteur financier established by section 1 replaces the Inspector General of Financial Institutions with respect to the duties and powers exercised by the latter under the Acts listed in Schedule 1 as they read on (*insert here the date preceding that of the coming into force of this section*) and acquires the rights and assumes the obligations thereof.

711. The files, records and other documents of the Bureau des services financiers, the Fonds d'indemnisation des services financiers, the Commission des valeurs mobilières du Québec and the Régie de l'assurance-dépôts du Québec become the files, records and documents of the Agence nationale d'encadrement du secteur financier.

712. The Government may, to the extent and on the conditions it determines, transfer to the Agency any file, record or document as well as any property in the possession of the Inspector General of Financial Institutions on (*insert here the date preceding that of the coming into force of this section*) required for the purposes of the exercise by the latter of the duties and powers provided for in the Acts listed in Schedule 1.

713. Matters commenced by the Bureau des services financiers, the Fonds d'indemnisation des services financiers, the Commission des valeurs mobilières du Québec and the Régie de l'assurance-dépôts du Québec shall be continued by the Agence nationale d'encadrement du secteur financier.

714. Matters commenced by the Inspector General of Financial Institutions with respect to the duties and powers exercised by the latter under the Acts listed in Schedule 1, as they read on (*insert here the date preceding that of the coming into force of this section*) shall be continued by the Agence nationale d'encadrement du secteur financier.

715. The Agence nationale d'encadrement du secteur financier becomes, without continuance of suit, a party to all proceedings to which the Bureau des services financiers, the Fonds d'indemnisation des services financiers, the Commission des valeurs mobilières du Québec or the Régie de l'assurance-dépôts du Québec was a party.

716. The Agence nationale d'encadrement du secteur financier becomes, without continuance of suit, a party to all proceedings to which the Inspector General of Financial Institutions was a party with respect to the duties and powers exercised by the latter under the Acts listed in Schedule 1, as they read on (*insert here the date preceding that of the coming into force of this section*).

717. The employees of the Bureau des services financiers and the Fonds d'indemnisation des services financiers, established under the Act respecting the distribution of financial products and services in office on 8 May 2002 become employees of the Agence nationale d'encadrement du secteur financier without other formalities. They shall hold the position and exercise the functions that are assigned to them by the Bureau de transition on behalf of the Agency.

718. The employees of the Commission des valeurs mobilières du Québec, established by the Securities Act, in office on 8 May 2002 become employees of the Agence nationale d'encadrement du secteur financier without other formalities. They shall hold the position and exercise the functions that are assigned to them by the Bureau de transition on behalf of the Agency, subject to the provisions of a collective agreement.

719. The employees of the Régie de l'assurance-dépôts du Québec, established under the Deposit Insurance Act, in office on (*insert here the date preceding that of the coming into force of this section*) become, subject to the conditions of employment applicable to them, employees of the Agence

nationale d'encadrement du secteur financier insofar as a decision by the Conseil du trésor providing for their transfer is made before (*insert here the date occurring two years after the date of the coming into force of this section*).

720. The employees of the Inspector General of Financial Institutions assigned to the Direction du développement des normes and to the Direction générale de la surveillance et du contrôle, with the exception of the employees of the Direction de l'encadrement des pratiques commerciales et du courtage immobilier assigned more specifically to matters of real estate brokerage, in office on (*insert here the date preceding the date of the coming into force of this section*) become, subject to the conditions of employment applicable to them, employees of the Agence nationale d'encadrement du secteur financier insofar as a decision by the Conseil du trésor providing for their transfer is made before (*insert here the date occurring two years after the date of the coming into force of this section*).

The other employees of the Inspector General of Financial Institutions in office on (*insert here the date preceding the date of the coming into force of this section*) become, without other formalities, employees of the enterprise registrar except if they consent to become employees of the Agence nationale d'encadrement du secteur financier and insofar as a decision of the Conseil du trésor providing for their transfer is made before (*insert here the date occurring two years after the date of the coming into force of this section*).

721. Any employee transferred to the Agence nationale d'encadrement du secteur financier pursuant to section 719 or 720 may request a transfer to a position in the public service or take part in a promotion competition for such a position in accordance with the Public Service Act (R.S.Q., chapter F-3.1.1) if, at the date of the transfer to the Agency, the employee was a permanent public servant assigned to the Inspector General of Financial Institutions or the Régie de l'assurance-dépôts du Québec.

Section 35 of the Public Service Act applies to an employee who takes part in such a promotion competition.

722. An employee referred to in section 721, who applies for a transfer or a promotion competition, may require from the Chair of the Conseil du trésor an assessment of the classification that would be assigned to him or her in the public service. The assessment must take account of the classification that the employee had in the public service on the date of the transfer, as well as the experience and training acquired in the course of his or her employment at the Agency.

In the case where an employee is transferred pursuant to section 721, the deputy minister or the president and director general shall establish a classification in accordance with the assessment provided for in the first paragraph.

In the case where an employee is promoted pursuant to section 721, the classification must take into account the criteria provided for in the first paragraph.

723. In the event of the partial or full discontinuance of the activities of the Agence nationale d'encadrement du secteur financier or if there is a shortage of work, an employee referred to in section 721 is entitled to be placed on reserve in the public service with the classification the employee had prior to the date of the transfer.

In such a case, the Chair of the Conseil du trésor shall, where applicable, establish the employee's classification, taking into account the criteria provided for in the first paragraph of section 722.

724. Any person referred to in section 719 or the first paragraph of section 720 who refuses, in accordance with the applicable conditions of employment, to be transferred to the Agence nationale d'encadrement du secteur financier, shall be assigned thereto until such time as the Chair of the Conseil du trésor is able to place the person in accordance with section 100 of the Public Service Act. The same applies to a person who is placed on reserve pursuant to section 723, and the person shall remain in the employ of the Agency.

725. Sections 16 to 21 of chapter 36 of the statutes of 1997 continue to apply to the employees of the Commission des valeurs mobilières du Québec who are transferred to the Agence nationale d'encadrement du secteur financier, with the necessary modifications.

726. The employees of the Bureau des services financiers, the Fonds d'indemnisation des services financiers, the Inspector General of Financial Institutions, the Régie de l'assurance-dépôts du Québec and the Commission des valeurs mobilières du Québec who are transferred to the Agence nationale d'encadrement du secteur financier pursuant to this Act may not be laid off or dismissed solely by reason of the establishment of the Agency, before (*insert here the date occurring two years after the date of the coming into force of sections 717 to 720*).

727. Any person or partnership that, on (*insert here the date that precedes the date of the coming into force of section 378*), is the holder of a broker's certificate or a real estate agent's certificate issued by the Association des courtiers et agents immobiliers du Québec under the Real Estate Brokerage Act (R.S.Q., chapter C-73.1) is entitled to be issued a mortgage broker licence, on request.

728. Upon the issue of the first licence to a person or partnership referred to in section 727, the Agency shall grant a reduction in the fees payable, calculated on a monthly basis, to take into account the fees that the person or partnership has already paid for any time subsequent to the effective date of the licence.

729. The Fonds d'indemnisation du courtage immobilier shall be seized of any claim arising from an act performed by a real estate broker or real estate agent prior to (*insert here the date of the coming into force of section 378*), with respect to brokerage activities related to loans secured by immovable hypothec.

The sums required for the payment of claims deemed admissible shall be taken out of the Fund.

730. The amount of the annual dues determined by the Minister under section 569 of the Act respecting the distribution of financial products and services (R.S.Q., chapter D-9.2) which must be paid for each representative pursuant to section 320 of that Act, as it read prior to being replaced by section 445 of this Act, is the amount that a contributor must pay pursuant to the said section 320 until the amount is modified by regulation.

731. The syndic may file a complaint before the discipline committee with respect to an offence under the provisions of the Act respecting the distribution of financial products and services or its regulations committed before (*insert here the date of the coming into force of this section*) by a securities representative.

732. A member of a professional order entered on 10 December 2002 in the register kept in accordance with section 67 of the Act respecting the distribution of financial products and services and referred to in the third paragraph of section 59 of that Act shall be authorized to use the title of financial planner until 31 May 2004, to the extent that the agreement governing the member remains in force or is renewed and the member meets the requirements and complies with the rules determined by the member's order.

Sections 65 to 68 of the said Act apply to such a member.

733. For the purposes of sections 93.165.1, 285.27 to 285.31, 325.0.1 to 325.0.3, 325.1, 358, 378, 387 and 420 of the Act respecting insurance as they read on 11 December 2002, "Agence nationale d'encadrement du secteur financier" or "Agency" shall designate the Inspector General of Financial Institutions until the date of the coming into force of section 7.

734. For the purposes of sections 131.1 to 131.5 and 599 of the Act respecting financial services cooperatives as they read on 11 December 2002, "Agence nationale d'encadrement du secteur financier" or "Agency" shall designate the Inspector General of Financial Institutions until the date of the coming into force of section 7.

735. For the purposes of sections 59, 81, 103 to 103.2, 186.1, 189.1, 223, 224.1, 336 and 494.1 of the Act respecting the distribution of financial products and services as they read on 11 December 2002, "Agence nationale d'encadrement du secteur financier" or "Agency" shall designate the Bureau des services financiers until the date of the coming into force of section 7.

736. For the purposes of sections 153.1 to 153.5, 226, 227, 244, 314.1, 314.2, 315 and 351 of the Act respecting trust companies and savings companies as they read on 11 December 2002, “Agence nationale d’encadrement du secteur financier” or “Agency” shall designate the Inspector General of Financial Institutions until the date of the coming into force of section 7.

737. For the purposes of section 20 of the Act constituting Capital régional et coopératif Desjardins (2001, chapter 36) as it reads on 11 December 2002, the Agence nationale d’encadrement du secteur financier means the Régie de l’assurance-dépôts du Québec until the date of coming into force of section 7 of this Act.

738. For the purposes of sections 92, 151.1.1, 168.1.1 to 168.1.3, 195, 195.2, 236, 273.1, 295.2, 331, 331.1 and 334 of the Securities Act as they read on 11 December 2002, “Agence nationale d’encadrement du secteur financier” or “Agency” shall designate the Commission des valeurs mobilières du Québec until the date of the coming into force of section 7.

739. Titles V to VI of the Act respecting the distribution of financial products and services shall cease to have effect with respect to a Chamber whose recognition as a recognized self-regulatory organization is withdrawn by the Agency under section 89 of the Act respecting the Agence nationale d’encadrement du secteur financier. On the date of the revocation of its recognition, the Chamber is continued under Part III of the Companies Act (R.S.Q., chapter C-38).

The Agency shall exercise the functions and powers provided for in Chapter III of Title V and Chapters I and II of Title VI of that Act with respect to the members of the Chamber, with the necessary modifications.

740. A stock exchange, securities clearing-house or professional association recognized as a self-regulatory organization under Title VI of the Securities Act (R.S.Q., chapter V-1.1) or any other Act on (*insert here the date of coming into force of this section*) shall be authorized to continue to carry on its activity in Québec in accordance with the prescribed conditions.

The same applies to a stock exchange, securities clearing-house or professional association which, on that date, is benefiting from an exemption granted by the Commission des valeurs mobilières du Québec pursuant to section 263 of that Act.

Sections 74 to 91 of this Act apply to a self-regulatory organization recognized by the Commission before (*insert here the date preceding the date of coming into force of this section*).

741. Notwithstanding section 60 of this Act, the self-regulatory organizations referred to in section 351 of the Securities Act, as it read before being repealed by section 694 of this Act, may continue to carry on their

activities for a period of six months from (*insert here the date of coming into force of section 694 of this Act*).

742. The terms of office of the Inspector General of Financial Institutions, of the Deputy Inspector General, of the members of the Commission des valeurs mobilières du Québec, of the members of the board of the Bureau des services financiers and of the directors of the Régie de l'assurance-dépôts du Québec, in office on (*insert here the date preceding the date of the coming into force of this section*) shall terminate on (*insert here the date of the coming into force of this section*). The persons who, at the time of their appointment, were members of the public service shall be returned to the public service on the conditions fixed at the time of their respective appointment. As for the others, their terms of office shall terminate without compensation, subject to the compensation provided for in their deed of appointment.

A person referred to in the first paragraph shall continue to exercise his or her functions in order to conclude the matters that the person has yet to determine; in such circumstances, the person shall receive from the Agency, during the required period, the same remuneration as the remuneration the person was receiving before the end of his or her term.

743. The Regulation respecting the compulsory professional development of financial planners made by the Institut québécois de planification financière and approved by the Government under section 58 of the Act respecting the distribution of financial products and services, as it read before (*insert here the date of coming into force of section 355 of this Act*) is deemed to be a regulation made by the Agence nationale d'encadrement du secteur financier pursuant to section 200 of that Act.

744. The provisions of the regulations made by the Bureau des services financiers, the Commission des valeurs mobilières du Québec, the Chambre de la sécurité financière and the Chambre de l'assurance de dommages, respectively, under section 200, subparagraphs 1 and 3 to 6 of the first paragraph of section 203, sections 205, 209 and 210, subparagraphs 1, 4, 5 and 13 to 15 of the first paragraph of section 223, subparagraph 3 of the first paragraph of section 228 and sections 315 and 423 of the Act respecting the distribution of financial products and services which are in force on (*insert here the date preceding the date of coming into force of section 405 of this Act*) continue to have effect until they are replaced or repealed by regulation of the Agence nationale d'encadrement du secteur financier.

745. Notwithstanding the provisions of sections 298, 568 and 568.1 of the Act respecting the distribution of financial products and services, a Chamber may, in its by-laws, extend the term of office of any member of its board of directors in office on 11 December 2002 for one year.

746. The Government may, by regulation made before 11 December 2004, adopt any other transitional provision or measure that is expedient for the carrying out of this Act.

A regulation made under the first paragraph shall not be subject to the publication requirement provided for in section 8 of the Regulations Act (R.S.Q., chapter R-18.1) and shall enter into force on the date of its publication in the *Gazette officielle du Québec* or at any later date indicated therein. The regulation may also, if it provides therefor, apply from any date not prior to 11 December 2002.

747. The Government may, by order made before 11 December 2004, amend any provision of an Act to provide for the transfer of duties and powers relating to the regulation of the financial sector to the Agence nationale d'encadrement du secteur financier in order to attain the object of this Act.

Sections 707 to 726 apply to the transfer to the Agence nationale d'encadrement du secteur financier of any of such duties and powers.

748. The sums required for the carrying out of this Act during the 2002/2003 fiscal year shall be taken out of the consolidated revenue fund, to such extent as is determined by the Government.

749. The Minister of Finance is responsible for the application of this Act.

750. The provisions of this Act come into force on the date or dates to be fixed by the Government, except section 63, paragraph 2 of section 179, paragraph 2 of section 197, section 213, paragraph 3 of section 214, section 220, paragraph 3 of section 221, paragraph 2 of section 231, sections 233 to 239, 242, 245, 306, 309, paragraph 1 of section 310, sections 315, 334, 335, 337, 350, 353, 356, paragraph 2 of section 357, paragraph 1 of section 359, sections 362, 377, 383, 387, paragraphs 1, 2 and 3 of section 407, sections 409, 459, 471, 490, 504, 511, 514, 541, 553, paragraph 1 of section 559, sections 563 and 567, paragraph 1 of section 569, section 582, paragraph 1 of section 589, paragraph 1 of section 590, paragraph 2 of section 591, sections 592, 593, 597, 600, 605 to 609, 612, 623, paragraphs 1 and 2 of section 624, sections 625, 626, 627, 628, 630, 632 to 637, 640, 641, 653, 686, 690, 691, 692, 693, 704, 733 to 738, 745, 746 to 749 and 750 which come into force on 11 December 2002, and sections 694 and 741, which come into force on the date of coming into force of section 7.

SCHEDULE 1*(section 7)*

DEPOSIT INSURANCE ACT (R.S.Q., chapter A-26)

AN ACT RESPECTING INSURANCE (R.S.Q., chapter A-32)

AN ACT RESPECTING THE CAISSES D'ENTRAIDE ÉCONOMIQUE
(R.S.Q., chapter C-3)

AN ACT RESPECTING CERTAIN CAISSES D'ENTRAIDE
ÉCONOMIQUE (R.S.Q., chapter C-3.1)

AN ACT RESPECTING FINANCIAL SERVICES COOPERATIVES
(R.S.Q., chapter C-67.3)

AN ACT RESPECTING THE DISTRIBUTION OF FINANCIAL
PRODUCTS AND SERVICES (R.S.Q., chapter D-9.2)

AN ACT RESPECTING THE DISCLOSURE OF THE COMPENSATION
RECEIVED BY THE EXECUTIVE OFFICERS OF CERTAIN LEGAL
PERSONS (R.S.Q., chapter I-8.01)

AN ACT RESPECTING THE SOCIÉTÉS D'ENTRAIDE ÉCONOMIQUE
(R.S.Q., chapter S-25.1)

AN ACT RESPECTING TRUST COMPANIES AND SAVINGS
COMPANIES (R.S.Q., chapter S-29.01)

SECURITIES ACT (R.S.Q., chapter V-1.1)

AN ACT RESPECTING THE MOUVEMENT DESJARDINS (2000,
chapter 77)

TITLE VII OF THE AUTOMOBILE INSURANCE ACT (R.S.Q., chapter
A-25)

SCHEDULE 2*(section 116)*

BUREAU DES SERVICES FINANCIERS

CHAMBRE DE L'ASSURANCE DE DOMMAGES

CHAMBRE DE LA SÉCURITÉ FINANCIÈRE

COMMISSION DES VALEURS MOBILIÈRES DU QUÉBEC

FONDS D'INDEMNISATION DES SERVICES FINANCIERS

THE INSPECTOR GENERAL OF FINANCIAL INSTITUTIONS

INSTITUT QUÉBÉCOIS DE PLANIFICATION FINANCIÈRE

RÉGIE DE L'ASSURANCE-DÉPÔTS DU QUÉBEC

SCHEDULE 3

(section 134)

BUREAU DES SERVICES FINANCIERS

COMMISSION DES VALEURS MOBILIÈRES DU QUÉBEC

FONDS D'INDEMNISATION DES SERVICES FINANCIERS

THE INSPECTOR GENERAL OF FINANCIAL INSTITUTIONS

RÉGIE DE L'ASSURANCE-DÉPÔTS DU QUÉBEC