

Draft Regulation

Labour Code
(R.S.Q., c. C-27)

Remuneration of arbitrators — Amendment

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation to amend the Regulation respecting the remuneration of arbitrators, the text of which appears below, may be made by the Government on the expiry of 45 days following this publication.

The purpose of the draft Regulation is to amend section 13 of the Regulation respecting the remuneration of arbitrators, made by Order in Council 851-2002 dated 26 June 2002, to defer from 1 July to 1 September the effective date of the tariff of remuneration declared to the Minister of Labour by arbitrators for the period between 15 April and 15 May of each year.

Further information may be obtained by contacting Marc Pelletier by telephone at (418) 644-0291 or by fax at (418) 644-3331.

Any interested person having comments to make on this matter is asked to send them in writing, before the expiry of the 45-day period mentioned in the first paragraph, to the Minister of Labour, 200, chemin Sainte-Foy, 6^e étage, Québec (Québec) G1R 5S1.

MICHEL DESPRÉS,
Minister of Labour

Regulation to amend the Regulation respecting the remuneration of arbitrators*

Labour Code
(R.S.Q., c. C-27, s. 103)

1. Section 13 of the Regulation respecting the remuneration of arbitrators is amended by replacing “as of 1 July that follows” by “on or after 1 September following”.

* The Regulation respecting the remuneration of arbitrators, made by Order in Council 851-2002 dated 26 June 2002 (2002, *G.O.* 2, 3809), was last amended by the regulation made by Order in Council 1303-2002 dated 6 November 2002 (2002, *G.O.* 2, 5849). For previous amendments, refer to the *Tableau des modifications et Index sommaire*, Éditeur officiel du Québec, updated to 1 September 2003.

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

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Draft Regulation

Professional Code
(R.S.Q., c. C-26)

Certified general accountant — Practice of the profession within a partnership or joint-stock company

Notice is hereby given in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1) that the “Regulation respecting the practice of the certified general accountant profession within a partnership or joint-stock company”, adopted by the Bureau of the Ordre des comptables généraux licenciés du Québec, may be submitted to the government, which may approve it with or without amendment upon the expiry of 45 days following this publication.

The draft regulation contains provisions specifically intended to govern the terms and conditions under which certified general accountants are authorized to practise within partnerships or joint-stock companies, in particular, the administration of the partnership or joint-stock company and the holding of shares. There are specific rules for partnerships or joint-stock companies that present themselves exclusively as a certified general accountants partnerships or joint-stock companies.

In accordance with chapter VI.3 of the Professional Code, the conditions include the obligation to subscribe to insurance covering partnership or joint-stock company liability that may arise from fault or negligence on the part of members practising their profession within a partnership or joint-stock company. Members are also obliged to furnish the Order with, and update, the required information on the partnership or joint-stock company.

The draft regulation has no impact on the economic burden of enterprises.

Further information may be obtained by contacting Mr. Gilles Nolet de l’Ordre des comptables généraux licenciés du Québec, 445, boulevard Saint-Laurent, bureau 450, Montréal (Québec) H2Y 2Y7; telephone: (514) 861-1823 or 1 800 463-0163; Fax: (514) 861-7661.

Any interested person having comments to make is requested to send them, before the expiry of the 45-day period, to the President of the Office des professions du Québec, 800, place D'Youville, 10^e étage, Québec (Québec), G1R 5Z3. The comments will be forwarded by the Office to the minister responsible for the administration of legislation governing the professions. They may also be forwarded to the professional order that has adopted the regulation, as well as to the persons, departments, and agencies concerned.

GAÉTAN LEMOYNE,
*Chairman of the Office des
professions du Québec*

Regulation respecting the practice of the certified general accountant profession within a partnership or joint-stock company

Professional Code
(R.S.Q., c. C-26, s. 93, *g* and *h*, s. 94, *p*)

CHAPTER I PURPOSE

1. Members of the Ordre des comptables généraux licenciés du Québec may carry on their professional activities within a limited liability partnership or a joint-stock company within the meaning of Chapter VI.3 of the Québec Professional Code (R.S.Q., c. C-26) which advertises itself as a partnership or joint-stock company of certified general accountants if the following conditions are met:

(1) more than 50% of the voting rights attached to the shares or units of the partnership or joint-stock company are held by:

(a) members of the Order or members of the Certified General Accountants Association of Canada practicing in the partnership or joint-stock company; or

(b) legal persons, trusts or any other enterprise of which the voting rights or units are held exclusively by one or more members of the Order or members of the Certified General Accountants Association of Canada practicing their profession in the partnership or joint-stock company; or

(c) persons referred to in paragraphs *a* and *b*;

(2) the majority of the members of the board of directors of the joint-stock company, the partners or, where applicable, the administrators appointed by the partners to manage the affairs of the limited liability partnership, are members of the Order or members of the Certified General Accountants Association of Canada practicing the profession in the partnership or joint-stock company;

(3) to constitute a quorum at a meeting of directors or a partnership or joint-stock company, the majority of the members present shall be made up of members of the Order or members of the Certified General Accountants Association of Canada;

(4) one or more members of the Order practicing his profession in the partnership or joint-stock company holds a voting unit or share;

(5) the chairman of the board of directors of a joint-stock company or the person who performs similar duties in a limited liability partnership is a voting shareholder or partner and a member of the Order or member of the Certified General Accountants Association of Canada;

(6) only a member of the Order or a member of the Certified General Accountants Association of Canada practicing his profession in the partnership or joint-stock company is vested with, by voting or proxy agreement, the voting right attaching to a unit or share held by a member of the Order or a member of the Certified General Accountants Association of Canada or by a legal person, trust or any enterprise referred to in paragraph *b* of subsection 1;

(7) the member of the Order ensures that the conditions set forth in the first subsection are included in the articles of incorporation of the joint-stock company or indicated in the contract establishing the limited liability partnership and that it is also indicated that such partnership or joint-stock company is set up for the primary purpose of exercising professional activities.

2. In all other cases, members of the Order may exercise their profession in a limited liability partnership or joint-stock company if the following conditions are met:

(1) more than 50% of the voting rights attached to the units or shares of the partnership or joint-stock company are held:

(a) by the following persons practicing in the partnership or joint-stock company:

- i. persons governed by the Professional Code ;
 - ii. members in good standing of the Certified General Accountants Association of Canada ;
 - iii. members in good standing of the Association des courtiers et agents immobiliers du Québec ;
 - iv. members in good standing of the Chambre de la sécurité financière ;
 - v. members in good standing of the Chambre de l'assurance des dommages ;
 - vi. members in good standing of the Canadian Institute of Actuaries ;
 - vii. members in good standing of the Bureau des services financiers ;
 - viii. securities dealer or advisers, if they are duly certified by an authority having jurisdiction ;
 - ix. financial planners, if they are duly certified by an authority having jurisdiction ;
 - x. any person practicing an activity similar to those mentioned above governed by legislation of another province of Canada recognizing them and subjecting them to similar rules ;
- (b) by legal persons, trusts or any other enterprise of which the voting rights or units are held exclusively by one or more of the persons referred to in paragraph *a* ; or
- (c) persons referred to in paragraphs *a* and *b* ;
- (2) a majority of the members of the board of directors of a joint-stock company, as well as the partners or administrators appointed by the partners to manage the affairs of the limited liability partnership, are persons referred to in paragraph *a* of subsection 1° ;
- (3) to constitute a quorum at a meeting of the directors of a partnership or joint-stock company, the majority of members present must be made up of the persons referred to in paragraph *a* of subsection 1° ;
- (4) a member of the Order shall ensure that the conditions set forth in the first paragraph are included in the articles of incorporation of the joint-stock company or indicated in the contract establishing the limited liability partnership and that it is also indicated that such partnership or joint-stock company is set up for the primary purpose of exercising professional activities.

CHAPTER II OTHER CONDITIONS AND TERMS

DIVISION I TERMS

3. A member of the Order may practice his profession in a partnership or joint-stock company if he fulfils the following conditions with the Order :

(1) he provides it with written confirmation from an authority having jurisdiction certifying that the partnership or joint-stock company has security in accordance with Division II of this Chapter ;

(2) he provides it, in the event he practices in a joint-stock company, with written confirmation of an authority having jurisdiction certifying the existence of the joint-stock company ;

(3) he provides it, where applicable, with a certified copy of the certificate given by an authority having jurisdiction stating that the general partnership has been set up as a limited liability partnership ;

(4) he provides it with written confirmation that the partnership or joint-stock company is duly registered in Québec ;

(5) he provides it with written confirmation that the partnership or joint-stock company has an establishment in Québec ;

(6) he provides it with an irrevocable written undertaking from the partnership or joint-stock company in favour of the Order that it will make available to a person, committee, disciplinary body or tribunal referred to in section 192 of the Professional Code any document mentioned in section 15 and provides all information or documents required in connection with a professional inspection or inquiry by the syndic and an assistant syndic of the Order ;

(7) the partnership or joint-stock company agrees to ensure that its shareholders with voting rights in the joint-stock company, its partners, directors and officers, as well as members of its staff who are not members of the Order become aware of and comply with the Code of ethics of the Order ;

(8) he pays a fee of \$150.

4. In addition, a member shall send the Order a sworn statement, duly completed on the form provided by the Order, which contains the following information :

(1) the name or business name as well as the other names used in Québec by the partnership(s) or joint-stock company (companies) in which the member practices his profession and the number given to them by competent authority;

(2) the juridical form of the partnership or joint-stock company;

(3) the address of the head office of the partnership or joint-stock company and the address of its establishments in Québec;

(4) the professional activities carried on by the member in the partnership or joint-stock company;

(5) the name, residential and business address of the member and his status in the partnership or joint-stock company;

(6) in the event the member practices his profession in a joint-stock company, the name and residential address of the directors of such joint-stock company and, where applicable, the professional corporation or its equivalent to which they belong;

(7) in the event the member practices his profession in a limited liability partnership, the name and residential address of all the partners domiciled in Québec and, where applicable, the name and residential address of the administrators appointed to manage the affairs of the partnership, whether or not they are domiciled in Québec, as well as the professional corporation or its equivalent to which they belong;

(8) written confirmation given by the member that the units or shares held as well as the rules of administration of the partnership or joint-stock company comply with the prescribed conditions by this section;

(9) the name of the shareholders referred to in subsection 1 of section 1 indicating for each of them the percentage of the voting rights they hold;

(10) in the case of shareholders referred to in paragraph *b* of subsection 1 of section 1, confirmation that the conditions of that paragraph are met.

5. Should he fail to meet, prior to practising in a partnership or joint-stock company contemplated, the conditions prescribed by sections 3 and 4, a member may not practice his profession in the partnership or joint-stock company.

6. In the case of a partnership or joint-stock company in which more than one member of the Order practices their profession, a respondent shall, on behalf of the members of the partnership or joint-stock company, meet the conditions prescribed by sections 3 and 4. The respondent shall then be mandated by such members to respond to requests made by the syndic, assistant syndic, an inspector, investigator or other representative of the Order and to provide, as the case may be, the documents which the members of the Order are required to submit. It is however understood that the syndic, an assistant syndic, inspector, investigator or other representative of the Order shall maintain the right to ask directly from a member of the Order for the information or documents required during a professional inspection or inquiry.

The respondent shall be a member of the Order and a voting partner or shareholder.

The respondent shall confirm the accuracy of the information provided in the declaration.

7. A member is not required to meet the conditions prescribed by sections 3 and 4 if a respondent of the partnership or joint-stock company with which he practices has already met them with the Order.

8. The documents mentioned in subsections (1), (4) and (5) of section 3 shall be updated annually by the member or respondent no later than March 31st of each year.

Any amendment to the other documents and the declaration referred to in section 4 shall be sent to the Order within thirty days of the date on which it occurs.

9. A member shall immediately cease to be authorized to practice his profession in a partnership or joint-stock company if he no longer meets the conditions prescribed by this regulation or Chapter VI.3 of the Professional Code.

10. A member or his respondent shall inform the Order forthwith of any change to the insurance coverage referred to in subsection (1) of section 3, the striking off, dissolution, assignment of assets, bankruptcy, voluntary or forced liquidation of the partnership or joint-stock company or any other cause which could prevent the partnership or joint-stock company from carrying on its activities as well as any change to the information sent in the declaration which contravenes the conditions prescribed by section 1 or 2.

DIVISION II PROFESSIONAL LIABILITY INSURANCE

11. A member of the Order practicing his profession in a partnership or joint-stock company shall, to be authorized to practice his profession in accordance with this regulation, provide and maintain for such partnership or joint-stock company, either through insurance or a bond, or through membership in group insurance purchased by the Order, or by subscribing to a professional liability insurance fund established in accordance with section 86.1 of the Professional Code, protection against liability which such partnership or joint-stock company may incur as a result of any fault or negligence committed by members practicing the profession in such partnership or joint-stock company.

12. The protection shall contain the following minimum conditions in a contract or specific endorsement :

(1) an agreement by the insurer or surety to pay, in place of the partnership or joint-stock company, in excess of the amount of the security which a member must provide in accordance with the Regulation respecting professional liability insurance of the Ordre des comptables généraux licenciés du Québec approved by Order-in-Council 1645-92 effective December 17, 1992 or any other amount subscribed by a member if it is greater, up to the amount of the security, any sum which the partnership or joint-stock company may legally be required to pay to a third party prejudiced with respect to a claim presented during the period covered by the protection and resulting from fault or negligence committed by the member in the practice of the profession ;

(2) an agreement by the insurer or surety to take up the interest of the partnership or joint-stock company and assume its defence in any action brought against it and pay, in addition to the amounts covered by the security, all costs and expenses resulting from actions against the partnership or joint-stock company, including those of the inquiry and the defence and interest on the amount of the security ;

(3) an undertaking according to which such coverage applies to any claim submitted during the 3 years following the period of coverage during which a member of the partnership or joint-stock company dies, leaves the partnership or joint-stock company or ceases to be a member of the Order, in order to maintain coverage in favour of the partnership or joint-stock company for fault or negligence committed by such member in practicing the profession while he practiced in the partnership or joint-stock company ;

(4) coverage of at least \$1,000,000 per claim for all claims made against the partnership or joint-stock company during a 12-month period of coverage ;

(5) when a member practices alone as sole member or shareholder of a partnership or joint-stock company and does not employ any other member, protection of at least \$500,000 per claim for all claims made against the partnership or joint-stock company during a 12-month period of coverage ;

(6) an agreement of the insurer or surety to give the secretary of the Order 30 days' notice that it intends to terminate the insurance contract or surety contract or amend any of the conditions referred to in this section ;

(7) an agreement of the insurer or surety to give the secretary of the Order notice that it has not renewed the insurance contract or surety contract ; such notice shall be sent within 15 days of the date such contract terminates.

13. The surety contract shall be made with a bank, savings and credit union, trust or insurance joint-stock company, which shall be domiciled in Canada and have and maintain in Québec property sufficient to meet the security required by this section.

The institution mentioned in this first subsection shall agree to provide the coverage according to the conditions prescribed by this Division and it shall waive the benefit of division and discussion.

DIVISION III ADDITIONAL INFORMATION

14. When a general partnership is set up as a limited liability partnership or when a joint-stock company is incorporated, a member of the Order shall send its clients, as of the date of the continuance or incorporation, a notice informing them of the nature and effects of the change of status of the partnership or joint-stock company, in particular with respect to his professional liability and that of the partnership or joint-stock company.

15. The documents for which a member of the Order shall obtain the agreement of the partnership or joint-stock company according to subsection (6) of section 3 are the following :

(1) if the member practices in a partnership or joint-stock company :

(a) an up-to-date version of the articles and by-laws of the joint-stock company in which he practices;

(b) an up-to-date register of shares of the joint-stock company;

(c) an up-to-date register of the directors of the joint-stock company;

(d) any shareholders' agreement and voting agreement and their amendments;

(e) the declaration of registration of the joint-stock company and any update thereof;

(f) the name of the principal officers of such joint-stock company and their residential address;

(2) if the member practices in a limited liability partnership:

(a) the declaration of registration of the partnership and any update thereof;

(b) the partnership agreement and any amendments;

(c) an up-to-date register of the partners of the partnership;

(d) where applicable, an up-to-date register of the administrators of the partnership;

(e) the name of the principal officers of the partnership and their residential address.

CHAPTER III REVENUES

16. Where a member carries on his professional activities in a partnership or joint-stock company, the revenues resulting from the professional services he has rendered in and on behalf of such partnership or joint-stock company belong to such partnership or joint-stock company, unless it has been agreed otherwise.

The determination, billing and payment of fees shall be subject to the conditions prescribed by the Code of ethics of certified general accountants of Québec and the member shall be personally responsible for their application.

CHAPTER IV TRANSITIONAL AND FINAL PROVISIONS

17. A member of the Order who practices his profession in a partnership or joint-stock company set up for the purpose of practicing the profession before this regulation comes into force shall comply with it no later than one year following such date.

18. This Regulation shall come into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

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Draft Regulation

Professional Code
(R.S.Q., c. C-26)

Certified General Accountants — Code of ethics — Amendments

Notice is hereby given in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1) that the "Regulation to amend the Code of Ethics of certified general accountants of Quebec", adopted by the Bureau of the Ordre des comptables généraux licenciés du Québec, may be submitted to the government, which may approve it with or without amendment upon the expiry of 45 days following this publication.

According to the Ordre des comptables généraux licenciés du Québec, the main purpose of the draft regulation is to adapt certain rules of ethics to the realities of the practice of the certified general accountant profession within a partnership or joint-stock company as provided by the Regulation respecting the practice of the certified general accountant profession within a partnership or joint-stock company.

The draft regulation has no impact on the economic burden of citizens and enterprises.

Further information may be obtained by contacting Mr. Gilles Nolet de l'Ordre des comptables généraux licenciés du Québec, 445, boulevard Saint-Laurent, bureau 450, Montréal (Québec) H2Y 2Y7; telephone: (514) 861-1823 or 1 800 463-0163; fax: (514) 861-7661.