

Gouvernement du Québec

**O.C. 1095-2005, 16 November 2005**

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

**Certified general accountants**

— Code of ethics

— Amendments

Regulation to amend the Code of ethics of certified general accountants

WHEREAS, under section 87 of the Professional Code (R.S.Q., c. C-26), the Bureau of the Ordre des comptables généraux licenciés du Québec must make, by regulation, a code of ethics governing the general and special duties of the members of the Order towards the public, the clients and the profession;

WHEREAS the Ordre des comptables généraux licenciés made the Code of ethics of certified general accountants (R.R.Q., 1981, c. C-26, r.30);

WHEREAS, under section 87, the Bureau of the Ordre des comptables généraux licenciés du Québec made the Regulation to amend the Code of ethics of certified general accountants at its meeting of 6 June 2004;

WHEREAS, under section 95.3 of the Professional Code, a draft Regulation was sent to every member of the Order at least 30 days before being made by the Bureau of the Ordre des comptables généraux licenciés du Québec;

WHEREAS, under section 95 of the Professional Code, subject to sections 95.1 and 95.2 of the Code, every regulation made by the Bureau of a professional order under the Code or an Act constituting a professional order shall be transmitted to the Office des professions du Québec for examination and submitted, with the recommendation of the Office, to the Government which may approve it with or without amendment;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), the draft Regulation was published in Part 2 of the *Gazette officielle du Québec* of 3 March 2004 with a notice that it could be submitted to the Government for approval on the expiry of 45 days following that publication;

WHEREAS the Office has examined the Regulation and made its recommendation;

WHEREAS it is expedient to approve the Regulation with amendments;

IT IS ORDERED, therefore, on the recommendation of the Minister responsible for the administration of legislation respecting the professions:

THAT the Regulation to amend the Code of ethics of certified general accountants, attached to this Order in Council, be approved.

ANDRÉ DICAIRE,  
*Clerk of the Conseil exécutif*

**Regulation to amend the Code of ethics of certified general accountants \***

Professional Code  
(R.S.Q., c. C-26, s. 87)

**1.** The Code of ethics of certified general accountants is amended by replacing section 1.03 by the following:

“**1.03.** A member shall comply with the Professional Code (R.S.Q., c. C-26) and the regulations made thereunder. The member shall also take reasonable measures to ensure that persons who collaborate with the member in the practice of the profession and the partnership or joint-stock company within which the member practises comply with the Code and the regulations made thereunder.”.

**2.** Section 1.06 is amended

(1) by replacing “a company name or a name” by “a name or designation”;

(2) by replacing “in partnership or with a corporation” by “within a partnership or joint-stock company”.

**3.** Section 2.05 is replaced by the following:

“**2.05.** A member shall personally manage an establishment of a partnership or joint-stock company that holds itself out to be exclusively a partnership or joint-stock company of certified general accountants.”.

\* The Code of ethics of certified general accountants (R.R.Q., 1981, c. C-26, r.30) was last amended by the regulation made by Order in Council 776-2004 dated 10 August 2004 (2004, *G.O.* 2, 2545). For previous amendments, refer to the *Tableau des modifications et Index sommaire*, Québec Official Publisher, 2005, updated to 1 September 2005.

**4.** Section 2.06 is amended by replacing “neither his partner nor his employee” by “not a partner, shareholder or employee”.

**5.** Section 2.07 is revoked.

**6.** Section 2.12 is revoked.

**7.** The following is inserted after section 2.12:

“**2.13.** A member practising within a general partnership, other than a limited liability partnership whose partners are not all members of the Order, shall comply with the Regulation respecting the practice of the certified general accountancy profession within a partnership or joint-stock company, made by Order in Council 1094-2005 dated 16 November 2005, except the provision regarding the requirement to provide security for the partnership or joint-stock company.”

**8.** Section 3.02.02 is amended by replacing “members of his profession” by “persons who carry on their professional activities within the partnership or joint-stock company”.

**9.** Section 3.02.03 is amended by replacing “himself or his associates” by “the member or the member’s partners or shareholders”.

**10.** Section 3.05.01 is amended by inserting “and the interest of the partnership or joint-stock company within which he carries on professional activities or in which he has an interest” after “interest”.

**11.** Section 3.05.03 is amended

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

“(b) is in conflict of interest when acting within the scope of the law as an auditor for an enterprise, organization, partnership or joint-stock company in which the member or one of the following persons has a financial interest or holds office as a director:

i. partners, shareholders, directors or officers of the partnership or joint-stock company within which the member practises;

ii. the spouse, an ascendant or descendant, brother or sister, or a relative by marriage of the member or of one of the persons referred to in subparagraph *i*; or

iii. the member’s employer or employee;”;

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

“For the purposes of subparagraph *b* of the first paragraph, “financial interest” means a security within the meaning of the Securities Act (R.S.Q., c. V-1.1), capital stock, including an option to acquire such a security or capital stock and their derivatives or any other debt obligation.”.

**12.** Section 3.05.06 is replaced by the following:

“**3.05.06.** No member may share fees with a person who is not a member of the Order or of another professional order or, as the case may be, who is not referred to in subparagraph *a* or *b* of paragraph 1 of the first paragraph of section 1 or subparagraph *a* of paragraph 1 of the first paragraph of section 2 of the Regulation respecting the practice of the certified general accountancy profession within a partnership or joint-stock company or that is not a partnership or joint-stock company within which the member is authorized to carry on professional activities under that Regulation.”.

**13.** Section 4.01.01 is amended

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

“**4.01.01.** In addition to the derogatory acts referred to in sections 57, 58 and 59.1 and those that may be determined pursuant to the second paragraph of section 152 of the Professional Code, it is derogatory to the dignity of the profession for a member”;

(2) by inserting “or joint-stock company” after “partnership” wherever it occurs in paragraph *a* and “and shareholders” after “partners”;

(3) by replacing paragraph *f* by the following:

“(f) to make an assignment of property or to be the subject of a receiving order within the meaning of the Bankruptcy and Insolvency Act (R.S.C. 1985, c. B-3) or, where the member is the sole director and shareholder of a joint-stock company, to make an assignment of property or to be the subject of a receiving order within the meaning of that Act by a final judgment of a court of competent jurisdiction;”.

**14.** The following is inserted after section 4.01.01:

“**4.01.02.** It is also derogatory to the dignity of the profession for a member who practises within a partnership or joint-stock company

(1) to fail to take necessary measures to put an end to an act derogatory to the dignity of the profession of certified general accountant performed by a person carry-

ing on professional activities within the partnership or joint-stock company and of which the member has been aware for more than 30 days, or to prevent such an act from being repeated;

(2) to continue to carry on activities within the partnership or joint-stock company or to have an interest in the partnership or joint-stock company when the member has reason to believe that directors, shareholders, partners or employees practise a profession, carry on a trade, enterprise or business or hold an office or function that is inconsistent with the practice of the profession; or

(3) to continue to carry on activities within the partnership or joint-stock company when a person referred to in subparagraph *a* of paragraph 1 of the first paragraph of section 1 or subparagraph *a* of paragraph 1 of the first paragraph of section 2 of the Regulation respecting the practice of the certified general accountancy profession within a partnership or joint-stock company who holds voting shares or who acts as a director or officer of a partnership or joint-stock company is struck from the roll or has his or her permit revoked.

**4.01.03.** Despite section 4.01.02, a member is authorized to continue practising within a partnership or joint-stock company in which a person referred to in subparagraph *a* of paragraph 1 of the first paragraph of section 1 or subparagraph *a* of paragraph 1 of the first paragraph of section 2 of the Regulation respecting the practice of the certified general accountancy profession within a partnership or joint-stock company is struck from the roll of the professional order or its equivalent or has his or her permit revoked, if the person

(1) ceases to hold office as a director or officer of the partnership or joint-stock company within 10 days after the date on which the penalty or measure imposed becomes enforceable;

(2) ceases to attend any meeting of shareholders and to exercise the right to vote within 10 days after the date on which the penalty or measure imposed becomes enforceable; or

(3) disposes of all voting shares within 180 days after the date on which the penalty or measure imposed becomes enforceable.

**4.01.04.** It is derogatory to the dignity of the profession for a member to practise within a partnership or joint-stock company holding itself out to be or giving the impression that it is governed by the Professional Code if the partnership or joint-stock company does not

comply with the Professional Code or the Regulation respecting the practice of the certified general accountancy profession within a partnership or joint-stock company.

**4.01.05.** It is derogatory to the dignity of the profession for a member to enter into an agreement or permit an agreement to be entered into within a partnership or joint-stock company of which the member is a partner or shareholder, including a unanimous agreement between shareholders, that operates to impair the independence, objectivity and integrity required for the practice of the profession or compliance with the Professional Code and the regulations made thereunder.”

**15.** The following is inserted after section 6.01.02:

“**6.01.03.** No member may permit the use of the graphic symbol of the Order by a partnership or joint-stock company that does not meet the requirements of the Regulation respecting the practice of the certified general accountancy profession within a partnership or joint-stock company.”

**16.** Section 7.04 is amended by inserting “general or limited liability” after “The name of a”.

**17.** 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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Gouvernement du Québec

## O.C. 1103-2005, 16 November 2005

An Act to amend the Act respecting parental insurance and other legislative provisions  
(2005, c. 13)

### Parental insurance — Certain transitional measures relating to the calculation of average insurable earnings and the earnings threshold

Regulation respecting certain transitional measures relating to the calculation of average insurable earnings and to the earnings threshold for the purposes of parental insurance

WHEREAS, under sections 102 and 105 of the Act to amend the Act respecting parental insurance and other legislative provisions (2005, c. 13), the Conseil de gestion de l'assurance parentale may make regulations on the matters mentioned therein;