

## Regulations and other acts

Gouvernement du Québec

### **O.C. 586-2007**, 1 August 2007

An Act respecting the distribution of financial products and services  
(R.S.Q., c. D-9.2)

#### **Titles similar to the title of financial planner — Amendment**

Regulation to amend the Regulation respecting titles similar to the title of financial planner

WHEREAS section 215 of the Act respecting the distribution of financial products and services (R.S.Q., c. D-9.2) provides that the Authority may, by regulation, determine the titles similar to the title of financial planner or claims adjuster, and the abbreviations, that may not be used;

WHEREAS the first paragraph of section 217 of the Act provides that a regulation made pursuant to the Act shall be submitted to the Government for approval with or without amendment;

WHEREAS the Regulation respecting titles similar to the title of financial planner was approved by Order in Council 835-99 dated 7 July 1999;

WHEREAS, on 19 May 2006, the Autorité des marchés financiers made the Regulation to amend the Regulation respecting titles similar to the title of financial planner by Decision 2006-PDG-0112;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), a draft of the Regulation to amend the Regulation respecting titles similar to the title of financial planner was published in the *Gazette officielle du Québec* of 14 February 2007 with a notice that it could be submitted to the Government for approval on the expiry of 45 days following that publication;

WHEREAS the 45-day period has expired;

WHEREAS it is expedient to approve the Regulation without amendment;

IT IS ORDERED, therefore, on the recommendation of the Minister of Finance:

THAT the Regulation to amend the Regulation respecting titles similar to the title of financial planner, attached to this Order in Council, be approved.

GÉRARD BIBEAU,  
*Clerk of the Conseil exécutif*

#### **Regulation to amend the Regulation respecting titles similar to the title of financial planner\***

An Act respecting the distribution of financial products and services  
(R.S.Q., c. D-9.2, s. 215)

**1.** Section 1 of the Regulation respecting titles similar to the title of financial planner is amended by inserting the following after paragraph 9:

“(9.1) private wealth advisor (PWA);”.

**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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Gouvernement du Québec

### **O.C. 587-2007**, 1 August 2007

An Act respecting the distribution of financial products and services  
(R.S.Q., c. D-9.2)

#### **Information to be provided to consumers — Amendments**

Regulation to amend the Regulation respecting Information to be Provided to Consumers

WHEREAS section 207 of the Act respecting the distribution of financial products and services (R.S.Q., c. D-9.2) provides that the Autorité des marchés financiers may, by regulation, determine what constitutes a

\* The Regulation respecting titles similar to the title of financial planner, approved by Order in Council 835-99 dated 7 July 1999 (1999, *G.O.* 2, 2101), has not been amended since its approval

business relationship and the rules relating to the disclosure of business relationships;

WHEREAS section 208 of the Act provides that the Authority may, by regulation, determine the information that must be disclosed by representatives in insurance of persons, group insurance representatives and damage insurance brokers to the person with whom they are transacting business concerning the insurers whose products they offer, and the manner in which the information must be disclosed;

WHEREAS the first paragraph of section 217 of the Act provides that a regulation made pursuant to the Act shall be submitted to the Government for approval with or without amendment;

WHEREAS the Regulation respecting Information to be Provided to Consumers was adopted on 23 July 1999 and published in the Bulletin of the Bureau des services financiers (BSF) No. 5 dated 11 November 1999;

WHEREAS the Autorité des marchés financiers adopted the Regulation to amend the Regulation to amend the Regulation respecting Information to be Provided to Consumers on 2 October 2006 by Decision 2006-PDG-0169;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), the draft Regulation to amend the Regulation respecting Information to be Provided to Consumers was published in the *Gazette officielle du Québec* of 20 December 2006 with a notice that it could be submitted to the Government for approval on the expiry of 45 days following that publication;

WHEREAS the 45-day period has expired;

WHEREAS it is expedient to approve the Regulation without amendment;

IT IS ORDERED, therefore, on the recommendation of the Minister of Finance:

THAT the Regulation to amend the Regulation respecting Information to be Provided to Consumers, attached to this Order in Council, be approved.

GÉRARD BIBEAU,  
*Clerk of the Conseil exécutif*

## Regulation to amend the Regulation respecting Information to be Provided to Consumers\*

Act respecting the distribution of financial products and services

(R.S.Q., c. D-9.2, s. 26, 2nd par., 31, 207, 208 and 217)

**1.** The Regulation respecting Information to be Provided to Consumers is amended by replacing Division 3 with the following:

### “DIVISION 3

DISCLOSURE OF INFORMATION ON INSURERS WHOSE REPRESENTATIVE IS AUTHORIZED TO OFFER PRODUCTS OR WITH WHOM THE REPRESENTATIVE HAS A BUSINESS RELATIONSHIP”.

**2.** Section 4.5 of the Regulation is replaced by the following:

“**4.5** The provisions of this Division only apply to damage insurance agents and damage insurance brokers, other than section 4.6, which only applies to representatives in insurance of persons, representatives in group insurance of persons and damage insurance brokers.”.

**3.** Section 4.7 of the Regulation is repealed.

**4.** The Regulation is amended by adding the following after section 4.7:

“**4.8** Damage insurance brokers must, before offering an insurance product, verbally disclose to the person with whom they are transacting business the names of the insurers with whom the brokers, the independent partnership or the firm on whose behalf they are acting have a business relationship as defined in the second paragraph of section 26 of the Act and section 4.10, and specify the nature of the relationship, in the manner prescribed in Schedule 4.

**4.9** Damage insurance agents, must, before placing a risk with an insurer with whom the agents or the firm on whose behalf they are acting have a business relationship as defined in the second paragraph of section 26 of

\* The Regulation respecting Information to be Provided to Consumers, adopted on July 23, 1999 pursuant to resolution No. 99.07.22 and published in the Bulletin of the Bureau des services financiers (BSF), No. 5, dated November 11, 1999, was amended under the Regulation adopted on February 8, 2001 pursuant to resolution No. 2001.02.27 and published in BSF Bulletin No. 12, dated March 5, 2001, and the Regulation adopted on February 13, 2003 pursuant to resolution No. 2003.02.11 and published in BSF Bulletin No. 32, dated March 6, 2003.

the Act and section 4.10, disclose such business relationship verbally to the person with whom they are transacting business, in the manner prescribed in Schedule 4.

**4.10** For the purposes of the second paragraph of section 26 of the Act, a business relationship is entered into where an insurer that is a financial institution, other than an insurer engaging exclusively in the business of reinsurance, a financial group or a legal person related to the financial institution or financial group, within the meaning of section 147 of the Act, grants a benefit by lending a sum of money or granting any other form of financing to a firm, an independent partnership or an independent representative or, as the case may be, the executive officers, directors, shareholders or partners thereof, or other legal persons or partnerships for which these executive officers, directors, shareholders or partners are also executive officers, directors, shareholders or partners.

Moreover, such a business relationship is entered into and an interest is granted by an insurer to a firm, an independent partnership or an independent representative where the aggregate of risks placed with the insurer or other insurers that are members of the same financial group represented 60% or more of the total volume of risks placed in personal-lines damage insurance by the firm, the independent partnership or the independent representative, calculated on the value basis of written premiums annualized as at December 31 of each year.

**4.11** Damage insurance agents and damage insurance brokers are not required to disclose the business relationship contemplated in the second paragraph of section 4.10 if they are, with respect to the person with whom they are transacting business, acting in the commercial-lines damage insurance sector class; this exemption shall also apply to agents who have made the disclosure prescribed in section 32 of the Act.

**4.12** Damage insurance agents and damage insurance brokers are deemed to have disclosed the interest held by the insurer in the ownership of the firm on behalf of which they are acting or, conversely, the interest held by the firm in the ownership of the insurer, or the benefit the insurer has granted to the firm in accordance with the first paragraph of section 4.10, when the use of the firm's name indicates this business relationship.

**4.13** At the time of issuance of the insurance policy, damage insurance agents or damage insurance brokers who place a risk with an insurer must confirm in writing the disclosure they have made pursuant to sections 4.8 or 4.9, regarding their business relationship with that insurer, by using the phrases set out in Schedule 4.

At the time of the renewal of the insurance policy, damage insurance agents or damage insurance brokers must disclose, in writing and in the manner provided for in the first paragraph, this business relationship as well as any new relationship established during the year prior to the renewal date. Where these agents or brokers have verbal communication with their client, they must also disclose such business relationships verbally in the manner provided for in Schedule 4.”.

**5.** The Regulation is amended by adding the following after Schedule 3:

**“SCHEDULE 4**  
(sections 4.8 and 4.9)

**DISCLOSURE OF INFORMATION ON  
INSURERS**

The business relationships to be disclosed are as follows:

— the fact that the insurer with which the damage insurance agent or damage insurance broker may place a risk holds a direct or indirect interest in the ownership of the firm on behalf of which this agent or broker is acting;

— the fact that the firm on behalf of which the damage insurance agent or damage insurance broker is acting holds a direct or indirect interest in the ownership of the insurer with which this agent or broker may place a risk;

— the fact that the firm or the independent partnership on behalf of which the damage insurance agent or damage insurance broker is acting or this broker as an independent representative or, as the case may be, the executive officers, directors, shareholders or partners thereof or other legal persons or partnerships on behalf of which these executive officers, directors, shareholders or partners are also executive officers, directors, shareholders or partners, have been granted a loan or any other form of financing by the insurer with which they may place a risk; and

— the fact that the aggregate risks placed with the insurer or other insurers that are members of the same financial group represented 60% or more of the total volume of risks placed in personal-lines damage insurance by the firm or the independent partnership on behalf of which the damage insurance agent or damage insurance broker is acting or by this broker as an independent representative, calculated on the value basis of direct written premiums annualized as at December 31 of each year.

The damage insurance agent or damage insurance broker must make the disclosure prescribed in section 4.8 or 4.9 by using one of the following phrases, and making the necessary changes:

1) for disclosure of ownership interests with an insurer or the granting of a loan or any other form of financing by an insurer:

— “Our firm has a financial relationship with the insurer ABC Inc.”;

— “The insurer ABC Inc. has granted a loan or financing to our firm.”;

— “Our firm is owned in part by the insurer ABC Inc.”;

— “Our firm owns part of the insurer ABC Inc.”.

2) for disclosure of the name of the insurer with which the aggregate risks placed by the firm represent 60% or more of the total volume of risks placed in personal-lines damage insurance:

— “Our firm does business primarily with the insurer ABC Inc.”;

— “ABC Inc. is our firm’s principal insurer.”;

— “I am an agent for the insurer ABC Inc. and I propose only products offered by that insurer.”.

**6.** This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*, other than section 4.13, which is introduced by section 4 of this Regulation and will come into force on the date of the first anniversary of the coming into force of this Regulation.

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Gouvernement du Québec

**O.C. 595-2007**, 1 August 2007

An Act respecting the Ministère des Services gouvernementaux  
(R.S.Q., c. M-26.1)

**Terms and conditions respecting the signing of certain deeds, documents or writings**

Terms and conditions respecting the signing of certain deeds, documents or writings of the Ministère des Services gouvernementaux

WHEREAS the second paragraph of section 15 of the Act respecting the Ministère des Services gouvernementaux (R.S.Q., c. M-26.1) provides that a deed, document or writing is binding on the Minister or may be attributed to the Minister only if it is signed by the Minister, the Deputy Minister, a member of the personnel of the department or an employee and, in the last two cases, only so far as determined by the Government;

WHEREAS section 17 of the Act provides that a document or copy of a document emanating from the department or forming part of its records, signed or certified true by a person referred to in the second paragraph of section 15, is authentic;

WHEREAS, under section 11 of the Act respecting the government air service fund (R.S.Q., c. F-3.2.2), the government air service fund is established within the department designated by the Government;

WHEREAS, under Décret 296-2007 dated 19 April 2007, the Minister of Government Services is responsible for the administration of the Act respecting the government air service fund;

WHEREAS it is expedient for the Government to determine the members of the personnel of the Ministère des Services gouvernementaux or the employees with that department who are authorized to sign the deeds, documents or writings that bind the Minister or that may be attributed to the Minister and the extent to which they may do so;

IT IS ORDERED, therefore, on the recommendation of the Minister of Government Services:

THAT the Terms and conditions respecting the signing of certain deeds, documents or writings of the Ministère des Services gouvernementaux, attached to this Order in Council, be made;

THAT the Terms and conditions come into force on the date of their publication in the *Gazette officielle du Québec*.

GÉRARD BIBEAU,  
*Clerk of the Conseil exécutif*