

**34.8.** A member who is required to comply with the independence rule provided for in section 34.2 shall, in respect of the particular engagement, identify threats to independence, evaluate the significance of those threats and, if the threats are other than clearly insignificant, identify and apply measures to reduce or eliminate them. The member shall document the decision to accept or continue the particular engagement. The documentation shall include the following information:

- (1) a description of the nature of the engagement;
- (2) the threats identified;
- (3) the measures identified and applied to reduce or eliminate the threats; and
- (4) an explanation of how the measures reduce or eliminate the threats.

Where the threats cannot be reduced, the member shall:

- (1) eliminate the activity, relationship, influence or interest creating the threats; or
- (2) refuse to accept or continue the engagement.

**34.9.** A member who violates section 34.2 shall communicate this violation in writing, on a timely basis, to another member, partner or shareholder with voting rights of the partnership or joint-stock company duly appointed by the board of directors or a similar internal management board of the partnership or joint-stock company.

A member who has been assigned to an engagement team to perform assurance services or apply specified auditing procedures shall also communicate in writing to the designated member any situation or facts that would put this member in violation of section 34.2.”

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

9515

## Draft Regulation

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

### Certified management accountants — Compulsory continuing education for Québec certified management accountants who hold a public accountancy permit

Notice is hereby given, in accordance with section 12 of the Regulations Act (R.S.Q., c. R-18.1), that the “Regulation concerning compulsory continuing education for Québec certified management accountants who hold a public accountancy permit”, adopted by the board of directors of the Ordre des comptables en management accrédités du Québec, may be submitted to the Government, which may approve it with or without amendment, on the expiry of a 20-day period following this publication.

Section 12 of the Regulations Act provides that a proposed regulation may be approved at the expiry of a shorter period than the period applicable to it, if the authority approving it is of the opinion that the urgency of the situation requires it. Section 13 of that Act provides, in addition, that the reason justifying a shorter publication period shall be published with the proposed regulation. It is necessary to reduce the publication period for this proposed regulation for the following reasons:

— Its object is to specify the continuing education activities that the holder of a public accountancy permit must complete, the penalty for failing to complete the activities and, where applicable, the cases in which an exemption may be granted.

— It is related to the “Regulation respecting the public accountancy permit of the Ordre des comptables en management accrédités du Québec”, published as a draft regulation in the *Gazette officielle du Québec* on 17 September 2008, which sets out the standards and conditions for holding a public accountancy permit.

— Both regulations are required by section 187.10.2 of the Professional Code, introduced by section 3 of the Act to amend the Professional Code and the Chartered Accountants Act in respect of public accountancy (2007, c. 42), in force since 15 December 2008.

— The “Regulation respecting the public accountancy permit of the Ordre des comptables en management accrédités du Québec” is, in addition, required to allow certified management accountants authorized to prac-

tice public accountancy elsewhere in Canada to pursue that activity in Québec, in order to facilitate the mobility of these professionals within Canada in accordance with the Agreement on Internal Trade.

— The “Regulation respecting the public accountancy permit of the Ordre des comptables en management accrédités du Québec” is linked to the recommendation made on 19 August 2005 by the special panel established under the Agreement on Internal Trade to settle the dispute between the Certified General Accountants Association of New Brunswick and the Québec government concerning measures restricting access to the practice of public accountancy by accountants other than chartered accountants.

— It is important, in the circumstances, to reduce the publication period to allow the “Regulation concerning compulsory continuing education for Québec certified management accountants who hold a public accountancy permit” to advance as soon as possible and simultaneously with the “Regulation respecting the public accountancy permit of the Ordre des comptables en management accrédités du Québec”, both of which must be submitted to the government for approval in accordance with section 95 of the Professional Code.

According to the Ordre des comptables en management accrédités du Québec, this regulation will have no effect on businesses, including small and medium-sized businesses.

Additional information may be obtained from Mre Isabelle F. LeBlanc at the Ordre des comptables en management accrédités du Québec, 715, rue du Square-Victoria, 3<sup>e</sup> étage, Montréal (Québec) H2Y 2H7; phone: 514 849-1155 or 1 800 263-5390; fax: 514 849-9674; E-mail: i.leblanc@cma-quebec.org

Any person having comments to make on the matter is asked to send them in writing, before the expiry of the 20-day period, to the Chair of the Office des professions du Québec, 800, place D’Youville, 10<sup>e</sup> étage, Québec (Québec) G1R 5Z3. These comments will be forwarded by the Office to the Minister of Justice. They may also be forwarded to the professional order that adopted the regulation, as well as to the persons, departments and agencies concerned.

JEAN PAUL DUTRISAC,  
*Chair of the Office des  
professions du Québec*

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## **Regulation concerning compulsory continuing education for Québec certified management accountants who hold a public accountancy permit**

Professional Code  
(R.S.Q., c. C-26, s. 187.10.2, 2<sup>nd</sup> par.; 2007, c. 42, s. 3; 2008, c. 11, s.1)

### **DIVISION I CONTINUING EDUCATION**

**1.** All members of the Ordre des comptables en management accrédités du Québec who hold a public accountancy permit, unless exempted under Division IV, must complete in every 3-year reference period at least 60 hours of continuing education activities, including a minimum of 15 hours per reference year. The 60 hours must cover audit engagements, review engagements and other activities relating to public accountancy.

The members must choose the continuing education activities from the program of activities established by the Order pursuant to section 4.

The continuing education activities may include:

- (1) taking part in courses organized or offered by the Order, by other professional orders or by similar organizations;
- (2) taking part in courses offered by an educational institution or by specialized institutions recognized by the Order;
- (3) taking part in symposiums, congresses, seminars or conferences;
- (4) taking part in structured training sessions or courses in the workplace;
- (5) taking part in various structured training sessions, such as case studies as part of a technical study group;
- (6) taking part in discussion groups and technical committees;
- (7) acting as a speaker or trainer;
- (8) drafting published articles or papers;
- (9) taking part in research projects;

**2.** Every member to whom the Order issues a public accountancy permit after 1 August in a given year must, unless exempted pursuant to Division IV, start to complete continuing education hours on 1 April of the year following the date on which the permit is issued.

The number of hours to be completed is calculated beginning on 1 April of the year following the date on which the permit is issued in proportion to the number of months remaining in the reference period.

A member to whom the Order issues a public accountancy permit after 1 August in the last year of a reference period is exempted from the continuing education requirements for that period.

## **DIVISION II**

### **PROGRAM OF CONTINUING EDUCATION ACTIVITIES**

**3.** Every continuing education activity must allow members to maintain, update, improve or extend the skills and knowledge required for the practice of public accountancy.

**4.** The Order shall establish the program of continuing education activities that must be followed by members holding a public accountancy permit. The Order shall

(1) fix the date on which the reference period referred to in the first paragraph of section 1 begins and ends;

(2) determine the continuing education activities in the fields listed in the first paragraph of section 1 that form part of the program, along with the persons, bodies, educational institutions or specialized institutions that organize or offer the activities;

(3) assign a ratio for calculating the admissible duration of each activity as a contribution to the hours required pursuant to section 1, if it differs from the actual duration of the activity.

To determine the activities that form part of the program and, if applicable, the ratio for calculating the admissible duration of an activity, the Order shall consider the following criteria:

- (1) the relevance of the activity;
- (2) the competency and qualifications of the trainer, with respect to the subject of the activity;

(3) compliance with the continuing education objectives set out in section 3;

(4) the fact that the objectives of the continuing education activity are measurable and verifiable.

## **DIVISION III**

### **MONITORING**

**5.** Members shall send to the Order, no later than 30 days after the end of each reference year in a reference period, a duly completed continuing education report using the form supplied by the Order, along with the attestations required by this Regulation, if applicable. The continuing education report must indicate the continuing education activities completed during the reference year, the number of hours completed, or the fact that the member concerned has obtained an exemption under Division IV.

To determine whether a member has met the requirements of this Regulation, the Order may request any relevant and reliable document in addition to the continuing education report, such as supporting documents that identify the activities completed, state their duration and content, name the person who offered the activities and, where applicable, attest to the member's presence or result.

**6.** The successful completion of a continuing education activity or, if no evaluation is involved, presence at the activity, is the criterion used by the Order to recognize that a continuing education activity has been completed in order to meet the requirements of this Regulation.

However, where the activity does not involve an evaluation and if the member's presence was not required, the Order recognizes that a continuing education activity has been completed if the member states that he or she has acquired sufficient knowledge of the content to apply it professionally.

When the Order determines that a member's presence at continuing education activities is compulsory, presence may be monitored by any means that the Order establishes, such as a presence sheet signed by members.

**7.** The Order shall forward to members, no later than 180 days after the deadline for filing the report referred to in section 5, a notice specifying any continuing education activities that it does not recognize and the grounds for its decision.

**8.** A member may ask the committee set up by the board of directors to review the decision made by the Order within 30 days of receiving the notice provided for in section 7.

The committee is formed of persons who were not involved in the decision for which a review is requested.

**9.** Members must keep the documents supporting the hours declared until 12 months after the end of the reference period.

#### **DIVISION IV** EXEMPTIONS FROM CONTINUING EDUCATION

**10.** A member who has taken part, or intends to take part, in a continuing education activity that is not part of the program, is exempted from taking part in an activity in the program established by the Order if the content of the activity concerned is equivalent to the content of the program activity.

**11.** Members may obtain an exemption under section 10 by sending to the Order, in writing, a request for recognition of the activity concerned, either 30 days before the scheduled date of the activity or within 60 days of taking part in the activity.

In the latter case, the request must include an attestation of the member's presence at or successful completion of the activity or, where applicable, a record of the member's marks.

The request must be submitted with the following information:

- (1) a description of the continuing education activity concerned;
- (2) the duration of the activity;
- (3) the number of hours of training required by the continuing education activity;
- (4) the name and address of the person, organization or institution responsible for the activity;
- (5) any other information considered relevant to the recognition of the continuing education activity.

**12.** Members who show that it is impossible for them to take part in a training activity provided for in the program of activities established by the Order are exempted from taking part in this activity for a given reference period.

The fact that a member has been struck off the role or suspended or that the member's right to practice has been restricted by the disciplinary council, the Professions Tribunal or the board of directors does not make it impossible for the member to take part.

The duration of an exemption may not exceed 12 months, but it may be renewed.

**13.** A member may obtain an exemption under section 12 by informing the Order in writing of the grounds justifying the exemption and including a medical report or any other proof showing that it is impossible for the member to take part in any activity.

As soon as the situation making it impossible for the member to take part ceases, the member must immediately notify the Order in writing and complete the obligations prescribed by this Regulation on the conditions determined by the Order.

#### **DIVISION V** PENALTIES

**14.** The Order shall forward a notice to any member who fails to respect an obligation pertaining to continuing education, stating the obligation that the member has failed to respect, the time period within which the member may correct the failure, and the penalty to which the member is liable.

This time period may not be below 30 days or above 60 days, and begins to run from the date on which the notice is received.

Continuing education hours completed after such a failure may only be granted for the reference period during which the failure occurred.

**15.** The Order shall send a final notice to any member who has not corrected a failure within the time period prescribed by the Order, requiring the member to comply within an additional time period of 15 days from the date on which the final notice is received.

**16.** When a member does not correct the situation described in the notice within the time period prescribed pursuant to section 15, the Order shall suspend the member's public accountancy permit and inform the member of the suspension in writing.

**17.** The public accountancy permit shall remain suspended until the member concerned provides the Order with proof that he or she has met the requirements set out in the notice referred to in section 15, and until the suspension has been lifted by the Order.

**SECTION VI**  
FINAL PROVISION

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

9514