

Draft Regulation

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

Chartered administrators

— 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 amending the Code of ethics of chartered administrators, made by the board of directors of the Ordre des administrateurs agréés du Québec, may be submitted to the Government, which may approve it, with or without amendment, on the expiry of 45 days following this publication.

The draft Regulation adapts certain rules of ethics to the practice of the profession of chartered administrator within a partnership or a joint-stock company, as provided in the draft of the Regulation respecting the practice of the profession of chartered administrators within a partnership or a joint-stock company and in multidisciplinary. It also adapts those rules to the Règlement sur la comptabilité en fidéicommiss des administrateurs agréés.

The draft Regulation has no impact on enterprises, including small and medium-sized businesses.

Further information may be obtained by contacting Denise Brosseau, Director General and Secretary, Ordre des administrateurs agréés du Québec, 910, rue Sherbrooke Ouest, bureau 100, Montréal (Québec) H3A 1G3; telephone: 514 499-0880, extension 230, or 1 800 465-0880; fax: 514 844-0892; e-mail: dbrosseau@adma.qc.ca

Any person wishing to comment on the draft Regulation is requested to submit written comments within the 45-day period to the Chair 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 of Justice and Minister responsible for the administration of legislation respecting the professions and may also be sent to the Order and to interested persons, departments and bodies.

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

Regulation amending the Code of ethics of the chartered administrators*

Professional Code
(R.S.Q., c. C-26, a. 87; 2008, c. 11, a. 56)

1. The following shall be substituted for section 1 of the Code of ethics of the chartered administrators:

“**1.** This Code determines, pursuant to section 87 of the Professional Code (R.S.Q., c. C-26), the chartered administrator’s duties, regardless of the structure or manner in which he engages in his professional activities or the nature of his contractual relationship with the client.”.

2. The following sections shall be added after section 1 of this Code:

“**1.1.** A chartered administrator shall take reasonable measures to ensure compliance with the Act respecting the Professional Code (R.S.Q., c. C-26) and the regulations adopted thereunder by any person, other than a chartered administrator, who cooperates with him in the course of his professional activities or by any partnership or joint-stock company within which he engages in his professional activities.

1.2. A chartered administrator’s duties and obligations under the Professional Code and regulations thereunder are in no way modified or reduced by the fact that the chartered administrator carries on his professional activities within a partnership or a joint-stock company.”

3. Section 2 of this Code is repealed.

4. The words “on society.” shall be substituted for the words “towards the public.” in section 5 of this Code.

5. The words “or by the persons who carry on their professional activities within the same partnership or a joint-stock company” shall be inserted after the words “members of the profession.” in section 13 of this Code

6. The following shall be removed from section 20:

“Upon request by a client, they shall return the property to the client without delay or give it to the person designated by the client”.

7. Section 24 of this Code is repealed.

* The Code of ethics of chartered administrators approved by the decree number 234-2003 of February 26, 2003 (2003, G.O. 2, 1459) has been modified by the decree number 777-2004 of August 10, 2004 (2004, G.O. 2, 3865).

8. The words “for the public” shall be substituted for the words “to society” in paragraph 6 of section 29.

9. The following shall be substituted for section 31 of this Code:

“**31.** A chartered administrator assumes full personal civil liability in the practice of his professional activities. He is forbidden to include in a declaration, an advertisement or a professional service contract, any clause to the effect of directly or indirectly, fully or partially, excluding this responsibility.

He may not invoke the liability of the company within which he carries on his professional activities, neither the responsibility of another person who also carries on his activities in the company as a ground for excluding or limiting his own liability.”

10. The following shall be substituted for section 33 of this Code:

“**33.** A chartered administrator shall place himself in a position where the interest of his client supersedes his self-interest or the interest of the company within which he carries on his professional activities or in which he or any other person carrying on their activities within this company has an interest”.

11. The following shall be substituted for section 38 of this Code:

“**38.** A chartered administrator shall share his professional fees only with a chartered administrator or another person, a trust or an enterprise contemplated in paragraph 1° of section 4 of the Règlement sur l’exercice de la profession d’administrateurs agréés en société et en multidisciplinarité as approved by the decree number _____ of _____.”

12. The following shall be substituted for section 39 of this Code:

“**39.** A chartered administrator shall abstain from receiving any gratification, compensation or commission related to the practice of his profession, except from usual courtesies and presents of modest value. In addition, he shall not pay, offer to pay or agree to pay such gratification, compensation or commission.”

13. The following shall be substituted for section 44 of this Code:

“**44.** A chartered administrator shall take reasonable measures to ensure the secrecy of confidential information revealed to him by reason of his profession is respected

by all employee or by any person who cooperates or practices its activities within the company where the chartered administrator practices his profession.”

14. The following sections shall be added after section 59 of this Code:

“**59.1.** A chartered administrator who practices within a company shall ensure that professional fees related to professional services rendered by chartered administrators shall be listed separately on all invoice or fees statement given by the company to the client.

59.2. Where a chartered administrator practices his professional activities within a joint-stock company, all professional fees related to professional services he has rendered within and on behalf of this company, belong to the company, unless otherwise agreed.”

15. Section 62 of this Code is repealed.

16. The following shall be inserted at the end of section 73 of this Code:

“12° carrying on professional activities within a company, or having interest in such company, where a partner, shareholder, director, officer or employee of this company, is struck off the roll for a period of 3 months or has his professional license revoked, except where the partner, shareholder, director, officer or employee:

a) ceases to act as a director or officer within 15 days from the date on which the striking off or revocation becomes executory;

b) ceases to attend all shareholders meetings and to exercise his right to vote within 15 days from the date on which the striking off or revocation becomes executory;

c) disposes of his company shares with voting rights or leave them in the care of a trustee within 15 days from the date on which the striking off or revocation becomes executory”.

17. The following paragraph shall be added at the end of section 74 of this Code:

“A chartered administrator who carries on his professional activities within a company shall not allow this company to use, by any means whatsoever, false, incomplete or misleading advertisement.”

18. The title of Division III of Chapter V shall read as follows:

“NAME AND REGISTERED COMPANY NAME”

19. The following shall be substituted for section 84:

“**84.** A chartered administrator shall not carry on his profession within a company under a name, designation or registered name which is misleading, derogatory to the honour or dignity of the profession or which is a numeral name or numeral registered name.

Only where chartered administrators render all services offered by the company that it may use titles exclusive to this profession in its registered company name”.

20. Section 85 of this Code is repealed.

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

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Draft Regulation

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

Chartered administrators

— Practice of the profession within a partnership or a joint-stock company and in multidisciplinary

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 profession of chartered administrators within a partnership or a joint-stock company and in multidisciplinary, made by the board of directors of the Ordre des administrateurs agréés du Québec, may be submitted to the Government, which may approve it, with or without amendment, on the expiry of 45 days following this publication.

The draft Regulation prescribes terms and conditions for authorizing members of the Order to carry on professional activities within a partnership or a joint-stock company, particularly regarding the administration of the partnership or joint-stock company and the holding of company shares or partnership units.

Those conditions also include the obligation to contribute to an insurance fund that covers the liability of the partnership or joint-stock company arising from fault or negligence on the part of a member in the practice of his or her profession within the partnership or joint-stock company, as well as the obligation to provide the Order with the required information on the partnership or joint-stock company and to keep it up-to-date.

The draft Regulation has no impact on enterprises, including small and medium-sized businesses.

Further information may be obtained by contacting Denise Brosseau, Director General and Secretary, Ordre des administrateurs agréés du Québec, 910, rue Sherbrooke Ouest, bureau 100, Montréal (Québec) H3A 1G3; telephone: 514 499-0880, extension 230, or 1 800 465-0880; fax: 514 844-0892; e-mail: dbrosseau@adma.qc.ca

Any person wishing to comment on the draft Regulation is requested to submit written comments within the 45-day period to the Chair 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 of Justice and Minister responsible for the administration of legislation respecting the professions and may also be sent to the Order and to interested persons, departments and bodies.

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

Regulation respecting the practice of the profession of chartered administrators within a partnership or a joint-stock company and in multidisciplinary

Professional Code
(R.S.Q., c. C-26, a. 93, par. g et h et a. 94, par. p)

DIVISION I GENERAL PROVISIONS

1. A member of the Ordre des administrateurs agréés du Québec may, subject to the terms, conditions and restrictions established in this Regulation, carry on his or her professional activities within a joint-stock company or a limited liability partnership within the meaning of Chapter VI.3 of the Professional Code (R.S.Q., c. C-26).

2. Where a person is struck off the roll for a period in excess of 3 months or has had his or her professional license revoked, such person may not, during the period of the striking off or revocation, directly or indirectly hold any share in the partnership or joint-stock company.

During that period, such person may not hold the position of director, officer or representative of the partnership or joint-stock company.

3. Where a member notices that the conditions set out in this Regulation or in Chapter VI.3 of the Professional Code is no longer satisfied, the member shall,