

“An appraiser who carries on his professional activities within a partnership or a joint-stock company must take reasonable measures to ensure that such a partnership or joint-stock company complies with the requirements set out in the first paragraph.”

**15.** Section 60 of this Code is replaced by the following:

“60. No appraiser shall, in his advertising, claim to possess specific qualities or skills, particularly concerning the range or efficacy of his services or, if applicable, of those provided by the persons who carry on their activities within the same partnership or joint-stock company, unless he can substantiate such claims.”

**16.** Section 61 of this Code is amended by inserting, after the words “in his regard”, of the words “or in regard of the persons who carry on their activities within the same partnership or joint-stock company,”.

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

1501

## Draft Regulation

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

### Chartered appraisers — Practice within a partnership or a 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 profession of chartered appraiser within a partnership or a joint-stock company, made by the Ordre des évaluateurs 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 contains specific provisions to set the terms and conditions authorizing the carrying on of professional activities by chartered appraisers within a limited liability partnership or a joint-stock company in accordance with Chapter VI.3 of the Professional Code (R.S.Q., c. C-26), in particular as regards the administration of the partnership or joint-stock company and the holding of shares or units.

In accordance with Chapter VI.3 of the Professional Code, the draft Regulation also includes an obligation of security to cover the liability of the partnership or joint-stock company arising from fault on the part of the chartered appraisers in carrying on their professional activities within the partnership or joint-stock company. The chartered appraisers must also provide the Order with the necessary information on the partnership or joint-stock company and update that information.

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

Further information may be obtained by contacting Elena Konson, Ordre des évaluateurs agréés du Québec, 415, rue Saint-Antoine Ouest, bureau 450, Montréal (Québec) H2Z 2B9; telephone: 514 281-9888 or 1 800 982-5387; fax: 514 281-0120; email: ekonson@oeaq.qc.ca

Any person having comments to make is asked to send them, before the expiry of the 45-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. The comments will be forwarded by the Office to the Minister of Justice and may also be sent to the Order that made the Regulation as well as 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 appraiser within a partnership or a joint-stock company

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

### DIVISION I GENERAL PROVISIONS

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

A member who no longer satisfies one of the conditions set out in this Regulation or in Chapter VI.3 of the Professional Code shall immediately cease to be authorized to carry on his professional activities within a partnership or a joint-stock company.

**2.** If a member is struck from the roll for a period in excess of 3 months or has been the subject of a revocation of his permit, such member may not, during the period of being struck from the roll or having a revoked permit, hold either directly or indirectly any share or unit in the partnership or joint-stock company. During this period, such member may not hold the position of director, officer or representative of the partnership or joint-stock company.

## **DIVISION II** **CONDITIONS FOR PRACTISING**

**3.** A member is authorized to carry on his professional activities within a limited liability partnership or joint-stock company that presents itself as a chartered appraisers partnership or joint-stock company if the following conditions are respected at all times:

1° more than 50% of the voting rights attached to the company shares or partnership units are held either by:

*a)* members of the Order;

*b)* legal persons, trusts or any other enterprise where 100% of the voting rights attached to the shares or partnership units or other participating rights are held by the members of the Order;

*c)* a combination of persons, trusts or enterprises referred to in subparagraphs *a* and *b*;

2° a majority of the directors of the board of directors of the joint-stock company or, as the case may be, the managers appointed by the partners to manage the affairs of the limited liability partnership are members of the Order;

3° the board of directors or, as the case may be, the intern managing board, is formed by a majority of the members of the Order and they must themselves form at all times a majority of quorum for such boards;

4° the chair of the board of directors of the joint-stock company or the person who performs similar functions in a limited liability partnership is a member of the Order and, as the case may be, a partner or a shareholder with voting rights;

5° the conditions listed in the subparagraphs 1° to 4° appear, as the case may be, in the articles of the joint-stock company or in the contract of the limited liability partnership and in any other document concerning the constitution and the operation of the joint-stock company or of the partnership.

A member must ensure that these conditions appear, as the case may be, in the articles of the joint stock company or in the contract of the partnership, in the shareholders agreement and in any other document concerning the constitution and the operation of the joint-stock company or of the partnership and that those documents also provide that the partnership or joint-stock company is constituted for the purpose of carrying on professional activities.

**4.** In all other cases, a member is authorized to carry on professional activities within a limited liability partnership or a joint-stock company or, if the following conditions are respected at all times:

1° more than 50% of the voting rights attached to the company shares or partnership units are held either by:

*a)* the members of a professional order governed by the Professional Code;

*b)* the members in good standing of the Appraisal Institute of Canada holding the designation "AACT";

*c)* the natural persons registered as representatives in one of the sectors governed by l'Autorité des marchés financiers and holding the appropriate certificate issued by l'Autorité;

*d)* legal persons, trusts or any other enterprise where 100% of the voting rights attached to the shares or partnership units are held by the persons referred to in subparagraphs *a* and *b*;

*e)* by a combination of persons referred to in subparagraphs *a*, *b* and *c*;

2° a majority of the directors of the board of directors of the joint-stock company, as the case may be, the managers appointed by the partners to manage the affairs of the limited liability partnership are the persons referred to in subparagraphs *a* and *b* of paragraph 1°;

3° the board of directors or, as the case may be, the intern managing board, is formed by a majority of the persons referred to in subparagraphs *a* and *b* of paragraph 1° and they must themselves form at all times a majority of quorum for such boards;

4° the conditions listed in the paragraphs 1° to 3° appear in the articles of the joint-stock company or in the contract of the limited liability partnership, in the shareholders agreement and in any other document concerning the constitution and the operation of the joint-stock company or of the partnership and that those documents

also provide that the partnership or joint-stock company is constituted for the purpose of carrying on professional activities.

A member of the Order must ensure that these conditions appear, as the case may be, in the articles of the joint-stock company or in the contract of the limited liability partnership, in the shareholders agreement and any other document concerning the constitution and the operation of the joint-stock company or of the partnership.

**5.** A member may carry on his professional activities within a limited liability partnership or a joint-stock company, if, before carrying on those activities, he provides the Order with:

1° a declaration made on the form provided by the Order, accompanied by the fees set by the board of directors pursuant to paragraph *h* of section 93 of Professional Code;

2° with a written document from a competent authority certifying that the partnership or joint-stock company is covered by security in compliance with Division III;

3° where applicable, a certified true copy of the declaration from the competent authority stating that the general partnership has been continued as a limited liability partnership;

4° a written irrevocable authorization from the partnership or joint-stock company within which the member practises allowing a person, committee, disciplinary body or tribunal referred to in section 192 of the Professional Code to require from a partner of from a shareholder disclosure of and obtain any document listed in section 12 or to obtain a true copy of such a document.

A member is exempt from satisfying the conditions set out in the first paragraph if a respondent of the partnership or the joint-stock company within which the member practises has already provided the Order with the relevant documents.

**6.** The declaration referred to in paragraph 1° of the first paragraph of section 5 must be made on the form provided by the Order and contain the following information:

1° the partnership or joint-stock company name and any other names used in Québec by every partnership or joint-stock company within which the member practises and the registration number assigned to them by the competent authority;

2° the legal form of the partnership or joint-stock company;

3° the names of other members of the Order who practice their profession within the same partnership or joint-stock company;

4° the member's name, permit number and status within the partnership or joint-stock company;

5° in case of a limited liability partnership, the address of the establishments of the partnership in Québec, specifying the address of the principal establishment, names and home addresses of the partners, and, if applicable, the names and home addresses of the managers appointed by the partners to manage the partnership, whether or not they reside in Québec, and the percentage of voting rights which they held;

6° in the case of a joint-stock company, the address of the head office of the company and of its establishments in Québec, the names and home addresses of the shareholders, their percentage of shares with voting rights and of shares without voting rights, the names and of the directors and officers of the joint-stock company, if applicable;

7° a certification confirming that the shares or units held and the rules of administration of the partnership or joint-stock company satisfy the conditions set out in this Regulation.

**7.** A member must update and provide the declaration referred to in section 5 accompanied by the fees every year by April 1st at the latest.

He must immediately inform the Order of any change of the insurance coverage required by Chapter III, the striking off, dissolution, assignment of property, bankruptcy, voluntary or forced liquidation of the partnership or joint-stock company or any other cause likely to prevent the partnership or joint-stock company from carrying on its activities and of any change in the information given in the declaration referred to in section 5 that is likely to prevent the respect of the conditions set out in sections 3 or 4.

**8.** Where more than one member carries on professional activities within a partnership or joint-stock company, a respondent must be designated to act on behalf of the members carrying on their professional activities within such partnership or joint-stock company and to meet the conditions set out in sections 5 to 7.

The respondent must be a member of the Order, shareholder and the director of the board of directors or a partner and the manager designated by the partners and he must carry on his professional activities in Québec within such partnership or joint-stock company.

He must ensure the accuracy of the information given in the declaration, except for the information provided pursuant to paragraphs 5° and 6° of section 6.

This respondent is also designated by the members carrying their professional activities within the partnership or joint-stock company to respond to the requests made, pursuant to this Regulation, by the syndic, an inspector, an investigator or any other representative of the Order and to provide, if applicable, any document that a member must provide.

### CHAPTER III PROFESSIONAL LIABILITY COVERAGE

**9.** A member carrying on professional activities within a partnership or joint-stock company must provide and maintain security on behalf of the partnership or joint-stock company, by means of an insurance or suretyship contract, or by joining a group plan contract taken out by the Order, or by contributing to a professional liability insurance fund established in accordance with section 86.1 of the Professional Code, against liability of the partnership or joint-stock company arising from fault on the part of the member in the practice of the profession within the partnership or joint-stock company.

**10.** The security must include the following minimum conditions:

1° an undertaking by the insurer to pay in lieu of the partnership or joint-stock company, over and above the amount of the security to be furnished by the member pursuant to the Regulation respecting compulsory contribution to the professional liability insurance fund of the Ordre des évaluateurs agréés du Québec approved by Office des professions on September 15th, 2010, up to the amount of the security, any sum that the partnership or joint-stock company may be legally bound to pay to a third person on a claim filed during the secured period and arising from fault on the part of a member in the carrying on of professional activities within the partnership or joint-stock company;

2° an undertaking by the insurer or surety to take up the cause of the partnership or joint-stock company and defend it in any action against it and to pay, in addition to the amounts covered by the security, all legal costs of actions against the partnership or joint-stock company, including the costs of the inquiry and defence, and interest on the amount of the security;

3° an undertaking by the insurer that the security extends to all claims submitted in the 5 years after the end of a secured period on which a member of the partnership or joint-stock company dies, withdraws from the partnership or joint-stock company or ceases to be a member of the Order, in order to maintain coverage for the partnership or joint-stock company for fault on the part of the member in the practice of the profession within the partnership or joint-stock company;

4° an undertaking by the insurer that the security will be not less than \$1,000,000 per incident and will be for all claims against the partnership or joint-stock company in the course of a secured period of not more than 12 months, regardless of the number of members in the partnership or joint-stock company;

5° an undertaking by the insurer to provide the Order with a 30-day notice of its intent to cancel or to amend the insurance or suretyship contract in such a manner as to affect a condition of this Regulation;

6° an undertaking by the insurer to provide the Order with a notice that the suretyship contract has not been renewed; the notice must be sent within 15 days following the expiry of the contract;

7° an undertaking by the insurer to advise the Order where a sum of money is paid as a result of the fault of a member carrying on of professional activities within the partnership or joint-stock company and to indicate the name of the member and of the partnership or joint-stock company concerned, the nature of damage and of the fault and the amount paid.

### CHAPTER IV DESIGNATIONS

**11.** A member who practises within a limited liability partnership or joint-stock company where more than 50% of the voting rights attached to the company shares or partnership units are held in any time, either directly or indirectly, by the members of a professional order governed by the Professional Code, is authorized to include in or after the limited liability partnership or joint-stock company name the words “firm of professionals governed by the Professional Code” or the acronym “FPGPC”.

### DIVISION V DOCUMENT ACCESSIBILITY AND ADVERTIZING

**12.** The documents for which the member obtains an authorization from the partnership or joint-stock company to communicate or obtain copies pursuant to paragraph 4° of section 5 are the following:

1° if the member practises within a limited liability partnership:

- a) the partnership contract and amendments;
- b) the declaration of registration of the partnership and any update;
- c) the up-to-date register of the partners;
- d) where applicable, the up-to-date register of the managers;
- e) the names and home addresses of the partnership's principal officers;

2° if he practises within a joint-stock company:

- a) the up-to-date register of the articles and by-laws of the joint-stock company;
- b) the declaration of registration of the joint-stock company and any update;
- c) the up-to-date register of the securities of the joint-stock company;
- d) any shareholders' agreement and voting agreement and amendments;
- e) the up-to-date register of the directors of the joint-stock company;
- f) the names and home addresses of the company's principal officers.

On a general partnership being continued as a limited liability partnership or a joint-stock company or limited liability partnership being constituted, a member must, on the date of the occurrence, send a notice to his or her clients 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.

## CHAPTER VI TRANSITIONAL AND FINAL

**13.** A member who practises within a joint-stock company constituted before coming into force of this Regulation must comply with this Regulation not later than one year following that date.

**14.** Until the Order has received a permission from the competent authority for the professional liability insurance Fund of the Order to provide a security against liability that a partnership or joint-stock company may incur as a result of fault by the member in the course of his professional activities within a partnership or joint-stock company, the member must provide and maintain, for this partnership or joint-stock company, by means of an insurance or suretyship contract, such a guarantee in accordance with the requirements set out in section 10 of this Regulation.

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

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## Draft Regulation

Medical Act  
(R.S.Q., c. M-9)

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

### Physicians — Activities contemplated in section 31 of the Medical Act which may be engaged in by classes of persons other than physicians — 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 amending the Regulation respecting the activities contemplated in section 31 of the Medical Act which may be engaged in by classes of persons other than physicians", adopted by the Board of directors of the Collège des médecins 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 purpose of this Regulation is to update the "Regulation respecting the activities contemplated in section 31 of the Medical Act which may be engaged in by classes of persons other than physicians" by authorizing, to the specialized nurse practitioner in primary care, to prescribe new diagnostic techniques and new medical treatments and by replacing the schedule of medications which he or she is authorized to prescribe.

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