

## Draft Regulations

### Draft Regulation

An Act respecting the distribution of financial products and services  
(chapter D-9.2)

#### Fees and contributions payable — Amendment

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1), that the Regulation to amend the Regulation respecting fees and contributions payable, appearing below, may be submitted to the Government for approval, with or without amendments, on the expiry of 45 days following this publication.

The draft Regulation introduces certain fees related to the regulation of mortgage brokerage, which will be assumed by the Autorité des marchés financiers as of 1 May 2020.

The Act mainly to improve the regulation of the financial sector, the protection of deposits of money and the operation of financial institutions (2018, chapter 23) makes numerous changes to the Act respecting the distribution of financial products and services (chapter D-9.2). On 1 May 2020, brokers and agencies authorized to engage in mortgage brokerage operations and currently subject to the Real Estate Brokerage Act (chapter C-73.2) and the regulations of the Organisme d'autoréglementation du courtage immobilier du Québec become representatives within the meaning of the Act respecting the distribution of financial products and services and subject to the regulations of the Authority. Therefore, mortgage brokerage is added to the other sectors covered by the Act respecting the distribution of financial products and services.

Under the amendments, the Authority assumes the supervision of training and ethics of representatives who are authorized to act in the mortgage brokerage sector. Supervision of the other sectors provided for in the Act respecting the distribution of financial products and services is ensured by the Chambre de la sécurité financière and the Chambre de l'assurance de dommages. To that end, the Chambers impose a contribution on members in order to take into account the costs of the supervision. The Organisme d'autoréglementation du courtage immobilier du Québec, for its part, includes those costs in the annual fees payable by the various licence holders under

its supervision. Consequent to the fees required by other supervisory bodies, the draft Regulation introduces a supplementary annual fee of \$250 for a representative who is authorized to act in the mortgage brokerage sector in order to take into account the new costs for the Authority.

In addition, as part of the regulation of mortgage brokerage activities, the Authority is also required to recognize authorized providers of continuing education activities, offer training to authorized representatives, act in the mortgage brokerage sector, as well as recognize the content of the training offered. Taking into account the resulting costs related to the analysis of an application for recognition, the draft Regulation introduces a \$219 fee for an application for recognition and a \$109 fee when a change or renewal is necessary.

Moreover, the draft Regulation introduces a minimum fee of \$38 for a representative and \$52 for an inscription when an administrative task is performed in this respect by the Authority in the event of a formality or a measure prescribed by the Act respecting the distribution of financial products and services or one of its regulations and whose fees are not already provided for in the Regulation respecting fees and contributions payable. The measure enables the Authority to charge fees related to the administrative tasks it provides to those subject to its supervision when such tasks are required by law.

Lastly, the regulatory consultation versions of the new provisions referred to in sections 2 and 4 of the Regulation to amend the Regulation respecting fees and contributions payable may be consulted in the Bulletin de l'Autorité des marchés financiers, volume 16, no. 39 of 3 October 2019 on pages 110 and 119 respectively.

The amendments in the draft Regulation have no impact on enterprises, including small and medium-sized businesses.

Further information on the draft Regulation may be obtained by contacting Jean-Hubert Smith-Lacroix, coordinator, legislative and regulatory development, Direction générale du droit corporatif et des politiques relatives au secteur financier, Ministère des Finances; telephone: 418 646-7466; fax: 418 646-7610; email: Jean-Hubert.Smith-Lacroix@finances.gouv.qc.ca.

Any person wishing to comment on the draft Regulation is requested to submit written comments within the 45-day period to the Minister of Finance, 390, boulevard Charest Est, 8<sup>e</sup> étage, Québec (Québec) G1K 3H4.

ERIC GIRARD,  
*Minister of Finance*

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## Regulation to amend the Regulation respecting fees and contributions payable

An Act respecting the distribution of financial products and services  
(chapter D-9.2, ss. 203 and 226)

**1.** Section 1 of the Regulation respecting fees and contributions payable (chapter D-9.2, r. 9) is amended by inserting the following paragraph at the end:

“Where a representative is authorized to act in the sector of mortgage brokerage, he must pay an additional fee of \$250 for the issuance of his certificate and an additional annual fee of \$250 for its renewal.”.

**2.** Section 6.3 of the Regulation is amended by replacing “of section 14” by “of section 14 or 16.1”.

**3.** The Regulation is amended by inserting the following section after section 7.1:

“**7.2.** The fees for an administrative task performed by the Authority in connection with a formality or measure specified in the Act or any of its regulations where the fees for the task are not already specified in this Regulation are \$38 when the task pertains to a representative and \$52 when it pertains to a firm, an independent representative or an independent partnership.”.

**4.** This Regulation is amended by inserting the following after section 22:

### “DIVISION II.1 FEES PAYABLE FOR THE COMPULSORY PROFESSIONAL DEVELOPMENT OF MORTGAGE BROKERS

**22.1.** The fees for an application for recognition referred to in the Regulation respecting the compulsory professional development of mortgage brokers, approved by Ministerial Order (*insert the number and date of the Ministerial Order approving that Regulation*), including an application for recognition as a provider of professional development activities or an application for recognition of a training activity, are \$219.

**22.2.** The fees for any modification or renewal relating to a recognition contemplated in the Regulation respecting the compulsory professional development of mortgage brokers, approved by Ministerial Order (*insert the number and date of the Ministerial Order approving that Regulation*), are \$109.”.

**5.** This Regulation comes into force on 1 May 2020.

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