Gouvernement du Québec

O.C. 173-2023, 22 February 2023

Real Estate Brokerage Act (chapter C-73.2)

Brokerage requirements, professional conduct of brokers and advertising

—Amendment

Contracts and forms

-Revocation

Regulation to amend the Regulation respecting brokerage requirements, professional conduct of brokers and advertising and to revoke the Regulation respecting contracts and forms

WHEREAS, under the second paragraph of section 21 of the Real Estate Brokerage Act (chapter C-73.2), the rules governing the disclosure of conflicts of interest are set out in the regulations of the Organisme d'autoréglementation du courtage immobilier du Québec;

WHEREAS, under the first paragraph of section 22 of the Act, representations made by licence holders, and the real estate advertising and information they disseminate to the public for promotional purposes, must comply with the rules set out in the regulations of the Organisme d'autoréglementation du courtage immobilier du Québec;

WHEREAS, under the first paragraph of section 22.1 of the Act, a broker's licence holder acting on behalf of an agency may carry on brokerage activities, in accordance with the terms, conditions and rules set out in the regulations of the Organisme d'autoréglementation du courtage immobilier du Québec, within a business corporation which he or she controls;

WHEREAS, under paragraph 5 of section 46 of the Act, the Organisme d'autoréglementation du courtage immobilier du Québec may determine, by regulation, the rules of professional conduct applicable to broker's licence holders or executive officers of agency licence holders;

WHEREAS, under paragraph 8 of section 46 of the Act, the Organisme d'autoréglementation du courtage immobilier du Québec may determine, by regulation, the requirements to be met in order to engage in a brokerage transaction described in section 3.1 of the Act;

WHEREAS, under section 49 of the Act, the Organisme d'autoréglementation du courtage immobilier du Québec may, for the purposes of any regulation, establish special or supplementary rules for licence holders;

WHEREAS, under the third paragraph of section 129.1 of the Act, the Organisme d'autoréglementation du courtage immobilier du Québec determines, by regulation, the manner in which the mandatory forms must be completed;

WHEREAS, under section 130 of the Act, all regulations of the Organisme d'autoréglementation du courtage immobilier du Québec, except internal by-laws, must be submitted to the Government for approval with or without amendments;

Whereas the Organisme d'autoréglementation du courtage immobilier du Québec adopted the Regulation to amend the Regulation respecting brokerage requirements, professional conduct of brokers and advertising and revoking the Regulation respecting contracts and forms on 26 May 2022;

Whereas, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1), a draft Regulation to amend the Regulation respecting brokerage requirements, professional conduct of brokers and advertising and to revoke the Regulation respecting contracts and forms was published in Part 2 of the *Gazette officielle du Québec* of 17 August 2022 with a notice that it could be approved by the Government on the expiry of 45 days following that publication;

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 brokerage requirements, professional conduct of brokers and advertising and to revoke the Regulation respecting contracts and forms, attached to this Order in Council, be approved.

YVES OUELLET Clerk of the Conseil exécutif

Regulation to amend the Regulation respecting brokerage requirements, professional conduct of brokers and advertising and to revoke the Regulation respecting contracts and forms

Real Estate Brokerage Act (chapter C-73.2, ss. 21, 22, 22.1, 46, pars. 5 and 8, ss. 49 and 129.1)

1. The Regulation respecting brokerage requirements, professional conduct of brokers and advertising (chapter C-73.2, r. 1) is amended by inserting the following before Chapter I:

"CHAPTER 0.I INTERPRETATION

- **0.1.** In this Regulation, unless the context indicates otherwise, the words "broker" and "agency" mean, respectively, a broker's licence holder and an agency licence holder, and the expression "licence holder" means a broker's licence holder and an agency licence holder.".
- **2.** The heading of Chapter I is replaced by "REQUIREMENTS TO BE MET TO ENGAGE IN A BROKERAGE TRANSACTION".
- **3.** Section 1 is amended by replacing the first paragraph by the following:

"A licence holder must disclose to every person dealt with in a brokerage transaction described in section 3.1 of the Real Estate Brokerage Act (chapter C-73.2) that a broker's or agency licence has been issued to the holder under the Act."

4. Section 14 is amended

- (1) by replacing "by a brokerage contract" in the first paragraph by "by a real estate brokerage contract";
 - (2) by striking out the second paragraph.
- **5.** Section 16 is replaced by the following:
- "16. A licence holder must as soon as possible inform all unrepresented parties that the holder has an obligation to protect and promote the interests of the party represented and to act towards all other parties in a fair and equitable manner."

- **6.** The following is inserted after section 16:
- "16.1. Where the party for whom a licence holder agrees to act as an intermediary does not receive a mandatory form containing an informative text in particular on the mission of the Organisme d'autoréglementation du courtage immobilier du Québec, the licence holder must, without delay, give that party a document containing such text."
- **7.** Section 17 is amended by replacing the words "by a brokerage contract" wherever they appear by the words "by a real estate brokerage contract".

8. Section 18 is amended

- (1) by replacing "or enterprise that is to be purchased, sold or exchanged" in the portion before subparagraph 1 of the first paragraph by "that is to be purchased or sold";
 - (2) by striking out ", enterprise" in the third paragraph.
- **9.** Section 19 is revoked.
- **10.** Section 20 is amended by replacing "selling, exchanging or leasing an immovable or enterprise" by "selling or leasing an immovable".
- **11.** Section 21 is replaced by the following:
- **"21.** A licence holder acquiring a direct or indirect interest in an immovable cannot represent the person who intends to sell or lease the immovable. The holder must without delay inform the person in writing that the holder is not acting as a representative and that the person may seek representation by a licence holder of his or her choice."
- **12.** Section 22 is amended by replacing "or enterprise to be sold, leased or exchanged by the holder pursuant to a brokerage contract" by "to be sold or leased by the holder pursuant to a real estate brokerage contract".
- **13.** Section 23 is replaced by the following:
- "23. A licence holder may not claim or receive remuneration when the holder becomes a lessee or acquires an interest in an immovable for the holder, a partnership or legal person controlled by the holder, or if the married or civil union spouse of the holder, the person with whom the holder is in a de facto union or a legal person or a partnership controlled by that spouse or person becomes a lessee or acquires an interest in the immovable."

- **14.** The heading of Division IV of Chapter I is amended by replacing "A BROKER OR AGENCY BOUND BY A BROKERAGE CONTRACT" by "A LICENCE HOLDER BOUND BY A REAL ESTATE BROKERAGE CONTRACT".
- **15.** Section 25 is amended by replacing "Except in regard to a mortgage brokerage contract, the notice must state the right of the parties either to continue to deal with the broker if the broker is subsequently acting for an agency, with the name of the agency, or to terminate the brokerage contract." by "The notice must state the right of the parties either to continue to deal with the broker if the broker is subsequently acting for an agency, with the name of the agency, or to terminate the real estate brokerage contract."
- **16.** Section 26 is replaced by the following:
- "26. If the broker ceases to act for an agency, the agency, or, failing that, the broker must, without delay, so notify in writing the parties represented by the broker. The notice must state the right of the parties either to continue to deal with the agency, to continue to deal with the broker if the broker is acting for his or her account or for a new agency, with the name of the agency, or to terminate the real estate brokerage contract."
- **17.** Section 27 is amended by replacing "a brokerage contract" by "a real estate brokerage contract".
- **18.** Section 29 is amended
- (1) by replacing "a licence holder" in the first paragraph by "another licence holder";
- (2) by replacing "represented party" in the second paragraph by "party whose identity is verified by the licence holder".
- **19.** Section 30 is amended by replacing "a licence holder" by "another licence holder".
- **20.** Section 34.1 is amended
- (1) by replacing "Un courtier" in the portion before paragraph 1 of the French text by "Le courtier";
- (2) by replacing "Organisme d'autoréglementation du courtage immobilier du Québec" in paragraph 4 by "Organization";
- (3) by replacing "le nom usuel du courtier" in paragraph 7 of the French text by "son nom usuel".

- **21.** Section 34.3 is amended by replacing "every contract" and "referred to in section 1" by "every real estate brokerage contract" and "described in section 3.1", respectively.
- **22.** Section 36 is amended by replacing the first paragraph by the following:

"A licence holder who has entered into a real estate brokerage contract must, without delay and in writing, disclose to the represented party every remuneration agreement in the holder's favour related to the object of the contract.".

23. Section 37 is amended

- (1) by replacing "Un titulaire" in the first paragraph of the French text by "Le titulaire";
- (2) by replacing "section 1 of the Real Estate Brokerage Act (chapter C-73.2) outside Québec, or a person or a partnership authorized to engage in a brokerage transaction under sections 2 and 3 of that Act" in the second paragraph by "section 3.1 of the Real Estate Brokerage Act (chapter C-73.2) or a person referred to in section 3 of the Act";
 - (3) by replacing the third paragraph by the following:

"Despite the first and second paragraphs, a licence holder may, in accordance with the conditions set out in the Act respecting the distribution of financial products and services (chapter D-9.2) and the regulations, share remuneration with a firm, an independent representative or an independent partnership within the meaning of the Act or with a dealer or adviser governed by the Securities Act (chapter V-1.1) or the Derivatives Act (chapter I-14.01)."

24. Section 39 is amended

- (1) by striking out "all or" in the second paragraph;
- (2) in the third paragraph
- (a) by striking out "all or any part of";
- (b) by replacing "the seller" at the end by "the person selling or leasing an immovable".
- **25.** Division VIII of Chapter I, including sections 41 and 42, is revoked.

26. Section 43 is amended

- (1) by replacing "section 1" in the first paragraph by "section 3.1":
 - (2) by replacing the second paragraph by the following:
- "A licence holder who receives such deposit may only place it in a licence holder's trust account.".
- **27.** Section 44 is replaced by the following:
- **"44.** If a represented party wishes to use an information listing service in connection with an immovable, the licence holder must list the immovable with that service when the marketing of the immovable or performance of the real estate brokerage contract begins."
- **28.** Section 45 is amended by replacing ", enterprise or loan secured by immovable hypothec covered by the brokerage contract" by "covered by the real estate brokerage contract".
- **29.** Section 46 is replaced by the following:
- **"46.** A licence holder may offer to the represented party only the immovables that correspond to the party's needs or criteria. The holder must also inform the party of the reasons for selecting the proposed immovables.".
- **30.** The following is inserted after section 46:

"CHAPTER I.1

MANNER IN WHICH MANDATORY FORMS MUST BE COMPLETED

- **46.1.** Real estate brokerage contracts and other acts related to a brokerage transaction described in section 3.1 of the Real Estate Brokerage Act (chapter C-73.2) recorded on a mandatory form must be completed clearly and legibly by the licence holder concerned. When a licence holder completes a form by hand, the licence holder must use ink.
- **46.2.** When a licence holder uses an abbreviation in a mandatory form, the licence holder must write the term out in full at its first occurrence or in an appendix to the form.
- **46.3.** A particular or stipulation may not leave any ambiguity about whether some of the terms and conditions of a mandatory form apply.
- **46.4.** A licence holder who completes a mandatory form must use type that is different from the type used for the particulars or stipulations printed on the form, to enable the parties to easily distinguish those particulars and stipulations from any additions or amendments.

- **46.5.** Any particular or stipulation printed on a mandatory form that is struck out must be struck out by the licence holder in a clearly visible way, and the consent of the parties to the strikeout must be indicated on the form before it is signed.
- **46.6.** Any amendment made to a mandatory form by a licence holder must pertain only to the object of the terms and conditions of that form.
- **46.7.** A licence holder must, before having a mandatory form that he or she has completed signed, allow the parties to take cognizance of its terms and conditions and provide all explanations and answers to questions that the parties may ask.
- **46.8.** A licence holder must not add anything to, amend or strike out anything from a mandatory form after one of the parties has signed the form.
- **46.9.** A mandatory form must bear a title and a unique identifying number.
- **46.10.** A particular required by this Regulation to be indicated on a mandatory form may be indicated on an appendix to the form, and forms an integral part of it.
- **46.11.** A licence holder must use a form prepared pursuant to section 129.1 or 129.2 of the Real Estate Brokerage Act (chapter C-73.2), including any appendix.
- **46.12.** A licence holder must give a copy of the real estate brokerage contract, transaction proposal or form to the parties concerned once it has been completed and signed.

A mandatory form may be in the form of a paper document or in any other form that allows it to be printed and guarantees its integrity.".

- **31.** Chapter II, including sections 47 to 60, is revoked.
- **32.** Section 68 is amended by replacing "Organisme d'autoréglementation du courtage immobilier du Québec" by "Organization".
- **33.** Section 73 is amended by replacing "section 1" by "section 3.1".
- **34.** Section 74 is amended by adding ", in particular by complying with Chapter IV of the Regulation respecting broker's and agency licences (chapter C-73.2. r. 3)" at the end.

- **35.** Section 76 is amended by striking out ", an enterprise".
- **36.** The heading of Division III of Chapter III is amended by striking out "AND OBLIGATIONS".
- **37.** Section 82 is amended by replacing "is published by the Organization, in accordance with section 11 of the Regulation respecting contracts and forms (chapter C-73.2, r. 2.1)" by "is mandatory".
- **38.** Section 83 is amended by replacing "qu'il, ou l'agence pour laquelle il agit, représente et toutes les parties à une transaction" in the first paragraph of the French text by "qu'il, ou que l'agence pour laquelle il agit, représente et toutes les autres parties à une transaction".
- **39.** Section 84 is amended by replacing "represented by them or the agency for which they act, the parties to the transaction" by "represented by them or the agency for which they act, the other parties to the".
- **40.** Section 85 is amended by replacing "represented and all other parties to a transaction" by "represented by them or the agency for which they act and all other parties to a transaction".
- **41.** Section 87 is replaced by the following:
- **"87.** A broker or agency executive officer must, before visiting or arranging to have an immovable visited, first obtain the consent of the licence holder having an exclusive real estate brokerage contract or the seller if no exclusive real estate brokerage contract has been entered into for the immovable."
- **42.** Section 88 is amended by replacing "represented by them or the agency for which they act or a party" and "with those parties" by "represented by them or the agency for which they act or another party" and "with each party", respectively.
- **43.** Section 89 is replaced by the following:
- **"89.** A broker or agency executive officer must inform the party with whom the broker or the agency for which they act has a dispute of the possibility under section 34 of the Real Estate Brokerage Act (chapter C-73.2) of referring the matter to conciliation or mediation, or to arbitration if conciliation or mediation fails."
- **44.** Section 90 is amended
- (1) by inserting "real estate" before "brokerage contract";
 - (2) by striking out "or an enterprise".

- **45.** Section 98 is amended
 - (1) by striking out "already";
- (2) by inserting the words "real estate" before the words "brokerage contract" wherever they appear.
- **46.** Section 99 is amended
 - (1) by replacing the first paragraph by the following:

"A broker or agency executive officer must not perform any act that is incompatible with an exclusive real estate brokerage contract made with another licence holder. In particular, the broker or officer may not set appointments, present transaction proposals or conduct negotiations in relation to a proposed transaction otherwise than through the licence holder under the exclusive real estate brokerage contract, unless authorized to do so by that holder.";

- (2) in the second paragraph
- (a) by replacing "Un courtier" in the French text by "Le courtier";
- (b) by replacing "an exclusive brokerage contract" by "an exclusive real estate brokerage contract".
- **47.** The heading of Division V of Chapter III is amended by striking out "AND OBLIGATIONS".
- **48.** The heading of subdivision 2 of Division V of Chapter III is amended by replacing "Organisation d'autoréglementation du courtage immobilier du Québec" by "Organization".
- **49.** The heading of Chapter IV is amended by replacing "REPRÉSENTATION" in the French text by "REPRÉSENTATIONS".
- **50.** Section 111 is amended by replacing "section 1" by "section 3.1".
- **51.** Section 112 is amended
 - (1) by striking out "or mortgage" in the first paragraph;
 - (2) in the second paragraph
- (a) by replacing "brokers and agencies" in subparagraph 2 by "licence holders";
 - (b) by striking out subparagraph 3;
- (c) by inserting "real estate" before "brokerage contract" in subparagraph 4.

52. Section 113 is amended

- (1) by striking out "or mortgage" in the portion before paragraph 1;
- (2) by replacing "section 1" in paragraph 1 by "section 3.1";
- (3) by adding "with another name, trademark, slogan or logo likely to be confusing, in particular the activities engaged in, the type of goods and services offered or the geographical situation, or to falsely suggest that he or she practises a profession reserved to the members of a professional order" at the end of paragraph 3.
- **53.** The heading of Division II of Chapter IV is amended by replacing "BROKERS AND AGENCIES" by "A LICENCE HOLDER".
- **54.** Section 114 is amended by striking out the second paragraph.
- **55.** Section 115 is amended
 - (1) in the first paragraph
- (a) by striking out "real estate" in the portion before subparagraph 1;
 - (b) by striking out subparagraph 4;
 - (2) in the second paragraph
 - (a) by striking out "real estate";
- (b) by replacing "the designation or designations in subparagraphs 2 and 3 that describe the broker's legal qualification" by "the designation provided for in subparagraph 2 or 3 that describes the broker's legal qualification".
- **56.** Section 115.1 is amended
 - (1) in the first paragraph
- (a) by replacing "la publicité" in the French text by "les publicités";
 - (b) by replacing "indications" by "designations";
- (2) by replacing "subparagraphs 1 and 2 of the first paragraph" by "paragraphs 1 and 2" and by striking out "as the case may be," and "or "business corporation of a mortgage broker"" in the second paragraph.
- **57.** Section 116 is amended by striking out the second paragraph.

58. Section 117 is amended

- (1) by replacing "a real estate agency" in the portion before paragraph 1 by "an agency";
 - (2) by striking out paragraph 4.
- **59.** Sections 24 and 28, the heading of subdivision 3 of Division IV of Chapter III and section 118 are amended by replacing the words "brokerage contract" wherever they appear by the words "real estate brokerage contract".

REGULATION RESPECTING CONTRACTS AND FORMS

- **60.** The Regulation respecting contracts and forms (chapter C-73.2, r. 2.1) is revoked.
- **61.** This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Ouébec*.

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Gouvernement du Québec

O.C. 174-2023, 22 February 2023

Real Estate Brokerage Act (chapter C-73.2)

Issue of broker's and agency licence —Amendment

Regulation to amend the Regulation respecting the issue of broker's and agency licences

WHEREAS, under paragraph 1 of section 46 of the Real Estate Brokerage Act (chapter C-73.2), the Organisme d'autoréglementation du courtage immobilier du Québec may determine, by regulation, rules governing the training required to become a broker's licence holder or an executive officer of an agency licence holder and the examination to be taken by prospective brokers or executive officers;

WHEREAS, under paragraph 2 of section 46 of the Act, the Organisme d'autoréglementation du courtage immobilier du Québec may determine, by regulation, rules governing continuing or additional training, including the specific circumstances under which such training is compulsory for all or some of the broker's licence holders or of the executive officers of agency licence holders: