

Bill 141

**An Act mainly to improve
the regulation of the financial sector,
the protection of deposits of money and
the operation of financial institutions**

Section 3

AMENDMENT:

Add the following subparagraph at the end of the first paragraph of proposed section 9:

(6) in the case of the legal person constituted by the Act respecting Promutuel reassurance (1985, chapter 62), amended by chapter 86 of the statutes of 1995, the federation that appoints its board of directors.

Adopté SR

Bill 141

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Section 317

AMENDMENT:

Strike out "of deposit institution business and" in paragraph 1.

Adopte SM

Bill 141

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Section 360

AMENDMENT:

Replace “, subject to the limits prescribed” in proposed section 20 by “to the extent provided”.

Adopté SM

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Section 360

AMENDMENT:

Insert after proposed section 20:

“20.1. Financial institutions that carry on trust company activities in accordance with section 20 and legal persons authorized by the Authority in accordance with section 109.6 of the Securities Act (chapter V-1.1) are subject to Division II of Chapter V as if they were authorized trust companies.

Adopte 5/87

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Section 3

AMENDMENT:

Strike out the third paragraph of proposed section 46.

Adopte s. 11

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Section 3

AMENDMENT:

In proposed section 55:

1. Strike out "and on payment by each party of the fees determined by government regulation" in the second paragraph.

2. Replace the fourth paragraph by:

Conciliation and mediation are free of charge.

Adopté 581

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Section 3

AMENDMENT:

Strike out the last sentence of the first paragraph of proposed section 67.

Adopté SM

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Section 487

AMENDMENT:

Replace proposed section 71.1 by:

“71.1. A firm may offer products and services in a given sector without the intermediary of a natural person. However, it must take the necessary steps to ensure that representatives of its own interact, in sufficient time, with clients who express the need to interact with a representative; the firm must also inform its clients that such representatives are available.”

Adopté SM

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Section 3

AMENDMENT:

Replace proposed section 68 by:

“68. The Authority may issue an order provided for in section 462 or 464 to require an authorized insurer to cease dealing, without the intermediary of a representative, with clients for the contracts it determines.

Adopté S91

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Section 3

AMENDMENT:

Replace the first paragraph of proposed section 85 by:

Despite section 84, an authorized Québec insurer may acquire and hold up to all the contributed capital securities issued by a legal person or a partnership, up to all the participations in a trust or a share of a right of ownership in cases where the insurer will be the holder of control of the person, partnership, trust or property after the acquisition and in the cases determined by government regulation.

Adopté 591

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Section 3

AMENDMENT:

In proposed section 64:

1. Replace “underwritten by an insurer that has dealt with the client otherwise than through an insurance representative or firm may” in the first paragraph by “may, if no insurance representative interacted with the client at the time the latter consented to the contract,”.
2. Replace “may also cancel his or her enrollment if the participant enrolled without dealing with an insurance representative,” in the second paragraph by “may also, if no insurance representative interacted with the participant at the time he or she enrolled, cancel his or her enrollment”.
3. Add the following paragraph at the end:

The first and second paragraphs do not apply to insurance expiring within 10 days after the client’s consent or the participant’s enrollment, as the case may be.

Adepte 5/1

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Section 478.1

AMENDMENT:

Insert after section 478:

478.1. Section 20 of the Act is amended by adding the following paragraph at the end:

“The first paragraph of section 19 does not apply to an insurance contract expiring within 10 days of its being signed.”

Adopte 5/11

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Section 539.1

AMENDMENT:

Insert after section 539:

539.1. Section 441 of the Act is amended by adding the following paragraph at the end:

“The first paragraph and section 440 do not apply to an insurance contract expiring within 10 days of its being signed.”

Adopte S01

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Section 3

AMENDMENT:

In the first paragraph of proposed section 62:

1. Replace subparagraph 1 by:

(1) if the insurer deals with the client otherwise than through a firm, independent representative or independent partnership registered for an insurance sector; or

2. Replace “without dealing with an insurance representative” in subparagraph 2 by “without interacting with an insurance representative at the time of enrollment”.

Adopte 591

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Section 3

AMENDMENT:

Replace "If, in order to underwrite an individual insurance of persons contract, an authorized insurer deals with a client otherwise than through an insurance representative or firm, the insurer must see that the client" in the first paragraph of proposed section 63 by "If, for the purpose of underwriting an individual insurance of persons contract, an authorized insurer receives a proposal that was completed without an insurance representative interacting with the client at the time it was completed, the insurer must see that the client".

Adopté 5/11

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Section 93

AMENDMENT:

In proposed section 131.4:

1. Strike out “and on payment by each party of the fees determined by regulation of the Government” in the second paragraph.
2. Replace the fourth paragraph by:
Conciliation and mediation are free of charge.

Adopté 5/11

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Section 323

AMENDMENT:

In proposed section 28.16:

1. Strike out "and on payment by each party of the fees determined by government regulation" in the second paragraph.

2. Replace the fourth paragraph by:

Conciliation and mediation are free of charge.

Adopte SD1

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Section 360

AMENDMENT:

In proposed section 38:

1. Strike out "and on payment by each party of the fees determined by government regulation" in the second paragraph.

2. Replace the fourth paragraph by:

Conciliation and mediation are free of charge.

Adopte 5/11

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Section 495

AMENDMENT:

Replace the second paragraph of proposed section 103.3 by:

If the firm is a mutual company that is a member of a federation, the record is examined by the latter instead of by the Authority.

The firm is required to comply with a request made to it and send the record to the Authority or, in the case of a mutual company that is a member of a federation, to the federation.

Sections 388 to 393 of the Insurers Act (*insert the year and chapter number of that Act*) apply, with the necessary modifications, to the federation; complaint records filed in accordance with this Act are complaint records within the meaning of those sections.

Adopté 591

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Section 495

AMENDMENT:

In proposed section 103.4:

1. Strike out "and on payment by each party of the fees determined by government regulation" in the second paragraph.

2. Replace the fourth paragraph by:

Conciliation and mediation are free of charge.

Adopte 5/91

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Section 615

AMENDMENT:

In proposed section 77.1:

1. Strike out "and on payment by each party of the fees determined by government regulation" in the second paragraph.
2. Replace the fourth paragraph by:
Conciliation and mediation are free of charge.

Adopté SR

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Section 627

AMENDMENT:

Replace by:

627. Section 176 of the Act is amended by striking out paragraph 3.

Adopté S91

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Section 633

AMENDMENT:

In proposed section 168.1.5:

1. Strike out “and on payment by each party of the fees determined by government regulation” in the second paragraph.

2. Replace the fourth paragraph by:

Conciliation and mediation are free of charge.

Adopté 591

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Section 648

AMENDMENT:

Replace by:

648. Section 332 of the Act is amended by striking out paragraph 3.

Adopte SM

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Section 267

AMENDMENT:

Replace the first paragraph of proposed section 474 by:

Despite section 473, a financial services cooperative may acquire and hold up to all the contributed capital securities issued by a legal person or a partnership, up to all the participations in a trust or a share of a right of ownership in cases where the cooperative will be the holder of control of the person, partnership, trust or property after the acquisition and in the cases determined by government regulation.

Adopté 5/11

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Section 304

AMENDMENT:

Replace section 304 by:

304. Section 599 of the Act is amended,

- (1) in the first paragraph,
 - (a) by striking out subparagraphs 6 and 7;
 - (b) by replacing “le vérificateur” in subparagraph 8 in the French text by “l’auditeur”;
 - (c) by replacing “de vérification” in subparagraph 9 in the French text by “d’audit”;
 - (d) by replacing subparagraph 10 by the following subparagraph:

“(10) determine the cases where, despite section 473, a financial services cooperative may acquire and hold up to all the contributed capital securities issued by a legal person or a partnership, up to all the participations in a trust or a share of a right of ownership;”
 - (e) by striking out subparagraphs 11 to 14 and 17;
- (2) by striking out the second paragraph.

Adopté 597

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Section 323

AMENDMENT:

Replace proposed section 28.32 by:

“28.32. Despite section 28.31, an authorized Québec deposit institution may acquire and hold up to all the contributed capital securities issued by a legal person or a partnership, up to all the participations in a trust or a share of a right of ownership in cases where the deposit institution will be the holder of control of the person, partnership, trust or property after the acquisition and in the cases determined by government regulation.

Acepté SM

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Section 360

AMENDMENT:

Replace proposed section 68 by:

“68. Despite section 67, an authorized Québec trust company may acquire and hold up to all the contributed capital securities issued by a legal person or a partnership, up to all the participations in a trust or a share of a right of ownership in cases where the company will be the holder of control of the person, partnership, trust or property after the acquisition and in the cases determined by government regulation.

Adopté SM

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Section 360

AMENDMENT:

Replace proposed section 55 by:

“55. Despite article 1262 of the Civil Code, an authorized trust company may establish a trust by resolution or by any other unilateral act.

Despite article 1275 of the Civil Code, a trust company that, further to such an act, is the settlor and trustee of the trust is not required to act jointly with a trustee who is neither the settlor nor a beneficiary.

Adopté 5/1

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Section 360

AMENDMENT:

Replace "Unless expressly authorized by the instrument creating the administration" in the introductory clause of proposed section 58 by "Unless the act constituting the administration expressly provides otherwise".

Adopte SR

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Section 360

AMENDMENT:

Replace "Each year, the board of directors must prepare a report on" in proposed section 60 by "An authorized trust company must keep an up-to-date register of".

Adopted SM

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Section 360

AMENDMENT:

In the second paragraph of proposed section 62:

1. Insert "if it is authorized to carry on deposit institution activities" after "of the deposits it receives".
2. Insert ", other than in section 58," after "Division II of this chapter".

Adopte SM

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Section 360

AMENDMENT:

Insert "or holder" after "owner" in proposed section 69.

Adopté SD1

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Section 3

AMENDMENT:

Insert "or holder" after "owner" in proposed section 86.

Adopté SR

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Section 243

AMENDMENT:

Replace paragraph 2 of proposed section 441 by:

- (2) in the second paragraph,
- (a) by replacing both occurrences of “capital base” by “capital”;
- (b) by striking out the second sentence.

Adopte 5/1

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Section 252

AMENDMENT:

Replace by:

252. Section 451 of the Act is replaced by the following section:

“**451.** A credit union must maintain adequate capital to ensure its sustainability.”

Adopted SR1

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Section 266

AMENDMENT:

Replace section 266 by:

266. Sections 471 and 472 of the Act are replaced by the following section:

“471. A financial services cooperative that is not a member of a federation shall send its investment policy to the Authority at its request and a federation, the policy that its member credit unions must follow.”

Adopté 571

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Section 267

AMENDMENT:

Insert after proposed section 473:

“473.1. For the purposes of this division, “contributed capital security” means the writing that attests the existence of

- (1) a share of the share capital of a business corporation;
- (2) a share of the capital stock of a joint-stock company;
- (3) a share of the capital stock or share capital of a cooperative, financial services cooperative or mutual company; or
- (4) a share of a partner in a general partnership or of a special partner in a limited partnership’s common stock.”

Adopte SA

AM 39
s. 267 (477)

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Section 267

AMENDMENT:

Insert "or holder" after "owner" in proposed section 477.

Adopte 581

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Section 272

AMENDMENT:

Replace by:

272. Section 481 is amended

(1) by replacing “a legal person referred to in the first paragraph of section 480” and “controlling the legal person” in the first paragraph by “an issuing corporation referred to in section 475” and “that is the holder of control of the issuing corporation”, respectively;

(2) by replacing “The federation shall also determine, by resolution,” in the second paragraph by “The board of directors of the federation shall also determine”;

(3) by replacing “of the federation” in the second paragraph by “passed by the board of directors of the federation under the second paragraph”;

(4) in the fourth paragraph,

(a) by replacing “of the federation” by “passed by the board of directors of the federation under the second paragraph”;

(b) by striking out “a by-law or”, “or by-law” and both occurrences of “by-laws”.

Adopte 5/7

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Section 323

AMENDMENT:

Insert "or holder" after "owner" in proposed section 28.33.

Adopté SM

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Section 3

AMENDMENT:

Replace the first paragraph of proposed section 125 by:

An actuary who, in the course of his or her functions, becomes aware of a situation that, in his or her opinion, has or is likely to have material adverse effects on the authorized insurer's financial condition must draft a detailed report on the situation.

An auditor who becomes aware of a situation that is likely to appreciably limit the insurer's ability to fulfill its obligations must report on the situation in the ordinary course of his or her audit.

Adopte SM

Bill 141

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Section 308

AMENDMENT:

1. Strike out “, 253.1” and “434,”;
2. Replace “, 550 and 552” by “and 550”.

Adopte 5/11

Bill 141

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Section 323

AMENDMENT:

Replace "the functions provided for in this chapter" in the first paragraph of proposed section 28.60 by "the audit provided for in section 28.59".

Adepté 5/7

Bill 141

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Section 323

AMENDMENT:

Replace "the functions provided for in this chapter" in proposed section 28.64 by
"the audit provided for in section 28.59".

Adopte SD1

Bill 141

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Section 323

AMENDMENT:

Replace the first paragraph of proposed section 28.69 by:

An auditor who becomes aware of a situation that is likely to appreciably limit the authorized deposit institution's ability to fulfill its obligations must report on the situation in the ordinary course of his or her audit.

Adepte SJ

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Section 323

AMENDMENT:

Strike out the second sentence of the first paragraph of proposed section 28.70.

Adopte 5/11

Bill 141

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Section 360

AMENDMENT:

Replace "the functions provided for in this chapter" in the first paragraph of proposed section 96 by "the audit provided for in section 95".

Adopté 5/11

Bill 141

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Section 360

AMENDMENT:

Replace "the functions provided for in this chapter" in proposed section 100 by "the audit provided for in section 95".

Adopte 5/11

Bill 141

**An Act mainly to improve
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Section 360

AMENDMENT:

Replace the first paragraph of proposed section 105 by:

An auditor who becomes aware of a situation that is likely to appreciably limit the authorized trust company's ability to fulfill its obligations must report on the situation in the ordinary course of his or her audit.

Adopte 5/17