

Notice relating to regulatory and administrative relief measures in respect of certain provisions of the *Deposit Institutions and Deposit Protection Act* and its regulation – COVID-19

On March 19, the Autorité des marchés financiers (the “AMF”) announced that it is was taking various steps to maintain its operations and continue to pursue its financial market oversight and consumer protection missions. In order to enable authorized deposit institutions to focus on addressing the challenges stemming from COVID-19, the AMF is implementing specific regulatory and administrative relief measures in respect of certain provisions of the *Deposit Institutions and Deposit Protection Act* and *its regulation*.

1. Deposit insurance premiums – Option of deferring the July 15, 2020 premium instalment

Québec-chartered authorized deposit institutions must pay a deposit insurance premium to the AMF every year. The premium may be paid in two equal instalments, the first due on July 15 and the second on December 15. For the 2020 accounting period for premiums only, the AMF will allow the first premium instalment to be deferred until December 15, 2020. Consequently, no interest or penalty will be charged to institutions that wish to pay the entire premium on December 15 and consequently would not pay their first instalment on July 15. Institutions will, of course, be able to pay their premium in two instalments on the usual dates, if they prefer to do so.

2. Declaration of Guaranteed Deposits – Case-by-case relief

The AMF understands that, given the current situation, some institutions may find it difficult to file their Declaration of Guaranteed Deposits by July 15, 2020. Institutions that experience difficulty in meeting the filing deadline may contact the AMF. Depending on the situation, the AMF may provide relief, including accepting a partially completed declaration—without the breakdown by category of deposits, for example—or allowing guaranteed deposits to be declared after the deadline. In all cases, guaranteed deposits must be declared no later than December 15, 2020.

3. Compliance with the new provisions on deposit protection information for depositors – Application by institutions on a best-efforts basis

The new Regulation respecting the application of the *Deposit Institutions and Deposit Protection Act*, scheduled to come into force on April 30, 2020, introduces some changes to, and demands that institutions properly inform depositors about, deposit protection. Given the current circumstances, the AMF understands that it could be difficult for institutions to adjust their current practices or update their websites and documentation to reflect the changes to deposit protection. The AMF expects Québec-chartered authorized deposit institutions to update their information and their practices for informing depositors about deposit protection as soon as possible. They are also reminded that the provisions for electronically displaying the official AMF authorization logo will not come into force until April 30, 2021.

4. Data requirements 2.0 – Compliance testing postponed and streamlined

In order to obtain all the necessary data in the event of deposit repayment, the AMF expects Québec-chartered authorized deposit institutions to comply with certain data requirements. Annual compliance testing enables the AMF to ensure that institutions meet those requirements. Given the current situation, the AMF is postponing compliance testing until next fall and may limit

its scope. However, the AMF will continue to work with institutions to ensure that data is available for deposit repayment purposes.

5. Data requirements 3.0 – Implementation postponed

After consulting Québec-chartered authorized deposit institutions, the AMF was planning to officially publish its proposed data requirements 3.0 on its website in April 2020 in view of their coming into force on April 30, 2021. Since the Canada Deposit Insurance Corporation (CDIC) will be working with the federal Department of Finance to postpone the implementation of its own data requirements 3.0, the AMF is postponing the implementation of its requirements 3.0, which was initially scheduled for April 30, 2021. The AMF would like to harmonize the timing of their implementation with the new date that will be determined at the federal level.

In response to public concerns relating to COVID-19 and the impact of those concerns on authorized deposit institutions, the AMF will continue its efforts to raise public awareness regarding the protection of their deposits and reassure Quebeckers that their hard-earned savings are safe. The AMF's deposit protection mission helps to ensure the stability of Québec's financial system.

If you have any questions or would like to report any issues, please contact:

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