

REGULATION RESPECTING THE APPLICATION OF THE DEPOSIT INSTITUTIONS AND DEPOSIT PROTECTION ACT

Deposit Institutions and Deposit Protection Act

(chapter I-13.2.2 [s. 1.1, 2nd par., subpar. \(7\), s. 27, 3rd par., subpar. \(8\), s. 27.3, par. \(5\) and ss. 37, 40.3, 41 and 43, s. 43; S.Q. 2018, c. 23, s. 812](#)).

CHAPTER I

SCOPE AND INTERPRETATION

1. The term “deposit of money” means the unpaid balance, including interest thereon, of funds received by ~~an institution~~ [a deposit institution](#) or a bank in the normal course of receiving cash deposits from the public for investment, [account transaction and safekeeping](#) purposes, where the obligation of ~~the institution~~ [the deposit institution](#) or bank to repay is evidenced by a credit to the depositor’s account, by a deposit certificate or by any other document issued by ~~the institution~~ [the deposit institution](#) or bank.

A deposit of money does not include

(1) ~~(paragraph repealed) funds repayable upon the expiry of a term exceeding 5 years, unless the institution or bank is required to repay such funds, at any time, on demand by the depositor, after 5 years from the date of the deposit or unless such funds were received before 1 July 1970;~~

(2) funds used to acquire shares or equity securities ~~issued by a financial services cooperative, an insurer, a trust company or a savings company;~~

(3) funds repayable, in the case of a winding-up, at a rank subordinate to other ordinary due debts of the [deposit](#) institution or bank;

(4) funds used to acquire ~~shares~~ [securities](#) of an investment fund;

(5) [traveller’s cheques](#).

A depositor is a person who makes a deposit of money within the meaning of the Deposit Institutions and Deposit Protection Act (chapter I-13.2.2) and this Regulation, or a person to whom ~~an institution~~ [a deposit institution](#) or a bank is required to repay such deposit.

2. In addition to the provisions in the first paragraph of section 1, the funds referred to ~~therein in that paragraph~~ constitute a deposit of money within the meaning of the Act and this Regulation where the document evidencing the obligation of the [deposit](#) institution or bank to repay or to pay explicitly bears the name of the person entitled, as of the date of issue of the document, to payment or repayment of the funds received.

Where the document is assigned, the name of the assignor, the name of any assignee and the terms of assignment must be noted in the records of the [deposit](#) institution or bank.

The first paragraph does not apply where the obligation to repay or to pay is evidenced by a draft, a certified cheque, ~~a traveller’s cheque~~, a letter of credit paid in advance or a money order.

3. The date of deposit [of money](#) is the date on which a sum of money is credited to the ~~depositor~~ [depositor’s account](#), or the date appearing on the instrument issued by the depositary.

A depositary is ~~a registered institution~~ an authorized deposit institution or a bank ~~within the meaning of section 1.2 of the Act~~ where deposits of money are guaranteed by the Autorité des marchés financiers.

4. A deposit of money is deemed to be made at the place where the funds are received by the depositary, subject to the following provisions:

(1) where the funds are remitted to a branch or agent of the depositary, the deposit is deemed to be made at the place where such branch or agent received the funds;

(1.1) where the funds are remitted by technological means, including through an automated teller machine, the deposit is deemed to be made at the place of business of the depositary, branch or agent of the depositary that has the funds;

(2) where the depositor requests that the funds be credited to an account maintained at a particular ~~office~~ place of business of the depositary, the deposit is deemed to be made at such office;

(3) where the place at which the deposit was made is changed without the consent of the depositor, the deposit is deemed to have been made at the place where the funds were placed by the depositor;

(4) where a depositary receives funds giving rise to the issue of a guaranteed investment certificate, a deposit certificate or another document evidencing the deposit, and where it is not possible to establish the place of deposit in accordance with paragraphs 1 to 3 hereof, the deposit is deemed to be made at the ~~office~~ place of business of the depositary where the instrument was issued to the depositor or the place from which it was sent to the depositor;

(5) where it is not possible to establish the place of deposit in accordance with paragraphs 1 to 4 hereof, the deposit is deemed to have been made at the depositary's head office.

5. An accounting period for premiums is the period from 1 May of every year to 30 April of the next year.

CHAPTER II

~~PERMIT AND CONDITIONS FOR REGISTRATION~~ APPLICATION FOR AUTHORIZATION

6. A legal person applying for authorization from the Autorité des marchés financiers to carry on deposit institution activities in Québec must submit its application for authorization together with the following documents and information:

(1) an insurance certificate attesting that the legal person holds fidelity insurance;

(2) where applicable, a detailed statement of deposits of money that it holds outside Québec;

(3) where applicable, a copy of the resolution of the board of directors authorizing the legal person to apply to the Authority for an authorization to carry on deposit institution activities in Québec;

(4) a business plan covering a minimum period of three years, setting out its planned deposit institution activities for Québec and detailing, in particular:

(a) the legal person's financial capacity, including its current financial position and its financial forecasts related to the planned activities;

(b) its business strategy;

(c) its management and governance practices;

(d) its commercial practices;

(e) the policies and procedures established to ensure compliance with the laws, regulations and guidelines applicable to it.

(5) where applicable, its most recent annual report;

(6) where applicable, a statement signed by a person authorized to do so within the legal person regarding compliance with the laws, regulations and guidelines applicable to the legal person.

The documents and information submitted with the application for authorization must be dated within no more than 12 months prior to the date on which the legal person provides the Authority with the final information to complete the application. ~~An institution applying for registration must complete the form prescribed by the Authority and submit it together with the following documents:~~

~~(1) a copy of the institution's constituting act and by laws, and any amendments thereto;~~

~~(2) a certified copy of the institution's audited financial statements for each of the past 3 years, as well as those of its subsidiaries and of the entity that controls it, and a certified copy of the unaudited financial statements for a period ended not more than 90 days prior to the date of its application for a permit where the most recent fiscal year ended more than 120 days but less than one year before the date of the application;~~

~~(3) a copy of an insurance policy attesting that the institution is insured against fraud, misappropriation and theft;~~

~~(4) where applicable, a detailed statement, in the form prescribed by the Authority, of deposits held by the institution outside Québec.~~

~~In the case of a newly formed institution, a budgeted statement of assets and liabilities and an operating budget for the fiscal year during which the application for a permit is filed and for the subsequent 2 years replace the financial statements required under subparagraph 2 of the first paragraph hereof.~~

~~7. (Repealed). In addition to the requirements set out in section 6, the Authority issues a permit to any institution that fulfills the following conditions:~~

~~(1) it has provided all documents and information required by the Authority;~~

~~(2) it intends to solicit and receive deposits of money from the public within the meaning of the Act and this Regulation;~~

~~(3) it complies with the provisions of the laws and regulations applicable to it as well as any guidelines, written directions and undertakings made pursuant to such laws;~~

~~(4) it is in a position to discharge, when due, any obligation resulting from the receipt of a deposit of money;~~

~~(5) it follows sound commercial and financial practices;~~

~~(6) it holds an insurance policy covering fraud, misappropriation and theft;~~

~~(7) it is not insolvent or about to become so; and~~

~~(8) it is in a satisfactory financial position.~~

~~Where an institution is not constituted under an Act of Québec, the deposits it holds outside Québec must be insured in accordance with the Canada Deposit Insurance Corporation Act (R.S.C. 1985, c. C-3) or under a guarantee policy issued by the Authority.~~

~~8. (Repealed). A registered institution must, at all times, fulfill the conditions required for the issue of a permit as set out in subparagraphs 3 to 8 of section 7.~~

CHAPTER III GUARANTEE AND PREMIUMS PAYABLE

DIVISION I SEPARATE GUARANTEE

9. A deposit of money made with ~~the same institution~~ the same deposit institution or bank constitutes a deposit separate from any other deposits in the following cases:

(1) the deposit is the aggregate of a person's interests in one or more deposits received by ~~an institution~~ a deposit institution or bank under one or more registered retirement savings plans, registered retirement income funds, registered education savings plan, registered disability savings plan or tax-free savings accounts in accordance with the Taxation Act (chapter I-3) or the Income Tax Act (R.S.C. 1985, c. 1 (5th Supp.));

(2) for each beneficiary of a trust or for each mandator, the deposit is made with ~~an institution~~ a deposit institution or bank by a person acting as a trustee or mandatary with ~~an institution~~ a deposit institution or bank, and the existence of the trust or mandate is noted ~~as well as the name and address of the beneficiary are noted~~ in the records of ~~the institution~~ the deposit institution or bank;

(3) for each beneficiary of a trust or for each mandator, the deposit is made with ~~an institution~~ a deposit institution or bank in the interest of persons in respect of which a trustee or mandatary acts as a depositor, and the existence of the trust or mandate, ~~the names and addresses of each beneficiary and the breakdown of the deposit are noted~~ is noted in the records of ~~the institution~~ the deposit institution or bank, except for deposits received under registered retirement savings plans, registered retirement income funds, registered education savings plan, registered disability savings plan or tax-free savings accounts;

(4) the deposit is the aggregate of the deposits in respect of which a person acts as a co-owner jointly with the same persons, where the existence of each person's interest is noted in the records of ~~the institution~~ the deposit institution or bank;

~~(5) (paragraph repealed) the deposit is received by an institution or bank and the funds are used to pay the balance owing by a hypothecary debtor with respect to the property taxes on the hypothecated property.~~

10. An interest acquired by a person in a deposit of money after the date of the suspension or cancellation of ~~an institution's~~ a deposit institution's ~~permit authorization~~ or after the suspension, rescission or expiry of a policy issued by the Authority under section 34 of the Act does not constitute a new deposit for the purposes of the guarantee.

11. ~~(Repealed). Where the Authority's obligation under a guarantee becomes enforceable before the date of expiry of a term deposit, the guarantee period provided for in the second paragraph of section 37 of the Act is extended by no more than 2 years from the date of expiry of such deposit.~~

Commenté [GK1]: This amendment will be in force one year after the coming into force of the Regulation to amend the Regulation respecting the application of the Deposit Institutions and Deposit Protection Act.

Commenté [GK2]: This amendment will be in force one year after the coming into force of the Regulation to amend the Regulation respecting the application of the Deposit Institutions and Deposit Protection Act.

Commenté [GK3]: This amendment will be in force one year after the coming into force of the Regulation to amend the Regulation respecting the application of the Deposit Institutions and Deposit Protection Act.

~~Where the Authority's obligation under a guarantee becomes enforceable after the date of expiry of a term deposit, the guarantee period provided for in the second paragraph of section 37 of the Act is extended by no more than 2 years from the date on which the Authority's obligation under a guarantee becomes enforceable.~~

DIVISION I.1 CALCULATION OF THE PREMIUM PAYABLE

11.1. For the purposes of calculating the premium payable under section 40.2.1 of the Act:

(1) the determination of each beneficiary of a trust or of each mandator, with respect to the deposits of money held in trust or under a mandate referred to in paragraphs 2 and 3 of section 9, is made on the basis of the information contained in the records of the authorized deposit institution.

(2) the interest accrued and payable on a deposit of money must be calculated, in accordance with the terms and conditions of the contract and exclusive of any penalty, on the basis of the number of days between the date of the last interest payment and 30 April, divided by the number of days between the date of the last interest payment and the date of the next interest payment.

DIVISION II **PREMIUM PAYABLE FOR GUARANTEE PURPOSES UNDER SECTION 33.1 OF THE ACT**

§ 1. — *General provisions*

12. The amount payable by ~~a registered institution~~ an authorized deposit institution for each accounting period for premiums is equal to the greater of the following amounts:

(1) 1/251/20 of 1% of an amount equal to the total of the portion of each deposit that is guaranteed by the Authority under section 33.1 of the Act and that is on deposit with ~~the registered institution~~ the authorized deposit institution on 30 April preceding the accounting period for premiums;

(2) \$5,000.

13. The ~~registered~~ authorized deposit institution determines the total deposits of money under the first paragraph of section 12 and informs the Authority of such total within 75 days of the beginning of the accounting period for premiums by completing the form ~~prescribed by the Authority~~ available on the Authority's website.

14. Notwithstanding section 17, half the premium payable by ~~a registered institution~~ an authorized deposit institution must be paid to the Authority not later than on 15 July of the accounting period for which the premium was established. The balance must be paid not later than on 15 December of the same period.

15. The amount of the premium payable by ~~a registered institution~~ an authorized deposit institution for the accounting period during which it becomes an authorized deposit institution ~~a registered institution~~ is equal to the greater of the following amounts:

(1) a fraction of 1/251/20 of 1% of an amount equal to the total of the portion of each deposit of money that is guaranteed by the Authority under section 33.1 of the Act and that is on deposit with ~~the institution~~ the deposit institution on the last day of the month during which it became an authorized deposit institution ~~a registered institution~~;

(2) a fraction of \$5,000.

Commenté [GK4]: This amendment will be in force one year after the coming into force of the Regulation to amend the Regulation respecting the application of the Deposit Institutions and Deposit Protection Act.

Commenté [GK5]: This amendment will be in force one year after the coming into force of the Regulation to amend the Regulation respecting the application of the Deposit Institutions and Deposit Protection Act.

The fraction is obtained by dividing by 365 the number of days in the accounting period for premiums during which the guarantee provided for in section 33.1 of the Act is in force.

During an accounting period for premiums, where an authorized deposit institution ~~a registered institution~~ is continued pursuant to the Insurance Companies Act (S.C. 1991, c. 47) or the Trust and Loan Companies Act (S.C. 1991, c. 45), the portion of the unearned premium is reimbursed to ~~the registered institution~~ the authorized deposit institution.

16. ~~A registered institution~~ An authorized institution referred to in section 15 determines the total deposits of money provided for in subparagraph 1 of the first paragraph of section 15 and informs the Authority of such total forthwith by completing the form ~~prescribed~~ sent by the Authority.

17. Where the premium calculated under section 15 does not exceed half the premium that would have been payable for the full accounting period for premiums, it must be paid to the Authority within 75 days following the end of the month during which ~~the institution~~ the deposit institution becomes ~~a registered institution~~ an authorized deposit institution.

Where the premium calculated under section 15 exceeds half the premium that would have been payable for the full accounting period for premiums, the amount equal to half the premium must be paid to the Authority within 75 days following the end of the month during which the deposit institution ~~the institution~~ becomes an authorized deposit institution ~~a registered institution~~ and the balance not later than on 15 December of the current accounting period.

18. The Authority may charge interest, at the rate determined under section 28 of the Tax Administration Act (chapter A-6.002), on any unpaid balance of a premium payable or portion thereof.

19. ~~(Repealed). A security fund established under An Act respecting financial services cooperatives (chapter C-67.3) must send to the Authority, not later than on 31 March preceding the accounting period for premiums, its financial statements and a report of activities covering the period from 1 January to 31 December of the year preceding the accounting period for premiums.~~

The report must indicate:

- ~~(1) — the list of financial services cooperatives that are members of such security fund;~~
- ~~(2) — the method for calculating every assessment ordered or required by the security fund;~~
- ~~(3) — the amount of any assessment established for each member cooperative of the security fund and the conditions for payment of such assessments;~~
- ~~(4) — the amounts paid in respect of any assessment by each cooperative and a list of any of the cooperatives that have not paid amounts in respect thereof;~~
- ~~(5) — the amounts of loans and grants made to each cooperative and the conditions for repayment of the loans;~~
- ~~(6) — guarantees of repayment of an advance or loan made to a cooperative that is a member of the security fund;~~
- ~~(7) — agreements made with each such cooperative under which its affairs are managed by the security fund for a fixed period, and the conditions of such agreements;~~

~~(8) — the acquisition of some or all of the assets of a cooperative that is a member of the security fund and the conditions of such acquisition;~~

~~(9) — the measures that the security fund determined when making a loan or grant to one or more cooperatives that must be implemented by each such cooperative in order to correct certain of its administrative and financial practices;~~

~~(10) — the names of cooperatives for which the security fund has acted as liquidator or sequester;~~

~~(11) — the names of cooperatives for which the security fund has acted as provisional administrator for the purposes of An Act respecting financial services cooperatives;~~

~~(12) — a list of cooperatives inspected, the number of inspections, the dates of the inspections and a list of cooperatives not inspected;~~

~~(13) — a detailed list of the security fund's investment portfolio and its investment portfolio management report;~~

~~(14) — a description of the security fund's activities and a statement of its operations.~~

20. ~~(Repealed). Where, during an accounting period for premiums, a registered financial services cooperative becomes or ceases to be a member of a security fund whose members benefit from a reduction in premiums, such cooperative benefits or ceases to benefit, as the case may be, from a reduction in premiums for the unexpired part of the accounting period.~~

§ 2. — ~~Premium payable by an authorized extra-provincial deposit institution resulting from an amalgamation. Premium payable by a registered extra provincial institution resulting from an amalgamation~~

21. The amount of the premium payable by ~~a registered extra provincial institution~~ an authorized extra-provincial deposit institution resulting from an amalgamation of which any of the amalgamating ~~institutions were already registered~~ deposit institutions were already authorized for the accounting period for premiums during which the amalgamated institution becomes ~~a registered institution~~ an authorized deposit institution is equal to the amount provided for in the first paragraph of section 15 and calculated in accordance with the second paragraph thereof.

However, the amount of the premium payable by ~~a registered institution~~ an authorized deposit institution or institutions that are part of an amalgamation for the number of days in this accounting period for premiums during which the guarantee prescribed under section 33.1 of the Act is in force must be subtracted from the amount of the premium determined in accordance with the first paragraph hereof.

~~An extra-provincial deposit institution is a deposit institution other than an authorized Québec deposit institution. An extra provincial institution is an institution incorporated or continued in Canada under a law other than a law of Québec.~~

DIVISION III

GUARANTEE POLICY AND PREMIUMS

§ 1. — *Guarantee policy*

22. ~~A registered institution~~ An authorized deposit institution or a bank seeking to obtain a guarantee policy referred to in section 34 of the Act must file an application ~~by completing the form prescribed by~~ with the Authority.

~~Such guarantee policy must be drafted in the form prescribed by the Authority and must be issued by the Authority. The guarantee policy is for a duration of 1 year as of the~~

~~date of issue and is renewed automatically for the same duration until such time as it is suspended, cancelled or rescinded.~~

23. Subject to the reasons for suspension, cancellation or rescission provided for in the Act and in regulations, a guarantee policy may be terminated where the ~~registered~~ authorized deposit institution or bank involved, together with the Authority, agree to rescind the guarantee after giving the competent authorities of the government of the province in which the deposits of money were made not less than 90 days' notice of the intention of the ~~authorized deposit registered~~ institution or bank to rescind the guarantee.

And likewise where the Canada Deposit Insurance Corporation, incorporated under the Canada Deposit Insurance Act (R.S.C. 1985, c. C-3), issues to the ~~authorized deposit registered~~ institution or the bank a guarantee policy that, in the opinion of the competent authorities of the government of the province in which the deposits were made, provides insurance at least equivalent to the guarantee of the Authority. In such case, the guarantee terminates only once the Authority has been duly informed by the government of the province in which the deposits were made that, in its opinion, the insurance granted to the ~~authorized deposit registered~~ institution or bank by the Canada Deposit Insurance Corporation is at least equivalent to the guarantee of the Authority.

§ 2. — *Determination of premium*

24. The premium payable by ~~a registered institution~~ an authorized deposit institution or a bank holding a guarantee policy is equal to ~~1/25~~ 1/20 of 1% of the aggregate deposits of money held on the last day of the preceding accounting period for premiums.

Commenté [GK6]: This amendment will be in force one year after the coming into force of the Regulation to amend the Regulation respecting the application of the Deposit Institutions and Deposit Protection Act.

25. The premium payable by ~~a registered institution~~ an authorized deposit institution or a bank for the accounting period for premiums during which its deposits of money become guaranteed is equal to a fraction of ~~1/25~~ 1/20 of 1% of the aggregate deposits held on the last day of the month during which its deposits became guaranteed, established on the basis of the number of days in such accounting period for premiums during which the guarantee is in force, divided by 365.

Commenté [GK7]: This amendment will be in force one year after the coming into force of the Regulation to amend the Regulation respecting the application of the Deposit Institutions and Deposit Protection Act.

26. For premium calculation purposes, each deposit must be included in the aggregate deposits of money guaranteed by a policy, to a maximum of \$100,000.

27. Half the premium payable by ~~a registered institution~~ an authorized deposit institution or a bank under section 25 hereof must be paid to the Authority not later than on 15 July of the accounting period for which the premium was established. The balance must be paid not later than on 15 December of the same period.

28. The Authority may charge interest, at the rate determined under section 28 of the Tax Administration Act (chapter A-6.002), on any unpaid balance of a premium payable or portion thereof.

CHAPTER IV

DATA AND SYSTEMS REQUIRED FOR EXECUTION OF OBLIGATION UNDER A GUARANTEE

29. For the purposes of this Chapter:

“cut-off date” means the first day on which any of the events listed in section 34.1 of the Deposit Institutions and Deposit Protection Act (chapter I-13.2.2) occurs;

“standardized data” means any information with respect to a deposit of money to be provided by ~~a registered institution~~ an authorized deposit institution according to the tables established by the Authority and available on its website;

“deadline” means one of the following times:

(a) where the cut-off date is a business day, the time by which all of the transactions made on that day are recorded in the deposit registers of ~~the registered institution~~ the authorized deposit institution;

(b) where the cut-off date is not a business day, the time by which all of the in the deposit registers of ~~the registered institution~~ the authorized deposit institution.

30. Every ~~registered~~ authorized deposit institution must have computer systems enabling it to identify the deposits of money entrusted to it and the depositors thereof and to aggregate these deposits based on each depositor or each separate guarantee set out in section 9.

31. The authorized deposit institution must calculate the interest related to each deposit of money as at the cut-off date.

For calculating the interest referred to in the first paragraph, interest accrued and payable on a deposit of money must be calculated, in accordance with the terms and conditions of the contract and exclusive of any penalty, on the basis of the number of days between the date of the last interest payment and the cut-off date, divided by the number of days between the date of the last interest payment and the date of the next interest payment

31.1. ~~The institution~~ The authorized deposit institution must ~~give the Authority access to~~ deliver to the Authority all or part of the standardized data recorded in the institution's registers as at the deadline, no later than by the earlier of:

- (1) 6 hours after the deadline; and
- (2) 4:00 p.m. on the second day following the cut-off date.

After any of the times set out in the first paragraph, the deposit institution must ~~deliver to the Authority, at the Authority's request, give the Authority access to~~ all or part of the standardized data recorded in the institution's registers as at the deadline.

Where the deposit institution belongs to a financial group within the meaning of section 6.3 of the Act respecting financial services cooperatives (chapter C-67.3), the federation belonging to the financial group must be able to consolidate the standardized data of all members of the financial group before delivering the data to the Authority.

31.2. ~~A registered institution~~ An authorized deposit institution must be able to restrict a deposit of money, in whole or in part, as well as any withdrawal or any margin transaction affecting such deposit.

It must be possible to apply any initial or subsequent restriction to a deposit of money independently of any other withholding applied by ~~the registered institution~~ the authorized deposit institution as part of its operations.

Where deposits are partially restricted, ~~the registered institution~~ the authorized deposit institution must be able to give the depositor access to the balance of his account, calculated as at the deadline, less the amount partially restricted or the amount withheld, whichever is higher.

It must be possible to apply a total or partial restriction to the account within 6 hours following ~~the decision to restrict deposits~~ receipt by the deposit institution of the instructions to restrict deposits.

31.3. ~~A registered institution~~ An authorized deposit institution referred to in section 40.4 of the Act is ~~deemed~~ presumed to comply with the provisions of this Chapter.

32. For the purposes of section 34.4 of the Act, the interest rate calculated on a deposit of money for the period beginning on the winding-up date and ending on the date of full

Commenté [GK8]: This amendment will be in force one year after the coming into force of the Regulation to amend the Regulation respecting the application of the Deposit Institutions and Deposit Protection Act.

payment of such deposit of money is equal to the rate determined under section 28 of the Tax Administration Act (chapter A-6.002).

CHAPTER V

~~ADVERTISING~~ REPRESENTATIONS AND ADVERTISING

32.1. In carrying on its deposit institution activities, an authorized deposit institution must draft all its advertising or disclosure documents in a language that is clear, readable, specific and not misleading so as to highlight the key elements required for informed decision-making and not cause confusion or misunderstanding.

Likewise, the authorized deposit institution and its agents may not make misrepresentations or exert undue pressure or use fraudulent tactics on the public.

33. Every ~~registered~~ authorized deposit institution must display the official logo supplied by the Authority, in physical or digital form, in a conspicuous place at the entrance to and inside any establishment where it carries on its activities.

In carrying on its deposit institution activities, it must also display the official logo, in digital form, when a depositor initiates an action through technological means made available to him or her by the deposit institution.

34. The official logo attesting to authorization by the Authority is as follows: ~~The official logo attesting to registration with the Authority is as follows:~~



35. Before opening an account for a depositor or issuing any document to him or her evidencing the receipt of a deposit of money within the meaning of section 1, an authorized deposit institution must provide the depositor with a description, in physical or digital form, of the Authority's deposit protection plan.

An authorized deposit institution that provides the depositor with the Authority's deposit protection brochure in physical or digital form or that refers to the relevant sections of the Authority's website is deemed to have fulfilled the obligation set out in the first paragraph. ~~A registered institution wishing to inform the public that deposits made with it are guaranteed by the Authority may use only the phrase "Registered under the Deposit Institutions and Deposit Protection Act with the Autorité des marchés financiers" in its advertising.~~

36. Every document issued by ~~a registered institution~~ an authorized deposit institution and evidencing the receipt of funds referred to in section 1 hereof must contain the following statement: "This is a deposit of money within the meaning of the Deposit Institutions and Deposit Protection Act."

37. Where the document evidencing the authorized deposit institution's obligation to repay does not explicitly bear the name of the person entitled, as of the date of issue of the document, to repayment, it must include the following statement: "The funds of which receipt is evidenced by this document do not constitute a deposit of money within the meaning of the Deposit Institutions and Deposit Protection Act. ~~The statement "The funds of which receipt is evidenced by this document do not constitute a guaranteed deposit within the meaning of the Deposit Institutions and Deposit Protection Act." must be~~

Commenté [GK9]: This amendment will be in force one year after the coming into force of the Regulation to amend the Regulation respecting the application of the Deposit Institutions and Deposit Protection Act.

~~included in any document attesting that a registered institution has received funds that do not constitute a deposit for any of the following reasons:~~

- ~~(1) — the term of the deposit is longer than 5 years and repayment may not be required on demand at any time after 5 years from the date of deposit;~~
- ~~(2) — the document evidencing the institution's obligation to repay does not explicitly bear the name of the person entitled to repayment as of the date of issue of the document;~~
- ~~(3) — the deposit is payable in foreign currency.~~

37.1. An authorized deposit institution must, for any instrument that could give rise to confusion because it is similar to in nature to a deposit of money, inform its clients that such an instrument does not constitute a deposit of money.

An authorized deposit institution that displays a statement similar to the one in section 37 on the disclosure document for such an instrument to be provided to clients is deemed to have fulfilled the obligation in the first paragraph.

37.2. An authorized deposit institution referred to in section 40.4 of the Act is presumed to comply with the provisions of this Chapter.

CHAPTER VI **MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS**

DIVISION I **MISCELLANEOUS PROVISIONS**

38. Every authorized deposit institution must deliver annually the detailed report provided for in section 41 of the Act.

The delivery to the Authority of an annual report or an annual statement as required under the Insurers Act (chapter A-32.1), the Trust Companies and Savings Companies Act (chapter S-29.02) or the Act respecting financial services cooperatives (chapter S-29.02) fulfills the requirement set out in the first paragraph hereof.~~Every registered institution must deliver to the Authority a certified copy of the annual report and statement of its operations and financial position. These documents must be accompanied by a report from the institution's auditor.~~

~~The delivery to the Authority of the documents referred to in the first paragraph hereof as required under the Insurers Act (chapter A 32.1), the Trust Companies and Savings Companies Act (chapter S 29.02) or An Act respecting financial services cooperatives (chapter C 67.3) fulfills the requirement set out in the first paragraph hereof.~~

39. *(Repealed)* The report on the inspection conducted in respect of a registered institution's affairs under section 42 of the Act must pertain, in particular, to:

- ~~(1) — the receipt of deposits of money within the meaning of the Act and this Regulation;~~
- ~~(2) — the fact that it complies with the Act governing its activities, and with regulations and guidelines;~~
- ~~(3) — the holding of an insurance policy covering fraud, misappropriation and theft;~~
- ~~(4) — its obligations with respect to the deposits held by the institution;~~
- ~~(5) — its administrative, financial and commercial practices;~~
- ~~(6) — the security measures related to the funds deposited with the institution.~~

~~40. *(Repealed)*. An institution that is continued, converted or amalgamated must apply to the Authority for a review of the permit held by the registered institution.~~

~~Such institution must comply with the requirements set out in sections 6 and 7 of this Regulation.~~

~~41. *(Repealed)*. Any notice intended for a registered institution or a bank or for any directors or officers of such institution or bank must be delivered by any means attesting to its delivery to the last known address of the head office or principal establishment in Québec of such institution or bank, or to the domicile of the director or officer.~~

DIVISION II

TRANSITIONAL AND FINAL PROVISIONS

42. This Regulation replaces the Regulation respecting the application of the Deposit Insurance Act (O.C. 819-93, 93-06-09) except for sections 12 and 50 of the Regulation, which continue to be in force until they are replaced by a regulation approved by the government.

Note *The sections 12 and 50 of the Regulation respecting the application of the Deposit Insurance Act (O.C. 819-93, 93-06-09) will read as follows:*

12. Upon receipt of proof that a registered institution's permit has been damaged, lost, stolen or destroyed, the Authority shall issue a new permit. In such case, the fee payable by the institution is \$56,75.

Where the permit has been damaged, the institution shall return it to the Authority upon receipt of a replacement permit.

A permit replaced in accordance with the first paragraph becomes void once the new permit is issued by the Authority.

50. The costs incurred in the examination of the affairs of a registered institution shall be borne by the institution concerned.

Notwithstanding the foregoing, where an institution's affairs are examined by the Authority in accordance with section 42 of the Act and, in whole or in part, under another Act that applies to the institution, only that portion of the costs attributable solely to the examination under section 42 of the Act is to be borne by the institution so examined.

The institution shall pay the Authority the costs provided for in this section not later than on the 30th day following a request by the Authority that it do so.

43. *(Omitted).*