

**Notice of the Autorité des marchés financiers relating to administrative monetary sanctions imposed for late filing of information or documents
(section 349.1 of *An Act respecting trust companies and savings companies*)**

Importance of filing, within the prescribed due dates, the information required under *An Act respecting trust companies and savings companies* and the documents requested by the Autorité des marchés financiers

Part of the mission of the *Autorité des marchés financiers* (the “Authority” or the “AMF”) is to ensure that the financial institutions and other regulated entities of the financial sector comply with the solvency standards applicable to them as well as with the obligations imposed on them under *An Act respecting trust companies and savings companies*, R.S.Q., c. S-29-01 (the “Act”). The filing of the information required under the Act or requested by the AMF within the prescribed time periods helps the AMF fully assume this mission and protect the interests of consumers of financial products and services.

Every company is responsible for ensuring that reliable and complete information is submitted to the AMF on a timely basis in accordance with the due dates stipulated in the Act or determined by the AMF.

Accordingly, under section 349.1 of the Act, the AMF may impose an administrative sanction on a company or a legal person that controls it for failure to comply with a provision of the Act or its regulations, and collect payment of the sanction.¹

Every company must, within two months of the date of the close of its fiscal period, send to the AMF, in the form determined by it, a statement of the position of its affairs (s. 293 of the Act), along with the auditor’s report on the statement. The interim statement prepared at the date of the close of a company’s first half year must be sent to the AMF at its request, in accordance with section 304 of the Act.

In addition, sections 119 and 285 of the Act set out the dates by which companies constituted under the laws of Québec must send the AMF the reports on the activities of their ethics and audit committees.

¹ Section 349.1 of the Act states as follows:

“Following the establishment of facts brought to the attention of the Authority showing that a person or partnership has failed to comply with a provision of this Act or the regulations, the Authority may impose an administrative sanction on that person or partnership and collect payment of the sanction.

The amount of the sanction must be proportionate to the seriousness of the violation and may in no case exceed \$1,000,000.”

Responsibility to file documents by prescribed due dates

To facilitate companies' compliance with their filing obligation, prior to the end of each fiscal period of trust companies and savings companies, the AMF prepares a list of the documents to be filed with the AMF and the dates by which they are to be filed. These documents may differ depending on the company's activities.

The table in the appendix to this Notice shows the documents to be filed by Québec companies and extra-provincial companies, the filing due dates and the applicable administrative monetary sanctions.

Companies must therefore ensure that they send the requested information to the AMF, in the prescribed form, by the due dates. Annual and semi-annual statutory disclosures must be sent via the AMF website.

Administrative sanction for late filing or failure to file one or more documents

The table below shows the sanctions applicable where a company is late in filing, or fails to file, the required documents. Sanctions are imposed for failure to file some or all of the requested documents as well as for late filings.

Total assets	Amount of sanction per day	Maximum sanction
\$2.5 billion and more	\$1,800 for the first business day and, if applicable, \$1,500 for each additional day	\$67,800
More than \$250 million but less than \$2.5 billion	\$900 for the first business day and, if applicable, \$750 for each additional day	\$33,900
\$100 million to \$250 million	\$500 for the first business day and, if applicable, \$300 for each additional day	\$13,700
Less than \$100 million	\$250 for the first business day and, if applicable, \$150 for each additional day	\$6,850

The amount of the sanction is higher on the first business day during which the company is in default of its filing obligation. The maximum amount payable is based on total assets of a company at the end of the preceding fiscal year and a maximum default period of 45 days.

After this period, the AMF may take any appropriate measures to ensure compliance with the Act.

The amount of the sanction is doubled for repeat offences.

A list of administrative monetary penalties imposed is published in the AMF Bulletin.

Notice

Where a company has not sent the requested information to the AMF within the prescribed time, the AMF will issue a notice to the company, pursuant to section 5 of *An Act respecting administrative justice*, stating, in particular, the alleged facts and the grounds which appear to justify the administrative sanction.

The AMF is required to give the company fifteen (15) days to present written observations. Please note that the AMF will not contact companies to discuss their observations.

Further to an assessment of the written comments and observations submitted, the AMF will issue a decision, in writing, confirming its intention to maintain, amend or cancel the administrative sanction announced in the notice.

The default period begins on the day following the due dates shown in the appended table.

The administrative sanction is payable within 30 days of the date of the decision issued by the AMF, to the following address:

Autorité des marchés financiers
Direction de la surveillance des institutions de dépôt
800, square Victoria
22^e étage
C.P 246, tour de la Bourse
Montréal, Québec
H4Z 1G3

Payment of the administrative sanction may be made by cheque, bank draft or money order, payable to the *Autorité des marchés financiers*.

Sums collected by the AMF from administrative sanctions imposed pursuant to section 349.1 of the Act will be paid in full, in accordance with section 38.2 of *An Act respecting the Autorité des marchés financiers*, R.S.Q., c. A-33.2, to a fund set up by the AMF for the benefit of consumers and earmarked in particular for information about products and services offered by deposit institutions.

Additional information

Additional information is available from:

Direction de la surveillance des institutions de dépôt
Surintendance de l'encadrement de la solvabilité
E-mail: soc-divulgations@lautorite.qc.ca
Telephone: 1-877-525-0337

APPENDIX

Documents to be filed by trust companies and savings companies

Name of document	Form	Section of the Act	Due date
Québec companies and extra-provincial companies			
Complaint examination policy reports	Complaint reporting system available via the AMF website	153.2	Dates determined by the AMF (Filing dates are on the AMF website under Deposit institutions / Obligations and administrative procedures / Complaint examination)
Annual statement	AMF	293	Two months after the date of the close of the company's last fiscal period or on any other date determined by the AMF
Auditor's report on annual statement		293	Two months after the date of the close of the company's last fiscal period or on any other date determined by the AMF
Consolidated and non-consolidated financial statements of the company and its subsidiaries		294	Two months after the date of the close of the company's last fiscal period or on any other date determined by the AMF
Copy of financial statement of the company furnished to its shareholders		303	Five days after the date distributed to shareholders
Copy of financial statement of the legal person which controls the company furnished to its shareholders		303	Five days after the date distributed to shareholders
Interim statement	AMF	304	Forty-five (45) days after the closing date of the company's first half year
Québec companies only			
Ethics committee activity report		119	Two months after the closing date of the last fiscal period or on any other date determined by the AMF
Audit committee activity report		285	Two months after the close of the last fiscal period or on any other date determined by the AMF
Particulars regarding auditor's report		295 (293)	Two months after the closing date of the last fiscal period of the company or on any other date determined by the AMF