



NATIONAL ASSEMBLY OF QUÉBEC

FIRST SESSION

FORTY-SECOND LEGISLATURE

Bill 11
(2019, chapter 2)

An Act to amend the Deposit Insurance Act

**Introduced 26 February 2019
Passed in principle 19 March 2019
Passed 19 March 2019
Assented to 20 March 2019**

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EXPLANATORY NOTES

This Act specifies that provisions expressly establishing that a provisional administrator may terminate a contract do not apply to certain financial contracts where the Autorité des marchés financiers (the Authority) acts as such an administrator for the purposes of the implementation of a resolution order concerning deposit institutions belonging to a cooperative group.

In addition, this Act confers on the Authority, where it is acting for those purposes, the power to convert certain securities issued by one of those institutions into other securities issued by the same institution or by another deposit institution belonging to that group.

The Act also confers on the Authority, for the same purposes, the power to specify by regulation the terms and conditions applicable to transfers of certain financial contracts.

LEGISLATION AMENDED BY THIS ACT:

- Deposit Insurance Act (chapter A-26).

Bill 11

AN ACT TO AMEND THE DEPOSIT INSURANCE ACT

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. Section 40.14 of the Deposit Insurance Act (chapter A-26) is amended by adding the following paragraph at the end:

“The Authority may not, under paragraph 4 of section 19.2 of that Act, terminate or cancel a financial contract covered by a regulation made under section 40.22.”

2. Section 40.40 of the Act is amended by adding the following paragraph at the end:

“A regulation of the Authority may specify the terms and conditions applicable to transfers of the financial contracts referred to in section 40.22.”

3. Section 40.50 of the Act is amended

(1) by inserting “of that deposit institution, of another such institution belonging to that group or” after “capital securities” in the first paragraph;

(2) by inserting “of the deposit institution that issued them, of another such institution belonging to the cooperative group or” after “capital securities” in the second paragraph.

4. This Act comes into force on 20 March 2019.

