

Gouvernement du Québec

O.C. 806-2024, 8 May 2024

Chartered Professional Accountants Act
(chapter C-48.1)

**Cooperation Agreement between the Ordre des
comptables professionnels agréés du Québec and the
Canadian Public Accountability Board**

Cooperation Agreement between the Ordre des
comptables professionnels agréés du Québec and the
Canadian Public Accountability Board

WHEREAS, under the first paragraph of section 9 of the Chartered Professional Accountants Act (chapter C-48.1), the board of directors of the Ordre des comptables professionnels agréés du Québec may enter into an agreement with the following bodies exercising complementary functions with respect to the protection of the public: the Autorité des marchés financiers and the Canadian Public Accountability Board incorporated under the Canada Business Corporations Act (R.S.C. 1970, c. C-32);

WHEREAS the Order and the Canadian Public Accountability Board entered into the Cooperation Agreement on 24 October 2023;

WHEREAS, in accordance with the fifth paragraph of section 9 of the Chartered Professional Accountants Act, the Agreement was published in Part 2 of the *Gazette officielle du Québec* of 3 January 2024 with a notice that it could be submitted to the Government for approval, with or without amendment, on the expiry of 45 days following that publication;

WHEREAS the Agreement is submitted without amendment;

WHEREAS it is expedient to approve the Agreement;

IT IS ORDERED, therefore, on the recommendation of the Minister Responsible for Government Administration and Chair of the Conseil du trésor:

THAT the Cooperation Agreement between the Ordre des comptables professionnels agréés du Québec and the Canadian Public Accountability Board, attached to this Order in Council, be approved.

DOMINIQUE SAVOIE
Clerk of the Conseil exécutif

**Cooperation agreement between L'Ordre
des comptables professionnels agréés du
Québec ("l'Ordre") and The Canadian
Public Accountability Board ("CPAB")**

Chartered Professional Accountants Act
(chapter C-48.1)

WHEREAS l'Ordre carries out a mandate to protect the public in Quebec and, to this end, is entrusted by the Professional Code (chapter C-26) with the duty to supervise the practice of the profession by its members, in particular the audit missions of companies by Chartered Professional Accountants;

WHEREAS CPAB has been incorporated as a corporation without share capital under Part II of the Canada Corporations Act (R.S.C. 1970, c. C-32) by Letters Patent dated April 15, 2003;

WHEREAS the mission of CPAB is to contribute to public confidence in the integrity of financial reporting of reporting issuers that are subject to securities regulation in one or more provinces in Canada by promoting high-quality, independent auditing of these companies and, to this end, CPAB develops and implements an oversight program that includes regular and rigorous inspections of accounting firms that audit reporting issuers and agree to take part in the program (the "participating firms");

WHEREAS under section 71.1 of Securities Act (chapter V-1.1), accounting firms that audit the financial statements of a reporting issuer must participate in the inspection program of a body that has entered into an agreement to that effect with l'Autorité des marchés financiers;

WHEREAS Regulation 52-108 respecting auditor oversight (chapter V-1.1, r. 26.1) requires reporting issuers to have the audit report on their financial statements prepared by an accounting firm that has agreed to take part in the CPAB program;

WHEREAS l'Ordre and CPAB agree to cooperate in Quebec in discharging their respective mandates and responsibilities and, to this end, wish to exchange the information required to carry out their inspection, investigation and monitoring activities in respect of Chartered Professional Accountants and firms providing audit services to reporting issuers, with a view to improve their efficiency and effectiveness and to minimize duplication of efforts;

WHEREAS the Parties wish to preserve their independence in carrying out their respective missions;

WHEREAS l'Ordre and CPAB agree to discharge their respective mandates and responsibilities in accordance with the laws of Québec;

WHEREAS the professional secrecy obligations of Quebec Chartered Professional Accountants are recognized in Quebec's Charter of Human Rights and Freedoms (chapter C-12) of Quebec and the Professional Code (chapter C-26);

WHEREAS under sections 9, 10 and 11 of the Chartered Professional Accountants Act (chapter C-48.1), l'Ordre des comptables professionnels agréés du Québec has entered into an agreement of collaboration to exchange information with CPAB and permitting the Chartered Professional Accountants of Quebec to communicate the information despite the professional secrecy which they are required to respect, which came into force on February 20, 2019, the day of publication of Decree No. 74-2019 by the Quebec Government, and which will end on February 20, 2024;

WHEREAS the Parties wish to enter into an agreement in accordance with this Act, to allow them to exchange information between them and enable Quebec Chartered Professional Accountants to disclose to CPAB information despite the professional secrecy to which they are kept;

WHEREAS the Parties recognize that the information to be transmitted by each of them to the other pursuant to this Agreement is needed solely for the purpose of permitting the receiving Party to execute its independent inspection, discipline, review proceeding, dispute resolution process and any investigation or inquiry functions;

THE PARTIES HERETO AGREE TO THE FOLLOWING PROVISIONS:

SECTION 1 **General provision**

The Parties agree that CPAB shall operate in Quebec, in accordance with its rules and by-laws, a program to monitor, inspect and investigate participating firms.

SECTION 2 **Inspection and investigation**

1. The Parties shall strive to coordinate their respective inspections of participating firms. To this end, each Party shall forward to the other its inspection program in respect of the Quebec operations of participating firms, so that each Party can take it into account in preparing its own program. Each Party shall also forward its inspection schedule and, on a timely basis, inform the other Party of the identification of the audit files that will be inspected. However, such information shall not be sent prior to the completion of the assembly of the final audit file.

2. CPAB shall require that all participating firms notify all of their reporting issuer clients that the audit file of such reporting issuers may be reviewed by CPAB in the course of it carrying out its operations in accordance with its mission. In addition, CPAB shall not, in the course of its inspection and investigation of the Quebec operations of a participating firm, examine the files of any non-reporting issuer clients of such participating firm, and shall not require the disclosure of confidential information relating to any specific non-reporting issuer client without the consent of such non-reporting issuer having been obtained by the participating firm.

3. CPAB agrees to transmit to l'Ordre, promptly upon becoming aware of it, any information that appears to reveal a breach of l'Ordre's rules of professional conduct.

4. Each Party shall transmit to the other Party, promptly upon becoming aware of it, any information obtained during an inspection or investigation into the competence of a member when such information reveals a serious departure from generally accepted accounting principles, generally accepted auditing standards, assurance standards, applicable independence standards or the quality management standards of a participating firm.

5. CPAB shall inform l'Ordre of its intention to launch an investigation into a violation of CPAB rules involving a participating firm in Quebec, together with the reasons that would justify such investigation. CPAB shall inform l'Ordre of the essential steps involved in the investigation process.

SECTION 3 **Inspection and investigation reports**

1. CPAB shall send l'Ordre the final inspection reports and investigation decisions it prepares on the Quebec operations of participating firms and shall provide the Ordre with access to the related working papers.

2. L'Ordre shall transmit to CPAB the information contained in the final report on an inspection or an investigation into the competence of a member conducted by l'Ordre within a participating firm, where such information deals with the firm's activities in respect of a reporting issuer or with the quality management applied by the firm, and provided that any portion of such information that permits the identification of a specific non-reporting issuer client of such firm shall be redacted from the information provided to CPAB. L'Ordre shall provide CPAB with access to the working papers related to this information.

3. CPAB shall agree that it does not intend to ask a participating firm to provide to it any inspection or investigation reports produced by l'Ordre.

SECTION 4

Measures imposed by the Parties

1. CPAB shall inform l'Ordre about the results of an inspection or investigation of a participating firm in regard to its Quebec operations, in particular of any requirement, restriction or sanction CPAB shall impose, or gives notice to a participating firm that it intends to impose, as a result of such participating firm's operations in Quebec. CPAB shall also inform l'Ordre about any application for a review proceeding made by a participating firm in respect of such imposition or intended imposition.

2. L'Ordre shall inform CPAB about any complaint lodged with the Committee on Discipline of l'Ordre, and about any measure taken in respect of a member of a participating firm resulting from an inspection.

3. L'Ordre shall inform CPAB about any limitation or suspension of the right to practice imposed on a member of a participating firm, or whether such member has been struck off the membership Roll.

4. The Parties shall agree that each Party is entitled to take any measure it deems useful in exercising its rights or powers, without being required to consider actions taken by the other Party.

SECTION 5

Confidentiality

1. The Parties shall agree not to use any confidential information obtained pursuant to this Agreement other than for purposes of carrying out their respective missions, which, in the case of CPAB, it carries out in accordance with its rules and by-laws through inspections, investigations or review proceedings or the imposition of recommendations, requirements, restrictions or sanctions.

2. The Parties shall agree to exchange confidential information only by secure means and to take any measures required to safeguard confidentiality.

Such information may only be disclosed to persons within a Party whose functions or duties include receiving, using or consulting such information.

3. Each Party shall agree to maintain at least the same confidentiality regarding confidential information obtained pursuant to this Agreement as it would for information of the same nature it holds.

More particularly, CPAB shall agree to maintain the same confidentiality regarding confidential information obtained pursuant to this Agreement, as would be required for l'Ordre for information obtained or held by l'Ordre in the exercise of the powers granted by the Professional Code (chapter C-26).

4. In the event of any demand being received by a Party to disclose any confidential information obtained pursuant to this Agreement, which demand the Party receiving it believes it might be compelled to comply with, the Party receiving the demand shall promptly notify the other Party of the details of the demand and shall cooperate with such other Party in exercising all available rights and remedies.

5. No consent or disclosure pursuant to this Agreement shall be deemed to constitute or authorize the waiver of any confidentiality or privilege granted to such information under applicable laws.

The disclosure pursuant to this Agreement of information protected by the professional secrecy of Chartered Professional Accountants in Québec does not constitute a waiver of such professional secrecy.

Except as otherwise provided for the members of the Ordre in this Agreement or in the Chartered Professional Accountants Act (chapter C-48.1), nothing in this Agreement is intended to or shall limit or restrict any professional secrecy that may exist in respect of information held by a participating firm or a Chartered Professional Accountant.

SECTION 6

Miscellaneous provisions

1. CPAB shall agree to keep l'Ordre informed about any amendments to CPAB's rules and operations that may affect l'Ordre in fulfilling its mission among the members of participating firms or the application of this Agreement.

2. The Parties agree that they are separate and independent bodies and are entering into this Agreement solely for the purposes of facilitating their independent operations while meeting the requirements of sections 9, 10 and 11 of the Chartered Professional Accountants Act. Furthermore, the Parties confirm that, after entering into this Agreement, they will continue to be operating independently and neither Party will be acting on behalf of or as agent for the other Party and the documents held by each Party will not be held for the benefit of or on behalf of the other Party.

3. CPAB shall agree to provide information reasonably requested by l'Ordre in order to assist l'Ordre to prepare its annual report on the implementation of this Agreement.

SECTION 7

Final provisions

1. The Agreement shall be in effect for five years commencing on the date that it comes into force. The Parties shall agree that, at least eighteen months prior to the expiry of the Agreement, they will consult with each other on the advisability of its renewal, with or without amendments.

2. The Parties shall agree that, despite the termination of this Agreement for whatever cause, they shall remain bound by the obligation of confidentiality and professional secrecy set out herein.

3. The Parties shall consult promptly, at the request of either, concerning any question or difficulty arising as to the interpretation or the application of this Agreement.

4. This Agreement shall come into force after approval by the Government on the date of its second publication in the *Gazette Officielle du Québec*.

5. This Agreement is governed by the laws applicable in Quebec. In the event of a dispute, the courts of the District of Montreal have competent jurisdiction to dispose of the matter.

6. Either Party may, upon a three-month written notice to the other Party, terminate this Agreement, if it is of the opinion that changes made to the rules governing either Party may jeopardize the continued pursuit of the Agreement. Before giving such a notice, a Party must have entered into consultation with the other Party with a view to resolve the concern.

This Agreement is drafted in French and English.

Signed in Montreal, on this
20th day of October, 2023

**For the Ordre des comptables
professionnels agréés du Québec**

GENEVÈVE MOTTARD, CPA
President and Chief Executive
Officer

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Signed in Toronto, on this
24th day of October, 2023

**For The Canadian Public
Accountability Board**

CAROL A. PARADINE, FCPA, FCA
Chief Executive Officer

Gouvernement du Québec

O.C. 807-2024, 8 May 2024

Public Administration Act
(chapter A-6.01)

Signing of certain acts, documents or writings emanating from the Secretariat of the Conseil du trésor

Regulation respecting the signing of certain acts, documents or writings emanating from the Secretariat of the Conseil du trésor

WHEREAS, under the second paragraph of section 88 of the Public Administration Act (chapter A-6.01), an act, document or writing is binding on or may be attributed to the chair of the Conseil du trésor only if it is signed by the chair, the secretary, the clerk, a member of the personnel of the Secretariat or the holder of a position, and in the latter two cases, only to the extent determined by the Government;

WHEREAS, under the first paragraph of section 89 of the Act, the Government may, on the conditions it fixes, allow a signature to be affixed by means of an automatic device or electronic process;

WHEREAS it is expedient to make the Regulation respecting the signing of certain acts, documents or writings emanating from the Secretariat of the Conseil du trésor;

IT IS ORDERED, therefore, on the recommendation of the Minister Responsible for Government Administration and Chair of the Conseil du trésor:

THAT the Regulation respecting the signing of certain acts, documents or writings emanating from the Secretariat of the Conseil du trésor, appended to this Order in Council, be made.

DOMINIQUE SAVOIE

Clerk of the Conseil exécutif