



NATIONAL ASSEMBLY

FIRST SESSION

THIRTY-FIFTH LEGISLATURE

Bill 100

**An Act to amend the Savings and
Credit Unions Act and the Act
respecting security fund
corporations**

Introduction

**Introduced by
Mr Jean Campeau
Minister of Finance**



**Québec Official Publisher
1995**

EXPLANATORY NOTES

This bill amends the Savings and Credit Unions Act and the Act respecting security fund corporations in order to specify certain provisions relating to the centralized mechanism for making public issues of securities.

The bill attributes to a confederation the exercise of the powers of a credit union affiliated with a federation that is affiliated with the confederation with respect to its legal obligation to issue subordinated debt securities.

In another connection, the bill eliminates the obligation to obtain certain authorizations of the Inspector General of Financial Institutions in the context of the centralized mechanism for making public issues of securities.

Lastly, the bill establishes the conditions subject to which a federation may cease to be affiliated with a confederation, which requires the authorization of the Minister.

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THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. Section 213 of the Savings and Credit Unions Act (R.S.Q., chapter C-4.1), amended by section 2 of chapter 38 of the statutes of 1994, is again amended by striking out the words “, with the authorization of the Inspector General and subject to such conditions and restrictions as he may determine” in paragraph 6.1.

2. The said Act is amended by inserting, after section 333, the following chapter:

“CHAPTER II.1

“CESSATION OF AFFILIATION

“333.1 A federation may cease to be affiliated with a confederation subject to the following conditions:

(1) the federation has fulfilled all its obligations toward the confederation;

(2) the Inspector General considers that the federation has furnished guarantees sufficient to ensure the protection of its members;

(3) the federation is so authorized by the Minister who shall, for that purpose, obtain the advice of the Inspector General. The authorization may include conditions.”

3. Section 334 of the said Act, amended by section 7 of chapter 38 of the statutes of 1994, is again amended

(1) by striking out the words “, with the authorization of the Inspector General and subject to such conditions and restrictions as he may determine,” in the third paragraph;

(2) by inserting the words “before maturity” after the word “redeemed” in the fourth paragraph.

4. Section 408.1 of the said Act, enacted by section 14 of chapter 38 of the statutes of 1994, is amended by striking out the words “, with the authorization of the Inspector General and subject to such conditions and restrictions as he may determine,” in the first paragraph.

5. Section 469.2 of the said Act, enacted by section 17 of chapter 38 of the statutes of 1994, is amended

(1) by inserting the word “public” after the word “Every” in the first paragraph;

(2) by replacing the words “resolution of the confederation shall also determine” in the second paragraph by the words “confederation shall also determine, by resolution,”;

(3) by replacing the word “The” in the first lines of the third and fourth paragraphs by the word “A”;

(4) by adding, after the fourth paragraph, the following paragraph:

“A resolution of the confederation shall stand in lieu of a loan resolution for every credit union. The confederation is authorized to perform any acts that are necessary or useful for the purposes of such a resolution, and such acts are deemed to be the acts of a credit union.”

6. Section 26 of the Act respecting security fund corporations (R.S.Q., chapter C-69.1), amended by section 26 of chapter 38 of the statutes of 1994, is again amended

(1) by striking out the words “, with the authorization of the Inspector General and subject to such conditions and restrictions as he may determine,” in subparagraph 8 of the first paragraph;

(2) by inserting the words “before maturity” after the word “redeemed” in the second paragraph.

7. Section 39.1 of the said Act, enacted by section 28 of chapter 38 of the statutes of 1994, is amended by striking out the words “, with the authorization of the Inspector General and subject to such conditions and restrictions as he may determine,” in the first paragraph.

8. This Act comes into force on (*insert here the date of assent to this Act*).