
NATIONAL ASSEMBLY

THIRTY-SECOND LEGISLATURE

FOURTH SESSION

Bill 11

**An Act to amend
the Deposit Insurance Act**

First reading

Introduced by
Mr Jacques Parizeau
Minister of Finance



EXPLANATORY NOTES

The main object of this bill is to increase the guarantee of deposits of money provided for in the Deposit Insurance Act (R.S.Q., chapter A-26) to \$60 000, to modify the system of permits under that Act and to enlarge the powers of the Régie de l'assurance-dépôts du Québec (the Board).

A further object of the bill is to amend or clarify certain provisions on the administration of the Board and the guarantee of deposits.

The bill thus increases, retroactively to 4 January 1983, the maximum amount that the Board will guarantee from \$20 000 to \$60 000, on deposits with banks and with institutions registered with the Board at that date.

The bill specifies the objects of the Board, changes the composition and operating method of the board of directors and provides for the manner of appointment and replacement of the directors, and certain rules to which the directors will be subject regarding conflicts of interest and disclosure of interests.

In addition, the bill provides that permits issued by the Board remain valid until suspended or cancelled, extends the causes for their suspension or cancellation, and enlarges the Board's powers to require information from institutions.

The bill also provides the cases where the Board's obligations under its guarantees are executory, as well as certain rules on execution of the guarantee and recovery from the institutions of the amounts the Board was obliged to pay to depositors.

Furthermore, the bill obliges the Board to maintain a deposit-insurance fund consisting of the premiums collected by the Board from the registered institutions and any sums the Minister of Finance may add with the authorization of the Government. This fund will be used for payments in execution of the guarantees provided for in the Act and to discharge the special powers of the Board which are enlarged by the bill.

Lastly, this bill deals with certain payments made by the Board within the scope of the administration of the Deposit Insurance Act.

Bill 11

An Act to amend the Deposit Insurance Act

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. The Deposit Insurance Act (R.S.Q., chapter A-26) is amended by adding, after section 2, the following section:

“2.1 The objects of the Board are the following:

(a) to govern, within the scope of this Act, the soliciting and receiving of deposits of money from the public;

(b) to guarantee payment of deposits of money to the extent and in the manner prescribed in this Act and the regulations;

(c) to manage the deposit insurance fund; and

(d) to administer the system of permits established in Division IV.”

2. Sections 6 to 14 of the said Act are replaced by the following sections:

“6. The Board is administered by a board of directors composed of

(a) the persons holding the offices of Inspector General of Financial Institutions, Deputy Minister of Finance and Superintendent of Deposit Institutions, respectively, and

(b) two other persons who are neither members of the civil service staff nor chief executive officers of agencies within the meaning of the Civil Service Act (R.S.Q., chapter F-3.1), appointed by the Government.

“6.1 The Deputy Minister of Finance, with the authorization of the Minister of Finance, may, in writing, designate a member of the staff of the Ministère des Finances to replace him in his absence at meetings of the board of directors of the Board, for such period as he determines.

When the person so designated attends a meeting of the board of directors in that capacity, he is deemed to be a director of the Board.

“6.2 The directors contemplated in paragraph *b* of section 6 are appointed for a term of not more than three years.

The Government shall fix the fees or allowances of the directors and the indemnities to which they are entitled.

At the expiry of their terms, they remain in office until they are replaced or reappointed.

“6.3 The directors contemplated in paragraph *a* of section 6 shall exercise their functions without additional remuneration.

“7. If the director’s position assigned to the Inspector General of Financial Institutions, to the Deputy Minister of Finance or to the Superintendent of Deposit Institutions becomes vacant, the Government may appoint an interim director in his place on the conditions and for the remuneration it determines.

The Government shall fill any position contemplated in paragraph *b* of section 6 that has become vacant, in the manner, for the period and on the conditions prescribed for appointment to that position.

“7.1 If a director is unable to act, the Government may appoint an interim director in his place on the conditions and for the remuneration it determines.

“8. A director holding the position assigned to the Inspector General of Financial Institutions, the Deputy Minister of Finance or the Superintendent of Deposit Institutions and having a direct or indirect interest in an undertaking putting his personal interest in conflict with that of the Board shall disclose it in writing to the Minister and abstain from participating in any decision regarding the undertaking in which he has an interest.

The first paragraph applies also, *mutatis mutandis*, to the person designated in accordance with section 6.1.

“8.1 A director contemplated in paragraph *b* of section 6 having a direct or indirect interest in an undertaking putting his personal interest in conflict with that of the Board shall, under pain of forfeiture of office, disclose it in writing to the chairman and abstain from participating in any decision regarding the undertaking in which he has an interest.

“8.2 Every director, on taking office and annually thereafter, shall communicate to the Minister a list of the loans he has contracted with any institution and on which there is an outstanding balance.

The list must indicate the conditions attached to the loans and be accompanied with a statement of all operations having, during the year, changed the information so communicated.

This section applies also, *mutatis mutandis*, to the person designated in accordance with section 6.1.

“8.3 The transmission by the Inspector General of Financial Institutions and the Superintendent of Deposit Institutions of the information required in sections 27 and 28 of the Act respecting the Inspector General of Financial Institutions and amending various legislation (1982, chapter 52) may, if the Minister so decides, take the place of the information required of them under sections 8 and 8.2.

“9. Three members, including the President or Vice-President of the Board, are a quorum at meetings of the board of directors.

In case of a tie-vote, the President or, in his absence, the Vice-President has a casting vote.

“10. The Inspector General of Financial Institutions is *ex officio* President of the Board, and the Superintendent of Deposit Institutions is *ex officio* its Vice-President.

“10.1 The President of the Board is chairman of the board of directors and Chief Executive Officer.

He may, on the conditions he determines, entrust the exercise of the whole or part of his powers as Chief Executive Officer to any member of the staff of the Board.

“10.2 A person exercising powers entrusted to him by the President under section 10.1 shall, at the times determined by the President, communicate to him a list of his interests in any institution and a list of the loans he has contracted with any institution on which there is an outstanding balance, and the attached conditions.

Each list must be accompanied with a statement of all operations having changed previously communicated information, where such is the case.

The Government may determine cases where a communication provided for in this section is not required.

“11. The President and Chief Executive Officer of the Board is responsible for the administration of the Board within the scope of its by-laws of internal management.

“11.1 The President, in his absence, is replaced by the Vice-President in his duties both as chairman of the board of directors and as Chief Executive Officer of the Board.

“12. The minutes of the meetings of the board of directors of the Board, approved by the board and certified by the chairman or any other person authorized to do so by the by-laws of internal management, are authentic. The same applies to documents and copies emanating from the Board or forming part of its records, if so certified.

“13. The members of the staff of the Board are appointed and remunerated in accordance with the Civil Service Act.

The President of the Board has in their regard the powers conferred by the said Act on the chief executive officer of an agency.

“13.1 The Board and the Inspector General of Financial Institutions, with the authorization of the Minister, may enter into an agreement allowing the Board to use the services, staff, premises and equipment of the Inspector General.

“14. Neither the President and Chief Executive Officer, the directors nor the members of the staff of the Board may be sued for official acts performed in good faith in the exercise of their duties.”

3. Section 18 of the said Act is amended by replacing the second paragraph by the following paragraph:

“The inspector or investigator shall, if so required, produce a certificate attesting his authority. The certificate requires the signature of the President of the Board.”

4. Section 20 of the said Act is replaced by the following section:

“20. The Board, before 30 April each year or, if it receives the report of the Auditor General contemplated in section 21 after 15 March, within forty-five days of receiving that report, shall submit a report of its activities for the preceding year to the Minister of Finance.

The report must also contain any other information the Minister may prescribe.

The Minister shall table the report before the National Assembly. If he receives it while the Assembly is not sitting, he shall table it within thirty days of the opening of the next session or of resumption.”

5. Section 30 of the said Act is replaced by the following section:

“30. Every permit remains in force unless it is suspended or cancelled.”

6. A permit issued in accordance with the Deposit Insurance Act and in force on (*insert here the date of coming into force of Bill 11*) is deemed to be issued without any restriction respecting its term and without the indication of the period provided for in the permit.

7. A permit suspended on or before (*insert here the date of coming into force of Bill 11*), the suspension of which is lifted after that date is deemed to be issued without any restriction respecting its term and without the indication of the period provided for in the permit.

8. The Régie de l'assurance-dépôts du Québec may, after (*insert here the date preceding the date of coming into force of Bill 11*), use the permit forms already prepared, *mutatis mutandis*, until a new permit form is determined.

9. Upon the determination of a new permit form, the Board shall send a permit in the new form without delay to each registered institution.

On receiving the new permit, the institution shall return the replaced permit to the Board.

10. Section 31 of the Deposit Insurance Act is replaced by the following sections:

“31. The Board may suspend or cancel the permit of an institution which

(a) has committed an offence or which, in the opinion of the Board, is in contravention of this Act, any Act of Québec, of another province or of the Parliament of Canada governing its activities, or of any regulation, by-law or rule made under any such Act;

(b) subject to the regulations, no longer, in the opinion of the Board, fulfils the conditions required for obtaining a permit;

(c) is insolvent or, in the opinion of the Board, is about to become so;

(d) does not, in the opinion of the Board, follow sound commercial and financial practices;

(e) is, in the opinion of the Board, in an unsatisfactory financial position which cannot be improved;

(f) has failed to repay a deposit of money at maturity or to pay interest on a deposit when due;

(g) no longer receives deposits of money from the public.

“31.1 The Board may also cancel the permit of an institution at the latter's request, or cancel the permit of an institution which has amalgamated.

“31.2 Before suspending or cancelling a permit, the Board must allow the holder to make representations, except in the case of the cancellation of a permit under section 31.1.

“31.3 The permit of an institution is cancelled of right upon

(a) the institution’s dissolution;

(b) adoption or approval by its shareholders or members of a resolution ordering the winding-up of the institution, other than a resolution requesting the issue of an order contemplated in paragraph *d*;

(c) the institution’s coming under a winding-up order for any reason other than bankruptcy or insolvency;

(d) the institution’s coming under a winding-up order by virtue of the Act respecting the winding-up of insolvent companies (Revised Statutes of Canada, 1970, chapter W-10); or

(e) the institution’s coming under a receiving order by virtue of the Act respecting bankruptcy (Revised Statutes of Canada, 1970, chapter B-3) or, within the meaning of the said Act, assigning its property.

“31.4 For the application of paragraph *b* of section 31.3, the resolution ordering the winding-up of a société d’entraide économique is deemed to have been approved by its shareholders on the date determined by the Inspector General of Financial Institutions according to section 150 of the Act respecting the sociétés d’entraide économique (R.S.Q., chapter S-25.1).

For the application of section 31.3, a trust company which is in a position contemplated in section 34 of the Trust Companies Act is deemed to be under an order contemplated in paragraph *c* of section 31.3.”

11. Section 32 of the said Act is replaced by the following sections:

“32. An institution whose permit has been suspended or cancelled or whose policy contemplated in section 34 has been suspended, cancelled or rescinded, as the case may be, must disclose that fact to its depositors and remove any sign, mark, advertisement or other means of publicity conveying the information that deposits entrusted to it are guaranteed under the terms of this Act.

“32.1 The Board shall, in the manner and through the communications media it thinks advisable, give public notice of the suspension or cancellation of the permit of an institution if it considers publication of the notice required in the public interest.”

12. Section 33 of the said Act is amended by adding, at the end, the following paragraph:

“From 4 January 1983, this section applies only to deposits of money owing, at the date of cancellation or expiry of its permit, by an institution whose permit expired or was cancelled before 4 January 1983 and which continue to be guaranteed after 3 January 1983 under section 37.”

This section has effect from 4 January 1983.

13. The said Act is amended by inserting, after section 33, the following sections:

“**33.1** The Board shall guarantee to every person who makes a deposit of money with a registered institution or a bank the payment, on their respective maturity dates, of the principal and interest of the deposit, up to \$60 000.

Such guarantee shall not apply to deposits of money made outside Québec or to those payable only outside Québec. Nor shall it apply to deposits of money made or payable in any currency other than that of Canada.

This section does not apply to deposits of money contemplated in the third paragraph of section 33.

“**33.2** Section 33.1 applies also to deposits of money made before 4 January 1983 and owing on that date by an institution registered on that date or by a bank.”

This section has effect from 4 January 1983.

14. Section 34 of the said Act is replaced by the following section:

“**34.** The Board, for a premium and on such other conditions as are stipulated in a policy issued by it, may guarantee the payment, on their respective maturity dates, of the principal and interest, up to \$60 000, of any deposit of money made outside Québec with a registered institution incorporated under an Act of Québec, or with a bank if such bank is authorized for such purpose by the Governor-General in Council.

Nevertheless, the suspension of the permit of any institution shall entail suspension of any policy issued to it under the preceding paragraph, and the cancellation thereof shall entail rescission of the policy.”

This section has effect from 4 January 1983.

15. The said Act is amended by inserting, after section 34, the following sections:

“**34.1** The Board’s obligation under a guarantee is executory in the following cases only:

(a) where, owing to a court order, the depository institution is unable to make any payment contemplated in the guarantee of the Board;

(b) where the institution is dissolved;

(c) where the institution is winding up following the adoption or approval by its shareholders or members of a resolution ordering its winding-up, other than a resolution requesting the issue of an order contemplated in subparagraph *e*;

(d) where the institution is under a winding-up order for any reason other than bankruptcy or insolvency;

(e) where the institution is under a winding-up order by virtue of the Act respecting the winding-up of insolvent companies (Revised Statutes of Canada, 1970, chapter W-10); or

(f) where the institution is under a receiving order by virtue of the Act respecting bankruptcy (Revised Statutes of Canada, 1970, chapter B-3), or has, within the meaning of the said Act, assigned its property;

and where the Board finds that it is impossible for the institution to make any payment contemplated in the guarantee on its maturity date.

For the purposes of the first paragraph, the word "institution" includes a bank.

"34.2 For the purposes of the application of subparagraph *b* of the first paragraph of section 34.1, the resolution ordering the winding-up of a société d'entraide économique is deemed to have been approved by its shareholders on the date determined by the Inspector General of Financial Institutions according to section 150 of the Act respecting the sociétés d'entraide économique.

For the purposes of the application of the first paragraph of section 34.1, a trust company which is in a position contemplated in section 34 of the Trust Companies Act is deemed to be under an order contemplated in subparagraph *d* of the first paragraph of section 34.1.

"34.3 The Board shall make payments in execution of its obligation under a guarantee within a reasonable time.

The Board may execute its obligation under a guarantee by placing a deposit in any registered institution or in any bank at the disposal of the depositor."

This section has effect from (*insert here the date of tabling of Bill 11*).

16. Section 35 of the said Act is amended by adding, at the end, the following paragraphs:

“The Board’s claim against the depositary bears interest from the payment to the depositor at a rate equal to the rate determined under section 28 of the Act respecting the Ministère du Revenu (R.S.Q., chapter M-31).

Where the depositor has been paid in part only by the Board, he does not have, over the Board, the preference provided in article 1157 of the Civil Code.”

This section has effect from (*insert here the date of tabling of Bill 11*).

17. Section 37 of the said Act is amended by replacing the first paragraph by the following paragraph:

“**37.** Deposits of money owing by an institution on the date of suspension or cancellation of its permit, or of the suspension, rescission or expiry of a policy issued in accordance with section 34, shall continue to be guaranteed under this Act or under such policy, as the case may be.”

18. Section 37 of the Deposit Insurance Act reads, between (*insert here the date of coming into force of Bill 11*) and (*insert here the date occurring five years after the date of coming into force of Bill 11*), with the insertion of the words “or expiry” after the word “cancellation” in the first paragraph, in the case of an institution whose permit expired before (*insert here the date of coming into force of Bill 11*).

19. The said Act is amended by replacing section 38 by the following sections:

“**38.** When a person makes several deposits of money with the same institution or bank, such deposits, for the purposes of this Act, shall be deemed a single deposit. Nevertheless, such deposits may be considered separate as may be prescribed by the regulations.

“**38.1** When two or more institutions have amalgamated and a person had made deposits with more than one of them, a deposit owing to that person immediately before the amalgamation by one of the institutions is considered separate from any deposit owing to that person immediately before the amalgamation by any other of those institutions, as well as from any deposit made by that person with the institution resulting from the amalgamation after the date of amalgamation.

However, a deposit made by the person with the institution resulting from the amalgamation after the date of amalgamation is guaranteed only to the extent that the aggregate of deposits of that person with the institution, except the said deposit, is less than \$60 000.

This section applies also in the case of the amalgamation of two or more banks.

“38.2 Section 38.1 applies, *mutatis mutandis*, in the case of the acquisition, by a registered institution or by a bank, of the assets, together with the take-over of the liabilities, of a registered institution or a bank, or of an institution whose permit has been suspended or cancelled.

For the application of section 38.1, the institutions or banks contemplated in the first paragraph are deemed to be institutions that have amalgamated and the deposits made after the date of acquisition are deemed to be made with the institution resulting from the amalgamation.”

20. Section 39 of the said Act is replaced by the following section:

“39. When several deposits are deemed a single deposit by virtue of section 38 and are guaranteed partly by the application of section 33.1 and partly by a policy contemplated in section 34, the total guarantee applicable to such deposits shall not exceed, in principal and interest, the sum of \$60 000.”

This section has effect from 4 January 1983.

21. Section 40 of the said Act is replaced by the following section:

“40. The Board may, in particular, on the conditions it determines, for the purpose of reducing a risk to the Board or averting or reducing a threatened loss to the Board,

(a) make advances of money, with or without security, to a registered institution or an institution whose permit has been suspended or cancelled, or guarantee payment of the debts of such an institution;

(b) acquire the assets of a registered institution or an institution whose permit has been suspended or cancelled;

(c) make a deposit or guarantee a deposit made with a registered institution;

(d) guarantee a registered institution against any loss it may incur following an amalgamation with a registered institution or with an institution whose permit has been suspended or cancelled, or following the acquisition of the assets together with the take-over of the liabilities of such an institution;

(e) with the authorization of the Minister, enter, with any body or agency which, in the opinion of the Board, administers an equivalent scheme, into an agreement concerning an institution whose deposits are guaranteed or insured partly by the Board and partly by such body or agency.

The Board may, in addition, act as liquidator of an institution whose permit has been cancelled or act as receiver of a registered institution or an institution whose permit has been suspended or cancelled.

A savings and credit union may receive a deposit contemplated in subparagraph *c* of the first paragraph.”

Section 40, enacted by this section, except subparagraphs *a*, *b*, *c* and *d* of the first paragraph and the second and third paragraphs, has effect from 4 January 1983.

22. Section 40.1 of the said Act is replaced by the following section:

“**40.1** In this division, the “accounting period for premiums” means the period from 1 May of every year to 30 April of the next year.”

This section takes effect on 1 May 1985.

23. The accounting period for premiums commencing on 1 April 1984 terminates on 30 April 1985.

The Board may, by mere resolution and with the authorization of the Government, make any provision to adapt an existing provision of the regulations in respect of the accounting period for premiums in this section.

Any provision made under this section prevails over the provision of the regulations as it formerly existed.

24. Section 40.2 of the said Act is amended by replacing the figure “33” in the first line by the following: “33.1”.

This section has effect from 1 April 1983.

25. Section 40.3 of the said Act is amended

(1) by replacing the figure “33” in the third line of paragraph *a* by the following: “33.1”;

(2) by replacing the following: “31 March”, in the fourth line of paragraph *a* by the following: “30 April”.

Paragraph 1 has effect from 1 April 1983.

Paragraph 2 takes effect on 1 May 1985.

26. To determine the premium payable for the accounting period for premiums that commenced on 1 April 1983, the registered institutions are authorized to use, with the modifications indicated by the Board, the forms for declaration of insured deposits that are already prepared.

This section has effect from (*insert here the date of tabling of Bill 11*).

27. The said Act is amended by inserting, after section 41, the following sections:

“41.1 Every registered institution shall also file, at the times determined by the Board, any statement or return determined by the Board.

“41.2 The Board may require any additional information or explanation it determines in respect of the return contemplated in section 41 or the documents accompanying it or of the statement or return contemplated in section 41.1. The institution must furnish them to the Board within such time as the latter may determine.”

28. Section 42 of the said Act is amended by adding, at the end, the following paragraphs:

“However, the Inspector General of Financial Institutions shall, on behalf of the Board and at the times it determines, examine the affairs of every institution established pursuant to an Act of Québec.

The expenses incurred for the examination of the affairs of institutions are determined by the Board and are charged to the institutions according as may be determined by regulation of the Board.

Where the Inspector General of Financial Institutions examines the affairs of an institution both on behalf of the Board and wholly or partly on his own account under another Act that applies to the institution, the Board shall take that fact into account in determining the cost incurred in the examination of that institution’s affairs.”

29. Section 43 of the said Act is amended

(1) by replacing paragraph *a* by the following paragraph:

“(a) determining the conditions that must be fulfilled and the information and documents that must be furnished by any institution applying for a permit or a policy contemplated in section 34 and the conditions required for the issue of the permit or policy;”;

(2) by replacing paragraph *d* by the following paragraph:

“(d) determining the form and tenor of applications for permits and policies and the form and tenor of permits and policies;”;

(3) by replacing paragraph *f* by the following paragraph:

“(f) determining the rates of premiums for the guarantee contemplated in section 34, the modalities of payment of the premium and the rate of interest exigible when a premium is overdue;”;

(4) by replacing paragraph *i* by the following paragraphs:

“(i) determining the only signs, marks, advertisements or other means of publicity that a registered institution may use in order to make known that the deposits of money made therewith are guaranteed under this Act;

“(i.1) determining the cases in which a document attesting that a registered institution has received funds from a person must contain an indication, in the form and tenor determined by the Board, to the effect that it does not constitute a deposit within the meaning of this Act and the regulations;”;

(5) by replacing paragraph *k* by the following paragraph:

“(k) determining, for each class of registered institutions, the form of returns or statements to be furnished, the information that such returns or statements must contain and the time when they must be filed;”;

(6) by replacing paragraph *l* by the following paragraph:

“(l) prescribing, for each class of registered institutions, the scope of the audit to be made by their auditors for the purposes of the returns or statements which they must furnish to the Board, and the form of their certificate;”;

(7) by inserting, after paragraph *m*, the following paragraphs:

“(m.1) determining the mode of apportionment between the registered institutions or classes of institutions of the expenses incurred for the examination of the affairs of the registered institutions and the proportions, conditions and dates of their collection;

“(m.2) determining which of the conditions required for obtaining a permit, if not respected, give rise to the suspension or cancellation of a permit under paragraph *b* of section 31;”;

(8) by inserting, after paragraph *n*, the following paragraphs:

“(n.1) determining, in addition to the provisions of section 37, the cases or circumstances in which deposits continue to be guaranteed, and fixing the term and the conditions of such continuance;

“(n.2) prolonging, in the cases or circumstances and on the conditions it determines, the guarantee period provided in the second paragraph of section 37;”;

(9) by replacing paragraphs *p* and *q* by the following paragraphs:

“(p) prescribing the cases in which a deposit made by a person with an institution or with a bank, may be considered, for the purposes of this Act, as separate from any other deposit made by the same person with the same institution or with the same bank;

“(q) determining the information, documents and evidence that must be furnished by a depositor who demands payment in execution of the guarantee provided under this Act;

“(r) determining the form and tenor of claims and the cases in which a depositor who demands payment in execution of the guarantee provided under this Act is not required to file a claim form with the Board;

“(s) prescribing conditions governing the replacement of damaged, lost, stolen or destroyed permits and determining the cost payable for replacing them;

“(t) prescribing any form which it deems appropriate for the application of this Act;

“(u) ruling upon any matter requisite for its internal management and prescribing any other measure which it deems appropriate for the administration of this Act.”

30. Section 46 of the said Act is amended by replacing subparagraphs *a* and *c* of the first paragraph by the following paragraphs:

“(a) makes a false statement in an application for a permit or for a policy contemplated in section 34;

“(c) falsely leads to the belief, in any manner whatsoever, that the deposits of money received by him are guaranteed under this Act;”.

31. Sections 48 to 50 of the said Act are replaced by the following sections:

“**48.** Every institution or person contemplated in section 47 that is found guilty of an offence against this Act or the regulations is liable, in addition to costs, to a fine of not less than \$1 000 nor more than \$25 000 for each offence and to a fine of not less than \$5 000 nor more than \$50 000 for each subsequent offence committed within two years.

Every other person found guilty of an offence against this Act or the regulations is liable, in addition to costs, to a fine of not less than \$500 nor more than \$10 000 for each offence and not less than \$1 000 nor more than \$20 000 for each subsequent offence committed within two years.

“**49.** Prosecutions shall be brought by the Attorney General or by a person generally or specially authorized by him for that purpose.

50. Prosecutions under this Act shall be brought in accordance with the Summary Convictions Act (R.S.Q., chapter P-15)."

32. Section 51 of the said Act is amended by replacing the expression "General Manager" in the fifth line by the word "President".

33. The heading of Division X of the said Act is replaced by the following heading:

**"DEPOSIT INSURANCE FUND
AND OTHER FINANCIAL PROVISIONS".**

This section has effect from 1 January 1983.

34. Section 52 of the said Act is replaced by the following sections:

52. The Board shall maintain a deposit insurance fund for the execution of its obligations under guarantees provided for in this Act and for the exercise of its powers under section 40.

52.1 The premiums collected by the Board in accordance with Division VI.1 are paid into the deposit insurance fund together with any sums the Minister of Finance may, with the authorization of the Government and on such conditions as the latter may determine, pay into it from time to time.

52.2 The Board shall keep an account called the "accumulated net income account" with which is credited all income including any profits made on the sale of securities, and to which are charged any operating expenses, losses or special funds for losses related to the activities of the Board and any losses in the sale of securities.

Any accumulated net income must be entered as a separate item in any of the Board's statements of assets and liabilities and must be listed as being added to or subtracted from the deposit insurance fund."

This section has effect from 1 January 1983.

35. Section 57 of the said Act is amended by replacing the amount "\$20 000" in the second line of subparagraph *a* of the first paragraph by the amount "\$60 000".

36. The sums resulting from the payments made in accordance with section 52 of the Deposit Insurance Act, by the Minister of Finance before 1 January 1983 and the sums representing the premiums collected by the Board before that date, in accordance with Division VI.1 of the said Act, must be credited to the deposit insurance fund provided for in Division X.

37. Deposits of money owing by Le prêt hypothécaire on 29 October 1980 are, with respect to the guarantee of payment of the Régie de l'assurance-dépôts du Québec, deemed to fall due as set out in the certificates or on 28 February 1983, whichever is first.

Claims of depositors made to the Board, even those presented before the coming into force of this section, are settled and have always been settled in accordance with its provisions.

38. Provisions of regulations made under the Deposit Insurance Act remain in force, to the extent they are in conformity with the provisions of this Act, until they have been repealed or until they have been amended or replaced by a regulation made under the Deposit Insurance Act.

39. Sections 1 and 2 of the Act to amend the Québec Deposit Insurance Act (1974, chapter 72) are repealed.

40. This Act shall operate notwithstanding the provisions of sections 2 and 7 to 15 of the Constitution Act, 1982 (Schedule B of the Canada Act, chapter 11 in the 1982 volume of the Acts of the Parliament of the United Kingdom).

41. This Act comes into force on the day of its sanction, except sections 2 to 4, 28, 32 and 35, which come into force on any later date or dates fixed by government proclamation.