

Bill 74 tabled in Québec National Assembly

AMF CAN NOW CARRY OUT ITS MISSION MORE EFFECTIVELY

Montréal, November 12, 2009 – The *Autorité des marchés financiers* (AMF) welcomes the tabling in the Québec National Assembly of Bill 74, which is intended to enhance the protection of Québec investors and consumers. The AMF is pleased that its recommendations were taken into account in the drafting of the Bill.

Harsher penalties

The AMF is especially pleased with the amendments whereby it will be able to seek consecutive prison terms, as well as amendments prescribing harsher penalties for non-compliance with financial sector regulation. The AMF is also satisfied with the provisions whereby the maximum administrative penalties that the *Bureau de décision et de révision en valeurs mobilières* may impose jump from \$100,000 to \$2,000,000.

First jurisdiction to regulate credit rating organizations

Credit rating organizations, which were severely criticized during the asset-backed commercial paper (ABCP) crisis, will be subject to new rules when they issue credit ratings with respect to issuers. This will help to better protect the market and the public. Québec would therefore be the first jurisdiction in Canada to implement the G20 recommendations.

Additional amendments are also noteworthy, in particular measures supporting special powers conferred on the AMF and the enhanced protection given to deposit products under the *Deposit Insurance Act*, more stringent oversight of foreign insurers operating in Québec, as well as the implementation of a framework governing automobile replacement guarantees as an insurance product and their method of distribution.

Better protection for Québec investors and consumers

"Given the global financial crisis and the scandals that have shaken investor confidence, these legislative amendments, if adopted by the National Assembly, will enable the AMF to carry out its mission of overseeing Québec's financial sector more effectively. This is an important Bill, aimed at better protecting Quebecers' investments and savings," said AMF President and CEO Jean St-Gelais.

The *Autorité des marchés financiers* (AMF) is the regulatory and oversight body for Québec's financial sector.

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