

FOURTH SESSION
THIRTY-FIRST LEGISLATURE

ASSEMBLÉE NATIONALE DU QUÉBEC

Bill 70

**An Act to amend the Securities Act in its applicability
to the contract of concession or of franchising**

First reading
Second reading
Third reading

M. GUY JORON

Ministre des consommateurs, coopératives
et institutions financières

L'ÉDITEUR OFFICIEL DU QUÉBEC

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EXPLANATORY NOTES

The object of this bill is to amend the Securities Act in order to specifically define contracts of franchising as securities, thereby subjecting them to the supervision and control of the Commission des valeurs mobilières du Québec.

A further object of the bill is to limit the exemption of transactions in securities of a private company from the application of the act, by indicating that contracts of concession or of franchising of such a company are subject to the act.

Sec. 1. *The last paragraph of subparagraph a of paragraph 11 of section 1 of the act presently reads as follows:*

“1. In this act the following terms mean or designate:

...

(11) “securities”

(a) any certificate, instrument or other document constituting evidence:

...

of a contract of concession under which the concessionary obtains certain special rights respecting the operation of an undertaking;”;

Sec. 2. *Subparagraph i of the first paragraph of section 28 of the act presently reads as follows:*

“28. No registration shall be required for the following sales of and transactions in securities:

...

(i) the issuances, distributions, sales or transactions of the securities issued by a private company; however, the Commission may always, in its discretion, make such private company subject to this act.”

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An Act to amend the Securities Act in its applicability
to the contract of concession or of franchising

HER MAJESTY, with the advice and consent of the Assemblée nationale du Québec, enacts as follows:

1. Section 1 of the Securities Act (R.S.Q., c. V-1) is amended by replacing the last paragraph of subparagraph *a* of paragraph 11 by the following paragraph:

“of a contract of concession or of franchising under which the concessionary or the franchisee obtains certain special rights respecting the operation of an undertaking;”.

2. Section 28 of the said act is amended by replacing subparagraph *i* of the first paragraph by the following subparagraph:

“(i) the issuances, distributions, sales or transactions of securities, other than a contract of concession or of franchising, issued by a private company; however, the Commission may always, in its discretion, make such a private company subject to this act.”

3. This act will come into force on the date to be fixed by proclamation of the Government.