

GENERAL:

On May 1, 2010, with the coming into force of the *Real Estate Brokerage Act (R.S.Q. c. C-73.2*, hereinafter called the "Act"), the *Association des courtiers et agents immobiliers du Québec (ACAIQ)* became the *Organisme d'autorégulation du courtage immobilier du Québec (OACIQ)*. Like the ACAIQ, the OACIQ's primary mission is to protect the public by overseeing the professional activities of all real estate brokers and agencies practising in Québec.

This Annex must be attached to any brokerage contract entered into on or after May 1, 2010, whether for a residential, commercial or mortgage transaction, exclusive or non-exclusive, and whether or not listing on an information listing service or similar service was requested. This form shall be in use until October 31, 2011, after which date new forms will be available and their use will be mandatory.

INSTRUCTIONS:

Clause TA.1 – Identification of principal contract

- ❖ Enter the number of the brokerage contract to which the Annex refers and the address of the immovable or enterprise covered by the brokerage contract.

Clause TA.2 – Verification of identity

TA.2.1 For the signatory of the brokerage contract (e.g. the seller or the seller's proxy):

- ❖ Specify:
 - the document used to identify the signatory of the brokerage contract by checking the appropriate box or, if not listed, by indicating the type of document;
 - the reference number appearing on the document;
 - the place of issuance of the document;
 - the expiry date of the document.
- ❖ Indicate:
 - if a natural person, the signatory's date of birth;
 - if a natural person, the signatory's occupation, or the principal activity of the legal person or partnership that is party to the brokerage contract.

If the seller is a legal person, the broker must keep a copy of the CIDREQ statement on file (information statement on the enterprise): name, address, incorporation date, assumed name, directors, officers, shareholders) and a copy of the resolution authorizing the signatory to act on behalf of the legal person.

TA.2.2 If the signatory of the brokerage contract is not the CLIENT himself (e.g. if the seller is represented by a proxy):

- ❖ Indicate:
 - if a natural person, the CLIENT's date of birth;
 - if a natural person, the CLIENT's occupation, or the principal activity of the legal person or partnership that is party to the brokerage contract.

If the seller is represented by a proxy, a copy of the power of attorney must be kept in the broker's file.

In the case of an estate, a copy of the document authorizing the signatory of the brokerage contract to act on behalf of the estate (will or Declaration of Transfer) must be kept in the broker's file.

In all cases where a brokerage contract is made with the client's proxy, the proxy's address and relationship with the client (e.g. representative, executor, officer of the enterprise, etc.) must appear in the section on the identification of the parties to the brokerage contract.

Note: The obligation to verify the identity of a client is pursuant to section 29 of the *Regulation respecting brokerage requirements, professional conduct of brokers and advertising*. As verified with FINTRAC by the OACIQ, completing clause TA.2 will meet FINTRAC'S requirements.

Clause TA.3 – Terms of shared remuneration offered to other agencies or brokers

- ❖ Check the appropriate box and indicate the remuneration offered to other agencies or brokers.

This obligation is pursuant to section 40 of the *Regulation respecting brokerage requirements, professional conduct of brokers and advertising*.

Clauses TA.4, TA.5, TA.6 AND TA.7 – Ceasing of activities by a broker acting for his or her own account or for an agency, and ceasing of activities by an agency

These provisions specify what happens to the brokerage contract when:

- a broker ceases acting for his or her own account in order to act for an agency;
- a broker completely ceases his activities;
- a broker ceases to act for an agency;
- an agency ceases its activities.

These provisions supersede any provision in the brokerage contract whose terms contradict those of this Annex, including clauses 10 (15) and (16) of the form *Exclusive Brokerage Contract – Sale of a chiefly residential immovable*, which no longer apply.

Initials

The parties to the brokerage contract must initial this section.

Section "Information not part of the brokerage contract"

This section explains the terminology adopted under the new Act, and includes provisions contained in the new regulations that result in changes to the obligations of licence holders. The information included in this section does not form part of the brokerage contract; it is provided for information purposes, due to the impact it can have on the obligations of a broker or an agency, or on the rights of their clients.

For additional information, please contact **Info-OACIQ**
at 450 462-9800 or 1 800 440-7170 or by email at info@oaciq.com.

TA6. BROKER CEASING TO ACT FOR AN AGENCY

TA6.1 If the broker mentioned in this contract as the AGENCY's representative ceases to carry on brokerage activities for the agency to carry them on instead on his or her account or for another agency, the CLIENT may elect to continue to do business with the broker or with the AGENCY in accordance with this contract, by sending the AGENCY a notice stating his or her choice not later than the day on which the broker ceases to carry on activities for the AGENCY.

If the CLIENT elects to continue to do business with the broker, this contract is terminated on the date on which the broker ceases to carry on activities for the AGENCY. The CLIENT is then bound to the BROKER or other agency for which the BROKER now carries on activities, as the case may be, under the same terms and conditions as those provided for in this contract.

Should the notice required under the first paragraph not be sent, this contract is terminated.

TA7. AGENCY CEASING ITS ACTIVITIES

TA7.1 Except on contrary notice from the CLIENT, or should the broker mentioned in this contract as the AGENCY's representative cease to carry on activities, if the AGENCY ceases to carry on its activities, this contract is terminated on the date on which the agency ceases its activities and the CLIENT is then bound to the broker now carrying on activities on his or her account or, as the case may be, to the agency for which the broker now carries on activities, under the same terms and conditions as those provided for in this contract.

In case of notice to the contrary or if the broker completely ceases his or her activities, this contract is terminated on the date on which the AGENCY ceases its activities.

Clauses TA6 and TA7 apply to any brokerage contract entered into by an AGENCY and supersede any provisions in the brokerage contract whose terms contract those of this Annex.

INITIALS (ALL COPIES MUST BEAR ORIGINAL INITIALS)

Broker 1	Broker 2	Signatory 1	Signatory 2

INFORMATION NOT PART OF THE BROKERAGE CONTRACT

The new terminology used is reproduced below for information purposes. Some of the provisions contained in the regulations of the Organisme d'autoréglementation du courtage immobilier du Québec (OACIQ) which may have an impact on the contract's content, expiration date, cancellation, the validity of some of its clauses or the broker's or the agency's obligations are also reproduced below.

TERMINOLOGY

Since May 1, 2010, the designation of "real estate agent" has been changed to "real estate broker". The brokerage firm, formerly known as a "real estate broker", becomes a "real estate agency". Other terms have also changed:

Old designation	New designation
"broker"	"agency" (brokerage firm) or "broker" (acting for his or her own account) (former real estate broker who was a natural person and did not employ real estate agents)
"agent"	"broker" (acting for an agency)
"certificate"	"licence"
"member"	"licence holder"

REGULATION RESPECTING THE BROKERAGE REQUIREMENTS, PROFESSIONAL CONDUCT OF BROKERS AND ADVERTISING

19. A licence holder proposing to act as a lender in connection with a loan secured by immovable hypothec cannot represent the borrower. Before entering into an agreement with the borrower, the holder must terminate any binding brokerage contract. Despite the foregoing, the brokerage contract cannot be terminated as long as negotiations are in progress with another lender for a loan applied for by the borrower

The broker must in such a case inform the borrower in writing that the broker is not acting as a representative and that the borrower may seek representation by a licence holder of his or her choice.
20. A licence holder selling, exchanging or leasing an immovable or enterprise in which a direct or indirect interest is held by the holder may not represent an interested purchaser or lessee. The holder must without delay inform that person in writing that the holder is not acting as a representative and that the person may seek representation by a licence holder of his or her choice.
21. A licence holder acquiring a direct or indirect interest in an immovable or enterprise cannot represent the seller. The holder must without delay inform the seller in writing that the holder is not acting as a representative and that the seller may seek representation by a licence holder of his or her choice.
22. A licence holder proposing to acquire a direct or indirect interest in an immovable or enterprise to be sold, leased or exchanged by the holder pursuant to a brokerage contract must terminate the brokerage contract before submitting a transaction proposal. Despite the foregoing, the brokerage contract cannot be terminated with a view to the purchase or lease of the immovable as long as transactions are in progress or the holder is collaborating with another licence holder to complete the transaction on the immovable.
23. A licence holder cannot claim remuneration if the holder acquires an interest in an immovable or enterprise or does so for the holder, a partnership or legal person controlled by the holder, or if the married or civil union spouse of the holder, the person with whom the holder is in a de facto union or a legal person or a partnership controlled by that spouse or person acquires the immovable or enterprise.
24. An agency that has entered into a brokerage contract must without delay notify the contracting party in writing of any change in the identity of the broker acting for the agency with the contracting party.
25. A broker must notify in writing the parties represented as soon as the broker ceases to act on his or her own account. The notice must, if applicable, state the right of the parties either to continue to deal with the broker if the broker is subsequently acting for an agency, with the name of the agency, or to terminate the brokerage contract.
26. If the broker ceases to act for an agency, the broker and the agency must, without delay, so notify in writing the parties represented by the broker. The notice must, if applicable, state the right of the parties either to continue to deal with the agency, to continue to deal with the broker if the broker is acting on his or her account or for a new agency, with the name of the agency, or to terminate the brokerage contract.
28. A brokerage contract entered into by a broker working on his or her own account is deemed to be cancelled as of the time the broker ceases brokerage activities or the broker's licence is suspended or revoked.
40. A licence holder must without delay disclose in writing to the party represented the terms of any shared remuneration offered to the other licence holders collaborating in the transaction as well as the consequences the proposed terms entail.
44. If a party represented wishes to use an information listing service in connection with an immovable or enterprise, the licence holder must list the immovable or enterprise with that service without delay. The listing must be made before the marketing of the immovable or enterprise or performance of the brokerage contract begins, unless written instructions to the contrary are given by the party represented.

REGULATION RESPECTING CONTRACTS AND FORMS

11. A contract referred to in section 23 of the Real Estate Brokerage Act must not contain a stipulation for automatic renewal.
13. Failing a stipulation as to the time of expiry of a contract referred to in section 23 of the Real Estate Brokerage Act, it expires 30 days after its making.