Annex

Note 10:

Income Tax Act, RSC 1985, c. 1 (5th Supp.)
227.1(1) *Where a corporation has failed to deduct or withhold an amount as required by subsection 135(3) or 135.17 or subsection 135(3) or 135.1(7) or section 153 or 215, has failed to remit such an amount or has failed to pay an amount of tax for a taxation year as required under Part VII or VIII, the directors of the corporation at the time the corporation was required to deduct, withhold, remit or pay the amount are jointly and severally, or solidarily, liable, together with the corporation, to pay that amount and any interest or penalties relating to it.*

Tax Administration Act*,* RSQ, c. A-6.002
24.0.1. *Where a corporation has omitted to remit to the Minister an amount referred to in section 24 or to deduct, withhold or collect an amount that it was required to deduct, withhold or collect under a fiscal law, or to pay its employer's contribution under the Act respecting the Québec Pension Plan (chapter R-9), the Act respecting parental insurance (chapter A-29.011), the Act respecting labour standards (chapter N-1.1), the Act to promote workforce skills development and recognition (chapter D-8.3) or the Act respecting the Régie de l'assurance maladie du Québec (chapter R-5), its directors in office on the date of the omission shall become solidary debtors with the corporation for that amount and for interest and penalties related thereto in the following cases: …*

Employment Insurance Act, SC 1996, c. 23
83(1) *If an employer who fails to deduct or remit an amount as and when required under subsection 82(1) is a corporation, the persons who were the directors of the corporation at the time when the failure occurred are jointly and severally, or solidarily, liable, together with the corporation, to pay Her Majesty that amount and any related interest or penalties.*

Note 11:

Excise Tax Act*,* RSC 1985, c. E-15
323 (1) *If a corporation fails to remit an amount of net tax as required under subsection 228(2) or (2.3) or to pay an amount as required under section 230.1 that was paid to, or was applied to the liability of, the corporation as a net tax refund, the directors of the corporation at the time the corporation was required to remit or pay, as the case may be, the amount are jointly and severally, or solidarily, liable, together with the corporation, to pay the amount and any interest on, or penalties relating to, the amount.*

Note 12:

Canada Labour Code, RSC 1985, c. L-2
251.18. *Directors of a corporation are jointly and severally liable for wages and other amounts to which an employee is entitled under this Part, to a maximum amount equivalent to six months' wages, to the extent that the entitlement arose during the particular director's incumbency; and recovery of the amount from the corporation is impossible or unlikely.*

Canada Business Corporations Act, RSC 1985, c. C-44
119(1) *Directors of a corporation are jointly and severally, or solidarily, liable to employees of the corporation for all debts not exceeding six months wages payable to each such employee for services performed for the corporation while they are such directors respectively*.

Note 13:

Act respecting occupational health and safety, CQLR, c. S-2.1
241. *Where a legal person has committed an offence, every director, officer, employee or agent of that legal person who has prescribed or authorized the action or the omission that constitutes the offence or who has consented thereto is deemed to have participated in the offence and is liable to the same penalty as a natural person, whether or not the legal person has been prosecuted or found guilty.*

Note 14:

Securities Act*,* CQLR, c. V-1.1
205. *Every officer, director or employee of the principal offender, including a person remunerated on commission, who authorizes or permits an offence under this Act is liable to the same penalties as the principal offender.*

Note 15:

See for example sections 213.1 and following of the ***Securities Act***, CQLR, c. V-1.1: (i) distributing securities without a prospectus (ss. 214 to 216); (ii) misrepresentations in a prospectus (ss. 217 to 225.0.2 for the primary market and ss. 225.2 to 225.33 for the secondary market), and (iii) using privileged information (ss. 226 to 233).

Note 16:

Canadian Environmental Protection Act, LC 1999, c. 33
280(1) *If a corporation commits an offence under this Act, any director, officer, agent or mandatary of the corporation who directed, authorized, assented to, acquiesced in or participated in the commission of the offence is a party to and guilty of the offence, and is liable on conviction to the penalty provided for by this Act for an individual in respect of the offence committed by the corporation, whether or not the corporation has been prosecuted or convicted.*

Note 17:

Environment Quality Act, CQLR, c. Q-2
115.40. *If a legal person or an agent, mandatary or employee of a legal person, partnership or association without legal personality commits an offence under this Act or the regulations, its director or officer is presumed to have committed the offence unless it is established that the director or officer exercised due diligence and took all necessary precautions to prevent the offence.*

Note 18:

Environment Quality Act, CQLR, c. Q-2
115.50. *The directors and officers of a legal person that has defaulted on payment of an amount owed to the Minister under this Act or the regulations are solidarily liable, with the legal person, for the payment of the amount, unless they establish that they exercised due care and diligence to prevent the failure which led to claim.*

Note 19:

Act respecting the protection of personal information in the private sector, CQLR, c. P-39.1
93. *Where an offence under this Act is committed by a legal person, the administrator, director or representative of the legal person who ordered or authorized the act or omission constituting the offence, or who consented thereto, is a party to the offence and is liable to the prescribed penalty.*

Note 20:

An Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities, and to amend the Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act and the Telecommunications Act (S.C. 2010, c. 23) [also known as **CASL**, i.e. "**Canada's Anti-Spam Legislation**"]
31. *An officer, director, agent or mandatary of a corporation that commits a violation is liable for the violation if they directed, authorized, assented to, acquiesced in or participated in the commission of the violation, whether or not the corporation is proceeded against.*
52. *An officer, director, agent or mandatary of a corporation that commits a contravention of any of sections 6 to 9 of this Act or of section 5 of the Personal Information Protection and Electronic Documents Act that relates to a collection or use described in subsection 7.1(2) or (3) of that Act, or that engages in conduct that is reviewable under section 74.011 of the Competition Act, is liable for the contravention or reviewable conduct, as the case may be, if they directed, authorized, assented to, acquiesced in or participated in the commission of that contravention, or engaged in that conduct, whether or not the corporation is proceeded against.*

Note 21:

Consumer Protection Act, CQLR, c. P-40.1
260. *Where the merchant is a legal person, each director is solidarily liable with the legal person for the sums which are transferred in trust in accordance with sections 254 to 256, unless the director proves that he acted in good faith.*

Note 22:

Consumer Protection Act, CQLR, c. P-40.1
282. *Where a legal person is guilty of an offence against this Act or any regulation, every director or representative of such legal person who had knowledge of the said offence is deemed to be a party to the offence and is liable to the penalty provided for in section 278 or 279 for a natural person, unless he establishes to the satisfaction of the court that he did not acquiesce in the commission of such offence.*

Real Estate Brokerage Act*,* CQLR, c. C-73.2
125. *Any person found guilty of an offence under section 80, 116 or 124 is liable to a fine of not less than $1,500 nor more than $20,000 in the case of a natural person and to a fine of not less than $3,000 nor more than $40,000 in the case of a legal person.*
A director, executive officer, mandatary or representative of a legal person referred to in the first paragraph who knowingly authorizes, encourages, recommends, or allows the commission of the offence is liable to a fine of not less than $1,500 nor more than $20,000.
In determining the amount of a fine, the court considers such factors as the injury suffered as a result of and the benefits derived from the offence. The minimum and maximum fines are doubled for a second or subsequent offence.

Food Products Act*,* CQLR, c. P-29
46. *Where a legal person is guilty of an offence against section 3 in relation to a product unfit for human consumption, so deteriorated as to be unfit for human consumption or whose safety for human consumption is uncertain, section 9 or 11.1 in relation to the operation of a packing-house, establishment, premises or vehicle while its permit is suspended or cancelled under section 15, an order under any of sections 33.9.1 to 33.11.1 or a regulation under section 33.11.2, section 34 in relation to the operating hours fixed in that section, or contravenes the conditions or restrictions indicated in its permit or the provisions of regulations concerning stamping, the origin of products or inedible meat, every officer, director, partner, employee or mandatary of that legal person who prescribed or authorized the committing of the offence, or who consented thereto or acquiesced or participated therein, is deemed a party to the offence and is liable to the penalties provided for in section 44, 45, 45.1, 45.1.1, 45.1.2, 45.2 or 45.3, whether or not the legal person has been prosecuted or convicted.*

Note 23:

Competition Act, RSC 1985, c. C-34
49(1) *Subject to subsection (2), every federal financial institution that makes an agreement or arrangement with another federal financial institution with respect to*
(a) *the rate of interest on a deposit,*
(b) *the rate of interest or the charges on a loan,*
(c) *the amount or kind of any charge for a service provided to a customer,*
(d) *the amount or kind of a loan to a customer,*
(e) *the kind of service to be provided to a customer, or*
(f) *the person or classes of persons to whom a loan or other service will be made or provided or from whom a loan or other service will be withheld,*
and every director, officer or employee of the federal financial institution who knowingly makes such an agreement or arrangement on behalf of the federal financial institution is guilty of an indictable offence and liable to a fine not exceeding ten million dollars or to imprisonment for a term not exceeding five years or to both.
51.2(8) *Where a corporation commits an offence under this section, any officer or director of the corporation who is in a position to direct or influence the policies of the corporation in respect of conduct prohibited by this section is a party to and guilty of the offence and is liable to the punishment provided for the offence, whether or not the corporation has been prosecuted or convicted, unless the officer or director establishes that the officer or director exercised due diligence to prevent the commission of the offence.*
53(5) *Where a corporation commits an offence under this section, any officer or director of the corporation who is in a position to direct or influence the policies of the corporation in respect of conduct prohibited by this section is a party to and guilty of the offence and is liable to the punishment provided for the offence, whether or not the corporation has been prosecuted or convicted, unless the officer or director establishes that the officer or director exercised due diligence to prevent the commission of the offence.*
65(4) *Where a corporation commits an offence under this section, any officer, director or agent of the corporation who directed, authorized, assented to, acquiesced in or participated in the commission of the offence is a party to and guilty of the offence and is liable to the punishment provided for the offence whether or not the corporation has been prosecuted or convicted.*

Note 24:

Act to ensure mainly the recovery of amounts improperly paid as a result of fraud or fraudulent tactics in connection with public contracts, CQLR, c. R-2.2.0.0.3 [hereinafter, the "***Recovery Act***"]
10. *Any enterprise or natural person who has, in any capacity, participated in fraud or fraudulent tactics in the course of the tendering, awarding or management of a public contract is presumed to have caused injury to the public body concerned.*
In such a case, the officers of the enterprise in office at the time the fraud or fraudulent tactics occurred are held liable unless they prove that they acted with the care, diligence and skill that a prudent person would have exercised in similar circumstances.
The directors of the enterprise in office at the time the fraud or fraudulent tactics occurred are also held liable if it is established that they knew or ought to have known that fraud or fraudulent tactics were committed in relation to the contract concerned, unless they prove that they acted with the care, diligence and skill that a prudent person would have exercised in similar circumstances.
The enterprises and natural persons referred to in this section are solidarily liable for the injury caused, unless such liability is waived by the public body.

Authors' note: The *Recovery Act* was adopted by the Quebec government in 2015 following serious allegations of corruption and collusion involving various enterprises in the construction and engineering field as well as elected officials and municipal civil servants. The statute changed the rules of evidence pertaining to civil liability in order to facilitate the recovery by public bodies (including municipalities) of money that was unduly paid to contractors in connection with public contracts.