

The Security Investment

A new type of security available to protect the assets of a minor child while simplifying the lives of loved ones!



LE CURATEUR PUBLIC DU QUÉBEC

À la rencontre de la personne

Québec 

As a legal tutor, the parent of a minor is responsible for protecting the child's assets until he/she reaches the age of majority. The parent must comply with legal and administrative obligations, such as reporting on his/her administration and providing a guarantee, called a security, if the value of the assets under administration exceeds \$25,000.

The tutorship council, jointly with the tutor, decides on the amount covered by the security and the form that the latter will take.

To make the tutor's job as easy as possible, the Curateur public has developed a new type of hold funds, the *Security Investment*, in partnership with Épargne Placements Québec.

How it works

To access the *Security Investment* rather than any other type of security (regular hold funds, mortgage, suretyship), the tutor must deposit all of the minor child's money under his/her management with Épargne Placements Québec.

If the parents think they will need to provide for the minor's maintenance and education, pursuant to Article 218 of Civil Code of Québec, which will require them to withdraw money, then this is not the appropriate type of investment.

Benefits

- By opting for the *Security Investment*, the tutor will benefit from a lightening of the reporting requirement: In general, he/she will not have to produce annual reports or a final account reporting because Épargne Placements Québec, jointly with the Curateur public, will ensure that the tutor's administration is compliant with the rules governing the protection of the minor's assets.
- If all of the child's assets are deposited in this account and there are no other decisions that require the opinion of a tutorship council, the tutor be exempted from forming one.
- The tutor will not have to provide or maintain another security.

Rules

The tutor must perform all other duties, including informing the child of his/her assets once he/she turns 14, and providing him/her with the investment statements.

Any money given to or earned by the minor must be deposited in this account until he/she reaches the age of majority. Any withdrawals from the *Security Investment* will result in the loss of benefits provided by this product.

If the tutor wishes to withdraw money from this investment vehicle, he/she must notify Épargne Placements Québec thirty (30) days in advance. The *Security Investment* will then become invalid. At that point, the tutor will have to form a tutorship council, establish another security (determined by the tutorship council), and produce annual reports.

The *Security Investment* is available to legal tutors (parents) only. Dative tutors do not qualify.

Deposits to the account

Requests for deposits must be made by telephone, mail, in person, or by fax. Email requests will not be accepted.

The payer (notary, SAAQ, insurer, etc.) can send a cheque “in trust” to the tutor, who will send it directly to Épargne Placements Québec to be deposited in the minor’s trust account.

If the money is deposited to the account of a notary or a bank, the tutor must refer the latter to Épargne Placements Québec to arrange the funds transfer.

Other assets (immovable, movable)

To benefit from the *Security Investment*, all of the minor’s money must be deposited in it. This security is an option even if the child has other types of assets; however, certain rules apply.

Immovable assets: When a minor inherits a primary or secondary family residence, a *Security Investment* can be opened to hold his/her money if the tutor confirms in writing to the Curateur public that he/she intends to personally cover all expenses related to preserving the asset until the minor reaches the age of majority. These transactions do not need to be accounted for, because they are made from the tutor’s assets and not the minor’s. The related risks are considered very low because the minor’s properties (and assets) are adequately protected by the provisions of the Civil Code of Québec.

In the case of a minor who owns an income property, the tutor must submit administration reports and annual reports. The tutor does not qualify for the *Security Investment*.

Valuable movable property: The tutor must confirm to the Curateur public, in a signed letter, that he/she will protect the minor’s movable property and return it to him/her when he/she reaches the age of majority. The tutor must also be able to demonstrate, at any time, that he/she is still in possession of the property and that he/she is taking all steps to protect it or ensure its protection.

How to apply

Below are the steps in applying for the *Security Investment*.

- The tutor must ask the Private Representation Officer at the Curateur public for the file number, which he/she must then send to Épargne Placements Québec.
- The tutor must then call Épargne Placements Québec at 1 800 463-5229 (toll-free).
- Épargne Placements Québec will send the tutor an application form.
- The tutor must return the completed form to Épargne Placements Québec.
- After receipt and validation of the documents, Épargne Placements Québec will open the *Security Investment* comprised of products identified jointly with the tutor.
- Within ten (10) days of the purchase of products, Épargne Placements Québec will send the tutor confirmation of the transaction, with a copy to the financial advisor, where applicable.
- Épargne Placements Québec will send the tutor a quarterly statement, with copies to the Curateur public and the financial advisor, where applicable.
- Épargne Placements Québec will issue tax receipts on behalf of the member.

For more information

For more information, visit the Curateur public website (www.curateur.gouv.qc.ca/security) and the Épargne Placements Québec (www.epq.gouv.qc.ca) website, or contact the Private Representation Officer responsible for the legal tutor’s file at the Curateur public.