

Bill No. 102 of 1954

A BILL TO AMEND THE COMPANIES ACT

NOTE

This Bill amends *The Companies Act*, being chapter 240 of the Revised Statutes of Alberta, 1942.

Section 2 is amended. Clause (*ee*) which defines "special resolution" is enlarged to include in that term a resolution consented to in writing by all the members entitled to vote thereon at a general meeting.

Section 8 is amended to permit unitization organizations to operate without registration under this Act in certain cases.

Section 14 is replaced by a new section. The former section prohibited loans being made shareholders or directors of a company unless the company was a loan company acting in the course of its business. The new section prohibits the making of loans to directors or shareholders by a company and sets out in more detail the type of transactions included within the concept of "loans". The exceptions are extended to include with the exception to loan companies, loans that are made to enable persons to erect dwelling houses for their own occupation, the provision of money by the company to trustees for the purchase of shares of the company in trust for or for the benefit of employees of the company, including directors, and loans that are made to employees to enable them to purchase shares of the company to be held by the employees as beneficial owners. The added exceptions are the type of transactions that are recognized under the *Income Tax Act* (Canada).

Section 31, subsection (1) is amended to permit the statutory declaration required for a certificate to commence business to be filed by any one officer or the secretary of the company, rather than by all the directors as heretofore.

Section 52 is amended. Subsection (1) permits a private company to convert into a public company. The amendment requires that such a private company be one with three or more members to be consistent with section 263 which requires a public company to have no less than three members in order to do business. Subsection (4) is amended for the same reason as section 31, subsection (1) is amended.

Section 64 is amended. Subsection (1) is not free of ambiguity and this section is amended to clarify the situation with regard to the number of branch offices that a company may have outside the Province.

Section 66 is amended. As subsection (1) now reads it requires the seal of the company on share certificates issued

by registrars or transfer agents of companies. The amendment permits such share certificates to be issued without the seal added thereto and requires instead that the certificates be signed by the proper officers of the company. Section 34 was repealed in 1947 and the reference thereto in subsection (2) is removed.

Section 67 is amended to make it consistent with the amendment to subsection (1) of section 66.

Section 73, subsection (2) is amended to remove a conflict between this subsection and section 42 with regard to reorganization of a company's share capital.

Section 78 is amended. Subsection (1) is amended to remove an ambiguity caused by the word "publication" where used in reference to the issuing of a prospectus. Clause (a) of that subsection is amended to qualify a director who signs a prospectus or a statement in lieu of prospectus without the necessity of his signing and filing a consent to act as a director. Subsection (5) is amended to remove a reference to a section that was repealed in 1947.

Section 80a is added. This new section relates to the position of a director of a company who has an interest in another company or a firm with which his company is contracting. Such a director is under a duty to declare his interest to the other directors. Unless the articles of association permit it, such a director shall not vote with respect to any such contract. Certain exceptions are made to this provision in subsection (5), and certain other incidences flowing from the relationship of a director to his company are dealt with in subsections (6) and (7).

Section 83 is amended as to subsections (1) and (2) to provide generally that no prospectus be issued before it is filed and to authorize the filing within seven days of the date of the prospectus. The restriction against issuing a prospectus does not apply to an issue for filing purposes in compliance with statute or regulatory requirements.

Section 84 is amended to provide for the case of a private company converting to a public company. In that case the statement required by subsection (3) to be in the "Statutory Information" of the prospectus is inapplicable insofar as it touches upon the commencement of the company's business.

Section 85 is amended for the same reason that section 84 is amended.

Section 86a is added. It provides generally that no person may issue any application or subscription forms for the shares or debentures of a company unless an appropriate prospectus is issued with the form. Certain exceptions to this provision are set out in subsection (2). Subsection (3) makes non-compliance with subsection (1) an offence without effect to any other liability arising therefrom.

Section 86b is added. Subsection (1) requires that a prospectus be filed in any case where a person receives

shares or debentures of a company with a view to their being offered for sale to the public when he offers them to the public by a prospectus. Subsection (3) lays down a means of determining when shares or debentures have been allotted "with a view to the shares or debentures being offered for sale to the public". Subsection (5) requires that the prospectus be furnished to the public with the offer. Subsection (6) refers to the position of a principal underwriter and subunderwriter with respect to an issue of shares or debentures for which a prospectus was issued by the principal underwriter. The latter is primarily liable for misstatements in the prospectus. Subsection (7) creates an offence and subsection (8) defines the expression "principal underwriter" and "subunderwriter".

Section 93 is amended to remove a reference to a section repealed in 1947.

Section 100*a* is added for the purpose of providing for the conversion of bonds and debentures into fully paid up shares.

Section 112, subsection (1) is amended. The subsection is rearranged into three subsections. The subsection (1*b*) was a proviso which has been substantially altered for the purpose of permitting the court either before or after the sixteen month period in which an annual meeting of a company must be held, to direct by order that an annual meeting of the company be held at some date within six months after the last date upon which the annual meeting should have been held.

Section 114, subsection (1) is amended by the addition of clause (*g*) which provides that the third type of special resolution defined in the Act shall be deemed to be one passed at a general meeting where in fact it is passed by unanimous consent in writing of the company's members.

Section 153 is amended. Subsection (2) is added and requires that associations incorporated for the purpose of promoting art, science, religion, etc., file without fee a list of all directors and officers after each annual meeting. This is to permit the Registrar to determine which such companies are still in operation.

Section 155 is amended for the same reason as section 153 but with respect to associations incorporated for recreational purposes.

Section 156 is amended to provide that telephone companies need not submit returns under this Act to the Registrar. The Minister of Railways and Telephones obtains reports from these companies.

Section 167, section 168, subsection (1) and section 169, subsection (2) are each amended to correct a description of a meeting and report.

Section 221 is amended to provide that meetings of creditors on a liquidation are to be held not less than fourteen or more than forty-two days after the liquidator's appointment where previously the meeting had to be held within a maximum period of twenty-one days from such date. The subsection is rearranged to provide an easier mode of referring to it.

Section 248 is repealed as the hours therein fixed are no longer applicable as a result of the five-day week.

The First Schedule is amended as to Articles 4, 30 and 62 to make these Articles consistent with section 66, the repeal of "statutory meetings" in 1947, and the new section 80*a*, respectively.

The Second Schedule is amended as to Forms 6, 7, 7*a*, 8 and 8*a*. The forms require altering because of the amendments made herein to sections 31 and 52. Form 12 is amended to include therein information regarding foreign companies upon which fees are based for its registration under *The Companies Act*.

This Bill comes into force upon assent.

J. W. RYAN,
Acting Legislative Counsel.

(This note does not form any part of the Bill but is offered in explanation of its provisions.)

BILL

No. 102 of 1954

An Act to amend The Companies Act

(Assented to _____, 1954.)

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

1. *The Companies Act*, being chapter 240 of the Revised Statutes of Alberta, 1942, is hereby amended.

2. Section 2 is amended by striking out clause (*ee*) and by substituting the following: Section 2 amended

“(*ee*) ‘Special resolution’ means ‘Special resolution’

“(i) a resolution passed

“(A) at a general meeting of which not less than twenty-one days’ notice specifying the intention to propose the resolution has been duly given, and

“(B) by such a majority as is required for the passing of an extraordinary resolution,

or

“(ii) a resolution proposed and passed as a special resolution at a general meeting of which less than twenty-one day’s notice has been given, if all the members entitled to attend and vote at that general meeting so agree, or

“(iii) a resolution consented to in writing by all the members who would have been entitled at a general meeting to vote on the resolution in person or where proxies are permitted, by proxy;”.

3. Section 8 is amended Section 8 amended

(a) by renumbering the section as subsection (1),

(b) by adding immediately after subsection (1) the following new subsection:

“(2) The participation of an aggregation of persons in an agreement for

“(a) the development and production of a mineral within, upon or under a number of holdings, or in any specified stratum or strata within the

holdings, without regard to the boundaries of the separate holdings, or

“(b) the implementing of a programme for the conservation of a mineral, or for the co-ordinated management of interests in the mineral, shall not be deemed to form a company, association or partnership within the meaning of subsection (1) if a copy of the agreement is submitted to the Provincial Secretary and approved in writing by him.”.

Section 14
amended

4. Section 14 is struck out and the following is substituted:

Loans

“14. (1) A public company shall not make any loan to any of its shareholders or directors or give, whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the company.

“(2) Nothing in subsection (1) shall be taken to prohibit

“(a) the lending of money by the company in the ordinary course of its business where the lending of money is part of the ordinary business of the company, or

“(b) the making by a company of loans to persons *bona fide* in the employment of the company, whether directors or otherwise, with a view to enabling or assisting those persons to erect or purchase dwelling houses for their own occupation, or

“(c) the provision by a company, in accordance with any scheme for the time being in force, of money for the purchase by trustees of fully paid up shares in the capital stock of the company, to be held by or for the benefit of employees of the company, including any director holding a salaried employment or office in the company, or

“(d) the making by a company of loans to persons in the employment of the company, including directors holding salaried employment, with a view to enabling those persons to purchase fully paid up shares in the capital stock of the company, to be held by themselves by way of beneficial ownership.

Liability of
directors
and officers
re loans

“(3) If any loan is made by a public company in contravention of subsection (1), all directors and officers of the company making the same or assenting thereto are, until repayment of the said loan, jointly and severally liable to the company and any person injured, for any loss, damage or costs that the company or person sustained or incurred by reason of the contravention of subsection (1).

“(4) Notwithstanding subsection (3)

“(a) the liability of the directors and officers of a company under this section is limited to the amount of the loan made in contravention of subsection (1) with interest at the rate, if any, stipulated for in the loan, and

“(b) a director shall not be held liable for a contravention of subsection (1) if he proves that the contravention was not due to any misconduct or negligence on his part.

“(5) Proceedings to recover any loss, damage or costs sustained or incurred by reason of a contravention of subsection (1) shall not be commenced after the expiration of two years from the date on which the loss, damage or costs were sustained or incurred.”. Recovery proceedings

5. Section 31, subsection (1) is amended

Section 31
amended

- (a) by striking out the words “by the directors,—” and by substituting the words “by the secretary or other officer,”;
- (b) by striking out the proviso.

6. Section 52 is amended

Section 52
amended

- (a) as to subsection (1) by adding immediately after the words “private company” the words “with three or more members”;
- (b) as to subsection (4), clause (c) by striking out the words “by the directors,—” and by substituting the words “by the secretary or other officer,”.

7. Section 64 is amended

Section 64
amended

- (a) as to subsection (1) by striking out the words “province, state, or country a branch register” and by substituting the words “one or more provinces, states or countries a branch register or branch registers”;
- (b) as to subsection (2) by striking out the words “the situation of the office” and by substituting the words “each location of an office”.

8. Section 66 is amended

Section 66
amended

- (a) as to subsection (1) by striking out the words “under its common seal” and by substituting the words “signed by the proper officers in accordance with the company’s articles in that behalf”;
- (b) as to subsection (2) by striking out the words and figures “but subject to section 34,”

9. Section 67 is amended by striking out the words “under the common seal of the company” and by substituting the words “signed by the proper officers of the company”. Section 67
amended

Section 73
amended

10. Section 73, subsection (2) is amended by adding immediately after the word "varied" the words "by a special resolution confirmed by an order of the court,".

Section 78
amended

11. Section 78 is amended

(a) as to subsection (1)

(i) by striking out the word "publication" and by substituting the word "issue";

(ii) by striking out clause (a) and by substituting the following:

"(a) either signed the articles by which he is so appointed, or the prospectus or statement in lieu of prospectus in which he is so named or signed and filed with the Registrar a consent in writing to act as a director; and";

(b) as to subsection (5) by striking out the words ", prior to the date of the statutory meeting,".

New
section 80a

Declaration
as to
interest in
contract

Notice of
interest in
contract

Vote re
contract

12. The following new section is added immediately after section 80:

"**80a.** (1) Subject to the provisions of this section, it is the duty of a director of a company who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the company to declare his interest at a meeting of directors of the company.

"(2) In the case of a proposed contract the declaration required by this section to be made by a director shall be made at the meeting of directors at which the question of entering into the contract is first taken into consideration, or, if the director is not at the date of that meeting interested in the proposed contract, at the next meeting of the directors held after he becomes so interested, and in a case where the director becomes interested in a contract after it is made, the said declaration shall be made at the first meeting of directors held after the director becomes so interested.

"(3) For the purposes of this section, a general notice given to the directors of a company by a director to the effect that he is a shareholder of or otherwise interested in any other company or is a member of a specified firm and is to be regarded as interested in any contract made with such other company or firm, shall be deemed to be a sufficient declaration of interest in relation to any contract so made.

"(4) Unless otherwise expressly provided in the articles of association of the company, no director shall vote in respect of any contract or proposed contract in which he is so interested as aforesaid and if he does so vote, his vote shall not be counted.

"(5) Subsection (4) does not apply

"(a) in the case of any contract by or on behalf of the company to give to the directors or any of them security for advances or by way of indemnity,

“(b) in the case of a private company, where there is no quorum of directors in office who are not so interested,

“(c) in the case of any contract between the company and any other company where the interest of the director in that other company consists solely in his being a director or officer of that other company and the holder of not more than the number of shares in that other company requisite to qualify him as a director.

“(6) A director who has made a declaration of his interest in a contract or proposed contract in compliance with this section and has not voted in respect of such contract contrary to the prohibition in subsection (4), if such prohibition applies, is not accountable to the company or any of its shareholders or creditors by reason only of the director holding that office or of the fiduciary relationship thereby established for any profit realized by such contract.

“(7) Nothing in this section imposes any liability upon a director in respect of the profit realized by any contract that has been confirmed by the vote of shareholders of the company at a special general meeting called for that purpose.

“(8) For the purposes of this section the expression ‘contract’ includes ‘arrangement’ and the expression ‘meeting of directors’ includes a meeting of an executive committee of the directors.”

Profit realized by contract

“contract”
“arrangement”
“meeting of directors”

13. Section 83 is amended

Section 83 amended

(a) by striking out subsections (1) and (2) and by substituting the following:

“83. (1) Every prospectus issued by or on behalf of a company shall state on its face that a copy has been filed with the Registrar.”

Prospectus

“(1a) The prospectus shall be dated and such date shall, unless the contrary be proved, be taken as the date of issue of the prospectus.

“(1b) A copy of the prospectus signed by every person who is a director or a proposed director of the company on the date of its issue or by his agent duly authorized in writing shall be filed with the Registrar within seven days from the date of issue of the prospectus.

“(2) The Registrar shall not accept for filing any prospectus unless this section is complied with.

“(2a) No person shall issue, circulate or distribute any prospectus or copies thereof, other than copies issued for filing purposes in compliance with any statutory or governmental requirements, unless a copy of the prospectus has been first accepted for filing by the Registrar.”;

(b) as to subsection (4) by striking out the words “, prior to the date of the statutory meeting,”.

Section 84
amended

14. Section 84 is amended by adding immediately after subsection (3) the following new subsection:

“(3a) Where a private company that is converting to a public company issues a prospectus before it obtains a certificate authorizing it to allot its unissued shares and exercise its borrowing powers, the prospectus of that company shall include in the ‘Statutory Information’ in conspicuous type the following statement:

“This company has not yet obtained a certificate entitling it to allot its unissued shares and exercise its borrowing powers and is not authorized to allot any unissued shares or debentures unless the minimum subscription stated in the ‘Statutory Information’ set forth in this prospectus is subscribed, and a certificate to allot its unissued shares and exercise its borrowing powers is subsequently issued to the company under *The Companies Act*. All moneys received by the company in respect of the minimum subscription will in accordance with *The Companies Act* be held in trust by the company to be repaid if the minimum subscription is not subscribed.”.

Section 85
amended

15. Section 85 is amended by adding immediately after subsection (2) the following new subsection:

“(2a) Where a private company that is converting to a public company issues a prospectus before it obtains a certificate authorizing it to admit any person to membership and to exercise its borrowing powers, the prospectus of that company shall include in the ‘Statutory Information’ in conspicuous type, the following information:

“This company has not yet obtained a certificate entitling it to admit any person to membership and to exercise its borrowing powers and is not authorized to admit any person to membership or to issue debentures unless the minimum subscription stated in the ‘Statutory Information’ set forth in this prospectus is subscribed, and a certificate authorizing the company to admit any person to membership and to exercise its borrowing powers is subsequently issued to the company under *The Companies Act*. All moneys received by the company in respect of the minimum subscription will, in accordance with *The Companies Act*, be held in trust by the company to be repaid if the minimum subscription is not subscribed.”.

New
sections
86a and 86b
Prospectus
with ap-
plication
for shares

16. The following new sections are added immediately after section 86:

“**86a.** (1) No person shall issue any form of application or subscriptions for a company’s shares or debentures offered to the public unless the form is issued with a prospectus filed under section 83 and complying with section 84 or section 85, as the circumstances require.

“(2) Where the form of application is issued

“(a) in connection with a *bona fide* invitation to a person to enter into an underwriting agreement with respect to the shares or debentures, or

“(b) in relation to the shares or debentures of a company not being offered to the public, or

“(c) to existing members or debenture holders of the company whether or not an applicant for shares or debentures has the right to renounce in favour of other persons,

this section does not apply.

“(3) A person who acts in contravention of this section is, without prejudice to any other liability, guilty of an offence.

“~~86b~~. (1) Where a company allots or agrees to allot any shares or debentures of the company with a view to all or any of the shares or debentures being offered for sale to the public, and the whole consideration for such shares or debentures is not paid to the company at the date of the allotment or the offer for sale, whichever date is the earlier, any person who, by a prospectus issued by him with respect to all or any of those shares or debentures, makes an offer thereof to the public, shall file with the Registrar a copy of the prospectus, signed and dated by him and such date shall, unless the contrary be proved, be taken as the date of issue of the prospectus. Prospectus
when
offering
shares

“(2) The prospectus referred to in subsection (1) shall be filed with the Registrar within seven days after its issue and before any copies thereof are otherwise circulated or distributed.

“(3) For the purposes of this section

“(a) if an offer of shares or debentures or any of them for sale to the public is made within six months after the allotment or agreement to allot such shares or debentures was made, or

“(b) if the whole consideration to be received by the company in respect of the shares or debentures had not been received by the company at the date when the offer of the shares or debentures or any of them for sale to the public was made,

it is, unless the contrary be proved, evidence that the allotment of shares or debentures or the agreement to allot the shares or debentures was made with a view to the shares or debentures being offered for sale to the public.

“(4) When a person making an offer for sale to which this section relates is a company or firm, it is sufficient for the purposes of this section if the prospectus is signed on behalf of the company or firm by an officer of the company or a partner of the firm authorized in either case to sign the prospectus.

“(5) A copy of the prospectus shall be furnished to every

member of the public to whom the offer of any shares or debentures to which the prospectus relates is made at the time the offer is made, and no subscription or application for any share or debenture shall be taken unless a copy of the prospectus has been so furnished.

Principal underwriter primarily liable re prospectus

“(6) Where a subunderwriter offers all or any of the shares or debentures of a company to the public by a prospectus prepared or issued by a principal underwriter, the principal underwriter is primarily liable in respect of mis-statements contained in the prospectus to any person accepting the offer made by the prospectus.

“(7) A person who fails to comply with or who contravenes any of the requirements of this section is guilty of an offence.

“(8) In this section

“principal underwriter”

“(a) the expression ‘principal underwriter’ means a person

“(i) to whom a company makes an allotment or agrees to make an allotment of shares or debentures of the company with a view to all or any of the shares or debentures being offered for sale to the public, and

“(ii) who sells or agrees to sell to any other person such shares or debentures with a view to all or any part of such shares or debentures being offered for sale to the public by that other person, and

“subunderwriter”

“(b) the expression ‘subunderwriter’ means a person who purchases from a principal underwriter the shares or debentures of a company with a view to their sale to the public.”.

Section 93 amended

17. Section 93 is amended by striking out the words and figures “, but subject to section 34,”.

New section 100a

18. The following new section is added immediately after section 100:

Conversion of bonds and debentures into fully paid up shares

“**100a.** (1) A company limited by shares if so authorized by its articles of association, may issue bonds, debentures, debenture stock, notes, obligations or fully paid preference shares that provide for the conversion thereof at the option of the holder into fully paid up common or ordinary shares.

“(2) If any such bonds, debentures, debenture stock, notes or obligations were issued at a discount then, notwithstanding the amount of the discount, all common or ordinary shares issued upon the conversion of any such bonds, debentures, debenture stock, notes or obligations shall be deemed to be fully paid up common or ordinary shares.”.

Section 112 amended

19. Section 112, subsection (1) is amended

- (a) by striking out the word "The" and by substituting the words "Subject to the provisions of this section, the";
- (b) by striking out the words "Provided that the" where they occur in the first proviso and by substituting the figure and word "(1a) The";
- (c) by striking out the second proviso and by substituting the following:

"(1b) On an application by the company to the court made either *ex parte* or on such notice to such persons as the court may direct, the court, if satisfied that in the circumstances it is in the best interests of the company to do so, may by order direct that the next annual meeting of the company be held on such date, within six months after the expiration of sixteen months from the date the last annual meeting of the company was held, as the court may determine."

20. Section 114, subsection (1) is amended by adding immediately after clause (f) the following new clause: Section 114
amended

"(g) a special resolution within the meaning of subclause (iii) of clause (ee) of section 2 shall be deemed to be a special resolution passed at a general meeting of the company." Special
resolution

21. Section 153 is amended by adding immediately after subsection (2) the following new subsection: Section 153
amended

"(3) Notwithstanding subsection (1), a company formed for the purposes mentioned in subsection (1) shall, within fourteen days after the date of its annual meeting, file without fee with the Registrar a list of all the directors and officers elected at that annual meeting."

22. Section 155 is amended Section 155
amended

- (a) by renumbering the section as subsection (1);
- (b) by adding immediately after subsection (1) the following new subsection:

"(2) Notwithstanding subsection (1), a company formed for the purpose mentioned in subsection (1) shall, within fourteen days after the date of its annual meeting, file without fee with the Registrar a list of all the directors and officers elected at that annual meeting."

23. Section 156 is amended by adding immediately after subsection (4) the following new subsection: Section 156
amended

"(5) A company registered under this section shall not be required to file any returns whatsoever with the Registrar of joint stock companies."

24. Section 167, clause (b) is amended by striking out the words "the statutory report or in holding the statutory" Section 167
amended

meeting” and by substituting the words “an annual report or in holding an annual meeting”.

Section 168
amended **25.** Section 168, subsection (1), clause (b) is amended by striking out the word “statutory” wherever it occurs and by substituting the word “annual”.

Section 169
amended **26.** Section 169, subsection (2) is amended by striking out the word “statutory” wherever it occurs and by substituting the word “annual”.

Section 221
amended **27.** Section 221, subsection (1) is amended

- (a) by striking out the letter “(a)”;
- (b) by striking out the words “twenty-one” and by substituting the words “forty-two”;
- (c) by striking out the letter “(b)” and by substituting the figure “(1a)”;
- (d) by striking out the words “this subsection” where they occur in clause (b) now renumbered as subsection (1a) and by substituting the words “subsection (1)”.

Section 248
repealed **28.** Section 248 is repealed.

First
Schedule
amended **29.** The First Schedule is amended as to Table A

- (a) as to Article 4 by striking out the words “under the common seal” and by substituting the words “signed by the secretary and one other officer”;
- (b) by striking out Article 30;
- (c) as to Article 62 by striking out the proviso and by substituting the following:

“Provided, however, that where a director has made a full disclosure of his interest in any contract at a meeting of the directors, he shall not be required to vacate his office by reason of his being a member of a company that has entered into contracts with or done any work for the company of which he is a director; but a director shall not vote in respect of any such contract or work and if he does so vote his vote shall not be counted.”.

Second
Schedule
amended **30.** The Second Schedule is amended

- (a) by striking out Forms 6, 7, 7a, 8 and 8a and by substituting the following:

“FORM 6

“THE COMPANIES ACT

“(Section 31)

“STATUTORY DECLARATION FOR CERTIFICATE
TO COMMENCE BUSINESS

“CANADA
“PROVINCE OF ALBERTA } In the Matter of *The Companies*
“TO WIT: } *Act*, and Limited.

“I, of
hereby solemnly declare as follows:

“(1) I am a duly appointed (secretary or officer) of the
..... Limited (hereinafter referred to
as ‘the company’).

“(2) The Company has filed with the Registrar a state-
ment in lieu of prospectus, in which the amount of
dollars in cash was named as the minimum subscription
upon which the directors of the Company might proceed to
(allotment) (admission to membership).

“(3) There has been subscribed the amount of
dollars, payable in cash exclusively.

“(4) The amounts paid or payable as commission for
subscribing or agreeing to subscribe, or procuring or agreeing
to procure, the minimum subscription are respectively
as follows: Paid, \$.....; payable, \$.....

“(5) The amounts allowed or to be allowed as discount in
respect of shares* (debentures) are respectively as follows:
Allowed, \$.....; to be allowed, \$.....

*Only in the
case of a
specially
limited
company

“(6) The sum payable on application

“(a) for each par value share (debenture) was
..... per cent of the nominal amount of
each share (debenture),

“(b) for each share without nominal or par value
was per cent of the price at which
the share was sold,

“(c) for membership by each new member was
..... dollars,

and has been paid to and received by the company.

“(7) All money so paid to and received by the Company
was deposited to the credit of the Company as trustee in the
branch of the Bank, situate at

“(8) No (allotment of any share (debenture) of the
Company has yet been made) (applicant has yet been ad-
mitted to membership.)

“(9) Each of the directors has paid to the Company (on
each of the qualification shares) (in respect of the qualifi-
cation) which a director of the Company is required to
(take) (have) a proportion equal to the proportion paid on
application for (each (share) debenture) (membership)
as aforesaid.

“(10) No prospectus (offering any shares (debentures) of the Company for subscription) (inviting persons to apply for membership) has been issued.

“And I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath and by virtue of the *Canada Evidence Act*.

“Declared at }
this day of }
19..... before me }
.....” }

“(Note—This Form must be altered according as the Company has or has not a share capital, and subscriptions or applications for shares, debentures or membership have been taken.)”.

“FORM 7

“THE COMPANIES ACT

“(Section 31)

“STATUTORY DECLARATION FOR CERTIFICATE
TO COMMENCE BUSINESS

“CANADA }
“PROVINCE OF ALBERTA } In the Matter of *The Companies*
“TO WIT: } Act, and Limited.

“I, of
hereby solemnly declare as follows:

“(1) I am a duly appointed (secretary or officer) of the Limited (hereinafter referred to as ‘the Company’).

“(2) The Company has filed with the Registrar a statement in lieu of prospectus, in which no minimum subscription was named because the Company proposes to take over an established business and does not require any cash to enable it to carry on that business.

“(3) The business which the Company proposes to take over was started in the year by under the name or title, and has been carried on continuously since that year (except).

“(4) A copy of the last balance sheet of the said business signed by me was filed with the statement aforesaid.

“(5) No (allotment of any share (debenture) of the Company has yet been made) (applicant has yet been admitted to membership).

“(6) Each of the directors has paid to the Company (on each of the qualification shares) (in respect of the qualification) which a director of the Company is required to (take) (have) a proportion equal to the proportion paid on application for (each share (debenture)) (membership) as aforesaid.

“(7) No prospectus (offering any shares (debentures) of the Company for subscription) (inviting any persons to apply for membership) has been issued.

“And I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath and by virtue of the *Canada Evidence Act*.

“Declared at
this day of
19..... before me }

“(Note—This form must be altered as the Company has or has not a share capital, and subscription or applications for shares, debentures or membership have been taken.)

“FORM 7a

“THE COMPANIES ACT

“(Section 52)

“STATUTORY DECLARATION FOR CERTIFICATE TO ALLOT UNISSUED SHARES AND TO EXERCISE BORROWING POWERS

“CANADA }
“PROVINCE OF ALBERTA } In the Matter of *The Companies*
“To WIT: } Act, and Limited.

“I, of hereby solemnly declare as follows:

“(1) I am a duly appointed (secretary or officer) of the Limited (hereinafter referred to as ‘the Company’).

“(2) The Company has filed with the Registrar a statement in lieu of prospectus in which no minimum subscription was named because the Company does not propose to issue an invitation to the public to subscribe for its shares.

“(3) A copy of the last balance sheet of the company signed by me was filed with the statement aforesaid.

“(4) No allotment of any share of the company has been made and no debenture has been issued since the date of the issue of a certificate converting the Company from a private company to a public company.

“(5) Each of the directors has paid to the Company (on each of the qualification shares) (in respect of the qualification) which a director of the Company is required to (take) (have) a proportion equal to the proportion paid on application for (each share (debenture)) (membership) as aforesaid.

“(6) No prospectus (offering any shares (debentures) of the Company for subscription) (inviting any persons to apply for membership) has been issued.

“And I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath and by virtue of the *Canada Evidence Act*.

“Declared at
this day of
19..... before me }
.....

“(Note—This form must be altered depending on whether the Company has or has not a share capital, and subscription or applications for shares, debentures or membership have been taken.)

“FORM 8

“THE COMPANIES ACT

“(Section 31)

“STATUTORY DECLARATION FOR CERTIFICATE
TO COMMENCE BUSINESS

“CANADA }
“PROVINCE OF ALBERTA } In the Matter of *The Companies*
“TO WIT: } Act, and Limited.

“I, of
hereby solemnly declare as follows:

“(1) I am a duly appointed (secretary or officer) of the Limited (hereinafter referred to as ‘the Company’).

“(2) The Company has filed with the Registrar a prospectus in which the amount of dollars in cash was named as the minimum subscription upon which the directors of the Company might proceed to (allotment) (admission to membership).

“(3) There has been subscribed the amount of dollars, payable in cash exclusively.

“(4) The amounts paid or payable as commission for subscribing or agreeing to subscribe, or procuring or agree-

ing to procure, the minimum subscription are respectively as follows: Paid, \$.....; payable, \$.....

“(5) The amounts allowed or to be allowed as discount in respect of shares* (debentures) are respectively as follows: Allowed, \$.....; to be allowed, \$..... *Only in the case of a specially limited company

“(6) The sum payable on application

“(a) for each par value share (debenture) was per cent of the nominal amount of each share (debenture),

“(b) for each share without nominal or par value was per cent of the price at which the share was sold,

“(c) for membership by each new member was dollars,

and has been paid to and received by the Company.

“(7) All money so paid to and received by the Company was deposited to the credit of the Company as trustee in the branch of the Bank, situate at

“(8) A copy of the prospectus filed as aforesaid was furnished to every person who (subscribed for any share (debenture) offered) (applied for any membership invited) by the prospectus.

“(9) No (allotment of any share (debenture) of the Company has yet been made) (applicant has yet been admitted to membership).

“(10) Each of the directors has paid to the Company (on each of the qualification shares) (in respect of the qualification) which a director of the Company is required to (take) (have) a proportion equal to the proportion paid on application for (each (share) debenture) (membership) as aforesaid.

“And I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and by virtue of the *Canada Evidence Act*.

“Declared at
this day of
19..... before me
.....)

“(Note—This form must be altered accordingly as the Company has or has not a share capital and subscriptions or applications for shares, debentures or membership have been taken.)

“FORM 8a

“THE COMPANIES ACT

“(Section 52)

“STATUTORY DECLARATION FOR CERTIFICATE TO ALLOT UNISSUED SHARES AND TO EXERCISE BORROWING POWERS

“CANADA
 “PROVINCE OF ALBERTA } In the Matter of *The Companies*
 “TO WIT: } Act, and Limited.

“I, of hereby solemnly declare as follows

“(1) I am a duly appointed (secretary or officer) of the Limited (hereinafter referred to as ‘the Company’).

“(2) The Company has filed with the Registrar a prospectus in which the amount of dollars in cash was named as the minimum subscription upon which the directors might proceed to allotment of its unissued shares.

“(3) The amount of dollars payable in cash exclusively has been subscribed for unissued shares.

“(4) The amounts paid or payable as commission for subscribing or agreeing to subscribe, or procuring or agreeing to procure, the minimum subscription are respectively as follows: Paid, \$; payable, \$

*Only in the case of a specially limited company

“(5) The amounts allowed or to be allowed as discount in respect of shares* (debentures) are respectively as follows: Allowed, \$; to be allowed, \$

“(6) The sum payable on application

“(a) for each par value share (debenture) was percent of the nominal amount of each share (debenture),

“(b) for each share without nominal or par value was per cent of the price at which the share was sold,

“(c) for membership by each new member was dollars,

and has been paid to and received by the Company.

“(7) All money so paid to and received by the Company was deposited to the credit of the Company as trustee in the branch of the Bank, situated at

“(8) A copy of the prospectus filed as aforesaid was furnished to every person who (subscribed for any share (debenture) offered) (applied for any membership invited) by the prospectus.

“(9) No allotment of any share of the company has been made and no debenture has been issued since the date of the issue of a certificate converting the Company from a private company to a public company.

“(10) Each of the directors has paid to the Company (on each of the qualification shares) (in respect of the qualification) which a director of the Company is required to (take) (have) a proportion equal to the proportion paid on application for (each (share) debenture) (membership) as aforesaid.

“And I make this solemn declaration conscientiously believing it to be true and knowing that is of the same force and effect as if made under oath and by virtue of the *Canada Evidence Act*.

“Declared at }
this day of }
19 before me }
..... }

“(Note—This form must be altered depending on whether the Company has or has not a share capital, and subscription or applications for shares, debentures or membership have been taken.)”,

(b) as to Form 12 by adding immediately after Clause 9 the following new Clause:

“9a. The amount of capital that can reasonably be said to be employed in Alberta, is \$

31. This Act comes into force on the day upon which ^{Coming into} it is assented to. _{force}

No. 102

SECOND SESSION
TWELFTH LEGISLATURE
3 ELIZABETH II
1954

BILL

An Act to amend The Companies Act

Received and read the

First time

Second time

Third time.....

HON. MR. GERHART.
