

No. 55

1st Session, 14th Legislature, Alberta
8 Elizabeth II

BILL 55

A Bill to amend The Companies Act

HON. MR. PATRICK

Explanatory Note

2. Articles 3 and 17 of Table A are not entirely applicable in the case of a private company: firstly, a private company does not issue shares to the public; secondly, restrictions on transfers of shares in a private company are necessary whether or not the shares are fully paid up. Article 3 reads:

"3. No share shall be offered to the public for subscription except upon the terms that the amount payable on application shall be at least five per cent of the nominal amount or par value of the share, or, in the case of a share without nominal or par value, of the price of the share; and the directors shall, as regards any allotment of shares, duly comply with such of the provisions of The Companies Act as may be applicable thereto."

Article 17 (as relevant) reads:

"17. The directors may decline to register any transfer of shares, not being fully paid shares, to a person of whom they do not approve, and may also decline to register any transfer of shares on which the Company has a lien....."

3. This amendment will enable alterations to be published and not, as now, require the full objects, as altered, to be published. Section 44, subsection (8) reads:

"(8) The Registrar shall cause the certificate, together with a statement of the objects of the company, as altered, to be published at the cost of the company in The Alberta Gazette."

4. This amendment will enable the Registrar to require that he approve of the proposed amalgamation terms. Section 140a, subsection (5) presently reads:

"(5) Where the amalgamation agreement is deemed to have been adopted, the amalgamating companies may apply to the court for an order approving the amalgamation."

5. The repeal of Division 4 of Part III (Organization and Commencement of Business) by 1955, chapter 76, section 3 (effective 1st January, 1957) removed the provisions to which Article 2 has reference.

BILL

No. 55 of 1960

An Act to amend The Companies Act

(Assented to _____, 1960)

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 53 of the Revised Statutes, is hereby amended.

2. Section 20 is amended by adding immediately after subsection (2) the following:

(3) Where Table A in the First Schedule is adopted by a private company or becomes the regulations of a private company in whole or in part,

(a) Article 3 of Table A has no application in respect of the private company, and

(b) Article 17 of Table A, if adopted or if applied to a private company, shall be read as if the words "not being fully paid shares" did not occur therein.

3. Section 44, subsection (8) is amended by striking out the words "the objects of the company, as altered" and by substituting the words "the alterations in the objects of the company".

4. Section 140*a* is amended by striking out subsection (5) and by substituting the following:

(5) Where the amalgamation agreement is deemed to have been adopted the amalgamating companies may, if a copy of the agreement has been submitted to the Registrar and approved in writing by him, apply to the court for an order approving the amalgamation.

5. The First Schedule, Table A, is amended by striking out the heading "Business" and all of Article 2.

6. This Act comes into force on the day upon which it is assented to.

No. 55

FIRST SESSION

FOURTEENTH LEGISLATURE

8 ELIZABETH II

1960

BILL

An Act to amend The Companies Act

Received and read the

First time.....

Second time.....

Third time.....

HON. MR. PATRICK
