

1977 BILL 92

Third Session, 18th Legislature, 26 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 92

**THE CONSUMER AND CORPORATE AFFAIRS
STATUTES AMENDMENT ACT, 1977**

MR. DIACHUK

First Reading

Second Reading

Third Reading

Bill 92
Mr. Diachuk

BILL 92

1977

THE CONSUMER AND CORPORATE AFFAIRS STATUTES AMENDMENT ACT, 1977

(Assented to , 1977)

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

The Agricultural and Recreational Land Ownership Act

*1(1) The Agricultural and Recreational Land Ownership Act is
amended by this section.*

(2) Section 7 is repealed.

Explanatory Notes

The Agricultural and Recreational Land Ownership Act

1(1) This section will amend chapter 1 of the Statutes of Alberta, 1977.

(2) Section 7 presently reads:

7 The Building Associations Act is amended

(a) as to section 10 by adding after subsection (1) the following:

(1.1) The memorandum and articles delivered under subsection (1) shall be accompanied by any information respecting the subscribers to the memorandum of association that may be required by regulations under The Agricultural and Recreational Land Ownership Act and section 33 of the Citizenship Act (Canada) in the form and manner prescribed by those regulations.

(b) as to section 31 by renumbering the section as subsection (1) and adding after renumbered subsection (1) the following:

(2) The annual return shall be accompanied by any information respecting the members of the association that may be required by regulations under The Agricultural and Recreational Land Ownership Act and section 33 of the Citizenship Act (Canada) in the form and manner prescribed by those regulations.

(c) as to section 32, subsection (4) by adding after clause (b) the following:

(b.1) any information respecting the subscribers to the memorandum of association that may be required by regulations under The Agricultural and Recreational Land Ownership Act and section 33 of the Citizenship Act (Canada) in the form and manner prescribed by those regulations,

This amendment is made necessary by the repeal of The Building Associations Act. See Bill 84 for The Statutes Repeal Act, 1977.

(3) Section 8 is amended

(a) by repealing clause (c),

(b) by repealing clause (f) and substituting the following:

(f) in section 177(1.1) by adding after clause (e) the following:

*(e.1) any information respecting the members of the company that may be required by regulations under *The Agricultural and Recreational Land Ownership Act* and section 33 of the *Citizenship Act* (Canada) in the form and manner prescribed by those regulations;*

(c) by repealing clauses (g) and (h).

(4) Section 16(b) is repealed and the following is substituted:

(b) in section 25(2) by adding after clause (b) the following:

*(b.1) any information respecting the members of the society that may be required by regulations under *The Agricultural and Recreational Land Ownership Act* and section 33 of the *Citizenship Act* (Canada) in the form and manner prescribed by those regulations,*

(3) Section 8 presently reads in part:

8 The Companies Act is amended

(c) as to section 146, subsection (2) by adding after clause (b) the following:

(b.1) any information respecting the persons who were members of the company on the last day of its anniversary month in each year that may be required by regulations under The Agricultural and Recreational Land Ownership Act and section 33 of the Citizenship Act (Canada) in the form and manner prescribed by those regulations,

(f) as to section 177, subsection (1) by adding after clause 8 the following:

8.1 any information respecting the members of the company that may be required by regulations under The Agricultural and Recreational Land Ownership Act and section 33 of the Citizenship Act (Canada) in the form and manner prescribed by those regulations;

(g) as to section 183, subsection (4) by adding after the words "that annual meeting" the words "and any information respecting the members of the company that may be required by regulations under The Agricultural and Recreational Land Ownership Act and section 33 of the Citizenship Act (Canada) in the form and manner prescribed by those regulations";

(h) as to section 185, subsection (3) by adding after the words "that annual meeting" the words "and any information respecting the members of the company that may be required by regulations under The Agricultural and Recreational Land Ownership Act and section 33 of the Citizenship Act (Canada) in the form and manner prescribed by those regulations".

The first amendment is made necessary by the repeal of section 146(2) of the Companies Act. See section 2(3)(e) of his Bill.

The second amendment is made necessary by the amendments to section 177 of The Companies Act. See section 2(7) of this Bill.

The third amendment is made necessary by the repeal of sections 183(4) and 185(3) of The Companies Act. See section 2(8) and (9) of this Bill.

(4) Section 16 presently reads in part:

16 The Societies Act is amended

(b) as to section 26, clause (a) by striking out the words "occupations, and" and substituting the words "occupations and any information respecting its members that may be required by regulations under The Agricultural and Recreational Land Ownership Act and section 33 of the Citizenship Act (Canada) in the form and manner prescribed by those regulations, and".

This amendment is made necessary by the amendment to section 26 of The Societies Act. See section 7(6) of this Bill.

The Companies Act

2(1) The Companies Act is amended by this section.

(2) Section 11(6) is amended by striking out “45” and substituting “90”.

(3) Section 146 is amended

(a) by repealing subsection (1) and substituting the following:

146(1) In this section, “anniversary month” means the month in each year that is the same as

(a) the month in which the certificate of incorporation of the company was issued,

(b) in the case of an amalgamated company, the month in which its certificate of amalgamation was issued, or

(c) in the case of a company in respect of which a certificate of registration is issued under section 157, the month in which it was incorporated in the jurisdiction other than Alberta.

(b) in subsection (1.1) by striking out “having share capital”,

(c) in subsection (1.1) by repealing clause (c) and substituting the following:

(c) the number and class of shares outstanding at the date of the return,

(d) in subsection (1.1) by repealing clause (h),

(e) by repealing subsection (2), and

(f) in subsection (4.1) by striking out “or (2) shall be dated and shall be signed by an officer or director of” and substituting “shall be verified by a person having knowledge of the affairs of, and who is authorized by,”.

The Companies Act

2(1) This section will amend chapter 60 of the Revised Statutes of Alberta 1970.

(2) Section 11(6) presently reads:

(6) On application of any person and on payment of the prescribed fee the Registrar may reserve a company name for a period of 45 days, and the name may be held for the use of the applicant or his nominee within that period if it is otherwise acceptable under this section.

Extends the period of time for which a company name may be reserved.

(3) Section 146(1), (1.1), (2) and (4.1) presently reads:

146(1) In this section "anniversary month" means the month in each year which is the same as the month in which the certificate of incorporation of the company was issued or, in the case of an amalgamated company, the month in which its certificate of amalgamation was issued.

(1.1) Every company having share capital shall, each year on or before the last day of the month immediately following its anniversary month, make a return to the Registrar containing

(a) unless the company is a public company, a list of all persons who were members of the company on the last day of its anniversary month in each year setting out

(i) the full name and address of each member, and

(ii) the number and class of shares held by each member at the date of the return.

(iii) repealed 1975(2), c.46, s.5.

(b) the address of the registered office of the company,

(c) the amount of the authorized share capital of the company, the number and class of shares into which it is divided, and the number of shares issued from the commencement of the company up to the date of the return,

(d,e,f) repealed 1975(2), c.46, s.5.

(g) the full names and addresses and occupations of the persons who as of the last day of the company's anniversary month in each year are directors of the company, and

(h) the total amount of debt due from the company at the date of the return in respect of all mortgages that are registered or required to be registered with the Registrar.

(2) Every company that does not have share capital shall, each year before the last day of the month immediately following its anniversary month, make a return to the Registrar containing

(4) Section 156 is amended

(a) in subsection (3) by repealing clauses (a), (b) and (c) and substituting the following:

(a) the memorandum of association of the amalgamated company, in the prescribed form, as schedule A of the agreement,

(b) the articles of association of the amalgamated company as schedule B of the agreement,

(b) in subsection (11) by striking out “under the name and having the authorized share capital and objects specified in” and substituting “having the memorandum and articles of association set out in schedules A and B of”.

(5) Section 167 is amended

(a) in subsection (1) by adding the following after clause (j):

(j.1) the full name, address and occupation of each director of the company,

(b) in subsection (2) by striking out “two directors or officers” and substituting “an officer”.

(a) a list of all persons who were members of the company on the last day of its anniversary month in each year setting out the full name and address of each member,

(b) the address of the registered office of the company,

(c,d) repealed 1975(2),c.46,s.5.

(e) the full names, addresses and occupations of the persons who as of the last day of the company's anniversary month in each year are directors of the company, and

(f) the total amount of debt due from the company in respect of all mortgages that are registered or required to be registered with the Registrar.

(4.1) All returns made under subsection (1.1) or (2) shall be dated and shall be signed by an officer or director of the company on whose behalf the return is made.

Alters the information required in the annual report of a company.

(4) Section 156(3) and (11) presently reads:

(3) The amalgamation agreement shall further set out

(a) the name of the amalgamated company,

(b) the amount of the authorized capital of the amalgamated company and the division thereof into shares,

(c) the objects for which the amalgamated company is to be established,

(d) the names, occupations and places of residence of the first directors of the amalgamated company,

(e) the date when subsequent directors are to be elected,

(f) the manner of converting the authorized and issued capital of each of the companies into that of the amalgamated company, and

(g) such other details as may be necessary to perfect the amalgamation and to provide for the subsequent management and working of the amalgamated company.

(11) On and from the date of the certificate of amalgamation, the amalgamating companies are amalgamated and are continued as one company hereinafter called the "amalgamated company", under the name and having the authorized capital and objects specified in the amalgamation agreement.

(5) Section 167(1)(j) and (2) presently read, in part:

167(1) Every extra-provincial company required to be registered under this Part shall file with the Registrar a statement, in the prescribed form, which shall specify

(j) the full address of the head office of the company within the Province,

(2) The statement shall declare that the company is a valid and subsisting corporation and legally authorized to transact business under its charter, and shall be duly executed by the company under its common seal, if any, and two directors or officers of the company shall make a statutory declaration on behalf of the company, verifying the particulars set forth in the statement.

(6) Section 174 is amended by adding the following after subsection (6):

(7) An attorney shall forthwith notify the Registrar, in the prescribed form, of a change in the attorney's address.

(7) Section 177 is amended by repealing subsections (1) and (2) and substituting the following:

177(1) In this section, "anniversary month" means the month in each year that is the same as the month in which the certificate of registration in the Province was issued.

(1.1) A company required to be registered under this Part shall, each year on or before the last day of the month immediately following its anniversary month, make a return to the Registrar containing

- (a) the name of the company,
- (b) the address where the head office of the company outside the Province is situated,
- (c) the address where the head office of the company within the Province is situated,
- (d) the name, residence and post office address of the president, the secretary and the treasurer of the company,
- (e) the name, residence and post office address of each director of the company,
- (f) the amount of the capital of the company and the number of shares into which it is divided, and the part of the capital that can fairly be said to be used in the transaction of business in the Province, and
- (g) in concise form such further information respecting the affairs of the company as the directors may consider expedient.

(2) The return mentioned in subsection (1.1) shall be issued under the common seal of the company and shall be verified by a person having knowledge of the affairs of, and who is authorized by, the company on whose behalf the return is made.

The first amendment adds a requirement to file information respecting the directors of extra-provincial companies. The second amendment alters the requirement of verification of the statement from two directors or officers to one officer of the company.

(6) Requires an attorney for extra-provincial company to notify the Registrar of a change in the attorney's address.

(7) Section 177(1) and (2) presently reads:

177(1) A company required to be registered under this Part shall on or before the first day of March in each year during the continuance of its registration make a statement to the Registrar containing, as at the preceding 31st day of December, a summary of the following particulars, that is to say:

- 1. the corporate name of the company;*
- 2. the place where the head office of the company outside the Province is situated;*
- 3. the place where the head office of the company within the Province is situated;*
- 4. Repealed 1975(2),c.46,s.6.*
- 5. the name, residence and post office address of the president, the secretary and the treasurer of the company;*
- 6. the name, residence and post office address of each of the directors of the company;*
- 7. Repealed 1975(2),c.46,s.6.*
- 8. the amount of the capital of the company and the number of shares into which it is divided, and the part of the capital that can fairly be said to be used in the transaction of business in the Province;*
- 9. in concise form such further information respecting the affairs of the company as the directors may consider expedient.*

(2) The summary mentioned in subsection (1) shall be issued under the common seal of the company and verified by the signature of an officer of the company.

(8) Section 183 is amended

(a) in subsection (2) by striking out “or to send a list of its members, directors, or managers to the Registrar”, and

(b) by repealing subsection (4).

(9) Section 185 is amended

(a) in subsection (2) by striking out “or to send in to the Registrar any of the returns prescribed by this Act apply to an association so registered, and that the total fee for registering such an association shall be \$27.50” and substituting “apply to an association so registered”, and

(b) by repealing subsection (3).

(10) Section 281 is repealed and the following is substituted:

281 Whenever any act is by this Act directed to be done to or by the Registrar, it shall, until the Minister otherwise directs, be done to or by the existing Registrar or to or by such person as the Minister may authorize.

(11) The following is added after section 287:

287.1 (1) If he considers it appropriate to do so, the Registrar may enter into an agreement with a person under which the fees and other charges payable by that person to the Registrar under this Act or the regulations will be charged to the credit of that person on a continuing basis and upon the conditions that the Registrar considers necessary, and in that case the amounts so charged shall, except for the purposes of section 287.2, be deemed to have been paid in accordance with this Act or the regulations.

(2) If any amount charged to the credit of a person under subsection (1) is not paid within 15 days, or within any other period that the Registrar may require, of a request for payment by the Registrar, no further amounts may be charged to the account of that person until all amounts owing are paid in full.

(8) Section 183(2) and (4) presently read:

(2) Upon registration the association shall enjoy all the privileges conferred and be subject to the obligations imposed by this Act on limited companies, with the exception that none of the provisions of this Act that require a limited company to use the word "limited" as a part of its name or to publish its name or to send a list of its members, directors, or managers to the Registrar apply to an association so registered.

(4) Notwithstanding subsections (1) and (2), a company formed for the purposes mentioned in subsection (1) shall, within 14 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.

(9) Section 185(2) and (3) presently reads:

(2) Upon registration the association shall enjoy all the privileges conferred and be subject to the obligations imposed by this Act upon limited companies, with the exception that none of the provisions of this Act that require a limited company to use the word "limited" as a part of its name or to publish its name or to send in to the Registrar any of the returns prescribed by this Act apply to an association so registered, and that the total fee for registering such an association shall be \$27.50.

(3) Notwithstanding subsections (1) and (2), a company formed for the purpose mentioned in subsection (1) shall, within 14 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.

(10) Section 281 presently reads:

281 Whenever any act is by this Act directed to be done to or by the Registrar, it shall, until the Lieutenant Governor in Council otherwise directs, be done to or by the existing Registrar, or, in his absence, to or by such person as the Lieutenant Governor in Council may for the time being authorize.

(11) Provides for the payment of fees on an accounts receivable basis.

(3) The Registrar may terminate an agreement under subsection (1) with any person on 7 days' notice in writing sent by registered mail to the person at his last address known to the Registrar.

287.2 Notwithstanding anything in this Act, where a person has not paid the fees required to be paid by this Act or the regulations and has been requested by the Registrar to do so, the Registrar shall not perform any service or issue any certificate or file any document at the request of or for the benefit of that person, unless, in the opinion of the Registrar, exceptional circumstances exist that warrant the performance of those services.

The Co-operative Associations Act

3(1) The Co-operative Associations Act is amended by this section.

(2) Section 13 is repealed.

The Credit Union Act

4(1) The Credit Union Act is amended by this section.

(2) Section 6 is amended

(a) in subsection (4) by striking out “approves the application he” and substituting “and the Stabilization Board approves the application, the Director”, and

(b) by repealing subsection (5) and substituting the following:

(5) If the application is not approved the deposit shall be returned to the person from whom it was received.

The Co-operative Associations Act

3(1) This section will amend chapter 67 of the Revised Statutes of Alberta 1970.

(2) Section 13 presently reads:

13(1) No association shall offer for sale any bond, debenture or debenture stock until it has filed with the Director a prospectus and such information as he may require and the Director has approved of the prospectus.

(2) The Director may waive the necessity of filing the prospectus required under subsection (1).

(3) The prospectus referred to in subsection (1) shall set forth such information as the Director may require.

The filing of prospectuses will now be dealt with under The Securities Act.

The Credit Union Act

4(1) This section will amend chapter 74 of the Revised Statutes of Alberta 1970.

(2) Section 6(4) and (5) presently reads:

(4) If the Director approves the application he shall transmit the application and copy of the rules and regulations and the affidavits verifying the signing thereof and the incorporation fee together with a certificate of approval to the Registrar, who shall proceed to register the same and issue a certificate of incorporation of the credit union in Form B in the Schedule.

(5) If the Director does not approve the application he shall return the deposit to the person from whom it was received.

(3) Section 33 is amended

(a) in subsections (1) and (1.1) by striking out “first”, and

(b) in subsection (3) by striking out “and the credit committee shall ratify the action of the loan officer by noting their approval on the application”.

(4) Section 41(1) is repealed and the following is substituted:

41(1) Subject to subsection (2), the board of directors shall, at the end of each fiscal year before the declaration of a dividend, set aside as a guarantee reserve fund that portion of the net earnings of the credit union as is necessary to provide adequate guarantee reserves for delinquent loans in accordance with a scale that may be set forth in the standard by-laws.

(5) Section 51 is amended by renumbering it as 51(1) and by adding the following:

(2) A member may be expelled or the services provided to him by the credit union may be curtailed by a 2/3 vote of the board of directors, but the member may, if he gives 30 days' written notice to the board of directors of his intention to do so, appeal

(a) to the first general meeting after the day on which he received written notice of the expulsion or curtailment of services, or

(b) if the first general meeting occurs less than 60 days after he received written notice of the expulsion or curtailment of services, to the second general meeting after he was so notified.

(3) On the hearing of an appeal under subsection (2), a majority of the members present at the annual general meeting may confirm, rescind or vary the decision of the directors.

(6) The following is added after section 57:

(3) Section 33(1), (1.1) and (3) presently reads:

33(1) With the consent of the Director the board of directors of a credit union may, by resolution, appoint the manager, treasurer or other designated employee of the credit union as loan officer with authority to make immediate loans to members without first obtaining the approval of the credit committee.

(1.1) Where a credit union operates one or more branch offices, the board of directors, with the consent of the Director, may appoint an employee of the credit union as loan officer for a branch office with authority to make immediate loans to members without first obtaining the approval of the credit committee for that branch office.

(3) The loan officer shall report the making of every loan to the next regular meeting of the credit committee and the credit committee shall ratify the action of the loan officer by noting their approval on the application.

Eliminates the necessity of a credit committee ratifying each loan made by a loan officer to a member.

(4) Section 41(1) presently reads:

41(1) Subject to subsection (2), the board of directors shall set aside as a guarantee reserve fund

(a) all entrance fees and fines collected from members, and

(b) at the end of each fiscal year before the declaration of a dividend, such portion of the net earnings of the credit union as shall be necessary to provide adequate guarantee reserves for delinquent loans in accordance with such scale as may be provided in the standard by-laws.

Entrance fees and fines have or are to be eliminated.

(5) Section 51 presently reads:

51 A member may be expelled, after a hearing, by a two-thirds vote of the members present at a special meeting called to consider the matter.

Board of directors may expel a member or curtail services provided to him.

(6) Provides for annual and special meetings by region.

57.1 (1) A credit union may, by supplemental by-law, divide the territory in which it does business and has members into regions for the purposes of holding annual or special meetings by calling and holding a meeting in each region of the members who reside in that region instead of holding one meeting of all the members of the credit union.

(2) While a by-law made under subsection (1) is in force, the members who are entitled to be present and who are present at a regional meeting may exercise the powers exercisable by members at a meeting at which all the members are entitled to be present and vote.

(3) A resolution presented at all regional meetings requires the approval of the same majority of the aggregate of those voting on the resolution at all regional meetings as would be required if the same resolution were presented to a meeting at which all the members are entitled to be present and vote, and a resolution so approved has the same effect as if it had been passed at a meeting at which all the members were entitled to be present and vote.

(4) A by-law made under subsection (1) shall provide for

(a) the time, place and manner of calling regional meetings,

(b) the number of members residing in the region that constitutes a quorum at a regional meeting,

(c) the procedure that is to be followed at regional meetings, and

(d) any other matter that the Director considers appropriate.

(7) *Section 72(1) is amended by adding “, with the prior approval in writing of the Director and the Stabilization Board,” after “shares may”.*

(8) *Section 73(1) is repealed and the following is substituted:*

73(1) The Minister may, by order, dissolve a credit union if he is satisfied that

(7) Section 72(1) presently reads:

72(1) A credit union whose financial position enables it to return to its members in full the moneys standing to their credit in deposits and for shares may be dissolved by a resolution

(a) passed at a general meeting of which not less than 10 days' notice has been given, specifying the intention to propose the resolution, and

(b) passed by a majority of not less than three fourths of the votes cast by the members entitled to vote who are present in person at the meeting.

(8) Section 73(1) presently reads:

73(1) The Lieutenant Governor in Council may, by order, dissolve a credit union if satisfied by the report of the Director that

(a) the incorporation of the credit union was obtained by fraud or mistake, or

- (a) the incorporation of the credit union was obtained by fraud or mistake,
- (b) the credit union exists for an illegal purpose,
- (c) the number of members has fallen to less than 10,
- (d) the credit union is not carrying on business or is not in operation,
- (e) the credit union has wilfully, after notice from the Director, violated any of the provisions of this Act, or
- (f) the credit union is, in the opinion of the Director and the Stabilization Board, conducting its affairs in a manner that is unsound or that threatens to impair the security of its members' deposits.

(9) Section 76(1) is amended by adding “and the Stabilization Board” after “the Director”.

(10) Section 89(1) is amended by adding after clause (i2) the following:

- (i3) procedures to be followed on an amalgamation of credit unions;

- (b) the credit union exists for an illegal purpose, or*
- (c) the number of members has fallen to less than 10, or*
- (d) the credit union is not carrying on business or is not in operation, or*
- (e) the credit union has wilfully, after notice from the Director, violated any of the provisions of this Act.*

(9) Section 76(1) presently reads:

76(1) Subject to the approval of the Director, any two or more credit unions may, by a supplemental bylaw of all the credit unions concerned, become amalgamated as one credit union, with or without any dissolution of, or division of the funds of, any credit union concerned.

(10) Section 89(1) presently reads:

89(1) The Board may make by-laws governing

- (a) the administration, management and control of the property and affairs of the Corporation;*
- (b) the functions and duties of all officers, agents and employees of the Corporation;*
- (c) the appointment or disposition of any special committees from time to time created for the purposes of the Corporation;*
- (d) the time and place for the holding of meetings of the members of the Board and the procedure in all things at such meetings;*
- (e) standards of sound business and financial practices for those credit unions under the supervision of the Corporation;*
- (f) the manner, content, frequency and form of reports to be made by those credit unions under the supervision of the Corporation;*
- (g) the manner and content and form of applications by credit unions to the Corporation for loans, advances, grants or other financial assistance;*
- (h) the terms and conditions of any policy of insurance or any insurance program authorized by the Corporation and the basis upon which credit unions may participate therein, including the costs to be paid by such credit unions;*
- (i) those credit unions that are not participating in any insurance program authorized by the Corporation, and requiring them to file with the Corporation certificates evidencing such insurance coverage as may from time to time be required by the Corporation;*

(11) Section 90(h) is repealed and the following is substituted:

- (h) to supervise and administer the affairs of
 - (i) a credit union in the circumstances described in section 102, or
 - (ii) a newly incorporated credit union until the credit union has demonstrated to the Board the ability to operate on its own resources;

The Licensing of Trades and Businesses Act

5(1) The Licensing of Trades and Businesses Act is amended by this section.

(2) Section 5(1) is amended

- (a) by striking out “from time to time by order”;*
- (b) by repealing clause (h) and substituting the following:*
 - (h) prescribe fees, not exceeding \$1000,
 - (i) payable upon registration in respect of any business or any description or class of business, and
 - (ii) payable upon the issue of a licence and any renewal of a licence,
- (c) in clause (j) by adding after subclause (iv) the following:*
 - (iv.1) prescribing in respect of any specified business or description or class of business that an applicant for a licence or for a renewal of a licence obtain the approval of any authority specified by the Minister in respect of the establishment of that business or description or class of business,

(i1) the exemption of credit unions from the operation of section 102.1, subsection (2);

(i2) the exclusion of loans or of classes of loans from the operation of section 102.1, subsection (2);

(j) the conduct in all other particulars of the affairs and purposes of the Corporation.

(11) Section 90 presently reads in part:

90 The objects of the Corporation are:

(h) to supervise and administer the affairs of a credit union in the circumstances described in section 102;

The Licensing of Trades and Businesses Act

5(1) This section will amend chapter 207 of the Revised Statutes of Alberta 1970.

(2) Section 5(1)(h), (j) and (j3) presently read:

5(1) The Minister may from time to time by order

(h) prescribe

(i) the fees payable upon registration in respect of any business or any description or class of business, and

(ii) the fees payable upon the issue of a licence and any renewal thereof,

(j) make such regulations, not inconsistent with this Act, as to the Minister seem necessary for carrying out the provisions of this Act, and without limiting the generality of the foregoing, make regulations

(i) governing applications for licences or for renewals of licences and the requirements therefor,

(ii) prescribing standards as to the nature and condition of the premises to be occupied by the applicant for a licence in carrying on his business,

(iii) prescribing as to certain specified businesses the equipment and facilities for the proper accommodation of the public required to be provided by an applicant for a licence or for a renewal of a licence,

(d) by repealing clause (j3) and substituting the following:

(j3) make regulations prohibiting the sale within Alberta of bedding or of upholstered or stuffed articles

(i) that are not produced or constructed in accordance with the standards

(A) prescribed by the regulations, or

(B) contained in a code of standards pertaining to bedding or to upholstered or stuffed articles that is published by any government or association and declared by the regulations to be in force in whole or in part or with such modifications as are specified in the regulations,

(ii) unless the manufacturer of the bedding or the upholstered or stuffed article is licensed under this Act or the regulations and a label or other marking in a form prescribed by the Minister is affixed to the bedding or the upholstered or stuffed article, or

(iii) if, in the opinion of the Director, the bedding or the upholstered or stuffed articles were not produced or constructed or are not labelled or marked in accordance with regulations under subclause (i) or (ii),

(3) Section 5(2) is repealed.

(iv) prescribing with regard to certain specified businesses the proof of good character or physical condition of the applicant for a licence or for a renewal of a licence that must accompany the application,

(v) requiring in respect of any specified business or description or class of business that a bond be given in respect of the applicant for a licence in the form and amount and on the conditions prescribed by the Minister, and

(vi) declaring that compliance with the requirements provided for in subclauses (i) to (v), or any of them, is to be a condition precedent to the granting of a renewal of a licence,

(vii) prescribing with respect to bonds given pursuant to subclause (v)

(A) the persons or class of persons entitled to claim a share in the bond proceeds,

(B) the procedure for the filing of claims by the claimants referred to in paragraph (A),

(C) the manner by which claimants referred to in paragraph (A) shall prove their claims,

(D) the circumstances and procedures under which all or any part of the bond proceeds shall be paid to those claimants whose claims have been proven in accordance with the regulations or into the Supreme Court of Alberta to be dealt with as that Court directs, and

(E) the procedure for refunding to the surety or obligor under the bond any moneys remaining unexpended after all claims have been satisfied pursuant to the regulations,

(j3) make regulations prohibiting the sale within Alberta of bedding or of upholstered or stuffed articles that are not produced or constructed in accordance with the standards

(i) prescribed by the regulations, or

(ii) contained in a code of standards pertaining to bedding or to upholstered or stuffed articles that is published by any government or association and declared by the regulations to be in force in whole or in part or with such modifications as are specified in the regulations,

The first amendment strikes out unnecessary words.

The second amendment provides for a single maximum fee of \$1000.

The third amendment provides for regulations requiring that an applicant for a licence obtain approvals from such authorities as other government departments and municipal authorities before a licence is granted for the establishment of a business.

The fourth amendment provides for regulations prohibiting the sale of bedding or upholstered or stuffed articles if the manufacturer of them is not licensed or if, in the opinion of the Director, they were not produced or constructed or are not labelled or marked in accordance with the regulations.

(3) Section 5(2) presently reads:

(4) The following is added after section 5:

5.1(1) The Minister may in writing delegate to any employee of the Department of Consumer and Corporate Affairs any power, duty or function conferred or imposed on the Minister by this Act, other than the power to make regulations.

(2) The Director may in writing delegate to any employee of the Department of Consumer and Corporate Affairs any power, duty or function conferred or imposed on the Director by this Act or the regulations.

(5) Section 6(2) is repealed.

(6) Section 8 is repealed and the following is substituted:

8(1) An application for a licence or renewal of a licence under this Act shall be made to the Director.

(2) The Director may issue a licence or renewal of a licence under this Act to an applicant if he is satisfied that the applicant has complied with the provisions of this Act and the regulations relating to applications for licences or renewals of licences.

(3) The Director may cancel or suspend a licence issued under this Act

(a) if the licensed person contravenes or fails to comply with this Act or the regulations, or

(b) if it is in the public interest to do so.

8.1(1) A person

(a) who has been refused a licence or renewal of a licence under section 8, or

(2) The fee payable on a registration or for a licence under subsection (1), clause (h) shall not exceed

(a) in the case of a natural person who acts as the agent or representative of a body corporate, the sum of \$300,

(b) in the case of any other natural person, the sum of \$100, and

(c) in the case of a corporate body, the sum of \$1000.

See the amendment to section 5(1)(h).

(4) Delegation by the Minister and the Director.

(5) Section 6(2) presently reads:

(2) If the Minister is satisfied that the holder of a licence issued pursuant to this Act has contravened a code made pursuant to subsection (1) that is applicable to such person, the Minister may suspend or cancel the licence for such period as he deems proper and may refuse to issue a licence under this Act to a person whose licence has been so cancelled.

(6) Section 8 presently reads:

8 In any case in which it appears to the Minister to be questionable whether it is in the public interest that an application for the issue or renewal of a licence in respect of any business should be granted or that an existing licence should remain in force, the Minister

(a) may refuse the application or cancel or suspend an existing licence, as the case may be, if he is satisfied that it is in the public interest to do so, or

(b) may refer the question for investigation to a board constituted pursuant to any Act of the Province, and if the Minister is satisfied by the report of the board or otherwise that it is in the public interest to do so, either grant or refuse to grant the application for the licence or renewal, or cancel or suspend an existing licence, as the case may be.

Refusal, cancellation or suspension of licences.

(b) whose licence has been cancelled or suspended under section 8,

may appeal the refusal, cancellation or suspension by serving the Minister with a notice of appeal within 30 days of being notified in writing of the refusal, cancellation or suspension.

(2) The Minister shall, within 30 days of being served with a notice of appeal under subsection (1), appoint an appeal board to hear the appeal.

(3) The Minister may set the time within which an appeal board is to hear an appeal and render a decision and may extend that time.

(4) An appeal board that hears an appeal under this section may, by order, either

(a) confirm the refusal, cancellation or suspension,

(b) direct that the licence or renewal of a licence be issued,

(c) reinstate the cancelled licence, or

(d) remove or vary the suspension.

(5) An appeal board appointed under this section shall consist of the following members:

(a) a person (who is not the Director, a representative of the Director or a person licensed under this Act) who is designated as chairman of the appeal board by the Minister, and

(b) not less than 2 or more than 4 other persons.

(6) Notwithstanding subsection (5), the Minister may designate a board or commission established by or under an Act of the Legislature to hear an appeal under subsection (2), and a reference to an appeal board in this section is deemed to be a reference to a board or commission so designated.

(7) The Minister may pay those fees and reasonable living and travelling expenses that he considers proper to the members of an appeal board.

(8) The Director or a person whose appeal is heard by an appeal board may appeal the decision of the appeal board by filing an originating notice with the Supreme Court of Alberta within 30 days of being notified in writing of the decision, and the Court may make any order that an appeal board may make under subsection (4).

(7) *Section 12 is repealed.*

The Mortgage Brokers Regulation Act

6(1) The Mortgage Brokers Regulation Act is amended by this section.

(2) *Section 2 is amended*

(a) by repealing clause (a) and substituting the following:

(a) “Minister” means the Minister of Consumer and Corporate Affairs;

(b) by repealing clause (d) and substituting the following:

*(d) “Superintendent” means the Superintendent of Real Estate appointed under *The Real Estate Agents’ Licensing Act*;*

(3) *Section 4 is repealed.*

(4) *Section 9 is amended*

(a) by repealing subsection (1)(c) and substituting the following:

(c) file with the Superintendent such other information as the Superintendent may require in such form as he may prescribe.

(7) Section 12 presently reads:

12 If the Minister is satisfied that the holder of a licence issued pursuant to this Act has on more than one occasion contravened

(a) any of the provisions of any of the following Acts namely, The Department of Business Development and Tourism Act, The Alberta Labour Act, 1973, The Manpower Development Act, The Public Health Act, The Planning Act or the Criminal Code, or

(b) any of the provisions of any code, order or regulation made pursuant to any of such Acts,

the Minister may suspend or cancel a licence issued pursuant to this Act for such period as he may deem proper and may refuse to issue a licence under this Act to a person whose licence has been so cancelled.

The Mortgage Brokers Regulation Act

6(1) This section will amend chapter 242 of the Revised Statutes of Alberta 1970. Generally, this section will transfer the functions of the Alberta Securities Commission and the Registrar of that Commission under The Mortgage Brokers Regulation Act to the Superintendent of Real Estate appointed under The Real Estate Agents' Licensing Act.

(2) Section 2 presently reads in part:

2(1) In this Act,

(a) "commission" means the Alberta Securities Commission;

(d) "Registrar" means the Registrar of the commission.

(3) Section 4 presently reads:

4 The Registrar may exercise the powers and shall discharge the duties conferred or imposed upon him by this Act under the supervision of the commission.

(4) See note to subsection (1).

(b) in subsection (2) by striking out “commission or any person appointed by it” and substituting “Superintendent or any person appointed by him”.

(5) Section 11 is repealed and the following is substituted:

11 The Superintendent may require an applicant or a registered mortgage broker to deliver a bond approved by him in a form prescribed by the regulations and in an amount and within a time specified by the Superintendent.

(6) Section 14 is amended by striking out “the commission may take such proceedings as it deems fit” and substituting “the Attorney General may take such proceedings as he considers appropriate”.

(7) Section 17 is amended

(a) by repealing subsection (1) and substituting the following:

17(1) The Superintendent may, if he considers it probable that a person has

(a) committed an offence under this Act or the regulations, or

(b) by a false, misleading or deceptive statement or advertisement, representation or promise, or by a dishonest concealment of material facts, induced or attempted to induce a person

(i) to borrow money, to be responsible for the repayment of money, or to agree to the terms of a transaction with respect to money, loaned on the security of a mortgage, or

(ii) to pay or be responsible for the payment of excessive or exorbitant fees or expenses in connection with a loan on the security of a mortgage,

make such an investigation or appoint in writing a person to make such an investigation as the Superintendent considers necessary for the due administration of this Act.

(b) in subsection (2) by striking out “ordered under subsection (1) the person appointed to make the investigation” and substituting “under subsection (1), the Superintendent or person appointed by him”,

(5) See note to subsection (1).

(6) Section 14 presently reads:

14 Where Her Majesty becomes a creditor of any person in respect of a debt to the Crown arising from the provisions of section 12, the commission may take such proceedings as it deems fit under the Bankruptcy Act (Canada), The Judicature Act, The Companies Act or the Winding-up Act (Canada) for the appointment of an interim receiver, custodian, trustee, receiver or liquidator.

(7) See note to subsection (1).

(c) in subsection (3) by striking out “the person making the investigation” and substituting “the Superintendent or person appointed by him”,

(d) in subsection (4) by striking out “the person appointed to make the investigation” and substituting “the Superintendent or person appointed by him”,

(e) in subsection (5) by striking out “Where an investigation is ordered under this section the commission” and substituting “In an investigation under this section the Superintendent”,

(f) in subsection (6) by striking out “Where an investigation is ordered” and substituting “In an investigation”,

(g) in subsection (7) by striking out “Where an investigation is ordered” and substituting “In an investigation”, and

(h) in subsection (8) by striking out “commission and to the Registrar” and substituting “Superintendent”.

(8) Section 19 is amended by striking out “of Consumer and Corporate Affairs” wherever it occurs.

(9) Section 20(1)(a) and (b) are amended by striking out “it” and substituting “he”.

(10) Section 22 is amended by striking out “section 17, subsection (1), clauses (a) to (d)” and substituting “section 17(1)(a) or (b)”.

(11) Sections 24 to 32 are repealed and the following is substituted:

24(1) A person upon whom a notice is served under section 23 may appeal the direction, decision, order or ruling of the Superintendent by serving the Minister with a notice of appeal within 30 days of being served with notice of the direction, decision, order or ruling.

(2) The Minister shall, within 30 days of being served with a notice of appeal under subsection (1), appoint an appeal board to hear the appeal.

(3) The Minister may set the time within which an appeal board is to hear an appeal and render a decision and may extend that time.

(8) Section 19 presently reads:

19(1) Where an investigation has been made under section 17 the commission may report the result thereof including the evidence, findings, comments and recommendations, to the Minister of Consumer and Corporate Affairs and to the Attorney General.

(2) The Minister of Consumer and Corporate Affairs, with the consent of the Attorney General, may cause the report to be published in whole or in part in such manner as he deems proper.

Strikes out redundant words.

(9) See note to subsection (1).

(10) Changes a cross-reference.

(11) Revised appeal procedure.

(4) An appeal board that hears an appeal under this section may, by order, either

- (a) confirm the direction, decision, order or ruling of the Superintendent,
- (b) direct that the registration be granted or refused,
- (c) direct that the registration be renewed or not be renewed,
- (d) cancel or vary the suspension,
- (e) revoke the cancellation of the registration or substitute a period of suspension, or
- (f) direct that the registration be changed.

(5) An appeal board appointed under this section shall consist of the following members:

- (a) a person (who is not the Superintendent, a representative of the Superintendent or a registered mortgage broker) who is designated as chairman of the appeal board by the Minister, and
- (b) not less than 2 or more than 4 other persons who are registered mortgage brokers.

(6) The Minister may pay those fees and reasonable living and travelling expenses that he considers proper to the members of an appeal board.

(7) A person whose appeal is heard by an appeal board, or the Superintendent, may appeal the decision of the appeal board by filing an originating notice with the Supreme Court of Alberta within 30 days of being notified in writing of the decision, and the Court may make any order that an appeal board may make under subsection (4).

(12) Section 34 is amended by striking out “the commission” and substituting “an appeal board”.

(13) Wherever it occurs in the following provisions, “Registrar” is struck out and “Superintendent” is substituted:

- section 5;
- section 6;
- section 10(2);
- section 12(2);

(12) See note to subsection (1).

(13) See note to subsection (1).

heading following section 20;

section 21;

section 22;

section 23;

section 34.

(14) Wherever it occurs in the following provisions, “commission” is struck out and “Superintendent” is substituted:

section 9(1)(b), (2)(b), (3) and (4);

section 16(b);

heading following section 16;

section 18;

section 19(1);

section 20(1), (4) and (5);

section 23.

The Societies Act

7(1) The Societies Act is amended by this section.

(2) Section 7(1) is amended by striking out “a registration fee of five dollars” and substituting “an incorporation fee as set by the regulations”.

(3) Section 24 is repealed and the following is substituted:

24(1) Every society shall have a registered office in the Province to which all communications and notices may be sent and at which all process may be served.

(2) Notice of the location of the registered office of a society, giving the postal address, shall be filed with the Registrar

(14) See note to subsection (1).

The Societies Act

7(1) This section will amend chapter 347 of the Revised Statutes of Alberta 1970.

(2) Section 7(1) presently reads:

7(1) Persons desiring to become incorporated under this Act shall make and subscribe an application according to the Form in Schedule A, and also by-laws agreed upon by them for the government of the society, and shall transmit in duplicate the applications and by-laws together with a registration fee of five dollars, to the Registrar.

(3) Section 24 presently reads:

24 A society shall have an address in the Province to which communications and notices may be sent, and at which all process may be served, and shall file with the Registrar notice of each change in address.

- (a) with the application for incorporation, and
- (b) within 15 days of a change in the location of the registered office.

(4) *The following is added after section 24:*

24.1 A society shall hold an annual general meeting in the Province and shall present at that meeting a financial statement setting out its income, disbursements, assets and liabilities, audited and signed by the society's auditor.

(5) *Section 25 is repealed and the following is substituted:*

25(1) In this section, "anniversary month" means the month in each year that is the same as the month in which the certificate of incorporation of the society was issued.

(2) A society shall each year on or before the last day of the month immediately following its anniversary month, make a return to the Registrar containing

- (a) the address of the registered office of the society,
- (b) the full name, address and occupation of each officer and director of the society, and
- (c) the audited financial statement presented at the last annual general meeting of the society.

(6) *Section 26 is repealed and the following is substituted:*

26 A society shall, upon request of the Registrar, furnish him with particulars of its officers and directors.

(7) *Section 28 is repealed and the following is substituted:*

28 Every notice, return or resolution required to be filed with the Registrar shall be dated and verified by a person having knowledge of the affairs of, and who is authorized by, the society on whose behalf the notice, return or resolution is made.

(4) Annual general meeting. See present section 25.

(5) Section 25 presently reads:

25 A society shall hold in the Province an annual general meeting, and shall within fourteen days after each annual meeting file with the Registrar a statement in the form of a balance sheet, which shall be audited and signed by the society's auditor or by two directors if there is no auditor and shall contain general particulars of the assets, liabilities, revenue and expenditures of the society.

(6) Section 26 presently reads:

26 A society

(a) shall file with the annual statement referred to in section 25 a list of its officers and directors, with their addresses and occupations, and

(b) shall, upon request of the Registrar at any time, furnish him with particulars of its officers and directors.

Clause (a) will become section 25(2)(b).

(7) Section 28 presently reads:

28 Every notice, return or resolution required to be filed with the Registrar shall be authenticated by a director, secretary or other authorized officer of the society.

(8) Section 38(b) is amended by adding “for incorporation and” after “Registrar”.

Commencement

8(1) This Act, except sections 1, 2 and 7, comes into force on the day upon which it is assented to.

(2) Sections 1, 2 and 7 come into force on a date or dates to be fixed by Proclamation.

(8) Section 38 presently reads in part:

38 The Lieutenant Governor in Council may from time to time

(b) set the fees payable to the Registrar for services under the provisions of this Act,

Provides for the setting of incorporation fees by regulation.