

1980 BILL PR 5

Second Session, 19th Legislature, 29 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL PR 5

THE ALBERTA FOUNDATION ACT

MR. KNAAK

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

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THE ALBERTA FOUNDATION ACT

(Assented to , 1980)

Preamble

WHEREAS the persons hereinafter named have, by their petition, prayed that it be enacted as hereinafter set forth and it is expedient to grant the prayer of the petition;

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

Interpretation

1. In this Act

- (a) "Foundation" means The Alberta Foundation incorporated by this Act;
- (b) "trustee" means a trustee of the Foundation;
- (c) "board of trustees" means the trustees of the Foundation.

Constitution
of
Foundation

2. Mr. R. W. Chapman, businessman, Dr. D. F. McPherson, Medical Doctor, Mr. F. G. Stewart, retired, Dr. L. H. leRiche, Registrar of College of Physicians and Surgeons, Dr. R. R. Francis, Medical Doctor, Dr. Howard McEwen, Medical Doctor and Mr. E. B. McKittrick, Chartered Accountant and such other persons as are from time to time appointed or elected trustees, are hereby constituted and established a body corporate under the name of "The Alberta Foundation".

Objects

3. The objects of the Foundation are:

- (a) to use, apply, give, devote, accumulate or distribute from time to time, at the discretion of the board of trustees but subject to the provisions of this Act, all or part of its funds for charitable purposes or in the conduct of charitable activities;
- (b) to furnish advice or assistance to other charitable organizations and to manage or administer, in whole or in part, any or all of their activities, funds or other properties.

4. For the attainment of its objects the Foundation shall have the following powers:

- (a) the power to solicit for and receive bequests, devises and donations of every kind and description together with the power, in the sole discretion of the board of trustees, to refuse to accept any bequest, devise or donation;
- (b) the power to acquire, hold, control, administer, dispose of and otherwise deal with property of every kind and description whether real or personal and wheresoever situate;
- (c) if not in contravention of an express term of the bequest, devise or donation under which it is received,
 - (i) the power to convert any property at any time received or held by the Foundation into any other form and for such purpose to dispose of or otherwise deal with it;
 - (ii) the power to use, apply, give, accumulate or distribute any property at any time received or held by the Foundation and the income from it for charitable purposes or in the conduct of charitable activities which in the judgment of the board of trustees will promote the objects of the Foundation;
- (d) the power to borrow or receive the payment of money in such manner as the board of trustees may determine;
- (e) the power to draw, make, accept, endorse, execute and issue promissory notes, bills of exchange and other negotiable instruments;
- (f) the power to employ and pay such consultants, agents and employees and to procure, equip and maintain such offices and other facilities and to incur such reasonable expenses as the board of trustees may consider necessary or desirable;
- (g) the power to entrust to one or more trust companies, authorized to act as an executor and administrator in the Province, the custody of all or any portion of the property held by the Foundation upon such terms as the board of trustees may consider appropriate;
- (h) the power to pay the expenses of administering the Foundation and the properties held by it and to charge such expenses against the income arising from each such property in the proportion that the annual income arising therefrom bears to the total annual income of the Foundation;
- (i) the power to enter into agreements with other charitable organizations setting forth the terms and conditions upon which the Foundation will grant to them advice or assistance or manage or administer, in whole or in part, any or all of their activities, funds or other properties;

- (j) subject to any specific direction by a donor, the power to invest funds or other properties, in any investments which the board of trustees shall in its absolute discretion consider to be fit and prudent, not being limited to investments expressly authorized by law for trustees, and the power in like manner from time to time to alter or vary any such investments;
- (k) the power to do all such other things as are incidental or conducive to the attainment of the objects of the Foundation and the exercise of its powers.

trustees

- 5.** Until otherwise determined by the board of trustees, the trustees shall be those persons named in section 3.

Powers of trustees

- 6.** The affairs of the Foundation shall be managed and administered by the board of trustees who shall exercise all of its powers, and without limiting the generality of the foregoing, the board of trustees may:

- (a) fix and determine the requisite minimum and maximum number of trustees, the procedure to be adopted for their election or appointment and their tenure of office;
- (b) establish by-laws covering the calling of meetings of the board of trustees and the requisite quorum and method of conducting business at such meetings;
- (c) elect or appoint such officers of the Foundation as it may deem expedient and prescribe the duty, power, authority and tenure of office of each;
- (d) employ such consultants, agents and employees of the Foundation as it may deem necessary or desirable and prescribe their respective terms of employment;
- (e) delegate any of its powers to one or more committees appointed by the board from among its own members and from other persons;
- (f) if considered advisable, to enact by-laws authorizing the Foundation to pay to any trustee or committee member a reasonable amount for every duly convened meeting of the board of trustees or committee which he attends and to reimburse any trustee or committee member for all reasonable out-of-pocket expenses incurred by him in the performance of his duties as a trustee or committee member;
- (g) enact by-laws, resolutions, rules and regulations, not inconsistent with any of the provisions of this Act, respecting any or all of the powers or authorities conferred upon the Foundation or the board of trustees by virtue of the provisions of this Act.

- Power of Court to vary trust conditions
- Duty to comply with donor's conditions
- Property not subject to donor's conditions
- Donation to take effect future
- Use of property of foundation
- Winding up documents
- Anniversary month
- 7.** Where any trust which has been administered by the Foundation cannot be further administered by the Foundation by reason of the object of the trust having ceased to exist or by reason of it having become substantially incapable of performance, the Foundation may apply to a judge of the Court of the Queen's Bench for an order directing that the property subject to the trust be used by the Foundation for such alternate charitable activities as the judge may direct.
- 8.** If any property is received by the Foundation subject to any conditions imposed by the donor of that property, the board of trustees shall give effect to and observe those conditions.
- 9.** If any property is received by the Foundation which is not subject to any conditions imposed by the donor of that property, the board of trustees may use that property for such charitable purposes or in the conduct of such charitable activities as it may in its sole discretion determine.
- 10.** Where a donation is made to the Foundation, in trust, of any property to take effect in the future, the board of trustees is empowered to accept and exercise any powers of appointment, settlement or distribution with respect to all or a portion of the income derived from it in the interim, together with the power to nominate executors and trustees in the manner provided in the instrument creating the trust.
- 11.** Subject only to any by-law enacted by the board of trustees pursuant to section 6(f), the Foundation shall conduct its affairs without pecuniary gain to any trustee in his capacity as a trustee and all of its property shall be used exclusively for the promotion of its objects.
- 12.** In the event of the winding up or dissolution of the Foundation, all of its remaining assets after payment of its liabilities shall be distributed to one or more recognized charitable organizations in Canada as determined by the board of trustees.
- 13.** Following the conclusion of each fiscal period the Foundation shall cause a financial report for that period to be prepared, made up of:
- a statement of the Foundation's receipts and disbursements for that period;
 - a balance sheet of the Foundation as at the end of the period;
 - a report of the Foundation's auditors to the trustees on the statement and balance sheet.
- 14.** (1) In this section "anniversary month" when used in relation to the Foundation means the month in each year that is the same as the month in which this Act comes into force.

(2) The Foundation shall, in each year on or before the last day of the month immediately following its anniversary month, make an annual return verified by a trustee or officer of the Foundation, to the Registrar of Companies containing a list of all persons who were trustees on the last day of its most recent anniversary month, setting out their full names and addresses.

(3) Each annual return of the Foundation shall be accompanied by a written copy, certified by a trustee or officer of the Foundation to be a true copy, of the latest financial report of the Foundation prepared pursuant to section 13.

Non-application of part of Companies Act

15. The Foundation is exempted from sections 6, 118 and 146 of *The Companies Act*.

Coming into force

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