

1983 BILL 9

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First Session, 20th Legislature, 32 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# **BILL 9**

**CONSUMER AND CORPORATE AFFAIRS STATUTES  
AMENDMENT ACT, 1983**

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THE MINISTER OF CONSUMER AND  
CORPORATE AFFAIRS

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First Reading .....

Second Reading .....

Committee of the Whole .....

Third Reading .....

Royal Assent .....

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*Bill 9*

## **BILL 9**

1983

### **CONSUMER AND CORPORATE AFFAIRS STATUTES AMENDMENT ACT, 1983**

*(Assented to \_\_\_\_\_, 1983)*

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

#### **Cemetery Companies**

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

*(2) Section 3(1)(b) is amended by adding "or the Registrar's periodical published under the Business Corporations Act" after "The Alberta Gazette".*

*(3) Section 22(3) is amended by adding "or the Registrar's periodical published under the Business Corporations Act" after "The Alberta Gazette".*

#### **Condominium Property Act**

*2(1) The Condominium Property Act is amended by this section.*

*(2) Section 20(4) is amended by striking out "does" and substituting "and the Business Corporations Act do".*

#### **Co-operative Associations Act**

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

*(2) Sections 44(2), (3) and (4) are amended by adding "or the Registrar's periodical published under the Business Corporations Act" after "The Alberta Gazette".*

*(3) Section 58(4) is amended by adding "or the Registrar's periodical published under the Business Corporations Act" after "The Alberta Gazette".*

## **Explanatory Notes**

### **Cemetery Companies**

- 1**(1) This section will amend chapter C-3 of the Revised Statutes of Alberta 1980.
- (2) Permits publication of certificate in Registrar's periodical instead of the Gazette.
- (3) Permits publication of certificate in Registrar's periodical instead of the Gazette.

### **Condominium Property Act**

- 2**(1) This section will amend chapter C-22 of the Revised Statutes of Alberta 1980.
- (2) Section 20(4) presently reads:
  - (4) *The Companies Act does not apply to a corporation.*

### **Co-operative Associations Act**

- 3**(1) This section will amend chapter C-24 of the Revised Statutes of Alberta 1980.
- (2) Permits publication of notice in the Registrar's periodical instead of the Gazette.
- (3) Permits publication of notice in the Registrar's periodical instead of the Gazette.

## Credit Union Act

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

(2) *Section 1 is amended by adding the following after clause (i):*

(i.1) “Registrar’s periodical” means the Registrar’s periodical published under the *Business Corporations Act*;

(3) *Section 18 is amended by adding “47,” after “sections”.*

(4) *Section 16(1) and (2) are amended by adding “, member’s equity account” after “deposit” wherever it occurs.*

(5) *Section 19 is amended*

(a) *in subsection (2)*

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

(a) receive money from its members or depositors

(i) as payment on shares,

(ii) as deposits, or

(iii) for the purchase of fixed term annuities;

(ii) *in clause (j) by striking out “or as deposit” and substituting “, in a deposit or in a member’s equity account”;*

(b) *by repealing subsection (6) and substituting the following:*

(6) Notwithstanding subsection (5), an officer or employee of a credit union may permit a person to withdraw funds in excess of the amount in the deposit of a member or depositor if

(a) the member or depositor has executed a line of credit loan agreement in favour of the credit union equal to or in excess of the amount sought to be withdrawn, or

(b) the withdrawal is made in accordance with by-laws made by the Board under section 97.

(c) *in subsection (10) by striking out “depositor” and substituting “depositor”.*

(6) *Section 28(1)(c) is amended by striking out “and on deposits” and substituting “, members’ equity accounts and deposits”.*

(7) *Section 45(1) is amended by adding “, members’ equity accounts” after “of members”.*

## Credit Union Act

4(1) This section will amend chapter C-31 of the Revised Statutes of Alberta 1980.

(2) Definition.

(3) Section 18 presently reads:

*18 Subject to sections 55 and 67 and the standard by-laws, a member of a credit union who appears in person at the office of the credit union may withdraw money from his deposits or money standing to his credit as payment on his shares.*

(4) Consequential to the amendment in section 4(8) of this Bill.

(5) Section 19 presently reads in part:

(2) *For the purpose of carrying out its objects, a credit union may*

*(a) receive money from its members or depositors either as payment on shares or as deposits;*

*(j) immediately on the death of a member and on completion of any forms required by the by-laws, pay a sum not exceeding \$2500 out of the money standing to the credit of the deceased member, whether as payment on shares or as deposit,*

*(i) to the executor or administrator of the estate of the deceased member,*

*(ii) if there is then no executor or administrator, to the surviving spouse of the deceased member, or*

*(iii) if there is no executor, administrator or surviving spouse, to the Public Trustee for the benefit of the person or persons who would be beneficiaries of the estate of the deceased member under the Intestate Succession Act if the member had died intestate and without a surviving spouse,*

*and a payment made under this clause releases the credit union from any further liability with respect to the money so paid;*

*(6) Notwithstanding subsection (5), an officer or employee of a credit union may permit a person to withdraw funds in excess of the amount in the deposit of a member or depositor if the member or depositor has executed a line of credit loan agreement in favour of the credit union equal to or in excess of the amount sought to be withdrawn.*

(6) Consequential to the amendment in section 4(8) of this Bill.

(7) Consequential to the amendment in section 4(8) of this Bill.

(8) *Section 47(1) is repealed and the following is substituted:*

**47(1)** After making provision for the Stabilization Fund, reserve funds and the education fund, if any, the board of directors may

(a) declare a dividend from the undivided earnings at rates and for periods determined by the board of directors;

(b) if the supplemental by-laws so provide and before declaring a dividend under clause (a), establish members' equity accounts from the undivided earnings.

(1.1) Money on deposit in the members' equity accounts may be withdrawn only on

(a) application to and approval of the board of directors,

(b) the death of the member, or

(c) the member's ceasing to reside or carry on business in the credit union's normal trading area.

(9) *Section 48(1)(a) is amended by adding "and no members' equity accounts shall be established" after "apportioned".*

(10) *Section 52(2) is repealed and the following is substituted:*

(2) A minor may purchase shares in, have a member's equity account in and make deposits with a credit union in his own name, and the money held as payment on shares or in a member's equity account or deposit may be repaid to him and he may give a valid discharge for it, notwithstanding his minority.

(11) *Section 56(1) is amended by striking out "and" at the end of clause (a) and by adding the following after clause (a):*

(a.1) money standing to a member's credit in a member's equity account, and

(12) *Section 67(2) and (3) are amended by adding ", members' equity accounts" after "shares";*

(13) *Section 74(e) is amended by adding "or members' equity accounts" after "deposits".*

(14) *Section 78(1) is amended by adding "and members' equity accounts" after "deposits".*

(15) *Section 79(1)(f) is amended by adding ", shares or members' equity accounts" after "deposits".*

(16) *Section 98(a) is repealed and the following is substituted:*

(a) to assure the repayment of money invested in shares of, and in deposits and members' equity accounts with, a credit union, including declared dividends on the shares and earned interest

(8) Section 47(1) presently reads:

*47(1) After making provision for the Stabilization Fund, reserve funds and the education fund, if any, the board of directors may declare a dividend from the undivided earnings at rates and for periods determined by the board of directors.*

(9) Consequential to the amendment in section 4(8) of this Bill.

(10) Consequential to the amendment in section 4(8) of this Bill.

(11) Consequential to the amendment in section 4(8) of this Bill.

(12) Consequential to the amendment in section 4(8) of this Bill.

(13) Consequential to the amendment in section 4(8) of this Bill.

(14) Consequential to the amendment in section 4(8) of this Bill.

(15) Consequential to the amendment in section 4(8) of this Bill.

(16) Consequential to the amendment in section 4(8) of this Bill.

on the deposits and members' equity accounts, whether the money was invested before or after the commencement of this Part;

(17) Section 102(1) is amended by adding "members' equity accounts," after "savings,".

(18) Section 103(1) is amended by striking out "101" and substituting "102":

(19) Section 105(1)(b) is repealed and the following is substituted:

(b) fails to pay to him in accordance with

- (i) the terms of a deposit or member's equity account,
- (ii) this Act, and
- (iii) the by-laws of the credit union

any money in a deposit or a member's equity account in his name or on his behalf, together with earned interest, after setting off any lien or specific charge in favour of the credit union.

(20) Section 106 is amended

(a) in subsection (1) by striking out "share or deposit, or both" and substituting "share, member's equity account or deposit";

(b) in subsections (2) and (3) by adding ", member's equity account" after "share" wherever it occurs;

(c) by repealing subsection (4) and substituting the following:

(4) For the purposes of this section "share" includes declared dividends on the share and "member's equity account" and "deposit" include earned interest on the account or deposit.

(21) Section 109(1)(a)(i) is amended by adding ", members' equity accounts" after "shares":

(22) Section 111 is amended

(a) in subsection (1)(a) by adding "or established members' equity accounts which it cannot establish" after "which it cannot pay";

(b) in subsection (3) by adding the following after clause (g):

(g.1) order the credit union to refrain from establishing members' equity accounts under section 47 or to restrict the amount designated for those accounts;

(23) In the following provisions "or the Registrar's periodical" is added after "The Alberta Gazette":

section 6;  
section 8(2)(c);



(17) Consequential to the amendment in section 4(8) of this Bill.

(18) Corrects error in reference.

(19) Consequential to the amendment in section 4(8) of this Bill.

(20) Consequential to the amendment in section 4(8) of this Bill.

(21) Consequential to the amendment in section 4(8) of this Bill.

(22) Consequential to the amendment in section 4(8).

(23) Permits publication of notices, etc., in the Registrar's periodical instead of the Gazette.

section 78(4);  
section 79(3);  
section 97(2)(b).

#### **Insurance Act**

5(1) *The Insurance Act is amended by this section.*

(2) *Section 17 is amended*

(a) *in subsection (1) by striking out “chief office” and substituting “chief agency”;*

(b) *in subsection (4) by striking out “head or chief office” and substituting “head office or chief agency”.*

(3) *Section 94 is amended*

(a) *in subsection (2) by adding the following after clause (l):*

(l.1) any instrument evidencing an interest in a debt obligation if the payment of the debt and interest is insured under a policy of insurance issued by a company registered under the *Canadian and British Insurance Companies Act* (Canada);

(b) *by adding the following after subsection (3):*

(3.1) A company may lend its funds or any portion of them to a corporation incorporated in Canada if the repayment of the loan with interest is insured under a policy of insurance issued by a company registered under the *Canadian and British Insurance Companies Act* (Canada).

(4) *In the following provisions “chief office” is struck out wherever it occurs and “chief agency” is substituted:*

section 35(1)(c);  
section 70(2)(b);  
section 214(2).

#### **Societies Act**

6(1) *The Societies Act is amended by this section.*

(2) *Section 8(b) is amended by adding “or the Registrar’s periodical published under the *Business Corporations Act*” after “The Alberta Gazette”.*

(3) *Section 12(2) is amended by adding “or the Registrar’s periodical published under the *Business Corporations Act*” after “The Alberta Gazette”.*

#### **Trust Companies Act**

7(1) *The Trust Companies Act is amended by this section.*

#### **Insurance Act**

**5(1)** This section will amend chapter I-5 of the Revised Statutes of Alberta 1980.

(2) Corrects error in terminology.

(3) Power to make loans and investments.

(4) Corrects error in terminology.

#### **Societies Act**

**6(1)** This section will amend chapter S-18 of the Revised Statutes of Alberta 1980.

(2) Permits publication of notice in Registrar's periodical instead of Gazette.

(3) Permits publication of notice in Registrar's periodical instead of Gazette.

#### **Trust Companies Act**

**7(1)** This section will amend chapter T-9 of the Revised Statutes of Alberta 1980.

(2) *Section 117 is amended by adding the following after subsection (2):*

(2.1) A provincial company may invest its own funds and its deposits and investment money in any instrument evidencing an interest in a debt obligation if the payment of the debt and interest is insured under a policy of insurance issued by a company registered under the *Canadian and British Insurance Companies Act* (Canada).

(2.2) A provincial company may lend its own funds and its deposits and investment money to a corporation incorporated in Canada if the repayment of the loan with interest is insured under a policy of insurance issued by a company registered under the *Canadian and British Insurance Companies Act* (Canada).

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*In accordance with section 4(1) of the Interpretation Act, this Bill comes into force on the date it receives Royal Assent.*

(2) Power to make investments and loans.