

1987 BILL 54

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Second Session, 21st Legislature, 36 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# **BILL 54**

**VOLUNTEER INCORPORATIONS ACT**

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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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1987

## VOLUNTEER INCORPORATIONS ACT

(Assented to , 1987)

### Table of Contents

Interpretation	1
Part 1	
Incorporation	
Incorporation	2
Incorporating documents	3
Articles of incorporation	4
Requirement re distribution of property	5
Exceptions	6
By-laws and articles	7
Certificate of incorporation	8
Transitional	9
Existing companies	10
Existing societies	11
Part 2	
Names	
Name requirements	12
Notice to change name	13
Revocation of name	14
Part 3	
Effect of Incorporation	
Effect of incorporation	15
Capacity of incorporated association	16
Members not liable	17
Part 4	
Distribution of Property and Income	
Use of property	18
Prohibition	19
Distribution on liquidation	20,21
Court may give directions	22
Recovery of property	23
Part 5	
Dealings with Incorporated Association	
No constructive notice	24
Authority of directors, officers and agents	25
Corporate seal	26

<b>Part 6</b>	
<b>Registered Office, Records and Returns</b>	
Registered office, etc.	27
Record keeping	28
Annual return	29
<b>Part 7</b>	
<b>Membership</b>	
Articles and membership	30
By-laws and membership	31
Consent	32
Resignation of membership	33
Application of Business Corporations Act	34
Evidence of membership	35
Transfer of membership	36
Register of members	37
<b>Part 8</b>	
<b>By-laws</b>	
Purpose of by-laws	38
Standard by-laws	39
Initial by-laws	40
Special resolution	41
<b>Part 9</b>	
<b>Appointment and Election of Directors</b>	
Number and qualifications of directors	42
First directors	43
Election of directors	44
Irregularities	45
Notice of change of directors	46
Proceedings of directors	47
<b>Part 10</b>	
<b>Powers, Duties and Obligations of Directors</b>	
Directors' duties	48
Resolution instead of meeting	49
Disclosure re contracts	50
Duty of care	51
Indemnification by incorporated association	52
<b>Part 11</b>	
<b>Proceedings of Members</b>	
By-laws	53
Place of meetings	54
Directors to call meetings	55
Notice of meetings	56
Proposals	57
Quorum	58
Voting	59
Ballot vote	60
Resolution instead of meeting	61
Meeting on requisition of members	62
Meeting called by Court	63
<b>Part 12</b>	
<b>Disputed Elections</b>	
Disputed election or appointment	64

Part 13	
Financial Affairs	
Annual financial statements	65
Copies to members	66
Copies to Registrar	67
When auditor not required	68
Qualifications of auditor	69
Appointment of auditor	70
Term of office and removal	71
Filling vacancies	72
Court may appoint auditor	73
Rights and duties of auditor	74
Auditor's duty to examine	75
Auditor's right to information	76
Qualified privilege	77
Prohibited financial assistance	78
Part 14	
Debt Securities	
Application of Business Corporations Act	79
Part 15	
Fundamental Changes	
Amendment of articles	80
Class votes	81
Articles of amendment	82
Effect of amendment	83
Restatement of articles	84
Amalgamation	85
Amalgamation agreement	86
Adoption of agreement	87
Articles of amalgamation	88
Effect of amalgamation	89
Continuance into Alberta	90
Continuance out of Alberta	91
Extraordinary sale, lease or exchange	92
Part 16	
Branches	
Branches	93
Part 17	
Investigation	
Court may order investigation	94
Non-publication (see )	95
Scope of order	96
Costs of application	97
Directions	98
Co-operation with other officials	99
Hearings	100
Witnesses	101
Statements privileged	102
Solicitor-client privilege	103
Copy of report	104
Report as evidence	105

<b>Part 18</b>	
<b>Liquidation and Dissolution</b>	
Staying proceedings	106
Dissolution by directors or members	107
Proposal for dissolution	108
Dissolution by Registrar	109
Dissolution by court order	110
Dissolution by court order — other grounds	111
Court order	112
Registrar's duty	113
Powers of Court	114
Effect of court order	115
Vacancy in office of liquidator	116
Duties of liquidator	117
Powers of liquidator	118
Final accounts and discharge of liquidator	119
Member's right to distribution in money	120
Custody of documents, etc.	121
Existing rights unaffected by dissolution	122
Unknown claimants	123
<b>Part 19</b>	
<b>Revival</b>	
Revival of incorporated association	124
Revival of other bodies corporate	125
<b>Part 20</b>	
<b>Remedies, Offences and Penalties</b>	
Definitions	126
Derivative action	127
Powers of Court	128
Court approval of stay, etc.	129
Costs	130
Rectification of records	131
Court order for directions	132
Registrar's refusal to file	133
Appeal from Registrar's decision	134
Compliance or restraining order	135
Offence re returns, etc.	136
General penalty	137
Order for compliance	138
Limitation period	139
Civil remedy unaffected	140
<b>Part 21</b>	
<b>General</b>	
Service on members, directors	141
Presumptions	142
Service on incorporated association	143
Service on Registrar	144
Waiver of notice	145
Registrar's certificate	146
Certificate by incorporated association	147
Copies of documents	148
Proof required by Registrar	149
Registrar's power to issue certificates	150
Certificate of status	151
Registrar may alter documents	152
Errors in certificates	153
Examination of documents	154

Registrar's records	155
Regulations	156
Part 22	
Extra-provincial Non-profit Corporations	
Interpretation	157
Exemption from fees	158
Division 1	
Registration	
Duty to register	159
Application for registration	160
Name requirements	161
Use of assumed name	162
Registration	163
Cancellation of registration	164
Reinstatement of registration	165
Division 2	
Information	
Use of name	166
Rules re attorney for service	167
Notice of changes	168
Notice of amalgamation	169
Notices re liquidation	170
Annual return	171
Division 3	
General	
Registrar's certificate	172
Validity of acts	173
Effect of non-registration	174
Offence	175
Part 23	
Consequential, Repeal and Commencement	
Consequential	176,177
Repeals RSA 1980 cS-18	178
Coming into force	179

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

Interpretation

**1(1)** In this Act,

- (a) "affairs" means the relationships among an incorporated association and its members but does not include the activities carried on by the incorporated association;
- (b) "articles" means original or restated articles of incorporation, articles of amendment, articles of amalgamation, articles of continuance, articles of dissolution and articles of revival, all as amended from time to time;
- (c) "associate", when used to indicate a relationship with a person, means
  - (i) a body corporate of which that person beneficially owns or controls, directly or indirectly, shares or securities cur-

rently convertible into shares carrying more than 10% of the voting rights under all circumstances or under any circumstances that have occurred and are continuing, or a currently exercisable option or right to purchase those shares or those convertible securities,

(ii) a partner of that person acting on behalf of the partnership of which they are partners,

(iii) a trust or estate in which that person has a substantial interest or in respect of which he serves as a trustee or in a similar capacity,

(iv) a spouse of that person, or

(v) a relative of that person or of his spouse if that relative has the same residence as that person;

(d) "Court" means the Court of Queen's Bench;

(e) "debt security" means a debt obligation of an incorporated association and includes a certificate evidencing such a debt obligation;

(f) "director" means a person occupying the position of director by whatever name called and "directors" and "board of directors" include a single director;

(g) "existing body corporate" means an existing company and an existing society;

(h) "existing company" means a company registered under the *Companies Act* at the date this Act comes into force

(i) that by reason of a direction or authorization of the Registrar of Companies under Part 9 of that Act does not have the word "limited" as part of its name, or

(ii) that by its memorandum of association or articles of association prohibits the payment to its members of any dividend,

but does not include a municipal housing company limited by shares incorporated under the *Companies Act* and having as its object the development, provision and operation, or any of them, of housing and accommodation;

(i) "existing society" means a society registered under the *Societies Act* at the date this Act comes into force;

(j) "extra-provincial corporation" means a body corporate

(i) incorporated otherwise than by or under an Act of the Legislature or an Ordinance of the Northwest Territories, or

(ii) incorporated by or under an Ordinance of the Northwest Territories and not subject to the legislative authority of the Province by section 16 of the *Alberta Act* (Canada);

(k) "extra-provincial non-profit corporation" means a body corporate that is, by virtue of its corporate constitutional documents,

subject to a prohibition that is substantially the same as the prohibition imposed by a provision referred to in section 5(a) or (b) and is incorporated

- (i) otherwise than by or under an Act of the Legislature or an Ordinance of the Northwest Territories, or
  - (ii) by or under an Ordinance of the Northwest Territories and not subject to the legislative authority of the Province by section 16 of the *Alberta Act* (Canada);
- (l) “incorporated association” means
- (i) a body corporate incorporated under this Act or revived as an incorporated association under this Act,
  - (ii) an existing body corporate that is registered and deemed to have been incorporated under this Act by virtue of section 9(1), and
  - (iii) an extra-provincial non-profit corporation that continues into Alberta under section 90;
- (m) “incorporator” means a person who signs articles of incorporation;
- (n) “individual” means a natural person;
- (o) “member” includes shareholder in the case of a body corporate with a capital stock divided into shares;
- (p) “Minister” means the member of the Executive Council charged by the Lieutenant Governor in Council with the administration of this Act;
- (q) “ordinary resolution” means a resolution
- (i) passed by a majority of the votes cast by the members who voted in respect of that resolution, or
  - (ii) signed by all the members entitled to vote on that resolution;
- (r) “person” includes an individual, partnership, association, body corporate, trustee, executor, administrator and legal representative;
- (s) “prescribed” means prescribed by the regulations;
- (t) “Registrar” means the Registrar of Corporations or a Deputy Registrar of Corporations;
- (u) “send” includes deliver;
- (v) “soliciting incorporated association” means an incorporated association that has, within the current financial period or within any of the 3 preceding financial periods,
- (i) solicited money from the public within the meaning of the regulations, or
  - (ii) received a grant or similar financial assistance from a municipal or provincial government in Canada or the Gov-



ernment of Canada or from an agency of any of those governments;

(w) “special resolution” means a resolution

(i) passed by at least  $\frac{2}{3}$  of the votes cast by members who voted in respect of that resolution, or

(ii) signed by all the members entitled to vote on that resolution.

(2) A reference in this Act to the *Companies Act* or the *Societies Act* is deemed to include a reference to predecessors of those Acts.

(3) For the purposes of this Act,

(a) one body corporate is affiliated with another body corporate if one of them is the subsidiary of the other or both are subsidiaries of the same body corporate or each of them is controlled by the same person, and

(b) if 2 bodies corporate are affiliated with the same body corporate at the same time, they are deemed to be affiliated with each other.

(4) For the purposes of this Act, a body corporate is controlled by a person if

(a) memberships in the body corporate, to which are attached more than 50% of the votes that may be cast to elect directors of the body corporate, are held, other than by way of security only, by or for the benefit of that person, and

(b) the votes attached to those memberships are sufficient, if exercised, to elect a majority of the directors of the body corporate.

(5) For the purposes of this Act, a body corporate is the holding body corporate of another if that other body corporate is its subsidiary.

(6) For the purposes of this Act, a body corporate is a subsidiary of another body corporate if

(a) it is controlled by

(i) that other,

(ii) that other and 1 or more bodies corporate, each of which is controlled by that other, or

(iii) 2 or more bodies corporate, each of which is controlled by that other,

or

(b) it is a subsidiary of a body corporate that is that other's subsidiary.

**PART 1**  
**INCORPORATION**

Incorporation **2** One or more persons may incorporate an incorporated association.

Incorporating documents **3**(1) The incorporators shall send to the Registrar

- (a) the articles of incorporation in the prescribed form signed by the incorporators,
- (b) the documents relating to the name of the incorporated association that are prescribed by the regulations,
- (c) a notice of registered office and a notice of designated address for service by mail and separate records office, if any, and
- (d) a notice of directors in the prescribed form.

(2) The incorporators may send signed by-laws to the Registrar with the articles of incorporation.

Articles of incorporation **4** Articles of incorporation shall set out at least the following in respect of the proposed incorporated association:

- (a) the name of the incorporated association;
- (b) the purpose or purposes for which the incorporated association is being incorporated;
- (c) any restrictions on the activities that the incorporated association may carry on;
- (d) either
  - (i) a statement that the incorporated association will have 1 class of members, or
  - (ii) if there is more than 1 class of membership,
    - (A) the designation and characteristics of each class,
    - (B) the special rights, privileges, restrictions and conditions attaching to membership in each class, and
    - (C) the maximum number, if any, of members who may be admitted to membership in each class.

Requirement re distribution of property **5** Subject to section 6, the articles shall contain one of the following provisions:

- (a) a provision that no income or property of the incorporated association shall be distributed to a member, director or officer except on or after the liquidation of the incorporated association;
- (b) a provision that no income or property of the incorporated association shall be distributed to a member, director or officer either during the existence of the incorporated association or on or after its liquidation.

Exceptions **6**(1) Notwithstanding section 5, articles that contain a provision under section 5(a) may contain any or all of the following provisions:

(a) a provision permitting the incorporated association to pay a member a reasonable price or remuneration for goods, services or other valuable benefits provided to the incorporated association by the member;

(b) a provision permitting the incorporated association to pay to a member on the surrender of his membership an amount that does not exceed the fair value of his membership;

(c) a provision permitting the incorporated association to give financial assistance to a member in accordance with section 78.

(2) Notwithstanding section 5, articles that contain a provision under section 5(b) may contain any or all of the following provisions:

(a) a provision permitting the incorporated association to pay a member a reasonable price or remuneration for goods, services or other valuable benefits provided to the incorporated association by the member;

(b) a provision permitting the incorporated association to distribute income or property to a member of the incorporated association that

(i) is itself a body corporate the purposes of which are similar to the purposes of the incorporated association, and

(ii) is, except for a provision of a kind permitted by this subsection, subject to a prohibition that is substantially the same as the one set out in section 5(b);

(c) a provision stating that on liquidation the property of the incorporated association shall be distributed for a purpose stated in the articles which is similar to a purpose of the incorporated association which is stated in the articles;

(d) a provision permitting the incorporated association to give financial assistance to a member in accordance with section 78.

(3) No incorporated association may make a payment under subsection (1)(b) or (2)(b) if there are reasonable grounds for believing that the incorporated association is, or would after the payment be, unable to pay its liabilities as they become due.

By-laws and articles

**7** Articles of incorporation may contain any provision permitted or required by this Act or by law to be contained in the by-laws.

Certificate of incorporation

**8** On receipt of the documents required under section 3, the Registrar shall issue a certificate of incorporation.

Transitional

**9(1)** On the coming into force of this Act every existing company and every existing society is an incorporated association that is

(a) registered, and

(b) deemed to have been incorporated

under this Act.

(2) The register maintained under the *Companies Act* in respect of existing companies and the register maintained by the Registrar of

Corporations in respect of existing societies are hereby continued as a register to be known as the register of incorporated associations.

Existing  
companies

**10(1)** Subject to this section, on an existing company becoming registered as an incorporated association under this Act by virtue of section 9(1),

(a) the memorandum of association of the existing company as amended is the articles of the incorporated association, and

(b) the articles of association of the existing company as amended are the by-laws of the incorporated association.

(2) The articles of an incorporated association referred to in subsection (1) shall be deemed to set out

(a) that the name of the existing company is the name of the incorporated association,

(b) that the objects of the existing company as stated in its memorandum of association as amended are the purposes of the incorporated association,

(c) that a restriction on the objects or powers of the existing company set out in the memorandum or articles of association as amended is a restriction on the activities that the incorporated association may carry on, and

(d) that the memberships of the incorporated association and the rights, privileges, restrictions and conditions attached to each class of membership are those set out in the memorandum and articles of association of the existing company as amended.

(3) Where the articles of an incorporated association referred to in subsection (1) do not contain a provision that is substantially the same as one of the provisions required by section 5, the articles are deemed to contain the provision referred to in section 5(a).

(4) Notwithstanding subsection (1), a provision in the memorandum or articles of association of an existing company that contravenes a requirement of this Act or the regulations is invalid to the extent that it contravenes this Act or the regulations.

Existing societies

**11(1)** Subject to this section, on an existing society becoming registered as an incorporated association under this Act by virtue of section 9(1),

(a) the application for incorporation of the existing society as amended is the articles of the incorporated association, and

(b) the by-laws of the existing society as amended are the by-laws of the incorporated association.

(2) The articles of an incorporated association referred to in subsection (1) shall be deemed to set out

(a) that the name of the existing society is the name of the incorporated association,

(b) that the purpose or purposes for which incorporation of the existing society was desired as set out in the application for in-

corporation as amended are the purpose or purposes of the incorporated association,

(c) that a restriction on the activities of the existing society as set out in the application for incorporation as amended is a restriction on the activities that the incorporated association may carry on, and

(d) that a statement in the application for incorporation of the existing society as amended designating different classes of memberships or setting out the characteristics or special rights, privileges, restrictions or conditions attaching to different classes of memberships is a statement about different classes of memberships of the incorporated association.

(3) Where the articles of an incorporated association referred to in subsection (1) do not contain a provision that is substantially the same as one of the provisions required by section 5, the articles are deemed to contain the provision referred to in section 5(a).

(4) Notwithstanding subsection (1), a provision in the application for incorporation or by-laws of an existing society that contravenes a requirement of this Act or the regulations is invalid to the extent that it contravenes this Act or the regulations.

## **PART 2**

### **NAMES**

Name  
requirements

**12(1)** The name of an incorporated association that

- (a) is incorporated, or
- (b) changes its name

after the coming into force of this Act shall end with the words “Incorporated Association” or the abbreviation “IA”, which may be placed in brackets.

(2) An existing body corporate that becomes registered as an incorporated association under this Act by virtue of section 9(1) may by ordinary resolution add at the end of its name the words “Incorporated Association” or the abbreviation “IA”, which may be placed in brackets.

(3) Subject to subsections (1) and (2), except where the Registrar specifically authorizes it, the word “Limited”, “Limitee”, “Incorporated”, “Incorporee”, or “Corporation” or the abbreviation “Ltd.”, “Ltee”, “Inc.” or “Corp.” shall not be included in the name of an incorporated association.

(4) An incorporated association may file a notice in the prescribed form with the Registrar designating an additional form or forms of its name in accordance with subsection (5).

(5) Subject to subsection (8), the name of the incorporated association or an additional form of its name in a notice filed under subsection (4) may be in an English form or a French form or in a combined English and French form, and the incorporated association may use and may be legally designated by any of those forms.

(6) Subject to subsection (8), an incorporated association may, outside Canada, use and be legally designated by a name in any language form.

(7) If requested to do so by the incorporators of an incorporated association, or by an incorporated association, the Registrar shall assign to the incorporated association as its name a designated number determined by him.

(8) Subject to the circumstances and conditions prescribed by the regulations, an incorporated association shall not have a name

(a) that is prohibited by the regulations or contains a word or expression that is prohibited by the regulations,

(b) that is identical to the name of

(i) a body corporate incorporated under the laws of Alberta, whether in existence or not,

(ii) an extra-provincial corporation registered in Alberta, or

(iii) a corporation incorporated by or under an Act of the Parliament of Canada,

(c) that is similar to the name of

(i) a body corporate incorporated under the laws of Alberta,

(ii) an extra-provincial corporation registered in Alberta, or

(iii) a corporation incorporated by or under an Act of the Parliament of Canada

if the use of that name is confusing or misleading, or

(d) that does not meet the requirements prescribed by the regulations.

(9) Where a body corporate incorporated under the laws of Alberta gives an undertaking to dissolve or change its name and the undertaking is not carried out within the time specified, the Registrar may, by notice in writing giving his reasons, direct the body corporate to change its name to one that he approves within 60 days of the date of the notice.

Notice to  
change name

**13(1)** If, through inadvertence or otherwise, an incorporated association comes into existence with, acquires or has a name that contravenes section 12, the Registrar may, by notice in writing giving his reasons, direct the incorporated association to change its name to one that he approves within 60 days of the date of the notice.

(2) The Registrar may give a notice under subsection (1) on his own initiative or at the request of a person who feels aggrieved by the name that contravenes section 12.

Revocation  
of name

**14** If an incorporated association

(a) is directed to change its name under section 12(9) or 13(1),  
and

(b) does not appeal the direction of the Registrar within 60 days of the date of the notice,

the Registrar may revoke the name of the incorporated association and assign to it a number designated or a name approved by the Registrar and, until changed in accordance with Part 15, the name of the incorporated association is the number or name so assigned.

### PART 3

#### EFFECT OF INCORPORATION

Effect of incorporation

**15(1)** An incorporated association comes into existence on the date shown in the certificate of incorporation.

(2) A certificate of incorporation is conclusive proof for the purposes of this Act and for all other purposes

(a) that the provisions of this Act in respect of incorporation and all requirements precedent and incidental to incorporation have been complied with, and

(b) that the incorporated association has been incorporated under this Act as of the date shown in the certificate of incorporation.

Capacity of incorporated association

**16(1)** Notwithstanding section 4(b) and (c), an incorporated association has the capacity and, subject to this Act, the rights, powers and privileges of a natural person.

(2) An incorporated association has the capacity to carry on its activities, conduct its affairs and exercise its powers in any jurisdiction outside Alberta to the extent that the laws of that jurisdiction permit.

(3) An incorporated association shall not

(a) carry on its activities or exercise its powers except for the purposes stated in its articles,

(b) carry on activities or exercise powers that it is restricted by this Act or by its articles from carrying on or exercising, or

(c) exercise any of its powers in a manner contrary to its articles.

(4) No act of an incorporated association, including any transfer of property to or by an incorporated association, is invalid by reason only that the act or transfer is contrary to its articles or this Act.

Members not liable

**17** The members of an incorporated association are not, as members, liable for any liability, act or default of the incorporated association except under sections 23 and 122(4).

### PART 4

#### DISTRIBUTION OF PROPERTY AND INCOME

Use of property

**18** Except as provided in this Part, the property and profits of an incorporated association shall be used to further the activities of the incorporated association.

Prohibition

**19** An incorporated association shall not

(a) declare a dividend or distribute any of its income to its members during its existence, or

	(b) distribute any of its income or property to its members contrary to its articles.
Distribution on liquidation	<p><b>20</b> Subject to Part 18, on the liquidation of an incorporated association the articles of which contain a provision referred to in section 5(a), the property of the incorporated association shall be distributed</p> <p>(a) in accordance with its articles, or</p> <p>(b) if the articles make no provision, to the members of the association in equal shares.</p>
Distribution on liquidation	<p><b>21</b> Subject to Part 18, on the liquidation of an incorporated association the articles of which contain a provision referred to in section 5(b), the property of the incorporated association shall be distributed in accordance with a provision in the articles that is permitted under section 6(2)(b) or (c).</p>
Court may give directions	<p><b>22</b> The Court may give directions that any property of the incorporated association that is not distributed under section 21 shall be distributed for a purpose which, in the opinion of the Court, is similar to a purpose of the incorporated association stated in its articles.</p>
Recovery of property	<p><b>23</b> An incorporated association</p> <p>(a) has a right to recover from a member, director or officer any money or property, or the value of it, that is paid or transferred to the member, director or officer in contravention of this Part, and</p> <p>(b) may enforce the right by any remedy under law or equity against the member, officer or director, or against the money or property.</p>

## PART 5

### DEALINGS WITH INCORPORATED ASSOCIATION

No constructive notice	<p><b>24</b> No person is affected by or is deemed to have notice or knowledge of the contents of a document concerning an incorporated association by reason only that the document has been filed by the Registrar or is available for inspection at an office of the incorporated association.</p>
Authority of directors, officers and agents	<p><b>25</b> An incorporated association, a guarantor of an obligation of the incorporated association or a person claiming through the incorporated association may not assert against a person dealing with the incorporated association or dealing with any person who has acquired rights from the incorporated association</p> <p>(a) that the articles or by-laws have not been complied with,</p> <p>(b) that the persons named in the most recent notice of directors filed by the Registrar under this Act are not the directors of the corporation,</p> <p>(c) that the place named as the registered office in the most recent notice of registered office filed by the Registrar under this Act is not the registered office of the incorporated association,</p>



(d) that the designated address for service by mail in the most recent notice of designated address for service by mail filed by the Registrar under this Act is not the address for service by mail of the corporation,

(e) that a person held out by the incorporated association as a director, an officer or an agent of the incorporated association

(i) has not been duly appointed, or

(ii) has no authority to exercise a power or perform a duty that the director, officer or agent might reasonably be expected to exercise or perform,

(f) that a document issued by any director, officer or agent of the incorporated association with actual or usual authority to issue the document is not valid or not genuine, or

(g) that financial assistance referred to in section 78 or a sale, lease or exchange of property referred to in section 92 was not authorized,

unless the person has, or by virtue of his position with or relationship to the incorporated association ought to have, knowledge of those facts at the relevant time.

Corporate seal

**26(1)** An incorporated association may adopt and change a corporate seal, which shall contain the name of the incorporated association.

(2) A document executed on behalf of an incorporated association by a director, an officer or an agent of the incorporated association is not invalid only because the corporate seal is not affixed to the document.

(3) A membership card or certificate evidencing membership in an incorporated association may be issued under its corporate seal or a facsimile of the corporate seal.

(4) A document requiring authentication by an incorporated association may be signed by a director or the secretary or other authorized officer of the incorporated association and need not be under its corporate seal.

(5) An incorporated association may adopt for use in any other jurisdiction outside Alberta a facsimile of its corporate seal that complies with the laws of that jurisdiction.

## PART 6

### REGISTERED OFFICE, RECORDS AND RETURNS

Registered office, etc.

**27(1)** An incorporated association

(a) shall have a registered office in Alberta, and

(b) may designate

(i) an address for service by mail, and

(ii) a separate records office.

(2) The registered office

(a) is the incorporated association's address for service by mail if there is no designated address for service by mail, and

(b) is the incorporated association's records office if there is no designated records office.

(3) The directors may change the incorporated association's registered office and make or change a designation of an address for service by mail or separate records office.

(4) If the incorporated association's registered office, address for service by mail or separate records office is changed, the incorporated association shall, within 15 days, send a notice of the change in the prescribed form to the Registrar.

**Record keeping** **28(1)** An incorporated association shall prepare and maintain at its records office records containing

- (a) the articles and by-laws and amendments to them,
- (b) minutes of meetings and resolutions of members,
- (c) all notices of directors and changes of directors required by this Act to be sent to the Registrar,
- (d) a register of members as required by section 37 of this Act or by section 46 of the *Business Corporations Act*, as the case may be, and
- (e) the incorporated association's most recent financial statements.

(2) An incorporated association shall prepare and maintain

- (a) adequate accounting records, and
- (b) records containing minutes of meetings and resolutions of the directors, including a committee of the directors.

(3) A member of the incorporated association may examine the records described in subsection (1) free of charge.

(4) An incorporated association shall furnish to a member, at his request and on payment of a reasonable fee prescribed by the incorporated association, a copy of any of the records referred to in subsection (1).

(5) A director of the incorporated association may examine the records described in subsections (1) and (2) free of charge.

**Annual return** **29** An incorporated association shall in each year, on or before the prescribed date, send a return to the Registrar in the prescribed form.

## **PART 7 MEMBERSHIP**

**Articles and membership** **30** The articles

- (a) shall provide for membership in the incorporated association,
- (b) shall provide for at least 1 class of membership that entitles the members of the class to vote at all meetings of members, and
- (c) may provide for more than 1 class of membership, and in that case shall state the rights, privileges, restrictions and conditions attaching to each class of membership.

By-laws and membership

**31(1) The by-laws**

(a) shall

(i) provide for the method of admission to membership,

(ii) provide that a member may not transfer his membership or provide for the method or methods by which a membership may be transferred and any restrictions on transfer, and

(iii) provide for the methods by which memberships are terminated,

and

(b) may provide for the term of a membership.

**(2) The by-laws may**

(a) confer on the directors or members, or any committee of directors or members, power to terminate a membership for reasons prescribed by the by-laws, and

(b) prescribe the circumstances under which a membership terminates or may be terminated.

(3) Except in the case of termination for non-payment of fees, dues or other similar levies and termination due to lapsing of time, a director, member or committee acting under subsection (2)(a) must observe the rules of natural justice.

Consent

**32(1) The by-laws may provide that a member of a group or class of persons is, or is entitled to become, a member of the incorporated association.**

(2) A member of the group or class referred to in subsection (1) who satisfies the requirements of the by-laws becomes a member of the incorporated association by

(a) attending a meeting of members, or

(b) applying for membership or otherwise informing the incorporated association that he wishes to become a member.

Resignation of membership

**33 A member of an incorporated association, other than an incorporated association with a capital stock divided into shares, may resign membership by notice in writing sent to the incorporated association.**

Application of Business Corporations Act

**34 If its articles so provide, an incorporated association may have a capital stock divided into shares and in that case the following provisions of the *Business Corporations Act* apply, notwithstanding anything in this Act:**

(a) Part 5, except sections 39, 40 and 41;

(b) Part 6 as it relates to shares;

(c) section 184.

Evidence of membership

**35(1) An incorporated association may issue membership cards or certificates to evidence membership.**

(2) There shall be stated legibly on a membership card or certificate issued by an incorporated association that has more than 1 class of membership

(a) the rights, privileges, restrictions and conditions attached to the memberships of each class that exists when the membership card or certificate is issued, or

(b) that the class of membership that it represents has rights, privileges, restrictions or conditions attached to it and that the incorporated association will furnish to a member, on demand and without charge, a full copy of the text of the rights, privileges, restrictions and conditions attached to each class of membership.

Transfer of membership

**36** The interest of a member in an incorporated association is not transferable and ceases to exist when the member dies or ceases to be a member, except in a case where

(a) the articles otherwise provide, or

(b) the incorporated association has a capital stock divided into shares.

Register of members

**37(1)** An incorporated association that does not have a capital stock divided into shares shall maintain a register of members entitled to vote that contains

(a) the names and the latest known addresses of each person who is or who, during the previous year, has been a member of the incorporated association, and

(b) the date on which each person referred to in clause (a) became and ceased to be a member.

(2) The names in the register shall be alphabetically or otherwise systematically arranged in a manner capable of producing information about all members in intelligible written form in a reasonable time.

## PART 8

### BY-LAWS

Purpose of by-laws

**38** Subject to the articles and this Act,

(a) the affairs of an incorporated association, and

(b) the manner in which the activities of an incorporated association are carried on,

shall be regulated by by-laws.

Standard by-laws

**39(1)** The Minister may prescribe by-laws, and those by-laws are, subject to subsection (2), the by-laws of every incorporated association.

(2) The articles and by-laws of an incorporated association, to the extent that they regulate the matters regulated by the prescribed by-laws, supersede the prescribed by-laws.

(3) Nothing in this section precludes the adoption of a by-law that relates to affairs or activities of the incorporated association that are not dealt with in the prescribed by-laws.

Initial by-laws **40** By-laws signed by the incorporators of an incorporated association and sent to the Registrar as part of the material for incorporation are the by-laws of the incorporated association until they are repealed or changed under this Part.

Special resolution **41(1)** The members of an incorporated association may by special resolution adopt, repeal and amend by-laws.

(2) A by-law and the repeal or amendment of a by-law have no effect until notice of it in the prescribed form is sent to the Registrar.

## PART 9

### APPOINTMENT AND ELECTION OF DIRECTORS

Number and qualifications of directors **42(1)** Subject to subsection (2), an incorporated association shall have 1 director or any greater number that the by-laws require.

(2) A soliciting incorporated association shall have at least 3 directors.

(3) A person who is not an individual is not eligible to be a director.

(4) Subject to subsection (3), the by-laws may prescribe qualifications and disqualifications for directors.

First directors **43** A director named in a notice referred to in section 3(1)(d) is a director of the incorporated association and holds office from the issue of the certificate of incorporation until the first meeting of members.

Election of directors **44(1)** The members of an incorporated association shall elect directors at the first meeting of members and at every annual meeting at which or at the end of which there is a vacancy in the board of directors.

(2) Directors shall be elected by ordinary resolution or by vote of the members on those nominated.

(3) The term for which a director is elected shall expire no later than the end of the 3rd annual meeting of members following his election.

(4) The members may remove a director at any time by ordinary resolution.

(5) Subject to subsections (1) to (4), by-laws may provide for

(a) the election of directors, including cumulative voting,

(b) the term of office of directors,

(c) the resignation and removal of directors,

(d) the consequences of a failure to elect the requisite number of directors,

(e) the filling of vacancies in the board between annual meetings, and

(f) the appointment by the directors of additional directors, not exceeding  $\frac{1}{3}$  of the number of directors who held office at the expiration of the last annual meeting of members, to serve until the next annual meeting of members.

(6) A director who is elected or appointed to fill a vacancy holds office for the unexpired term of his predecessor.

Irregularities **45** An act of a director or officer of an incorporated association is valid notwithstanding an irregularity in his election or appointment or a defect in his qualification.

Notice of change of directors **46(1)** Within 15 days after a change is made among the directors, an incorporated association shall send to the Registrar a notice in the prescribed form setting out the change, and the Registrar shall file the notice.

(2) Any interested person or the Registrar may apply to the Court for an order requiring an incorporated association to comply with subsection (1), and the Court may so order and make any further order it thinks fit.

Proceedings of directors **47** The by-laws shall regulate the proceedings of directors.

## PART 10

### POWERS, DUTIES AND OBLIGATIONS OF DIRECTORS

Directors' duties **48(1)** Except as otherwise provided in this Act, the articles or the by-laws, the directors shall manage the activities and affairs of an incorporated association.

(2) The by-laws shall authorize the directors to

(a) borrow money, give a guarantee and give security,

(b) adopt forms of corporate documents and corporate records, and

(c) issue membership cards and, if the incorporated association has a capital stock divided into shares, share certificates.

(3) The by-laws shall provide that every director of the incorporated association shall receive notice of and have the right to attend and be heard at every meeting of members.

Resolution instead of meeting **49(1)** Subject to the articles and the by-laws, a resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors or a committee of directors, is as valid as if it had been passed at a meeting of directors or a committee of directors.

(2) A resolution in writing dealing with all matters required by this Act to be dealt with at a meeting of directors, and signed by all the directors entitled to vote at that meeting, satisfies all the requirements of this Act relating to meetings of directors.

(3) A copy of every resolution referred to in subsection (1) or (2) shall be kept with the minutes of the proceedings of the directors or the committee of directors.

**50(1)** A director or officer of an incorporated association who

(a) is a party to a material contract or proposed material contract with the incorporated association, or

(b) is a director or an officer of or has a material interest in any person who is a party to a material contract or proposed material contract with the incorporated association,

shall disclose in writing to the incorporated association or request to have entered in the minutes of meetings of directors the nature and extent of his interest.

(2) The disclosure required by subsection (1) shall be made, in the case of a director,

(a) at the meeting at which a proposed contract is first considered,

(b) if the director was not interested in a proposed contract at the time of the meeting referred to in clause (a), at the first meeting after he becomes so interested,

(c) if the director becomes interested after a contract is made, at the first meeting after he becomes so interested, or

(d) if a person who is interested in a contract later becomes a director, at the first meeting after he becomes a director.

(3) Where a proposed contract is dealt with by resolution under section 49 instead of at a meeting, the disclosure that would otherwise be required to be made in accordance with subsection (2)(a) or (b) shall be made

(a) forthwith on receipt of the resolution, or

(b) if the director was not interested in the proposed contract at the time of receipt of the resolution, at the first meeting after he becomes so interested.

(4) The disclosure required by subsection (1) shall be made, in the case of an officer who is not a director,

(a) forthwith after he becomes aware that the contract or proposed contract is to be considered or has been considered at a meeting of directors,

(b) if the officer becomes interested after a contract is made, forthwith after he becomes so interested, or

(c) if a person who is interested in a contract later becomes an officer, forthwith after he becomes an officer.

(5) If a material contract or proposed material contract is one that, in the ordinary course of the incorporated association's business, would not require approval by the directors or members, a director or officer shall disclose in writing to the incorporated association, or

request to have entered in the minutes of meetings of directors, the nature and extent of his interest forthwith after the director or officer becomes aware of the contract or proposed contract.

(6) A director referred to in subsection (1) shall not vote on any resolution to approve the contract unless the contract is

(a) an arrangement by way of security for money lent to or obligations undertaken by him, or by a body corporate in which he has an interest, for the benefit of the incorporated association or an affiliate,

(b) a contract relating primarily to his remuneration as a director, officer, employee or agent of the incorporated association or an affiliate,

(c) a contract for indemnity or insurance under section 52, or

(d) a contract with an affiliate.

(7) For the purpose of this section, a general notice to the directors by a director or officer is a sufficient disclosure of interest in relation to any contract made between the incorporated association and a person in which the director has a material interest or of which he is a director or officer if

(a) the notice declares he is a director or officer of, or has a material interest in, the person and is to be regarded as interested in any contract made or to be made by the incorporated association with that person, and states the nature and extent of his interest,

(b) at the time disclosure would otherwise be required under subsection (2), (3), (4) or (5), as the case may be, the extent of his interest in that person is not greater than that stated in the notice, and

(c) the notice is given within the 12-month period immediately preceding the time at which disclosure would otherwise be required under subsection (2), (3), (4) or (5), as the case may be.

(8) If a material contract is made between an incorporated association and 1 or more of its directors or officers, or between an incorporated association and another person of which a director or officer of the incorporated association is a director or officer or in which he has a material interest,

(a) the contract is neither void nor voidable by reason only of that relationship, or by reason only that a director with an interest in the contract is present at or is counted to determine the presence of a quorum at a meeting of directors or committee of directors that authorized the contract, and

(b) a director or officer or former director or officer of the incorporated association to whom a profit accrues as a result of the making of the contract is not liable to account to the incorporated association for that profit by reason only of holding office as a director or officer



if the director or officer disclosed his interest in accordance with subsection (2), (3), (4), (5) or (7), as the case may be, and the contract was approved by the directors or the members and it was reasonable and fair to the incorporated association at the time it was approved.

Duty of care

**51(1)** Every director and officer of an incorporated association in exercising his powers and discharging his duties shall

(a) act honestly and in good faith with a view to the best interests of the incorporated association, and

(b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

(2) Every director and officer of an incorporated association shall comply with this Act, the regulations, the articles and the by-laws.

(3) No provision in a contract, the articles, the by-laws or a resolution relieves a director or officer from the duty to act in accordance with this Act or the regulations or relieves him from liability for a breach of that duty.

(4) In a proceeding in which relief is claimed against a director or officer for a breach of a duty under this section, the court in which the proceeding is brought may, if it appears that the director or officer has acted honestly and reasonably and ought fairly to be excused, relieve the director or officer either wholly or partly from liability for the breach.

Indemnification  
by incorporated  
association

**52(1)** Except in respect of an action by or on behalf of the incorporated association to procure a judgment in its favour, an incorporated association may indemnify a director or officer of the incorporated association and his heirs and legal representatives against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of that incorporated association, if

(a) he acted honestly and in good faith with a view to the best interests of the incorporated association, and

(b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

(2) Where an action is brought by or on behalf of an incorporated association to procure a judgment in its favour and a director or officer referred to in subsection (1) is made a party to the action by reason of being or having been a director or officer of the incorporated association, the incorporated association may, with the approval of the Court, indemnify the director or officer against all costs, charges and expenses reasonably incurred by him in connection with the action if he satisfies the requirements of subsection (1).

(3) Notwithstanding anything in this section, a person referred to in subsection (1) is entitled to indemnity from the incorporated association in respect of all costs, charges and expenses reasonably incurred by him in connection with the defence of any civil, criminal or ad-

ministrative action or proceeding to which he is made a party by reason of being or having been a director or officer of the incorporated association, if the person seeking indemnity

(a) was substantially successful on the merits in his defence of the action or proceeding,

(b) satisfies the requirements of subsection (1), and

(c) is fairly and reasonably entitled to indemnity.

(4) An incorporated association may purchase and maintain insurance for the benefit of any person referred to in subsection (1) against any liability incurred by him in his capacity as a director or officer of the incorporated association, except when the liability relates to his failure to act honestly and in good faith with a view to the best interests of the incorporated association.

(5) An incorporated association or a person referred to in subsection (1) may apply to the Court for an order approving an indemnity under this section, and the Court may so order and make any further order it thinks fit.

(6) On an application under subsection (5), the Court may order notice to be given to any interested person and that person is entitled to appear and be heard in person or by counsel.

## PART 11

### PROCEEDINGS OF MEMBERS

By-laws

**53(1)** Subject to this Act, the by-laws shall regulate the proceedings of the members of an incorporated association.

(2) Subject to this Act, the by-laws may provide for

(a) the fixing of a record date to determine the members who are to receive notice of a meeting or any other notice or statement,

(b) notice of meetings,

(c) the time and place of meetings,

(d) waiver of notice of meetings,

(e) the conduct of meetings, including quorum and voting at meetings, and

(f) the manner of bringing resolutions forward.

Place of meetings

**54** Meetings of the members of an incorporated association shall be held at the place provided in the by-laws or, in the absence of such a provision, at the place that the directors determine and, unless the by-laws otherwise provide or all the members entitled to vote at the meeting so agree, shall be held in Alberta.

Directors to call meetings

**55(1)** The directors of an incorporated association

(a) shall call an annual meeting of members to be held not later than 18 months after

(i) the date of its incorporation, or

(ii) the date of its certificate of amalgamation, in the case of an amalgamated incorporated association,

and subsequently not later than 15 months after holding the last preceding annual meeting, and

(b) may at any time call a special meeting of members.

(2) For the purposes of subsection (1)(a), the date this Act comes into force is deemed to be the date of incorporation in the case of an incorporated association referred to in section 9(1).

(3) Notwithstanding subsection (1), an incorporated association may apply to the Court for an order extending the time in which an annual meeting may be held.

(4) If, on an application under subsection (3), the Court is satisfied that it is in the best interests of the incorporated association, the Court may extend the time in which an annual meeting may be held, in any manner and on any terms it thinks fit.

Notice of meetings

**56(1)** Except as provided in subsection (2), notice of a meeting of members shall state

(a) the general nature of the business to be transacted, and

(b) the text of any special resolution to be submitted to the meeting.

(2) Notice of an annual meeting of members need not mention that any of the following business will be transacted:

(a) the consideration of the financial statements and auditor's report, if any;

(b) the election of directors;

(c) the reappointment of the incumbent auditor, if any.

(3) Notice of the time and place of a meeting of the members shall be given or sent to each member entitled to vote at the meeting

(a) at least 21 days before the meeting, in the case of an annual meeting or a meeting at which a special resolution will be submitted to the meeting, or

(b) at least 7 days before the meeting in any other case.

(4) The text of a special resolution may be amended at a meeting of members if the amendments correct manifest errors or are not material.

Proposals

**57** A member entitled to vote at an annual meeting of members may

(a) submit to the incorporated association notice of any matter that he proposes to raise at the meeting, and

(b) require that the matter be included in the notice of meeting next sent by the incorporated association as business to be transacted at that meeting.

Quorum	<p><b>58</b>(1) Unless the by-laws otherwise provide, a quorum of members is present at a meeting of members if the holder or holders of a majority of the memberships entitled to vote at the meeting are present in person or, if the by-laws so provide, represented by proxy.</p> <p>(2) If a quorum is present at the opening of a meeting of members, the members present may, unless the by-laws otherwise provide, proceed with the business of the meeting, notwithstanding that a quorum is not present throughout the meeting.</p> <p>(3) If a quorum is not present at the opening of a meeting of members, the members present may adjourn the meeting to a fixed time and place but may not transact any other business at the meeting.</p> <p>(4) If an incorporated association has only 1 member, or only 1 member of a class, the member present in person or, if the by-laws so provide, by proxy, constitutes a meeting.</p>
Voting	<p><b>59</b>(1) Unless the articles otherwise provide, each member of an incorporated association is entitled to 1 vote at a meeting of members.</p> <p>(2) Subject to subsection (3), and except as provided in the by-laws, a member shall vote in person and not by proxy.</p> <p>(3) If a body corporate or association is a member of an incorporated association, the incorporated association shall recognize any individual authorized by a resolution of the directors or governing body of the body corporate or association to represent it at meetings of members of the incorporated association.</p> <p>(4) An individual authorized under subsection (3) may exercise on behalf of the body corporate or association he represents all the powers it could exercise if it were a member who was an individual.</p>
Ballot vote	<p><b>60</b> A member or proxy holder entitled to vote at a meeting may demand a ballot on any vote and, in a case where a vote by show of hands is taken, may do so before or on the declaration of the result of the vote by show of hands.</p>
Resolution instead of meeting	<p><b>61</b>(1) A resolution in writing signed by all the members entitled to vote on that resolution is as valid as if it had been passed at a meeting of the members.</p> <p>(2) A resolution in writing dealing with all matters required by this Act to be dealt with at a meeting of members, and signed by all the members entitled to vote at that meeting, satisfies all the requirements of this Act relating to meetings of members.</p> <p>(3) An incorporated association shall keep a copy of every resolution referred to in subsection (1) or (2) with the minutes of the meetings of members.</p>
Meeting on requisition of members	<p><b>62</b>(1) A member or members of the incorporated association entitled to cast not less than 5% of the votes at a meeting sought to be held may requisition the directors to call a meeting of members for the purposes stated in the requisition.</p> <p>(2) The requisition referred to in subsection (1) may consist of several documents in similar form, each signed by 1 or more members,</p>

and shall state the business to be transacted at the meeting, and shall be sent to each director and to the registered office of the incorporated association.

(3) On receiving the requisition referred to in subsection (1), the directors shall call a meeting of members to transact the business unless the directors have already called a meeting and given notice under section 56.

(4) If the directors do not call a meeting within 21 days after receiving the requisition referred to in subsection (1), any member who signed the requisition may call the meeting.

(5) A meeting called under this section shall be called as nearly as possible to the manner in which meetings are to be called pursuant to the by-laws and this Part.

(6) Unless the members otherwise resolve at a meeting called under subsection (4), the incorporated association shall reimburse the members for the expenses reasonably incurred by them in requisitioning, calling and holding the meeting.

Meeting called  
by Court

**63**(1) The Court, on the application of a director or a member entitled to vote at a meeting of members, may order the meeting to be called, held and conducted in the manner the Court directs if the Court

(a) is satisfied that it is impracticable to call the meeting in the manner in which meetings of those members may be called, or to conduct the meeting in the manner prescribed by the by-laws and this Act, or

(b) considers it appropriate to so order for any other reason.

(2) Without restricting the generality of subsection (1), the Court may order that the quorum required by the by-laws or this Act be varied or dispensed with at a meeting called, held and conducted pursuant to this section.

(3) A meeting called, held and conducted pursuant to this section is for all purposes a meeting of members of the incorporated association duly called, held and conducted.

## PART 12

### DISPUTED ELECTIONS

Disputed election  
or appointment

**64**(1) An incorporated association or a member or director may apply to the Court to determine any controversy with respect to an election or appointment of a director or auditor of the incorporated association.

(2) On an application under this section the Court may make any order it thinks fit including, without limitation, any 1 or more of the following:

(a) an order restraining a director or auditor whose election or appointment is challenged from acting pending determination of the controversy;

- (b) an order declaring the result of the disputed election or appointment;
- (c) an order requiring a new election or appointment, and including in the order directions for the management of the activities and affairs of the incorporated association until a new election is held or appointment made;
- (d) an order determining the voting rights of members and of persons claiming to be members.

**PART 13**  
**FINANCIAL AFFAIRS**

Annual financial statements

- 65(1)** The directors of an incorporated association shall place before the members of the incorporated association at every annual meeting
- (a) financial statements relating to the last financial period completed by the incorporated association,
  - (b) if the last financial period ended more than 6 months before the annual meeting, additional financial statements relating to a period beginning immediately after the end of the last financial period and ending on a date not earlier than 6 months before the annual meeting,
  - (c) the report of the auditor if an auditor has been appointed, and
  - (d) any further information respecting the financial position of the incorporated association and the results of its operations required by the articles or the by-laws.
- (2) If the incorporated association has not completed a financial period, the financial statements required by subsection (1) shall relate to a period beginning on the date the incorporated association came into existence and ending on a date not earlier than 6 months before the annual meeting.
- (3) The financial statements referred to in subsection (1) shall include
- (a) a statement of the remuneration, if any, paid to each director and officer, and
  - (b) a statement of the aggregate remuneration, if any, paid to the employees.
- (4) The financial statements of a soliciting incorporated association shall include comparative financial statements for the immediately preceding completed financial period.
- (5) The comparative financial statements required under subsection (4) may be omitted if the reason for the omission is set out in the financial statements, or in a note to them, to be placed before the members at the annual meeting.
- (6) Financial statements required by this section shall be in the prescribed form.

Copies to  
members

**66(1)** A soliciting incorporated association shall, not less than 21 days before the annual meeting of members or before the signing of a resolution in lieu of the annual meeting, send a copy of the documents referred to in section 65 to each member of the incorporated association.

(2) An incorporated association need not send a copy of the documents to a member of the incorporated association under subsection (1) if

(a) the articles or by-laws so provide and the incorporated association

(i) sends a notice to each member not less than 21 days before the annual meeting before which the documents will be laid, or

(ii) publishes a notice at least once a week for 2 consecutive weeks next preceding the annual meeting

that the documents are available to be examined at the records office of the incorporated association during the business hours of the incorporated association by any member of the incorporated association, or

(b) the member informs the incorporated association that he does not want to receive the documents.

Copies to  
Registrar

**67** A prescribed soliciting incorporated association shall file the documents referred to in section 65 with the Registrar within 15 days after the annual meeting.

When auditor  
not required

**68(1)** Subject to subsection (2), the members of an incorporated association may

(a) instead of appointing an auditor, appoint a member of the association or other person who is independent of the directors and officers of the incorporated association and is not a person described in section 69(2)(b) to

(i) review the financial statements of the association, and

(ii) report on the financial statements to the annual meeting,

or

(b) resolve not to appoint an auditor.

(2) Subsection (1) does not apply to a prescribed soliciting incorporated association.

(3) A resolution under subsection (1) is valid only until the next following annual meeting of members.

(4) A person appointed under subsection (1)(a) has all the rights, powers and immunities of an auditor appointed under this Part.

(5) The members may by ordinary resolution at a special meeting remove a person appointed under subsection (1)(a).

Qualifications  
of auditor

**69(1)** Subject to subsection (5), a person may not be an auditor of an incorporated association unless he is independent of the incorporated association and its affiliates and the directors and officers of the incorporated association and its affiliates.

(2) For the purposes of this section,

(a) independence is a question of fact, and

(b) a person is deemed not to be independent if he or his business partner

(i) is a business partner, a director, an officer or an employee of the incorporated association or any of its affiliates, or a business partner of any director, officer or employee of the incorporated association or any of its affiliates, or

(ii) has been a receiver, receiver-manager, liquidator or trustee in bankruptcy of the incorporated association or any of its affiliates within 2 years of his proposed appointment as auditor of the incorporated association.

(3) An auditor who becomes disqualified under this section shall, subject to subsection (5), resign forthwith after becoming aware of his disqualification.

(4) An interested person may apply to the Court for an order declaring an auditor to be disqualified under this section and the office of auditor to be vacant.

(5) An interested person may apply to the Court for an order exempting an auditor from disqualification under this section and the Court may, if it is satisfied that an exemption would not unfairly prejudice the members, make an exemption order on any terms it thinks fit, which order may have retrospective effect.

Appointment  
of auditor

**70(1)** The directors may appoint an auditor to hold office until the first meeting of members, and an auditor so appointed is eligible for reappointment by the members under subsection (2).

(2) Subject to section 68, the members of an incorporated association shall, by ordinary resolution at the first annual meeting of members and at each succeeding annual meeting, appoint an auditor to hold office until the close of the next annual meeting.

(3) Notwithstanding subsection (2), if an auditor is not appointed at a meeting of members, the incumbent auditor continues in office until his successor is appointed.

(4) The remuneration of an auditor may be fixed by ordinary resolution of the members or, if not so fixed, may be fixed by the directors.

Term of office  
and removal

**71(1)** An auditor of an incorporated association ceases to hold office when he

(a) dies or resigns, or

(b) is removed pursuant to subsection (3).



(2) A resignation of an auditor becomes effective at the time a written resignation is sent to the incorporated association or at the time specified in the resignation, whichever is later.

(3) The members of an incorporated association may by ordinary resolution at a special meeting remove from office the auditor, other than an auditor appointed by the Court under section 73.

(4) A vacancy created by the removal of an auditor may be filled at the meeting at which the auditor is removed or, if not so filled, may be filled under section 72.

Filling vacancies **72**(1) Subject to subsection (3) and section 68, the directors shall forthwith fill a vacancy in the office of auditor.

(2) If there is not a quorum of directors, the directors then in office shall, within 21 days after a vacancy in the office of auditor occurs, call a special meeting of members to fill the vacancy and, if they fail to call a meeting or if there are no directors, any member may call the meeting.

(3) The articles of an incorporated association may provide that a vacancy in the office of auditor shall only be filled by vote of the members.

(4) An auditor appointed to fill a vacancy holds office for the unexpired term of his predecessor.

Court may appoint auditor **73**(1) If an incorporated association does not have an auditor, the Court may, on the application of a member, appoint and fix the remuneration of an auditor, who shall hold office until an auditor is appointed by the members.

(2) Subsection (1) does not apply if the members have resolved under section 68(1) not to appoint an auditor.

Rights and duties of auditor **74**(1) The auditor of an incorporated association is entitled to

(a) receive notice of every meeting of members,

(b) attend and be heard at every meeting on matters relating to his duties as auditor, and

(c) submit to the incorporated association and have read at the next meeting a written statement on matters relating to his duties as auditor.

(2) If a director or member of an incorporated association, whether or not the member is entitled to vote at the meeting, gives written notice to the auditor or a former auditor of the incorporated association not less than 10 days before a meeting of members, the auditor or former auditor shall attend the meeting at the expense of the incorporated association and answer questions relating to his duties as auditor.

(3) A director or member who sends a notice referred to in subsection (2) shall concurrently send a copy of the notice to the incorporated association.

(4) On the application of an incorporated association or its auditor, the Court may

(a) exempt the auditor from attending any or all meetings of the incorporated association, and

(b) exempt the incorporated association from paying the expenses of an auditor for attending a meeting in respect of which his attendance has been exempted.

(5) An auditor who

(a) resigns,

(b) receives a notice or otherwise learns of a meeting of directors or members called for the purpose of removing him from office,

(c) receives a notice or otherwise learns of a meeting of directors or members at which another person is to be appointed to fill the office of auditor, whether because of resignation or removal of the incumbent auditor or because his term of office has expired or is about to expire, or

(d) receives a notice or otherwise learns of a meeting of members at which a resolution referred to in section 68 is to be proposed,

is entitled to submit to the incorporated association a written statement giving the reasons for his resignation or the reasons why he opposes any proposed action or resolution.

(6) The incorporated association shall forthwith send to every member entitled to receive notice of any meeting referred to in subsection (1) a copy of the statement referred to in subsection (5).

(7) No person shall accept an appointment as, or consent to be appointed as, auditor of an incorporated association if he is replacing an auditor who has resigned or been removed or whose term of office has expired or is about to expire until he has requested and received from that auditor a written statement of the circumstances and the reasons why, in that auditor's opinion, he is to be replaced.

(8) Notwithstanding subsection (7), a person who is otherwise qualified may accept an appointment or consent to be appointed as auditor of an incorporated association if he does not receive a reply to a request under subsection (7) within 15 days.

Auditor's duty  
to examine

**75(1)** Except as is otherwise provided in the regulations, an auditor of an incorporated association shall make the examination that is in his opinion necessary to enable him to report in the prescribed manner on the financial statements required by this Act to be placed before the members, except those financial statements or parts of those statements that relate to the earlier of the 2 financial years referred to in section 65(4).

(2) Notwithstanding section 76, an auditor of an incorporated association may reasonably rely on the report of an auditor of a body corporate or an unincorporated business the accounts of which are included in whole or in part in the financial statements of the incorporated association.

(3) For the purpose of subsection (2), reasonableness is a question of fact.

(4) Subsection (2) applies whether or not the financial statements of the holding incorporated association reported on by the auditor are in consolidated form.

Auditor's right to information

**76(1)** On the demand of the auditor of an incorporated association, the present or former directors, officers, employees and agents of the incorporated association and the former auditors of the incorporated association shall provide

- (a) information and explanations, and
- (b) access to records, documents, books, accounts and vouchers of the incorporated association or any of its subsidiaries

that are, in the opinion of the auditor, necessary to enable him to make the examination and report required under section 75 and that the directors, officers, employees, agents or former auditors are reasonably able to furnish.

(2) On the demand of the auditor of an incorporated association, the directors of the incorporated association shall

- (a) to the extent they are reasonably able to do so, obtain from the present or former directors, officers, employees, agents or auditors of any subsidiary of the incorporated association the information and explanations that the present or former directors, officers, employees, agents or auditors are reasonably able to furnish and that are, in the opinion of the incorporated association's auditor, necessary to enable him to make the examination and report required under section 75, and
- (b) furnish the information and explanations so obtained to the incorporated association's auditor.

Qualified privilege

**77** Any oral or written statement or report made under this Act by the auditor or a former auditor of an incorporated association has qualified privilege.

Prohibited financial assistance

**78(1)** Except as permitted under subsection (2), an incorporated association shall not, directly or indirectly, give financial assistance by means of a donation, loan, guarantee or otherwise

- (a) to a member or director of the incorporated association or of an affiliated incorporated association,
- (b) to an associate of a member or director of
  - (i) the incorporated association, or
  - (ii) an affiliated incorporated association,

or

(c) to any person for the purpose of or in connection with a purchase of a membership in the incorporated association,

if there are reasonable grounds for believing that

- (d) the incorporated association is, or after giving the financial assistance would be, unable to pay its liabilities as they become due, or
  - (e) the realizable value of the incorporated association's assets, excluding the amount of any financial assistance in the form of a donation or loan or in the form of assets pledged or encumbered to secure a guarantee, after giving the financial assistance, would be less than the aggregate of the incorporated association's liabilities and stated capital of all classes, where applicable.
- (2) An incorporated association may give financial assistance by means of a donation, loan, guarantee or otherwise
- (a) pursuant to the articles and in the ordinary course of carrying out the purposes stated in the articles,
  - (b) to a member if the member is a body corporate with similar purposes and the financial assistance is given pursuant to the articles and as part of an arrangement entered into to further a purpose of the incorporated association giving the assistance, or
  - (c) on account of expenditures incurred or to be incurred on behalf of the incorporated association.
- (3) A contract made by an incorporated association in contravention of this section may be enforced by the incorporated association or by a lender for value in good faith without notice of the contravention.
- (4) Unless disclosure is otherwise made by an incorporated association, a financial statement referred to in this Part shall contain the following information with respect to each case in which financial assistance is given by the incorporated association by way of donation, loan, guarantee or otherwise, whether in contravention of this section or not, to any of the persons referred to in subsection (1), if the financial assistance was given during the financial year or period to which the statement relates or remains outstanding at the end of that financial year or period:
- (a) the identity of the person to whom the financial assistance was given;
  - (b) the nature of the financial assistance given;
  - (c) the amount of the financial assistance initially given and the amount, if any, outstanding.

#### PART 14

#### DEBT SECURITIES

Application  
of Business  
Corporations Act

**79** The following provisions of the *Business Corporations Act* apply to an incorporated association and to debt securities issued by an incorporated association:

- (a) Part 6 as it relates to debt securities;
- (b) Part 7;
- (c) Part 8.

**PART 15**  
**FUNDAMENTAL CHANGES**

Amendment  
of articles

**80(1)** Subject to this section and section 12(2), an incorporated association may amend its articles by special resolution.

(2) Subject to section 6(2), if the articles of an incorporated association contain a provision referred to in section 5(b), the incorporated association shall not thereafter amend its articles to amend, repeal or replace that provision.

(3) An incorporated association may not change its name in contravention of Part 2.

(4) A prescribed soliciting incorporated association may not amend its articles to add, change or remove

(a) a purpose for which the incorporated association is incorporated, or

(b) a restriction on the activities that the incorporated association may carry on,

without leave of the Court.

Class votes

**81(1)** The holders of a class of membership are entitled to vote separately as a class on a proposal to amend the articles

(a) to change the number of

(i) memberships of that class, or

(ii) memberships of a class having rights or privileges equal or superior to the rights or privileges attaching to memberships of that class,

or

(b) to otherwise effect a change in the relative rights and privileges attaching to memberships of that class as opposed to memberships of another class.

(2) Subsection (1) applies whether or not memberships of a class otherwise carry the right to vote.

(3) A proposed amendment to the articles referred to in subsection (1) is adopted when the holders of the memberships of each class entitled to vote separately on the amendment as a class approve the amendment by a special resolution.

Articles of  
amendment

**82(1)** After an amendment is adopted under this Part, the incorporated association shall send articles of amendment in the prescribed form to the Registrar.

(2) If an amendment is to change the name of an incorporated association, the incorporated association shall send documents relating to corporate names that are prescribed by the regulations to the Registrar unless he provides otherwise.

(3) On receipt of articles of amendment, the Registrar shall issue a certificate of amendment.

Effect of amendment

**83(1)** An amendment becomes effective on the date shown in the certificate of amendment, and the articles are amended accordingly.

(2) No amendment to the articles affects an existing cause of action or claim or liability to prosecution in favour of or against the incorporated association or any of its directors or officers, or any civil, criminal or administrative action or proceeding to which an incorporated association or any of its directors or officers is a party.

Restatement of articles

**84(1)** An incorporated association may at any time, and shall when reasonably directed by the Registrar, restate by special resolution the articles of incorporation as amended.

(2) The incorporated association shall send restated articles of incorporation in the prescribed form to the Registrar.

(3) On receipt of restated articles of incorporation, the Registrar shall issue a certificate of registration of restated articles.

(4) Restated articles of incorporation are effective on the date shown in the certificate of registration of restated articles and supersede the original articles of incorporation and all amendments to them.

Amalgamation

**85(1)** Subject to subsection (2), 2 or more incorporated associations may amalgamate and continue as 1 incorporated association.

(2) An incorporated association whose articles contain a provision referred to in section 5(a) may not amalgamate with an incorporated association whose articles contain a provision referred to in section 5(b).

Amalgamation agreement

**86(1)** Each incorporated association proposing to amalgamate shall enter into an agreement setting out the terms and means of effecting the amalgamation and, in particular, setting out

(a) the provisions that are required to be included in articles of incorporation under section 4,

(b) the name and address of each proposed director of the amalgamated incorporated association,

(c) the manner in which the memberships of each amalgamating incorporated association are to be converted into memberships or debt securities of the amalgamated incorporated association,

(d) whether the by-laws of the amalgamated incorporated association are to be those of one of the amalgamating incorporated associations and, if not, a copy of the proposed by-laws, and

(e) details of any arrangements necessary to perfect the amalgamation and to provide for the subsequent management and operation of the amalgamated incorporated association.

(2) If 1 or more of the amalgamating incorporated associations has a capital stock divided into shares, the agreement referred to in subsection (1) shall also set out

(a) the manner in which the shares are to be converted into shares or other memberships in the amalgamated incorporated association, and

(b) the manner of the payment of money instead of the issue of fractional shares of the amalgamated incorporated association.

Adoption of agreement

**87(1)** The directors of each amalgamating incorporated association shall submit the amalgamation agreement for approval to a meeting of the members of the amalgamating incorporated association of which they are directors and, subject to subsection (4), to the holders of each class of those memberships.

(2) A notice of a meeting of members complying with the by-laws and section 56 shall be sent to each member of each amalgamating incorporated association and shall

(a) include or be accompanied by a copy or summary of the amalgamation agreement, and

(b) if the incorporated association has a capital stock divided into shares, state that a dissenting shareholder is entitled to be paid the fair value of his shares in accordance with section 184 of the *Business Corporations Act*, but failure to make that statement does not invalidate an amalgamation.

(3) Each membership of an amalgamating incorporated association carries the right to vote in respect of an amalgamation whether or not it otherwise carries the right to vote.

(4) The holders of memberships of a class of membership of an amalgamated incorporated association are entitled to vote separately as a class in respect of an amalgamation if the amalgamation agreement contains a provision that, if contained in a proposed amendment to the articles, would entitle those holders to vote as a class under section 81.

(5) Subject to subsection (4), an amalgamation agreement is adopted when the members of each amalgamating incorporated association have approved of the amalgamation by special resolution.

(6) An amalgamation agreement may provide that at any time before the issue of a certificate of amalgamation the agreement may be terminated by the directors of an amalgamating incorporated association, notwithstanding approval of the agreement by the members of all or any of the amalgamating incorporated associations.

Articles of amalgamation

**88(1)** Subject to section 87(6), after an amalgamation agreement has been adopted under section 87, articles of amalgamation in the prescribed form shall be sent to the Registrar together with the documents required by section 3(1)(c) and (d) and, if the name of the amalgamated incorporated association is not the same as that of one of the amalgamating incorporated associations, documents relating to corporate names prescribed by the regulations.

(2) The articles of amalgamation shall have attached to them the amalgamation agreement and a statutory declaration of a proposed director of the amalgamated incorporated association that establishes to the satisfaction of the Registrar that

(a) there are reasonable grounds for believing that

(i) the amalgamated incorporated association will be able to pay its liabilities as they become due, and

(ii) the realizable value of the amalgamated incorporated association's assets will not be less than the aggregate of its liabilities and stated capital of all classes, where applicable,

and

(b) there are reasonable grounds for believing that

(i) no creditor will be prejudiced by the amalgamation, or

(ii) adequate notice has been given to all known creditors of the amalgamating incorporated associations and no creditor objects to the amalgamation otherwise than on grounds that are frivolous or vexatious.

(3) For the purposes of subsection (2), adequate notice is given if

(a) a notice of the proposed amalgamation in writing is sent to each known creditor having a claim against the incorporated association that exceeds \$1000,

(b) a notice of the proposed amalgamation is published once in a newspaper published or distributed in the place where the incorporated association has its registered office and reasonable notice of the proposed amalgamation is given in each province in Canada where the incorporated association carries on activities, and

(c) each notice states that the incorporated association intends to amalgamate with 1 or more specified incorporated associations in accordance with this Act unless a creditor of the incorporated association objects to the amalgamation within 30 days from the date of the notice.

(4) On receipt of articles of amalgamation and the other documents required by subsections (1) and (2), and on receipt of the prescribed fees, the Registrar shall issue a certificate of amalgamation.

Effect of  
amalgamation

**89** On the date shown in a certificate of amalgamation

(a) the amalgamation of the amalgamating incorporated associations and their continuance as 1 incorporated association becomes effective,

(b) the property of each amalgamating incorporated association continues to be the property of the amalgamated incorporated association,

(c) the amalgamated incorporated association continues to be liable for the obligations of each amalgamating incorporated association,

(d) an existing cause of action, claim or liability to prosecution is unaffected,

(e) a civil, criminal or administrative action or proceeding pending by or against an amalgamating incorporated association may be continued to be prosecuted by or against the amalgamated incorporated association,



(f) a conviction against, or ruling, order or judgment in favour of or against, an amalgamating incorporated association may be enforced by or against the amalgamated incorporated association, and

(g) the articles of amalgamation are deemed to be the articles of incorporation of the amalgamated incorporated association and the certificate of amalgamation is deemed to be the certificate of incorporation of the amalgamated incorporated association.

**90(1)** An extra-provincial non-profit corporation may, if so authorized by the laws of the jurisdiction where it is incorporated, apply to the Registrar for a certificate of continuance.

(2) The provisions of the articles of continuance of an extra-provincial non-profit corporation may, without so stating, vary from the provisions of the extra-provincial non-profit corporation's act of incorporation, articles, letters patent or memorandum or articles of association if the variation is one which an incorporated association incorporated under this Act could effect by way of amendment to its articles.

(3) Articles of continuance in the prescribed form shall be sent to the Registrar together with

- (a) documents relating to the corporate name that are prescribed by the regulations,
- (b) a notice of registered office and a notice of designated address for service by mail and separate records office, if any, and
- (c) a notice of directors in the prescribed form.

(4) On receipt of articles of continuance and the documents referred to in subsection (3), the Registrar shall issue a certificate of continuance.

(5) On the date shown in the certificate of continuance

- (a) the extra-provincial non-profit corporation becomes an incorporated association to which this Act applies as if it had been incorporated under this Act,
- (b) the articles of continuance are deemed to be the articles of incorporation of the incorporated association, and
- (c) the certificate of continuance is deemed to be the certificate of incorporation of the incorporated association.

(6) The Registrar shall forthwith send a copy of the certificate of continuance to the appropriate official or public body in the jurisdiction in which continuance under this Act was authorized.

(7) When an extra-provincial non-profit corporation is continued as an incorporated association under this Act,

- (a) the property of the extra-provincial non-profit corporation continues to be the property of the incorporated association,
- (b) the incorporated association continues to be liable for the obligations of the extra-provincial non-profit corporation,

(c) an existing cause of action, claim or liability to prosecution is unaffected by the continuance,

(d) a civil, criminal or administrative action or proceeding pending by or against the extra-provincial non-profit corporation may be continued to be prosecuted by or against the incorporated association, and

(e) a conviction against, or ruling, order or judgment in favour of or against, the extra-provincial non-profit corporation may be enforced by or against the incorporated association.

Continuance out  
of Alberta

**91(1)** Subject to subsection (9), an incorporated association may, if

(a) it is authorized by the members in accordance with this section, and

(b) the Registrar approves the proposed continuance in another jurisdiction on being satisfied that the continuance will not adversely affect creditors or members of the incorporated association,

apply to the appropriate official or public body of another jurisdiction requesting that the incorporated association be continued as if it had been incorporated under the laws of that other jurisdiction.

(2) The incorporated association shall send to each member a notice of a meeting of members in accordance with section 56.

(3) Each membership in the incorporated association carries the right to vote in respect of a continuance whether or not it otherwise carries the right to vote.

(4) An application for continuance becomes authorized when the members voting on it approve of the continuance by a special resolution.

(5) The directors of an incorporated association may, if authorized by the members at the time of approving an application for continuance under this section, abandon the application without further approval of the members.

(6) On receipt of notice satisfactory to him that the incorporated association has been continued under the laws of another jurisdiction, and on giving his approval under subsection (1), the Registrar shall file the notice and issue a certificate of discontinuance.

(7) Section 150 applies with the necessary changes to the notice filed under subsection (6) as though the notice were articles that conform to law.

(8) On the date shown in the certificate of discontinuance, the incorporated association becomes an extra-provincial body corporate as if it had been incorporated under the laws of the other jurisdiction.

(9) An incorporated association shall not be continued as a body corporate under the laws of another jurisdiction unless those laws provide in effect that

(a) the property of the incorporated association continues to be the property of the body corporate,

- (b) the body corporate continues to be liable for the obligations of the incorporated association,
- (c) an existing cause of action, claim or liability to prosecution is unaffected by the continuance,
- (d) a civil, criminal or administrative action or proceeding pending by or against the incorporated association may be continued to be prosecuted by or against the body corporate, and
- (e) a conviction against, or ruling, order or judgment in favour of or against, the incorporated association may be enforced by or against the body corporate.

Extraordinary  
sale, lease or  
exchange

**92(1)** A sale, lease or exchange of all or substantially all the property of an incorporated association requires the approval of the members in accordance with this section.

(2) The incorporated association shall send to each member a notice of meeting of members in accordance with section 56, and the notice shall include or be accompanied by a copy or summary of the agreement of sale, lease or exchange.

(3) At the meeting referred to in subsection (2) the members may authorize the sale, lease or exchange and may fix, or authorize the directors to fix, any of its terms and conditions.

(4) Each membership in the corporation carries the right to vote in respect of a sale, lease or exchange referred to in subsection (1), whether or not it otherwise carries the right to vote.

(5) The holders of a class of memberships of the corporation are entitled to vote separately as a class in respect of a sale, lease or exchange referred to in subsection (1) only if that class is affected by the sale, lease or exchange in a manner different from the memberships of another class.

(6) A sale, lease or exchange referred to in subsection (1) is adopted when the holders of each class entitled to vote on it approve of the sale, lease or exchange by a special resolution.

(7) The directors of an incorporated association may, if authorized by the members approving a proposed sale, lease or exchange, and subject to the rights of third parties, abandon the sale, lease or exchange without further approval of the members.

## **PART 16 BRANCHES**

Branches

**93(1)** An incorporated association may

- (a) establish a branch or branches of the incorporated association,
- (b) provide for membership of a branch,
- (c) delegate to the members of a branch power to manage the branch and to appoint officers,
- (d) delegate to a branch powers and responsibilities with respect to the carrying on of the incorporated association's activities or part of them,

(e) revoke a power or responsibility delegated under clause (c) or (d), and

(f) terminate the existence of a branch.

(2) A branch established under this section is not a separate legal entity.

## PART 17 INVESTIGATION

Court may order  
investigation

**94(1)** An application may be made to the Court ex parte or on any notice the Court requires

(a) by a member of an incorporated association,

(b) by a person who has been a member of the incorporated association within the year preceding the date of the application, or

(c) by the Registrar, in the case of an incorporated association the articles of which contain a provision referred to in section 5(b),

for an order under subsection (3) in respect of the incorporated association and any of its affiliates.

(2) Notwithstanding subsection (1), an applicant under subsection (1)(a) or (b) shall give reasonable notice of the application to the Registrar, and the Registrar is entitled to appear and be heard in person or by counsel.

(3) If, on an application under subsection (1), it appears to the Court that there are sufficient grounds to conduct an investigation to determine whether

(a) the activities of the incorporated association or any of its affiliates are being or have been carried on with intent to defraud any person,

(b) the activities or affairs of the incorporated association or any of its affiliates are being or have been carried on or conducted, or the powers of the directors are being or have been exercised, in a manner that is oppressive or unfairly prejudicial to, or that unfairly disregards the interests of, a member,

(c) the incorporated association or any of its affiliates was formed for a fraudulent or unlawful purpose or is to be liquidated for a fraudulent or unlawful purpose,

(d) persons have acted fraudulently or dishonestly in connection with the formation, activities or affairs of the incorporated association or any of its affiliates, or

- (e) the incorporated association has acted
  - (i) for a purpose other than the purpose or purposes, or
  - (ii) in contravention of a restrictionset out in its articles,

the Court may order an investigation to be made of the incorporated association and any of its affiliates.

- (4) An applicant under this section is not required to give security for costs.
- (5) The Court may order an application under this section to be heard in private.

Non-publication **95**(1) No person shall publish anything relating to proceedings under this Part except with the authorization of the Court or the written consent of the incorporated association being investigated.

(2) Documents in the possession of the Court relating to an application under this Part are confidential unless the Court otherwise orders.

(3) Subsections (1) and (2) do not apply to an order of the Court under this Part.

Scope of order **96** An order under section 94(3) may include any or all of the following:

- (a) an order appointing an inspector, fixing the remuneration of an inspector or replacing an inspector;
- (b) an order determining the notice to be given to any interested person or dispensing with notice to any person;
- (c) an order authorizing an inspector to enter any premises in which the Court is satisfied there might be information that is relevant to the subject matter of the investigation, and to examine any thing and make copies of any document or record found on the premises;
- (d) an order requiring any person to produce documents or records to the inspector;
- (e) an order authorizing an inspector to conduct a hearing, administer oaths and examine any person on oath, and prescribing rules for the conduct of the hearing;
- (f) an order requiring any person to attend a hearing conducted by an inspector and to give evidence on oath;
- (g) an order giving directions to an inspector or any interested person on any matter arising in the investigation;
- (h) an order requiring an inspector to make an interim or final report to the Court;
- (i) an order determining whether a report of an inspector should be published and, if so, designating the persons to whom all or part of the report should be sent;

	(j) an order requiring an inspector to discontinue an investigation;
	(k) an order requiring any person other than the incorporated association to pay all or part of the costs of the investigation;
	(l) any other order respecting the investigation that the Court considers to be appropriate.
Costs of application	<b>97</b> Unless the Court otherwise orders, the incorporated association shall pay the costs of the investigation.
Directions	<b>98</b> Any interested person may apply to the Court for directions in respect of any matter arising in the investigation, and on the application the Court may give directions and make any further order it thinks fit.
Co-operation with other officials	<b>99(1)</b> An inspector has the powers set out in the order appointing him.  (2) In addition to the powers set out in the order appointing him, an inspector may furnish information to, or exchange information and otherwise co-operate with, any public official in Canada or elsewhere who is authorized to exercise investigatory powers and who is investigating, in respect of the incorporated association, any allegation of improper conduct that is the same as or similar to the conduct described in section 94(3).  (3) An inspector shall on request produce to an interested person a copy of any order made under section 94(3).
Hearings	<b>100(1)</b> The Court may order that a hearing conducted by an inspector be heard in private.  (2) An individual who is being examined at a hearing conducted by an inspector has a right to be represented by counsel during the examination.
Witnesses	<b>101</b> A person shall not be excused from attending and giving evidence and producing books, papers, documents or records to an inspector under this Part on the grounds that the evidence, books, papers, documents or records may tend to incriminate him or subject him to any proceeding or penalty, but no evidence given shall be used or received against him in any proceedings thereafter instituted against him under any Act of Alberta.
Statements privileged	<b>102</b> An oral or written statement or report made by an inspector or any other person in an investigation has absolute privilege.
Solicitor-client privilege	<b>103</b> Nothing in this Part affects the privilege that exists in respect of a solicitor and his client.
Copy of report	<b>104</b> Unless the Court otherwise orders, an inspector shall send a copy of his report to the incorporated association.
Report as evidence	<b>105</b> A copy of the report of an inspector, certified as a true copy by the inspector, is admissible as evidence of the facts stated in it without proof of the inspector's appointment or of his signature.

**PART 18**  
**LIQUIDATION AND DISSOLUTION**

Staying  
proceedings

**106** Any proceedings taken under this Part to dissolve or to liquidate and dissolve an incorporated association shall be stayed if the incorporated association is at any time found to be insolvent within the meaning of the *Bankruptcy Act* (Canada).

Dissolution by  
directors or  
members

**107(1)** An incorporated association that has not issued any memberships and that has no property and no liabilities may be dissolved at any time by resolution of all the directors.

(2) An incorporated association that has no property and no liabilities may be dissolved by special resolution of the members or, if it has issued more than 1 class of memberships, by special resolution of the members of each class, whether or not they are otherwise entitled to vote.

(3) An incorporated association that has property or liabilities may be dissolved by special resolution of the members or, if it has issued more than 1 class of memberships, by special resolution of the members of each class, whether or not they are otherwise entitled to vote, if

(a) by the special resolution the members authorize the directors to cause the incorporated association to distribute all property and discharge all liabilities, and

(b) the incorporated association has distributed all property and discharged all liabilities before it sends articles of dissolution to the Registrar pursuant to subsection (4).

(4) The incorporated association shall send articles of dissolution in the prescribed form to the Registrar.

(5) On receipt of articles of dissolution, the Registrar shall issue a certificate of dissolution.

(6) The incorporated association ceases to exist on the date shown in the certificate of dissolution.

Proposal for  
dissolution

**108(1)** The directors may propose, or a member who is entitled to vote at an annual meeting of members may, in accordance with section 57, make a proposal, for the voluntary liquidation and dissolution of an incorporated association.

(2) Notice of any meeting of members at which voluntary liquidation and dissolution is to be proposed shall set out the terms of the liquidation and dissolution.

(3) An incorporated association may liquidate and dissolve by special resolution of the members or, if the incorporated association has issued more than 1 class of memberships, by special resolution of the holders of each class, whether or not they are otherwise entitled to vote.

(4) The incorporated association shall send a statement of intent to dissolve in the prescribed form to the Registrar.

- (5) On receipt of a statement of intent to dissolve, the Registrar shall issue a certificate of intent to dissolve.
- (6) On the issuance of a certificate of intent to dissolve, the incorporated association shall cease to carry on activities except to the extent necessary for the liquidation, but its corporate existence continues until the Registrar issues a certificate of dissolution.
- (7) After the issuance of a certificate of intent to dissolve, the incorporated association shall
- (a) immediately cause notice of the issuance of the certificate to be sent or delivered to each known creditor of the incorporated association,
  - (b) forthwith publish notice of the issuance of the certificate
    - (i) in The Alberta Gazette, and
    - (ii) once in a newspaper published or distributed in the place where the incorporated association has its registered office,and take reasonable steps to give notice of the issuance of the certificate in every jurisdiction where the incorporated association was carrying on activities at the time it sent the statement of intent to dissolve to the Registrar,
  - (c) proceed to collect its property, to dispose of property that is not to be distributed in kind to its members, to discharge all its obligations and to do all other acts required to liquidate its activities, and
  - (d) after giving the notice required under clauses (a) and (b) and adequately providing for the payment or discharge of all its obligations, distribute its remaining property, either in money or in kind in accordance with Part 4.
- (8) The Registrar or any interested person may, at any time during the liquidation of an incorporated association, apply to the Court for an order that the liquidation be continued under the supervision of the Court as provided in this Part, and on the application the Court may so order and make any further order it thinks fit.
- (9) An applicant under subsection (8) shall give the Registrar notice of the application, and the Registrar is entitled to appear and be heard in person or by counsel.
- (10) An application under subsection (8) shall state the reasons, verified by an affidavit of the applicant, why the Court should supervise the liquidation and dissolution.
- (11) If the Court makes an order applied for under subsection (8), the liquidation and dissolution of the incorporated association shall continue under the supervision of the Court in accordance with this Act.
- (12) At any time after the issue of a certificate of intent to dissolve and before the issue of a certificate of dissolution, the incorporated association may revoke the certificate of intent to dissolve



(a) by sending to the Registrar a statement of revocation of intent to dissolve in the prescribed form and approved in the same manner as the resolution under subsection (3), and

(b) by publishing the statement in The Alberta Gazette.

(13) On receipt of a statement of revocation of intent to dissolve, the Registrar shall issue a certificate of revocation of intent to dissolve.

(14) The revocation is effective on the date shown in the certificate of revocation of intent to dissolve and the incorporated association may continue to carry on its activities.

(15) If a certificate of intent to dissolve has not been revoked and the incorporated association has complied with subsection (7), the incorporated association shall prepare articles of dissolution in the prescribed form and send them to the Registrar.

(16) If a certificate of intent to dissolve has not been revoked and the incorporated association has complied with subsection (7)(a) and (b) but is unable to comply with subsection (7)(c) and (d) because it has no assets with which to provide for the payment or discharge of its remaining obligations, the incorporated association may prepare articles of dissolution in prescribed form and send them to the Registrar, together with a statutory declaration of a director of the incorporated association that establishes to the satisfaction of the Registrar

(a) that the incorporated association has no assets, and

(b) that, during the 13 months preceding the date of the statutory declaration, the incorporated association has not

(i) distributed any of its property to its members, or

(ii) conferred a benefit on any of the directors by way of remuneration or bonuses or other special payments that is in excess of an amount that fairly represents reasonable remuneration for services performed for the incorporated association by the director.

(17) On receipt of the articles of dissolution under subsection (15) or the articles of dissolution and statutory declaration under subsection (16), the Registrar shall issue a certificate of dissolution.

(18) The incorporated association ceases to exist on the date shown in the certificate of dissolution.

Dissolution  
by Registrar

**109(1)** If an incorporated association

(a) has not commenced carrying on activities within 3 years after the date shown in its certificate of incorporation,

(b) has not carried on its activities for 3 consecutive years, or

(c) is in default for a period of 2 years in sending to the Registrar any notice or document required by this Act,

the Registrar may

(d) dissolve the incorporated association by issuing a certificate of dissolution under this section, or

(e) apply to the Court for an order dissolving the incorporated association.

(2) The 3-year period referred to in subsection (1)(a) and (b) includes time elapsed prior to the coming into force of this Act in the case of an incorporated association referred to in section 9.

(3) The Registrar shall not dissolve an incorporated association under this section until he has

(a) given 120 days' notice of his decision to dissolve the incorporated association to the incorporated association and to each director of the incorporated association shown on the last notice of directors filed with him under this Act, the *Companies Act* or the *Societies Act*, as the case may be, and

(b) published notice of his decision to dissolve the incorporated association in *The Alberta Gazette*.

(4) Unless cause to the contrary has been shown or an order has been made by the Court under section 134, the Registrar may, after expiry of the period referred to in subsection (3), issue a certificate of dissolution.

(5) The incorporated association ceases to exist on the date shown in the certificate of dissolution.

Dissolution by  
court order

**110(1)** The Registrar or any interested person may apply to the Court for an order dissolving an incorporated association if the incorporated association has

(a) failed for 2 or more consecutive years to comply with the requirements of this Act with respect to the holding of annual meetings of members,

(b) contravened section 16(3), 29 or 67, or

(c) procured any certificate under this Act by misrepresentation.

(2) An applicant under this section, other than the Registrar, shall give the Registrar notice of the application, and the Registrar is entitled to appear and be heard in person or by counsel.

Dissolution by  
court order —  
other grounds

**111(1)** The Court may on the application of a member order the liquidation and dissolution of an incorporated association or any of its affiliated incorporated associations

(a) if the Court is satisfied that in respect of an incorporated association or any of its affiliates

(i) any act or omission of the incorporated association or any of its affiliates effects a result,

(ii) the affairs of the incorporated association or any of its affiliates are being or have been carried on or conducted in a manner, or

(iii) the powers of the directors of the incorporated association or any of its affiliates are being or have been exercised in a manner

that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of any member, creditor, director or officer, or

(b) if the Court is satisfied that it is just and equitable that the incorporated association should be liquidated and dissolved.

(2) The Registrar may apply under subsection (1) in the case of an incorporated association the articles of which contain a provision referred to in section 5(b).

(3) Section 129 applies to an application under this section.

(4) An application under this section shall state the reasons, verified by an affidavit of the applicant, why the incorporated association should be liquidated and dissolved.

(5) On an application under this section, the Court may make an order requiring the incorporated association and any person having an interest in the incorporated association or a claim against it to show cause, at a time and place specified in the order but not less than 4 weeks after the date of the order, why the incorporated association should not be liquidated and dissolved.

(6) A copy of an order made under subsection (5) shall be

(a) published as directed in the order, at least once in each week before the time appointed for the hearing, in a newspaper published or distributed in the place where the incorporated association has its registered office, and

(b) served on the Registrar and each person named in the order.

(7) On an application under this section, the Court may order the directors and officers of the incorporated association to furnish to the Court all material information known to or reasonably ascertainable by them, including

(a) financial statements of the incorporated association,

(b) the name and address of each member of the incorporated association, and

(c) the name and address of each creditor or claimant, including any creditor or claimant with unliquidated, future or contingent claims, and any person with whom the incorporated association has a contract.

(8) Publication and service of an order under this section shall be effected by the incorporated association or by any other person and in any manner the Court may order.

Court order

**112** On an application under section 109 or 110, the Court may order that the incorporated association be dissolved or that the incorporated association be liquidated and dissolved under the supervision of the Court, and the Court may make any other order it thinks fit.

Registrar's duty **113**(1) On receipt of an order under section 109, 110, 111 or 112, the Registrar shall,

(a) if the order is to dissolve the incorporated association, issue a certificate of dissolution in the prescribed form, or

(b) if the order is to liquidate and dissolve the incorporated association under the supervision of the Court, issue a certificate of intent to dissolve in the prescribed form and publish notice of the order in The Alberta Gazette.

(2) The incorporated association ceases to exist on the date shown in the certificate of dissolution.

Powers of Court **114** The Court may make any order it thinks fit in connection with the dissolution or the liquidation and dissolution of an incorporated association, including, without limitation, any 1 or more of the following:

(a) an order to liquidate;

(b) an order appointing a liquidator, with or without security, and fixing his remuneration and an order replacing a liquidator;

(c) an order appointing inspectors or referees, specifying their powers and fixing their remuneration, and an order replacing inspectors or referees;

(d) an order determining the notice to be given to any interested person, or dispensing with notice to any person;

(e) an order determining the validity of any claims made against the incorporated association;

(f) an order at any stage of the proceedings restraining the directors and officers from

(i) exercising any of their powers, or

(ii) collecting or receiving any debt or other property of the incorporated association, or from paying out or transferring any property of the incorporated association, except as permitted by the Court;

(g) an order determining and enforcing the duty or liability of any director, officer or member

(i) to the incorporated association, or

(ii) for an obligation of the incorporated association;

(h) an order approving the payment, satisfaction or compromise of claims against the incorporated association and the retention of assets for that purpose, and determining the adequacy of provisions for the payment or discharge of obligations of the incorporated association, whether liquidated, unliquidated, future or contingent;

(i) an order disposing of or destroying the documents and records of the incorporated association;

(j) on the application of a creditor, the inspectors or the liquidator, an order giving directions on any matter arising in the liquidation;

(k) after notice has been given to all interested parties, an order relieving a liquidator from any omission or default on any terms the Court thinks fit, or confirming any act of the liquidator;

(l) subject to section 119, an order approving any proposed interim or final distribution in money or in property;

(m) an order disposing of any property belonging to creditors or members who cannot be found;

(n) on the application of any director, officer, member, creditor or the liquidator,

(i) an order staying the liquidation on any terms and conditions the Court thinks fit,

(ii) an order continuing or discontinuing the liquidation proceedings, or

(iii) an order to the liquidator to restore to the incorporated association all its remaining property;

(o) after the liquidator has rendered his final account to the Court, an order dissolving the incorporated association.

Effect of  
court order

**115(1)** If the Court makes an order for the liquidation of an incorporated association, the liquidation commences when the order is made.

(2) If the Court makes an order for liquidation of an incorporated association,

(a) the incorporated association continues in existence, but shall cease to carry on its activities, except any activities which are, in the opinion of the liquidator, required for an orderly liquidation, and

(b) the powers of the directors and members cease and vest in the liquidator, except as specifically authorized by the Court.

(3) The liquidator may delegate any of the powers vested in him by subsection (2)(b) to the directors or members.

Vacancy in office  
of liquidator

**116** If an order for the liquidation of an incorporated association has been made and the office of liquidator is or becomes vacant, the property of the incorporated association is under the control of the Court until the office of liquidator is filled.

Duties of  
liquidator

**117** A liquidator shall comply with the following:

(a) forthwith after his appointment

(i) give notice of his appointment to the Registrar and to each claimant and creditor known to the liquidator, and

(ii) publish notice in The Alberta Gazette and once a week for 2 consecutive weeks in a newspaper published or distrib-

uted in the place where the incorporated association has its registered office and take reasonable steps to give notice in each province in Canada where the incorporated association carries on its activities, and the notice shall

(A) state the fact of his appointment,

(B) require any person who is indebted to the incorporated association to provide a statement of account respecting the indebtedness and to pay to the liquidator at the time and place specified any amount owing,

(C) require any person who possesses property of the incorporated association to deliver it to the liquidator at the time and place specified, and

(D) require any person who has a claim against the incorporated association, whether liquidated, unliquidated, future or contingent, to present particulars of the claim in writing to the liquidator not later than 2 months after the first publication of the notice;

(b) take the property of the incorporated association into his custody and control;

(c) open and maintain a trust account for the money of the incorporated association;

(d) keep accounts of the money of the incorporated association received and paid out by him;

(e) maintain separate lists of the members, creditors and other persons having claims against the incorporated association;

(f) if at any time the liquidator determines that the incorporated association is unable to pay or adequately provide for the discharge of its obligations, apply to the Court for directions;

(g) deliver to the Court and to the Registrar, at least once in every 12-month period after his appointment or more often as the Court may require, financial statements of the incorporated association in the form required by section 65 or in any other form the liquidator thinks proper or as the Court may require;

(h) after his final accounts are approved by the Court, distribute any remaining property of the incorporated association in accordance with Part 4.

Powers of liquidator

**118(1)** A liquidator may

(a) retain professional advisers he considers necessary to assist and advise him,

(b) bring, defend or take part in any civil, criminal or administrative action or proceeding in the name and on behalf of the incorporated association,

(c) carry on the activities of the incorporated association as required for an orderly liquidation,

- (d) sell property of the incorporated association publicly or privately,
- (e) do all acts and execute any documents in the name and on behalf of the incorporated association,
- (f) borrow money on the security of the property of the incorporated association,
- (g) settle or compromise any claims by or against the incorporated association, and
- (h) do all other things for the liquidation of the incorporated association and distribution of its property.

(2) A liquidator is not liable in respect of acts or omissions based on his reliance in good faith on

- (a) financial statements of the incorporated association represented to him by an officer of the incorporated association or in a written report of the auditor of the incorporated association to fairly reflect the financial condition of the incorporated association, or
- (b) an opinion, a report or a statement of a professional adviser retained by the liquidator.

(3) If a liquidator has reason to believe that any person has in his possession or under his control, or has concealed, withheld or misappropriated any property of the incorporated association, he may apply to the Court for an order requiring that person to appear before the Court at the time and place designated in the order and to be examined.

(4) If the examination referred to in subsection (3) discloses that a person has in his possession or under his control, or has concealed, withheld or misappropriated property of the incorporated association, the Court may order that person to restore it or pay compensation to the liquidator.

Final accounts  
and discharge  
of liquidator

**119(1)** A liquidator shall pay the costs of liquidation out of the property of the incorporated association and shall pay or make adequate provision for all claims against the incorporated association.

(2) Within 1 year after his appointment, and after paying or making adequate provision for all claims against the incorporated association, the liquidator shall apply to the Court

- (a) for approval of his final accounts and for an order permitting him to distribute in money or in kind the remaining property of the incorporated association in accordance with Part 4, or
- (b) for an extension of time, setting out the reasons for the extension.

(3) A liquidator shall give notice of his intention to make an application under subsection (2) to

- (a) the Registrar,
- (b) each inspector appointed under section 114,

- (c) each member,
- (d) each creditor known to him, and
- (e) each person who provided a security or fidelity bond for the liquidator.

(4) If a liquidator fails to make the application required by subsection (2), a member or creditor of the incorporated association may apply to the Court for an order for the liquidator to show cause why a final accounting and distribution should not be made.

(5) If the Court approves the final accounts rendered by a liquidator, the Court shall make an order

- (a) directing the Registrar to issue a certificate of dissolution,
- (b) directing the custody or disposal of the documents and records of the incorporated association, and
- (c) discharging the liquidator.

(6) The liquidator shall forthwith send or deliver a certified copy of the order referred to in subsection (5) to the Registrar.

(7) On receipt of the order referred to in subsection (5), the Registrar shall issue a certificate of dissolution.

(8) The incorporated association ceases to exist on the date shown in the certificate of dissolution.

Member's right  
to distribution  
in money

**120(1)** If, in the course of liquidation of an incorporated association, the members resolve or the liquidator proposes to

- (a) exchange all or substantially all the property of the incorporated association for securities of another body corporate that are to be distributed to the members, or
- (b) distribute all or part of the property of the incorporated association to the members in kind,

a member may apply to the Court for an order requiring the distribution of the property of the incorporated association to be in money.

(2) On an application under subsection (1), the Court may order that

- (a) all the property of the incorporated association be converted into and distributed in money, or
- (b) the applicant be paid the fair value of his membership, in which case the Court
  - (i) may determine whether any other member is opposed to the proposal and, if so, join that member as a party,
  - (ii) may appoint 1 or more appraisers to assist the Court in fixing the fair value of the membership,
  - (iii) shall fix the fair value of the membership of the applicant and the other members joined as parties as of a date determined by the Court,



(iv) shall give judgment in the amount of the fair value against the incorporated association and in favour of each of the members who are parties to the application, and

(v) shall fix the time within which the liquidator must pay the amount referred to in subclause (iv) to a member after delivery by the member of evidence of his membership, if it has not already been delivered to the Court or to the liquidator at the time the order is pronounced.

Custody of documents, etc.

**121(1)** A person who has been granted custody of the documents and records of a dissolved incorporated association remains liable to produce those documents and records for 6 years following the date of its dissolution or until the expiry of any shorter period that may be ordered under section 119(5).

(2) A person who, without reasonable cause, contravenes subsection (1) is guilty of an offence and liable to a fine of not more than \$5000 or to imprisonment for a term of not more than 6 months, or to both fine and imprisonment.

Existing rights unaffected by dissolution

**122(1)** In this section, “member” includes the legal representatives of a member.

(2) Notwithstanding the dissolution of a body corporate under this Act,

(a) a civil, criminal or administrative action or proceeding commenced by or against the body corporate before its dissolution may be continued as if the body corporate had not been dissolved,

(b) a civil, criminal or administrative action or proceeding may be brought against the body corporate within 2 years after its dissolution as if the body corporate had not been dissolved, and

(c) any property that would have been available to satisfy any judgment or order if the body corporate had not been dissolved remains available for that purpose.

(3) Service of a document on an incorporated association after its dissolution may be effected by serving the document on a person shown in the most recent notice of directors filed under this Act.

(4) Notwithstanding the dissolution of a body corporate under this Act, a member to whom any of its property has been distributed in the liquidation is liable to any person claiming under subsection (2) to the extent of the amount received by that member on the distribution, and an action to enforce that liability may be brought within 2 years after the date of the dissolution of the body corporate.

(5) The Court may order an action referred to in subsection (4) to be brought against the persons who were members as a class, subject to any conditions the Court thinks fit and, if the plaintiff establishes his claim, the Court may refer the proceedings to a referee or other officer of the Court who may

(a) add as a party to the proceedings before him each person who the plaintiff establishes was a member of the class,

(b) determine, subject to subsection (4), the amount that each person who was a member shall contribute towards satisfaction of the plaintiff's claim, and

(c) direct payment of the amounts so determined.

Unknown claimants

**123(1)** On the dissolution of a body corporate under this Act, the portion of the property distributable to a creditor or member who cannot be found shall be converted into money and paid to the Provincial Treasurer.

(2) A payment under subsection (1) is deemed to be in satisfaction of a debt or claim of the creditor or member.

(3) If at any time a person establishes that he is entitled to any money paid to the Provincial Treasurer under this Act, the Provincial Treasurer, on the recommendation of the Registrar, shall pay an equivalent amount to him out of the General Revenue Fund.

## PART 19

### REVIVAL

Revival of incorporated association

**124(1)** If an incorporated association is dissolved under Part 18, any interested person may apply to the Registrar to have the incorporated association revived.

(2) The applicant shall, subject to subsection (4), send to the Registrar articles of revival in the prescribed form and documents relating to corporate names that are prescribed by the regulations.

(3) On receipt of articles of revival and the documents referred to in subsection (2), the Registrar shall issue a certificate of revival.

(4) In a case where he considers it appropriate to do so, the Registrar may waive compliance by the applicant with either or both of the requirements of subsection (2) and issue a certificate of revival accordingly.

(5) An incorporated association is revived on the date shown in the certificate of revival and, subject to any reasonable terms that the Registrar may impose and to rights acquired by any person prior to the revival, the incorporated association is deemed to have continued in existence as if it had not been dissolved.

Revival of other bodies corporate

**125(1)** Any interested person may apply to the Court for an order reviving

(a) a body corporate that was dissolved under the *Companies Act* and that was at the time of its dissolution a not-for-profit company as defined in section 261(1) of the *Business Corporations Act*,

(b) a body corporate that was dissolved under the *Societies Act*, or

(c) a body corporate that was dissolved by reason of the operation of subsection (7).

- (2) An applicant under subsection (1) shall give notice of the application to the Registrar and the Registrar is entitled to appear and be heard in person or by counsel.
- (3) An order under subsection (1) may revive the body corporate
- (a) as an incorporated association, or
  - (b) for the purpose of carrying out particular acts specified in the order, in which event the order shall state that the revival remains in effect for a specific time limited by the order.
- (4) In an order under subsection (1), the Court may
- (a) give directions as to the holding of meetings of members, the appointment of directors and meetings of directors,
  - (b) specify any provisions of this Act that are not to apply to the body corporate during the period of its revival, or declare that any provisions of this Act are to apply to the body corporate with the variations prescribed in the order,
  - (c) change the name of the body corporate to a number designated or name approved by the Registrar, and
  - (d) give any other directions the Court thinks fit.
- (5) Where a person seeks the approval of the Registrar under subsection (4)(c), he shall provide to the Registrar documents relating to corporate names that are prescribed by the regulations.
- (6) Subject to subsection (4)(b), this Act applies to a body corporate revived under this section.
- (7) A body corporate revived for a limited time by an order under this section is dissolved on the expiration of the time limited by the order.
- (8) If an order is made under this section, the applicant shall forthwith send a certified copy to the Registrar together with the prescribed fee.
- (9) The Registrar shall file an order sent to him under subsection (8), register the body corporate in the register and issue a certificate of revival with a copy of the order included or attached.
- (10) A body corporate is revived on the making of an order under this section and, subject to the terms imposed by the order and to rights acquired by any person prior to the revival, the body corporate is deemed to have continued in existence as if it had not been dissolved.

**PART 20**  
**REMEDIES, OFFENCES AND PENALTIES**

- Definitions **126** In this Part,
- (a) “action” means an action under this Act or any other law;
  - (b) “complainant” means
    - (i) a member or former member of an incorporated association or any of its affiliates,
    - (ii) a director or an officer, or a former director or officer, of an incorporated association or of any of its affiliates, or
    - (iii) any other person who, in the discretion of the Court, is a proper person to make an application under this Part.
- Derivative action **127**(1) Subject to subsection (2), a complainant may apply to the Court for leave to
- (a) bring an action in the name and on behalf of an incorporated association or any of its subsidiaries, or
  - (b) intervene in an action to which an incorporated association or any of its subsidiaries is a party, for the purpose of prosecuting, defending or discontinuing the action on behalf of the incorporated association or subsidiary.
- (2) No leave may be granted under subsection (1) unless the Court is satisfied that
- (a) the complainant has given reasonable notice to the directors of the incorporated association or its subsidiary of his intention to apply to the Court under subsection (1) if the directors of the incorporated association or subsidiary do not bring, diligently prosecute, defend or discontinue the action,
  - (b) the complainant is acting in good faith, and
  - (c) it appears to be in the interests of the incorporated association or its subsidiary that the action be brought, prosecuted, defended or discontinued.
- Powers of Court **128** The Court may at any time in connection with an action brought or intervened in under section 127 make any order it thinks fit including, without limitation, any or all of the following orders:
- (a) an order authorizing the complainant or any other person to control the conduct of the action;
  - (b) an order giving directions for the conduct of the action;
  - (c) an order directing that any amount adjudged payable by a defendant in the action shall be paid, in whole or in part, directly to former and present members of the incorporated association or its subsidiary instead of to the incorporated association or its subsidiary;
  - (d) an order requiring the incorporated association or its subsidiary to pay reasonable legal fees incurred by the complainant in connection with the action.

Court approval  
of stay, etc.

**129(1)** An application made or an action brought or intervened in under this Part shall not be stayed or dismissed by reason only that it is shown that an alleged breach of a right or duty owed to the incorporated association or its subsidiary has been or may be approved by the members of the incorporated association or the subsidiary, but evidence of approval by the members may be taken into account by the Court in making an order under section 127 or 128.

(2) An application made or an action brought or intervened in under this Part shall not be stayed, discontinued, settled or dismissed for want of prosecution without the approval of the Court given on any terms the Court thinks fit and, if the Court determines that the interests of any complainant may be substantially affected by the stay, discontinuance, settlement or dismissal, the Court may order any party to the application or action to give notice to the complainant.

Costs

**130(1)** A complainant is not required to give security for costs in any application made or action brought or intervened in under this Part.

(2) In an application made or an action brought or intervened in under this Part, the Court may at any time order the incorporated association or its subsidiary to pay to the complainant interim costs, including legal fees and disbursements, but the complainant may be held accountable for the interim costs on final disposition of the application or action.

Rectification  
of records

**131(1)** If the name of a person is alleged to be or to have been wrongly entered or retained in, or wrongly deleted or omitted from, the registers or other records of an incorporated association, the incorporated association, a member of the incorporated association or any aggrieved person may apply to the Court for an order that the registers or records be rectified.

(2) On an application under this section, the Court may make any order it thinks fit including, without limitation, any or all of the following orders:

- (a) an order requiring the registers or records of the incorporated association to be rectified;
- (b) an order restraining the incorporated association from calling or holding a meeting of members;
- (c) an order determining the right of a party to the proceedings to have his name entered or retained in, or deleted or omitted from, the registers or records of the incorporated association;
- (d) an order compensating a party who has incurred a loss.

Court order  
for directions

**132** The Registrar may apply to the Court for directions in respect of any matter concerning his duties under this Act, and on the application the Court may give any directions and make any further order it thinks fit.

Registrar's  
refusal to file

**133(1)** If the Registrar refuses to file any articles or other documents required by this Act to be filed by him before the articles or other documents become effective, he shall, within 20 days after he receives

- (a) the articles or documents, or
- (b) any approval that may be required under any other Act,

whichever is later, give written notice of his refusal to the person from whom he received the articles or documents, together with reasons.

(2) If the Registrar does not file, or give written notice of his refusal to file, any articles or documents within the time limited in subsection (1), he is deemed for the purposes of section 134 to have refused to file the articles or documents.

Appeal from Registrar's decision

**134** A person who feels aggrieved by a decision of the Registrar

- (a) to refuse to file in the form submitted to him any articles or other documents required by this Act to be filed by him,
- (b) to approve, change or revoke a name, or to refuse to approve, change or revoke a name, under this Act,
- (c) to refuse to revive an incorporated association under Part 19,
- (d) to dissolve an incorporated association under section 109,
- (e) to refuse an exemption under section 158, or
- (f) to cancel the registration of an extra-provincial incorporated association under section 164

may apply to the Court for an order requiring the Registrar to change his decision, and on the application the Court may so order and make any further order it thinks fit.

Compliance or restraining order

**135** If an incorporated association or any member, director, officer, employee, agent, auditor, trustee, receiver, receiver-manager or liquidator of an incorporated association contravenes this Act, the regulations, the articles or the by-laws, a complainant or a creditor of the incorporated association may, in addition to any other right he has, apply to the Court for an order directing that person to comply with, or restraining that person from contravening the relevant provision, and on the application the Court may so order and make any further order it thinks fit.

Offence re returns, etc.

**136(1)** A person who makes or assists in making a report, return, notice or other document required by this Act or the regulations to be sent to the Registrar that

- (a) contains an untrue statement of a material fact, or
- (b) omits to state a material fact that is required in it or is necessary in order to make a statement contained in it not misleading in the light of the circumstances in which it was made,

is guilty of an offence and liable to a fine of not more than \$5000 or to imprisonment for a term of not more than 6 months, or to both fine and imprisonment.

(2) If a body corporate contravenes subsection (1), then, whether or not the body corporate has been prosecuted or convicted in respect of the contravention, any director or officer of the body corporate

	<p>who knowingly authorizes, permits or acquiesces in the contravention is guilty of an offence and liable to a fine of not more than \$5000 or to imprisonment for a term of not more than 6 months, or to both fine and imprisonment.</p> <p>(3) No person is guilty of an offence under subsection (1) or (2) if the untrue statement or omission was unknown to him and in the exercise of reasonable diligence could not have been known to him.</p>
General penalty	<p><b>137</b> Every person who, without reasonable cause, contravenes this Act or the regulations for which no penalty is provided is guilty of an offence and liable to,</p> <p>(a) in the case of a body corporate, a fine of not more than \$1000, and</p> <p>(b) in the case of an individual, a fine of not more than \$1000 or to imprisonment for a term of not more than 1 month, or to both fine and imprisonment.</p>
Order for compliance	<p><b>138</b> If a person is found guilty of an offence under this Act or the regulations, the court in which proceedings in respect of the offence are taken may, in addition to any punishment it may impose, order that person to comply with the provisions of this Act or the regulations that he contravened.</p>
Limitation period	<p><b>139</b> A prosecution for an offence under this Act may be instituted at any time within 2 years after the time when the subject matter of the offence arose, but not thereafter.</p>
Civil remedy unaffected	<p><b>140</b> No civil remedy for an act or omission is suspended or affected by reason that an act or omission is an offence under this Act.</p>

**PART 21**  
**GENERAL**

Service on members, directors	<p><b>141</b> A notice or document required or permitted by this Act, the regulations, the articles or the by-laws to be sent to or served on a member or director of an incorporated association may be delivered personally to the member or director or may be sent by mail addressed to</p> <p>(a) the member at his latest address as shown in the records of the incorporated association, or</p> <p>(b) the director at his latest address as shown in the records of the incorporated association or in the most recent notice of directors filed under this Act.</p>
Presumptions	<p><b>142(1)</b> For the purpose of the service of a notice or document, a director named in a notice of directors sent by an incorporated association to the Registrar under this Act and filed by the Registrar is presumed to be a director of the incorporated association.</p> <p>(2) A notice or document sent by mail in accordance with section 141 to a member or director is deemed to be received by him at the time it would be delivered in the ordinary course of mail unless there</p>

are reasonable grounds for believing that the member or director did not receive the notice or document at the time or at all.

(3) If an incorporated association attempts to send a notice or document to a member in accordance with section 141 and the notice or document is returned on 3 consecutive occasions because the member cannot be found, the incorporated association is not required to send any further notices or documents to the member until he informs the incorporated association in writing of his new address.

Service on  
incorporated  
association

**143(1)** A notice or document required or permitted to be sent to or served on an incorporated association may be

- (a) delivered to its registered office, or
- (b) sent by mail to
  - (i) its registered office, or
  - (ii) the address designated as its address for service by mail,

as shown in the most recent notice of registered office or notice of designated address for service by mail, as the case may be, filed under this Act.

(2) A notice or document sent by mail to an incorporated association in accordance with subsection (1)(b) is deemed to be received or served at the time it would be delivered in the ordinary course of mail, unless there are reasonable grounds for believing that the incorporated association did not receive the notice or document at that time or at all.

Service on  
Registrar

**144** A notice or document may be sent to or served on the Registrar by leaving it at an office of the Registrar or by mailing it by mail addressed to the Registrar at an office of the Registrar, and if sent by mail is deemed to be received or served at the time it would be delivered in the ordinary course of mail, unless there are reasonable grounds for believing that the Registrar did not receive the notice or document at that time or at all.

Waiver of notice

**145** The person entitled to receive a notice or document required by this Act or the regulations to be sent or served may, in writing, waive the sending or service of the document or abridge the time within which the notice or document must be sent or served.

Registrar's  
certificate

**146(1)** When this Act requires or authorizes the Registrar to issue a certificate or to certify any fact, the certificate shall be signed by the Registrar or by an individual authorized by the Registrar.

(2) Except in a proceeding under section 110 to dissolve an incorporated association, a certificate referred to in subsection (1) or a certified copy of it, when introduced as evidence in any civil, criminal or administrative action or proceeding, is conclusive proof of the facts so certified without proof of the signature or official character of the person appearing to have signed the certificate.

Certificate by  
incorporated  
association

**147(1)** A certificate issued on behalf of an incorporated association stating any fact that is set out in the articles, the by-laws, the minutes of the meetings of the directors, a committee of directors or the



members, or in a trust indenture or other contract to which the incorporated association is a party, may be signed by a director or an officer of the incorporated association.

(2) When introduced as evidence in any civil, criminal or administrative action or proceeding,

(a) a fact stated in a certificate referred to in subsection (1),

(b) a certified extract from a register of members of an incorporated association, or

(c) a certified copy of minutes or of an extract from minutes of a meeting of members, directors or a committee of directors of an incorporated association,

is, in the absence of evidence to the contrary, proof of the facts so certified without proof of the signature or official character of the person appearing to have signed the certificate.

(3) In the case of an incorporated association with a capital stock divided into shares

(a) an entry in a securities register kept by the incorporated association, and

(b) a security certificate issued by the incorporated association

by virtue of section 34(b) are, in the absence of evidence to the contrary, proof that the person in whose name the security is registered is the owner of the security described in the register or certificate.

(4) In the case of an incorporated association other than one referred to in subsection (3), a certificate purporting to be signed by a person responsible for maintaining the register of members and stating that a named person was or was not a member of the incorporated association on a specified day or during a specified period is, in the absence of evidence to the contrary, proof of the facts so certified without proof of the signature or official character of the person appearing to have signed the certificate.

Copies of documents

**148** If a notice or document is required to be sent to the Registrar under this Act, the Registrar may accept a photostated or photographic copy of the notice or document.

Proof required by Registrar

**149** The Registrar may require that a document or a fact stated in a document required by this Act or the regulations to be sent to him shall be verified under oath or by statutory declaration.

Registrar's power to issue certificates

**150(1)** In this section, "statement" means a statement of intent to dissolve and a statement of revocation of intent to dissolve referred to in section 108.

(2) When this Act requires articles or a statement relating to an incorporated association to be sent to the Registrar then, unless otherwise specifically provided,

(a) the articles or statement shall be signed by a director or an officer of the incorporated association or, in the case of articles of incorporation, by an incorporator, and

(b) on receiving articles or a statement that conforms to law, together with any other required documents and the prescribed fees, the Registrar shall

(i) endorse on the articles or statement the word "Filed" and the date of the filing,

(ii) issue the appropriate certificate and attach the articles or statement to the certificate,

(iii) enter the information from the certificate and attached articles or statement in his records, and

(iv) send to the incorporated association or its representative the certificate and attached articles or statement.

(3) A certificate referred to in subsection (2) issued by the Registrar may be dated as of the day he receives the articles, statement or court order pursuant to which the certificate is issued or as of any later day specified by the Court or the person who signed the articles or statement.

(4) A signature required on a certificate referred to in subsection (2) or section 151 may be printed or otherwise mechanically reproduced on the certificate.

Certificate of status

**151(1)** The Registrar may furnish any person with a certificate stating that an incorporated association has sent to the Registrar a document required to be sent to him under this Act.

(2) On the payment of the prescribed fee, the Registrar may issue a certificate stating that, according to his records, the body corporate named in the certificate

(a) is or is not an existing incorporated association on the date of issue of the certificate, or

(b) was or was not an existing incorporated association on the date or during the period specified in the certificate.

Registrar may alter documents

**152** The Registrar may alter a notice or document, other than an affidavit or statutory declaration, if so authorized by the person who sent the document or by his representative.

Errors in certificates

**153(1)** If a certificate containing an error is issued to an incorporated association by the Registrar, the directors or members of the incorporated association shall, on the request of the Registrar, pass the resolutions and send to him the documents required to comply with this Act, and take any other steps the Registrar may reasonably require, and the Registrar may demand the surrender of the certificate and issue a corrected certificate.

(2) A certificate corrected under subsection (1) shall bear the date of the certificate it replaces.

(3) The issue of a corrected certificate under this section does not affect the rights of a person who acts in good faith and for value in reliance on the certificate containing the error.

Examination of documents

**154(1)** A person who pays the prescribed fee is entitled during usual business hours to examine a document required by this Act or the regulations to be sent to the Registrar, and to make copies of or extracts from that document.

(2) The Registrar shall furnish any person who pays the prescribed fee with a copy or a certified copy of a document required by this Act or the regulations to be sent to the Registrar.

Registrar's records

**155(1)** Records required by this Act to be prepared and maintained by the Registrar may be in bound or looseleaf form or in a photographic film form, or may be entered or recorded by any system of mechanical or electronic data processing or by any other information storage device that is capable of reproducing any required information in legible written form within a reasonable time.

(2) The records referred to in subsection (1) shall be kept in accordance with the regulations.

(3) If records maintained by the Registrar are prepared and maintained other than in written form,

(a) the Registrar shall furnish any copy required to be furnished under section 154(2) in legible written form, and

(b) a reproduction of the text of those records, if it is certified by the Registrar, is admissible in evidence to the same extent as the original written records would have been.

(4) An incorporated association shall provide to the Registrar on request an additional copy in legible written form of any document previously sent to the Registrar pursuant to this Act or the regulations.

Regulations

**156(1)** The Lieutenant Governor in Council may make regulations

(a) prescribing, subject to subsection (2), any matter required or authorized by this Act to be prescribed;

(b) establishing what constitutes soliciting money from the public for the purposes of this Act;

(c) requiring the payment of a fee in respect of the filing, examination or copying of any document, or in respect of any action that the Registrar is required or authorized to take under this Act, and prescribing the amount of the fee;

(d) prescribing rules with respect to exemptions permitted by this Act;

(e) respecting the circumstances under which and the extent to which an auditor is relieved of his duty of examination under section 75;

(f) respecting

(i) the form in which and the period of time for which records referred to in section 155 are to be kept, and

(ii) the disposal of records referred to in section 155;

- (g) declaring that, for the purposes of Part 13, the standards as they exist from time to time, of any accounting body named in the regulations shall be in force in Alberta, in whole or in part or with any revisions, variations or modifications that are specified by the regulations;
  - (h) respecting names of incorporated associations and extra-provincial incorporated associations;
  - (i) prohibiting the use of any names or any words or expressions in a name;
  - (j) defining any word or expression used in sections 12(8)(c) and 161(1)(c);
  - (k) respecting the circumstances and conditions under which a name under section 12(8) or 161(1) may be used;
  - (l) prescribing the punctuation marks and other marks that may form part of a name.
- (2) The Minister may make regulations
- (a) prescribing the form and content of financial statements for the purposes of section 65;
  - (b) prescribing the class or classes of soliciting incorporated association to which sections 67, 68(2) and 80(4), or any of them, apply;
  - (c) prescribing the form and content of annual returns, notices and other documents required to be sent to the Registrar or to be issued by him.

## PART 22

### EXTRA-PROVINCIAL NON-PROFIT CORPORATIONS

Interpretation

**157(1)** In this Part,

- (a) “anniversary month”, with reference to an extra-provincial non-profit corporation, means the month in each year that is the same as the month in which its certificate of registration was issued;
- (b) “charter” includes
  - (i) a statute, ordinance or other law incorporating an extra-provincial non-profit corporation, as amended from time to time,
  - (ii) letters patent of incorporation and any letters patent supplementary to them,
  - (iii) a memorandum of association, as amended from time to time,
  - (iv) any other instrument of incorporation, as amended from time to time, and
  - (v) any certificate, licence or other instrument evidencing incorporation.

(2) An extra-provincial non-profit corporation carries on activities in Alberta if

(a) its name, or any name under which it carries on activities, is listed in a telephone directory for any part of Alberta,

(b) its name, or any name under which it carries on activities, appears or is announced in any advertisement in which an address in Alberta is given for the extra-provincial non-profit corporation,

(c) it has in Alberta a resident agent or representative who carries on its activities or an office or a place from which it carries on its activities, or

(d) it owns any estate or interest in land in Alberta.

Exemption from fees

**158** The Registrar may exempt an extra-provincial non-profit corporation from the payment of all or part of the fees otherwise payable under this Part.

#### Division 1

#### Registration

Duty to register

**159(1)** Every extra-provincial non-profit corporation shall be registered under this Part before or within 30 days after it commences carrying on activities in Alberta.

(2) An extra-provincial non-profit corporation that at the date this Act comes into force is registered under Part 21 of the *Business Corporations Act* is registered under this Part.

(3) An extra-provincial non-profit corporation that

(a) was, prior to the coming into force of this Act, exempted from all or any of the provisions of the *Business Corporations Act* or the *Companies Act*, and

(b) is carrying on its activities in Alberta on the date this Act comes into force,

shall register under this Part within 1 year after the coming into force of this Act.

Application for registration

**160(1)** An extra-provincial non-profit corporation shall apply for registration by sending to the Registrar a statement in the prescribed form.

(2) The statement shall be accompanied by

(a) a copy of the charter of the extra-provincial non-profit corporation verified in a manner satisfactory to the Registrar,

(b) documents relating to corporate names that are prescribed by the regulations, and

(c) the appointment of its attorney for service, in the prescribed form.

(3) If all or any part of the charter is not in the English language, the Registrar may require the submission to him of a translation of the charter or that part of the charter, verified in a manner satisfactory to him, before he registers the extra-provincial non-profit corporation.

Name requirements

**161(1)** Subject to the circumstances and conditions prescribed by the regulations, an extra-provincial non-profit corporation shall not be registered with a name or carry on activities in Alberta under an assumed name

(a) that is prohibited by the regulations or contains a word or expression that is prohibited by the regulations,

(b) that is identical to the name of

(i) a body corporate incorporated under the laws of Alberta, whether in existence or not,

(ii) an extra-provincial corporation registered in Alberta, or

(iii) a corporation incorporated by or under an Act of the Parliament of Canada,

(c) that is similar to the name of

(i) a body corporate incorporated under the laws of Alberta,

(ii) an extra-provincial corporation registered in Alberta, or

(iii) a corporation incorporated by or under an Act of the Parliament of Canada,

if the use of that name is confusing or misleading, or

(d) that does not meet the requirements prescribed by the regulations.

(2) If through inadvertence or otherwise an extra-provincial non-profit corporation is registered with or later acquires a name that contravenes subsection (1), the Registrar may, by notice in writing giving his reasons, direct the extra-provincial non-profit corporation to change its name to one that he approves within 90 days after the date of the notice.

(3) The Registrar may give a notice under subsection (2) on his own initiative or at the request of a person who feels aggrieved by the name that contravenes subsection (1).

Use of assumed name

**162(1)** Notwithstanding section 161, an extra-provincial non-profit corporation the name of which contravenes section 161 may, with approval of the Registrar,

(a) be registered with its own name, and

(b) carry on activities in Alberta under an assumed name the use of which is approved by the Registrar and which does not contravene section 161.

(2) An extra-provincial non-profit corporation to which subsection (1) applies

(a) shall acquire all property and rights in Alberta under its assumed name, and

(b) is entitled to all property and rights acquired and is subject to all obligations and liabilities incurred under its assumed name as if they had been acquired and incurred under its own name.

(3) An extra-provincial non-profit corporation to which subsection (1) applies may sue or be sued in its own name or its assumed name, or both of them.

(4) An extra-provincial non-profit corporation to which subsection (1) applies may, with the approval of the Registrar and on application in the prescribed form and payment of the prescribed fee, cancel its assumed name and carry on activities in Alberta under the name in which it was registered.

Registration

**163**(1) Subject to section 161, on receipt of the statement and other documents required by section 160, the Registrar shall

(a) file the statement and documents,

(b) register the extra-provincial non-profit corporation, and

(c) issue a certificate of registration in the prescribed form.

(2) A certificate of registration issued under this section is conclusive proof for the purposes of this Act and for all other purposes that the provisions of this Act in respect of registration of the extra-provincial non-profit corporation and all requirements precedent and incidental to registration have been complied with, and that the extra-provincial non-profit corporation has been registered under this Part as of the date shown in the certificate of registration.

Cancellation of registration

**164**(1) Subject to subsection (2), the Registrar may cancel the registration of an extra-provincial non-profit corporation if the corporation

(a) is in default for a period of 2 years in sending to the Registrar any fee, notice, statement, return or document required by this Part,

(b) sends a notice to the Registrar under subsection (4), or the Registrar has reasonable grounds to believe that the extra-provincial non-profit corporation has ceased to carry on activities in Alberta,

(c) is dissolved,

(d) does not carry out an undertaking given in accordance with the regulations,

(e) does not comply with a direction of the Registrar under section 161(2), or

(f) otherwise contravenes this Part.

(2) The Registrar shall not cancel the registration of an extra-provincial non-profit corporation under subsection (1) until

(a) he has given at least 120 days' notice of the proposed cancellation, together with his reasons,

(i) to the extra-provincial non-profit corporation by mail addressed to its head office, and

(ii) to its attorney for service in accordance with section 167,

(b) he has published a notice of the proposed cancellation in The Alberta Gazette, and

(c) no appeal is commenced under section 134 within the 120-day period or, if an appeal has been commenced, it has been discontinued or the Registrar's decision is confirmed on the appeal.

(3) The Registrar may reinstate the registration of an extra-provincial non-profit corporation that was cancelled under subsection (1)(a) on the receipt by the Registrar of the fee, notice, statement, return or document required to be sent to him and of the prescribed reinstatement fee.

(4) An extra-provincial non-profit corporation that ceases to carry on activities in Alberta shall send a notice to that effect to the Registrar.

Reinstatement of registration

**165(1)** Subject to section 161, on the reinstatement of the registration of an extra-provincial non-profit corporation pursuant to section 164(3), the Registrar shall issue a new certificate of registration in the prescribed form.

(2) The cancellation of the registration of an extra-provincial non-profit corporation does not affect its liability for its obligations.

## Division 2 Information

Use of name

**166** An extra-provincial non-profit corporation shall set out its name in legible characters in or on all contracts, invoices, negotiable instruments and orders for goods or services issued or made by or on behalf of the extra-provincial non-profit corporation in the course of carrying on activities in Alberta.

Rules re attorney for service

**167(1)** If an attorney of an extra-provincial non-profit corporation dies or resigns or his appointment is revoked, the extra-provincial non-profit corporation shall forthwith send to the Registrar an appointment in the prescribed form of an individual as its attorney for service, and the Registrar shall file the appointment.

(2) An extra-provincial non-profit corporation may, in the prescribed form, appoint an individual as its alternate attorney if

(a) that individual is a member of a partnership of which the attorney is also a member, or



- (b) that individual is an assistant manager of the extra-provincial non-profit corporation and the attorney is the manager for Alberta of the extra-provincial non-profit corporation.
- (3) An extra-provincial non-profit corporation shall send to the Registrar
- (a) each appointment by it of an alternate attorney, and
  - (b) if the alternate attorney dies or resigns or his appointment is revoked, a notice to that effect,
- and the Registrar shall file the appointment or notice, as the case may be.
- (4) An attorney for an extra-provincial non-profit corporation who intends to resign shall
- (a) give not less than 60 days' notice to the extra-provincial non-profit corporation at its head office, and
  - (b) send a copy of the notice to the Registrar, who shall file it.
- (5) An attorney shall forthwith send the Registrar a notice in the prescribed form of any change of the attorney's address, and the Registrar shall file the notice.
- (6) An extra-provincial non-profit corporation shall ensure that the address of its attorney is an office that is
- (a) located in Alberta,
  - (b) accessible to the public during normal business hours, and
  - (c) readily identifiable from the address or other description given in the notice referred to in subsection (5) or the appointment referred to in section 160(2)(c).
- (7) A notice or document required or permitted by law to be sent or served in Alberta to or on an extra-provincial non-profit corporation may be
- (a) delivered to its attorney or alternate attorney according to the Registrar's records, or
  - (b) delivered or sent by mail to the address, according to the Registrar's records, of its attorney.
- (8) A notice or document sent by mail to the attorney's address in accordance with subsection (7)(b) shall be deemed to be received or served at the time it would be delivered in the ordinary course of mail, unless there are reasonable grounds for believing that the attorney did not receive the notice or document at that time or at all.
- (9) An individual whose appointment as an attorney or alternate attorney of an extra-provincial non-profit corporation is filed with the Registrar under the *Business Corporations Act* on the coming into force of this Act is deemed to be its attorney or alternate attorney, as the case may be, for the purposes of this Act.

Notice of changes **168(1)** A registered extra-provincial non-profit corporation shall send to the Registrar

(a) a copy of each amendment to its charter within 1 month after the effective date of the amendment, verified in a manner satisfactory to the Registrar,

(b) if an amendment to the charter effects a change in the name under which the extra-provincial non-profit corporation is registered, documents relating to corporate names that are prescribed by the regulations, and

(c) a notice in the prescribed form of any change in

(i) the address of its head office in or outside Alberta, or

(ii) the membership of its board of directors, board of management or other governing body,

within 1 month after the effective date of the change.

and the Registrar shall file the copy or the notice, as the case may be.

(2) A notice sent to the Registrar pursuant to subsection (1)(c)(ii) shall contain the address of each new member of the board of directors or governing body.

(3) An extra-provincial non-profit corporation is not required to send a notice under subsection (1)(c) if

(a) the effective date of the change occurs in its anniversary month or the month following, and

(b) the change is reflected in the annual return required to be filed under section 171.

(4) If the amendment to its charter effects a change in the name under which the extra-provincial non-profit corporation is registered, the Registrar, on filing the copy of the amendment under subsection (1)(a), shall issue a certificate of amendment of registration in the prescribed form and change his records accordingly.

Notice of amalgamation **169(1)** A registered extra-provincial non-profit corporation shall send to the Registrar

(a) a copy of any instrument effecting an amalgamation of the extra-provincial non-profit corporation with 1 or more other extra-provincial non-profit corporations,

(b) a copy of the amalgamation agreement, if any, and

(c) a statement in the prescribed form relating to the amalgamated extra-provincial non-profit corporation and the documents referred to in section 160(2),

within 1 month after the effective date of the amalgamation.

(2) On receiving the documents referred to in subsection (1), the Registrar shall file them and issue a new certificate of registration of the amalgamated extra-provincial non-profit corporation.

Notices re liquidation

**170(1)** If liquidation proceedings are commenced in respect of a registered extra-provincial non-profit corporation, the extra-provincial non-profit corporation, or, if a liquidator is appointed, the liquidator,

(a) shall send to the Registrar forthwith after the commencement of those proceedings a notice showing that the proceedings have commenced and the address of the liquidator, if one is appointed, and

(b) shall send to the Registrar forthwith after the completion of those proceedings, a return relating to the liquidation.

(2) The Registrar shall,

(a) on receiving a notice under subsection (1)(a), file it and publish a notice respecting the liquidation in *The Alberta Gazette*, and

(b) on receiving a return under subsection (1)(b), file it and cancel the registration of the extra-provincial non-profit corporation forthwith after the expiration of 3 months following the date of filing of the return.

(3) The liquidator of a registered extra-provincial non-profit corporation shall send to the Registrar a notice of any change in his address within 1 month after the effective date of the change, and the Registrar shall file the notice.

Annual return

**171** A registered extra-provincial non-profit corporation shall, in each year on or before the last day of the month immediately following its anniversary month, send to the Registrar a return in the prescribed form, and the Registrar shall file it.

### Division 3

#### General

Registrar's certificate

**172(1)** The Registrar may furnish any person with a certificate stating that an extra-provincial non-profit corporation has sent to the Registrar a document required to be sent to him under this Act.

(2) A certificate purporting to be signed by the Registrar and stating that a named extra-provincial non-profit corporation was or was not registered on a specified date or during a specified period is admissible in evidence as prima facie proof of the facts stated in it without proof of the Registrar's appointment or signature.

Validity of acts

**173** No act of an extra-provincial non-profit corporation, including any transfer of property to or by an extra-provincial non-profit corporation, is invalid by reason only

(a) that the act or transfer is contrary to or not authorized by its charter or internal regulations or any law of the jurisdiction in which it is incorporated, or

(b) that the extra-provincial non-profit corporation was not then registered.

Effect of non-registration

**174(1)** An extra-provincial non-profit corporation is, while unregistered, not capable of commencing or maintaining any action or other

proceeding in any court in Alberta in respect of any contract made in the course of carrying on activities in Alberta while it was unregistered.

(2) If an extra-provincial non-profit corporation is not registered at the time it commences an action or proceeding referred to in subsection (1) but becomes registered afterward, the action or proceeding may be maintained as if it had been registered before the commencement of the action or proceeding.

Offence **175** A person who contravenes this Part is guilty of an offence and liable to a fine of not more than \$5000.

### PART 23

#### CONSEQUENTIAL, REPEAL AND COMMENCEMENT

- Amends  
RSA 1980 cC-20 **176** *The Companies Act is amended*  
(a) in section 2.1(a)(i) by striking out “except under Part 9”;  
(b) by repealing Part 9.
- Amends  
SA 1981, cB-15 **177** *The Business Corporations Act is amended by adding the following after section 265(1)(a):*  
(a.1) an extra-provincial non-profit corporation required to be registered under the *Volunteer Incorporations Act*,
- Repeals  
RSA 1980 cS-18 **178** *The Societies Act is repealed.*
- Coming  
into force **179** *This Act comes into force on Proclamation.*