

Bill 20
Mr. Hlady

BILL 20

2003

ALBERTA MUNICIPAL FINANCING CORPORATION AMENDMENT ACT, 2003

(Assented to , 2003)

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

Amends RSA 2000 cA-27

**1 The *Alberta Municipal Financing Corporation Act* is
amended by this Act.**

**2 The title and chapter number of the Act are repealed and the
following is substituted:**

ALBERTA CAPITAL FINANCE AUTHORITY ACT
Chapter A-14.5

3 Section 1 is repealed and the following is substituted:

Interpretation

1(1) In this Act,

- (a) “Board” means the board of directors of the Corporation;
- (b) “Corporation” means the Alberta Capital Finance
Authority;
- (c) “director” means a member of the Board;
- (d) “educational authority” means

- (i) the board of trustees of a school district or school division under the *School Act*;
 - (ii) the board of governors of a public college under the *Colleges Act*;
 - (iii) the board of governors of a technical institute under the *Technical Institutes Act*;
 - (iv) the governors of a university under the *Universities Act*;
 - (v) The Board of the Northland School Division No. 61 under the *Northland School Division Act*;
- (e) “health authority” means
- (i) a person, other than a regional health authority, that owns an approved hospital under the *Hospitals Act*;
 - (ii) a person, other than a regional health authority, that owns a mental health hospital under the *Hospitals Act*;
 - (iii) a regional health authority under the *Regional Health Authorities Act*;
 - (iv) a provincial health board that is a corporation under the *Regional Health Authorities Act*;
- (f) “improvement district” means, with respect to being allotted shares in the Corporation or borrowing from the Corporation, the Government of Alberta as represented by the Minister responsible for improvement districts;
- (g) “local authority” means a city, an educational authority, a health authority, a municipal authority, a regional authority or a town;
- (h) “Minister” means the Minister determined under section 16 of the *Government Organization Act* as the Minister responsible for this Act;
- (i) “municipal authority” means
- (i) an improvement district;

- (ii) a Metis settlement;
 - (iii) a municipal district;
 - (iv) a special area;
 - (v) a specialized municipality;
 - (j) “regional authority” means
 - (i) the board of trustees of a drainage district under the *Drainage Districts Act*;
 - (ii) an irrigation district under the *Irrigation Districts Act*;
 - (iii) a regional airports authority created under the *Regional Airports Authority Act*;
 - (iv) a regional services commission established under the *Municipal Government Act*;
 - (k) “resolution” means a resolution of the Board;
 - (l) “securities” includes bonds, debentures, guaranteed investment certificates or receipts, certificates of deposit, deposit receipts, bills, notes and mortgages of real or personal property;
 - (m) “special area” means, with respect to being allotted shares in the Corporation or borrowing from the Corporation, the Government of Alberta as represented by the Minister responsible for special areas.
- (2)** A reference in this Act
- (a) to a city, municipal district, specialized municipality, improvement district or special area is a reference to a city, municipal district, specialized municipality, improvement district or special area under the *Municipal Government Act*, and
 - (b) to a town is a reference to a town, village or summer village under the *Municipal Government Act* and includes a reference to a town under the *Parks Towns Act*.

(3) A reference in this Act to a city, town, municipal district, specialized municipality, improvement district, special area or Metis settlement is also a reference, for the purposes of determining population, to the geographical area within the boundaries of the city, town, municipal district, specialized municipality, improvement district, special area or Metis settlement.

4 The heading preceding section 2 and section 2 are repealed and the following is substituted:

The Corporation and Its Governance

Corporation

2 The corporation incorporated under the name “Alberta Municipal Financing Corporation” is continued under the name “Alberta Capital Finance Authority”.

Powers

2.1(1) The Corporation has the capacity and, subject to subsection (2), the rights, powers and privileges, of a natural person.

(2) With respect to any right, power or privilege exercisable by the Corporation, the Lieutenant Governor in Council may

- (a) prohibit the use of the right, power or privilege;
- (b) restrict the use of the right, power or privilege;
- (c) provide that the right, power or privilege be exercised subject to any terms or conditions prescribed in the regulations.

(3) Notwithstanding subsection (1) but subject to the regulations, the Corporation is not to engage in or carry on any activity that does not pertain to the business of the Corporation.

5 The heading preceding section 4 is repealed.

6 Section 4 is amended

(a) in subsection (1)

(i) by striking out “corporation” and substituting “Corporation”;

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

(b) 1000 Class B shares to be allotted only to municipal authorities, health authorities and regional authorities,

(iii) in clause (e) by striking out “school districts” and substituting “educational authorities”;

(b) in subsections (2) and (3) by striking out “corporation” and substituting “Corporation”.

7 Section 5 is repealed.

8 Section 6 is amended

(a) in subsections (1) and (2) by striking out “corporation” and substituting “Corporation”;

(b) in subsection (2) by striking out “of the council or by bylaw” and substituting “of the local authority or the Corporation”.

9 Section 8 is amended

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

Allotment

8(1) The Corporation may, subject to the regulations,

(a) allot Class A shares to Her Majesty the Queen in right of Alberta in the amount requested by the Minister;

- (b) allot Class B shares to improvement districts, Metis settlements, municipal districts, special areas and specialized municipalities in ratios based on the population of each of them;
- (c) allot one Class B share to each regional authority;
- (d) allot one Class B share to each health authority;
- (e) allot Class C shares to cities in ratios based on the population of each city;
- (f) allot Class D shares to towns in ratios based on the population of each town;
- (g) allot one Class E share to each educational authority.

(1.1) If a share of the Corporation has been allotted to and issued in the name of a non-legal entity, that share is deemed to have been allotted and issued to the corporation that is responsible for or that corresponds to that non-legal entity.

- (b) in subsections (2) and (3) by striking out “corporation” and substituting “Corporation”.**

10 Section 9 is amended

- (a) by striking out “corporation” wherever it occurs and substituting “Corporation”;**
- (b) in subsection (1) by striking out “the bylaws” and substituting “resolution”;**
- (c) in subsection (2) by striking out “bylaws” wherever it occurs and substituting “resolutions” and by striking out “bylaw” and substituting “resolution”.**

11 The heading preceding section 10 and sections 10, 11, 12 and 13 are repealed and the following is substituted:

Board of directors

10(1) The board of directors of the Corporation consists of the following:

- (a) 5 directors appointed by the Lieutenant Governor in Council;
- (b) one director elected by the shareholders of the Class B shares;
- (c) one director elected by the shareholders of the Class C shares;
- (d) one director elected by the shareholders of the Class D shares;
- (e) one director elected by the shareholders of the Class E shares.

(2) The business of the Corporation is to be administered by the Board.

(3) The Board may exercise all the powers of the Corporation.

Directors

11(1) A person is not eligible to be elected or appointed to the Board unless the person is a Canadian citizen or lawfully admitted into Canada as a permanent resident and has been a resident of Alberta for at least one year.

(2) Not more than 2 employees of the Government of Alberta may be appointed to the Board.

(3) When there is a vacancy on the Board, the remaining directors may exercise all the powers of the Board so long as there is a quorum of the Board.

(4) The directors, other than officers or employees of the Government of Alberta or officers or employees of any agent of the Government of Alberta, are to be paid remuneration for their services as prescribed by the Lieutenant Governor in Council.

(5) The Corporation may pay the directors' travelling and living expenses incurred while they are away from their ordinary places of residence in the course of their duties as directors at a rate determined by the Corporation.

12 Sections 15, 16 and 17 are repealed and the following is substituted:

Terms of office

15(1) Subject to subsection (4), the term of office of a person who is elected as a director by a class of shareholders is 3 years.

(2) The term of office of a person appointed as a director by the Lieutenant Governor in Council is as prescribed in the appointment, but may not exceed 3 years.

(3) A person who is a director is eligible to be re-elected or reappointed as a director.

(4) The term of office of a director,

(a) in the case of a director elected by the Class C or Class E shareholders, is to expire in the year following the year in which the term of office of the director elected by the Class B shareholders expires, and

(b) in the case of a director elected by the Class D shareholders, is to expire in the 2nd year following the year in which the term of office of the director elected by the Class B shareholders expires,

and in order to maintain that sequence of expiries the Board may by resolution direct, where necessary to maintain that sequence, that a director be elected for a term of office that is longer or shorter than 3 years, but in no case is that term of office to exceed 4 years.

(5) Subject to subsections (6), (7) and (8), a person is not eligible to hold office as a director for more than 9 consecutive years.

(6) A person who has held office as a director for 9 consecutive years is once again eligible to be elected or appointed as a director if at least 3 years has elapsed from the time that the person last ceased holding office as a director.

(7) If during a director's term of office the 9-year period referred to in subsection (5) expires before the director has completed that term of office, the director may complete that term of office as if the 9-year period had not expired.

(8) Notwithstanding anything in this section, after the expiry of a person's term of office as a director that person continues to hold office as a director until

- (a) that person is re-elected or reappointed, as the case may be, as a director,
- (b) that person's successor is elected or appointed, as the case may be, as a director, or
- (c) 12 months has elapsed,

whichever comes first.

Vacancies

16(1) If during a director's term of office that director's position on the Board becomes vacant,

- (a) in the case of a director appointed to the Board by the Lieutenant Governor in Council, the Lieutenant Governor in Council may appoint a director to serve for the unexpired term of office, and
- (b) in the case of a director elected to the Board,
 - (i) the remaining directors elected by the Class B, Class C, Class D and Class E shareholders may appoint a person to act as an interim director to serve until the next annual meeting, and
 - (ii) at the next annual meeting the shareholders of the class of shares who elected the director whose position had become vacant may elect a director to serve for the unexpired term of office.

(2) An interim director appointed pursuant to this section may, while holding office, exercise all the powers of a director.

(3) For the purposes of section 15(5), the time served by an interim director or a director pursuant to this section is not to be considered in determining that person's eligibility to hold office as a director.

Officers

17(1) The Minister may appoint from among the directors a chair and one or more vice-chairs of the Board.

(2) The Board may appoint a president of the Corporation and any other officers of the Corporation that the Board considers necessary to carry out the business of the Corporation.

(3) A person is not eligible to serve concurrently as the president of the Corporation and as the chair or vice-chair of the Board.

(4) The Board may delegate in writing any power or duty conferred on it, except the power to make resolutions, to a committee appointed by it, or to a director, an officer or an employee of the Corporation or to an employee of the Government of Alberta.

13 Section 18 is amended

(a) in subsection (1) by striking out “corporation” and substituting “Corporation”;

(b) in subsection (2) by striking out “bylaw or”.

14 Section 19 is repealed and the following is substituted:

Voting of shares

19(1) At all meetings of the shareholders of the Corporation, a shareholder has one vote for each of the shares of the Corporation that the shareholder holds.

(2) Notwithstanding subsection (1), in an election for a director to be elected by the shareholders of a class of shares, the only shares that may be voted in the election for that director are the shares of that class.

(3) A person may establish the right to vote a share that is held by a shareholder by filing with the Corporation, in a manner and within a time acceptable to the Board, a notice given by or on behalf of the shareholder appointing that person as its authorized representative for the purposes of voting.

Resolutions

19.1(1) The Board may make resolutions relating to any matter or thing that pertains to the operation or business of the Corporation.

(2) A resolution made by the Board may be general or specific in its application.

15 The headings preceding sections 21, 24 and 25 and sections 21 to 25 are repealed and the following is substituted:

**Business, Financing and
Operation of the Corporation**

Business of Corporation

21 The business of the Corporation is

- (a) to provide local authorities that are its shareholders with financing for capital projects;
- (b) to act as financial agent or otherwise for a local authority that is its shareholder in negotiating loans or refinancing securities of the local authority or in any other capacity authorized by the regulations;
- (c) to manage its liabilities and its financial and business affairs in such a manner so as to enhance the Corporation's ability to effectively carry out its activities in an economical and efficient manner;
- (d) to provide, in addition to any financial service referred to in clauses (a) and (b), any other financial services prescribed or otherwise authorized by the Lieutenant Governor in Council.

16 Section 26 is repealed and the following is substituted:

Guarantee by Government

26 The principal and interest of any borrowings by or securities issued by the Corporation are hereby guaranteed by the Government of Alberta.

17 Section 27 is amended

- (a) **in subsection (1) by striking out** “Notwithstanding section 22 or the bylaws, the corporation” **and substituting** “The Corporation”;
- (b) **in subsections (2) and (3) by striking out** “corporation” **wherever it occurs and substituting** “Corporation”.

18 Section 28 and the heading following section 28 are repealed.

19 Section 30 is amended

- (a) **by striking out** “corporation” **and substituting** “Corporation”;
- (b) **by striking out** “Provincial Treasurer” **and substituting** “Minister”.

20 The heading preceding section 31 and sections 31 to 33 are repealed and the following is substituted:

Borrowing by local authorities

32(1) A local authority may borrow money from the Corporation in any form or manner and on any terms that are acceptable to the Corporation.

(2) Nothing in this section is to be construed to relieve a local authority from compliance with any statutory requirement relating to any borrowing by the local authority.

(3) Notwithstanding subsection (2), no security provided by a local authority to the Corporation is invalid by reason only that the local authority fails to comply with any statutory or other requirements relating to the security.

21 Sections 34 to 36 are repealed and the following is substituted:

Investments

34(1) Subject to the regulations, when investing funds, other than funds that are currently required for making loans to shareholders of the Corporation, the Corporation must adhere to investment and lending policies, standards and procedures that a reasonable and prudent person would apply in respect of a portfolio of investments to avoid undue risk of loss and to obtain a reasonable return.

(2) The Lieutenant Governor in Council may impose terms or conditions or otherwise impose restrictions on the power of the Corporation to make investments.

Miscellaneous

Regulations

- 35** The Lieutenant Governor in Council may make regulations,
- (a) without limiting the generality of clause (b), for the purposes of sections 2.1(2) and (3), 8, 21 and 34;
 - (b) with respect to any matter concerning this Act or the operation of the Corporation and its business.

22 The following is added after section 37:

Corporation a Provincial corporation

37.1 The Corporation is a Provincial corporation under the *Financial Administration Act* notwithstanding that from time to time the majority of the directors may not be appointed by the Lieutenant Governor in Council.

23 The following is added after section 39:

Previous names and bylaws

39.1(1) Any reference to the Alberta Municipal Financing Corporation in

- (a) any contract or other agreement,
- (b) any commercial, financial or other document,
- (c) any document registered in a registry operated or maintained by Alberta Registries or any other registry, document recording system, information recording

system, information bank, data bank or similar system that is operated by the Government,

- (d) any document filed with or issued by a court or otherwise used in any legal proceeding, or
- (e) any enactment,

is deemed to be a reference to the Alberta Capital Finance Authority.

(2) Any reference to the *Alberta Municipal Financing Corporation Act* is deemed to be a reference to the *Alberta Capital Finance Authority Act*.

(3) Any bylaw made by the Board is deemed to be a resolution of the Board and may be amended or rescinded by a resolution of the Board.

24 Section 40 is amended

- (a) **by striking out** “corporation” **and substituting** “Corporation”;
- (b) **by adding** “86, 87, 93,” **after** “sections 6,”.

25 The following provisions are amended by striking out “corporation” wherever it occurs and substituting “Corporation”:

section 3;
section 14;
section 20;
section 29;
section 37;
section 38.

26 The *Conflicts of Interest Act* is amended in Part 3 of the Schedule

- (a) **by striking out** “Alberta Cancer Board” **and substituting the following:**

Alberta Cancer Board
Alberta Capital Finance Authority

(b) by striking out “Alberta Municipal Financing Corporation”.

27 The *Fiscal Responsibility Act* is amended in section 1(a)(iii) by striking out “Alberta Municipal Financing Corporation” **and substituting** “Alberta Capital Finance Authority”.

28 This Act comes into force on Proclamation.

Explanatory Notes

1 Amends chapter A-27 of the Revised Statutes of Alberta 2000.

2 The present title and chapter number read:

*ALBERTA MUNICIPAL FINANCING
CORPORATION ACT
Chapter A-27*

3 Section 1 presently reads:

1 In this Act,

- (a) “approved hospital” means an approved hospital as defined in the Hospitals Act;*
- (b) “Board” means Board of Directors of the corporation;*
- (c) “bylaws” means bylaws of the corporation;*
- (d) “city” means a city within Alberta;*
- (e) “corporation” means the Alberta Municipal Financing Corporation;*

- (f) *“council” means the council, board or other governing body of a local authority, other than an improvement district or special area;*
- (g) *“local authority” means an approved hospital, city, health region under the Regional Health Authorities Act, mental health hospital, municipality, regional airport authority, school district or town;*
- (h) *“mental health hospital” means a hospital that is under the jurisdiction of a provincial health board under the Regional Health Authorities Act;*
- (i) *“municipality” means an improvement district, municipal district, Metis settlement, special area, irrigation district, drainage district, regional services commission or water authority, within Alberta;*
- (i.1) *“regional airport authority” means a regional airport authority created under the Regional Airports Authorities Act;*
- (j) *“regional services commission” means a regional services commission under Part 15.1 of the Municipal Government Act;*
- (k) *“school district” means a school district or school division under the School Act, a public college under the Colleges Act, a technical institute under the Technical Institutes Act or a university under the Universities Act;*
- (l) *“securities” includes bonds, debentures, guaranteed investment certificates or receipts, certificates of deposit, deposit receipts, bills, notes and mortgages of real or personal property;*
- (m) *“town” means a town, village or summer village under the Municipal Government Act.*

4 Section 2 and the heading preceding section 2 presently read:

Incorporation

2 The persons and corporations who from time to time become shareholders in it are a corporation under the name of the Alberta Municipal Financing Corporation.

5 The heading preceding section 4 presently reads:

Capitalization

6 Section 4(1)(b) and (e), (2) and (3) presently read:

4(1) The share capital of the corporation shall consist of

(b) 1000 Class B shares to be allotted only to municipalities, regional airport authorities, approved hospitals and mental health hospitals,

(e) 500 Class E shares to be allotted only to school districts.

(2) All shares of the corporation are common shares with an issued value of \$10.

(3) The only voting rights attached to a share of the corporation are those set out in this Act.

7 Section 5 presently reads:

5(1) The rights attached to Class A shares that have been allotted may be exercised on behalf of the holder of them by the Provincial Treasurer.

(2) The rights attached to Class B shares that have been allotted to an approved hospital, a mental health hospital, a health region under the Regional Health Authorities Act, a regional airport authority or a municipality, other than an improvement district or special area, may be exercised on behalf of the holder of them by its council.

(3) The rights attached to Class B shares that have been allotted to an improvement district may be exercised on behalf of the holder of them by the Minister responsible for the Municipal Government Act.

(4) The rights attached to Class B shares that have been allotted to a special area may be exercised on behalf of the holder of them by the Minister responsible for the Special Areas Act.

(5) The rights attached to Class C, Class D and Class E shares that have been allotted may be exercised on behalf of the holder of them by its council.

8 Section 6 presently reads:

6(1) Subject to the Financial Administration Act and notwithstanding any other Act, a local authority may acquire any share that the corporation has made available for allocation to it.

(2) The authority to purchase shares of the corporation may be given by resolution of the council or by bylaw and the assent to it of any other persons or bodies is not required.

9 Section 8 presently reads:

8(1) The corporation may allot shares to cities, towns and municipalities, except irrigation districts, drainage districts, regional services commissions and water authorities, in ratios based on the population of each of them or to school districts in

ratios based on the pupil population of each school district in accordance with the regulations but the allotment of shares to approved hospitals, health regions under the Regional Health Authorities Act, mental health hospitals, irrigation districts, drainage districts, regional services commissions, regional airport authorities and water authorities shall be one Class B share to each hospital, district, health region, commission or authority

(2) The corporation shall at all times keep available sufficient shares to enable it to allot shares to new or expanding local authorities.

(3) If it becomes necessary for the purposes of subsection (2), the Lieutenant Governor in Council may, by order, increase the capitalization of the corporation but not so as to vary the ratio between the number of Class A shares authorized by section 4 and the other classes of shares authorized by that section.

10 Replaces references to “bylaws” with reference to “resolutions”.

11 The heading preceding section 10 and sections 10, 11, 12 and 13 presently read:

Board of Directors

10(1) The business of the corporation shall be administered by the Board.

(2) The Board may exercise all the powers of the corporation.

11(1) The Board shall consist of 4 elected directors and 5 appointed directors.

(2) No person shall be elected or appointed to the Board unless the person is a Canadian citizen or lawfully admitted into Canada as a permanent

resident and has been a resident of Alberta for at least one year.

(3) Not more than 3 employees of the Government may be appointed to the Board.

(4) When there is a vacancy on the Board, the remaining directors may exercise all the powers of the Board so long as a quorum of the Board remains in office.

(5) The corporation is a Provincial corporation as defined in the Financial Administration Act notwithstanding that from time to time the majority of the directors were not appointed by the Lieutenant Governor in Council.

12(1) The shareholders who hold Class B shares may elect one director to the Board.

(2) The shareholders who hold Class C shares may elect one director to the Board.

(3) The shareholders who hold Class D shares may elect one director to the Board.

(4) The shareholders who hold Class E shares may elect one director to the Board.

(5) The Lieutenant Governor in Council may, by order, appoint to the Board 5 directors as representatives of the Class A shareholder.

13(1) No person shall vote a Class B, Class C, Class D or Class E share at an election of directors unless the person has established the person's right to vote a Class B, Class C, Class D or Class E share, as the case may be, for a director representing the class of share that the person is voting.

(2) A person may establish the right to vote a share by filing with the secretary-treasurer of the corporation within 3 months immediately preceding the election, or at any time prescribed by the bylaws of the corporation, a resolution of the council of the

holder of that share appointing that person as its representative at the meetings of the corporation.

12 Sections 15, 16 and 17 presently read:

15(1) A director elected by the Class B shareholders at the next annual general meeting of the corporation after May 22, 1980 must be elected for a one-year term and subsequently a director so elected must be elected for a 3-year term.

(2) A director elected by either the Class C or the Class E shareholders at the next annual general meeting of the corporation after May 22, 1980 shall be elected for a 2-year term and thereafter a director so elected shall be elected for a 3-year term.

(3) A director elected by the Class D shareholders at the next annual general meeting of the corporation after May 22, 1980 shall be elected for a 3-year term and thereafter a director so elected shall be elected for a 3-year term.

(4) A director elected by Class B, Class C, Class D or Class E shareholders may be re-elected.

(5) The appointed directors hold office during the pleasure of the Lieutenant Governor in Council.

16 *Vacancies occurring on the Board shall be filled*

(a) by the Lieutenant Governor in Council when the vacancy occurs among the directors appointed by the Lieutenant Governor in Council, and

(b) by the directors appointing to the Board until the next annual meeting one of the persons authorized pursuant to section 13 to represent a holder of the class of shares whose representation on the Board is decreased by the vacancy.

17(1) The Board may elect from among its members a chair and one or more vice-chairs.

(2) The Board may appoint a president, general manager, secretary, treasurer and other officers that the Board considers necessary to carry out its powers.

(3) The Board may delegate in writing any power or duty conferred on it, except the power to make bylaws, to a committee appointed by it, a director or an officer or employee of the corporation.

13 Section 18 presently reads:

18(1) A majority of the Board constitutes a quorum for the transaction of the business of the corporation.

(2) The affirmative votes of a majority of the Board present at any meeting of the Board at which a quorum is present are sufficient to pass any bylaw or resolution of the Board.

14 Section 19 presently reads:

19(1) At all meetings of the shareholders of the corporation, a shareholder has one vote for each of the shares of the corporation that the shareholder holds, but on the election of directors a shareholder shall not cast any votes except for the election of the director representing the shareholders of the class to which the shareholder belongs.

(2) All votes of a shareholder shall be cast by the authorized representative of the shareholder.

(3) Approval of the shareholders is not required for any borrowings of the corporation.

15 The headings preceding sections 21, 24 and 25 and sections 21 to 25 presently read:

Objects and Powers

21 The objects of the corporation are

- (a) *to make financing available to its Class B, Class C, Class D and Class E shareholders at the times and on the terms and conditions that the Board considers advisable, and*
- (b) *any other object the Lieutenant Governor in Council may authorize.*

22 *In addition to the powers vested in the corporation by this or any other Act, the corporation has the following powers:*

- (a) *the power to borrow or raise or secure the payment of money in any manner the Board thinks fit and, without limiting the generality of the foregoing, by the issue of securities, and the power to purchase, redeem or pay off any such securities;*
- (b) *the power to enter into with any governments or authorities, municipal, local or otherwise, any agreements that may seem conducive to the corporation's objects or any of them, the power to obtain from any such government or authority any rights, privileges and concessions that the corporation considers it desirable to obtain, and the power to carry out, exercise and comply with any such arrangements, rights, privileges and concessions;*
- (c) *the power to purchase, take on lease or in exchange, hire, or otherwise acquire and hold any real property and any rights or privileges that the corporation considers necessary or convenient for the purposes of its business;*
- (d) *the power to sell, improve, manage, exchange, lease, dispose of, turn to account, or otherwise deal with all or any part of the property and rights of the corporation;*
- (e) *the power to invest and deal, in any manner from time to time determined, with any money*

of the corporation or on deposit with the corporation that is not immediately required;

- (f) the power to procure the corporation to be registered and recognized in any foreign country or place, and the power to designate persons in it, according to the laws of the foreign country or place, to represent the corporation, and to accept service for and on behalf of the corporation of any process or suit;*
- (g) the power to pay, from time to time, as a rebate of interest, any profits of the corporation to shareholders of the corporation that have borrowed money from the corporation or sold debentures of their own issue to the corporation, proportionately as those shareholders made use of the facilities of the corporation over the period in which those profits were derived;*
- (h) the power to draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, and other negotiable or transferable instruments;*
- (i) the power to loan money to local authorities and to accept and receive securities for it and to purchase the securities of the local authorities and, in each case, to sell, hypothecate or otherwise dispose of or deal with the securities;*
- (j) the power to establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the corporation, or the dependants or connections of those persons, and the power to grant pensions and allowances, and to make payments toward insurance;*

- (k) *the power to carry out all or any of the objects of the corporation, and to do all or any of the things mentioned in this section as principals, agents, contractors, or otherwise;*
- (l) *the power to do all other things incidental or conducive to the attainment of the objects and exercise of the powers of the corporation*

23(1) The securities issued by the corporation may be in the form or forms and in the denomination or denominations, may bear interest at the rate or rates and may be made payable as to principal and interest at the time or times, in the currency or currencies and at the place or places that the Board may determine when authorizing the issue of them.

(2) Any securities of the corporation may be made redeemable or payable in advance of maturity either at the option of the corporation or on demand of the holder of them at any time and at the price or prices and either with or without payment of a premium and either in whole or in part as the corporation may provide.

(3) The Board may sell or otherwise dispose of any securities on any terms and conditions it considers advisable, either at the par value of them or at less or more than the par value of them, and may charge, pledge, hypothecate, deposit or deal with any such securities as collateral security.

(4) A recital or declaration in any resolution of the Board authorizing the issue and sale of securities of the corporation for any purpose to the effect that it is necessary to issue and sell securities of the corporation for that purpose in the amount authorized by the resolution is conclusive proof of the fact.

Powers and Duties of the Board

24(1) The Board may make bylaws relating to any matters or things that appear to the Board to be requisite or proper for the conduct or regulation of the business or affairs of the corporation.

(2) Without limiting the generality of subsection (1), the Board may make bylaws relating to

- (a) *the time and place for the holding of the annual general meeting of the corporation, the calling of regular and special meetings of the Board, and the procedure in all things at general meetings and Board meetings;*
- (b) *the participation of directors by a means other than personal attendance at a meeting of the Board;*
- (c) *the making and passing by unanimous consent of the directors of a resolution of the Board other than by passing the resolution at a meeting of the Board;*
- (d) *the payment of rebates of interest to shareholders;*
- (e) *the conduct of the business of the corporation;*
- (f) *the disposition of all money received in respect of the business of the corporation, the institutions in which the money is to be deposited, the manner in which the accounts are to be kept and managed, and the manner in which withdrawals are to be made from those accounts;*
- (g) *the establishment of reserve funds and the control, management and disposition of the funds and the purposes for which payments are to be made out of the reserve funds;*
- (h) *the execution of securities of the corporation, and the provision of facsimile seals and signatures;*
- (i) *the management and administration of the corporation's property;*
- (j) *the remuneration to be paid the directors of the corporation.*

Corporation Financing

25(1) A statement of the amounts borrowed by the corporation in any year shall be included in the annual report of the corporation for that year.

(2) An estimate of the amounts required to be borrowed by the corporation in any year shall be included in the annual budget of the corporation for that year.

16 Section 26 presently reads:

26(1) The principal and interest of any borrowings by or securities issued by the corporation are hereby guaranteed by the Government of Alberta.

(2) The guarantee, in a form and manner that the Lieutenant Governor in Council approves, may be endorsed on any securities issued by the corporation and may be signed on behalf of the Government by the Provincial Treasurer or by some other person whom the Lieutenant Governor in Council may designate.

(3) The signature of the Provincial Treasurer, or the person designated by the Lieutenant Governor in Council, on the guarantee endorsed on a security of the corporation may be engraved, lithographed or otherwise mechanically reproduced.

(4) The signature of the Provincial Treasurer, or the person designated by the Lieutenant Governor in Council, on the guarantee is conclusive proof that the relevant provisions of this Act have been complied with.

17 Section 27 presently reads:

27(1) Notwithstanding section 22 or the bylaws, the corporation shall not borrow any money or issue or sell securities when, at the time the money is borrowed or the securities are issued or sold, the

borrowing or issue and sale would cause the aggregate principal sum of all outstanding loans and securities to exceed \$7 000 000 000

(2) Nothing in this section prevents the corporation from borrowing or raising money by way of loan for the purpose of paying, refunding or renewing from time to time in whole or in part any loans or any securities of the corporation from time to time outstanding.

(3) For the purpose of calculating the aggregate sum referred to in subsection (1), the principal amount of outstanding securities and loans payable in the currency of any country other than Canada is deemed to be the equivalent principal amount in dollars in lawful money of Canada calculated in each case in accordance with the nominal rate of exchange between the Canadian dollar and the currency of the country concerned on the business day immediately preceding the day on which the corporation authorized the issue of those outstanding securities or the raising of those outstanding loans, as the case may be, as that nominal rate is determined by any bank in Canada..

18 Section 28 and the heading following section 28 presently read:

28 The corporation shall not accept any securities of a local authority unless all the requirements of the governing Acts have been complied with by the local authority issuing the security.

Audit

19 Section 30 presently reads:

30 The corporation shall annually, after the end of its fiscal year, submit audited financial statements and an annual report to the Provincial Treasurer who shall lay a copy of them before the Legislative Assembly if it is then sitting or, if it is not then

sitting, within 15 days after the commencement of the next sitting.

20 The heading preceding section 31 and sections 31 to 33 presently read:

Miscellaneous

31 Subject to the Financial Administration Act, the Government may purchase the securities of the corporation notwithstanding any other Act of the Legislature.

32(1) A local authority may borrow money from the corporation by the issue and sale of its securities to the corporation, by pledge or by trust certificates, notes or other securities acceptable to the corporation, notwithstanding the governing Act or Acts applying to the local authority.

(2) Nothing in this section shall be construed to relieve a local authority from compliance with any statutory requirement relating to any borrowing by the local authority.

33 The corporation may act as financial agents or otherwise for a local authority in negotiating loans, refinancing securities of the local authority or in any other capacity authorized by the regulations

21 Sections 34, 35 and 36 presently read:

34 In the exercise of the powers set out in this Act, the corporation is subject to any regulations prescribing the securities that the corporation may purchase or accept and the form of investments that the corporation may make.

35(1) The Lieutenant Governor in Council may make regulations

(a) prescribing the rates of interest that the corporation may pay on deposits and the

rates of interest it may charge for loans from it;

- (b) prescribing the fees and charges the corporation may make in respect of any services offered by it;*
- (c) governing the manner of making loans, the purposes for which loans may be made and prescribing the terms and conditions of any loans;*
- (d) generally, for the purpose of carrying out this Act according to its intent or for the purpose of supplying any deficiency in it.*

(2) A regulation made under this section shall be laid on the table of the Legislative Assembly within 10 days after the commencement of the first session in the next year.

36 Loans by the corporation to local authorities, and securities of local authorities purchased or held by the corporation, rank proportionately with loans and securities outstanding in respect of those local authorities.

22 Provincial corporation.

23 Transitional.

24 Section 40 presently reads:

40 The corporation is exempt from the requirements of sections 6, 118 to 121, 133, 162 and 304 of the Companies Act.

25 Replaces reference to “corporation” with a reference to “Corporation”.

26 Amends chapter C-23 of the Revised Statutes of Alberta 2000. Part 3 of the Schedule presently reads in part:

*Part 3
Other Disqualifying Offices*

The office of chair or member of any of the following:

*Alberta Cancer Board
Alberta Electric Energy Marketing Agency
Alberta Sport Council
Alberta Gaming Commission appointed under section 207 of
the Criminal Code (Canada)
The Alberta Government Telephones Commission
Alberta Human Rights and Citizenship Commission
Board of the Alberta Gaming and Liquor Commission
Alberta Social Housing Corporation
Alberta Motor Transport Board
Alberta Municipal Financing Corporation*

27 Amends chapter F-15 of the Revised Statutes of Alberta 2000. Section 1(a)(iii) presently reads:

1 In this Act,

(a) “accumulated debt” means the aggregate amount of

(iii) the liability for future funding, as reported in the consolidated annual report, to enable school boards to repay debentures issued to the Alberta Municipal Financing Corporation;

28 Coming into force.