

2008 Bill 4

First Session, 27th Legislature, 57 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 4

ALBERTA ENTERPRISE CORPORATION ACT

THE MINISTER OF ADVANCED EDUCATION AND TECHNOLOGY

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

BILL 4

2008

ALBERTA ENTERPRISE CORPORATION ACT

(Assented to , 2008)

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

Definitions

- 1 In this Act,

- (a) “board” means the board of directors appointed under section 9;
- (b) “Corporation” means the Alberta Enterprise Corporation established by section 2;
- (c) “Minister” means the Minister determined under section 16 of the *Government Organization Act* as the Minister responsible for this Act.

Corporation established

2(1) A corporation to be known as the Alberta Enterprise Corporation is established, consisting of the board of directors appointed under section 9.

(2) The Corporation has the capacity and, subject to this Act and the regulations, the rights, powers and privileges of a natural person.

(3) The share capital of the Corporation consists of one share owned by the Crown.

(4) The Corporation shall maintain its head office and principal place of business in Alberta.

(5) The fiscal year of the Corporation is April 1 to the following March 31.

(6) The Auditor General is the auditor for the Corporation.

(7) The Lieutenant Governor in Council may make regulations

- (a) expanding or clarifying the powers, duties or functions to be exercised or performed by the Corporation;
- (b) imposing limits on the powers, duties or functions to be exercised or performed by the Corporation.

Corporate objects

3(1) For the purposes of this section, “knowledge-based industry” means a sector of economic activity concerned with products and services that are based on the innovative application of technology, and includes the following:

- (a) information technology,

- (b) communications technology,
- (c) life sciences technology,
- (d) nanotechnology, and
- (e) environmental technology,

but does not include any sector excluded by the regulations.

(2) The objects of the Corporation are

- (a) to promote the development of knowledge-based industries and a venture capital industry in Alberta to support them, and
- (b) to make venture capital available to knowledge-based industries.

(3) Subject to the regulations and any terms and conditions imposed under section 5(2), the Corporation may, for the purposes of achieving its objects,

- (a) make investments, including investments referred to in section 42(5) of the *Financial Administration Act*, and
- (b) engage in other activities related to the development of the venture capital industry referred to in subsection (2)(a).

Corporation not agent of Crown

4 The Corporation is not an agent of the Crown in right of Alberta.

Corporation funding

5(1) The Minister may transfer to the Corporation money voted by the Legislature for the purposes of the Corporation.

(2) A transfer under subsection (1) is subject to any terms and conditions that the Minister considers advisable, including terms and conditions requiring the Corporation to pay returns earned on its investments to the General Revenue Fund.

Borrowing and guarantees

6(1) The Corporation shall not borrow money except in accordance with the regulations.

(2) The Corporation shall not give guarantees.

Indemnification

7(1) The Corporation may, subject to the regulations, indemnify

- (a) a present or former director or officer of the Corporation,
- (b) a person who acts or acted at the request of the Corporation, or as a director or officer of a corporation of which the Corporation is or was, directly or indirectly, a shareholder or creditor,
- (c) an employee or former employee of the Corporation, and
- (d) the heirs and legal representatives of a person referred to in clause (a), (b) or (c),

against costs, charges and expenses, including any amount paid to settle an action or satisfy a judgment, reasonably incurred by that person with respect to a civil, criminal or administrative action or proceeding to which that person is made a party by reason of holding such a position if that person acted honestly, in good faith and with a view to the best interests of the Corporation, and in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, if that person had reasonable grounds for believing that the conduct that is the subject of the action or proceeding was lawful.

(2) The Corporation shall not provide indemnities other than those

- (a) authorized by subsection (1), or
- (b) provided in accordance with the regulations.

Employees

8 The Corporation may engage employees for the purpose of carrying on the business of the Corporation, and may determine their conditions of service.

Board of directors

9(1) There shall be a board of directors consisting of not more than 7 members appointed by the Lieutenant Governor in Council.

(2) The Lieutenant Governor in Council shall designate one of the directors as chair and one of the directors as vice-chair.

(3) The Minister may, by order, determine the remuneration and travelling, living and other expenses payable to directors.

(4) A director

- (a) holds office for a term fixed in the order appointing the director, which term must not exceed 3 years, and
- (b) shall not serve on the board for more than 3 consecutive terms.

(5) A director ceases to hold office when

- (a) the director resigns,
- (b) the director's appointment expires,
- (c) the director's appointment is terminated by the Lieutenant Governor in Council, or
- (d) the director is disqualified under the regulations.

(6) A director's resignation becomes effective when it is received by the chair, in writing, or at the time specified in the resignation, whichever is later.

(7) The chair shall send a copy of a resignation to the Minister forthwith.

(8) Notwithstanding subsections (4) and (5)(b), where a director's appointment expires, the director continues to hold office until

- (a) the director is reappointed, or
- (b) a successor is appointed,

whichever occurs first.

(9) In determining the term of an appointment, the Lieutenant Governor in Council shall have regard to the desirability of having no more than 1/3 of the appointments expire in any one year.

(10) In making an appointment, the Lieutenant Governor in Council shall have regard to the desirability of having a board that consists of individuals who, in the aggregate, have the full range of skills, knowledge and experience necessary to effectively lead the Corporation in achieving its objects.

Board powers

10 The board shall manage or supervise the management of the business and affairs of the Corporation.

Bylaws

11(1) The board may make bylaws governing

- (a) the business and affairs of the Corporation, and
- (b) the calling and conduct of board and committee meetings and the conduct of the business of the board and committees generally.

(2) The *Regulations Act* does not apply to bylaws made under this section.

(3) The board shall, forthwith after the making of a bylaw, provide a copy of the bylaw to the Minister.

Responsibility of directors and officers

12(1) Every director and officer, in exercising powers and performing duties,

- (a) shall act honestly and in good faith and with a view to the best interests of the Corporation, and
- (b) shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

(2) In considering whether the exercise of a power or the performance of a duty is in the best interests of the Corporation, a

director or officer, as the case may be, may have due regard to the interests of the Crown.

Duty of care

13(1) Every director, officer and employee of the Corporation shall comply with this Act, the regulations and the bylaws of the Corporation.

(2) No provision in any contract, resolution or bylaw relieves any director, officer or employee of the Corporation from the duty to act in accordance with this Act and the regulations, or from liability for a breach of that duty.

Disclosure of information

14(1) The Minister may request from the Corporation any information, including personal information, that the Minister considers necessary and the Corporation shall disclose the information in the form and manner determined by the Minister.

(2) The Corporation shall allow the Minister or the Minister's representative to

- (a) inspect and make copies of all records, accounts, reports and other documents of the Corporation and, in the case of an electronic document, make or cause to be made a printout of the electronic document, and
- (b) otherwise review the operations of the Corporation.

(3) If the information disclosed under subsection (1) or contained in records, accounts, reports and other documents of the Corporation inspected or copied under subsection (2)(a) is personal information as defined in the *Freedom of Information and Protection of Privacy Act*, the Minister may collect and use that personal information

- (a) for the purposes of reviewing and monitoring the operations of the Corporation and ensuring the Corporation is carrying out the purpose and intent of this Act and the regulations,
- (b) for the purposes of administering this Act and the regulations, and

(c) for any other purpose authorized by the regulations.

(4) If the information disclosed under subsection (1) or contained in records, accounts, reports and other documents of the Corporation inspected or copied under subsection (2)(a) relates to labour relations, is a trade secret or is of a commercial, financial, scientific or technical nature, the information is to be treated as having been provided in confidence.

Dissolution and transfer

15(1) The Lieutenant Governor in Council may make regulations respecting the dissolution or the liquidation and dissolution of the Corporation, the manner in which the dissolution and any liquidation are to be carried out, and the winding-up of the activities of the Corporation.

(2) A regulation made under subsection (1) must provide for the transfer of all assets and liabilities of the Corporation to the Crown.

Regulations

16 The Lieutenant Governor in Council may make regulations

- (a) respecting sectors of economic activity that are excluded from the definition of knowledge-based industry for the purposes of section 3;
- (b) respecting investment by the Corporation and terms and conditions of agreements entered into by the Corporation;
- (c) respecting the borrowing of money by the Corporation under section 6(1);
- (d) respecting indemnities referred to in section 7, any terms and conditions of an indemnity, and the circumstances and manner in which an indemnity may be given;
- (e) respecting appointments to the board and the disqualification of directors;
- (f) respecting conflict of interest guidelines, codes of conduct and any other guidelines and policies in respect of directors, officers and employees of the Corporation;

- (g) requiring the Corporation to prepare records and accounts and to provide them to the Minister, and respecting those records and accounts;
- (h) authorizing the Minister to collect, use and disclose information, including personal information, for specified purposes in addition to the purposes referred to in section 14;
- (i) respecting the application of this Act and the regulations to any subsidiaries of the Corporation;
- (j) respecting generally the operation of the Corporation;
- (k) defining, for the purposes of this Act and the regulations, any word or expression that is used but not defined in this Act;
- (l) generally to carry out the intent and purposes of this Act.

Corporation continues

17 In accordance with section 82(4) of the *Financial Administration Act*, the Corporation continues after December 31, 2008 until it is discontinued in accordance with section 82(2)(b) of that Act or is disestablished or wound up.

Coming into force

18 This Act comes into force on Proclamation.

RECORD OF DEBATE

Stage	Date	Member	From	To
		Questions and Comments	From	To
Stage	Date	Member	From	To
		Questions and Comments	From	To
Stage	Date	Member	From	To
		Questions and Comments	From	To
Stage	Date	Member	From	To
		Questions and Comments	From	To