

2020 Bill 22

Second Session, 30th Legislature, 69 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 22

RED TAPE REDUCTION IMPLEMENTATION ACT, 2020

THE ASSOCIATE MINISTER OF RED TAPE REDUCTION

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

BILL 22

2020

RED TAPE REDUCTION IMPLEMENTATION ACT, 2020

(Assented to _____, 2020)

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

Business Corporations Act

Amends RSA 2000 cB-9

1(1) The *Business Corporations Act* is amended by this section.

(2) Section 1 is amended

(a) by adding the following after clause (b):

(b.1) “agent for service” means an agent for service appointed by a corporation under section 20.1 or by an extra-provincial corporation under section 288;

(b) by adding the following after clause (cc):

(cc.1) “resident Albertan” means an individual who is

- (i) a Canadian citizen ordinarily resident in Alberta, or
- (ii) a permanent resident within the meaning of the *Immigration and Refugee Protection Act* (Canada) and ordinarily resident in Alberta;

Explanatory Notes

Business Corporations Act

1(1) Amends chapter B-9 of the Revised Statutes of Alberta 2000.

(2) Section 1 presently reads in part:

1 In this Act,

(b) “affiliate” means an affiliated body corporate within the meaning of section 2(1);

(cc) “Registrar’s periodical” means the periodical referred to in section 264;

(dd) “resident Canadian” means an individual who is

(i) a Canadian citizen ordinarily resident in Canada,

(ii) a Canadian citizen not ordinarily resident in Canada who is a member of a prescribed class of persons, or

(iii) a permanent resident within the meaning of the Immigration Act (Canada) and ordinarily resident in Canada;

- (c) in clause (dd) by striking out “*Immigration Act (Canada)*” and substituting “*Immigration and Refugee Protection Act (Canada)*”.

(3) The heading preceding section 20 is repealed and the following is substituted:

**Part 4
Registered Office, Agent for Service,
Records and Seal**

(4) The following is added after section 20:

Agent for service

20.1(1) A corporation shall appoint an agent for service who is a resident Albertan.

(2) The corporation shall give to the Registrar a notice of the appointment of its agent for service, in the form required by the Registrar, together with the articles of incorporation.

(3) The corporation shall ensure that the address of its agent for service is an office that is

- (a) accessible to the public during normal business hours, and
- (b) readily identifiable from the address or other description given in a notice under this section.

(4) The corporation shall forthwith give to the Registrar a notice of any change in the name, address or other contact information of the agent for service in the form required by the Registrar.

(5) An agent for service for a corporation who intends to resign shall give not less than 60 days’ notice to the corporation at its registered office, and the corporation shall give to the Registrar a copy of the notice.

(6) If the agent for service of a corporation dies or the agent’s appointment is revoked, the corporation shall

- (a) give to the Registrar a notice to that effect, and

(3) The heading preceding section 20 presently reads:

Part 4
Registered Office, Records and Seal

(4) Agent for service; alternative agent for service.

- (b) forthwith appoint a new agent for service and give to the Registrar a notice of the appointment of its new agent for service in the form required by the Registrar.

Alternative agent for service

20.2(1) A corporation may appoint an alternative agent for service who is a resident Albertan.

(2) Forthwith after the appointment of an alternative agent for service, the corporation shall give to the Registrar a notice of the appointment in the form required by the Registrar.

(3) The corporation shall forthwith give to the Registrar a notice of any change in the name, address or other contact information of the alternative agent for service in the form required by the Registrar.

(4) An alternative agent for service for a corporation who intends to resign shall give not less than 60 days' notice to the corporation at its registered office, and the corporation shall give to the Registrar a copy of the notice.

(5) If the alternative agent for service of a corporation dies or the alternative agent's appointment is revoked, the corporation shall give to the Registrar a notice to that effect.

(5) The following is added after section 25:

Transitional Provision

Transitional provision

25.1 An existing corporation shall send a notice of appointment of an agent for service to the Registrar within one year after the coming into force of this section, or the Registrar may dissolve the corporation by issuing a certificate of dissolution under section 213 or by applying to the Court for an order dissolving the corporation under section 218.

(6) Section 105(3) is repealed.

(5) Transitional provision.

(6) Section 105(3) presently reads:

(3) At least 1/4 of the directors of a corporation must be resident Canadians.

(7) Section 111(1) is amended by striking out “Notwithstanding section 114(3), a quorum” and substituting “A quorum”.

(8) Section 114(3) and (4) are repealed.

(9) Section 115 is amended

(a) in subsection (1) by striking out “, who must be a resident Canadian,”;

(b) by repealing subsection (2).

(10) Section 116(2) is repealed.

(7) Section 111(1) presently reads:

111(1) Notwithstanding section 114(3), a quorum of directors may, subject to subsections (3) and (4), fill a vacancy among the directors, except a vacancy resulting from an increase in the number or minimum number of directors or from a failure to elect the number or minimum number of directors required by the articles.

(8) Section 114(3) and (4) presently read:

(3) Directors shall not transact business at a meeting of directors unless at least 1/4 of the directors present are resident Canadians.

(4) Notwithstanding subsection (3), directors may transact business at a meeting of directors when fewer than 1/4 of the directors present are resident Canadians if

(a) a resident Canadian director who is unable to be present approves in writing or by electronic means, telephone or other communication device the business transacted at the meeting, and

(b) the number of resident Canadian directors present at the meeting, together with any resident Canadian director who gives that director's approval under clause (a), totals at least 1/4 of the directors present at the meeting.

(9) Section 115 presently reads in part:

115(1) The directors of a corporation may appoint from their number a managing director, who must be a resident Canadian, or a committee of directors and delegate to the managing director or committee any of the powers of the directors.

(2) If the directors of a corporation appoint a committee of directors, at least 1/4 of the members of the committee must be resident Canadians.

(10) Section 116(2) presently reads:

(2) An act of the directors or a committee of directors is valid notwithstanding non-compliance with section 105(3) or (4), 114(3) or 115(2).

(11) Section 256 is amended

- (a) by repealing subsections (1) and (2) and substituting the following:**

Notice to and service on a corporation

256(1) A notice or document that is required or permitted to be sent to or served on a corporation may be

- (a) delivered to its registered office as shown in the last notice filed under section 20,
- (b) sent by registered mail to
 - (i) its registered office, or
 - (ii) the post office box designated as its address for service by mail,

as shown in the last notice filed under section 20,
- (c) delivered to its agent for service or alternative agent for service, or
- (d) sent by registered mail to its agent for service or alternative agent for service at the address shown in the last notice given to the Registrar under section 20.1 or 20.2.

(2) Notwithstanding subsection (1), in the case of a notice of intent to dissolve a corporation, the notice may be sent by ordinary mail to

- (a) the registered office of the corporation as shown in the last notice filed under section 20,
- (b) the post office box designated as the corporation's address for service by mail as shown in the last notice filed under section 20, or
- (c) the agent for service or alternative agent for service at the address shown in the last notice given to the Registrar under section 20.1 or 20.2.

(11) Section 256 presently reads in part:

256(1) A notice or document that is required or permitted to be sent to or served on a corporation may be

(a) delivered to its registered office, or

(b) sent by registered mail to

(i) its registered office, or

(ii) the post office box designated as its address for service by mail,

as shown in the last notice filed under section 20.

(2) Notwithstanding subsection (1), in the case of a notice of intent to dissolve a corporation, the notice may be sent by ordinary mail to the corporation addressed

(a) to its registered office, or

(b) to the post office box designated as its address for service by mail,

as shown in the last notice filed under section 20.

(3) A notice or document sent by registered mail to the corporation 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 corporation did not receive the notice or document at that time or at all.

(b) in subsection (3) by adding “or (d)” after “subsection (1)(b)”.

(12) Section 276(b) is repealed.

(13) Sections 280(2)(c) and 285(2)(a)(ii) are amended by striking out “attorney for service” and substituting “agent for service”.

(14) Section 288 is amended

(a) in subsection (1)

(i) by striking out “attorney of an extra-provincial corporation” and substituting “agent for service of an extra-provincial corporation”;

(ii) by striking out “attorney’s appointment” and substituting “agent for service’s appointment”;

(iii) by striking out “attorney for service” and substituting “agent for service”;

(b) in subsection (2) by striking out “attorney” wherever it occurs and substituting “agent for service”;

(c) in subsection (3)

(12) Section 276 presently reads in part:

276 In this Part,

- (b) “attorney for service” or “attorney” means, with reference to an extra-provincial corporation, the individual who, according to the Registrar’s records, is appointed under this Part as that extra-provincial corporation’s attorney for service;*

(13) Sections 280(2) and 285(2) presently read in part:

280(2) The statement shall be accompanied with

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

285(2) The Registrar shall not cancel the registration of an extra-provincial corporation under subsection (1) until

- (a) the Registrar has given at least 120 days’ notice of the proposed cancellation with the Registrar’s reasons for it,*
- (ii) to its attorney for service in accordance with section 288,*

(14) Section 288 presently reads:

288(1) If an attorney of an extra-provincial corporation dies or resigns or the attorney’s appointment is revoked, the extra-provincial 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 corporation may in the prescribed form appoint an individual as its alternative attorney if that individual is

- (a) a member of a partnership of which the attorney is also a member, or*
- (b) an assistant manager of the extra-provincial corporation and the attorney is the manager for Alberta of the extra-provincial corporation.*

- (i) **by striking out** “alternative attorney” **wherever it occurs and substituting** “alternative agent for service”;
 - (ii) **by striking out** “attorney’s appointment” **and substituting** “agent for service’s appointment”;
- (d) **in subsection (4) by striking out** “attorney” **and substituting** “agent for service”;
- (e) **in subsection (5)**
 - (i) **by striking out** “An attorney shall” **and substituting** “An agent for service shall”;
 - (ii) **by striking out** “attorney’s address” **and substituting** “agent for service’s address”;
- (f) **in subsections (6) and (7) by striking out** “attorney” **wherever it occurs and substituting** “agent for service”;
- (g) **in subsection (8)**
 - (i) **by striking out** “attorney’s address” **and substituting** “agent for service’s address”;
 - (ii) **by striking out** “attorney did not receive” **and substituting** “agent for service did not receive”;
- (h) **in subsection (9) by striking out** “attorney” **wherever it occurs and substituting** “agent for service”.

(3) An extra-provincial corporation shall send to the Registrar

- (a) each appointment by it of an alternative attorney, and*
- (b) if the alternative attorney dies or resigns or that attorney's 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 corporation who intends to resign shall

- (a) give not less than 60 days' notice to the extra-provincial 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 to 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 corporation shall ensure that the address of its attorney is an office that is

- (a) accessible to the public during normal business hours, and*
- (b) readily identifiable from the address or other description given in the notice referred to in subsection (5) or the appointment referred to in section 280(2)(c).*

(7) A notice or document required or permitted by law to be sent or served in Alberta on an extra-provincial corporation may be

- (a) delivered to its attorney or to an individual who is its alternative attorney according to the Registrar's records,*
- (b) delivered to the address, according to the Registrar's records, of its attorney, or*
- (c) sent by registered mail to that address.*

(8) A notice or document sent by registered mail to the attorney's address in accordance with subsection (7)(c) is deemed to be received or served at the time it would be delivered in the ordinary

(15) Section 293.3(d)(iv) is amended by striking out “attorneys for service” and substituting “agents for service”.

(16) This section comes into force on Proclamation.

Companies Act

Amends RSA 2000 cC-21

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

(2) Section 1 is amended

(a) by adding the following before clause (a.01):

(a.001) “agent for service” means an agent for service appointed by a company under section 29.1;

(b) by repealing clauses (b.1), (c), (c.1), (h.01) and (i);

(c) by adding the following before clause (j):

(i.1) “generally accepted accounting principles” means the generally accepted accounting principles as set out in the CPA Canada Handbook – Accounting by the Chartered Professional Accountants of Canada, as amended from time to time;

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 alternative attorney of an extra-provincial corporation is filed with the Registrar of Companies immediately before the commencement of this Act is deemed to be its attorney or an alternative attorney, as the case may be, on the commencement of this Act.

(15) Section 293.3 presently reads in part:

293.3 The Lieutenant Governor in Council may make regulations

(d) respecting the registration of and other matters pertaining to extra-provincial corporations, including, without limitation, regulations respecting

(iv) changes in the name, charter, head office, directors or attorneys for service of extra-provincial corporations,

(16) Coming into force.

Companies Act

2(1) Amends chapter C-21 of the Revised Statutes of Alberta 2000.

(2) Section 1 presently reads in part:

1 In this Act,

(a.01) “articles” means

(i) the articles of association prescribing regulations for a company, whether as originally framed or as altered by special resolution, and including, insofar as they apply to the company, the regulations contained, as the case may be,

(A) in Table A in the Schedule to this Act or in the First Schedule to The Companies Act, RSA 1955 c53 or RSA 1942 c240, or to The Companies Act, 1929, SA 1929 c14, or

- (d) **in clause (k) by striking out** “, a company limited by guarantee and a specially limited company” **and substituting** “and a company limited by guarantee”;
- (e) **by repealing clauses (v) and (z).**

(B) in Table A in the First Schedule or in Form B in the Second Schedule to The Companies Act, RSA 1922 c156, or to The Companies Ordinance, ONWT 1901 c20,

or in any such table as altered pursuant to any such Act or Ordinance, and

(ii) the bylaws of a company incorporated under Ordinance No. 3 of 1886, being The Companies Ordinance, RONWT 1888 c30 or under The Companies Ordinance, CONWT 1898 c61, as originally framed or duly altered;

(b.1) “charter” includes any Act, Statute, Ordinance or other provision of law, by or under which an extra-provincial company has been incorporated and any amendment thereto applying to the extra-provincial company and any memorandum of association and deed of settlement of the extra-provincial company, and any letters patent or other instrument incorporating the extra-provincial company and any licence or certificate of registration thereof;

(c) “charter and regulations” includes the charter of an extra-provincial company and its articles of association, regulations, bylaws and rules;

(c.1) “Commission” means the Alberta Securities Commission;

(h.01) “Executive Director” means the Executive Director of the Commission as defined or otherwise provided for under the Securities Act;

(i) “extra-provincial company” means a corporation

(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 Legislature by section 16 of the Alberta Act (Canada);

(k) “limited company” includes a company limited by shares, a company limited by guarantee and a specially limited company;

(v) “resident Albertan” means an individual who

(3) Section 2(5) is repealed.

(4) Section 2.1 is repealed and the following is substituted:

Limited application of Act

2.1 Notwithstanding anything in this Act, on and after February 1, 1982, no company shall be incorporated or registered under this Act except under Part 9.

(5) Section 3(1) is amended by adding “and” at the end of clause (a), striking out “and” at the end of clause (b) and repealing clause (c).

- (i) *is a Canadian citizen, or*
- (ii) *has been lawfully admitted to Canada for permanent residence,*

and who is ordinarily resident in Alberta;

- (z) *“specially limited company” means a company limited by shares, the memorandum of which provides that no member is to be personally liable for the amount, if any, unpaid on the member’s shares;*

(3) Section 2(5) presently reads:

(5) If a company formed under section 15(4) or its shareholders or directors are empowered or required by this or any other Act to pass a resolution, the resolution is deemed to be passed if it is signed by the sole shareholder of the company, and any requirement to hold a meeting does not apply.

(4) Section 2.1 presently reads:

2.1 Notwithstanding anything in this Act, on and after February 1, 1982

- (a) *no company shall*
 - (i) *be incorporated or registered under this Act except under Part 9,*
 - (ii) *be continued into Alberta under section 174, or*
 - (iii) *be continued out of Alberta under section 175, and*
- (b) *no extra-provincial company shall be registered under this Act.*

(5) Section 3(1) presently reads:

3(1) This Act applies to existing companies in the same manner,

- (a) *in the case of a company limited by shares, as if the company had been formed and incorporated under this Act as a company limited by shares,*

(6) Section 11 is amended

(a) in subsection (1) by striking out “and an extra-provincial company shall not be registered under a name,” **and substituting** “under a name”;

(b) in subsection (3)

(i) by striking out “or registered”;

(ii) by striking out “any other corporation” **and substituting** “any other company”;

(iii) by striking out “unless the corporation” **and substituting** “unless the other company”;

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

(4) Where a company gives an undertaking to dissolve or change its name and the undertaking is not carried out within 6 months, the Registrar may, by notice in writing, giving the Registrar’s reasons, direct the company to change its name to one that the Registrar approves within 60 days after the date of the notice.

(d) in subsection (5)

(i) by striking out “other than an extra-provincial company”;

(ii) by striking out “any other company, business or association” **and substituting** “any other company”;

(iii) by striking out “or registered”;

(e) by repealing subsection (8).

- (b) *in the case of a company limited by guarantee, as if the company had been formed and incorporated under this Act as a company limited by guarantee, and*
- (c) *in the case of a specially limited company, as if the company had been formed and incorporated under this Act as a specially limited company.*

(6) Section 11 presently reads in part:

11(1) A company shall not be incorporated and an extra-provincial company shall not be registered under a name,

- (a) *that is known by the Registrar to be the same as the name of an existing corporation,*
- (b) *that suggests or implies a connection with the Crown or any member of the Royal family or the Government of Canada or the government of any province or territory of Canada or any department, branch, bureau, service, agency or activity of any such government without the consent in writing of the appropriate authority,*
- (c) *that includes the word “co-operative” or any abbreviation or derivation thereof, or*
- (d) *that in the opinion of the Registrar is objectionable.*

(3) A company shall not be incorporated or registered under this Act under a name that is known to the Registrar to be similar to the name of any other corporation if the use of that name by the company would be likely to deceive, unless the corporation consents in writing to its name being given in whole or in part to the company and, if required by the Registrar, undertakes to dissolve or to change its name within 6 months after the incorporation of the company.

(4) A company shall not be incorporated or registered under this Act under a name that is known to the Registrar to be the same as or similar to the name of a business or association if the use of that name by the company would be likely to deceive, unless the business or association consents in writing to its name being given in whole or in part to the company and, if required by the Registrar, undertakes to cease to carry on its business or activities or to change its name within 6 months after the incorporation of the company.

(7) Section 12 is amended

(a) in subsection (1)

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

(a) the refusal of the Registrar to incorporate a company pursuant to section 11(1) or (3),

(ii) by adding “or” at the end of clause (c), striking out “or” at the end of clause (d) and repealing clause (e);

(b) by repealing subsection (3).

(5) If a company other than an extra-provincial company, through inadvertence or otherwise, has been or is given a name that is the same as or is similar to the name of any other company, business or association that has previously been carrying on business or been incorporated or registered in Alberta or that is objectionable for any reason, the Registrar, after the Registrar has given notice to the company of the Registrar's intention to do so, may by order change the name of the company.

(8) In this section "business or association" means an individual carrying on business, an association or a partnership.

(7) Section 12 presently reads in part:

12(1) A person who feels aggrieved by reason of

- (a) the refusal of the Registrar to incorporate a company or to register an extra-provincial company pursuant to section 11(1), (3) or (4),*
- (b) the refusal of the Registrar to make an order under section 11(5) to change the name of a company,*
- (c) a notice given by the Registrar under section 11(5) of the Registrar's intention to make an order to change the name of a company,*
- (d) the refusal by the Registrar to give the Registrar's approval under section 32(1) to a change of the name of a company, or*
- (e) the approval by the Registrar under section 192(2) to the use by an extra-provincial company of a name or title other than the name or title under which it is registered, or the refusal of the Registrar to give an approval under section 192(2),*

may appeal the Registrar's refusal, notice or approval to the Court by way of originating notice and on at least 7 days' notice to the Registrar and to any other persons that the Court directs.

(3) Within 10 days after the entry of an order under subsection (2), the company or extra-provincial company concerned shall file with the Registrar a copy of the order certified by the clerk of the Court.

(8) Section 15 is amended

- (a) in subsection (1) by adding “or” at the end of clause (a), striking out “or” at the end of clause (b) and repealing clause (c);**
- (b) by repealing subsections (2) and (3);**
- (c) by repealing subsections (6) and (7) and substituting the following:**
 - (6) The memorandum must**
 - (a) contain the name and address of each subscriber,
 - (b) contain the number and class of shares taken by each subscriber,
 - (c) contain the name and relationship to the company of a representative of the company authorized to sign the memorandum on behalf of the company, and
 - (d) be signed by the representative of the company referred to in clause (c).
 - (7) In the case of a company having a share capital, no subscriber of the memorandum may take less than one share.**

(9) Section 16 is amended

- (a) in subsection (1) by striking out “, in the prescribed form,”;**
- (b) by repealing subsection (5).**

(8) Section 15 presently reads in part:

15(1) Any 3 or more persons (or in the case of a private company, any 2 or more persons) associated for any lawful purpose permitted by this Act may, by subscribing their names to a memorandum of association and otherwise complying with the requirements of this Act in respect of registration, form an incorporated company, with limited liability, that is to say,

- (a) a company limited by shares,*
- (b) a company limited by guarantee, or*
- (c) a specially limited company.*

(2) Notwithstanding subsection (1), if a company is being formed for the purposes of a club, the Registrar may require evidence to the Registrar's satisfaction that the club has been carried on for at least one year immediately preceding the application for incorporation and has been conducted in a proper manner.

(3) Notwithstanding subsections (1) and (2), in any event if a company is being formed for the purposes of a social club, the Registrar may, in the Registrar's discretion, refuse incorporation.

(6) The memorandum shall be signed by each subscriber in the presence of at least one witness, who must attest the signature.

(7) In the case of a company having a share capital,

- (a) no subscriber of the memorandum may take less than one share, and*
- (b) each subscriber must write opposite to the subscriber's name the number and class of shares the subscriber takes.*

(9) Section 16 presently reads in part:

16(1) In the case of a company limited by shares, the memorandum shall, in the prescribed form, state

- (a) the name of the company, with "Limited" or "Ltd." as the last word thereof,*
- (b) the objects of the company,*
- (c) that the liability of the members is limited, and*

(10) Section 17(1) is amended by striking out “, in the prescribed form,”.

(11) Section 19 is repealed.

(d) *particulars of the share capital with which the company proposes to be incorporated, which may be*

(i) *divided into shares of a fixed amount,*

(ii) *divided into shares without nominal or par value, or*

(iii) *divided into shares comprised partly of one of the foregoing classes and partly of the other.*

(5) *Notwithstanding subsection (1)(c), the memorandum of a company the objects of which include the objects contained in the schedule to the Chartered Accountants Act or Legal Profession Act shall state that the liability of the members is limited except in the circumstances described in section 55(1) of the Chartered Accountants Act, section 116(1) of the Legal Profession Act or section 67(1) of the Medical Profession Act.*

(10) Section 17(1) presently reads:

17(1) In the case of a company limited by guarantee the memorandum shall, in the prescribed form, state

(a) *the name of the company, with “Limited” or “Ltd.” as the last word in its name,*

(b) *the objects of the company,*

(c) *that the liability of the members is limited, and*

(d) *that each member undertakes to contribute to the assets of the company in the event of its being wound up while he or she is a member, or within one year afterwards, for payment of the debts and liabilities of the company contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding-up, and for adjustment of the rights of the contributories among themselves, such amount as may be required, not exceeding a specified amount.*

(11) Section 19 presently reads:

19 In the case of a specially limited company the memorandum shall, in the prescribed form, state

(a) *the name of the company, with “Limited (Non-personal Liability)” as the last words in its name,*

(12) Section 20 is amended

(a) in subsection (1)

(i) by striking out “other than a specially limited company”;

(ii) by repealing clause (I);

(b) by repealing subsections (2) and (3).

- (b) *that the objects of the company are restricted to prospecting for, locating, acquiring, managing, developing, working, and selling mines, mineral claims, and mining properties, and the winning, getting, treating, refining, and marketing of minerals therefrom, and to the exercise of the powers mentioned in section 20(3),*
- (c) *that the liability of the members is limited and no personal liability will attach to any member, and*
- (d) *the amount of share capital with which the company proposes to be registered and the division thereof into shares of fixed amount.*

(12) Section 20 presently reads in part:

20(1) For the purpose of carrying out its objects, a company other than a specially limited company has the following powers, except those of them expressly excluded by the memorandum:

- (1) *the power to sell or dispose of the undertaking of the company or any part thereof for a consideration the company thinks fit, and in particular for shares, debentures, or securities of any other company wheresoever incorporated, having objects altogether or in part similar to those of the company, and the power to distribute any of the property of the company among the members in specie;*

- (2) *Subsection (1) only applies to an existing company if the company passes a resolution to that effect.*

- (3) *For the purposes of carrying out its objects, a specially limited company has the following powers, except those of them expressly excluded by the memorandum, and except as in this Act expressed, a specially limited company has no greater powers:*

- (a) *the power to acquire by purchase, lease, hire, discovery, location or otherwise and to hold mines, mineral claims, mineral leases, mining lands, prospects, licences and mining rights of every description, including petroleum claims and land and natural gas claims and land, and the power to work, develop, operate, turn to account, sell, or otherwise dispose of them or any of them or any interest therein;*

- (b) *the power to dig, drill or bore for, raise, crush, wash, smelt, reduce, refine, amalgamate, assay, analyze and otherwise*

treat gold, silver, copper, lead, iron, coal, petroleum, natural gas and any other ore deposit, metal or mineral whatsoever, whether belonging to the company or not, and the power to render it merchantable, and to buy, sell, and deal in it or any product thereof;

- (c) the power to engage in any branch of mining, smelting, milling, and refining minerals;*
- (d) the power to acquire by purchase, lease, hire, exchange or otherwise, timber land, leases or claims, rights to cut timber, surface rights and rights of way, water rights and privileges, patents, patent rights and concessions, and other real or personal property;*
- (e) the power to acquire by purchase, lease, hire, exchange or otherwise, and to construct, operate, maintain or alter, trails, roads, ways, tramways, reservoirs, dams, flumes, race and other ways, watercourses, canals, aqueducts, pipelines, wells, tanks, bridges, wharves, piers, mills, pumping plants, factories, foundries, furnaces, coke-ovens, crushing works, smelting works, concentrating works, refining works, hydraulic, electrical, and other works and appliances, power devices and plants of every kind, laboratories, warehouses, boarding-houses, dwellings, buildings, machinery, plants, and other works and conveniences, and the power to buy, sell, manufacture, and deal in all kinds of goods, stores, provisions, implements, chattels and effects required by the company or its workers or servants;*
- (f) the power to build, purchase, lease, hire, charter, navigate, use and operate cars, wagons and other vehicles, boats, ships and other vessels for the purposes of the company;*
- (g) the power to sell, or otherwise dispose of, ore, metal, oil, gas, or mineral product, and the power to take contracts for mining work of all kinds, and to accept as the consideration shares, stock, debentures, or other securities of any limited company, wheresoever incorporated and carrying on any business, directly or indirectly, conducive to the objects of a specially limited company if those shares (except the shares of a company having non-personal liability), stock, debentures or other securities are fully paid up, and the power to sell or otherwise dispose thereof;*

- (h) the power to enter into any arrangement for sharing profits, for union of interests or for co-operation with any person or company, wheresoever incorporated, carrying on or about to carry on any business, transaction or undertaking that a specially limited company is authorized to carry on;*
- (i) the power to acquire and undertake the whole or any part of the business, property and liabilities of any person or company, wheresoever incorporated, carrying on any business permitted to, or possessed of property suitable for, the purposes of a specially limited company;*
- (j) the power to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments;*
- (k) the power to borrow, raise or secure the payment of money in any manner it thinks fit, and in particular by the issue of debentures charged on all or any part of the property, including uncalled capital, so, however, that the total amount borrowed, raised, or secured and outstanding will not, without the sanction of a general meeting of the company, exceed 25% of the capital for the time being paid up, but nothing in this clause limits or affects any power of borrowing vested in the directors under the memorandum or articles;*
- (l) the power to distribute in specie among the members any of the property of the company;*
- (m) the power to sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account or otherwise deal with the undertaking or the whole or any part of the property and rights of the company, and the power to accept as consideration therefor shares, stock, debentures or other securities of any limited company, wheresoever incorporated and carrying on any business, directly or indirectly, conducive to the objects of a specially limited company if those shares (except the shares of a company having non-personal liability), stock, debentures or other securities are fully paid up;*
- (n) the power to procure the registration, licensing or recognition of the company in any part of Canada or in any other country, and the power to accept rights and powers to carry on its business therein;*

- (o) *the power to do all or any of the above things as principals, agents, contractors or otherwise, and by or through trustees, agents, or otherwise, and either alone or in conjunction with others.*

(13) Section 21 is repealed and the following is substituted:

Articles of association

21(1) The articles of association of a company shall be registered with the memorandum.

(2) The articles must

- (a) contain the name of each subscriber to the memorandum,
- (b) contain the name and relationship to the company of a representative of the company authorized to sign the articles on the company's behalf, and
- (c) be signed by the representative of the company referred to in clause (b).

(14) Sections 23 and 24 are repealed.

(13) Section 21 presently reads:

21(1) Articles of association prescribing regulations for the company,

- (a) in the case of a company having a share capital and limited by guarantee, shall be registered with the memorandum, and*
- (b) in the case of any other company having a share capital, may be registered with the memorandum,*

and the articles may adopt all or any of the regulations contained in Table A in the Schedule.

(2) The regulations contained in Table A in the Schedule

- (a) if articles are not registered, or*
- (b) if articles are registered, then in so far as they do not exclude or modify the regulations in Table A,*

are so far as applicable the regulations of the company in the same manner and to the same extent as if they were contained in duly registered articles.

(3) When Table A in the Schedule is adopted by a private company or becomes the regulations of a private company in whole or in part,

- (a) Article 3 of Table A has no application in respect of the private company, and*
- (b) Article 17 of Table A, if adopted or if applied to a private company, shall be read as if the words "not being fully paid shares" did not occur therein.*

(14) Sections 23 and 24 presently read:

23 The articles shall be printed or typewritten and divided into paragraphs which shall be numbered consecutively.

(15) Section 25 is amended

(a) in subsection (1)

- (i) by striking out “, if any,”;**
- (ii) by striking out “retain and”;**

(b) by repealing subsection (2) and substituting the following:

- (2)** An application for incorporation must be accompanied by
- (a)** a notice of the appointment of the company’s agent for service in the form required by the Registrar, and
 - (b)** the documents relating to corporate names that are prescribed by the regulations.

(16) Section 26 is amended

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

Certificate of incorporation

26(1) On the registration of the memorandum of a company, the Registrar shall issue a certificate showing that the company is incorporated.

(b) in subsection (2) by striking out “, if any,”.

24 The articles, if any, shall be signed by each subscriber to the memorandum of association in the presence of at least one witness, who shall attest the signature.

(15) Section 25 presently reads:

25(1) The applicants for incorporation shall deliver the memorandum and the articles, if any, to the Registrar, and if all other requirements of this Act precedent to incorporation have been complied with, the Registrar shall retain and register them.

(2) An application for incorporation shall be accompanied by documents relating to corporate names that are prescribed by the regulations and by any information respecting the subscribers that may be required by regulations under the Agricultural and Recreational Land Ownership Act and section 35 of the Citizenship Act (Canada) in the form and manner prescribed by those regulations.

(16) Section 26 presently reads:

26(1) On the registration of the memorandum of a company, the Registrar shall issue a certificate under the Registrar's seal of office, showing that the company is incorporated, and

- (a) in the case of a company limited by shares, that the company is limited,*
- (b) in the case of a specially limited company, that the company is specially limited, or*
- (c) in the case of a company limited by guarantee, that the company is limited by guarantee*

and shall, at the cost of the applicants for incorporation, publish a notice of the incorporation in The Alberta Gazette.

(2) If the memorandum and the articles, if any, of the company as registered by the Registrar under section 25 do not in fact comply with all the requirements of this Act and the Registrar by

(17) Section 29(1) is amended by striking out “, when registered,”.

(18) The following is added after section 29:

**Division 4
Agent for Service**

Agent for service

29.1(1) A company shall appoint an agent for service who shall be a resident Albertan.

(2) The company shall ensure that the address of its agent for service is an office that is

- (a)** accessible to the public during normal business hours, and
- (b)** readily identifiable from the address or other description given in a notice under subsection (3) or section 25(2)(a).

(3) The company shall forthwith give to the Registrar a notice of any change in the name, address or other contact information of the agent for service in the form required by the Registrar.

(4) An agent for service for a company who intends to resign shall give not less than 60 days' notice to the company at its registered office, and the company shall give to the Registrar a copy of the notice.

inadvertence issues a certificate under subsection (1), the company shall on the Registrar's request file with the Registrar any documents the Registrar requires, and thereupon the Registrar may correct the register and issue a corrected certificate.

(17) Section 29(1) presently reads:

29(1) The memorandum and articles, when registered, bind the company and the members thereof to the same extent as if they respectively had been signed and sealed by each member, and contained covenants on the part of each member, the member's heirs, executors, and administrators, and in the case of a corporation, its successors, to observe all the provisions of the memorandum and of the articles, subject to the provisions of this Act.

(18) Agent for service; alternative agent for service.

(5) If the agent for service of a company dies or the agent's appointment is revoked, the company shall

- (a) give to the Registrar a notice to that effect, and
- (b) forthwith appoint a new agent for service and give to the Registrar a notice of the appointment of its new agent for service in the form required by the Registrar.

Alternative agent for service

29.2(1) A company may appoint an alternative agent for service who shall be a resident Albertan.

(2) Forthwith after the appointment of an alternative agent for service, the company shall give to the Registrar a notice of the appointment in the form required by the Registrar.

(3) The company shall forthwith give to the Registrar a notice of any change in the name, address or other contact information of the alternative agent for service in the form required by the Registrar.

(4) An alternative agent for service for a company who intends to resign shall give not less than 60 days' notice to the company at its registered office, and the company shall give to the Registrar a copy of the notice.

(5) If the alternative agent for service of a company dies or the alternative agent's appointment is revoked, the company shall give to the Registrar a notice to that effect.

(19) Section 32(2) is amended by adding "issue a certificate showing the change of name" after "the Registrar shall" and repealing clauses (a), (b) and (c).

(19) Section 32(2) presently reads:

(2) When the special resolution has been filed with the Registrar and all lawful requirements of the Registrar in respect of returns or reports due from the company under this Act have been complied with, the Registrar shall

- (a) enter the new name on the register in place of the former name,*
- (b) issue under the Registrar's seal of office a certificate showing the change of name, and*

(20) Section 33(3) is amended by striking out “under the Registrar’s seal of office”.

(21) Section 34 is amended

(a) in subsection (1) by striking out “confirmed by an order of the Court”;

(b) by repealing subsection (2) and substituting the following:

(2) Notwithstanding subsection (1), a company may by ordinary resolution alter its memorandum so as to include or exclude any or all of the powers authorized by section 20(1) but no such resolution takes effect until the Registrar issues a certificate showing the alteration effected by the resolution.

(c) by repealing subsections (3), (4), (5) and (6);

(d) in subsection (7) by striking out “, under the Registrar’s seal of office, certify the registration of the order and the memorandum as altered” **and substituting** “register the order and the memorandum as altered and issue a certificate”;

(e) by repealing subsection (8).

(c) *cause a notice setting out the new name and the former name of the company to be published in The Alberta Gazette or the Registrar's periodical at the expense of the company.*

(20) Section 33(3) presently reads:

(3) A resolution under this section does not take effect until a copy has been filed with the Registrar and when the resolution has been so filed the Registrar shall issue under the Registrar's seal of office a certificate showing the alteration effected by the resolution.

(21) Section 34 presently reads in part:

34(1) Subject to this section, a company may, by special resolution confirmed by an order of the Court, alter the provisions of its memorandum with respect to the objects of the company, so far as may be required to enable it

- (a) to carry on its business more economically or more efficiently,*
- (b) to attain its main purpose by new or improved means,*
- (c) to carry on some business that, under existing circumstances, may conveniently or advantageously be combined with the business of the company, or*
- (d) to restrict or abandon any of the objects specified in the memorandum.*

(2) Notwithstanding subsection (1), a company may by ordinary resolution alter its memorandum of association so as to include or exclude any or all of the powers authorized by section 20(1), but no such resolution takes effect until a copy has been filed with the Registrar, who shall thereupon issue under the Registrar's seal of office a certificate showing the alteration effected by the resolution, and shall at the cost of the company publish in The Alberta Gazette or the Registrar's periodical a statement of the alteration.

(3) Before confirming the resolution the Court must be satisfied

- (a) that sufficient notice has been given to every holder of debentures of the company, and to any persons whose interest will, in the opinion of the Court, be affected by the alteration, and*

(22) Section 36(4) is amended by striking out “under the Registrar’s seal of office”.

(b) with respect to every creditor who, in the opinion of the Court, is entitled to object and who signifies an objection in the manner directed by the Court, that either the creditor's consent to the alteration has been obtained or the creditor's debt or claim has been discharged or has determined, or has been secured to the satisfaction of the Court, but the Court may, in the case of any person or class, for special reasons, dispense with the notice required by this section.

(4) The Court may make an order confirming the resolution either wholly or in part, and on any terms and conditions it thinks fit.

(5) The Court shall, in exercising its discretion under this section, have regard to the rights and interests of the members of the company or of any class of them, as well as to the rights and interests of the creditors, and may, if it thinks fit, adjourn the proceedings in order that an arrangement may be made to the satisfaction of the Court for the purchase of the interests of dissentient members, and the Court may give any directions and make any orders it thinks expedient for facilitating or carrying into effect the arrangement, but no part of the capital of the company may be expended in any such purchase.

(6) When an order is made under this section the company shall, within 15 days from the date of the order or within a further time that the Court may allow, file with the Registrar an office copy thereof, together with a copy of the memorandum as altered, and the resolution as confirmed by the order does not take effect until the copies are filed.

(7) The Registrar shall, under the Registrar's seal of office, certify the registration of the order and the memorandum as altered, and the Registrar's certificate is conclusive proof that all the requirements of this Act with respect to the alteration and the confirmation of the resolution have been complied with, and thenceforward the memorandum so altered is the memorandum of the company.

(8) The Registrar shall cause a statement of the alteration in the objects of the company to be published in The Alberta Gazette or the Registrar's periodical at the cost of the company.

(22) Section 36(4) presently reads:

(4) A resolution under this section does not take effect until a copy has been filed with the Registrar, and the proper fees paid to him,

(23) Section 37 is amended

- (a) in subsection (2) by striking out** “and the annual list of members to be filed with the Registrar”;
- (b) in subsection (3) by striking out** “under the Registrar’s seal of office”.

(24) Section 38 is amended

- (a) in subsection (1)**
 - (i) by striking out** “by special resolution confirmed by an order of the Court,”;
 - (ii) in clause (a) by striking out** “may modify the provisions” **and substituting** “may, by special resolution, modify the provisions”;
 - (iii) in clause (b) by striking out** “may alter its memorandum” **and substituting** “may, by special resolution, alter its memorandum”;
- (b) by repealing subsection (2);**
- (c) by repealing subsection (3) and substituting the following:**
 - (3)** The Registrar shall issue a certificate showing the alteration effected by the resolution.

and when the resolution has been so filed and the fees paid, the Registrar shall issue under the Registrar's seal of office a certificate showing the alteration effected by the resolution.

(23) Section 37 presently reads in part:

(2) When a company having a share capital has converted any of its shares into stock, all the provisions of this Act that are applicable to shares only cease to apply as to so much of the share capital as it converted into stock, and the register of members of the company and the annual list of members to be filed with the Registrar shall be altered accordingly.

(3) A resolution under this section does not take effect until a copy has been filed with the Registrar, and when the resolution has been so filed the Registrar shall issue under the Registrar's seal of office a certificate showing the alteration effected by the resolution.

(24) Section 38 presently reads:

38(1) A company having a share capital by special resolution confirmed by an order of the Court,

(a) may modify the provisions contained in its memorandum so as to reorganize its share capital in any way, and without prejudice to the generality of the foregoing power may modify or alter its memorandum so as to

(i) consolidate shares of different classes,

(ii) divide its shares into shares of different classes,

(iii) vary the rights attached to any class of shares,

(iv) subject to section 81, convert shares of a fixed amount into shares without nominal or par value, or

(v) convert shares without nominal or par value into shares of a fixed amount,

but no preference or special privilege attached to or belonging to any class of shares shall be interfered with except by a resolution passed by a majority in number of shareholders of that class and holding 75% of the share capital of that class, and every resolution so passed binds all shareholders of the class, and

(25) Section 40 is amended

- (a) in subsection (2) by striking out** “an office copy thereof” **and substituting** “a copy of the order”;
- (b) in subsection (3) by striking out** “The Registrar shall certify under the Registrar’s seal of office the registration of the order and minute” **and substituting** “When the order and minute have been registered, the Registrar shall issue a certificate”.

(b) *may alter its memorandum so as to reduce its share capital in any way, and without prejudice to the generality of the foregoing power may modify or alter its memorandum so as to*

(i) *extinguish or reduce the liability on any of its shares in respect of share capital not paid up,*

(ii) *either with or without extinguishing or reducing liability on any of its shares, cancel any paid-up share capital that is lost or unrepresented by available assets, or*

(iii) *either with or without extinguishing or reducing liability on any of its shares, pay off any paid-up share capital that is in excess of the wants of the company.*

(2) *When an order is made under this section, an office copy thereof shall be filed with the Registrar within 15 days from the date of the order or a further time that the Court may allow, and the resolution as confirmed by the order does not take effect until the copy has been so filed.*

(3) *The Registrar shall issue under his or her seal of office a certificate showing the alteration effected by the resolution as so confirmed.*

(25) Section 40 presently reads in part:

(2) *When an order is made under this section, the company shall file with the Registrar, within 15 days from the date of the order or within a further time that the Court may allow, an office copy thereof and of a minute which shall be approved by the Court, showing with respect to the share capital of the company, as altered by the order, the amount of the share capital, the number of shares into which it is divided, the amount of each share and the amount, if any, at the date of the registration deemed to be paid up on each share, and the resolution as confirmed by the order does not take effect until the copies have been so filed.*

(3) *The Registrar shall certify under the Registrar's seal of office the registration of the order and minute, and the Registrar's certificate is conclusive proof that all the requirements of this Act with respect to reduction of share capital have been complied with, and that the share capital of the company is such as is stated in the minute.*

(26) Sections 44(2) and 46 are repealed.

(27) Section 47(1) is repealed.

(28) Section 48 is amended

(a) in subsection (1)

(i) by adding “and” at the end of clause (a);

(ii) in clause (b) by striking out “in the prescribed form”;

(iii) by repealing clauses (c) and (d);

(b) by repealing subsection (3);

(c) in subsection (4) by striking out “to (d)”.

(26) Sections 44(2) and 46 presently read:

44(2) Section 104(2) does not apply with respect to a purchase by a company of any share issued by it.

46 A private company that purchases shares issued by it shall notify the Registrar, within 30 days of the date of the purchase, of the date, the number and the class or kind of shares that it has purchased.

(27) Section 47(1) presently reads:

47(1) A public company which under this Division purchases shares issued by it shall be deemed to be an insider for the purposes of Part 6, Division 3.

(28) Section 48 presently reads in part:

48(1) Unless all of the shareholders at the date of the purchase have unanimously agreed in writing to the proposed purchase, a company that proposes to purchase shares issued by it shall

- (a) make its offer to purchase to every shareholder resident in Canada who holds shares of the class or kind to be purchased,*
- (b) deliver or mail, in the manner prescribed in the articles of the company for sending a notice of a meeting of the shareholders, a copy of the offering circular in the prescribed form to each shareholder of record at the time of the offer who is resident in Canada, stating the number and the class or kind of shares which the company proposes to purchase,*
- (c) in the case of a private company, file a copy of the offering circular with the Registrar within 15 days of the date that it is first delivered or mailed to the shareholders of the company, and*
- (d) in the case of a public company, file a copy of the offering circular with the Executive Director within 5 days of the date that it is first delivered or mailed to the shareholders resident in Canada.*

(3) If, in response to the offer contained in the offering circular, the shareholders agree to sell a greater number of shares than the company offered to buy, the company shall make its purchase from

(29) Section 49 is repealed and the following is substituted:

Exception

49 A public company whose shares are listed on a Canadian stock exchange or traded in the over-the-counter market in Canada is not required to comply with section 48.

(30) Section 50 is repealed.

(31) Section 51 is amended by striking out “the Executive Director or”.

all of the shareholders who offered to sell as nearly as possible on a prorated basis, disregarding fractions.

(4) Notwithstanding subsection (1)(a), a company may make its offer to purchase shares issued by it to every shareholder who holds shares of the class or kind to be purchased, wherever resident, in which case subsection (1)(b) to (d) applies with all necessary modifications.

(29) Section 49 presently reads:

49 A public company whose shares are listed on a Canadian stock exchange, or traded in the over-the-counter market in Canada, is not required to comply with section 48 if

- (a) the shares it proposes to purchase are bought through the facilities of a stock exchange or in the over-the-counter market,*
- (b) there has been no solicitation of the shareholders by the company, and*
- (c) its purchases do not exceed in any single month more than 1% of the class or kind of shares which were issued and outstanding on the first day of that month.*

(30) Section 50 presently reads:

50 On an application by a company the Commission may, subject to any terms and conditions it may impose, exempt the company from the requirements of any provision of this Division if in the opinion of the Commission it would not be prejudicial to the public interest to do so.

(31) Section 51 presently reads:

51 If, in connection with an offer by a company to purchase shares issued by it, the company or its directors do not comply with this Act or the regulations, the Executive Director or any interested person may apply to the Court by way of originating notice and on the application the Court may make an order

- (a) approving the contents of the offering circular with or without variation and requiring distribution of the corrected document to each shareholder entitled to receive it,*
- (b) restraining the distribution of the offering circular,*

(32) Sections 54 and 55(2) and (3) are repealed.

(33) The following heading preceding section 56 is repealed:

**Company Limited by Shares to
Specially Limited Company**

(34) Section 56 is repealed.

**(35) The heading preceding section 57 and sections 57 and 58
are repealed.**

(c) *requiring any person to comply with this Act or the regulations, or*

(d) *rescinding the offer.*

(32) Sections 54 and 55(2) and (3) presently read:

54 An application to the Court under this Division shall be heard by a judge designated by the Chief Justice of the Court.

55(2) A copy of every special resolution and of every ordinary resolution to which this section applies and passed by the company under the authority of or affecting the contents of the articles shall, so long as the resolution is in force, be embodied in or annexed to every copy of the articles issued after the passing of the resolution.

(3) Any company that defaults in embodying in or annexing to a copy of its articles a copy of a resolution required by this section to be so embodied or annexed is guilty of an offence.

(33) The heading preceding section 56 presently reads:

Company Limited by Shares to Specially Limited Company

(34) Section 56 presently reads:

56 Subject to anything contained in the memorandum or articles, a company limited by shares and established for the principal object of mining may, for the purpose of converting itself into a specially limited company, alter the conditions of its memorandum by special resolution, so that its memorandum will comply with the requirements of this Act for a specially limited company.

(35) The heading preceding section 57 and sections 57 and 58 presently read:

Specially Limited Company to Company Limited by Shares

57 Subject to anything contained in the memorandum or articles, a specially limited company may, for the purpose of converting itself into a company limited by shares, alter its memorandum by special resolution, so that its memorandum will comply with the requirements of this Act for a company limited by shares.

58(1) When a company exercises the powers conferred by either section 56 or 57,

(36) Section 60(2) is repealed and the following is substituted:

(2) The resolution does not take effect until the Registrar issues a certificate that the company has been converted from a private company to a public company.

(37) Section 61(1)(a) is repealed.

(38) Section 64 is amended by striking out “, and on its registration shall be entered as members in its register of members”.

- (a) *the company shall by its special resolution make any alterations in its articles that may be necessary for the purposes of its conversion,*
- (b) *the company shall file with the Registrar a copy of the special resolution, together with a copy of its memorandum as altered, and shall surrender to the Registrar its certificate of incorporation, which the Registrar shall cancel, and*
- (c) *the Registrar shall issue under the Registrar's seal of office a new certificate showing in what respects the constitution of the company is altered,*

and thereupon the conversion of the company takes effect according to the tenor of the resolution.

(2) Whenever any such exercise involves an alteration of the provisions of its memorandum with respect to the objects of the company, the company shall comply with section 34.

(36) Section 60(2) presently reads:

(2) The resolution shall be filed with the Registrar but does not take effect until the Registrar issues under the Registrar's seal of office a certificate that the company has been converted from a private company to a public company.

(37) Section 61(1) presently reads in part:

61(1) If the company fails to comply with the provisions that are included in its memorandum or articles and that constitute it a private company, it ceases to be entitled to the privileges and exemptions conferred on private companies under the sections of this Act relating

- (a) *to the making of an annual return in the form of a balance sheet (section 162),*

and thereupon those sections apply to the company as if it were not a private company.

(38) Section 64 presently reads:

64 The subscribers of the memorandum of a company shall be deemed to have agreed to become members of the company, and on its registration shall be entered as members in its register of members.

(39) Section 65(1) is repealed and the following is substituted:

Copy of memorandum and articles and resolutions

65(1) A company shall send to a member, at the member's request, a copy of the memorandum and articles of the company and a copy of any special or ordinary resolution passed by the company.

(40) Section 66(1)(a) is amended by striking out
“, alphabetically arranged or alphabetically indexed.”.

(41) Sections 67 and 68(4) are repealed.

(42) Section 69 is amended

(a) in subsection (1) by striking out “free of charge, and to the inspection of any other person on payment of 25¢, or any

(39) Section 65(1) presently reads:

65(1) Every company shall send to every member thereof, at the member's request, a copy of the memorandum and of the articles, if any,

(a) on payment of \$1 or any less sum that the company may prescribe, when the memorandum and articles are printed, or

(b) for a written or typewritten copy, on payment of 10¢ for every 100 words required to be copied,

and on payment of 50¢ or any less sum that the company may prescribe, a copy of any special or ordinary resolution passed by the company.

(40) Section 66(1) presently reads in part:

66(1) Every company shall keep in one or more books a register of its members, and shall enter therein the following particulars:

(a) the full names, alphabetically arranged or alphabetically indexed, and addresses of the subscribers of the memorandum and of every other person who agrees to become a member of the company and of every person described in the register as representing a named mortgagor, another person or an estate;

(41) Sections 67 and 68(4) presently read:

67 On the application of the transferor of any share or interest in a company, the company shall enter in its register of members the name of the transferee in the same manner and subject to the same conditions as if the application for the entry were made by the transferee.

68(4) The Court, when making an order for rectification of the register, shall by its order direct that notice of the rectification be given to the Registrar.

(42) Section 69 presently reads in part:

69(1) The register of members, commencing from the date of the registration of the company, shall be kept at the registered office of the company, and, except when closed under the provisions of this Act, shall during business hours (subject to any reasonable

less sum that the company may prescribe, for each inspection” **and substituting** “or any other person free of charge”;

- (b) in subsection (2) by striking out** “, on payment of 25¢, or any less sum that the company may prescribe, for every 100 words or fractional part thereof required to be copied”.

(43) Section 73(2) to (6) are repealed.

restrictions that the company in general meeting may impose, so that not less than 2 hours in each day is allowed for inspection) be opened to the inspection of any member free of charge, and to the inspection of any other person on payment of 25¢, or any less sum that the company may prescribe, for each inspection.

(2) A member or other person may require a copy of the register, or of any part thereof, or of the annual list of members and summary, or of any part thereof, on payment of 25¢, or any less sum that the company may prescribe, for every 100 words or fractional part thereof required to be copied.

(43) Section 73(2) to (6) presently read:

(2) The company shall give to the Registrar notice of each location of an office where the register is kept, and of any change in its situation, and of the discontinuance of the office in the event of its being discontinued.

(3) The register shall be deemed to be part of the company's register of members (hereinafter referred to as "the principal register"), and shall be kept in the same manner in which the principal register is by this Act required to be kept, except that the advertisement before closing the register shall be inserted in some newspaper circulating in the district wherein the register is kept.

(4) A copy of every entry in the register shall, as soon as possible after the entry is made, be transmitted to the registered office of the company, and the company shall from time to time cause it to be entered up in the principal register or a duplicate of the register, and a duplicate shall for all the purposes of this Act be deemed to be part of the principal register.

(5) The company may discontinue to keep any such register, and thereupon all entries in that register shall be transferred to some other register kept by the company in the same province, state, or country, or to the principal register.

(6) Subject to this Act, any company may by its articles make any provisions it thinks fit respecting the keeping of a register outside Alberta.

(44) Section 75(2) is amended by striking out “complete and”.

(45) Section 81(5) is amended by striking out “(including an extra-provincial company)”.

(46) Section 82(2) is amended by striking out “confirmed by an order of the Court”.

(47) Sections 83(10) and (13), 84 and 85 are repealed.

(44) Section 75(2) presently reads:

(2) Unless the conditions of the issue of the shares otherwise provide, every company shall, within 2 months after the allotment of any of its shares and within 2 months after the date of lodgment of a transfer of any of its shares, complete and have ready for delivery the certificates of all shares allotted or transferred.

(45) Section 81(5) presently reads:

(5) For the purpose of the computation of the prescribed fees, the memorandum or articles may state the maximum price or consideration for which shares without nominal or par value may be issued, and the authorized capital of every company (including an extra-provincial company) having shares without nominal or par value, shall, for the purpose of this and all other Acts, be the capital as ascertained under the regulations.

(46) Section 82(2) presently reads:

(2) If at any time the share capital is divided into different classes of shares, the rights attached to any class, unless otherwise provided by the terms of issue of the shares of that class, may be varied by a special resolution confirmed by an order of the Court, with the consent in writing of the holders of 75% of the issued shares of that class, or with the sanction of a resolution passed with the majority required for the passing of a special resolution at a separate general meeting of the holders of the shares of the class.

(47) Sections 83(10) and (13), 84 and 85 presently read:

83(10) Subsection (9) does not apply to the acceptance by a company of the surrender of mutual fund shares pursuant to section 84.

(13) Nothing in this section in any way interferes with the discretion of the Court to sanction any scheme for reduction of capital under section 38, whether the scheme does or does not involve the cancellation, payment or redemption of preference shares.

84(1) In this section "mutual fund shares" means shares having conditions attached thereto that include conditions requiring the company issuing the shares to accept, at the demand of the holder thereof and at prices determined and payable in accordance with the conditions, the surrender of the shares, or fractions or parts thereof, that are fully paid.

(2) If the only undertaking of a company is the business of investing the funds of the company, its memorandum may provide for the issuing of mutual fund shares, in which case the memorandum shall set out the conditions governing

(a) the surrender of fully paid mutual fund shares or any fraction or parts thereof that are fully paid, and

(b) the determination of the price to be paid therefor and the manner and time of payment thereof.

(3) Section 83(3) does not apply to the surrender or redemption of mutual fund shares.

(4) Any mutual fund shares or fractions or parts thereof surrendered to the company pursuant to the conditions attached to those shares shall be deemed to be no longer outstanding and shall not be reissued by the company.

(5) Notwithstanding section 83(1) or anything to the contrary in the company's memorandum or in the certificate for any mutual fund shares, all mutual fund shares shall be deemed to contain the condition that, on the surrender of any fully paid mutual fund shares, or any fractions or parts thereof that are fully paid, the price to be paid therefor may be paid out of the company's assets, including its capital.

(6) If in any memorandum of association the expression "redemption" or "purchase for cancellation", or an expression of like import, is used in relation to any shares of a company, the expression shall, in relation to mutual fund shares of the company, be deemed to be a reference to acceptance by the company of the surrender of those shares.

(7) A company incorporated before April 17, 1967 and whose only undertaking is the business of investing the funds of the company shall be deemed to have always had the power to issue mutual fund shares under subsection (2) and this section applies also to that company and any mutual fund shares issued by it before that date.

85(1) Any company having a share capital, if so authorized by its articles, may, with respect to any fully paid-up shares, issue under its common seal a warrant (in this Act called "a share warrant") stating that the bearer of the warrant is entitled to the shares therein specified, and may provide, by coupons or otherwise, for the

payment of the future dividends on the shares included in the warrant.

(2) A share warrant entitles the bearer thereof to the shares therein specified, and the shares may be transferred by delivery of the warrant.

(3) The bearer of a share warrant, subject to the articles of the company, is entitled on surrendering it for cancellation to have the bearer's name entered as a member in the register of members, and the company is responsible for any loss incurred by any person by reason of the company entering in its register the name of a bearer of a share warrant in respect of the shares therein specified without the warrant being surrendered and cancelled.

(4) The bearer of a share warrant may, if the articles of the company so provide, be deemed to be a member of the company within the meaning of this Act, either to the full extent or for any purposes defined in the articles, except that the bearer is not qualified in respect of the shares specified in the warrant to be a director or manager of the company in cases where such a qualification is required by the articles.

(5) On the issue of a share warrant the company shall strike out of the register of members the name of the member then entered therein as holding the shares specified in the warrant as if the member had ceased to be a member, and shall enter in the register the following particulars:

- (a) the fact of the issue of the warrant;*
- (b) a statement of the shares included in the warrant;*
- (c) the date of the issue of the warrant.*

(6) Until the warrant is surrendered, the particulars specified in subsection (5) shall be deemed to be the particulars required by this Act to be entered in the register of members, and, on the surrender, the date of the surrender shall be entered as if it were the date at which a person ceased to be a member.

(48) Section 87(1)(c) is repealed and the following is substituted:

- (c) shall set out its name in legible characters in or on all contracts, invoices, negotiable instruments and orders for goods and services issued or made by or on behalf of the company.

(49) Section 90 is amended

- (a) by repealing subsection (1);
- (b) by repealing subsection (2) and substituting the following:
 - (2) The meetings of a board of directors may be held at any place within or outside Alberta.
- (c) by repealing subsections (3), (6) and (7).

(50) Section 93 is amended

- (a) in subsection (1)
 - (i) by striking out “and managers” wherever it occurs;
 - (ii) by striking out “or manager” wherever it occurs;
- (b) in subsection (2)
 - (i) by striking out “, in the prescribed form,”;
 - (ii) by striking out “or managers” wherever it occurs;
 - (iii) by striking out “the change in the prescribed form” and substituting “the change”.

(48) Section 87(1) presently reads in part:

87(1) Every company

(c) shall have its name set forth in legible characters in all notices, advertisements, and other official publications of the company, and in all bills of exchange, promissory notes, endorsements, cheques, and orders for money or goods purporting to be signed by or on behalf of the company, and in all bills of parcels, invoices, receipts, and letters of credit of the company.

(49) Section 90 presently reads in part:

90(1) At least 50% of the members of the board of every company shall be resident Albertans.

(2) The meetings of a board of directors may be held at any place within or outside Alberta, but in any year a majority of the meetings of a board of directors shall be held at a place within Canada.

(3) No business of a company shall be transacted at a meeting of a board of directors unless at least 50% of the members of the board of directors present at that meeting are resident Albertans.

(6) This section does not apply to an extra-provincial company or a non-resident company.

(7) The Lieutenant Governor in Council may exempt a company from the application of subsection (1), (2) or (3).

(50) Section 93 presently reads in part:

93(1) Every company shall keep at its registered office a register of its directors and managers, and enter therein the following particulars:

(a) the full names and addresses of the directors and managers;

(b) the date on which each director or manager was appointed;

(c) the date on which each director or manager ceased to hold office as director or manager.

(2) Every company shall file with the Registrar a notice, in the prescribed form, of its first directors or managers within 15 days

(51) Section 94 is amended

- (a) in subsection (1) by striking out** “free of charge and to the inspection of any other person on payment of 25¢, or any less sum that the company may prescribe, for each inspection” **and substituting** “or any other person free of charge”;
- (b) in subsection (2) by striking out** “, on payment of 25¢ or any less sum that the company may prescribe, for every 100 words or fractional part thereof required to be copied”.

(52) Divisions 3 and 4 of Part 6 are repealed.

after their appointment, and within 15 days after any change among the directors or managers is made shall also file with the Registrar a notice of the change in the prescribed form.

(51) Section 94 presently reads in part:

94(1) The register of directors and managers, commencing from the date of the registration of the company, shall during business hours (subject to any reasonable restrictions as the company in general meeting may impose, so that not less than 2 hours in each day is allowed for inspection) be open to the inspection of any member free of charge and to the inspection of any other person on payment of 25¢, or any less sum that the company may prescribe, for each inspection.

(2) Any member or other person may require a copy of the register, or of any part thereof, on payment of 25¢ or any less sum that the company may prescribe, for every 100 words or fractional part thereof required to be copied.

(52) Divisions 3 and 4 of Part 6 presently read:

*Division 3
Insider Trading*

95(1) In this Division,

- (a) “affiliate” means an affiliated company within the meaning of section 2(3);*
- (b) “associate”, when used to indicate a relationship with any person, means*
 - (i) any company of which that person beneficially owns, directly or indirectly, equity shares carrying more than 10% of the voting rights attached to all equity shares of the company for the time being outstanding,*
 - (ii) any trust or estate in which that person has a substantial beneficial interest or as to which that person serves as trustee or in a similar capacity, or*
 - (iii) any relative or spouse or adult interdependent partner of that person or any relative of that spouse or adult interdependent partner who, in any such case, has the same home as that person;*

- (c) *“capital security” means any share of any class of shares of a company or any bond, debenture, note or other obligation of a company, whether secured or unsecured;*
- (d) *“equity share” means any share of any class of shares of a company carrying voting rights under all circumstances and any share of any class of shares carrying voting rights by reason of the occurrence of any contingency that has occurred and is continuing;*
- (e) *“insider” or “insider of a company” means*
- (i) *any director or senior officer of a public company that has 15 or more shareholders, 2 or more persons who are the joint registered owners of one or more shares being counted as one shareholder,*
 - (ii) *any person who beneficially owns, directly or indirectly, equity shares of such a company carrying more than 10% of the voting rights attached to all equity shares of the company for the time being outstanding, but in computing the percentage of voting rights attached to equity shares owned by an underwriter there shall be excluded any equity shares that have been acquired by the person as underwriter in the course of distribution to the public of those shares, but the exclusion ceases to have effect on completion or cessation of the distribution to the public by the person, or*
 - (iii) *any person who exercises control or direction over the equity shares of such a company carrying more than 10% of the voting rights attached to all equity shares of the company for the time being outstanding;*
- (f) *“senior officer” means*
- (i) *the chairman or any vice-chairman of the board of directors, the president, any vice-president, the secretary, the treasurer or the general manager of a company or any other individual who performs functions for the company similar to those normally performed by an individual occupying any such office, and*
 - (ii) *each of the 5 highest paid employees of a company, including any individual referred to in clause (i);*

(g) “underwriter” has the same meaning as in the Securities Act.

(2) For the purposes of this Division,

- (a) every director or senior officer of a corporation that is itself an insider of a company shall be deemed to be an insider of that company,
- (b) an individual shall be deemed to own beneficially capital securities beneficially owned by a company controlled by the individual or by an affiliate of that company,
- (c) a company shall be deemed to own beneficially capital securities beneficially owned by its affiliates, and
- (d) the acquisition or disposition by an insider of a put, call or other transferable option with respect to a capital security shall be deemed a change in the beneficial ownership of the capital security to which that transferable option relates.

(3) For the purpose of reporting under section 96 or 97, ownership shall be deemed to pass at the time that an offer to sell is accepted by the purchaser or the purchaser’s agent or an offer to buy is accepted by the vendor or the vendor’s agent.

96(1) A person who becomes an insider of a company shall, within 10 days after the end of the month in which the person becomes an insider, file with the Executive Director a report as of the day on which the person became an insider, of his or her direct or indirect beneficial ownership of or control or direction over capital securities of the company.

(2) If a person who is an insider of a company, but has no direct or indirect beneficial ownership of or control or direction over capital securities of the company, acquires direct or indirect beneficial ownership of or control or direction over any such securities, the person shall, within 10 days after the end of the month in which the person acquired that direct or indirect beneficial ownership or that control or direction, file with the Executive Director a report, as of the date of the acquisition, of his or her direct or indirect beneficial ownership of or control or direction over capital securities of the company.

(3) A person who has filed or was or is required to file a report under this section and whose direct or indirect beneficial ownership of or control or direction over capital securities of the company

changes from that shown or required to be shown in that report or in the last report filed by the person under this section shall, within 10 days following the end of the month in which the change takes place, if the person was an insider of the company at any time during that month, file with the Executive Director a report of the person's direct or indirect beneficial ownership of or the person's control or direction over capital securities of the company at the end of that month and the change or changes therein that occurred during the month giving the details of each transaction required by the regulations.

97(1) In this section "offeror" means a person, other than an agent, who makes a take-over bid as defined in Part 13 of the Securities Act, and includes 2 or more persons

- (a) whose take-over bids are made jointly or in concert, or*
- (b) who intend to exercise jointly or in concert any voting rights attached to the shares for which a take-over bid is made.*

(2) If an offeror becomes an insider under this Division and through purchases effected through the facilities of a stock exchange or in the over-the-counter market becomes the beneficial owner, directly or indirectly, of equity shares of a company carrying 20% or more of the voting rights attached to all equity shares of the company for the time being outstanding, the offeror within 3 days of acquiring that 20% ownership, shall file with the Executive Director a report as of the day on which the offeror attained that ownership.

(3) An offeror required to file a report under subsection (2) shall, within 3 days of purchasing further equity shares carrying an additional 5% of the voting rights through the facilities of a stock exchange or in the over-the-counter market, file with the Executive Director a report as of the day on which the offeror attained the additional 5% of the voting rights and thereafter each time the offeror acquires a further 5%.

(4) If the facts required to be reported by this section are identical to those required under section 96, a separate report under section 96 is not required.

98 All reports filed with the Executive Director under section 96 shall be available for public inspection at the offices of the Commission during normal business hours of the Commission, and any person may make extracts from the reports.

99(1) Every person who is required to file a report under section 96 or 97 and who fails to do so is guilty of an offence and is liable to a fine of not more than \$1000, and, if that person is a company, every director or officer of that company who authorized, permitted or acquiesced in the failure is also guilty of an offence and is liable to a like fine.

(2) Every person who files a report under section 96 or 97 that is false or misleading by reason of the misstatement or omission of a material fact is guilty of an offence and is liable to a fine of not more than \$1000, and, if that person is a company, every director or officer of that company who authorized, permitted or acquiesced in the filing of the false or misleading report is also guilty of an offence and is liable to a like fine.

(3) No person is guilty of an offence under subsection (2) if the person did not know and with the exercise of reasonable diligence could not have known that the report was false or misleading by reason of the misstatement or omission of a material fact.

(4) No prosecution shall be brought under subsection (1) or (2) without the consent of the Executive Director.

(5) If it appears to the Executive Director that any person has failed to comply with section 96 or 97, the Executive Director may in his or her discretion apply to a judge of the Court designated by the Chief Justice of the Court for an order requiring that person to comply therewith.

(6) An appeal lies to the Court of Appeal from an order made under subsection (5).

100(1) Every insider of a company or associate or affiliate of that insider, who, in connection with a transaction relating to the capital securities of the company, makes use of any specific confidential information for the insider's own benefit or advantage that, if generally known, might reasonably be expected to affect materially the value of those securities,

(a) is liable to compensate any person for any direct loss suffered by that person as a result of the transaction, unless the information was known or ought reasonably to have been known to that person at the time of the transaction, and

(b) is also accountable to the company for any direct benefit or advantage received or receivable by that insider, associate or affiliate, as the case may be, as a result of the transaction.

(2) An action to enforce any right created by subsection (1) may be commenced only within 2 years after the date of completion of the transaction that gave rise to the cause of action.

101(1) On application by any person who was at the time of a transaction referred to in section 100(1) or is at the time of the application an owner of capital securities of the company, a judge of the Court designated by the Chief Justice of the Court may, if satisfied that

(a) that person has reasonable grounds for believing that the company has a cause of action under section 100, and

(b) either

(i) the company has refused or failed to commence an action under section 100 within 60 days after receipt of a written request from that person to do so, or

(ii) the company has failed to prosecute diligently an action commenced by it under section 100,

make an order, on any terms as to security for costs and otherwise that to the judge seem fit, requiring the Executive Director to commence or continue an action in the name of and on behalf of the company to enforce the liability created by section 100.

(2) The company and the Executive Director shall be given notice of any application under subsection (1) and has the right to appear and be heard thereon.

(3) Every order made under subsection (1) shall provide that the company shall co-operate fully with the Executive Director in the institution and prosecution of the action and shall make available to the Executive Director all books, records, documents and other material or information known to the company or reasonably ascertainable by the company relevant to the action.

(4) An appeal lies to the Court of Appeal from an order made under subsection (1).

102 The Lieutenant Governor in Council may make regulations

- (a) *prescribing the form and content of the reports required to be filed under section 96 or 97;*
- (b) *respecting any other matter necessary or advisable to carry out effectively the intent and purpose of this Division.*

103(1) On the application of any interested person, the Commission may, if satisfied in the circumstances of the particular case that there is adequate justification for so doing, make an order on any terms and conditions that seem to the Commission just and expedient exempting, in whole or in part, a person from the requirements of section 96 or 97.

(2) Section 96 or 97 does not apply to a public company to which Part 9 applies.

(3) Sections 96, 97 and 100 do not apply to an insider, an offeror, or an insider or his or her associate or affiliate, respectively, where the company concerned is a reporting issuer as defined in the Securities Act.

Division 4 Dividends

104(1) No dividend shall be declared

- (a) *when the company is insolvent,*
- (b) *if the dividend renders the company insolvent, or*
- (c) *if the dividend will impair the capital of the company.*

(2) In determining the solvency of the company for the purposes of this section no account shall be taken of any increase in the surplus or reserves of the company resulting merely from the writing-up of the value of the assets of the company, unless the writing-up was done more than 5 years before the date of the declaration of the dividend.

(3) If the directors of the company

- (a) *declare and pay a dividend when the company is insolvent,*
- (b) *declare and pay a dividend that renders the company insolvent, or*

- (c) *declare and pay a dividend that impairs the capital of the company,*

they are jointly and severally liable to the company and to its creditors for the debts of the company then existing or thereafter contracted until repayment of the dividends so declared and paid, to the extent that the dividends and interest have not been repaid to the company.

(4) If any director present, when the dividend is declared, forthwith requests the entry on the minutes of the board of the director's protest against it, or if any director then absent, within one week after the director becomes aware of its declaration and is able to do so, delivers to the president, secretary or other officer of the company a protest against it and within 8 days thereafter delivers or mails by registered letter a duplicate copy of the protest to the Registrar, the director may thereby and not otherwise exonerate himself or herself from that liability.

105 For the amount of any dividend that the directors may lawfully declare payable in money, the directors, if authorized to do so by the company's articles or by a special resolution, may

- (a) issue therefor shares of the company as fully paid, or*
- (b) credit the amount of that dividend on the shares of the company already issued but not fully paid and the liability of the holders of those shares thereon shall be reduced by the amount of the dividend.*

106(1) Notwithstanding section 104,

- (a) a company of which at least 75% in value of the assets are of a wasting character, or*
- (b) a mining company that for the time being carries on as its principal business the business of operating producing mining properties owned or controlled by it,*

may declare and pay dividends out of its funds that are derived from the operations of the company notwithstanding that the paid-up capital of the company may be thereby reduced or impaired, if the payment does not reduce the value of its remaining assets so that they will be insufficient to meet all the liabilities of the company then existing exclusive of its paid-up capital.

(53) Sections 108, 109 and 110 are repealed.

(2) If a dividend is declared in excess of the amount permitted by subsection (1), the directors are liable for the amount in excess of the amount permitted in the same manner and to the same extent as set out in section 104(3).

107 The directors may deduct from the dividends payable to any shareholder all sums of money due from the shareholder to the company on account of calls or otherwise.

(53) Sections 108, 109 and 110 presently read:

108(1) Every prospectus, other than a preliminary prospectus, issued by or on behalf of a company shall be filed with the Registrar

- (a) within 15 days of the date on which the prospectus is accepted by the Executive Director pursuant to the Securities Act, or by the equivalent authority in another jurisdiction, or*
- (b) if the prospectus is not required to be filed with the Executive Director or with an equivalent authority in another jurisdiction, within 15 days of the date of issue of the prospectus.*

(2) If the prospectus is required to be filed with the Executive Director pursuant to the Securities Act, or the equivalent authority in another jurisdiction, the copy of the prospectus filed with the Registrar shall be certified by an officer of the company to be an exact copy of the prospectus filed with the Executive Director or other authority.

(3) The prospectus shall be dated and that date shall, unless the contrary is proved, be taken as the date of issue of the prospectus.

(4) Every company and person who defaults in complying with or contravenes any requirement of this section is guilty of an offence.

(5) This section applies to a prospectus issued in relation to an intended company or by or on behalf of any person who is or has been engaged or interested in the formation or promotion of the company or in the organization of a company.

109(1) In this section,

- (a) "expert" includes engineer, valuer, accountant, and any other person whose profession gives authority to a statement made by him or her;*

(b) “promoter” means a promoter who was a party to the preparation of the prospectus, or of the portion thereof containing the untrue statement, but does not include any person by reason only of the person acting in a professional capacity for persons engaged in procuring the formation of the company.

(2) When a prospectus invites persons to subscribe for shares in or debentures of a company or to become members of a company, every person who is a director of the company at the time of the issue of the prospectus, and every person who is with the person’s consent named in the prospectus as a director or as having agreed to become a director, either immediately or after an interval of time, and every promoter of the company, and every person who has authorized the issue of the prospectus, is liable to pay compensation to all persons who subscribe for any shares or debentures or apply for membership on the faith of the prospectus for the loss or damage they may have sustained by reason of any untrue statement therein, or in any report or memorandum appearing on the face thereof or by reference incorporated therein or issued therewith,

(a) unless it is proved

(i) with respect to every untrue statement not purporting to be made on the authority of an expert, or of a public official document or statement, that he or she had reasonable ground to believe, and did up to the time of the allotment of the shares or debentures or admission to membership, as the case may be, believe, that the statement was true,

(ii) with respect to every untrue statement purporting to be a statement by or contained in what purports to be a copy of or extract from a report or valuation of an expert, that it fairly represented the statement, or was a correct and fair copy of or extract from the report or valuation, but the director, person named as director, promoter, or person who authorized the issue of the prospectus, is liable to pay compensation as aforesaid if it is proved that he or she had no reasonable ground to believe that the person making the statement, report, or valuation was competent to make it, and

(iii) with respect to every untrue statement purporting to be a statement made by an official person or contained in what purports to be a copy of or extract from a public official

document, that it was a correct and fair representation of the statement or copy of or extract from the document,

or

(b) unless it is proved

(i) that having consented to become a director of the company the person withdrew consent before the issue of the prospectus, and that it was issued without the person's authority or consent,

(ii) that the prospectus was issued without the person's knowledge or consent, and that on becoming aware of it the person forthwith gave reasonable public notice that it was issued without knowledge or consent, or

(iii) that after the issue of the prospectus and before allotment thereunder, the person, on becoming aware of any untrue statement therein, withdrew consent thereto and gave reasonable public notice of the withdrawal, and of the reason therefor.

(3) Every person to whom subsection (2)(b)(ii) or (iii) applies shall file with the Registrar a copy of the public notice given by the person, within 7 days from the date of the notice.

(4) If the prospectus contains the name of a person as a director of the company or as having agreed to become a director thereof and the person has not consented to become a director or has withdrawn consent before the issue of the prospectus and has not authorized or consented to the issue thereof, the directors of the company, except any without whose knowledge or consent the prospectus was issued, and any other person who authorized the issue thereof, are liable to indemnify the person named as aforesaid against all damages, costs and expenses to which the person may be made liable by reason of the person's name having been inserted in the prospectus, or in defending himself or herself against any action or legal proceedings brought against him or her in respect thereof.

(5) Every person who by reason of his or her being a director or of being named as a director or of having agreed to become a director, or of having authorized the issue of the prospectus, becomes liable to make any payment under this section may recover contribution, as in cases of contract, from any other person who, if sued separately,

(54) Section 111 is amended

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

Prospectus when offering shares

111(1) This section applies if a company allots or agrees to allot any shares or debentures of the company with a view to all or any of the shares or debentures being offered for sale to the public, and the whole consideration for those shares or debentures is not paid to the company at the date of the allotment or the offer for sale, whichever date is earlier.

- (b) by repealing subsections (2) and (3);**
- (c) in subsection (4) by striking out “the prospectus is signed” and substituting “a prospectus is signed”;**

would have been liable to make the same payment, unless the person who has become so liable was, and that other person was not, guilty of fraudulent misrepresentation.

110(1) No person shall issue any form of application or subscription for a company's shares or debentures offered to the public unless the form is issued with a prospectus filed under section 108 and complying with Part 8 of the Securities Act.

(2) This section does not apply when the form of application is issued

- (a) in connection with an invitation made in good faith to a person to enter into an underwriting agreement with respect to the shares or debentures,*
- (b) in relation to the shares or debentures of a company not being offered to the public, or*
- (c) to existing members or debenture-holders of the company whether or not an applicant for shares or debentures has the right to renounce in favour of other persons.*

(3) A person who acts in contravention of this section is, without prejudice to any other liability, guilty of an offence.

(54) Section 111 presently reads:

111(1) If a company allots or agrees to allot any shares or debentures of the company with a view to all or any of the shares or debentures being offered for sale to the public, and the whole consideration for those shares or debentures is not paid to the company at the date of the allotment or the offer for sale, whichever date is the earlier, any person who, by a prospectus issued by the person with respect to all or any of those shares or debentures, makes an offer thereof to the public, shall file with the Registrar a copy of the prospectus, signed and dated by the person and that date shall, unless the contrary be proved, be taken as the date of issue of the prospectus.

(2) The prospectus referred to in subsection (1) shall be filed with the Registrar within 7 days after its issue and before any copies thereof are circulated or distributed.

(3) For the purposes of this section

(d) in subsection (5) by striking out “, and no subscription or application for any share or debenture shall be taken unless a copy of the prospectus has been so furnished”.

(55) Section 118 is amended by striking out “and have ready for delivery”.

(56) Section 119(1) is amended by striking out “, and the Registrar shall enter the fact in the register of mortgages”.

- (a) *if an offer of shares or debentures or any of them for sale to the public is made within 6 months after the allotment or agreement to allot those shares or debentures was made, or*
- (b) *if the whole consideration to be received by the company in respect of the shares or debentures has not been received by the company at the date when the offer of the shares or debentures or any of them for sale to the public was made,*

it is, unless the contrary be proved, evidence that the allotment of shares or debentures or the agreement to allot the shares or debentures was made with a view to the shares or debentures being offered for sale to the public.

(4) When a person making an offer for sale to which this section relates is a company or firm, it is sufficient for the purposes of this section if the prospectus is signed on behalf of the company or firm by an officer of the company or a partner of the firm authorized in either case to sign the prospectus.

(5) A copy of the prospectus shall be furnished to every member of the public to whom the offer of any shares or debentures to which the prospectus relates is made at the time the offer is made, and no subscription or application for any share or debenture shall be taken unless a copy of the prospectus has been so furnished.

(55) Section 118 presently reads:

118 Unless the conditions of issue of the debentures or debenture stock otherwise provide, every company shall, within 2 months after the allotment of any of its debentures or debenture stock and within 2 months after the date of lodgment of a transfer of any of its debentures or debenture stock, complete and have ready for delivery the debentures and the certificates of all debenture stock allotted or transferred.

(56) Section 119(1) presently reads:

119(1) If a person obtains an order for the appointment of a receiver or manager of the property of a company or, under any powers contained in any instrument, appoints such a receiver or manager or takes possession of the property of a company, the person shall, within 15 days from the date of the order, the appointment or the taking of possession, as the case may be, file with the Registrar a copy of the order or a notice of having made the

(57) Section 121(2)(b) is amended by striking out “, and the Registrar shall enter the notice in the register of mortgages and charges”.

(58) The heading preceding section 127 and section 127 are repealed.

appointment or taken possession, and the Registrar shall enter the fact in the register of mortgages.

(57) Section 121(2) presently reads in part:

(2) Every receiver or manager of the property of a company who has been appointed under the powers contained in any instrument shall

(b) on ceasing to act as a receiver or manager pursuant to the appointment, file a notice to that effect with the Registrar, and the Registrar shall enter the notice in the register of mortgages and charges.

(58) The heading preceding section 127 and section 127 presently read:

Reduction of Paid-up Capital by Return of Accumulated Profits

127(1) When a company having a share capital has accumulated a sum of undivided profits that, with the sanction of the shareholders, may be distributed among the shareholders in the form of a dividend or bonus, it may by special resolution return the sum or any part thereof to the shareholders in reduction of the paid-up capital of the company, the unpaid capital being thereby increased by a similar amount.

(2) The resolution does not take effect until a memorandum, showing the particulars required by this Act in the case of a reduction of share capital, has been filed with the Registrar, but the other provisions of this Act with respect to reduction of share capital do not apply to a reduction of paid-up capital under this section.

(3) On a reduction of paid-up capital pursuant to this section, any shareholder, or any one or more of several joint shareholders, may, within one month after the passing of the resolution for the reduction, require the company to retain, and the company shall retain accordingly, the whole of the money actually paid on the shares held by the shareholder either alone or jointly with any other person and that in consequence of the reduction would otherwise be returned to the shareholder or them, and thereupon those shares shall, as regards the payment of dividend, be deemed to be paid up to the same extent only as the shares on which payment has been accepted by the shareholders in reduction of paid-up capital, and the company shall invest and keep invested the money so retained in those securities authorized for investment by trustees that the

(59) The heading preceding section 128 and section 128 are repealed.

company may determine, and on the money so invested, or on so much thereof as from time to time exceeds the amount of calls subsequently made on the shares in respect of which it has been retained, the company shall pay the interest received from time to time on the securities.

(4) The amount retained and invested shall be held to represent the future calls that may be made to replace the share capital so reduced on those shares, whether the amount obtained on sale of the whole, or that proportion thereof that represents the amount of any call when made, produces more or less than the amount of the call.

(5) On a reduction of paid-up share capital pursuant to this section, the powers vested in the directors of making calls on shareholders in respect of the amount unpaid on their shares extends to the amount of the unpaid share capital as augmented by the reduction.

(6) After any reduction of share capital under this section the company shall specify, in the annual list of members to be filed with the Registrar, the amount retained at the request of any of the shareholders pursuant to this section, and shall specify in the statements of account laid before any general meeting of the company the amount of undivided profits returned in reduction of paid-up share capital under this section.

(59) The heading preceding section 128 and section 128 presently read:

Payment of Interest out of Capital

128(1) If any shares of a company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant that cannot be made profitable for a long time, the company may pay interest, on so much of that share capital as is for the time being paid up, for the period and subject to the conditions and restrictions mentioned in this section, and may charge it to capital as part of the cost of construction of the work or building or the provision of the plant.

(2) No such payment shall be made unless it is authorized by the articles or by special resolution.

(3) No such payment, whether authorized by the articles or by special resolution, shall be made without the previous sanction of the Lieutenant Governor in Council, who before sanctioning the payment may, at the expense of the company, appoint a person to

(60) Section 133 is amended

(a) by repealing subsection (2) and substituting the following:

(2) The auditor shall make a report to the shareholders on the financial statement, to be laid before the company at any annual meeting during the auditor's term of office, and the auditor's report shall contain the following:

- (a) a statement as to the scope, extent and nature of the auditor's examination;
- (b) a statement as to whether, in the auditor's opinion, the financial statement, including any notes to the financial statement, presents fairly the financial position of the company;
- (c) a statement of any concerns or qualifications the auditor has with respect to whether the financial statement was drawn up according to generally accepted accounting principles and generally accepted auditing standards.

(b) by repealing subsection (3).

inquire and report to the Lieutenant Governor in Council as to the circumstances of the case, and may before making the appointment require the company to give security for the payment of the costs of the inquiry.

(4) The payment shall be made only for a period that may be determined by the Lieutenant Governor in Council and that period shall in no case extend beyond the close of the half-year next after the half-year during which the works or buildings have been actually completed or the plant provided.

(5) The rate of interest shall in no case exceed 7% or a lower rate that may be fixed by the Lieutenant Governor in Council.

(6) The payment of the interest does not operate as a reduction of the amount paid up on the shares in respect of which it is paid.

(7) The accounts of the company shall show the share capital on which, and the rate at which, interest has been paid out of capital during the period to which the accounts relate.

(60) Section 133 presently reads in part:

(2) The auditor shall make a report to the shareholders on the financial statement to be laid before the company at any annual meeting during the auditor's term of office and shall state in the auditor's report whether in the auditor's opinion the financial statement referred to therein presents fairly the financial position of the company and the results of its operations for the period under review in accordance with generally accepted accounting principles.

(3) The auditor in the auditor's report shall make appropriate statements in any case where

(a) the financial statement of the company is not in agreement with the accounting records,

(b) the financial statement of the company is not in accordance with the requirements of this Act,

(c) the auditor has not received all the information and explanations that the auditor has required, or

(d) proper accounting records have not been kept, so far as appears from the auditor's examination.

(61) Section 135 is amended

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

Books of account and accounting records

135(1) Every company shall keep proper books of account and accounting records in respect of all financial and other transactions of the company.

- (b) by repealing subsection (6).**

(62) Section 136 is amended

- (a) in subsection (1)**

- (i) in clause (a)**

(A) by adding “drawn up in accordance with subsection (1.1)” **after** “a financial statement”;

(B) by striking out “made up of”;

(C) by repealing subclauses (i), (ii) and (iii);

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

(b) in the case of a public company, a comparative financial statement drawn up in accordance with subsection (1.1) relating separately to

- (i)** the period that commenced on the date of incorporation and ended not more than 6 months before the annual meeting or, if the company has completed a financial year, that commenced

(61) Section 135 presently reads in part:

135(1) Every company shall cause to be kept proper books of account and accounting records in respect of all financial and other transactions of the company and, without limiting the generality of the foregoing, records of

- (a) all sums of money received and disbursed by the company and the matters in respect of which receipt and disbursement take place,*
- (b) all sales and purchases by the company,*
- (c) all assets and liabilities of the company, and*
- (d) all other transactions affecting the financial position of the company.*

(6) A copy of the resolution of the directors under subsection (5) shall be filed with the Registrar within 15 days of its date.

(62) Section 136 presently reads in part:

136(1) The directors shall lay before each annual meeting of shareholders,

- (a) in the case of a private company, a financial statement for the period that commenced on the date of incorporation and ended not more than 6 months before the annual meeting or, if the company has completed a financial year, that commenced immediately after the end of the last completed financial year and ended not more than 6 months before the annual meeting, as the case may be, made up of*
 - (i) a statement of profit and loss for that period,*
 - (ii) a statement of surplus for that period, and*
 - (iii) a balance sheet as at the end of that period,*
- (b) in the case of a public company, a comparative financial statement relating separately to*
 - (i) the period that commenced on the date of incorporation and ended not more than 6 months before the annual meeting or, if the company has completed a financial year, that commenced immediately after the end of the last*

immediately after the end of the last completed financial year and ended not more than 6 months before the annual meeting, as the case may be, and

- (ii) the period covered by the financial year next preceding that latest completed financial year, if any,

(b) by adding the following after subsection (1):

(1.1) A financial statement or comparative financial statement referred to in subsection (1) shall

- (a) include at least
 - (i) a balance sheet,
 - (ii) a statement of retained earnings,
 - (iii) an income statement, and
 - (iv) a statement of changes in financial position,
- (b) present fairly the financial position of the company,
- (c) be drawn up in accordance with generally accepted accounting principles, and
- (d) be drawn up on a basis consistent with that used for the preceding period, if any, unless a note to the financial statement indicates otherwise.

(c) by repealing subsection (2);

(d) in subsection (3) by striking out “shall be read at the annual meeting and”;

(e) by adding the following after subsection (4):

(4.1) Nothing in this section prohibits persons who are not members of the Chartered Professional Accountants of Alberta from preparing the financial statement or comparative financial statement referred to in subsection (1).

(f) by repealing subsection (5).

completed financial year and ended not more than 6 months before the annual meeting, as the case may be, and

- (ii) the period covered by the financial year next preceding that latest completed financial year, if any,*

and made up of

- (iii) a statement of profit and loss for each period,*
- (iv) a statement of surplus for each period,*
- (v) a statement of source and application of funds for each period, and*
- (vi) a balance sheet as at the end of each period,*

(2) It is not necessary to designate the statements referred to in subsection (1) as the statement of profit and loss, statement of surplus, statement of source and application of funds, and balance sheet.

(3) The report of the auditor to the shareholders shall be read at the annual meeting and shall be open to inspection by any shareholder.

(4) Notwithstanding subsection (1)(b), the financial statement referred to in that clause may relate only to the period that ended not more than 6 months before the annual meeting if the reason for the omission of the statement in respect of the period covered by the previous financial statement is set out in the financial statement to be laid before the meeting or by way of note thereto.

(5) Notwithstanding subsection (1)(b)(v), the statement of source and application of funds may be omitted if the reason for the omission is set out in the financial statement or by way of note thereto.

(63) Sections 137 to 144 are repealed.

(63) Sections 137 to 144 presently read:

137(1) The statement of profit and loss to be laid before an annual meeting shall be drawn up so as to present fairly the results of the operations of the company for the period covered by the statement and, in the case of a public company, so as to distinguish severally at least the following:

- (a) sales or gross operating revenue;*
- (b) the operating profit or loss before including or providing for other items of income or expense that are required to be shown separately;*
- (c) income from investments in subsidiaries whose financial statements are not consolidated with those of the company;*
- (d) income from investments in affiliated companies other than subsidiaries;*
- (e) income from other investments;*
- (f) non-recurring profits and losses of significant amount including profits or losses on the disposal of capital assets and other items of a special nature to the extent that they are not shown separately in the statement of earned surplus;*
- (g) provision for depreciation or obsolescence or depletion;*
- (h) amounts written off for goodwill or amortization of any other intangible assets to the extent that they are not shown separately in the statement of earned surplus;*
- (i) interest on indebtedness initially incurred for a term of more than one year, including amortization of debt discount or premium and expense;*
- (j) taxes on income imposed by any taxing authority,*

and shall show the net profit or loss for the financial period.

(2) Notwithstanding subsection (1), items of the natures described in subsection (1)(g) and (h) may be shown by way of note to the statement of profit and loss.

(3) A public company may apply to a judge of the Court designated by the Chief Justice of the Court for an order permitting sales or gross operating revenue referred to in subsection (1)(a) or section 148(1)(b)(i) to be omitted from the statement of profit and loss or the interim financial statement, as the case may be, and the judge may, on any terms and conditions that the judge may impose, permit the omission where the judge is satisfied that in the circumstances the disclosure of that information would be unduly detrimental to the interests of the company.

(4) The applicant shall give the Executive Director notice of an application under subsection (3) and the Executive Director has the right to appear and be heard thereon.

(5) An appeal lies to the Court of Appeal from an order made under subsection (3).

138(1) The statement of surplus shall be drawn up so as to present fairly the transactions reflected in the statement and shall show separately a statement of contributed surplus and a statement of earned surplus.

(2) In the case of a public company, the statement of contributed surplus shall be drawn up so as to include and distinguish the following items:

- (a) the balance of that surplus at the end of the preceding financial period;*
 - (b) the additions to and deductions from that surplus during the financial period, including*
 - (i) the amount of surplus arising from the issue of shares or the reorganization of the company's issued capital, including inter alia,*
 - (A) the amount of premiums received on the issue of shares at a premium, and*
 - (B) the amount of surplus realized on the purchase for cancellation of shares,*
- and*
- (ii) donations of cash or other property by shareholders;*
- (c) the balance of that surplus at the end of the financial period.*

(3) In the case of a public company, the statement of earned surplus shall be drawn up so as to distinguish at least the following items:

- (a) the balance of that surplus at the end of the preceding financial period;*
- (b) the additions to and deductions from that surplus during the financial period and without restricting the generality of the foregoing at least the following:*
 - (i) the amount of the net profit or loss for the financial period,*
 - (ii) the amount of dividends declared on each class of shares, and*
 - (iii) the amount transferred to or from reserves;*
- (c) the balance of that surplus at the end of the financial period.*

139 The statement of source and application of funds referred to in section 136(1)(b)(v) and section 148(1)(a) shall be drawn up so as to present fairly the information shown therein for the period, and shall show separately at least

- (a) funds derived from*
 - (i) current operations,*
 - (ii) sale of non-current assets, segregating investments, fixed assets and intangible assets,*
 - (iii) issue of securities or other indebtedness maturing more than one year after issue, and*
 - (iv) issue of shares,*

and
- (b) funds applied to*
 - (i) purchase of non-current assets, segregating investments, fixed assets and intangible assets,*
 - (ii) redemption or other retirement of securities or repayment of other indebtedness maturing more than one year after issue,*

(iii) *redemption or other retirement of shares, and*

(iv) *payment of dividends.*

140(1) The balance sheet to be laid before an annual meeting shall be drawn up so as to present fairly the financial position of the company as at the date to which it is made up and, in the case of a public company, so as to distinguish severally at least the following:

(a) *cash;*

(b) *debts owing to the company from its directors, officers or shareholders, except debts of reasonable amount arising in the ordinary course of its business that are not overdue having regard to its ordinary terms of credit;*

(c) *debts owing to the company, whether on account of a loan or otherwise, from subsidiaries whose financial statements are not consolidated with those of the company;*

(d) *debts owing to the company, whether on account of a loan or otherwise, from affiliated companies other than subsidiaries;*

(e) *other debts owing to the company, segregating those that arose otherwise than in the ordinary course of its business;*

(f) *inventory, stating the basis of valuation;*

(g) *shares, bonds, debentures and other investments owned by the company, except those referred to in clauses (h) and (i), stating their nature and the basis of their valuation and showing separately those that are marketable with a notation of their market value;*

(h) *shares or securities of subsidiaries whose financial statements are not consolidated with those of the company stating the basis of valuation;*

(i) *shares or securities of affiliated companies other than subsidiaries, stating the basis of valuation;*

(j) *land, buildings, and plant and equipment, stating the basis of valuation, whether cost or otherwise, and, if valued on the basis of an appraisal, the date of appraisal, the name of the appraiser, the basis of the appraisal value and, if the*

appraisal took place within 5 years preceding the date to which the balance sheet is made up, the disposition in the accounts of the company of any amounts added to or deducted from those assets on appraisal and also the amount or amounts accumulated in respect of depreciation, obsolescence and depletion;

(k) there shall be stated under separate headings, insofar as they are not written off,

(i) expenditures on account of future business,

(ii) any expense incurred in connection with any issue of shares,

(iii) any expense incurred in connection with any issue of securities, including any discount thereon, and

(iv) any one or more of the following:

(A) goodwill,

(B) franchises,

(C) patents,

(D) copyrights,

(E) trade marks, and

(F) other intangible assets,

and the amount, if any, by which the value of any such assets has been written up after June 30, 1967;

(l) the aggregate amount of any outstanding loans under section 14(2)(c) and (d);

(m) bank loans and overdrafts;

(n) debts owing by the company on loans from its directors, officers or shareholders;

(o) debts owing by the company to subsidiaries whose financial statements are not consolidated with those of the company whether on account of a loan or otherwise;

- (p) *debts owing by the company to affiliated companies other than subsidiaries whether on account of a loan or otherwise;*
- (q) *other debts owing by the company, segregating those that arose otherwise than in the ordinary course of its business;*
- (r) *liability for taxes, including the estimated liability for taxes in respect of the income of the period covered by the statement of profit and loss;*
- (s) *dividends declared but not paid;*
- (t) *deferred income;*
- (u) *securities issued by the company, stating the interest rate, the maturity date, the amount outstanding and the existence of sinking fund, redemption requirements and conversion rights, if any;*
- (v) *the authorized capital, giving the number of each class of shares and a brief description of each class, and indicating therein any class of shares that is redeemable and the redemption price thereof;*
- (w) *the issued capital, giving the number of shares of each class issued and outstanding and the amount received therefor that is attributable to capital, and showing*
 - (i) *the number of shares of each class issued since the date of the last balance sheet and the value attributed thereto, distinguishing shares issued for cash, shares issued for services and shares issued for other consideration, and*
 - (ii) *if any shares have not been fully paid,*
 - (A) *the number of shares in respect of which calls have not been made and the aggregate amount that has not been called, and*
 - (B) *the number of shares in respect of which calls have been made and not paid and the aggregate amount that has been called and not paid;*
- (x) *contributed surplus;*
- (y) *earned surplus;*

(z) reserves, showing the amounts added thereto and the amounts deducted therefrom during the financial period.

(2) Explanatory information or particulars of any item mentioned in subsection (1) may be shown by way of note to the balance sheet.

141(1) There shall be stated by way of note to the financial statement of every company

(a) particulars of any change in accounting principle or practice or in the method of applying any accounting principle or

practice made during the period covered that affects the comparability of any of the statements with any of those for the preceding period, and

(b) the effect, if material, of any such change on the profit or loss for the period.

(2) For the purpose of subsection (1), a change in accounting principle or practice or in the method of applying any accounting principle or practice affects the comparability of a statement with that for the preceding period, even though it did not have a material effect on the profit or loss for the period.

(3) When applicable in the case of a public company, the following matters shall be referred to in the financial statement or by way of note thereto:

(a) the basis of conversion of amounts from currencies other than the currency in which the financial statement is expressed;

(b) foreign currency restrictions that affect the assets of the company;

(c) contractual obligations that will require abnormal expenditures in relation to the company's normal business requirements or financial position or that are likely to involve losses not provided for in the accounts;

(d) material contractual obligations in respect of long-term leases, including, in the year in which the transaction was effected, the principal details of any sale and lease transaction;

- (e) *contingent liabilities, stating their nature and, where practicable, the approximate amounts involved;*
- (f) *any liability secured otherwise than by operation of law on any assets of the company, stating the liability so secured;*
- (g) *any default of the company in principal, interest, sinking fund or redemption provisions with respect to any issue of its securities or credit agreements;*
- (h) *the gross amount of arrears of dividends on any class of shares and the date to which those dividends were last paid;*
- (i) *if a company has contracted to issue shares or has given an option to purchase shares, the class and number of shares affected, the price and the date for issue of the shares or exercise of the option;*
- (j) *the aggregate direct remuneration paid or payable by the company and its subsidiaries whose financial statements are consolidated with those of the company to the directors, and the senior officers, as defined by section 95(1), of the company and, as a separate amount, the aggregate direct remuneration paid or payable to those directors and senior officers by the subsidiaries of the company whose financial statements are not consolidated with those of the company;*
- (k) *in the case of a holding company, the aggregate of any shares in, and the aggregate of any securities of, the holding company held by subsidiary companies whose financial statements are not consolidated with those of the holding company;*
- (l) *the amount of any loans by the company, or by a subsidiary company, otherwise than in the ordinary course of business, during the company's financial period, to the directors or officers of the company;*
- (m) *any restriction by the memorandum or articles of the company or by contract on the payment of dividends that is significant in the light of the company's financial position;*
- (n) *any event or transaction, other than one in the normal course of business operations, between the date to which the financial statement is made up and the date of the auditor's report thereon that materially affects the financial statement;*

(o) *the amount of any obligation for pension benefits arising from service prior to the date of the balance sheet, whether or not that obligation has been provided for in the accounts of the company, the manner in which the company proposes to satisfy the obligation and the basis on which it has charged or proposes to charge the related costs against operations.*

(4) *A note to a financial statement is a part of it.*

142 *Notwithstanding sections 137 to 141, it is not necessary to state in a financial statement any matter that in all the circumstances is of relative insignificance.*

143(1) *A company, in this section referred to as “the holding company”, may include in the financial statement to be submitted at an annual meeting the assets and liabilities and income and expense of any one or more of its subsidiaries, making due provision for minority interests, if any, and indicating in the financial statement that it is presented in consolidated form.*

(2) *If the assets and liabilities and income and expense of any one or more subsidiaries of the holding company are not so included in the financial statement of the holding company,*

(a) *the financial statement of the holding company shall include a statement setting forth*

(i) *the reason why the assets and liabilities and income and expense of the subsidiary or subsidiaries are not included in the financial statement of the holding company,*

(ii) *if there is only one such subsidiary, the amount of the holding company’s proportion of the profit or loss of that subsidiary for the financial period coinciding with or ending in the financial period of the holding company, or, if there is more than one such subsidiary, the amount of the holding company’s proportion of the aggregate profits less losses, or losses less profits, of all such subsidiaries for the respective financial periods coinciding with or ending in the financial period of the holding company,*

(iii) *the amount included as income from such subsidiary or subsidiaries in the statement of profit and loss of the holding company and the amount included therein as a provision for the loss or losses of such subsidiary or subsidiaries,*

- (iv) *if there is only one such subsidiary, the amount of the holding company's proportion of the undistributed profits of that subsidiary earned since the acquisition of the shares of that subsidiary by the holding company to the extent that that amount has not been taken into the accounts of the holding company, or, if there is more than one such subsidiary, the amount of the holding company's proportion of the aggregate undistributed profits of all such subsidiaries earned since the acquisition of their shares by the holding company less its proportion of the losses, if any, suffered by any such subsidiary since the acquisition of its shares to the extent that that amount has not been taken into the accounts of the holding company, and*
- (v) *any qualifications contained in the report of the auditor of any such subsidiary on its financial statement for the financial period ending as aforesaid, and any note or reference contained in that financial statement to call attention to a matter that, apart from the note or reference, would properly have been referred to in such a qualification, insofar as the matter that is the subject of the qualification or note is not provided for by the company's own financial statement and is material from the point of view of its shareholders,*
- (b) *if for any reason the directors of the holding company are unable to obtain the information necessary for the preparation of the statement that is to be included in the financial statement of the holding company, the directors who sign the financial statement shall so report in writing and their report shall be included in the financial statement instead of the statement,*
- (c) *true copies of the latest financial statement of such subsidiary or subsidiaries shall be kept on hand by the holding company at its registered office and shall be open to inspection by the shareholders of the holding company on request during the normal business hours of the holding company, but the directors of the holding company may by resolution refuse the right of that inspection if the inspection is not in the public interest or would prejudice the holding company or such subsidiary or subsidiaries, which resolution may, on the application of any such shareholder to the Court, be set aside by the Court, and*

- (d) *if, in the opinion of the auditor of the holding company, adequate provision has not been made in the financial statement of the holding company for the holding company's proportion*
 - (i) *where there is only one such subsidiary, of the loss of that subsidiary suffered since acquisition of its shares by the holding company, or*
 - (ii) *if there is more than one such subsidiary, of the aggregate losses suffered by those subsidiaries since acquisition of their shares by the holding company in excess of its proportion of the undistributed profits, if any, earned by any of those subsidiaries since its acquisition,*

the auditor shall state in the auditor's report the additional amount that in the auditor's opinion is necessary to make full provision therefor.

144 In a financial statement, the term "reserve" shall be used to describe only

- (a) *amounts appropriated from earned surplus at the discretion of management for some purpose other than to meet a liability or contingency known or admitted or a commitment made as at the statement date or a decline in value of an asset that has already occurred,*
- (b) *amounts appropriated from earned surplus pursuant to the instrument of incorporation, instrument amending the instrument of incorporation or resolution of the company for some purpose other than to meet a liability or contingency known or admitted or a commitment made as at the statement date or a decline in value of an asset that has already occurred, and*
- (c) *amounts appropriated from earned surplus in accordance with the terms of a contract and that can be restored to the earned surplus when the conditions of the contract are fulfilled.*

(64) Section 145 is repealed and the following is substituted:

Approval of financial statement

145(1) The financial statement shall be approved by the board of directors.

(2) A company shall not issue, publish or circulate copies of the financial statement unless the financial statement is approved in accordance with subsection (1) and accompanied by the auditor's report.

(65) Section 146 is amended by adding "or" at the end of clause (a) and repealing clause (b).

(66) Section 147(1) is repealed and the following is substituted:

Providing financial statements to shareholders

147(1) A public company shall, 21 days or more before the date of the annual meeting, provide to each shareholder a copy of the financial statement approved by the board of directors.

(67) Sections 148 and 149(2) are repealed.

(64) Section 145 presently reads:

145(1) The financial statement shall be approved by the board of directors, such approval to be evidenced by the signature at the foot of the balance sheet by 2 of the directors authorized to sign.

(2) The auditor's report shall be attached to the financial statement or there shall be inserted at the foot of the balance sheet a reference to the report.

(65) Section 146 presently reads in part:

146 A company that issues, circulates or publishes a copy of the financial statement

(a) the original of which has not been approved by its board of directors,

(b) without having the balance sheet signed by 2 directors, or is guilty of an offence.

(66) Section 147(1) presently reads:

147(1) A public company shall, 10 days or more before the date of the annual meeting, send by prepaid mail to each shareholder at the shareholder's last address as shown on the books of the company a copy of the financial statement and a copy of the auditor's report.

(67) Sections 148 and 149(2) presently read:

148(1) A public company shall send to each shareholder a copy of a comparative interim financial statement for the 6-month period that commenced on the date of the incorporation or, if the company has completed a financial year, for the 6-month period that commenced immediately after the end of the last completed financial year and for the comparable 6-month period, if any, in the 12 months immediately preceding the commencement of the 6-month period in respect of which the interim financial statement is issued, made up of

(a) a statement of source and application of funds for each period that complies with section 139, and

(b) sufficient relevant financial information in summary form to present fairly the results of the operations of the company for each period, including

(i) a statement of sales or gross operating revenue,

(ii) extraordinary items of income or expense,

(iii) net income before taxes on income imposed by any taxing authority,

(iv) taxes on income imposed by any taxing authority, and

(v) net profit or loss.

(2) The interim financial statement required by subsection (1) may omit either or both of

(a) the information relating to the comparable period, and

(b) the statement of source and application of funds,

if the reason for the omission or omissions, as the case may be, is set out in the interim financial statement or by way of note thereto.

(3) There shall be stated by way of note to the interim financial statement required by subsection (1) particulars of

(a) any change in accounting principle or practice or in the method of applying any accounting principle or practice made during the period covered that affects the comparability of that statement with the statement for the preceding period or with the interim financial statement for a part of the preceding period, and

(b) the effect, if material, of any such change on the profit or loss for the period covered by the interim financial statement.

(4) For the purpose of subsection (3), a change in accounting principle or practice or in the method of applying any accounting principle or practice affects the comparability of a statement with that for the preceding period or part thereof, even though it did not have a material effect on the profit or loss for the period covered by the interim financial statement.

(5) The interim financial statement required by subsection (1) shall be sent by prepaid mail to each shareholder, within 60 days of the date to which it is made up, at the shareholder's last address as shown on the books of the company.

(6) A company that fails to comply with this section is guilty of an offence and is liable to a fine of not more than \$1000, and every director or officer of the company who authorized, permitted or acquiesced in the failure is guilty of an offence and is liable to a like fine.

(7) This section does not apply to a public company to which Part 9 applies.

149(2) The Registrar may relieve a company from the holding of any annual meeting on its filing with the Registrar, not less than one month before the time for holding the meeting, a statutory declaration of a director or officer, stating

- (a) that the declarant is fully conversant with the affairs of the company,*
- (b) that the company has not engaged in active business, except the business that is described in the declaration, since the date of its incorporation or of its last annual summary, or of the last declaration filed under this section, as the case may be,*
- (c) whether any request for a general meeting has been made by any member since that date as aforesaid, and, if so, the names of all those members,*
- (d) the full address of the registered office,*
- (e) the full names and addresses of the directors,*
- (f) whether any shares have been transferred or other changes in membership have taken place since that date as aforesaid, and, if so, particulars thereof,*
- (g) particulars of any shares allotted or members admitted since such date as aforesaid, and*
- (h) any other information the Registrar requires.*

(68) Section 151(1)(b) is amended by striking out “Table A in the Schedule, and for the purpose of this provision, the expression “Table A” means the table for the time being in force” **and substituting** “the articles of the company”.

(69) Section 154(3) is repealed.

(68) Section 151(1) presently reads in part:

151(1) The following provisions have effect insofar as the articles of the company do not make other provision in that behalf:

(b) a notice of a meeting of a company shall be served on every member of the company in the manner in which notices are required to be served by Table A in the Schedule, and for the purpose of this provision, the expression "Table A" means the table for the time being in force;

(69) Section 154(3) presently reads:

(3) The applicant shall give the Executive Director notice of an application under subsection (2) and the Executive Director has the right to appear and be heard thereon.

(70) Section 155 is amended

(a) by repealing subsections (3) and (4) and substituting the following:

(3) A proxy is valid only at the meeting in respect of which it is given or at any adjournment of that meeting.

(4) A shareholder may revoke a proxy

(a) by depositing an instrument in writing executed by the shareholder or the shareholder's attorney authorized in writing

(i) at the registered office of the company at any time up to and including the last business day preceding the day of the meeting, or an adjournment of that meeting, at which the proxy is to be used, or

(ii) with the chairman of the meeting on the day of the meeting or an adjournment of the meeting,

or

(b) in any other manner permitted by law.

(b) by repealing subsection (5).

(71) Section 156(1) is repealed and the following is substituted:

Providing proxy form to shareholder

156(1) Subject to section 154, the company shall provide to each shareholder a proxy form with each notice of meeting.

(72) Section 157(1)(a) is amended by striking out "is sent by prepaid mail to each shareholder of the company whose proxy is solicited at the shareholder's last address as shown on the books of the company" and substituting "is provided to each shareholder".

(70) Section 155 presently reads in part:

(3) In addition to the requirements, where applicable, of section 158, a proxy shall contain the date thereof and the appointment and name of the nominee and may contain a revocation of a former proxy and restrictions, limitations or instructions as to the manner in which the shares in respect of which the proxy is given are to be voted or that may be necessary to comply with the laws of any jurisdiction in which the shares of the company are listed on a stock exchange or a restriction or limitation as to the number of shares in respect of which the proxy is given.

(4) In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the shareholder or by the shareholder's attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited either at the head office of the company at any time up to and including the last business day preceding the day of the meeting, or any adjournment thereof, at which the proxy is to be used or with the chairman of the meeting on the day of the meeting, or adjournment thereof, and on either of those deposits the proxy is revoked.

(5) The directors may by resolution fix a time not exceeding 48 hours, excluding Saturdays and holidays, preceding any meeting or adjourned meeting of shareholders before which time proxies to be used at that meeting must be deposited with the company or an agent thereof, and any period of time so fixed shall be specified in the notice calling the meeting or in the information circular relating thereto.

(71) Section 156(1) presently reads:

156(1) Subject to section 154, the management of a company shall, concurrently with or prior to giving notice of a meeting of shareholders of the company, send by prepaid mail to each shareholder who is entitled to vote at the meeting at the shareholder's last address as shown on the books of the company a form of proxy for use at the meeting that complies with section 158.

(72) Section 157(1) presently reads in part:

157(1) Subject to subsection (2) and section 154, no person shall solicit proxies unless,

(73) Section 158 is repealed.

- (a) *in the case of a solicitation by or on behalf of the management of a company, an information circular, either as an appendix to or as a separate document accompanying the notice of the meeting, is sent by prepaid mail to each shareholder of the company whose proxy is solicited at the shareholder's last address as shown on the books of the company, or*

(73) Section 158 presently reads:

158 When section 156 or 157 is applicable to a solicitation of proxies,

- (a) *the form of proxy sent to a shareholder by a person soliciting proxies*
 - (i) *shall indicate in bold-face type whether or not the proxy is solicited by or on behalf of the management of the company, and*
 - (ii) *shall provide a specifically designated blank space for dating the form of proxy,*
- (b) *the form of proxy shall provide means whereby the person whose proxy is solicited is afforded an opportunity to specify that the shares registered in the person's name shall be voted by the nominee in favour of or against, in accordance with that person's choice, each matter or group of related matters identified therein or in the information circular as intended to be acted on, other than the election of directors and the appointment of auditors, but a proxy may confer discretionary authority with respect to matters as to which a choice is not so specified by such means if the form of proxy or the information circular states in bold-face type how it is intended to vote the shares represented by the proxy in each such case,*
- (c) *a proxy may confer discretionary authority with respect to amendments or variations to matters identified in the notice of meeting, or other matters which may properly come before the meeting, if*
 - (i) *the person by whom or on whose behalf the solicitation is made is not aware a reasonable time prior to the time the*

(74) Section 161 is amended

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

Minutes

161(1) Every company shall keep minutes of the proceedings of all general meetings and, when there are directors, of all meetings of the company's directors.

solicitation is made that any such amendments, variations or other matters are to be presented for action at the meeting, and

(ii) a specific statement is made in the information circular or in the form of proxy that the proxy is conferring that discretionary authority,

(d) no proxy shall confer authority

(i) to vote for the election of any person as a director of the company unless a bona fide proposed nominee for the election is named in the information circular, or

(ii) to vote at any meeting other than the meeting specified in the notice of meeting or any adjournment thereof,

(e) the information circular or form of proxy shall state that the shares represented by the proxy will be voted and that, when the person whose proxy is solicited specifies a choice with respect to any matter to be acted on pursuant to clause (b), the shares shall, subject to section 159, be voted in accordance with the specifications so made,

(f) the information circular or form of proxy shall indicate in bold-face type that the shareholder has the right to appoint a person to attend and act for the shareholder and on the shareholder's behalf at the meeting other than the person, if any, designated in the form of proxy, and shall contain instructions as to the manner in which the shareholder may exercise that right, and

(g) if the form of proxy contains a designation of a named person as nominee, means shall be provided whereby the shareholder may designate in a form of proxy some other person as the shareholder's nominee for the purpose of section 155(1).

(74) Section 161 presently reads in part:

161(1) Every company shall cause minutes of all proceedings of general meetings, and, when there are directors or managers, of meetings of its directors or managers, to be entered in books kept for that purpose.

(3) Until the contrary is proved, every general meeting of the company or meeting of directors or managers in respect of the

(b) in subsection (3)

(i) by striking out “or managers”;

(ii) by striking out “, managers,”;

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

(4) The minutes of the proceedings of the general meetings of a company shall be kept at the registered office of the company and shall be available to members for inspection during business hours, and any member is entitled to receive a copy of the minutes for a reasonable fee.

(75) Section 162 is repealed and the following is substituted:

Annual return

162(1) In this section,

- (a) “anniversary month” means the month in each year that is the same as
- (i) the month in which the certificate of incorporation of the company was issued, or
 - (ii) in the case of an amalgamated company, the month in which its certificate of amalgamation was issued;
- (b) “voting share” means an issued and outstanding share of a company carrying voting rights under all circumstances or under any circumstances that have occurred and are continuing.

(2) Every company shall, each year on or before the last day of the month immediately following its anniversary month, file an annual return with the Registrar that includes notices with respect to

- (a) any change in the location of the registered office of the company, if a notice under section 86(2) in respect of that change has not yet been filed with the Registrar, and

proceedings of which minutes have been so made, shall be deemed to have been duly held and convened, and all proceedings had thereat to have been duly had, and all appointments of directors, managers, or liquidators shall be deemed to be valid.

(4) The books containing the minutes of proceedings of any general meeting of a company shall be kept at the registered office of the company, and shall, during business hours, subject to any reasonable restrictions that the company may by its articles or in general meeting impose, so that no less than 2 hours in each day be allowed for inspection, be open to the inspection of any member free of charge and any member is entitled to be furnished, within 7 days after the member has made a request in that behalf to the company, with a copy of any such minutes as aforesaid, at a charge not exceeding 50¢ for every 100 words.

(75) Section 162 presently reads:

162(1) In this section “anniversary month” means the month in each year that is the same as

- (a) the month in which the certificate of incorporation of the company was issued,*
- (b) in the case of an amalgamated company, the month in which its certificate of amalgamation was issued, or*
- (c) in the case of a company in respect of which a certificate of registration is issued under section 174, the month in which it was incorporated in the jurisdiction other than Alberta.*

(2) Every company shall, each year on or before the last day of the month immediately following its anniversary month, make a return to the Registrar containing

- (a) unless the company is a public company, a list of all persons who were members of the company on the last day of its anniversary month in each year setting out
 - (i) the full name and address of each member, and*
 - (ii) the number and class of shares held by each member at the date of the return,**
- (b) the address of the registered office of the company,*

(b) any change among the directors of the company, if a notice under section 93(2) in respect of that change has not yet been filed with the Registrar.

(3) When the company has a share capital, the annual return shall include the name and address of each shareholder and the percentage of voting shares assigned to each shareholder.

(4) When the company is a public company, the annual return shall include a copy of the financial statement and auditor's report laid before the company at the last annual general meeting.

(5) Every company that defaults in complying with any of the requirements of this section is guilty of an offence.

(76) Section 168 is repealed and the following is substituted:

Official seal for use outside Alberta

168 A company may adopt for use in any jurisdiction outside Alberta a facsimile of its corporate seal that complies with the laws of that jurisdiction.

- (c) *the number and class of shares outstanding at the date of the return,*
 - (d) *any information respecting the members of the company on the last day of its anniversary month in each year that may be required by regulations under the Agricultural and Recreational Land Ownership Act and section 35 of the Citizenship Act (Canada) in the form and manner prescribed by those regulations, and*
 - (e) *the full names and addresses of the persons who as of the last day of the company's anniversary month in each year are directors of the company.*
- (3) *Except when the company is a private company, the annual return shall include a written copy, certified by a director or the manager or secretary of the company to be a true copy, of the last balance sheet that has been audited by the company's auditors, including every document required by law to be annexed thereto, together with a copy of the report of the auditors thereon, certified as aforesaid, and if a balance sheet is not in English, there shall also be annexed to it a translation thereof in English, certified in the prescribed manner to be a correct translation.*
- (4) *Notwithstanding subsection (3), if the last balance sheet did not comply with the requirements of the law in force at the date of the audit with respect to the form of balance sheets, there shall be made the additions to and corrections in the copy that would have been required to be made in the balance sheet in order to make it comply with those requirements, and the fact that the copy has been so amended shall be stated thereon.*
- (5) *All returns made under subsection (2) shall be verified by a person having knowledge of the affairs of, and who is authorized by, the company on whose behalf the return is made.*
- (6) *Every company that defaults in complying with any of the requirements of this section is guilty of an offence.*
- (76) Section 168 presently reads:

168(1) A company whose objects require or comprise the transaction of business outside Alberta may, if so authorized by its articles, have for use in any other province, state, or country an

(77) Section 170 is amended

- (a) in subsection (4) by striking out “an office copy thereof” and substituting “a copy of the order”;**
- (b) by repealing subsections (5) and (6).**

official seal, which shall be a facsimile of the common seal of the company, with the addition on its face of the name of the province, state, or country where it is to be used.

(2) A company having such an official seal may, by writing under its common seal, authorize any person appointed for the purpose in any province, state, or country outside Alberta to affix it to any deed or other document to which the company is party in that province, state, or country.

(3) The authority of any such agent shall, as between the company and any person dealing with the agent, continue during the period, if any, mentioned in the instrument conferring the authority, or if no period is there mentioned, then until notice of the revocation or determination of the agent's authority has been given to the person dealing with him.

(4) The person affixing any such official seal shall, by writing, on the deed or other document to which the seal is affixed, certify the date and place of affixing it.

(5) A deed or other document to which an official seal is duly affixed binds the company as if it had been sealed with the common seal of the company.

(77) Section 170 presently reads in part:

(4) When an order is made under this section, an office copy thereof shall be filed with the Registrar within 15 days from the date of the order or within a further time that the Court may allow, and the compromise or arrangement does not take effect until a copy has been so filed.

(5) A copy of every order shall be annexed to every copy of the memorandum of the company issued after the order has been made, or, in the case of a company not having a memorandum, of every copy so issued of the instrument constituting or defining the constitution of the company.

(6) If a company defaults in complying with subsection (5) it is guilty of an offence.

(78) Section 171(4) is amended by striking out “shall cause an office copy thereof to be filed” and substituting “shall file a copy of the order”.

(79) Section 172 is amended

(a) in subsection (3)

(i) in clause (a) by striking out “, in the prescribed form,”;

(ii) by adding “and” at the end of clause (d) and repealing clauses (f) and (g);

(b) by repealing subsections (5) to (8);

(c) by repealing subsection (9) and substituting the following:

(9) The amalgamation agreement shall be filed with the Registrar together with notice of the location of the registered office of the amalgamated company.

(d) in subsection (10)

(i) by striking out “, approving order and any other documents required pursuant to subsection (9)” and substituting “and notice of the location of the registered office”;

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

(a) issue a certificate of amalgamation, and

(iii) in clause (b) by adding “and” at the end of subclause (ii) and repealing subclause (iii);

(e) by repealing subsections (15) and (16).

(78) Section 171(4) presently reads:

(4) When an order is made under this section, every company in relation to which the order is made shall cause an office copy thereof to be filed with the Registrar within 7 days after the making of the order.

(79) Section 172 presently reads in part:

(3) The amalgamation agreement shall further set out

(d) the date when subsequent directors are to be elected,

(f) any information respecting the members of the amalgamated company that may be required by regulations under the Agricultural and Recreational Land Ownership Act and section 35 of the Citizenship Act (Canada) in the form and manner prescribed by those regulations, and

(g) any other details that may be necessary to perfect the amalgamation and to provide for the subsequent management and working of the amalgamated company.

(5) When the amalgamation agreement is deemed to have been adopted, the amalgamating companies may, if a copy of the agreement has been submitted to the Registrar and approved in writing by the Registrar, apply to the Court for an order approving the amalgamation.

(6) Unless the Court otherwise directs, each amalgamating company shall notify each of its dissentient shareholders, in the manner the Court may direct, of the time and place when the application for the approving order will be made.

(7) Unless the Court otherwise directs, notice of the time and place of the application for the approving order shall be given to the creditors of an amalgamating company in the manner the Court may direct.

(8) On the application, the Court shall hear and determine the matter and may approve the amalgamation agreement as presented or may approve it subject to compliance with any terms and conditions it thinks fit, having regard to the rights and interests of all parties including the dissentient shareholders and creditors.

(9) The amalgamation agreement and the approving order shall be filed with the Registrar together with

(80) Sections 173 to 176 are repealed.

- (a) *notice of the location of the registered office, and*
- (b) *proof of compliance with any terms and conditions imposed by the Court in the approving order.*

(10) On the receipt of the amalgamation agreement, approving order and any other documents required pursuant to subsection (9), the Registrar shall

- (a) *issue a certificate of amalgamation under the Registrar's seal of office and certifying that the amalgamating companies have amalgamated, and*
- (b) *publish in The Alberta Gazette or the Registrar's periodical at the expense of the applicants for amalgamation a notice of the amalgamation setting out*
 - (ii) *the name of the amalgamated company,*
 - (iii) *the authorized capital and principal objects of the amalgamated company, and*

(15) If articles of an amalgamating company are not adopted by the amalgamation agreement as the articles of the amalgamated company, and new articles are not filed with the Registrar pursuant to subsection (14), the articles contained in Table A in the Schedule apply as the articles of the amalgamated company.

(16) Notwithstanding that articles have been adopted by the amalgamation agreement or filed as articles of the amalgamated company, the articles contained in Table A in the Schedule, insofar as the articles of the amalgamated company do not exclude or modify them, apply in the same manner and to the same extent as if those articles were contained in the articles adopted and agreed on for the amalgamated company.

(80) Sections 173 to 176 presently read:

173(1) In this section,

- (a) *“Alberta company” means a company but does not include a company to which Part 9 applies or a company that has been continued under section 175 as if it had been incorporated under the laws of another jurisdiction;*
- (b) *“wholly-owned subsidiary” means*

- (i) *an Alberta company, all of whose outstanding shares are beneficially owned by an extra-provincial company, or*
 - (ii) *an extra-provincial company, all of whose outstanding shares are beneficially owned by an Alberta company.*
- (2) *An Alberta company may amalgamate with an extra-provincial company if the extra-provincial company is authorized to amalgamate with an Alberta company by the laws of the jurisdiction in which the extra-provincial company is incorporated and either is the wholly-owned subsidiary of the other.*
- (3) *An Alberta company and an extra-provincial company proposing to amalgamate shall enter into an amalgamation agreement prescribing the terms and conditions of the amalgamation.*
- (4) *The amalgamation agreement shall*
 - (a) *comply with section 172(3),*
 - (b) *provide that the shares of the wholly-owned subsidiary shall be cancelled without repayment of issued capital in respect of those shares, and*
 - (c) *provide that no securities shall be issued by the amalgamated company in connection with the amalgamation.*
- (5) *The amalgamation agreement shall be approved by a resolution of the board of directors of the Alberta company and of the board of directors or comparable governing body of the extra-provincial company.*
- (6) *The Alberta company and the extra-provincial company shall file with the Registrar*
 - (a) *certified copies of the resolutions referred to in subsection (5),*
 - (b) *the amalgamation agreement,*
 - (c) *declarations under oath of a director of the Alberta company that*
 - (i) *the Alberta company and the extra-provincial company are able to pay their liabilities as they become due,*

- (ii) *the market value of the amalgamated company's assets will not be less than the aggregate of its liabilities and the issued capital of all classes of its shares,*
- (iii) *no creditor of the Alberta company or the extra-provincial company will be prejudiced by the amalgamation,*
- (iv) *notice has been given to all creditors of the Alberta company and the extra-provincial company has complied with the laws of the jurisdiction in which it was incorporated with respect to creditors, and*
- (v) *no creditor objects to the amalgamation,*

and

- (d) *if the Alberta company is a public company or the extra-provincial company has distributed any of its securities to the public, the approval of the proposed amalgamation by the Commission.*

(7) If a creditor objects to the amalgamation, the Registrar shall refuse to issue a certificate of amalgamation under this section.

(8) If the Registrar refuses under subsection (7) to issue a certificate of amalgamation under this section, the Alberta company or the extra-provincial company may apply by originating notice to the Court for an order directing the Registrar to issue the certificate.

(9) The Court on an application under subsection (8) may order the Registrar to issue the certificate of amalgamation if, in the opinion of the Court, no creditor will be prejudiced by the amalgamation.

(10) If the Alberta company is a public company or the extra-provincial company has distributed any of its securities to the public, the documents referred to in subsection (6)(a), (b) and (c) shall be submitted to the Commission and, if the Commission is satisfied that no creditor or shareholder will be prejudiced by the amalgamation, the Commission shall approve the amalgamation in writing.

(11) For the purposes of this section, adequate notice is given to a creditor of an Alberta company if notice that the Alberta company intends to amalgamate with an extra-provincial company in accordance with this Act and that a creditor may object to the

amalgamation in writing by mailing by recorded mail or delivering the objection to the registered office of the Alberta company within 30 days of the last date on which the notice of intention to amalgamate is

- (a) sent by recorded mail to each creditor having a claim against the Alberta company that exceeds \$1000, and*
- (b) published once in a newspaper published or distributed in the place in Alberta where the Alberta company has its registered office.*

(12) After receiving the documents referred to under subsection (6), and

- (a) being satisfied that no creditor objects to the amalgamation, or*
- (b) receiving a certified copy of an order under subsection (9),*

the Registrar shall

- (c) issue a certificate of amalgamation under his or her seal of office certifying that the Alberta company and the extra-provincial company have amalgamated, and*
- (d) publish in The Alberta Gazette or the Registrar's periodical, at the expense of the applicants for amalgamation, a notice of the amalgamation setting out*
 - (i) the names of the Alberta company and the extra-provincial company that are amalgamated,*
 - (ii) the name of the amalgamated company,*
 - (iii) the authorized capital and principal objects of the amalgamated company,*
 - (iv) the address of the registered office of the amalgamated company, and*
 - (v) any other information the Registrar considers necessary.*

(13) An amalgamation agreement may provide that at any time before the issuance of a certificate of amalgamation by the Registrar, the amalgamation agreement may be terminated by the

board of directors of the Alberta company or the board of directors or comparable governing body of the extra-provincial company proposing to amalgamate.

(14) When a certificate of amalgamation is issued by the Registrar under subsection (12), the amalgamated company is a company incorporated under this Act.

(15) On and from the date shown on the certificate of amalgamation

- (a) the Alberta company and the extra-provincial company continue as the amalgamated company,*
- (b) the amalgamated company has the memorandum and articles of association set out in the amalgamation agreement,*
- (c) the registered office of the amalgamated company is the registered office of the former Alberta company until changed pursuant to section 33,*
- (d) the property of the former Alberta company and the former extra-provincial company continues to be the property of the amalgamated company,*
- (e) the amalgamated company continues to be liable for the obligations of both the former Alberta company and the former extra-provincial company,*
- (f) an existing cause of action, claim or liability to prosecution in favour of or against the former Alberta company or the former extra-provincial company continues in favour of or against the amalgamated company,*
- (g) a civil, criminal or administrative action or proceeding pending by or against the former Alberta company or the former extra-provincial company may be continued to be prosecuted by or against the amalgamated company, and*
- (h) a conviction against, or ruling, order or judgment in favour of or against the former Alberta company or the former extra-provincial company may be enforced by or against the amalgamated company.*

174(1) Subject to subsection (2), a company incorporated under the laws of any jurisdiction other than Alberta may, if it appears to the Registrar to be so authorized by the laws of the jurisdiction in which

(81) Section 177 is amended

(a) by repealing subsection (2);

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

(4) The expense of the investigation may, in the discretion of the Court, be defrayed by the company, the applicants or both parties.

(c) in subsection (6) by striking out “and the inspector shall make a report in a manner and to the persons the company by resolution directs”;

(d) by repealing subsections (7), (9) and (10).

it was incorporated, apply to the Registrar for registration under this Act, continuing it as if it had been incorporated under this Act, and the Registrar may issue a certificate of registration on application supported by such material as appears satisfactory, and the certificate may be issued on any terms and subject to any limitations and conditions, and contain any provisions, that appear to the Registrar to be proper.

(2) Subsection (1) does not apply to corporations incorporated by private Act, nor to corporations which could not be incorporated under this Act.

(3) The Registrar shall cause notice of issue of a certificate of registration under subsection (1) to be given forthwith to the proper officer of the jurisdiction in which the company was incorporated.

175 A company incorporated under this Act, or any Act for which this Act is substituted, may, if authorized by special resolution and by the laws of any other jurisdiction, apply to the proper officer of the other jurisdiction for an instrument of continuation continuing the company as if it had been incorporated under the laws of the other jurisdiction, and on and after the date of the instrument of continuation the company becomes a corporation under the laws of such other jurisdiction.

176 All rights of creditors against the property, rights, assets, privileges and franchises of a company continued under section 174, and all liens on its property, rights, assets, privileges and franchises are unimpaired by the continuation, and all debts, contracts, liabilities and duties of the company thenceforth attach to the continued company and may be enforced against it.

(81) Section 177 presently reads in part:

(2) The application shall be supported by such evidence as the Court requires for the purpose of showing that the applicants have good reason for requiring the investigation or audit, as the case may be.

(4) The inspector or auditor shall report thereon to the Court and the expense of the investigation shall, in the discretion of the Court, be defrayed by the company or by the applicants or partly by the company and partly by the applicants.

(82) Part 7 is repealed.

(6) The inspector appointed under subsection (5) has the same powers and shall perform the same duties as an inspector appointed under subsection (1) and the inspector shall make a report in a manner and to the persons the company by resolution directs.

(7) All officers and agents of the company shall produce for the examination of any inspector or auditor appointed under this section all books and records in their custody or power.

(9) Every officer or agent who refuses to produce any book or record referred to in subsection (7) and every person so examined who refuses to answer any question relating to the affairs and management of the company is guilty of an offence and is liable to a fine of not more than \$200.

(10) A copy of the report of the inspector or auditor, as the case may be, authenticated by the Court or under the seal of the company whose affairs and management the inspector or auditor has investigated, is admissible in any legal proceedings as evidence of the opinion of the inspector or auditor in relation to any matter contained in the report.

(82) Part 7 presently reads:

Part 7

Provisions Relating to Specially Limited Companies

180 No member of a specially limited company is personally liable for the amount, if any, unpaid on the member's shares or for any debt contracted or payable by the company.

181(1) Every certificate of shares or stock issued by a specially limited company shall bear on the face thereof, distinctly written or printed in red ink, after the name of the company,

- (a) the words: "Issued under Part 7 of the Companies Act, respecting specially limited mining companies", and*
- (b) if the shares or stock are issued subject to further assessment, the word "Assessable", or if they are issued not subject to further assessment, the word "Non-assessable".*

(2) Every specially limited company shall have the words "Non-personal Liability"

(83) Section 200 is amended

(a) in subsection (1)

(i) by striking out “, if it proves to the Registrar that it is formed”;

(ii) by striking out “that” **before** “it is the intention of the association”;

(b) in subsection (2) by striking out “shall enjoy all the privileges conferred and be subject to” **and substituting** “has all the privileges conferred and is subject to”.

- (a) *written or printed immediately after or under its name on*
- (i) *its certificate of incorporation, memorandum of association, prospectuses, stock certificates, bonds, contracts, agreements, notices, advertisements and other official publications,*
 - (ii) *all bills of exchange, promissory notes, endorsements, cheques and orders for money or goods purporting to be signed by or on behalf of the company, and*
 - (iii) *all bills of parcels, invoices, receipts and letterheads of the company,*
- and*
- (b) *engraved on its seal.*

(3) Every company that defaults in complying with the requirements of this section, and every director, manager, secretary and officer of the company who knowingly and wilfully authorizes or permits the default, is guilty of an offence.

(83) Section 200 presently reads in part:

200(1) When an association has been or is about to be formed as a limited company, if it proves to the Registrar that it is formed for the purpose of promoting art, science, religion, charity or any other useful object, and that it is the intention of the association to apply the profits, if any, or any other income of the association in promoting its objects and to prohibit the payment of any dividend to the members of the association, the Registrar may direct the association to be registered with limited liability without the addition of the word "limited" to its name and the association may be registered accordingly.

(2) On registration the association shall enjoy all the privileges conferred and be subject to the obligations imposed by this Act on limited companies, with the exception that none of the provisions of this Act that require a limited company to use the word "limited" as a part of its name or to publish its name apply to an association so registered.

(84) Section 202 is amended

(a) in subsection (1)

- (i) by striking out** “, if it proves to the satisfaction of the Registrar that it is formed”;
- (ii) by striking out** “that” **before** “it is the intention of the association”;
- (iii) by striking out** “that” **before** “it is not formed”;
- (iv) by striking out** “that” **before** “no dividend shall be divided”;

- (b) in subsection (2) by striking out** “shall enjoy all the privileges conferred and be subject to” **and substituting** “has all the privileges conferred and is subject to”.

(85) Section 204(1) is amended by striking out “under the seal of the office of the Registrar”.

(86) Section 205 is repealed and the following is substituted:

Dissolution by Registrar

205(1) Subject to subsections (2) and (3), if a company

- (a) has not commenced business within 3 years after the date mentioned in its certificate of incorporation,
- (b) has not carried on business for 3 consecutive years, or
- (c) has failed to send or file for a period of 2 years any return, notice or document required to be filed with or sent to the Registrar,

the Registrar may dissolve the company by issuing a certificate of dissolution, or the Registrar may apply to the Court for an order dissolving the corporation under section 226.

(84) Section 202 presently reads:

202(1) When an association has been or is about to be formed as a limited company, if it proves to the satisfaction of the Registrar that it is formed solely for the purpose of promoting recreation among its members and that it is the intention of the association to apply the profits, if any, or any other income of the association in promoting its objects and that it is not formed with gain for its object and that no dividend shall be divided among the members of the association, the Registrar may direct the association to be registered with limited liability without the addition of the word "limited" to its name, and the association may be registered accordingly.

(2) On registration the association shall enjoy all the privileges conferred and be subject to the obligations imposed by this Act on limited companies, with the exception that none of the provisions of this Act that require a limited company to use the word "limited" as a part of its name or to publish its name apply to an association so registered.

(85) Section 204(1) presently reads:

204(1) On sufficient cause being shown to the Registrar, the Registrar may issue to the Lieutenant Governor in Council a certificate under the seal of the office of the Registrar declaring that the Registrar is satisfied that the incorporation of any company should be revoked and cancelled.

(86) Section 205 presently reads:

205(1) If

(a) a company or an extra-provincial company

(i) has failed to file any return, notice or document required to be filed with the Registrar pursuant to this Act for 2 consecutive years after the return, notice or document should have been so filed, or

(ii) has not complied with an undertaking it made under section 11(3) to dissolve or change its name within 6 months after the incorporation of another company with a similar name,

or

(b) the Registrar has reasonable cause to believe that

(2) The Registrar shall not dissolve a company under this section until the Registrar has

(a) given 120 days' notice of the Registrar's intention to dissolve the company to the company and to each director of the company, and

(b) published notice of the Registrar's intention to dissolve the company in The Alberta Gazette or the Registrar's periodical.

(3) Unless cause to the contrary has been shown or an order has been made by the Court under section 289, the Registrar may, after expiry of the period referred to in subsection (2)(a), issue a certificate of dissolution.

(4) The company ceases to exist on the date shown in the certificate of dissolution.

- (i) a company is not carrying on business or is not in operation, or
- (ii) an extra-provincial company has ceased to carry on business in Alberta,

the Registrar shall send by mail to the company or to the extra-provincial company a letter requiring it

- (c) to file any return, notice or document that has not been filed,
- (d) to comply with an undertaking given under section 11(3), or
- (e) to notify the Registrar,
 - (i) in the case of a company, as to whether it is carrying on business or is in operation, or
 - (ii) in the case of an extra-provincial company, as to whether it has ceased to carry on business in Alberta.

(2) If within one month of sending the letter no reply thereto is received by the Registrar, or the company fails to fulfil the lawful requirements of the Registrar, or notifies the Registrar that it is not carrying on business or in operation, the Registrar may, at the expiration of a further 14 days, publish in The Alberta Gazette or the Registrar's periodical a notice that at the expiration of 2 months from the date of that notice the company mentioned therein will, unless cause is shown to the contrary, be struck off the register, and the company will be dissolved, or, in the case of an extra-provincial company, will be deemed to have ceased to carry on business in Alberta.

(3) When a company or extra-provincial company is being wound up, if the Registrar has reasonable cause to believe that no liquidator is acting or that the affairs of the company are fully wound up, or if the returns required to be made by the liquidator have not been made for a period of 3 consecutive months after notice by the Registrar demanding the returns has been sent by post to the registered office of the company, or, in the case of an extra-provincial company, to the attorney of the company appointed under Part 8, and to the liquidator at the liquidator's last known place of business, the Registrar may publish in The Alberta Gazette or the Registrar's periodical a like notice as is provided in subsection (2).

(87) Section 206 is amended

(a) in subsection (1)

- (i) by striking out** “or an extra-provincial company”;
- (ii) by striking out** “, or, in the case of an extra-provincial company, to be still entitled to carry on business in Alberta,”;

(b) in subsection (2)

- (i) by repealing clauses (b) to (d) and substituting the following:**
 - (b)** a copy of the order shall be filed with the Registrar but no order takes effect until any lawful requirements in respect of the company are fulfilled and the order is filed,
 - (c)** on receipt of a copy of the order, the Registrar shall publish a notice of the restoration of the company to the register in The Alberta Gazette or the Registrar’s periodical,
 - (d)** if the application is not made within 3 years from the date on which the company was struck off, and another company has been incorporated under the

(4) At the expiration of the time mentioned in a notice prescribed under subsection (2) or (3), and also in any case where a company has by resolution requested the Registrar to strike it off the register, and has filed with the Registrar a statutory declaration of 2 or more directors proving that the company has no debts or liabilities, the Registrar may, unless cause to the contrary is previously shown, strike the company off the register, and shall publish notice thereof in The Alberta Gazette or the Registrar's periodical, and on publication the company is dissolved, or, in the case of an extra-provincial company, shall be deemed to have ceased to carry on business in Alberta effective on the date shown in the notice published in The Alberta Gazette or the Registrar's periodical.

(5) Notwithstanding the striking of a company off the register, the liability, if any, of every director, manager, officer, and member of the company continues and may be enforced as if the company had not been struck off the register.

(87) Section 206 presently reads in part:

206(1) If a company or an extra-provincial company or any member or creditor thereof is aggrieved by the company having been struck off the register, the Court, on the application of the company or member or creditor, may, if satisfied that the company was at the time of the striking off carrying on business or in operation, or otherwise that it is just that the company be restored to the register, order the company to be restored to the register, and on a copy of the order being filed with the Registrar the company shall be deemed to have continued in existence, or, in the case of an extra-provincial company, to be still entitled to carry on business in Alberta, as if it had not been struck off, and the Court may by the order give any directions and make any provisions that seem just for placing the company and all other persons in the same position as nearly as possible as if the company had not been struck off, but without prejudice to the rights of parties acquired prior to the date on which the company is restored to the register.

(2) When an application to the Court to restore a company to the register is made under this section,

(b) the Court shall by the order fix a time within which an office copy of the order shall be filed with the Registrar and any lawful requirements, if any, in respect of the company fulfilled, and may extend that time, but no order takes effect until an office copy is so filed and such lawful requirements are so fulfilled.

same or a similar name, and the Registrar objects to the restoration of the company under its own name, the Court shall by the order provide that the company be restored under another name approved by the Registrar in writing, and the order, subject to clause (b), takes effect in the same manner as if the company had changed its name and the Registrar had issued a certificate in accordance with this Act, and

- (ii) **by striking out “and” at the end of clause (e) and repealing clause (f).**

(88) Section 207 is repealed.

- (c) *on receipt of the office copy of the order the Registrar shall cause notice of the restoration of the company to the register to be published in The Alberta Gazette or the Registrar's periodical and the cost of the advertisement shall be paid to the Registrar by the company,*
- (d) *if the application is not made within 3 years from the date on which the company was struck off, and another company or extra-provincial company has been incorporated or registered, as the case may be, under the same or a similar name, and the Registrar objects to the restoration of the company under its own name, the Court shall by the order provide that the company be restored under another name approved by the Registrar in writing, and the order subject to clause (b) takes effect in the same manner as if the company had changed its name and the Registrar had issued a certificate thereof in accordance with this Act, but in the case of an extra-provincial company, except a company incorporated by or under an Act of Parliament, the Court shall not make an order unless the company has changed or undertakes to change its name in accordance with its charter and regulations,*
- (e) *the Court may make an order restoring the company for a limited period or for the purpose of carrying out a particular purpose, and after the expiration of that period, or the execution of that purpose, the company shall forthwith be struck off the register by the Registrar, and*
- (f) *if the company has requested the Registrar to strike it off the register, the company shall not be restored without the Registrar's written consent.*

(88) Section 207 presently reads:

207 A letter or notice under this Division may be addressed to the company at its registered office, or, in the case of an extra-provincial company, at its head office in Alberta, or, if no office is registered or recorded, as the case may be, to the care of some director or officer of the company, or, in the case of an extra-provincial company, to the attorney of the company appointed under Part 8, or, if there is no director or officer of the company whose name and address are known to the Registrar, the letter or notice in identical form and addressed to the Registrar at the address mentioned in the memorandum, may be sent to each of the persons who subscribed to the memorandum.

(89) Section 208 is amended by striking out “or an extra-provincial company”.

(90) Section 210(1)(e) is repealed.

(91) Section 212(1) is amended by striking out “, and shall be contributories accordingly”.

(92) Section 213(a) is amended by striking out “, and shall be a contributory accordingly,”.

(93) Section 215 is amended

- (a) by repealing subsections (1) and (2) and substituting the following:**

(89) Section 208 presently reads:

208 Every person who carries on or attempts to carry on the business of a company or an extra-provincial company that has been struck off the register and has not been restored to the register is guilty of an offence.

(90) Section 210(1) presently reads in part:

210(1) In the event of a company being wound up, every present and past member is, subject to this Act, liable to contribute to the assets of the company to an amount sufficient for payment of its debts and liabilities and the costs, charges, and expenses of the winding-up, and for the adjustment of the rights of the contributories among themselves, with the qualifications following:

(e) in the case of a specially limited company, no contributions shall be required from any member;

(91) Section 212(1) presently reads:

212(1) If a contributory dies either before or after the contributory has been placed on the list of contributories, the contributory's personal representative and heirs and devisees are liable in due course of administration to contribute to the assets of the company in discharge of the contributory's liability, and shall be contributories accordingly.

(92) Section 213 presently reads in part:

213 If a contributory becomes bankrupt, either before or after the contributory has been placed on the list of contributories, then

(a) the trustee in bankruptcy shall represent the contributory for all the purposes of the winding-up, and shall be a contributory accordingly, and may be called on to admit to proof against the estate of the bankrupt, or otherwise to allow to be paid out of the contributory's assets in due course of law, any money due from the bankrupt in respect of his or her liability to contribute to the assets of the company, and

(93) Section 215 presently reads:

215(1) An application to the Court for the winding-up of a company shall be by petition, which shall be presented, subject to this section, either by the company, or by any contributory or contributories, or either of those parties, together or separately.

Application to Court for winding-up

215(1) Subject to subsections (2) and (3), an application to the Court for the winding-up of a company may be made by the company or a contributory or contributories, or either of those parties, together or separately.

(2) A contributory is not entitled to apply to the Court for the winding-up of a company unless

- (a) the number of the members is reduced, in the case of a private company, below 2, or, in the case of any other company, below 3, or
- (b) the shares in respect of which the person is a contributory, or some of them, were originally allotted to the person, or have been held by the person and registered in the person's name for at least 6 months during the 18 months before the commencement of the winding-up, or have devolved on the person through the death of a former holder.

(b) in subsection (3)

- (i) **by striking out** “a petition” **and substituting** “an application”;
- (ii) **by striking out** “may be presented” **and substituting** “may be made”;
- (iii) **by striking out** “the petition” **and substituting** “the application”.

(94) Section 216 is amended

- (a) **in subsection (1) by striking out** “petition” **and substituting** “application”;
- (b) **in subsection (2) by striking out** “petition is presented” **and substituting** “application is made”.

(2) *Notwithstanding subsection (1),*

(a) *a contributory is not entitled to present a petition for winding-up a company unless*

(i) *either the number of members is reduced, in the case of a private company, below 2, or, in the case of any other company, below 3, or*

(ii) *the shares in respect of which the person is a contributory, or some of them, either were originally allotted to the person, or have been held by the person and registered in the person's name for at least 6 months during the 18 months before the commencement of the winding-up, or have devolved on the person through the death of a former holder,*

and

(b) *a petition for winding-up a company on the ground of default in filing the annual report or in holding the annual meeting shall not be presented by any person except a shareholder, nor before the expiration of 14 days after the last day on which the meeting ought to have been held.*

(3) *When a company is being wound up voluntarily or is being wound up subject to the supervision of the Court, a petition to have the company wound up by the Court may be presented to the Court by the liquidator, any creditor or any other person authorized to do so under the other provisions of this section, but the Court may make the winding-up order on the petition only if it is satisfied that the voluntary winding-up or winding-up subject to the supervision of the Court cannot be continued with due regard to the interests of the creditors or contributories.*

(94) Section 216 presently reads:

216(1) On hearing the petition the Court may dismiss it with or without costs, or adjourn the hearing conditionally or unconditionally, or make any interim order, or any other order that it considers just, but the Court shall not refuse to make a winding-up order on the ground only that the assets of the company have been mortgaged to an amount equal to or in excess of those assets, or that the company has no assets.

(95) Section 217(1) is amended by striking out “an office copy” and substituting “a copy”.

(96) Section 218 is amended by striking out “of the presentation of the petition for the winding-up” and substituting “the application for the winding-up is made”.

(97) Section 219 is amended by striking out “the presentation of a petition for winding-up and before a winding-up order has been made” and substituting “an application for winding-up has been made and before a winding-up order is made”.

(98) Section 226(2) is amended by striking out “An office copy” and substituting “A copy”.

(2) When the petition is presented on the ground of default in filing the annual report or in holding the annual meeting, the Court may, instead of directing that the company be wound up, give directions for the report to be filed or the meeting to be held, or make any other order that may be just, and may order the costs to be paid by any persons who, in the opinion of the Court, are responsible for the default.

(95) Section 217(1) presently reads:

217(1) On the making of a winding-up order, an office copy of the order shall, within 15 days from the date of the order, be filed by the liquidator with the Registrar.

(96) Section 218 presently reads:

218 A winding-up of a company by the Court shall be deemed to commence at the time of the presentation of the petition for the winding-up.

(97) Section 219 presently reads:

219 At any time after the presentation of a petition for winding-up and before a winding-up order has been made, the company or any contributory may

- (a) if any action or proceeding against the company is pending in the Court or Court of Appeal, apply to the court in which the action or proceeding is pending for a stay of proceedings therein, or*
- (b) if any other action or proceeding is pending against the company, apply to the court having jurisdiction to wind up the company to restrain further proceedings in the action or proceeding,*

and the court to which application is so made may stay or restrain the proceedings accordingly on any terms it thinks fit.

(98) Section 226(2) presently reads:

(2) An office copy of the order shall be filed by the liquidator with the Registrar within 15 days from the date of the order.

(99) Sections 235 and 238(4) to (9) are repealed.

(99) Sections 235 and 238(4) to (9) presently read:

235(1) An order made by the Court on a contributory is, subject to any right of appeal, conclusive proof that the money, if any, thereby appearing to be due or ordered to be paid is due.

(2) All other pertinent matters stated in the order shall be taken to be truly stated as against all persons and in all proceedings, except proceedings against the real estate of a deceased contributory, in which case the order is only prima facie proof for the purpose of charging the contributory's real estate, unless the contributory's heirs or devisees were on the list of contributories at the time of the order being made.

238(4) The person questioned shall be questioned on oath, and shall answer all questions the Court puts or allows to be put to the person.

(5) A person ordered to be questioned under this section shall at the person's own cost, before questioning, be furnished with a copy of the liquidator's report, and may at the person's own cost employ a solicitor with or without counsel who shall be at liberty to question the person for the purpose of enabling the person to explain or qualify any answers given by the person.

(6) Notwithstanding subsection (5), if a person ordered to be questioned is, in the opinion of the Court, exculpated from any charges made or suggested against the person, the Court may allow the person any costs that in its discretion it may think fit.

(7) Notes of the questioning shall be taken down either in shorthand or in writing, and if in writing shall be read over to or by, and signed by, the person questioned, and may thereafter be used in evidence against the person, and shall be open to the inspection of any creditor or contributory at all reasonable times.

(8) The Court may, if it thinks fit, adjourn the questioning from time to time.

(9) Questioning under this section may, if the Court so directs, and subject to the Alberta Rules of Court, be held before a clerk of the Court named for the purpose, or any special examiner appointed by the Court, and the powers of the Court under this section as to the conduct of the questioning, but not as to costs, may be exercised by the person before whom the questioning is held.

(100) Section 240 is amended

- (a) in subsection (2) by striking out** “the presentation of a petition” **and substituting** “an application for winding-up is made”;
- (b) by repealing subsection (4);**
- (c) in subsection (5) by striking out** “shall” **and substituting** “may”;
- (d) by repealing subsection (7);**
- (e) by repealing subsection (8) and substituting the following:**

(8) The Court may order that the liquidator receive a salary or remuneration by way of percentage or otherwise, and if more than one person is appointed liquidator, may order that the remuneration be distributed among them in the proportions the Court directs.
- (f) by repealing subsection (9).**

(101) Section 241(1) is amended by striking out “and choses in action”.

(102) Section 245(2) is repealed and the following is substituted:

- (2)** The Court may order the special manager to give a security and account to the Court and may direct the remuneration to be received by the special manager.

(100) Section 240 presently reads in part:

(2) The Court may at any time after the presentation of a petition, and before the appointment of a liquidator or liquidators, appoint any fit person as a provisional liquidator, and may limit and restrict the person's powers by the order appointing the person.

(4) Every liquidator or provisional liquidator shall, within 7 days after his or her appointment, file with the Registrar the notice aforesaid, and if a liquidator defaults in complying with this requirement he or she is guilty of an offence.

(5) If more than one liquidator is appointed by the Court, the Court shall declare whether any act by this Act required or authorized to be done by the liquidator is to be done by all or any one or more of the persons appointed.

(7) A vacancy in the office of a liquidator appointed by the Court shall be filled by the Court.

(8) The liquidator shall receive the salary or remuneration by way of percentage or otherwise that the Court may direct, and if more persons than one are appointed liquidators, their remuneration shall be distributed among them in the proportions the Court directs.

(9) A liquidator shall be described by the style of the liquidator of the particular company in respect of which the liquidator is appointed, and not by his or her individual name.

(101) Section 241(1) presently reads:

241(1) In a winding-up by the Court the liquidator or the provisional liquidator, as the case may be, shall take into his or her custody or under his or her control all the property and choses in action to which the company is or appears to be entitled.

(102) Section 245(2) presently reads:

(2) The special manager shall give the security and account in the manner and shall receive the remuneration the Court may direct.

(103) Section 246(2) is repealed.

(104) Section 247 is amended

(a) by repealing subsection (2);

(b) in subsection (3)

(i) by striking out “The Court shall cause the account to be audited” **and substituting** “The Court may direct that the account be audited”;

(ii) by striking out “vouchers and”;

(c) by repealing subsections (4) and (5) and substituting the following:

(4) When the account has been audited, a copy of the audited account shall be filed with the Court.

(5) The auditor shall provide a copy of the audited account or a summary of the audited account to every creditor and contributory.

(105) Section 248 is repealed and the following is substituted:

Books to be kept by liquidator

248 Every liquidator of a company that is being wound up by the Court shall keep proper books respecting the winding-up of the company, and any creditor or contributory may, subject to the control of the Court, personally or by his or her agent inspect any such books.

(103) Section 246(2) presently reads:

(2) If the liquidator at any time retains for more than 10 days a sum exceeding \$250, or some other amount that the Court in any particular case authorizes the liquidator to retain, then, unless the liquidator explains the retention to the satisfaction of the Court, the liquidator shall pay interest on the amount so retained in excess at the rate of 10% per year, and is liable to disallowance of all or part of the liquidator's remuneration as the Court thinks just, and to be removed from the liquidator's office by the Court, and shall pay any expenses occasioned by reason of the liquidator's default.

(104) Section 247 presently reads in part:

(2) The account shall be in a prescribed form, shall be made in duplicate, and shall be verified by a statutory declaration in the prescribed form.

(3) The Court shall cause the account to be audited, and for the purpose of the audit the liquidator shall furnish the auditor with any vouchers and information the auditor may require, and the auditor may at any time require the production of and inspect any books or accounts kept by the liquidator.

(4) When the account has been audited, one copy thereof shall be filed with the Court, and that copy shall be open to the inspection of any creditor, or of any person interested.

(5) The auditor shall cause the account when audited, or a summary thereof, to be printed or typewritten, and shall send a printed or typewritten copy of the account or summary by post to every creditor and contributory.

(105) Section 248 presently reads:

248 Every liquidator of a company that is being wound up by the Court shall, in the manner prescribed, keep proper books in which the liquidator shall cause to be made entries or minutes of proceedings at meetings, and of any other matters prescribed, and any creditor or contributory may, subject to the control of the Court, personally or by his or her agent inspect any such books.

(106) Section 249(1) is amended by striking out “shall” wherever it occurs and substituting “may”.

(107) Section 250 is amended

- (a) in subsection (1) by striking out “shall” wherever it occurs and substituting “may”;**
- (b) in subsection (3) by striking out “and vouchers”.**

(108) Section 251 is amended by striking out “shall” wherever it occurs and substituting “may”.

(106) Section 249(1) presently reads:

249(1) When the liquidator of a company that is being wound up by the Court has realized all the property of the company, or so much thereof as can, in the liquidator's opinion, be realized without needlessly protracting the liquidation, and has distributed a final dividend, if any, to the creditors and adjusted the rights of the contributories among themselves, and made a final return, if any, to the contributories, or has resigned, or has been removed from office, the Court shall, on the liquidator's application, cause a report on the liquidator's accounts to be prepared, and, on the liquidator's complying with all the requirements of this Act, shall take into consideration the report, and any objection which may be urged by any creditor, or contributory, or person interested against the release of the liquidator, and shall either grant or withhold the release accordingly.

(107) Section 250 presently reads in part:

250(1) The Court shall take cognizance of the conduct of liquidators of companies that are being wound up by the Court, and if a liquidator does not faithfully perform the liquidator's duties and duly observe all the requirements imposed on the liquidator by statute, general rules, or otherwise with respect to the performance of the liquidator's duties, or if any complaint is made to the Court by any creditor or contributory in regard thereto, the Court shall inquire into the matter, and take any action thereon it thinks expedient.

(3) The Court may also direct a local investigation to be made of the books and vouchers of the liquidator.

(108) Section 251 presently reads:

251(1) When a winding-up order has been made by the Court, the liquidator may, and on a request in writing to do so by 10% in value of the creditors or contributories, shall forthwith, summon separate meetings of the creditors and contributories of the company for the purpose of determining whether or not an application is to be made to the Court for the appointment of a committee of inspection to act with the liquidator, and who are to be the members of the committee if appointed.

(2) The Court may make any appointment and order required to give effect to any such determination, and, if there is a difference

(109) Section 252 is amended

(a) by repealing subsection (2) and substituting the following:

(2) The committee shall meet at least once a month and the liquidator or any member of the committee may also call a meeting of the committee when the liquidator or member considers it necessary.

(b) in subsection (3) by striking out “, but shall not act unless a majority of the committee are present”;

(c) in subsection (7) by striking out “shall” and substituting “may”.

(110) Section 253(1) is amended by striking out “the Court shall” and substituting “the Court may”.

(111) Section 255 is amended

(a) in subsection (1) by striking out “shall” and substituting “may”;

(b) by repealing subsection (2).

(112) Section 256 is amended by striking out “shall be deemed to commence” and substituting “commences”.

between the determinations of the meetings of the creditors and contributories, the Court shall decide the difference and make any order thereon the Court thinks fit.

(109) Section 252 presently reads in part:

(2) The committee shall meet at the times it from time to time appoints, and, failing such appointment, at least once a month, and the liquidator or any member of the committee may also call a meeting of the committee as and when he or she thinks necessary.

(3) The committee may act by a majority of its members present at a meeting, but shall not act unless a majority of the committee are present.

(7) On a vacancy occurring in a committee the liquidator shall forthwith summon a meeting of creditors or of contributories, as the case may be, to fill the vacancy, and the meeting may, by resolution, re-appoint the same or appoint another creditor or contributory to fill the vacancy.

(110) Section 253(1) presently reads:

253(1) Subject to this Act, the liquidator of a company that is being wound up by the Court shall, in the administration of the assets of the company and in the distribution thereof among its creditors, have regard to any directions that may be given by resolution of the creditors or contributories at any general meeting, or by the committee of inspection, and any directions given by the creditors or contributories at any general meeting shall, in case of conflict, be deemed to override any directions given by the committee of inspection.

(111) Section 255 presently reads:

255(1) When a company has resolved by special resolution to wind up voluntarily, it shall publish a notice of the resolution in The Alberta Gazette.

(2) Every company that defaults in complying with this section is guilty of an offence.

(112) Section 256 presently reads:

256 A voluntary winding-up shall be deemed to commence at the time of the passing of the resolution authorizing the winding-up.

(113) Section 258(1) is amended by striking out “in the prescribed form” wherever it occurs.

(114) Section 263(2) is repealed and the following is substituted:

(2) The liquidator may exercise the powers of the Court under this Act of settling a list of contributories and making calls.

(115) Section 266(4) is repealed.

(116) Section 268 is amended

- (a) in subsection (1) by striking out “once in The Alberta Gazette and”;**
- (b) in subsection (6) by striking out “shall” and substituting “may”.**

(113) Section 258(1) presently reads:

258(1) Every liquidator in a voluntary winding-up shall, within 7 days after his or her appointment, file with the Registrar a notice of his or her appointment in the prescribed form, and shall within a like period file with the Registrar a notice in the prescribed form if he or she resigns his or her appointment or for any other reason ceases to act as liquidator.

(114) Section 263(2) presently reads:

(2) The liquidator may exercise the powers of the Court under this Act of settling a list of contributories and making calls, and shall pay the debts of the company, and adjust the rights of the contributories among themselves, and the list of contributories is proof, in the absence of evidence to the contrary, of the liability of the persons named therein to be contributories.

(115) Section 266(4) presently reads:

(4) If the liquidator elects to purchase the dissident member's interest, the purchase money shall be paid before the company is dissolved, and be raised by the liquidator in the manner determined by special resolution.

(116) Section 268 presently reads in part:

268(1) Every liquidator appointed by a company in a voluntary winding-up shall, within 7 days from the appointment, send notice by post to all persons who appear to the liquidator to be creditors of the company that a meeting of the creditors of the company will be held on a date, not being less than 14 nor more than 42 days after the appointment, and at a place and hour to be specified in the notice, and shall also advertise notice of the meeting once in The Alberta Gazette and once at least in a local newspaper circulating in the district where the registered office or principal place of business of the company was situated.

(6) The Court shall make any order as to the costs of the application it thinks fit, and if it is of the opinion that, having regard to the interests of the creditors in the liquidation, there were reasonable grounds for the application, may order the costs of the application to be paid out of the assets of the company, notwithstanding that the application is dismissed or otherwise disposed of adversely to the applicant.

(117) Section 269(1) is amended

- (a) by striking out** “the liquidator’s acts and dealings and of the conduct of”;
- (b) by striking out** “the date for which the meeting is summoned” **and substituting** “the meeting date”;
- (c) by striking out** “a verified summary of the liquidator’s receipts and payments during that year” **and substituting** “a summary of the liquidator’s accounts during that year”.

(118) Section 271 is amended

- (a) by repealing subsections (1) and (2) and substituting the following:**

Liquidator’s account and notice of final meeting

271(1) In the case of every voluntary winding-up, the liquidator shall, as soon as the affairs of the company are fully wound up, make an account of the winding-up and call a general meeting of the company for the purpose of laying the account before it, and a notice of the meeting shall be published in 2 consecutive issues of The Alberta Gazette.

(2) If, within half an hour from the time appointed for the meeting, a quorum of members is not present, the liquidator may adjourn the meeting to the same day in the next week.

- (b) in subsection (3) by striking out** “, in the prescribed form,”;
- (c) in subsection (4) by striking out** “and that no quorum was present thereat”;
- (d) in subsection (5) by striking out** “shall forthwith register it, and on the expiration of 3 months from the registration” **and substituting** “may register it, and on the registration”;
- (e) in subsection (7) by striking out** “an office copy thereof” **and substituting** “a copy of the order”.

(117) Section 269(1) presently reads:

269(1) In the event of a voluntary winding-up continuing for more than one year, the liquidator shall summon a general meeting of the company at the end of the first year from the commencement of the winding-up, and at the end of each succeeding year, or as soon thereafter as may be convenient, and shall lay before the meeting an account of the liquidator's acts and dealings and of the conduct of the winding-up during the preceding year, and shall, within 7 days from the date for which the meeting is summoned, file with the Registrar a verified summary of the liquidator's receipts and payments during that year.

(118) Section 271 presently reads in part:

271(1) In the case of every voluntary winding-up the liquidator shall, as soon as the affairs of the company are fully wound up, make up an account of the winding-up, showing how the winding-up has been conducted and the property of the company has been disposed of, and thereupon shall call a general meeting of the company for the purpose of laying before it the account, and giving any explanation thereof, and a notice of the meeting specifying the time, place and object thereof shall be published in 2 consecutive issues of The Alberta Gazette.

(2) If within half an hour from the time appointed for the meeting a quorum of members is not present, the liquidator shall adjourn the meeting to the same day in the next week, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall for the purposes of this section be deemed to have been duly held by the liquidator.

(3) Within 7 days after the meeting, the liquidator shall file with the Registrar a copy of the account and a return, in the prescribed form, of the holding of the meeting and of its date, and in default of so doing is guilty of an offence.

(4) If a quorum is not present at the meeting or the adjournment thereof, the liquidator shall, instead of the return hereinbefore mentioned, make a return that the meeting was duly summoned and that no quorum was present thereat, and upon that return being made the provisions of subsection (3) as to the making of the return shall be deemed to have been complied with.

(119) Section 272 is amended

- (a) in subsection (2) by striking out “an office copy” and substituting “a copy”;**
- (b) in subsection (3) by striking out “in the prescribed form”;**
- (c) by repealing subsection (4) and substituting the following:**
 - (4) The Registrar on receiving the return may register it, and on the registration of the return the company is dissolved.**

(120) Section 278 is amended

- (a) by striking out “A petition” and substituting “An application”;**
- (b) by striking out “a petition” and substituting “an application”.**

(121) Section 281(2) is amended by striking out “sections 240(1) to (9)” and substituting “sections 240(1) to (3), (5), (6) and (8)”.

(5) The Registrar on receiving the return shall forthwith register it, and on the expiration of 3 months from the registration of the return the company shall be deemed to be dissolved.

(7) When an order is made under this section, the liquidator or other person on whose application the order is made shall, within 7 days after the making of the order, file with the Registrar an office copy thereof, and if the liquidator or other person fails to do so the liquidator or other person is guilty of an offence.

(119) Section 272 presently reads in part:

(2) The liquidator shall file an office copy of the order with the Registrar within 7 days after the making thereof.

(3) If the order dispenses with the holding of a final meeting under section 271, the liquidator shall file with the order a copy of the liquidator's final account of the winding-up and a return in the prescribed form.

(4) The Registrar on receiving the return shall forthwith register it, and on the expiration of 3 months from the registration of the return the company shall be deemed to be dissolved.

(120) Section 278 presently reads:

278 A petition for the continuance of a voluntary winding-up subject to the supervision of the Court shall, for the purpose of giving jurisdiction to the Court over actions, be deemed to be a petition for winding-up by the Court.

(121) Section 281(2) presently reads:

(2) A winding-up subject to the supervision of the Court is not a winding-up by the Court for the purpose of sections 240(1) to (9), 238, 243 to 248 and 251 to 253, but, subject as aforesaid, an order for a winding-up subject to supervision shall for all purposes, including the staying of actions and other proceedings, the making and enforcement of calls, and the exercise of all other powers, be deemed to be an order for winding-up by the Court.

(122) Section 283(2)(a) is repealed and the following is substituted:

- (a) rank equally among themselves and shall be paid in equal proportions, and

(123) Section 286(2) and (3) are repealed.

(124) Section 289(2) is amended by striking out “an office copy” and substituting “a copy”.

(125) Section 293 is repealed.

(122) Section 283(2) presently reads in part:

(2) The foregoing debts

- (a) rank equally among themselves and shall be paid in full, unless the assets are insufficient to meet them, in which case they shall abate in equal proportions, and*
- (b) insofar as the assets of the company available for payment of general creditors are insufficient to meet them, have priority over the claims of holders of debentures under any floating charge created by the company, and shall be paid accordingly out of any property comprised in or subject to that charge.*

(123) Section 286(2) and (3) presently read:

- (2) In the case of creditors, regard shall be had to the value of each creditor's debt.*
- (3) In the case of contributories, regard shall be had to the number of votes conferred on each contributory by the articles.*

(124) Section 289(2) presently reads:

(2) The person on whose application the order was made shall, within 7 days after the making of the order, file with the Registrar an office copy of the order, and if that person fails to do so he or she is guilty of an offence.

(125) Section 293 presently reads:

293(1) When a company is being wound up, whether by the Court or voluntarily, or when a receiver or manager of the property of a company has been appointed, every invoice, order for goods, or business letter issued by or on behalf of the company or a liquidator of the company or the receiver or manager, being a document on or in which the name of the company appears, shall contain a statement that the company is in liquidation, or that a receiver or manager has been appointed, as the case may be.

(2) If default is made in complying with the requirements of this section, the company and every director, manager, secretary or other officer of the company and every liquidator of the company and every receiver or manager, who knowingly and wilfully authorizes or permits the default is guilty of an offence.

(126) Section 295 is repealed and the following is substituted:

Appointment of Registrar

295 In accordance with the *Public Service Act*, there shall be appointed a Registrar of Companies and a Deputy Registrar or Deputy Registrars of Companies.

(127) Section 298 is repealed and the following is substituted:

Direction by the Minister

298 The Minister may give directions with respect to any act that this Act directs is to be done to or by the Registrar.

(128) Section 299 is repealed and the following is substituted:

Registrar's seal of office

299 The Minister may authorize a seal for use by the Registrar in the performance of the Registrar's duties.

(129) The following is added after section 299:

Forms

299.1 The Registrar may prescribe forms for the purposes of this Act.

(130) Section 300 is repealed and the following is substituted:

Failure to file return

300 Notwithstanding anything in this Act, the Registrar may refuse to issue any certificate under this Act in respect of a company if the company has not

- (a) filed a return, notice or document required to be filed under this Act, or
- (b) complied with an undertaking made under section 11(3).

(126) Section 295 presently reads:

295 In accordance with the Public Service Act there shall be appointed a Registrar of Companies, a Deputy Registrar of Companies and any other employees necessary for the proper administration of this Act.

(127) Section 298 presently reads:

298 Whenever any act is by this Act directed to be done to or by the Registrar, it shall, until the Minister otherwise directs, be done to or by the existing Registrar or to or by some person the Minister authorizes.

(128) Section 299 presently reads:

299(1) The Lieutenant Governor in Council may direct a seal to be prepared for use by the Registrar in the performance of the Registrar's duties.

(2) All documents issued by the Registrar under the Registrar's hand or sealed with the Registrar's seal of office in the performance of the Registrar's duties shall be received in evidence and deemed to have been so issued, unless the contrary is shown, and it is not necessary to prove the handwriting, seal of office, or official position of the person certifying the documents.

(129) Forms.

(130) Section 300 presently reads:

300 Notwithstanding anything in this Act, if a company or extra-provincial company has not

(a) filed a return, notice or document required to be filed under this Act, or

(b) complied with an undertaking made under section 11(3),

(131) Section 301(2) is amended by striking out “under the hand and seal of office of the Registrar” **and substituting** “by the Registrar”.

(132) Section 303 is amended by striking out “under the Registrar’s seal of office”.

(133) The following is added after section 304:

Waiver of fees

304.1 The Registrar may in the Registrar’s discretion waive, in accordance with the regulations, all or part of any fee prescribed under this Act.

(134) Section 306 is amended

- (a) by striking out** “and has been requested by the Registrar to do so”;
- (b) by striking out** “, unless, in the opinion of the Registrar, exceptional circumstances exist that warrant the performance of those services”.

the Registrar shall not issue any certificate under this Act in respect of that company or that extra-provincial company, unless, in the opinion of the Registrar, exceptional circumstances exist that warrant the issuance of the certificate.

(131) Section 301(2) presently reads:

(2) A copy of or extract from any such document, certified to be a true copy under the hand and seal of office of the Registrar, is, in all legal proceedings, admissible in evidence as of equal validity with the original document.

(132) Section 303 presently reads:

303 On the payment of the prescribed fee, the Registrar may issue under the Registrar's seal of office a certificate stating that, according to the Registrar's records, the company named therein

- (a) is or is not registered under this Act on the date of issue of the certificate, or*
- (b) was or was not registered under this Act on the day or during the period specified in the certificate.*

(133) Waiver of fees.

(134) Section 306 presently reads:

306 Notwithstanding anything in this Act, if a person has not paid the fees required to be paid by this Act or the regulations and has been requested by the Registrar to do so, the Registrar shall not perform any service or issue any certificate or file any document at the request of or for the benefit of that person, unless, in the opinion of the Registrar, exceptional circumstances exist that warrant the performance of those services.

(135) Section 307 is amended

(a) by repealing clause (a);

(b) by adding the following after clause (b):

(b.1) respecting the waiver of the payment of fees prescribed under this Act;

(136) Section 308 is amended

(a) in subsection (1)

(i) in clause (a) by striking out “filed under section 86(2), or” **and substituting** “filed under section 86(2) or last annual return filed under section 162(2),”;

(ii) by adding the following after clause (a):

(a.1) delivered to or sent by recorded mail to the company’s agent for service or alternative agent for service at the address shown in the last notice given to the Registrar under section 25(2)(a), 29.1 or 29.2, or

(b) by repealing subsection (2);

(c) in subsection (3) by adding “or (a.1)” after “subsection (1)(a)”;

(d) by repealing subsection (4).

(137) The following is added after section 308:

Notice to and service on shareholders and directors

308.01(1) A notice or document required or permitted by this Act, the regulations or the articles to be sent to or served on a shareholder or director of a company may be sent by mail addressed to, or may be delivered personally to,

(a) the shareholder at the shareholder’s last address as shown in the records of the company, and

(135) Section 307 presently reads in part:

307 The Lieutenant Governor in Council may make regulations

(b) prescribing that fees are payable to the Registrar in respect of any matter under this Act;

(136) Section 308 presently reads in part:

308(1) A notice or document that is required or permitted to be sent to or served on a company may be

(a) delivered to or sent by recorded mail to the company's registered office as shown in the last notice filed under section 86(2), or

(2) Notwithstanding subsection (1), a letter under section 205(1) may be sent to a company by ordinary mail to the company's registered office as shown in the last notice filed under section 86(2).

(3) A notice or document sent by recorded mail to the company in accordance with subsection (1)(a) 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 company did not receive the notice or document at that time or at all.

(4) A letter under section 205(1) sent by ordinary mail to the company in accordance with subsection (2) is deemed to have been received or served at the time it would be delivered in the ordinary course of mail despite the fact that it is returned as undeliverable.

(137) Notice to and service on shareholders and directors.

(b) the director at the director's last address as shown in the records of the company, the last notice filed under section 93(2) or a notice accompanying an annual return under section 162(2).

(2) For the purpose of the service of a notice or document, a director named in a notice sent by a company to the Registrar under section 93(2) and filed by the Registrar or named in a notice accompanying an annual return under section 162(2) is presumed to be a director of the company referred to in the notice.

(3) A notice or document sent by mail in accordance with subsection (1) to a shareholder or director of a company is deemed to be received by the shareholder or director at the time it would be delivered in the ordinary course of mail unless there are reasonable grounds for believing that the shareholder or director did not receive the notice or document at that time or at all.

(4) If a company sends a notice or document to a shareholder in accordance with subsection (1) and the notice or document is returned on 2 consecutive occasions because the shareholder cannot be found, the company is not required to send any further notices or documents to the shareholder until the shareholder informs the company in writing of the shareholder's new address.

(5) A notice or document required to be sent or delivered under this section may be sent by electronic means in accordance with the *Electronic Transactions Act*.

(138) Section 312(2) is repealed.

(139) Section 313 is amended

(a) in subsection (1) by striking out "or extra-provincial company";

(b) in subsection (2) by striking out ", extra-provincial company".

(138) Section 312(2) presently reads:

(2) Subsection (1) does not apply to a company formed pursuant to section 15(4) or (5).

(139) Section 313 presently reads:

313(1) Every director, manager, secretary or other officer of a company or extra-provincial company who knowingly and wilfully authorizes or permits any act, default, or refusal in respect of which the company is by this Act declared to be guilty of an offence, is also guilty of an offence.

(140) The following is added after section 316:

**Division 7
Transitional Provisions**

Transitional provision — agent for service

317 A company that is incorporated at the time this section comes into force shall, within one year after the coming into force of this section, appoint an agent for service under section 29.1 and send a notice of appointment of its agent for service to the Registrar, or the Registrar may dissolve the company by issuing a certificate of dissolution under section 205 or by applying to the Court for an order dissolving the corporation under section 226.

Transitional provision — Schedule

318 Notwithstanding the repeal of the Schedule, if the articles of a company adopted any or all of the regulations contained in Table A in the Schedule before the coming into force of this section, the Schedule continues in force in respect of those articles until the company alters them under section 55.

(141) The Schedule is repealed.

(2) Every company, extra-provincial company or person guilty of an offence for which no penalty is specified is liable to a fine not exceeding \$500.

(140) Transitional provision — agent for service; transitional provision — Schedule.

(141) The Schedule presently reads:

Schedule

Table A

Articles of Association of, Limited.

1. In these regulations, unless the context otherwise requires, expressions defined in the Companies Act, or any statutory modification thereof in force at the date at which these regulations become binding on the Company, shall have the meanings so defined.

2. In these regulations, unless the context otherwise requires words importing the singular shall include the plural, and vice versa, and words importing the masculine gender shall include females and words importing persons shall include corporations.

Shares

3. No share shall be offered to the public for subscription except on the terms that the amount payable on application shall be at least 5% of the nominal amount or par value of the share, or, in the case of a share without nominal or par value, of the price of the share; and the directors shall, as regards any allotment of shares, duly comply with such of the provisions of the Companies Act as may be applicable thereto.

4. Every member shall, without payment, be entitled to a certificate signed by the secretary and one other officer of the Company containing the statements required by the Companies Act; provided that, in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one or several joint holders shall be sufficient delivery to all.

5. If a share certificate is defaced, lost, or destroyed, it may be renewed on payment of such fee, if any, not exceeding 50¢, and on such terms, if any, as to evidence and indemnity as the directors think fit.

6. No part of the funds of the Company shall be employed in the purchase of, or in loans upon the security of, the Company's shares.

Lien

7. The Company shall have a lien on every share (not being a fully paid share) for all money (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a lien on all shares standing registered in the name of a single person for all money presently payable by the person or the person's estate to the Company; but the directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. The Company's lien, if any, on a share shall extend to all dividends payable thereon.

8. The Company may sell, in such manner as the directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of 14 days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been

given to the registered holder for the time being of the share, or the person entitled by reason of the holder's death or bankruptcy to the share.

9. The proceeds of the sale shall be applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue shall (subject to a like lien for sums not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the date of the sale. The purchaser shall be registered as the holder of the shares, and the purchaser shall not be bound to see to the application of the purchase-money, nor shall the purchaser's title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Calls on Shares

10. The directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares: Provided that no call shall exceed 1/4 of the nominal amount of the share, or, in the case of a share without nominal or par value, of the price at which the share is issued, or be payable at less than one month from the last call; and each member shall (subject to receiving at least 14 days' notice specifying the time or times of payment) pay to the Company at the time or times so specified the amount called on the member's shares.

11. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

12. If a call or instalment of a call is not paid before or on the day appointed for payment thereof, the person from whom the call is due shall pay interest thereon at the rate of 8% per year from the day appointed for the payment thereof to the time of the actual payment, but the directors shall be at liberty to waive payment of that interest wholly or in part.

13. The directors may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.

14. The directors may, if they think fit, receive from any member willing to advance it all or any part of the money uncalled and unpaid on any shares held by the member, and on all or any of the money so advanced may (until the same would, but for such

advance, become presently payable) pay interest at such rate (not exceeding, without the sanction of an ordinary resolution, whether previous notice thereof has been given or not, 6%) as may be agreed upon between the member paying such money in advance and the directors.

Transfer and Transmission of Shares

15. The instrument of transfer of any shares in the Company shall be executed both by the transferor and transferee, and the transferor shall be deemed to remain the holder of the shares until the name of the transferee is entered in the register of members in respect thereof.

16. Shares in the Company shall be transferred in the following form, or in any usual or common form which the directors shall approve:

I, A. B. , of , in consideration of the sum of \$. paid to me by C. D. , of (hereinafter called the "said transferee"), do hereby transfer to the said transferee the share or shares numbered in the undertaking called the Company, Limited, to hold unto the said transferee, the transferee's executors, administrators, and assigns, subject to the several conditions on which I held the same at the time of the execution hereof; and I, the said transferee, do hereby agree to take the said share or shares subject to the conditions aforesaid.

*As witness our hands the day of
Witness to the signatures of, etc.*

17. The directors may decline to register any transfer of shares, not being fully paid shares, to a person of whom they do not approve, and may also decline to register any transfer of shares on which the Company has a lien. The directors may also suspend the registration of transfers during the 14 days immediately preceding the ordinary general meeting in each year. The directors may decline to recognize any instrument of transfer unless

(a) a fee not exceeding 50¢ is paid to the Company in respect thereof, and

(b) *the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer.*

18. The executors or administrators of a deceased sole holder of a share shall be the only persons recognized by the Company as having any title to the share. In the case of a share registered in the names of 2 or more holders, the survivors or survivor, or the executors or administrators of the deceased survivor, shall be the only persons recognized by the Company as having any title to the share.

19. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member shall, on such evidence being produced as may from time to time be required by the directors, have the right either to be registered as a member in respect of the share, or, instead of being registered, to make such transfer of the share as the deceased or bankrupt person could have made; but the directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or bankrupt person before the death or bankruptcy.

20. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which the person would be entitled if the person were the registered holder of the share, except that the person shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Forfeiture of Shares

21. If a member fails to pay any call or instalment of a call on the day appointed for the payment thereof, the directors may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on the member requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

22. The notice shall name a further day (not earlier than the expiration of 14 days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the

shares in respect of which the call was made will be liable to be forfeited.

23. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect.

24. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the directors think fit.

25. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares.

26. A statutory declaration in writing that the declarant is a director of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive proof of the facts therein stated as against all persons claiming to be entitled to the share, and that declaration, and the receipt of the Company for the consideration, if any, given for the share on the sale or disposition thereof, shall constitute a good title to the share, and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase-money, if any, nor shall the person's title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, or disposal of the share.

Alteration of Capital and Shares

27. The company may by special resolution alter the conditions of its memorandum so as to increase its authorized share capital

- (a) by the creation of such number of new shares of such amount,
or*
- (b) by the creation of such number of new shares without nominal or par value if the Company is authorized to issue such shares,*

as the special resolution shall prescribe.

28. All new shares shall, before issue, be offered to such persons, if any, as the resolution may direct. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that the person declines to accept the shares offered, the directors may dispose of them in such manner as they think most beneficial to the Company. The directors may likewise so dispose of any new shares which, by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares, cannot, in the opinion of the directors, be conveniently offered under this article.

29. The new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture, and otherwise as the existing shares in the Company.

General Meetings

30. The first annual general meeting shall be held within 16 months from the date on which the Company is entitled to commence business, and thereafter an annual general meeting shall be held once in every calendar year at such time, not being more than 16 months after the holding of the last preceding annual general meeting, and place as may be prescribed by the Company in general meeting, or, in default, at such time in the month following that in which the anniversary of the Company's last annual general meeting occurs, and at such place as the directors shall appoint. In default of the meeting being so held, the meeting shall be held in the month next following, and may be convened by any 2 members in the same manner as nearly as possible as that in which meetings are to be convened by the directors.

31. The annual general meetings shall be called ordinary meetings; all other general meetings shall be called extra-ordinary.

32. The directors may, whenever they think fit, convene an extra-ordinary general meeting, and extra-ordinary general meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists, as provided by the Companies Act. If at any time there are not within Alberta sufficient directors capable of acting to form a quorum, any director or any 2 members of the Company may convene an extra-ordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.

Proceedings at General Meeting

33. *Seven days' notice at the least, exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given, specifying the place, the day, and the hour of meeting, and, in case of special business, the general nature of that business, shall be given in manner hereinafter mentioned, or in such other manner, if any, as may be prescribed by ordinary resolution, whether previous notice thereof has been given or not, to such persons as are, under the regulations of the Company, entitled to receive such notices from the Company; but the non-receipt of the notice by any member shall not invalidate the proceedings of any general meeting.*

34. *All business shall be deemed special that is transacted at an extra-ordinary meeting and all that is transacted at an ordinary meeting, with the exception of sanctioning a dividend, the consideration of the accounts, balance sheets, and the ordinary report of the directors and auditors, the election of directors and other officers, and the fixing of the remuneration of the auditors.*

35. *No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; save as herein otherwise provided, a quorum shall be members personally present, not being less than 2 in number, and holding or representing by proxy not less than 10% of the issued capital of the Company.*

36. *If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, and, if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.*

37. *The president or, in the president's absence, the vice-president, if any, of the Company shall preside as chair at every general meeting of the Company.*

38. *If there is no president or vice-president, or if at any meeting the president or vice-president is not present within 15 minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall choose some one of their number to be chair.*

39. *The chair may, with the consent of any meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 10 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.*

40. *At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is, before or on the declaration of the result of the show of hands, demanded by at least one member entitled to vote, and, unless a poll is so demanded, a declaration by the chair that a resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book of the proceedings of the Company, shall be conclusive proof of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, that resolution.*

41. *If a poll is duly demanded it shall be taken within 24 hours and in such manner as the chair directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.*

42. *In the case of an equality of votes, whether on a show of hands or on a poll, the chair of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.*

43. *A poll demanded on the election of a chair, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chair of the meeting directs.*

Votes of Members

44. *On a show of hands every member present in person shall have one vote. On a poll every member shall have one vote for each share of which the member is the holder.*

45. *In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the*

exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members.

46. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by the member's committee, curator bonis, or other person in the nature of a committee or curator bonis appointed by that Court, and any such committee, curator bonis, or other person may, on a poll, vote by proxy.

47. No member shall be entitled to vote at any general meeting unless all calls presently payable by the member in respect of shares in the Company have been paid.

48. On a poll votes may be given either personally or by proxy.

49. The proxy appointing a nominee shall be in writing under the hand of the appointer or of the appointer's attorney duly authorized in writing, or, if the appointer is a corporation, either under the common seal or under the hand of an officer or attorney so authorized.

50. The proxy appointing a nominee and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority, shall be deposited with the company, or an agent thereof, within the period of time preceding any meeting or adjourned meeting fixed by the directors and not exceeding 48 hours, excluding Saturdays and holidays, and which is specified in the notice calling the meeting or in the information circular relating thereto.

Directors

51. Until otherwise determined by a general meeting, the number of the directors shall not be less than 2 nor more than 7.

52. The number and names of the first directors may be determined in writing by a majority of the subscribers of the memorandum of association, and until so determined the subscribers of the memorandum shall for all purposes be deemed to be the directors of the Company.

53. *The remuneration of the directors shall from time to time be determined by ordinary resolution, whether previous notice thereof has been given or not.*

54. *The qualification of a director shall be the holding of at least one share in the Company, and it shall be the director's duty to comply with the provisions of the Companies Act.*

Powers and Duties of Directors

55. *The business of the Company shall be managed by the directors, who may pay all expenses incurred in getting up and registering the Company, and may exercise all such powers of the Company as are not, by the Companies Act, or any statutory modification thereof for the time being in force, or by these articles, required to be exercised by the Company in general meeting, subject nevertheless to any regulation of these articles, to the provisions of the said Act, and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by ordinary resolution, whether previous notice thereof has been given or not; but no regulations made by ordinary resolution shall invalidate any prior act of the directors which would have been valid if that regulation had not been made.*

56. *The directors may from time to time appoint one or more of their body to the office of managing director or manager or any other office for such term and at such remuneration, whether by way of salary, fee, commission, participation in profits, or otherwise, as they may think fit; but the director's appointment shall be subject to determination at the pleasure of the directors.*

57. *The amount for the time being remaining undischarged of money borrowed or raised by the directors for the purposes of the Company, otherwise than by the issue of capital, shall not at any time exceed the paid-up capital of the Company without the sanction of an ordinary resolution.*

58. *The management and directors shall duly comply with the provision of the Companies Act, or any statutory modification thereof for the time being in force, and in particular with the provisions in regard to the registration of mortgages and to keeping registers of directors and members and to mailing of forms of proxy and information circulars, and to filing with the Registrar an annual report, and copies of special and other resolutions, and of any change in the registered office or of directors.*

59. *The directors shall cause minutes to be made in books provided for the purpose,*

- (a) of all appointments of officers made by the directors,*
- (b) of the names of the directors present at each meeting of the directors and of any committee of the directors,*
- (c) of all resolutions and proceedings at all meetings of the Company, and of the directors, and of committees of directors.*

The Seal

60. *The seal of the Company shall not be affixed to any instrument, except by authority of a resolution of the board of directors or of an ordinary resolution, whether previous notice thereof has been given or not, and in the presence of such officers of the Company as may be prescribed in and by any such resolution, or, if no officers are prescribed by the resolution, in the presence of*

- (a) 2 directors of the Company and the secretary,*
- (b) the chair of the directors or the president, if any, of the Company and the secretary, or*
- (c) the chair of the directors or the president, if any, of the Company and the treasurer;*

and such officers shall sign every instrument to which the seal of the Company is so affixed in their presence.

Disqualification of Directors

61. *The office of director shall be vacated if the director*

- (a) by notice in writing to the Company resigns his or her office;*
- (b) ceases to be a director by virtue of section 89 of the Companies Act;*
- (c) becomes bankrupt;*
- (d) is found lunatic or becomes of unsound mind; or*
- (e) is concerned or participates in the profits of any contract with the Company;*

Provided, however, that where a director has made a full disclosure of the director's interest in any contract at a meeting of the directors, the director shall not be required to vacate office by reason of being a member of a company that has entered into contracts with or done any work for the company of which he or she is a director; but a director shall not vote in respect of any such contract or work and if the director does so vote the director's vote shall not be counted.

Election, etc., of Directors

62. At each annual general meeting of the Company the whole of the directors shall retire from office, and the Company shall elect directors to fill the offices vacated.

63. A retiring director shall be eligible for re-election.

64. If at any meeting at which an election of directors ought to take place the places of the vacating directors are not filled up, the meeting shall stand adjourned till the same day in the next week, at the same time and place, and if at the adjourned meeting the places of the vacating directors are not filled up, the vacating directors, or such of them as have not had their places filled up, shall be deemed to have been re-elected at the adjourned meeting.

65. The Company may from time to time increase or reduce the number of directors by ordinary resolution, whether previous notice thereof has been given or not.

66. Any casual vacancy occurring in the board of directors may be filled up by the directors.

67. The directors shall have power at any time, and from time to time, to appoint a person as an additional director.

68. The Company may by special resolution remove any director before the expiration of the director's period of office, and may by an ordinary resolution appoint another person in the director's stead.

Proceedings of Directors

69. The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority

of votes. In case of an equality of votes the chair shall have a 2nd or casting vote. A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the directors.

70. The quorum necessary for the transaction of the business of the directors may be fixed by the directors, and unless so fixed shall be a majority of the board.

71. The continuing directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to the regulations of the Company as the necessary quorum of directors, the continuing directors may act for the purpose of increasing the number of directors to that number, or of summoning a general meeting of the Company, but for no other purpose.

72. The president of the Company shall be chair of the board of directors, and in the president's absence the vice-president, if any, of the Company, and if there is no president or vice-president, or if at any meeting the president or vice-president is absent, the directors may elect a chair of their meetings and determine the period for which the chair is to hold office; but, if no such chair is elected, or if at any meeting the chair is not present within 5 minutes after the time appointed for holding it, the directors present may choose one of their number to be chair of the meeting.

73. The directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the directors.

74. A committee may elect a chair of their meetings; if no such chair is elected, or if at any meeting the chair is not present within 5 minutes after the time appointed for holding it, the members present may choose one of their number to be chair of the meeting.

75. A committee may meet and adjourn as the members think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes the chair shall have a 2nd or casting vote.

76. All acts done by any meeting of the directors or of a committee of directors, or by any person acting as a director, shall, notwithstanding that it be afterwards discovered that there was some

defect in the appointment of any such directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director.

Dividends and Reserve

77. The Company may by ordinary resolution, whether previous notice thereof has been given or not, declare dividends, but no dividend shall exceed the amount recommended by the directors.

78. The directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the Company.

79. No dividend shall be paid otherwise than out of profits.

80. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid on the shares; but, if and so long as nothing is paid up on any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares, or, in the case of shares without nominal or par value, the number of shares held. No amount paid on a share in advance of calls shall, while carrying interest, be treated for the purposes of this article as paid on the share.

81. The directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves, which shall, at the discretion of the directors, be applicable for meeting contingencies, or for equalizing dividends, or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments, other than shares of the Company, as the directors may from time to time think fit.

82. If several persons are registered as joint holders of any share, any one of them may give effectual receipts for any dividend payable on the share.

83. Notice of any dividend that may have been declared shall be given in the manner hereinafter mentioned to the persons entitled to share therein.

84. No dividend shall bear interest against the Company.

Accounts

85. *The directors shall cause true accounts to be kept*

- (a) of all sums of money received and disbursed by the Company and the matters in respect of which such receipt and expenditure took place,*
- (b) of all sales and purchases of goods by the Company,*
- (c) of the assets and liabilities of the Company, and*
- (d) all other transactions affecting the financial position of the company.*

86. *The books of account shall be kept at the registered office of the Company, or at such other place as the directors determine by resolution, and shall always be open to inspection by the directors.*

87. *The directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being directors, and no member, not being a director, shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the directors or by ordinary resolution, whether previous notice thereof has been given or not.*

88. *Once at least in every year the directors shall lay before the company at its annual general meeting a financial statement for the period since the preceding statement, or, in the case of the first financial statement, since the incorporation of the company, made up to a date not more than 6 months before the meeting.*

89. *The financial statement shall be accompanied by the report of the auditors and by a report of the directors as to the state of the company's affairs, and the amount which they recommend to be paid by way of dividend, and the amount, if any, which they propose to carry to a reserve fund.*

90. *A copy of the financial statement and report shall, not less than 10 days before the meeting, be sent to all persons entitled to receive notices of general meetings in the manner in which notices are to be given hereunder.*

Audit

91. Auditors shall be appointed and their duties regulated in accordance with the Companies Act, or any statutory modification thereof for the time being in force.

Notices

92. A notice may be given by the Company to any member either personally or by sending it by mail to the member's registered address, or, if the member has no registered address in Alberta, to the address, if any, within Alberta supplied by the member to the Company for the giving of notices.

Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and to have been effected on the day following the date of posting.

93. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share.

94. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, in Alberta supplied for the purpose by the persons claiming to be so entitled.

95. Notice of every general meeting shall be given in some manner hereinbefore authorized to

- (a) every member of the Company except those members who, having no registered address within Alberta, have not supplied to the Company an address within Alberta for the giving of notices to them, and also to*
- (b) every person entitled to a share in consequence of the death or bankruptcy of a member, who, but for the member's death or bankruptcy, would be entitled to receive notice of the meeting.*

No other person shall be entitled to receive notices of general meetings.

(142) This section comes into force on Proclamation.

Emergency Management Act

Amends RSA 2000 cE-6.8

3(1) The *Emergency Management Act* is amended by this section.

(2) Section 11.3(1)(b)(i) is amended by striking out “in its establishing regulation” and substituting “by its bylaws”.

(3) This section has effect on September 1, 2020.

Emissions Management and Climate Resilience Act

Amends SA 2003 cE-7.8

4(1) The *Emissions Management and Climate Resilience Act* is amended by this section.

(2) The following is added after section 7:

Loan guarantees

7.1 Subject to the regulations, the Minister may issue loan guarantees in respect of projects related to the programs and measures set out in section 7(1).

(3) Section 60(1) is amended by adding the following after clause (f):

(f.1) respecting the issuance of loan guarantees by the Minister under section 7.1;

(142) Coming into force.

Emergency Management Act

3(1) Amends chapter E-6.8 of the Revised Statutes of Alberta 2000.

(2) Section 11.3(1) presently reads in part:

11.3(1) A local authority may delegate some or all of the local authority's powers or duties under this Act to

(b) subject to the regulations, one or more of the following:

(i) a regional services commission established under the Municipal Government Act representing 2 or more local authorities if the regional services commission is authorized in its establishing regulation to exercise that power or duty;

(3) Coming into force.

Emissions Management and Climate Resilience Act

4(1) Amends chapter E-7.8 of the Statutes of Alberta, 2003.

(2) Loan guarantees.

(3) Section 60(1) presently reads in part:

60(1) The Lieutenant Governor in Council may make regulations

(f) governing the reporting of releases and the disclosure of information for the purposes of section 6;

Energy Efficiency Alberta Act

Dissolution of Energy Efficiency Alberta

5(1) Energy Efficiency Alberta is dissolved.

(2) On the coming into force of subsection (1), the following applies:

- (a) the property, assets, rights, obligations, liabilities, powers, duties and functions of Energy Efficiency Alberta become the property, assets, rights, obligations, liabilities, powers, duties and functions of the Crown in right of Alberta;
- (b) an existing cause of action, claim or liability to prosecution of, by or against Energy Efficiency Alberta is unaffected by the coming into force of this section and may be continued by or against the Crown in right of Alberta;
- (c) a civil, criminal or administrative action or proceeding pending by or against Energy Efficiency Alberta may be continued by or against the Crown in right of Alberta;
- (d) a ruling, order or judgment in favour of or against Energy Efficiency Alberta may be enforced by or against the Crown in right of Alberta;
- (e) an indemnity given by Energy Efficiency Alberta under the *Energy Efficiency Alberta Act* is assumed by the Crown in right of Alberta.

(3) Subsection (2)(a) does not give rise to a termination right, remedy or penalty under the provisions of a contract, agreement, grant, endowment, contribution, loan or loan guarantee to which Energy Efficiency Alberta is a party immediately before the coming into force of this section, and such contracts, agreements, grants, endowments, contributions, loans or loan guarantees continue to have full effect as contracts, agreements, grants, endowments, contributions, loans or loan guarantees of the Crown in right of Alberta.

Energy Efficiency Alberta Act

5 Dissolution of Energy Efficiency Alberta.

Transitional regulations

6(1) The Lieutenant Governor in Council may make regulations

- (a) respecting the transition of any of the property, assets, rights, obligations, liabilities, powers, duties and functions of Energy Efficiency Alberta on its dissolution;
- (b) to remedy any confusion, difficulty, inconsistency or impossibility resulting from the dissolution of Energy Efficiency Alberta.

(2) A regulation made under subsection (1) may be made retroactive to the extent set out in the regulation.

(3) A regulation made under subsection (1) is repealed on the earlier of

- (a) the coming into force of a regulation that repeals the regulation made under subsection (1), or
- (b) the expiry of 2 years after the regulation comes into force.

(4) The repeal of a regulation under subsection (3) does not affect anything done, incurred or acquired under the authority of the regulation before the repeal of the regulation.

Repeals SA 2016 cE-9.7

7 The *Energy Efficiency Alberta Act* is repealed.

Coming into force

8 Sections 5 to 7 have effect on September 30, 2020.

Marketing of Agricultural Products Act

Amends RSA 2000 cM-4

9(1) The *Marketing of Agricultural Products Act* is amended by this section.

(2) Section 1 is amended

- (a) in clause (a)(i) by striking out “Lieutenant Governor in Council” and substituting “Minister”;

6 Transitional regulations.

7 Repeals chapter E-9.7 of the Statutes of Alberta, 2016.

8 Coming into force.

**Marketing of Agricultural
Products Act**

9(1) Amends chapter M-4 of the Revised Statutes of Alberta 2000.

(2) Section 1 presently reads in part:

1 In this Act,

(a) “agricultural product”

- (b) in clause (i)(ii) by striking out “Lieutenant Governor in Council” and substituting “Minister”;
- (c) in clause (l)(ii) by striking out “Lieutenant Governor in Council” and substituting “Minister”.

(3) The following is added after section 5:

Council directives

5.1(1) The Council may, with the approval of the Minister, issue one or more directives that must be followed by a board or commission, the board of directors of a board or commission, or both, in carrying out their powers, duties and functions under this Act and the regulations.

(2) A directive may be issued under this section with respect to

- (a) quota governance or management,
- (b) the term limits of directors,
- (c) voting by proxy, and
- (d) any other matter approved by the Minister.

(3) A directive issued under this section must be published on the department’s website.

(4) A directive issued under this section may be general or specific in its application.

(5) The *Regulations Act* does not apply to a directive issued under this section.

(6) If there is a conflict between a directive issued under this section and a bylaw made pursuant to section 26(2.1), the directive prevails.

(i) means a natural product of agriculture or a primary food product designated by the Lieutenant Governor in Council as an agricultural product, and

(i) “marketing”

(ii) includes any other function or activity designated as marketing by the Lieutenant Governor in Council;

(l) “processing” means changing the nature or form of an agricultural product, and includes,

(ii) any function or activity designated as processing by the Lieutenant Governor in Council;

(3) Council directives.

(7) If there is a conflict between a directive issued under this section and this Act or a regulation made under this Act, this Act and the regulations prevail over the directive.

(4) Section 12 is amended by striking out “Lieutenant Governor in Council” wherever it occurs and substituting “Minister”.

(5) Section 13(a) is repealed and the following is substituted:

- (a) authorizing a board or commission to pay remuneration and expenses to its members;
- (a.1) respecting the investment of assets, asset management and financial reporting and disclosure by a board or commission;

(6) Section 16 is amended

- (a) in subsection (2) by striking out “Lieutenant Governor in Council” and substituting “Minister”;**
- (b) in subsection (3) by striking out “by regulation which shall be subject to the approval of the Minister”.**

(4) Section 12 presently reads in part:

12 The Lieutenant Governor in Council may make regulations

(d) requiring that a regulation or class of regulation made by a board or commission under section 26 or 27, as the case may be, not be filed in accordance with the Regulations Act unless it is approved by the Lieutenant Governor in Council;

(5) Section 13 presently reads:

13 The Council may, with the approval of the Minister, make regulations

(a) subject to Parts 2 and 3, governing plebiscites held under this Act;

(b) respecting any matter necessary or advisable to carry out the intent and purpose of this Act.

(6) Section 16 presently reads in part:

(2) The Lieutenant Governor in Council may exempt a proposed plan from the operation of subsection (1) if

(a) the plan is to be administered by a commission, and

(b) the service charges collected under that plan may be refunded.

(3) For the purpose of conducting a plebiscite of producers to determine whether a plan shall be established, the Council shall by regulation which shall be subject to the approval of the Minister determine what constitutes

(a) an eligible producer,

(b) a sufficient number of eligible producers, and

(c) a sufficient portion of the total agricultural product that is marketed or is capable of being produced by the eligible producers.

(7) Section 17(1) is amended by striking out “Lieutenant Governor in Council” and substituting “Minister”.

(8) Section 20 is repealed.

(7) Section 17(1) presently reads:

17(1) When a vote is in favour of establishing a plan under section 15 or a plan is exempted from a vote under section 16(2), the Lieutenant Governor in Council may make regulations

- (a) establishing a plan setting out provisions that provide for*
 - (i) in the case of a plan to be administered by a board, the control and regulation of the marketing or the production, or both, of an agricultural product,*
 - (ii) the carrying out of projects or programs to commence, stimulate, increase or improve the production or marketing, or both, of an agricultural product,*
 - (iii) the number of members the board or commission is to consist of and the name of office by which those members are to be known,*
 - (iv) the manner in which members are to be elected to the board or commission,*
 - (v) the method by which vacancies on the board or commission are to be filled, and*
 - (vi) the other terms referred to in section 15(2) under which the plan is to operate,*

and

- (b) establishing or continuing a board or commission to administer the plan.*

(8) Section 20 presently reads:

20 The Council may, with the approval of the Minister, make regulations

- (a) prescribing bylaws governing*
 - (i) the conduct of the business and affairs of boards and commissions in carrying out their responsibilities, and*
 - (ii) the calling and conducting of and procedure at meetings of boards and commissions;*

(9) Section 22 is amended by striking out “Lieutenant Governor in Council” and substituting “Minister”.

(10) Section 23(1) is amended by striking out “Lieutenant Governor in Council” and substituting “Minister”.

(11) Section 24(3) is amended by striking out “Lieutenant Governor in Council” and substituting “Minister”.

(12) Section 24.1(2) and (3) are amended by striking out “Lieutenant Governor in Council” and substituting “Minister”.

(b) authorizing a board or commission to pay remuneration and expenses to its members.

(9) Section 22 presently reads:

22 The Council may, pursuant to

(a) a petition submitted under section 21,

(b) a resolution of Council whether or not it has received a petition under section 21, or

(c) a request of a board or commission,

apply to the Lieutenant Governor in Council to amend, continue, revise or terminate a plan.

(10) Section 23(1) presently reads:

23(1) The Lieutenant Governor in Council,

(a) on receiving an application from the Council to do so, where a plebiscite is not required to be conducted under this Part, or

(b) pursuant to a plebiscite conducted under this Part,

may make regulations amending, continuing, revising or terminating a plan.

(11) Section 24(3) presently reads:

(3) The Lieutenant Governor in Council may, whether or not an application is made under section 22 to amend, continue, revise or terminate a plan, direct the Council to conduct a plebiscite of the producers under a plan for the purpose of determining whether the plan should be amended, continued, revised or terminated.

(12) Section 24.1(2) and (3) presently read:

(2) Notwithstanding section 24, if within 60 days after the notice under subsection (1) is served,

(a) the board or commission fails to file with the Council the documents or statements referred to in subsection (1)(a), or

(13) Section 25 is amended

- (a) in subsections (1) and (2) by striking out “Lieutenant Governor in Council” wherever it occurs and substituting “Minister”;**
- (b) in subsection (3) by striking out “by regulation that shall be subject to the approval of the Minister”.**

(14) The following is added after section 26(2):

(2.1) A board or commission may, with the approval of the Council, make bylaws respecting the governance of the board or commission including but not limited to the following:

- (a) the governance of the board or commission and the management and conduct of its affairs, including the management and carrying out of powers, duties and functions by the board or commission;
- (b) eligibility for membership and general rights of producers;
- (c) the terms of office of a director;
- (d) the appointment or election of the chair and vice-chair;

(b) the last known member of the board or commission notifies the Council that it is not carrying out the purposes of its plan,

the Council must publish a notice in The Alberta Gazette that, with the approval of the Lieutenant Governor in Council, the plan may be terminated 60 days after the date of publication of the notice without holding a plebiscite under section 24.

(3) The Lieutenant Governor in Council may approve the termination of a plan under this section without a plebiscite of the producers under this Part being held.

(13) Section 25 presently reads in part:

25(1) The Council shall with the approval of the Lieutenant Governor in Council arrange to conduct a plebiscite of the producers under a plan if

(2) Where the Lieutenant Governor in Council considers it appropriate to determine the opinion of the producers on a matter, the Lieutenant Governor in Council may direct the Council to conduct a plebiscite of the producers in respect of that matter.

(3) For the purposes of conducting a plebiscite of the producers under a plan with respect to the amendment, continuation, revision or termination of the plan, the Council shall by regulation that shall be subject to the approval of the Minister determine what constitutes

(14) Bylaw-making powers.

- (e) the removal of a director, chair or vice-chair;
- (f) procedures for meetings including notice of meetings, the holding of meetings and quorum;
- (g) approval process for bylaws by producers;
- (h) any other matter required by Council to be addressed by bylaw.

(2.2) The bylaws made under subsection (2.1) are not effective until the bylaws have been approved by Council.

(2.3) As soon as the bylaws have been approved by Council, the board or commission must provide a copy of the bylaws, including any amendments to the bylaws, to the board's or commission's producers, processors and any other person regulated by the board or commission in any manner the board or commission considers appropriate.

(2.4) The *Regulations Act* does not apply to a bylaw made under this section.

(2.5) If there is a conflict between a bylaw made under this section and this Act or a regulation made under this Act, this Act and the regulation prevail.

(15) Section 29(4) is amended by striking out "Lieutenant Governor in Council" **and substituting** "Minister".

(16) Section 30(1) is amended by striking out "Lieutenant Governor in Council" **and substituting** "Minister".

(15) Section 29(4) presently reads:

(4) This section does not apply if the regulation referred to in subsection (1) is, pursuant to a regulation made under section 12(d), required to be approved by the Lieutenant Governor in Council before it is filed in accordance with the Regulations Act.

(16) Section 30(1) presently reads in part:

30(1) At any time after a regulation made by a board or commission under section 26 or 27, including a regulation approved by the Lieutenant Governor in Council pursuant to a regulation made under section 12(d), is filed in accordance with the Regulations Act, the Council may request in writing the board or commission, as the case may be,

(17) Section 45 is amended

(a) in subsection (1)

(i) in clause (c)

(A) by striking out “Lieutenant Governor in Council” and substituting “Minister”;

(B) by striking out “or” at the end of clause (c);

(ii) in clause (d)

(A) by adding “, directive” after “order”;

(B) by adding “or” at the end of clause (d) and by adding the following after clause (d):

(e) a bylaw made by the board or commission,

(iii) by adding “, directive, bylaw” after “regulation, order”;

(b) in subsection (2)

(i) in clause (c) by adding “, bylaw” after “order”;

(ii) by adding “, bylaw” after “regulation, order”;

(c) in subsection (6)(a), (b) and (c) by adding “, bylaw, directive” after “regulation, order”.

(17) Section 45 presently reads in part:

45(1) If the Council is of the opinion that a board or commission or a person is not complying with

- (a) this Act,*
- (b) a plan,*
- (c) a regulation made by the Lieutenant Governor in Council or the Council under this Act, or*
- (d) an order or direction made by the Council under this Act or the regulations,*

the Council may apply to the Court for an order directing that board, commission or person to comply with this Act or the plan, regulation, order or direction.

(2) If in the opinion of a board or commission a person is not complying with

- (a) a plan administered by the board or commission,*
- (b) a regulation made by the board or commission,*
- (c) an order or direction made by the board or commission, or*
- (d) this Act,*

the board or commission may apply to the Court for an order directing that person to comply with the plan, regulation, order or direction or this Act, as the case may be.

(6) On hearing an application, the Court may do one or more of the following:

- (a) direct a board, commission or person, as the case may be, to comply with this Act or the plan, regulation, order or direction;*
- (b) direct a board, commission or person, as the case may be, to cease carrying out any action that in the opinion of the Court does not comply with this Act or the plan, regulation, order or direction;*

(18) Section 48(a) is amended by striking out “Lieutenant Governor in Council” and substituting “Minister”.

(19) Section 50 is amended by striking out “Lieutenant Governor in Council” and substituting “Minister”.

(20) Section 51(3)(c) is amended by striking out “Lieutenant Governor in Council” and substituting “Minister”.

- (c) *give those directions that it considers necessary in order to ensure that this Act or the plan, regulation, order or direction will be complied with;*
- (d) *make its order subject to any terms or conditions that the Court considers appropriate in the circumstances;*
- (e) *award costs in respect of the matter.*

(18) Section 48 presently reads:

48 In the case of a conflict between

- (a) *regulations made or a plan established by the Lieutenant Governor in Council or regulations made by the Council, and*
- (b) *regulations made by a board or commission,*

the regulations referred to in clause (a) prevail.

(19) Section 50 presently reads:

50 With the approval of the Lieutenant Governor in Council,

- (a) *the Council may authorize a board or commission, with respect to the production or marketing, or both, of a regulated product, to perform any function or duty and exercise any power imposed or conferred on it by a Canada Board or by or under a Canada Act;*
- (b) *the Council may, with respect to the production or marketing, or both, of a regulated product, delegate to the Canada Board any function or duty that the Council may authorize a board or a commission to do under this Act;*
- (c) *the Council may, with respect to any function or duty it has authorized a board or commission to carry out under this Act or the regulations, authorize or direct that board or commission to delegate that function or duty to a Canada Board.*

(20) Section 51(3) presently reads in part:

(3) Without limiting the powers of a board or commission under section 16(a)(ii) of the Interpretation Act to contract or be contracted with, if a board or commission becomes a party to an agreement referred to in subsection (1),

Mines and Minerals Act

Amends RSA 2000 cM-17

10(1) The *Mines and Minerals Act* is amended by this section.

(2) Section 9 is amended by striking out “and with the authorization of the Lieutenant Governor in Council”.

- (c) *the Lieutenant Governor in Council may, by regulation, confer on the board or commission any additional powers that are necessary for the board or commission to carry out its obligations and functions under the agreement.*

Mines and Minerals Act

10(1) Amends chapter M-17 of the Revised Statutes of Alberta 2000.

(2) Section 9 presently reads:

9 Notwithstanding anything in this Act or any regulation or agreement, the Minister, on behalf of the Crown in right of Alberta and with the authorization of the Lieutenant Governor in Council, may

- (a) *enter into a contract with any person or the government of Canada or of a province or territory respecting*
- (i) *the recovery of a mineral and the processing, sale or other disposition of the mineral or of a product obtained from the mineral;*
 - (ii) *the development of mines or quarries for the recovery of minerals;*
 - (iii) *the storage or sequestration of substances in subsurface reservoirs;*
 - (iv) *the royalty reserved to the Crown in right of Alberta on the minerals recovered;*
 - (v) *the provision for a consideration payable to the Crown in right of Alberta instead of royalty on the minerals recovered;*
 - (vi) *any matter that the Minister considers to be necessarily incidental to, in relation to or in connection with any of the matters referred to in subclauses (i) to (v);*
- (b) *issue an agreement*

(3) Section 50(5)(d) is amended by striking out “authorized by an order in council” **and substituting** “entered into”.

(4) Section 57(5)(c)(i) is amended by striking out “with the authorization of the Lieutenant Governor in Council” **and substituting** “under section 9(b) or (c)”.

Municipal Government Act

Amends RSA 2000 cM-26

11(1) The *Municipal Government Act* is amended by this Act.

(2) Section 231(1) is amended by striking out “Except for a bylaw under section 22 or a bylaw or resolution under Part 17” **and substituting** “Except for a bylaw under section 22, a resolution under Part 15.1 or a bylaw or resolution under Part 17”.

- (i) *containing a provision that is a variation of a provision of this Act or the regulations that would otherwise apply to the agreement, or*
 - (ii) *making inapplicable a provision of this Act or the regulations that would otherwise apply to the agreement;*
 - (c) *issue an agreement containing a provision providing for the waiver by the lessee of a benefit under this Act or any other Act under the administration of the Minister.*
- (3) Section 50(5) presently reads in part:
- (5) *In this section,*
 - (d) *“royalty return” means a report or other record obtained under this Act or under an agreement authorized by an order in council under section 9 of this Act that is used to determine or verify royalty liability or to collect or forecast royalty.*
- (4) Section 57(5) presently reads in part:
- (5) *Where the Crown in right of Alberta owns storage rights in respect of a subsurface reservoir pursuant to subsection (1) or (2), no person has, as against the Crown, any storage rights in respect of that reservoir except under*
 - (c) *an agreement issued*
 - (i) *with the authorization of the Lieutenant Governor in Council, or*
- that expressly conveys storage rights in respect of that reservoir.*

Municipal Government Act

11(1) Amends chapter M-26 of the Revised Statutes of Alberta 2000.

(2) Section 231(1) presently reads:

231(1) Except for a bylaw under section 22 or a bylaw or resolution under Part 17, after a proposed bylaw or resolution that is required to be advertised under this or another enactment has been

(3) Section 275.1 is repealed.

(4) Section 488(1)(g) is amended by striking out “section 602.15” and substituting “section 602.20”.

(5) Section 496 is amended by adding the following after subsection (3):

(4) The Board has discretion to decide whether to record a hearing.

(6) Section 588.1 is repealed.

advertised, the electors may submit a petition for a vote of the electors to determine whether the proposed bylaw or resolution should be passed.

(3) Section 275.1 presently reads:

275.1(1) In this section, “remuneration” includes salaries, indemnities, honorariums and allowances.

(2) One third of the remuneration paid in 1999 and later years by a municipality to a councillor is deemed to be an allowance for expenses that are incidental to the discharge of the councillor’s duties.

(3) Subsection (2) does not apply to a councillor’s remuneration paid in a year if there is in force during all or any part of that year a bylaw or resolution of council establishing that a portion other than 1/3 of the councillor’s remuneration is an allowance for expenses that are incidental to the discharge of the councillor’s duties.

(4) Section 488(1) presently reads in part:

488(1) The Board has jurisdiction

(g) to decide disputes involving regional services commissions under section 602.15,

(5) Section 496 presently reads:

496(1) The Board is not bound by the rules of evidence or any other law applicable to court proceedings and has power to determine the admissibility, relevance and weight of any evidence.

(2) The Board may require any person giving evidence before it to do so under oath.

(3) Members of the Board are commissioners for oaths while acting in their official capacities.

(6) Section 588.1 presently reads:

588.1(1) In this section, “remuneration” includes salaries, indemnities, honorariums and allowances.

(2) One third of the remuneration paid in 1999 and later years from the trust account established for an improvement district to an

(7) Part 15.1 is repealed and the following is substituted:

**Part 15.1
Regional Services
Commissions**

Interpretation

602.01(1) In this Part,

- (a) “board” means the board of directors of a commission;
- (b) “borrowing” means a borrowing as defined in section 241(a.1);
- (c) “bylaws” means the bylaws of a commission;
- (d) “capital property” means capital property as defined in section 241(c);
- (e) “commission” means a regional services commission;
- (f) “member” means, in respect of a commission, a municipal authority that is a member of the commission;
- (g) “municipal authority” means a municipal authority as defined in section 1(1)(p), and includes a Metis settlement, an Indian reserve and an armed forces base;
- (h) “public utility” means a public utility as defined in section 1(1)(y), excluding public transportation operated by or on behalf of a municipality;
- (i) “resolution” means a resolution passed by a municipal authority or commission under this Part;

elected councillor of the improvement district is deemed to be an allowance for expenses that are incidental to the discharge of the councillor's duties.

(3) Subsection (2) does not apply to an elected councillor's remuneration paid in a year if there is in force during all or any part of that year an order of the Minister establishing that a portion other than 1/3 of the councillor's remuneration is an allowance for expenses that are incidental to the discharge of the councillor's duties.

(7) Part 15.1 presently reads:

*Part 15.1
Regional Services Commissions*

602.01(1) In this Part,

- (a) "board" means the board of directors of a commission;*
- (b) "borrowing" means a borrowing within the meaning of that term under section 241;*
- (c) "capital property" means capital property within the meaning of that term under section 241;*
- (d) "commission" means a regional services commission;*
- (e) "member" means, in respect of a commission, a municipal authority that is a member of the commission;*
- (f) "municipal authority" means a municipal authority as defined in section 1(1)(p), and includes a Metis settlement, an Indian reserve and an armed forces base;*
- (g) "public utility" means a public utility as defined in section 1(1)(y), excluding public transportation operated by or on behalf of a municipality;*
- (h) "service" means, in respect of a commission, a service that the regulations authorize the commission to provide;*
- (i) "transportation service" means a service to transport people or goods by vehicle, including a vehicle that runs on rails.*

- (j) “service” means, in respect of a commission, a service that the bylaws authorize the commission to provide;
- (k) “transportation service” means a service to transport people or goods by vehicle, including a vehicle that runs on rails.

(2) A reference to a bylaw or resolution in this Act outside this Part does not include a bylaw or resolution passed by a commission.

Division 1 Establishment and Operation

Establishing commissions

602.02(1) Two or more municipal authorities may agree to jointly establish a commission by passing resolutions.

(2) Before being passed under subsection (1), the proposed resolutions must be advertised in accordance with section 606.

(3) Within 60 days of the resolutions being passed under subsection (1), the Minister must be notified of the resolutions.

(4) A notification under subsection (3) must include copies of all the resolutions passed under subsection (1) and provide the commission’s office location and contact information.

(5) A commission is not established until an order listing the commission is issued by the Minister under section 602.04.

Resolution and notification

602.03(1) A resolution establishing a commission must specify

- (a) the name of the commission, and
- (b) the names of the members, the first board of directors and the first chair of the commission.

(2) The commission must notify the Minister within 60 days of any change to any of the information provided under section 602.02(4).

(2) A reference to a bylaw or resolution in this Act outside this Part does not include a bylaw or resolution passed by a commission.

*Division 1
Establishment and Operation*

602.02(1) The Lieutenant Governor in Council, on the recommendation of the Minister, may establish regional services commissions by regulation.

(2) The regulation establishing a commission must

- (a) specify the commission's name;*
- (b) identify the municipal authorities that are the members of the commission;*
- (c) include provisions respecting the services that a commission is authorized to provide.*

(3) The regulation establishing a commission may

- (a) regulate the disposal of assets by the commission, and*
- (b) deal with any matter respecting the establishment or operation of the commission.*

602.021 In carrying out its functions and in exercising its jurisdiction under this Act and other enactments, a commission must act in accordance with any applicable ALSA regional plan.

602.03 A commission is a corporation.

602.04(1) A commission is governed by a board of directors.

(2) When a commission is established, the Minister must

- (a) appoint the first board of directors of the commission and fix their term of office, and*
- (b) designate one of the directors as the chair.*

(3) After the term of the directors appointed under subsection (2) expires,

- (a) the directors are to be appointed and the commission's chair designated in accordance with the commission's bylaws,*

(3) If a commission is to be disestablished under section 602.09(1)(g), the commission must notify the Minister within 60 days of the commission's being disestablished.

List of commissions

602.04 The Minister may issue an order listing or updating the list of the names of all the commissions established or disestablished each time the Minister receives a notification under section 602.02(3) or 602.03(2) or (3), as the case may be.

Corporation

602.05 A commission is a corporation.

Board of directors

602.06(1) A commission is governed by a board.

(2) Subject to sections 602.03(1)(b) and 602.07, the directors of the board are to be appointed and the chair of the commission designated in accordance with the commission's bylaws.

Directors representing Province

602.07(1) If, in the Minister's opinion, a service that a commission is authorized to provide is a service that is provided by the Government of Alberta or that may affect a service provided by the Government of Alberta, the Minister may, despite the bylaws, appoint as many directors of the commission as the Minister considers necessary.

(2) A director appointed under this section has the powers, duties and functions of a director appointed in accordance with the commission's bylaws.

Delegation

602.08(1) Subject to subsection (2), a board may delegate any of its or the commission's powers, duties or functions under this Act or any other enactment.

(2) A board may not delegate

- (a) the power or duty to pass bylaws,
- (b) the power to expropriate,
- (c) the power to authorize a borrowing,

(b) *only the council of a municipality may appoint a director who represents a municipality, and*

(c) *a director who represents a municipality must be a councillor of the municipality.*

(4) *A commission's bylaws may provide for the appointment of directors who are directors at large and who do not represent a member of the commission.*

(5) *If a council or other person who is entitled to appoint a director refuses to make the appointment or does not make the appointment within a reasonable time, the Minister may make the appointment on behalf of the council or other person.*

(6) *A commission must provide the Minister with the name of each director and alternate director, if any, and its chair.*

602.05(1) *If, in the Minister's opinion, a service that a commission is authorized to provide is a service that is provided by the Government of Alberta or that may affect a service provided by the Government of Alberta, the Minister may, despite the commission's bylaws, appoint up to 2 directors of the commission.*

(2) *A director appointed under this section has the powers, duties and functions of a director appointed in accordance with the commission's bylaws.*

602.06(1) *Subject to subsection (2), a board may delegate any of its or the commission's powers, duties or functions under this or any other enactment.*

(2) *A board may not delegate*

(a) *the power or duty to pass bylaws;*

(b) *the power to expropriate;*

(c) *the power to authorize a borrowing;*

(d) *the power to adopt budgets;*

(e) *the power to approve financial statements.*

602.07(1) *The board of a commission must pass bylaws*

- (d) the power to adopt budgets, and
- (e) the power to approve financial statements.

Bylaws

602.09(1) Each board must pass bylaws

- (a) respecting the provision of the commission's services;
- (b) respecting the administration of the commission;
- (c) respecting the process for changing the directors of the board and the chair of the commission and for setting the terms of office of the board and the chair;
- (d) respecting the process for adding or removing members;
- (e) respecting the fees to be charged by the commission for services provided to its customers or to any class of its customers;
- (f) respecting the disposal of assets by the commission;
- (g) respecting the process for disestablishment of the commission, including the treatment of assets and liabilities on disestablishment.

(2) The *Regulations Act* does not apply to the bylaws passed under subsection (1).

Meetings

602.10(1) Subject to subsection (2), sections 197 and 199 apply to the meetings of a commission.

(2) Notwithstanding sections 197 and 199, for the purposes of this Part, a reference in sections 197 and 199 to a council, councils and council committees shall be read as a reference to a board, boards and board committees, respectively.

Compliance with growth plan and ALSA regional plan

602.11 In carrying out its functions and in exercising its jurisdiction under this Act and other enactments, a commission must act in accordance with any applicable growth plan under Part 17.1 and any applicable ALSA regional plan.

- (a) respecting the appointment of its directors and the designation of its chair;*
 - (b) governing the fees to be charged by the commission for services provided to its customers or to any class of its customers.*
- (2) A bylaw passed under subsection (1)(a) does not come into force until it has been approved by the Minister.*
- (3) The board of a commission may pass bylaws*
- (a) respecting the provision of the commission's services;*
 - (b) governing the administration of the commission.*
- (4) The bylaws of a commission are subject to the regulations.*
- (5) The Regulations Act does not apply to the bylaws of a commission.*

602.08(1) Boards and board committees must conduct their meetings in public unless subsection (2) applies.

(2) Boards and board committees may close all or part of their meetings to the public if a matter to be discussed is within one of the exceptions to disclosure in Division 2 of Part 1 of the Freedom of Information and Protection of Privacy Act.

(3) When a meeting is closed to the public, no resolution or bylaw may be passed at the meeting, except a resolution to revert to a meeting held in public.

(4) Before closing all or any part of a meeting to the public, a board or board committee must by resolution approve

- (a) the part of the meeting that is to be closed, and*
- (b) the basis on which, under an exception to disclosure in Division 2 of Part 1 of the Freedom of Information and Protection of Privacy Act, the part of the meeting is to be closed.*

(5) After the closed meeting discussions are completed, any members of the public who are present outside the meeting room

Control of profit corporations

602.12 Division 9 of Part 3 does not apply to a commission.

**Division 2
Powers and Duties**

Natural person powers

602.13 A commission has natural person powers, except to the extent that they are limited by this Act or any other enactment.

Service area

602.14 A commission may, as authorized by its bylaws, provide services

- (a) within the boundaries of its members, and
- (b) outside the boundaries of its members with approval
 - (i) from the other municipal authority within whose boundaries the services are to be provided, and
 - (ii) in the case of services to be provided in a part of a province or territory adjoining Alberta, the authority from that province or territory whose jurisdiction includes the provision of the services in that part of the province or territory.

Profit and surpluses

602.15 A commission may not

- (a) operate for the purposes of making a profit, or
- (b) distribute any of its surpluses to its members.

Traffic Safety Act

602.16 A commission that is authorized by its bylaws to provide transportation services is subject to the *Traffic Safety Act*.

Acquisition of land

602.17(1) A commission may acquire an estate or interest in land in a province or territory adjoining Alberta if the local government within whose boundaries the land is located consents in writing to the acquisition.

must be notified that the rest of the meeting is now open to the public, and a reasonable amount of time must be given for those members of the public to return to the meeting before it continues.

(6) Where a board or board committee closes all or part of a meeting to the public, the board or committee may allow one or more other persons to attend, as it considers appropriate.

602.09 Division 9 of Part 3 does not apply to a commission.

Division 2

Powers

602.1 A commission has natural person powers, except to the extent that they are limited by this or any other enactment.

602.11 A commission may provide its services

- (a) within the boundaries of its members, and*
- (b) outside the boundaries of its members with the approval of the Minister and*
 - (i) the municipal authority within whose boundaries the services are to be provided, and*
 - (ii) in the case of services to be provided in a part of a province or territory adjoining Alberta, the authority from that province or territory whose jurisdiction includes the provision of the services in that part of the province or territory.*

602.12 A commission that is authorized to provide transportation services is subject to the Traffic Safety Act.

602.125(1) A commission may acquire an estate or interest in land in a province or territory adjoining Alberta only if the local government within whose boundaries the land is located consents in writing to the acquisition.

(2) This section does not apply when a commission acquires an option on land in a province or territory adjoining Alberta, but it does apply when the commission exercises the option.

602.13(1) A commission may acquire by expropriation under the Expropriation Act an interest or estate in land for the purpose of providing a public utility or a transportation service.

(2) This section does not apply until the commission exercises the right of acquisition under subsection (1).

Expropriation

602.18(1) A commission may acquire by expropriation under the *Expropriation Act* an estate or interest in land for the purpose of providing a public utility or a transportation service.

(2) A commission may acquire by expropriation an estate or interest under subsection (1) in land that is outside the boundaries of its members only if the municipal authority in whose boundaries the land is located consents in writing to the acquisition.

Public utility disputes

602.19 If there is a dispute between a commission and another commission or a commission and any municipal authority with respect to

- (a) rates, tolls or charges for a service that is a public utility,
- (b) compensation for the acquisition by the commission of facilities used to provide a service that is a public utility, or
- (c) the use of any road, square, bridge, subway or watercourse by the commission to provide a service that is a public utility,

any party involved in the dispute may submit the dispute to the Alberta Utilities Commission, and the Alberta Utilities Commission may issue an order on any terms and conditions that the Alberta Utilities Commission considers appropriate.

Other disputes

602.20(1) If

- (a) there is a dispute between a commission and another commission or a commission and any municipal authority and the matter in dispute is not under the jurisdiction of the Alberta Utilities Commission or the Alberta Transportation Safety Board or any other board or tribunal created by an enactment, or
- (b) there is a dispute between a commission and a municipal authority, other than an improvement district or special area,

(2) A commission may acquire by expropriation an estate or interest under subsection (1) in land that is outside the boundaries of its members only if the municipal authority in whose boundaries the land is located consents in writing to the acquisition.

602.14 If there is a dispute between a commission and another commission or a commission and any municipal authority with respect to

- (a) rates, tolls or charges for a service that is a public utility,*
- (b) compensation for the acquisition by the commission of facilities used to provide a service that is a public utility, or*
- (c) the commission's use of any road, square, bridge, subway or watercourse to provide a service that is a public utility,*

any party involved in the dispute may submit it to the Alberta Utilities Commission and the Alberta Utilities Commission may issue an order on any terms and conditions that the Alberta Utilities Commission considers appropriate.

602.15(1) If

- (a) there is a dispute between a commission and another commission or a commission and any municipal authority and the matter in dispute is not under the jurisdiction of the Alberta Utilities Commission or the Alberta Transportation Safety Board or any other board or tribunal created by an enactment, or*
- (b) there is a dispute between a commission and a municipal authority, other than an improvement district or special area, in respect of an expropriation that requires the municipal authority's consent under section 602.13(2),*

any party involved in the dispute may submit it to the Municipal Government Board.

(2) If a dispute is submitted to the Municipal Government Board, each party involved in the dispute must submit a written statement to the Board and to the other parties involved in the dispute that sets out

in respect of an expropriation that requires the consent of the municipal authority under section 602.18(2),

any party involved in the dispute may submit the dispute to the Municipal Government Board.

(2) If a dispute is submitted to the Municipal Government Board, each party involved in the dispute must submit a written statement to the Board and to the other parties involved in the dispute that sets out

- (a) a summary of the facts and its position in the dispute, and
- (b) an address to which any notice or decision of the Board is to be sent.

(3) The Municipal Government Board must hold a hearing after the written statements have been submitted, or after the expiry of a time period established by the Board for submission of the statements, whichever occurs first.

Order of Municipal Government Board

602.21(1) After hearing a dispute under section 602.20(3), the Municipal Government Board may make any order it considers appropriate.

(2) The order under subsection (1) may

- (a) include terms and conditions, and
- (b) be effective on a future date or for a limited time.

(3) The Municipal Government Board must send its order, and its reasons if requested, to the parties involved in the dispute.

(4) An order of the Municipal Government Board under this section is binding on the parties involved in the dispute.

Division 3 Financial Matters

Financial year

602.22 The financial year of a commission is the calendar year.

- (a) *a summary of the facts and its position in the dispute, and*
- (b) *an address to which any notice or decision of the Board is to be sent.*

(3) The Municipal Government Board must hold a hearing after the written statements have been submitted or after a time period established by the Board for submission of the statements has expired, whichever occurs first.

602.16(1) On concluding a hearing, the Municipal Government Board may make any order it considers appropriate.

(2) The order may

- (a) *include terms and conditions, and*
- (b) *be effective on a future date or for a limited time.*

(3) The Board must send its order, and its reasons if requested, to the parties involved in the dispute.

(4) An order of the Municipal Government Board under this section is binding on the parties involved in the dispute.

Division 3 Financial Matters

602.17(1) The Lieutenant Governor in Council may pay to the board of a commission an amount that will enable the board to meet the authorized operating and capital expenditures that the Lieutenant Governor in Council considers to be required for development and operation of the services and facilities of the commission.

(2) The sums under subsection (1) may be paid

- (a) *by grant,*
- (b) *by advance or loan, or*
- (c) *by the purchase of securities under a borrowing made by the commission.*

(3) Any sum advanced or loaned under this section is a debt due by the commission to the Crown in right of Alberta and may be collected by civil action for debt in a court of competent jurisdiction.

Operating budget

602.23(1) A commission must adopt an operating budget for each calendar year.

(2) An operating budget must include the estimated amount of each of the following expenditures and transfers:

- (a) the amount needed to enable the commission to provide its services;
- (b) the amount needed to pay the debt obligations in respect of borrowings made to acquire, construct, remove or improve capital property;
- (c) if necessary, the amount needed to provide for a depreciation or depletion allowance, or both, for any public utility the commission is authorized to provide;
- (d) the amount to be transferred to reserves;
- (e) the amount to be transferred to the capital budget;
- (f) the amount needed to recover any shortfall as required under section 602.24.

(3) An operating budget must include the estimated amount of each of the following sources of revenue and transfers:

- (a) fees for services provided;
- (b) grants;
- (c) transfers from the commission's accumulated surplus funds or reserves;
- (d) any other source of revenue.

(4) The estimated revenue and transfers under subsection (3) must be at least sufficient to pay the estimated expenditures and transfers under subsection (2).

(5) The Minister may make regulations respecting budgets and that define terms used in this section that are not defined in section 602.01.

(4) The Lieutenant Governor in Council may specify the terms of repayment or retirement of advances or loans made under this section.

602.18 The financial year of a commission is the calendar year.

602.19 A commission must adopt an operating budget for each calendar year.

602.2(1) An operating budget must include the estimated amount of each of the following expenditures and transfers:

- (a) the amount needed to enable the commission to provide its services;*
- (b) the amount needed to pay the debt obligations in respect of borrowings made to acquire, construct, remove or improve capital property;*
- (c) if necessary, the amount needed to provide for a depreciation or depletion allowance, or both, for any public utility it is authorized to provide;*
- (d) the amount to be transferred to reserves;*
- (e) the amount to be transferred to the capital budget;*
- (f) the amount needed to cover any deficiency as required under section 602.21.*

(2) An operating budget must include the estimated amount of each of the following sources of revenue and transfers:

- (a) fees for services provided;*
- (b) grants;*
- (c) transfers from the commission's accumulated surplus funds or reserves;*
- (d) any other source of revenue.*

(3) The estimated revenue and transfers under subsection (2) must be at least sufficient to pay the estimated expenditures and transfers under subsection (1).

Financial shortfall

602.24(1) Subject to subsection (2), section 244 applies to a commission.

(2) Notwithstanding section 244, for the purposes of this Part, a reference in section 244 to a municipality shall be read as a reference to a commission.

Capital budget

602.25(1) Subject to subsection (2), sections 245 and 246 apply to a commission.

(2) Notwithstanding sections 245 and 246, for the purposes of this Part, a reference in section 245 to each council shall be read as a reference to each board.

Expenditure of money

602.26(1) A commission may make an expenditure only if it is

- (a) included in the commission's operating budget or capital budget or otherwise authorized by its board,
- (b) for an emergency, or
- (c) legally required to be paid.

(2) Each board must establish procedures to authorize and verify expenditures that are not included in a budget.

(3) If the Minister establishes a budget for a commission by virtue of section 244(3), the commission may not make an expenditure that is not included in the budget unless the expenditure is

- (a) authorized by the Minister,
- (b) for an emergency, or
- (c) legally required to be paid.

Annual budget

602.27(1) For the purpose of this section, "annual budget" means an annual budget as defined in section 241(a.02).

(2) A commission may adopt an annual budget in a format that is consistent with its financial statements.

(4) The Minister may make regulations respecting budgets and that define terms used in this section that are not defined in section 602.01.

602.21(1) If the total revenues and transfers of a commission over a 3-year period are less than the total expenditures and transfers of the commission for the same period, the operating budget for the commission for the year following the 3-year period must include an expenditure to cover the deficiency.

(2) If a commission has a deficiency referred to in subsection (1), the commission may, with the Minister's approval, spread the expenditures to cover the deficiency over more than one calendar year.

(3) If the Minister considers it to be necessary, the Minister may establish the budget for a commission that has a deficiency referred to in subsection (1) for a calendar year, and the budget

(a) is for all purposes the commission's budget for that calendar year, and

(b) may not be amended or replaced by the commission's board.

602.22 A commission must adopt a capital budget for each calendar year.

602.23 A capital budget must include the following:

(a) an estimate of the amount needed to acquire, construct, remove or improve capital property;

(b) the anticipated sources and estimated amounts of money to pay the costs referred to in clause (a);

(c) an estimate of the amount to be transferred from the operating budget.

602.24(1) A commission may make an expenditure only if it is

(a) included in an operating budget or capital budget or otherwise authorized by its board,

(b) for an emergency, or

(c) legally required to be paid.

(3) For the purpose of section 602.26, the adoption of an annual budget is equivalent to the adoption of an operating budget under section 602.23 or the adoption of a capital budget under section 602.25.

Civil liability of directors re expenditure

602.28(1) Subject to subsection (2), a director of a board who

- (a) makes an expenditure that is not authorized under section 602.26,
- (b) votes to spend money that has been obtained under a borrowing on something that is not within the purpose for which the money was borrowed, or
- (c) votes to spend money that has been obtained under a grant on something that is not within the purpose for which the grant was given

is liable to the commission for the expenditure or amount spent.

(2) A director is not liable under subsection (1)(b) if spending the money is allowed under section 602.30.

(3) If more than one director of the board is liable to the commission under this section in respect of a particular expenditure or amount spent, the directors are jointly and severally liable to the commission for the expenditure or amount spent.

(4) The liability under this section may be enforced by action by

- (a) the commission,
- (b) a member of the commission,
- (c) a taxpayer of a member of the commission, or
- (d) a person who holds a security under a borrowing made by the commission.

Authorized investments

602.29 A commission may invest its money only in the investments referred to in section 250(2)(a) to (d).

(2) Each board must establish procedures to authorize and verify expenditures that are not included in a budget.

(3) If the Minister establishes a budget for a commission under section 602.21, the commission may not make an expenditure that is not included in the budget unless the expenditure is

- (a) authorized by the Minister,*
- (b) for an emergency, or*
- (c) legally required to be paid.*

602.25(1) A director who

- (a) makes an expenditure that is not authorized under section 602.24,*
- (b) votes to spend money that has been obtained under a borrowing on something that is not within the purpose for which the money was borrowed, or*
- (c) votes to spend money that has been obtained under a grant on something that is not within the purpose for which the grant was given*

is liable to the commission for the expenditure or amount spent.

(2) A director is not liable under subsection (1)(b) if spending the money is allowed under section 602.27(2).

(3) If more than one director is liable to the commission under this section in respect of a particular expenditure or amount spent, the directors are jointly and severally liable to the commission for the expenditure or amount spent.

(4) The liability may be enforced by action by

- (a) the commission,*
- (b) a member of the commission,*
- (c) a taxpayer of a member of the commission, or*
- (d) a person who holds a security under a borrowing made by the commission.*

Use of borrowed money

602.30(1) Subject to subsection (2), section 253 applies to a commission.

(2) Notwithstanding section 253, for the purposes of this Part, a reference in section 253 to a municipality shall be read as a reference to a commission.

Borrowing

602.31 No commission may make a borrowing if the borrowing will cause the commission to exceed its debt limit, unless the borrowing is approved by the Minister.

Debt limit regulations

602.32(1) The Minister may make regulations

- (a) respecting how a debt limit for a commission is determined;
- (b) defining debt for the purposes of determining whether a commission has exceeded its debt limit, and the definition may include anything related to a commission's finances.

(2) The regulations made under this section may establish different methods of determining debt limits and different definitions of debt for different commissions.

Civil liability of directors re borrowing

602.33(1) When a commission makes a borrowing that causes the commission to exceed its debt limit, a director of the board who voted to authorize the borrowing is liable to the commission for the amount borrowed, unless the borrowing has been approved by the Minister.

(2) If subsection (1) applies to more than one director of the board, the directors are jointly and severally liable to the commission for the amount borrowed.

(3) The liability under this section may be enforced by action by

- (a) the commission,
- (b) a member of the commission,
- (c) a taxpayer of a member of the commission, or

602.26 *A commission may invest its money only in the investments referred to in section 250(2)(a) to (d).*

602.27(1) *Money obtained by a commission under a borrowing must be used for the purpose for which it is borrowed.*

(2) *Money obtained by a commission under a borrowing for the purpose of financing a capital property may be used for an operating purpose if the amount spent is available when it is needed for the capital property.*

602.28 *No commission may make a borrowing if the borrowing will cause the commission to exceed its debt limit, unless the borrowing is approved by the Minister.*

602.29(1) *The Minister may make regulations*

- (a) *respecting how a debt limit for a commission is determined;*
- (b) *defining debt for the purposes of determining if a commission has exceeded its debt limit, and the definition may include anything related to a commission's finances.*

(2) *The regulations may establish different methods of determining debt limits and different definitions of debt for different commissions.*

602.3(1) *When a commission makes a borrowing that causes the commission to exceed its debt limit, a director who voted to authorize the borrowing is liable to the commission for the amount borrowed, unless the borrowing has been approved by the Minister.*

(2) *If subsection (1) applies to more than one director, the directors are jointly and severally liable to the commission for the amount borrowed.*

(3) *The liability may be enforced by action by*

- (a) *the commission,*
- (b) *a member of the commission,*
- (c) *a taxpayer of a member of the commission, or*
- (d) *a person who holds a security under a borrowing made by the commission.*

- (d) a person who holds a security under a borrowing made by the commission.

Loans and guarantees

602.34 A commission may not lend money or guarantee the repayment of a loan.

Financial information return

602.35(1) Each commission must prepare a financial information return respecting the financial affairs of the commission for the immediately preceding calendar year.

(2) The Minister may establish requirements respecting the financial information return, including requirements respecting the accounting principles and standards to be used in preparing the return.

Audited financial statements

602.36 Each commission must prepare audited annual financial statements for the immediately preceding calendar year.

Distribution of returns and statements

602.37 Each commission must submit its financial information return and audited annual financial statements to the Minister and each member of the commission by May 1 of the year following the year for which the return and statements have been prepared.

**Division 4
Minister's Powers**

Inspection

602.38(1) The Minister may require any matter connected with the management, administration or operation of any commission to be inspected

- (a) on the Minister's initiative, or
- (b) on the request of a member of the commission.

(2) For the purposes of subsection (1), the management, administration or operation of a commission includes

- (a) the affairs of the commission,

602.31 *A commission may not lend money or guarantee the repayment of a loan.*

602.32(1) *Each commission must prepare a financial information return respecting the financial affairs of the commission for the immediately preceding calendar year.*

(2) *The Minister may establish requirements respecting the financial information return, including requirements respecting the accounting principles and standards to be used in preparing the return.*

602.33 *Each commission must prepare audited annual financial statements for the immediately preceding calendar year.*

602.34 *Each commission must submit its financial information return and audited annual financial statements to the Minister and each member of the commission by May 1 of the year following the year for which the return and statements have been prepared.*

*Division 4
Minister's Powers*

602.35(1) *The Minister may require any matter connected with the management, administration or operation of any commission to be inspected*

(a) *on the Minister's initiative, or*

(b) *on the request of a member of the commission.*

(2) *The Minister may appoint one or more persons as inspectors for the purposes of carrying out inspections under this section.*

(3) *An inspector*

(a) *may require the attendance of any director or officer of the commission or of any other person whose presence the inspector considers necessary during the course of the inspection, and*

(b) *has the same powers, privileges and immunities as a commissioner under the Public Inquiries Act.*

(4) *When required to do so by an inspector, the commission must produce for examination and inspection all books and records of the commission.*

- (b) the conduct of a director of the board or of an employee or agent of the commission, and
 - (c) the conduct of a person who has an agreement with the commission relating to the duties or obligations of the commission or the person under the agreement.
- (3) The Minister may appoint one or more persons as inspectors for the purposes of carrying out inspections under this section.
- (4) An inspector
- (a) may require the attendance of any director of the board, any officer of the commission or any other person whose presence the inspector considers necessary during the course of an inspection, and
 - (b) has the same powers, privileges and immunities as a commissioner under the *Public Inquiries Act*.
- (5) When required to do so by an inspector, a commission must produce for examination and inspection all the books and records of the commission.
- (6) After the completion of an inspection, the inspector must make a report to the Minister and, if the inspection was made at the request of a member of the commission, to the member and the commission.

Directions and dismissal

602.39(1) If because of an inspection under section 602.38 or a report of an official administrator under section 602.41 the Minister considers that a commission is managed in an irregular, improper or improvident manner, the Minister may by order direct the board to take any action that the Minister considers proper in the circumstances.

(2) If an order of the Minister under this section is not carried out to the satisfaction of the Minister and the Minister considers that the commission continues to be managed in an irregular, improper or improvident manner, and all reasonable efforts to resolve the situation have been attempted and have been unsuccessful, the Minister may make one or more of the following orders:

(5) After the completion of the inspection, the inspector must make a report to the Minister and, if the inspection was made at the request of a member of the commission, to the member and the commission.

602.36(1) If because of an inspection under section 602.35 or a report of an official administrator under this Division the Minister considers that a commission is managed in an irregular, improper or improvident manner, the Minister may by order direct the board of the commission to take any action that the Minister considers proper in the circumstances.

(1.1) If an order of the Minister under this section is not carried out to the satisfaction of the Minister and the Minister considers that the commission continues to be managed in an irregular, improper or improvident manner, and all reasonable efforts to resolve the situation have been attempted and have been unsuccessful, the Minister may make one or more of the following orders:

- (a) an order suspending the authority of the board to make bylaws in respect of any matter specified in the order;*
- (b) an order exercising bylaw-making authority in respect of all or any of the matters for which bylaw-making authority is suspended under clause (a);*
- (c) an order removing a suspension of bylaw-making authority, with or without conditions;*
- (d) an order withholding money otherwise payable by the Government to the commission pending compliance with an order of the Minister;*
- (e) an order repealing, amending and making policies and procedures with respect to the commission;*
- (f) an order requiring or prohibiting any other action as necessary to ensure an order is complied with;*
- (g) an order dismissing the board or any director.*

(1.2) Before making an order under subsection (1.1), the Minister must give the commission notice of the intended order and at least 14 days in which to respond.

(2) If an order of the Minister under this section is not carried out to the satisfaction of the Minister, the Minister may dismiss the board or any director.

- (a) an order suspending the authority of the board to make bylaws in respect of any matter specified in the order;
- (b) an order exercising bylaw-making authority in respect of all or any of the matters for which bylaw-making authority is suspended under clause (a);
- (c) an order removing a suspension of bylaw-making authority, with or without conditions;
- (d) an order withholding money otherwise payable by the Government to the commission pending compliance with an order of the Minister;
- (e) an order repealing, amending and making policies and procedures with respect to the commission;
- (f) an order requiring or prohibiting any other action as necessary to ensure an order is complied with;
- (g) an order dismissing the board or any director of the board.

(3) Before making an order under subsection (2), the Minister must give the commission notice of the intended order and at least 14 days in which to respond.

(4) If an order of the Minister under this section is not carried out to the satisfaction of the Minister, the Minister may dismiss the board or any director of the board.

(5) On the dismissal of the board or of any director of the board, the Minister may direct that a new board or director be appointed or may appoint a new board or director.

(6) The Minister may appoint an official administrator

- (a) on the dismissal of a board, or
- (b) on the dismissal of one or more directors of the board if the remaining directors do not constitute a quorum.

(7) An official administrator appointed under subsection (6) has all the powers and duties of the board.

(3) On the dismissal of the board or of any director, the Minister may direct that a new board or director be appointed or may appoint a new board or director.

(4) The Minister may appoint an official administrator

(a) on the dismissal of a board, or

(b) on the dismissal of one or more directors if the remaining directors do not constitute a quorum.

(5) An official administrator appointed under subsection (4) has all the powers and duties of the board.

602.37(1) The Minister may at any time appoint an official administrator to supervise a commission and its board.

(2) So long as the appointment of an official administrator under this section continues,

(a) no bylaw or resolution that authorizes the commission to incur a liability or to dispose of its money or property has any effect until the bylaw or resolution has been approved in writing by the official administrator, and

(b) the official administrator may at any time within 30 days after the passing of any bylaw or resolution disallow it, and the bylaw or resolution so disallowed becomes and is deemed to have always been void.

602.371 An official administrator appointed under this Division shall on request of the Minister, and may at any other time, report to the Minister on any matter respecting

(a) the commission or its board or administration, or

(b) any matter respecting the provision of services by the commission.

602.372(1) If the Minister considers that a commission has, while under the supervision of an official administrator,

(a) incurred a liability or disposed of money or property without the written approval of the official administrator required by section 602.37(2)(a), or

Official administrator as supervisor

602.40(1) The Minister may at any time appoint an official administrator to supervise a commission and the board.

(2) As long as the appointment of an official administrator under this section continues,

- (a) no bylaw or resolution that authorizes the commission to incur a liability or to dispose of the money or property of the commission has any effect until the bylaw or resolution has been approved in writing by the official administrator, and
- (b) the official administrator may at any time within 30 days after the passing of any bylaw or resolution disallow it, and the bylaw or resolution so disallowed becomes and is deemed to have always been void.

Reports of official administrators

602.41 An official administrator appointed under section 602.39(6) or 602.40 shall on request of the Minister, and may at any other time, report to the Minister on

- (a) any matter respecting the commission, or the board or the administration of the commission,
- (b) any matter respecting the provision of services by the commission, or
- (c) any other matter that the Minister may consider necessary.

Enforcement when commission under supervision

602.42(1) If the Minister considers that a commission has, while under the supervision of an official administrator,

- (a) incurred a liability or disposed of money or property without the written approval of the official administrator required by section 602.40(2)(a), or
- (b) acted on a bylaw or resolution that has been disallowed by the official administrator under section 602.40(2)(b),

the Minister may take any necessary measures to address the situation, including, without limitation, making one or more orders referred to in section 602.39(2)(a) to (g).

(b) acted on a bylaw or resolution that has been disallowed by the official administrator under section 602.37(2)(b),

the Minister may take any necessary measures to address the situation, including, without limitation, making one or more orders referred to in section 602.36(1.1)(a) to (g).

(2) Before making an order under subsection (1), the Minister must give the commission notice of the intended order and at least 14 days in which to respond.

602.38 When an official administrator is appointed for a commission by the Minister under this Part, the remuneration and expenses of the official administrator as set by the Minister must, if required by the Minister, be paid by the commission.

602.381(1) The Minister may direct a commission to provide

(a) a copy of any document in its possession, or

(b) any information or statistics respecting the commission,

to the Minister within the time specified by the Minister.

(2) A commission must comply with a direction of the Minister under this section and provide the copy, information or statistics to the Minister without charge.

(3) This section does not apply to documents prepared or information acquired by a commission that is subject to any type of legal privilege, including solicitor-client privilege.

602.39 The Minister may by regulation make provisions of this Act, other than provisions in this Part, applicable with or without modification to one or more commissions.

602.4 The Lieutenant Governor in Council, on the recommendation of the Minister, may make regulations disestablishing a commission and respecting its winding-up.

*Division 5
Transitional*

602.5 The Minister may make regulations

(a) respecting the conversion to this Part of anything from the Regional Municipal Services Act, SA 1981 cR-9.1;

(2) Before making an order under subsection (1), the Minister must give the commission notice of the intended order and at least 14 days in which to respond.

Remuneration for official administrator

602.43 When an official administrator is appointed for a commission by the Minister under this Part, the remuneration and expenses of the official administrator as set by the Minister must, if required by the Minister, be paid by the commission.

Providing Minister with copies and information

602.44(1) The Minister may direct a commission to provide

- (a) a copy of any document in its possession, or
- (b) any information or statistics respecting the commission

to the Minister within the time specified by the Minister.

(2) A commission must comply with a direction of the Minister under this section and provide any copy, information or statistics to the Minister without charge.

(3) This section does not apply to documents prepared or information acquired by a commission that is subject to any type of legal privilege, including solicitor-client privilege.

Ministerial orders

602.45(1) In addition to any other orders that the Minister may make under this Part, the Minister may

- (a) by order take any action that a commission or a board may or must take under this Part, or
- (b) make an order providing for any other matter that the Minister considers necessary for carrying out the purposes of this Part.

(2) If there is a conflict or inconsistency between an order made by the Minister under subsection (1) and an action taken by a commission or a board, the Minister's order prevails to the extent of the conflict or inconsistency.

(3) The *Regulations Act* does not apply to an order made by the Minister under this Part.

(b) to deal with any difficulty or impossibility resulting from this Part or the transition to this Part from the Regional Municipal Services Act, SA 1981 cR-9.1.

Ministerial regulations

602.46 The Minister may make regulations to remedy any confusion or inconsistency in applying the provisions of this Part.

**Division 5
Transitional Provisions and
Ministerial Regulations**

Transitional provisions

602.47(1) In this Division,

- (a) “continued commissions” means the regional services commissions established and existing under the former provisions before this Part comes into force;
- (b) “former provisions” means the provisions in Part 15.1 of this Act in force immediately before the coming into force of this Division.

(2) Continued commissions continue as regional services commissions as if the continued commissions are established under this Part.

(3) The bylaws and resolutions of the continued commissions continue until repealed, amended or replaced by the boards of the continued commissions.

(4) The members, the boards and the chairs of the continued commissions continue until changed according to the bylaws amended or replaced under subsection (3).

(5) On the coming into force of this Part, all liabilities, assets, rights, duties, functions and obligations of continued commissions continue to have effect until expired or amended under this Part or any other enactment.

(6) A reference to commissions in any enactment, regulation, order, bylaw, certificate of title, agreement or any other instrument is continued.

(7) Within one year after the coming into force of this Part, all continued commissions must ensure that the bylaws of the continued commissions conform to the requirements in section 602.09.

(8) The Minister may issue an order listing all the continued commissions continued under this section.

Ministerial regulations

602.48 The Minister may make regulations to deal with any difficulty or impossibility resulting from transitioning to this Part from the former provisions.

(8) Section 688 is amended

(a) by repealing subsection (2.2) and substituting the following:

(2.2) An applicant's written request under subsection (2.1) must not include a request for a transcript of the hearing, but

- (a) in the case of an application for permission to appeal a decision of a subdivision and development appeal board, if the Court of Appeal is satisfied that the transcript of the hearing is necessary for the purpose of determining the application, the Court may, on application or on its own motion, direct that the subdivision and development appeal board provide the transcript within the time provided by the Court, or
- (b) in the case of an application for permission to appeal a decision of the Municipal Government Board, if a transcript is available and the Court of Appeal is satisfied that the transcript is necessary for the purpose of determining the application, the Court may, on application or on its own motion, direct that the Municipal Government Board provide the transcript within the time provided by the Court.

(b) by repealing subsection (4.3) and substituting the following:

(4.3) Within 30 days from the date that permission is granted to appeal a decision of a subdivision and development appeal board, the subdivision and development appeal board must forward to the Registrar of the Court of Appeal the transcript and record of the hearing, its findings and reasons for the decision.

(8) Section 688 presently reads in part:

(2.2) An applicant shall not request under subsection (2.1) the transcript of the hearing, but the Court of Appeal may, on application or on its own motion, if satisfied that the transcript is necessary for the purpose of determining the application for permission to appeal, direct that the Municipal Government Board or the subdivision and development appeal board, as the case may be, provide the transcript within the time provided by the Court.

(4.3) Within 30 days from the date that the permission to appeal is obtained, the Municipal Government Board or the subdivision and development appeal board, as the case may be, must forward to the Registrar of the Court of Appeal the transcript and record of the hearing, its findings and reasons for the decision.

(6) If a decision of the Municipal Government Board is appealed, the Board

(a) is a respondent in the application and, if permission to appeal is granted, in the appeal, and

(b) is entitled to be represented by counsel at the application and, if permission to appeal is granted, at the appeal.

(4.4) Within 30 days from the date that permission is granted to appeal a decision of the Municipal Government Board, the Board must forward to the Registrar of the Court of Appeal the transcript, if any, and record of the hearing, its findings and reasons for the decision.

(c) by repealing subsection (6) and substituting the following:

(6) The Municipal Government Board

- (a) is a respondent in any application for permission to appeal a decision of the Board and, if permission to appeal is granted, in the appeal, and
- (b) is entitled to be represented by counsel at any application for permission to appeal a decision of the Board and, if permission to appeal is granted, at the appeal.

(9) Subsections (2), (4) and (7) have effect on September 1, 2020.

Oil Sands Conservation Act

Amends RSA 2000 cO-7

12(1) The *Oil Sands Conservation Act* is amended by this section.

(2) Section 10 is amended

- (a) **in subsection (3)(a) by striking out** “and with the prior authorization of the Lieutenant Governor in Council,”;
- (b) **by repealing subsections (4) and (5).**

(9) Coming into force.

Oil Sands Conservation Act

12(1) Amends chapter O-7 of the Revised Statutes of Alberta 2000.

(2) Section 10 presently reads in part:

(3) The Regulator may, with respect to an application referred to in subsection (1),

(a) if in its opinion it is in the public interest to do so, and with the prior authorization of the Lieutenant Governor in Council, grant an approval on any terms and conditions that the Regulator considers appropriate,

(4) An authorization of the Lieutenant Governor in Council is subject to any terms and conditions prescribed by the Lieutenant Governor in Council.

(3) Section 11 is amended

- (a) in subsection (3)(a) by striking out “and with the prior authorization of the Lieutenant Governor in Council,”;**
- (b) by repealing subsections (4) and (5).**

(5) Notwithstanding subsections (3) and (4), the authorization of the Lieutenant Governor in Council is not required under this section in respect of

- (a) an approval of an experimental scheme where the total quantity of energy, as estimated by the Regulator, in the oil sands, crude bitumen or derivatives of crude bitumen recovered in any year will not exceed 12.5 petajoules, or*
- (b) an approval of a scheme or operation, other than an experimental scheme, where the total quantity of energy, as estimated by the Regulator, in the oil sands, crude bitumen or derivatives of crude bitumen recovered in any year will not exceed 5 petajoules.*

(3) Section 11 presently reads in part:

(3) The Regulator may, with respect to an application referred to in subsection (1),

- (a) if in its opinion it is in the public interest to do so, and with the prior authorization of the Lieutenant Governor in Council, grant an approval on any terms and conditions that the Regulator considers appropriate,*

(4) An authorization of the Lieutenant Governor in Council is subject to any terms and conditions prescribed by the Lieutenant Governor in Council.

(5) Notwithstanding subsections (3) and (4), the authorization of the Lieutenant Governor in Council is not required under this section in respect of

- (a) an approval relating to a processing plant associated with an experimental scheme, where the total quantity of energy, as estimated by the Regulator, of oil sands products obtained in any year will not exceed 12.5 petajoules, or*
- (b) an approval, other than an approval relating to a processing plant associated with an experimental scheme, where the total quantity of energy, as estimated by the Regulator, of oil sands products obtained in any year will not exceed 5 petajoules.*

(4) Section 13(2) is repealed.

(5) Section 14(1) is amended by striking out “an authorization of the Lieutenant Governor in Council” and substituting “an approval of the Regulator”.

(6) Section 15 is amended

- (a) in subsection (1) by striking out “, with the prior authorization of the Lieutenant Governor in Council,”;**
- (b) by repealing subsection (2).**

(7) Section 24 is amended

- (a) in clause (a) by striking out “authorization or”;**
- (b) in clauses (b) and (c) by striking out “authorization,” wherever it occurs.**

(4) Section 13(2) presently reads:

(2) The prior authorization of the Lieutenant Governor in Council is not required in respect of

*(a) an amendment to an approval referred to in subsection (1),
or*

*(b) a consolidation of an approval referred to in subsection (1)
and one or more amendments to that approval.*

(5) Section 14(1) presently reads:

14(1) The Lieutenant Governor in Council may direct that the Regulator conduct an inquiry to determine any question relating to the compliance with a term or condition of an authorization of the Lieutenant Governor in Council under this Act.

(6) Section 15 presently reads in part:

15(1) If an operator fails to comply with this Act or the rules or with a term or condition of an approval issued under this Act, the Regulator, with the prior authorization of the Lieutenant Governor in Council, may by order cancel or suspend the approval or make any other order that in the opinion of the Regulator is just and reasonable under the circumstances.

(2) Notwithstanding subsection (1), the authorization of the Lieutenant Governor in Council is not required under this section if the approval was granted without the authorization of the Lieutenant Governor in Council.

(7) Section 24 presently reads:

24 A person who

(a) whether as a principal or otherwise, contravenes or fails to comply with this Act or the rules or with a term or condition of an authorization or approval, as the case may be,

(b) either alone or in conjunction or participation with any other person induces or causes a holder of an authorization, approval or permit to contravene or to default in complying with a provision of the authorization, approval or permit, or

(c) instructs, orders, directs, induces or causes an officer, agent or employee of a holder of an authorization, approval or

(8) The following is added after section 28:

Transitional Provision

Transitional provision

29 This Act as it read immediately before the coming into force of this section continues to apply in respect of an application under section 10 or 11 if the Regulator has sought the prior authorization of the Lieutenant Governor in Council but has not disposed of the application before the coming into force of this section.

(9) This section comes into force on Proclamation.

Partnership Act

Amends RSA 2000 cP-3

13(1) The *Partnership Act* is amended by this section.

(2) Section 52(3) is repealed and the following is substituted:

(3) A certificate shall be signed by all the persons desiring to form a limited partnership and shall state

- (a) the firm name under which the business of the limited partnership is to be conducted,
- (b) the name, email address and street address or postal address of each general partner, and
- (c) any other information required by the regulations.

permit to contravene or to default in complying with a term or condition of the authorization, approval or permit

is guilty of an offence.

(8) Transitional provision.

(9) Coming into force.

Partnership Act

13(1) Amends chapter P-3 of the Revised Statutes of Alberta 2000.

(2) Section 52(3) presently reads:

(3) A certificate shall be signed by all the persons desiring to form a limited partnership and shall state

(a) the firm name under which the limited partnership is to be conducted,

(b) the character of the business,

(c) the name and street address or postal address of each partner, general and limited partners being respectively designated,

(d) the term for which the limited partnership is to exist,

(e) the amount of cash and the nature and fair value of other property, if any, contributed by each limited partner,

(3) Section 55(3) is repealed.

(4) Section 56 is amended in clauses (a), (f) and (g) by striking out “certificate” and substituting “partnership agreement”.

- (f) *the amount of additional contributions, if any, agreed to be made by each limited partner and the times at which or events on the happening of which an additional contribution is to be made,*
- (g) *the time, if agreed on, when the contribution of each limited partner is to be returned,*
- (h) *the share of the profits or other compensation by way of income that each limited partner is entitled to by reason of that partner's contribution,*
- (i) *the right, if given, of a limited partner to substitute an assignee as contributor in that partner's place, and the terms and conditions of the substitution,*
- (j) *the right, if given, of the partners to admit additional limited partners,*
- (k) *the right, if given, of one or more of the limited partners to priority over other limited partners, to a return of contributions or to compensation by way of income, and the nature of the priority,*
- (l) *the right, if given, of the remaining general partner or partners to continue the business on the death, retirement or mental incompetence of a general partner, and*
- (m) *the right, if given, of a limited partner to demand and receive property other than cash in return for that partner's contribution.*

(3) Section 55(3) presently reads:

(3) Only the general partners shall be shown at the land titles office or the Metis Settlements Land Registry as owners of any interest of the limited partnership in real property.

(4) Section 56 presently reads in part:

56 A general partner in a limited partnership has all the rights and powers and is subject to all the restrictions and liabilities of a partner in a partnership without limited partners except that, without the written consent to or ratification of the specific act by all the limited partners, a general partner has no authority to

- (a) *do any act in contravention of the certificate,*

(5) Section 59(2) is amended by striking out “certificate” and substituting “partnership agreement”.

(6) Section 61(2) is amended by striking out “the existence of and nature of the agreement shall be stated in the certificate, and in the absence of a statement all limited partners, subject to subsection (1),” and substituting “in the absence of an agreement, all limited partners”.

(7) Section 62 is amended

- (a) in subsection (1)(c) by striking out “so amended as” and substituting “the partnership agreement is amended”;**
- (b) in subsections (2)(b) and (c) and (3)(a) by striking out “certificate” and substituting “partnership agreement”.**

- (f) admit a person as a limited partner, unless the right to do so is given in the certificate, or*
- (g) continue the business of the limited partnership on the death, retirement or mental incompetence of a general partner, unless the right to do so is given in the certificate.*

(5) Section 59(2) presently reads:

(2) A limited partner may receive from the limited partnership the share of the profits or the compensation by way of income stipulated for in the certificate if after payment of it is made, whether from the property of the limited partnership or that of a general partner, the limited partnership assets exceed all the limited partnership liabilities, excepting liabilities to limited partners on account of their contributions and to general partners.

(6) Section 61(2) presently reads:

(2) When there are several limited partners, the partners may agree that one or more of the limited partners is to have a priority over other limited partners

- (a) as to the return of contributions,*
- (b) as to compensation by way of income, or*
- (c) as to any other matter,*

but the existence of and nature of the agreement shall be stated in the certificate, and in the absence of a statement all limited partners, subject to subsection (1), stand on equal footing.

(7) Section 62 presently reads in part:

62(1) A limited partner is not entitled to receive from a general partner or out of the limited partnership property any part of the limited partner's contribution until

- (c) the certificate is cancelled or so amended as to set out the withdrawal or reduction.*

(2) Subject to subsection (1), a limited partner may rightfully demand the return of the limited partner's contribution

- (b) when the time specified in the certificate for its return has arrived, or*

(8) Section 63 is amended

- (a) in subsections (1)(a) and (b) and (2)(a) by striking out “certificate” wherever it occurs and substituting “partnership agreement”;**
- (b) in subsection (3) by adding “by amending the partnership agreement” before “with the consent of all partners”;**
- (c) in subsection (4) by repealing clause (b) and substituting the following:**
 - (b) before the earliest of the following:
 - (i) the cancellation of the certificate;
 - (ii) the amendment of the partnership agreement whereby the waiver or compromise was effected.

(9) Section 65 is amended by striking out “certificate in accordance with this Part” and substituting “partnership agreement unless the partnership agreement already gives the general partner a right to admit limited partners”.

(c) *after the limited partner has given 6 months' notice in writing to all other partners, if no time is specified in the certificate either for the return of the contribution or for the dissolution of the limited partnership.*

(3) *A limited partner has, irrespective of the nature of the limited partner's contribution, only the right to demand and receive cash in return for the limited partner's contribution, unless*

(a) *there is a statement to the contrary in the certificate, or*

(8) Section 63 presently reads in part:

63(1) *A limited partner is liable to the limited partnership*

(a) *for the difference, if any, between the amount of the limited partner's contribution as actually made and the amount stated in the certificate as having been made, and*

(b) *for any unpaid contribution that the limited partner agreed in the certificate to make in the future at the time and on the conditions, if any, stated in the certificate.*

(2) *A limited partner holds as trustee for the limited partnership*

(a) *specific property stated in the certificate as contributed by the limited partner, but that has not in fact been contributed or that has been wrongfully returned, and*

(3) *The liabilities of a limited partner as set out in this section may, subject to subsection (4), be waived or compromised, but only with the consent of all partners.*

(4) *A waiver or compromise agreed to pursuant to subsection (3) does not affect the right of a creditor of the limited partnership to enforce a liability arising from credit that was extended or a claim that otherwise arose*

(b) *prior to the cancellation or amendment of the certificate whereby the waiver or compromise was effected.*

(9) Section 65 presently reads:

65 *After the formation of a limited partnership, additional limited partners may be admitted by amendment of the certificate in accordance with this Part.*

(10) Section 66 is amended

- (a) in subsection (4)(b) by striking out “certificate” and substituting “partnership agreement”;**
- (b) in subsection (5)**
 - (i) by striking out “certificate” and substituting “partnership agreement”;**
 - (ii) by striking out “in accordance with this Part”;**
- (c) in subsection (6) by striking out “certificate” and substituting “partnership agreement”.**

(11) Section 67(a) is amended by striking out “certificate” and substituting “partnership agreement”.

(12) Section 69(2) is repealed.

(13) Section 70 is amended

- (a) in subsection (1)**
 - (i) by repealing clause (a) and substituting the following:**
 - (a) there is a change in the information stated in the certificate,**
 - (ii) by repealing clauses (b) and (e) to (j);**
- (b) by repealing subsection (2) and substituting the following:**

(10) Section 66 presently reads in part:

(4) An assignee may become a substituted limited partner

(b) if the assignor, being so authorized by the terms in the certificate, gives the assignee that right.

(5) An assignee becomes a substituted limited partner when the certificate is appropriately amended in accordance with this Part.

(6) A substituted limited partner has all the rights and powers and is subject to all the restrictions and liabilities of the substituted limited partner's assignor, except those liabilities of which the substituted limited partner was ignorant at the time the substituted limited partner became a limited partner and that could not be ascertained from the certificate.

(11) Section 67(a) presently reads:

67 The retirement, death or mental incompetence of a general partner dissolves a limited partnership unless the business is continued by the remaining general partners

(a) pursuant to a right to do so stated in the certificate, or

(12) Section 69(2) presently reads:

(2) The notice to cancel a certificate shall be signed by all the partners.

(13) Section 70 presently reads in part:

70(1) A certificate shall be amended when

(a) there is a change in the name of the limited partnership or in the amount or character of the contribution of any limited partner not provided for in the certificate,

(b) a person is substituted as a limited partner,

(e) a general partner retires, dies or becomes mentally incompetent and the business is continued pursuant to section 67,

(f) there is a change in the character of the business of the limited partnership,

(2) The notice to amend a certificate shall be signed by all the partners, including any person to be added to the amended certificate as a limited partner or a general partner.

(c) by repealing subsection (3).

(14) Section 71 is amended

(a) in subsection (1)

(i) by striking out “section 69 or 70” and substituting “section 70”;

(ii) by striking out “cancel or”;

(iii) by striking out “cancellation or” wherever it occurs;

(b) in subsection (2)

(i) by striking out “shall” and substituting “may”;

(ii) by striking out “cancellation or”.

- (g) *a false or erroneous statement is discovered in the certificate,*
- (h) *there is a change in the time as stated in the certificate for the dissolution of the limited partnership or for the return of a contribution,*
- (i) *a time is fixed for the dissolution of the limited partnership or for the return of a contribution, no time having been specified in the certificate, or*
- (j) *the partners desire to make a change in any other statement in the certificate in order to make the certificate accurately represent the agreement between them.*

(2) *The notice to amend a certificate shall*

- (a) *set out clearly the change in or addition to the certificate that is desired, and*
- (b) *be signed by all the partners.*

(3) *A notice to amend a certificate by substituting a limited partner or adding a limited or general partner shall also be signed by the person to be substituted or added and, when a limited partner is substituted, the amendment shall also be signed by the assigning limited partner.*

(14) Section 71 presently reads:

71(1) If anyone designated under section 69 or 70 as being a person who must sign a notice to cancel or amend a certificate refuses to do so, a person desiring the cancellation or amendment may apply to the Court for an order directing the cancellation or amendment.

(2) On hearing an application brought under subsection (1), the Court, if it finds that the applicant is entitled to have the notice in question signed, shall by order direct the Registrar to record the cancellation or amendment of the certificate as set out in the order.

(15) Section 72(a) is amended by striking out “signed as required by” and substituting “under”.

(16) Section 73 is amended by striking out “certificate” and substituting “partnership agreement”.

(17) Section 78(2) is amended

- (a) by striking out “shall” and substituting “may”;**
- (b) by striking out “and recorded”.**

(18) The following is added after section 80:

Extra-provincial Limited Partnerships

Definitions

80.01 In sections 80.02 and 80.1,

- (a) “extra-provincial limited partnership” means a partnership in Canada described in section 52(2);
- (b) “extra-provincial matters” means
 - (i) matters pertaining to extra-provincial limited partnerships set out in this Part and in regulations made under section 80.1(4), and
 - (ii) matters set out under the laws of another jurisdiction in Canada that are similar to the matters set out in this Part and in regulations made under section 80.1(4);
- (c) “extra-provincial registrar” means a person in a jurisdiction in Canada who performs a function in that jurisdiction similar to the function that the Registrar performs under this Part.

(15) Section 72(a) presently reads:

72 A certificate is cancelled or amended, as the case indicates, when there is filed with and recorded by the Registrar

(a) a notice signed as required by this Part, or

(16) Section 73 presently reads in part:

73 In settling accounts after the dissolution of a limited partnership, the liabilities of the partnership to creditors, excepting to limited partners on account of their contributions and to general partners, shall be paid first and then, subject to any statement in the certificate or to subsequent agreement, in the following order:

(17) Section 78(2) presently reads:

(2) A special authority referred to in subsection (1) shall be filed with the Registrar and recorded with the document or one of the documents executed in the exercise of the special authority.

(18) Definitions; applicable law.

Applicable law

80.02 The law of the jurisdiction where an extra-provincial limited partnership was formed applies

- (a) to the organization and internal affairs of the limited partnership, and
- (b) to the liability of the limited partners of the limited partnership.

(19) Section 80.1 is amended

(a) by repealing subsection (1);

(b) in subsection (2)

(i) in clause (a) by striking out “subsection (1)(a.1)(i)” and substituting “section 80.01(b)(i)”;

(ii) in clause (b) by striking out “subsection (1)(a.1)(ii)” and substituting “section 80.01(b)(ii)”;

(c) in subsection (4)(c) by striking out “subsection (1)(a.1)(ii)” and substituting “section 80.01(b)(ii)”.

(19) Section 80.1 presently reads in part:

80.1(1) In this section,

(a) “extra-provincial limited partnership” means a partnership in Canada described in section 52(2);

(a.1) “extra-provincial matters” means

(i) matters pertaining to extra-provincial limited partnerships set out in this Part and in regulations made under subsection (4), and

(ii) matters set out under the laws of another jurisdiction in Canada that are similar to the matters set out in this Part and in regulations made under subsection (4);

(b) “extra-provincial registrar” means a person in a jurisdiction in Canada who performs a function in that jurisdiction similar to the function that the Registrar performs under this Part.

(2) The Registrar may enter into an agreement with an extra-provincial registrar to address the following matters:

(a) the collection by the extra-provincial registrar of documents, information, forms, notices, fees and other things relating to extra-provincial matters referred to in subsection (1)(a.1)(i) for the Registrar and any matter relating to the collection of those things and their transmission to the Registrar;

(b) the collection by the Registrar of documents, information, forms, notices, fees and other things under the laws of another jurisdiction in Canada relating to extra-provincial matters referred to in subsection (1)(a.1)(ii) for the

(20) Section 82(4)(b) is amended

(a) by repealing subclause (i);

(b) in subclause (ii) by striking out “other”.

(21) Section 85 is amended by striking out “and the operation of this Act”.

(22) Section 86(3) is repealed and the following is substituted:

(3) An Alberta LLP’s registered office must be business premises of the LLP or of a person or firm that has agreed to act as the LLP’s registered office, and the LLP shall ensure that its

extra-provincial registrar of that jurisdiction and any matter relating to the collection of those things and their transmission to the extra-provincial registrar.

(4) *The Lieutenant Governor in Council may make regulations*

(c) *respecting the collection by the Registrar of documents, information, forms, notices, fees and other things relating to extra-provincial matters referred to in subsection (1)(a.1)(ii) for an extra-provincial registrar and the transmission of those things to the extra-provincial registrar;*

(20) Section 82(4)(b) presently reads:

(4) *An application must be in a format acceptable to the Registrar and must*

(b) *be accompanied with a statement from a person who is authorized by the governing body of the applicable eligible profession to provide the statement, certifying that*

(i) *the partners are covered by liability insurance or other protection against professional liability within the meaning of section 12 in the form and amount that is required for that purpose by regulation, rule or bylaw under the Act that regulates the eligible profession, and*

(ii) *the partnership and the partners meet all other applicable eligibility requirements for practice as an Alberta LLP that are imposed in or under the Act that regulates the eligible profession,*

(21) Section 85 presently reads:

85 On being registered as an Alberta LLP, a partnership shall forthwith send to all of its existing clients a notice that advises of the registration and explains in general terms the potential changes in liability of the partners that are a result of the registration and the operation of this Act.

(22) Section 86(3) presently reads:

(3) *An Alberta LLP's registered office must be business premises of the LLP or of a person or firm that has agreed to act as the LLP's registered office, and the LLP shall ensure that its registered office is*

registered office is accessible to the public during normal business hours.

(23) Section 94(3)(b)(ii) is amended

- (a) by repealing paragraph (A);**
- (b) in paragraph (B) by striking out “other”.**

(24) Section 96 is amended by striking out “and the operation of this Act”.

(25) Section 97(3) is repealed and the following is substituted:

(3) An extra-provincial LLP’s registered office must be the business premises of the LLP or of a person or firm that has agreed to act as the LLP’s registered office, and the LLP shall ensure that the business premises are accessible to the public during normal business hours.

- (a) *accessible to the public during normal business hours, and*
- (b) *readily identifiable from the information provided in the registration documents or in any notice amending the registration.*

(23) Section 94(3)(b)(ii) presently reads:

- (3) *An application must be in a format acceptable to the Registrar and must*
 - (b) *be accompanied with*
 - (ii) *a statement in respect of each eligible profession in which the Alberta partners carry on practice from a person who is authorized by the governing body of the applicable eligible profession in Alberta to provide the statement, certifying that*
 - (A) *the Alberta partners in the partnership are covered by liability insurance or other protection against professional liability within the meaning of section 12 in the form and amount that is required for that purpose by regulation, rule or bylaw under the Act that regulates the eligible profession, and*
 - (B) *the partnership and the Alberta partners meet all other applicable eligibility requirements for practice as an extra-provincial LLP that are imposed in or under the Act that regulates the eligible profession,*

(24) Section 96 presently reads:

96 On being registered as an extra-provincial LLP, a partnership shall send to all of the existing clients of its Alberta practice a notice that advises of the registration and explains in general terms the potential changes in liability of the Alberta partners that are a result of the registration and the operation of this Act.

(25) Section 97(3) presently reads:

(3) An extra-provincial LLP's registered office must be the business premises of the LLP or of a person or firm that has agreed to act as the LLP's registered office, and the LLP shall ensure that the business premises are

(26) Section 107(2) is amended by striking out “and annexed to the declaration”.

(27) Section 109(3) is amended by striking out “and the declaration shall state each of those changes and alterations that has taken place”.

(28) Section 110 is amended

- (a) in subsection (1) by striking out** “shall sign and file with the Registrar” **and substituting** “shall file with the Registrar, in a format acceptable to the Registrar,”;
- (b) in subsection (4) by striking out** “setting out the new street address or postal address”.

- (a) accessible to the public during normal business hours, and*
- (b) readily identifiable from the information provided in the registration documents or in any notice amending the registration.*

(26) Section 107(2) presently reads:

(2) The special authority shall be filed with the Registrar and annexed to the declaration.

(27) Section 109(3) presently reads:

(3) A similar declaration shall in like manner be filed when a change or alteration takes place

- (a) in the membership of the partnership, or*
- (b) in the firm name under which the members intend to carry on business,*

and the declaration shall state each of those changes and alterations that has taken place.

(28) Section 110 presently reads in part:

110(1) Each person who

- (a) is engaged in business for trading, manufacturing, contracting or mining purposes,*
- (b) is not associated in partnership with any other person or persons, and*
- (c) uses as the person's business name*
 - (i) some name or designation other than the person's own, or*
 - (ii) the person's own name with the addition of "and company" or some other word or phrase indicating a plurality of members in the firm,*

shall sign and file with the Registrar a declaration in writing of the fact.

(29) The following heading is added after section 111:

Declarations

(30) Section 117 is amended by renumbering clause (a) as clause (a.3) and adding the following before clause (a.3):

- (a) respecting the information required to be stated in a certificate under section 52;
- (a.1) respecting the records and information to be maintained by a limited partnership, including regulations respecting the method by which and the location where the records and information are to be maintained;
- (a.2) respecting access to the records and information referred to in clause (a.1) and the provision of copies of the records and information to the Registrar or any other person;

(31) The following is added after section 117:

Transitional regulations

118(1) In this section,

- (a) “amended Act” means the *Partnership Act* as it reads on the coming into force of this section;
 - (b) “former Act” means the *Partnership Act* as it read immediately before the coming into force of this section.
- (2)** The Lieutenant Governor in Council may make regulations
- (a) respecting the transition to the amended Act of anything under the former Act;
 - (b) to remedy any confusion, difficulty, inconsistency or impossibility resulting from the transition to the amended Act from the former Act.

(32) This section comes into force on Proclamation.

(4) Where the street address or postal address of a declarant changes, the declarant shall, within 30 days after the effective date of the change, file a declaration with the Registrar setting out the new street address or postal address.

(29) Declarations.

(30) Section 117 presently reads in part:

117 The Lieutenant Governor in Council may make regulations

(a) respecting applications for registration of limited liability partnerships under Part 3;

(31) Transitional regulations.

(32) Coming into force.

Public Lands Act

Amends RSA 2000 cP-40

14(1) The *Public Lands Act* is amended by this section.

(2) Section 22 is amended by striking out “*Immigration Act* (Canada)” wherever it occurs and substituting “*Immigration and Refugee Protection Act* (Canada)”.

Public Lands Act

14(1) Amends chapter P-40 of the Revised Statutes of Alberta 2000.

(2) Section 22 presently reads:

22(1) The Minister shall not sell public land pursuant to section 18, the regulations or an order of the Lieutenant Governor in Council, or issue a notification in favour of the purchaser for that land, if the purchaser or one of the purchasers is

- (a) a person who is not a Canadian citizen or a permanent resident as defined in the Immigration Act (Canada),*
- (b) a corporation that is not a Canadian corporation, or*
- (c) a person or corporation acting as a trustee for a person who is not a Canadian citizen or a permanent resident as defined in the Immigration Act (Canada) or for a corporation that is not a Canadian corporation.*

(2) This section does not apply when the purchaser has entered into an agreement under section 21(1) or with respect to a sale made before May 10, 1973.

(3) In this section,

- (a) "Canadian corporation" means*
 - (i) in the case of a corporation with share capital, a corporation in which not less than 75% of the equity shares are registered in the name of and beneficially owned by*
 - (A) one or more Canadian citizens or permanent residents as defined in the Immigration Act (Canada),*
 - (B) one or more corporations with share capital, if in each case not less than 75% of its equity shares are registered in the name of and beneficially owned by Canadian citizens or permanent residents as defined in the Immigration Act (Canada),*

(3) Section 112 is repealed and the following is substituted:

Proof of corporate lessee

112(1) When any corporation is the holder of a grazing lease, the director may at any time by notice in writing require the lessee

- (a) to furnish proof that at the time of the notice
 - (i) it is incorporated under the laws of Canada or of Alberta, and
 - (ii) the majority of its shares are owned by Canadian citizens or permanent residents as defined in the *Immigration and Refugee Protection Act* (Canada) for their exclusive use and benefit and not in the interests of or for the benefit of any other person,

and

- (b) to furnish proof that the de facto control of the lessee corporation is in the persons who are Canadian citizens or permanent residents as defined in the *Immigration*

(C) *one or more corporations without share capital, if in each case not less than 75% of its members are Canadian citizens or permanent residents as defined in the Immigration Act (Canada), or*

(D) *any combination of persons or corporations referred to in paragraphs (A), (B) and (C),*

or

(ii) *in the case of a corporation without share capital, a corporation in which not less than 75% of the members are Canadian citizens or permanent residents as defined in the Immigration Act (Canada);*

(b) *“equity share” means any share of any class of shares of a corporation carrying full or limited voting rights and any share of any class of shares of the corporation carrying voting rights by reason of a contingency that has occurred and is continuing.*

(3) Section 112 presently reads:

112(1) When any corporation is the holder of a grazing lease, the director may at any time by notice in writing require the lessee to furnish proof that at the time of the notice

(a) *it is incorporated under the laws of Canada or of Alberta, and*

(b) *the majority of its shares are owned by residents of Alberta for their exclusive use and benefit and not in the interests of or for the benefit of any other person,*

and, if the director should so desire, to furnish proof that the de facto control of the lessee corporation is in the persons resident in Alberta who own the major part of the shares of that corporation.

(2) *If the lessee fails to comply with the notice or if the proof furnished by the lessee is not satisfactory to the director, the director may cancel the lease.*

and Refugee Protection Act (Canada) who own the major part of the shares of that corporation.

(2) If the lessee fails to comply with the notice or if the proof furnished by the lessee is not satisfactory to the director, the director may cancel the lease.

Recreation Development Act

Repeals RSA 2000 cR-8

15 The *Recreation Development Act* is repealed.

Safety Codes Act

Amends RSA 2000 cS-1

16(1) The *Safety Codes Act* is amended by this section.

(2) Section 57.1 is amended

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

Administrative penalties

57.1(1) An Administrator may impose an administrative penalty in accordance with this section and the regulations if the Administrator is of the opinion that a person has failed to comply with or contravened

(a) section 5, 6, 7, 8, 9, 10(1), 11, 35, 39(2) or (3), 40, 41, 43, 44(4), 45(1), 59 or 67(1), (2) or (3),

(b) an order made under this Act, or

(c) a condition in a permit, certificate or variance issued under this Act.

(b) in subsection (7) by striking out “within 30 days after the date on which the notice was served” and substituting “on or before the date specified in the notice of administrative penalty, which must be at least 30 days after the day on which the notice of administrative penalty is served”.

Recreation Development Act

15 Repeals chapter R-8 of the Revised Statutes of Alberta 2000.

Safety Codes Act

16(1) Amends chapter S-1 of the Revised Statutes of Alberta 2000.

(2) Section 57.1 presently reads in part:

57.1(1) An Administrator may impose an administrative penalty in accordance with this section and the regulations if the Administrator is of the opinion that a person has

(a) contravened a provision of this Act, the regulations or a code or standard adopted under this Act that is prescribed as a provision in respect of which an administrative penalty may be imposed, or

(b) failed to comply with or contravened an order made under this Act that is prescribed as an order in respect of which an administrative penalty may be imposed.

(7) Except as otherwise provided in this Part, a person who has been served with a notice of administrative penalty shall pay the amount of the penalty within 30 days after the date on which the notice was served.

Surface Rights Act

Amends RSA 2000 cS-24

17(1) The *Surface Rights Act* is amended by this section.

(2) Section 27(8) is amended by adding “, after the compensation year has ended,” after “Board”.

(3) Section 29 is amended

(a) by renumbering section 29 as section 29(1);

(b) by adding the following after subsection (1):

(2) For greater certainty, the powers of the Board under subsection (1) apply to an order that has been assigned under section 35.1.

(4) Section 30(2)(c) is amended by striking out “\$25 000” and substituting “\$50 000”.

Surface Rights Act

17(1) Amends chapter S-24 of the Revised Statutes of Alberta 2000.

(2) Section 27(8) presently reads:

(8) If, by the end of the compensation year in which the notice is given, the parties cannot agree on a rate of compensation, the party desiring to have the rate of compensation reviewed or fixed may make an application to the Board for proceedings to be held to determine the rate of compensation.

(3) Section 29 presently reads:

29 The Board may

- (a) rehear an application before deciding it;*
- (b) review, rescind, amend or replace a decision or order made by it;*
- (d) notwithstanding anything in this Act, and with or without a hearing, amend a compensation order to show as a respondent a person who is neither an owner or occupant of the land concerned, and to make compensation payable to that person, when the Board is satisfied that that person is legally entitled to receive the compensation that would otherwise be payable to an owner or occupant.*

(4) Section 30(2) presently reads in part:

- (2) The Board has jurisdiction to determine a dispute under this section only if*
- (c) in the case of an application made on or after July 1, 2001, notwithstanding that the damage in respect of which the application is made may have arisen before, on or after July 1, 2001, the amount claimed by the owner or occupant does not exceed \$25 000.*

(5) The following is added after section 35:

Assignment of order

35.1(1) For the purposes of this section, an assignment must be in a form acceptable to the Registrar of Land Titles.

(2) Subject to subsections (3) and (4), an order of the Board is assignable without a further order of the Board by filing a copy of the assignment with the Board and serving notice of the assignment on the other parties named in the order or in any previous assignment of the order.

(3) The assignment of an order that is the subject of a licence, permit or other approval granted by the Alberta Utilities Commission or the Alberta Energy Regulator must be accompanied by a copy of the transfer of that licence, permit or other approval, in a form acceptable to the Board, for the assignment to be valid.

(4) If an order of the Board or a certified copy of it has been filed with the Registrar of Land Titles,

- (a) an operator wishing to have the order assigned must file the assignment with the Registrar and, on payment of the proper fee, the Registrar shall register the assignment and endorse a memorandum of its registration on the certificate of title to the land affected, and
- (b) the assignment does not take effect until the assignment has been registered by the Registrar.

(6) Section 36 is amended

- (a) **in subsection (6) by striking out** “the operator’s rights have been terminated under subsection (5)(b) and full payment has still not been made” **and substituting** “, within 30 days of the Board sending a written notice to an operator under subsection (4), the operator has not proven to the Board’s satisfaction that full payment has been made”;
- (b) **in subsection (7) by striking out** “under subsection (6), without any further application of subsections (3), (4) and (5)” **and substituting** “to the person, without any further application of subsection (4)”;

(5) Assignment of order.

(6) Section 36 presently reads in part:

(6) If the operator's rights have been terminated under subsection (5)(b) and full payment has still not been made, the Board may direct the Minister to pay out of the General Revenue Fund the amount of money to which the person referred to in subsection (3) is entitled.

(7) If the Minister has made a payment under subsection (6) and the person who received the payment provides evidence of a subsequent non-payment of compensation by the operator in relation to the same site, the Board may direct the Minister to make any further

- (c) in subsection (8) by striking out “under subsection (6)” and substituting “to the person”.

Vital Statistics Act

Amends SA 2007 cV-4.1

18(1) The *Vital Statistics Act* is amended by this section.

(2) Section 64 is repealed.

Wills and Succession Act

Amends SA 2010 cW-12.2

19(1) The *Wills and Succession Act* is amended by this section.

(2) Section 71 is amended

(a) by repealing subsection (2) and substituting the following:

(2) A beneficiary designation may be made in accordance with subsection (2.1) or (2.2).

(2.1) A participant may designate a person to receive a benefit payable under a plan on the participant’s death

payments due under subsection (6), without any further application of subsections (3), (4) and (5), until the transfer or reclamation of the site is complete.

(8) The Board may direct the Minister not to make any further payments due under subsection (6) if it considers that the person entitled to receive them is refusing access for operations, abandonment or reclamation allowed by law.

Vital Statistics Act

18(1) Amends chapter V-4.1 of the Statutes of Alberta, 2007.

(2) Section 64 presently reads:

64(1) The Registrar shall make for the use of the Legislative Assembly and for public information a statistical report of the births, stillbirths, marriages, changes of name, adoptions and deaths, and any other information considered appropriate by the Registrar, for each calendar year.

(2) The report must include all of the events referred to in subsection (1) that occurred during a calendar year, including those that were registered after the end of the calendar year but prior to the making of the report.

Wills and Succession Act

19(1) Amends chapter W-12.2 of the Statutes of Alberta, 2010.

(2) Section 71 presently reads in part:

(2) A participant may designate a person to receive a benefit payable under a plan on the participant's death

(a) by an instrument signed by the participant or signed by another individual on the participant's behalf, at the participant's direction and in the participant's presence, or

(b) by will,

- (a) by an instrument signed by the participant or signed by another individual on the participant's behalf, at the participant's direction and in the participant's presence, or
- (b) by will,

and may revoke the designation by one of those methods.

(2.2) Subject to subsection (2.3), a new designation of the same beneficiary may be made, other than by will, by one of the following representatives of a participant:

- (a) an attorney acting under an enduring power of attorney under the *Powers of Attorney Act*;
- (b) the Public Trustee acting as trustee of an incapacitated person under the *Public Trustee Act*;
- (c) the Public Trustee acting as trustee of a represented adult under the *Adult Guardianship and Trusteeship Act* and subject to the *Public Trustee Act*;
- (d) a person acting as trustee for a represented adult under the *Adult Guardianship and Trusteeship Act*.

(2.3) Subsection (2.2) applies only if the designation renews, replaces or converts a similar instrument made by the participant.

(2.4) Subsection (2.2) applies notwithstanding section 85(2) of the *Adult Guardianship and Trustee Act* and section 25(3) of the *Public Trustee Act*.

- (b) in subsection (3) by striking out “subsection (2)” and substituting “subsection (2.1)”.**

and may revoke the designation by one of those methods.

(3) A designation under subsection (2) that relates to a plan referred to in subsection (1)(d)(iii) has effect whether it is made, or the participant making it dies, before or after subsection (1)(d)(iii) comes into force.

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