

The Non-profit Corporations Act, 2022

being

[Chapter 25](#) of the *Statutes of Saskatchewan, 2022* (effective March 12, 2023, except subsection 6-4(5) not yet in force) as amended by the *Statutes of Saskatchewan, 2023, c.28*.

NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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CHAPTER 25

An Act respecting Non-profit Corporations and making consequential and related amendments to other Acts

PART 1 Preliminary Matters

Short title

1-1 This Act may be cited as *The Non-profit Corporations Act, 2022*.

Definitions and interpretation

1-2(1) In this Act:

“**activities**”, respecting a charitable corporation or a membership corporation, includes:

- (a) any conduct of the corporation to further its charitable or membership purposes; and
- (b) any business carried on by the corporation; (« *activité* »)

“**affairs**” means the relationships between a corporation, its affiliates and the members, directors and officers of those bodies corporate but does not include the activities carried on by those bodies corporate; (« *affaires internes* »)

“**affiliate**” means an affiliated body corporate within the meaning of subsection (2); (« *groupe* »)

“**articles**” means the following:

- (a) the original or restated articles of incorporation, articles of amendment, articles of amalgamation, articles of continuance, articles of reorganization, articles of arrangement, articles of dissolution or articles of revival;
- (b) in sections 14-15 and 14-16 and in Parts 20 and 21, any Act, statute or ordinance by which a corporation has been incorporated, and any certificate of incorporation, memorandum of association, articles of association, letters patent, application for incorporation and bylaws or other documents evidencing corporate existence;
- (c) any amendments to the items described in clauses (a) and (b); (« *statuts* »)

“**associate**”, with respect to a relationship with a person, means:

- (a) a body corporate of which that person beneficially owns or controls, directly or indirectly:
 - (i) shares or securities currently convertible into shares carrying more than 10% of the voting rights under all circumstances or by reason of the occurrence of an event that has occurred and is continuing, or a currently exercisable option or right to purchase those shares or those convertible securities; or

- (ii) membership interests carrying more than 10% of the voting rights under all circumstances or by reason of the occurrence of an event that has occurred and is continuing;
- (b) a partner of that person acting on behalf of the partnership to which they belong;
- (c) a trust or estate in which that person has a substantial beneficial interest or with respect to which that person serves as a trustee or in a similar capacity;
- (d) a spouse of that person or an individual who is cohabiting with that person in a conjugal relationship, having so cohabited continuously for a period of at least one year;
- (e) a child of that person or of the spouse or individual mentioned in clause (d);
- (f) a relative of that person or of the spouse or individual mentioned in clause (d) if that relative has the same residence as that person; (*« ayant lien »*)

“auditor” includes a partnership of auditors or an auditor that is incorporated; (*« auditeur »*)

“beneficial interest” means an interest arising out of the beneficial ownership of securities; (*« intérêt bénéficiaire »*)

“beneficial ownership” includes ownership through a trustee, legal representative, agent or other intermediary; (*« propriété bénéficiaire »*)

“body corporate” includes a company or other body corporate wherever or however incorporated; (*« personne morale »*)

“Canada corporation” means a body corporate incorporated by or pursuant to an Act of the Parliament of Canada; (*« personne morale de régime fédéral »*)

“charitable corporation” means a corporation incorporated or continued pursuant to this Act to carry on activities that are primarily for the benefit of the public, and includes a membership corporation that is deemed to be a charitable corporation pursuant to subsection (10); (*« organisation caritative »*)

“Corporate Registry” means the Corporate Registry continued pursuant to section 21-1; (*« registre des organisations »*)

“corporation” means a body corporate without share capital incorporated or continued pursuant to this Act, and in Part 21 **“corporation”** includes an extraprovincial corporation; (*« organisation »*)

“court”, unless the context otherwise requires, means the Court of King’s Bench or a judge of that court; (« *tribunal* »)

“debt obligation” means a bond, debenture, note or other evidence of indebtedness or guarantee of a corporation, whether secured or unsecured; (« *titre de créance* »)

“director” means a person occupying the position of director by whatever name called and **“directors”** and **“board of directors”** includes a single director; (« *administrateur* »)

“document” includes information that is submitted to the Registrar in an electronic form; (« *document* »)

“extraprovincial corporation” means a body corporate without share capital incorporated otherwise than by or pursuant to an Act, and includes a Canada corporation; (« *organisation extraprovinciale* »)

“general meeting” includes an annual or special meeting; (« *assemblée générale* »)

“incorporator” means a person who signs articles of incorporation; (« *fondateur* »)

“liability” includes a debt of a corporation arising pursuant to clause 14-23(2)(b), 18-4(3)(f) or (g); (« *passif* »)

“meeting of members” means any meeting of members, a class of members or subdivision of members that does not constitute a separate class of members of a corporation for any purpose where the articles or bylaws of the corporation require the approval of the members or for any of the following purposes:

- (a) electing or removing directors;
 - (b) considering financial statements or any auditor’s report;
 - (c) appointing an auditor or reappointing an incumbent auditor;
 - (d) making any fundamental change pursuant to Part 14;
 - (e) determining liquidation and dissolution pursuant to Part 16;
- (« *assemblée* »)

“member” means a person having a membership interest in a corporation; (« *membre* »)

“membership corporation” means, subject to subsections (10) and (11), a corporation incorporated or continued pursuant to this Act to carry on activities that are primarily for the benefit of its members; (« *organisation de mutualité* »)

“membership interest” means the rights, privileges, restrictions and conditions conferred or imposed on a member of each class of members of a corporation in accordance with the provisions of its articles or bylaws; (« *intérêt de membre* »)

“**minister**” means the member of the Executive Council to whom for the time being the administration of this Act is assigned; (« *ministre* »)

“**municipality**” includes a reserve as defined in the *Indian Act* (Canada); (« *municipalité* »)

“**ordinary resolution**” means a resolution passed by a majority of the votes cast by the members who voted with respect to that resolution; (« *résolution ordinaire* »)

“**person**” includes an individual, partnership, association, body corporate, trustee, executor, administrator or legal representative; (« *personne* »)

“**prescribed**” means prescribed in the regulations; (« *réglementaire* »)

“**Registrar**” means the Registrar of Corporations; (« *registraire* »)

“**register**” means any register required by this Act to be maintained by or on behalf of a corporation; (« *registre* »)

“**security**” means a debt obligation of or a membership interest in a corporation or a certificate evidencing a debt obligation of or a membership interest in a corporation; (« *valeur* »)

“**security interest**” means an interest in or charge on the property of a corporation to secure payment of a debt or performance of any other obligation of the corporation; (« *sûreté* »)

“**send**” includes deliver; (« *envoyer* »)

“**special resolution**” means a resolution passed by a majority of not less than two-thirds of the votes cast by the members who voted with respect to that resolution or signed by all the members entitled to vote on that resolution; (« *résolution spéciale* »)

“**unanimous member agreement**” means an agreement described in subsection 11-15(2) or a declaration of a member described in subsection 11-15(3); (« *convention unanime des membres* »)

“**wholly owned subsidiary**” means a subsidiary within the meaning of subsection (6). (« *filiale en propriété exclusive* »)

(2) For the purposes of this Act:

- (a) one body corporate is affiliated with another body corporate if one of them is the subsidiary of the other or both are subsidiaries of the same body corporate or each of them is controlled by the same person; and
- (b) if two bodies corporate are affiliated with the same body corporate at the same time, they are deemed to be affiliated with each other.

- (3) For the purposes of this Act, a body corporate is controlled by a person or by 2 or more bodies corporate if:
- (a) shares or securities of the body corporate to which are attached more than 50% of the votes that may be cast to elect directors of the body corporate are held, other than by way of security only, by or for the benefit of that person or by or for the benefit of those bodies corporate; and
 - (b) the votes attached to those shares or securities are sufficient, if exercised, to elect a majority of the directors of the body corporate.
- (4) A body corporate is the holding body corporate of another if that other body corporate is its subsidiary.
- (5) A body corporate is a subsidiary of another body corporate if:
- (a) it is controlled by:
 - (i) that other body corporate;
 - (ii) that other body corporate and one or more bodies corporate each of which is controlled by that other body corporate; or
 - (iii) 2 or more bodies corporate each of which is controlled by that other body corporate; or
 - (b) it is a subsidiary of a body corporate that is a subsidiary of that other body corporate.
- (6) For the purposes of this Act, a body corporate is a wholly owned subsidiary of another body corporate if all of the membership interests of the first body corporate are held by one or both of:
- (a) that other corporate; or
 - (b) a wholly owned subsidiary, or wholly owned subsidiaries, of that other corporate.
- (7) For the purposes of this Act, securities of a corporation are deemed to be securities that are part of a distribution to the public if the securities are issued:
- (a) on a conversion of other securities that were part of a distribution to the public; or
 - (b) in exchange for other securities that were part of a distribution to the public.
- (8) Subject to subsection (9), for the purposes of this Act, a security of a body corporate:
- (a) is part of a distribution to the public if, respecting the security, there has been a filing of a prospectus, statement of material facts, registration statement, securities exchange take-over bid circular or similar instrument pursuant to the laws of Canada, a province or a jurisdiction outside Canada; or

(b) is deemed to be part of a distribution to the public if the security has been issued and a filing mentioned in clause (a) would be required if the security were being issued currently.

(9) On the application of a corporation, the Financial and Consumer Affairs Authority of Saskatchewan may determine that a security of the corporation is not or was not part of a distribution to the public if the Financial and Consumer Affairs Authority of Saskatchewan is satisfied that the determination would not prejudice any security holder of the corporation.

(10) A corporation other than a corporation mentioned in Part 15 is deemed to be a charitable corporation if, after incorporation or continuance pursuant to this Act, the corporation:

- (a) carries on activities that are not primarily for the benefit of its members;
- (b) receives or has received any donations or gifts of money or property from the public in any fiscal year of the corporation that is in excess of 10%, or any greater amount that may be prescribed, of its total income for that fiscal year;
- (c) receives or has received any grant of money or property from a government or government agency in any fiscal year of the corporation that is in excess of 10%, or any greater amount that may be prescribed, of its total income for that fiscal year; or
- (d) is a registered charity within the meaning of the *Income Tax Act* (Canada).

(11) On the application of a corporation that, if subsection (10) did not apply, would be a membership corporation, the court may order, on any terms that the court considers appropriate, that subsection (10) does not apply to the corporation respecting any solicitation, grant or other activity named in the order, if the court is satisfied that the order would not be prejudicial to the public interest.

2022, c 25, s.1-2; 2023, c 28, s.17-13.

PART 2 Incorporation

Application

2-1(1) Subject to subsection (2) and unless otherwise provided, this Part and Parts 3 to 19 apply to:

- (a) every corporation incorporated or continued pursuant to this Act; and
- (b) a body corporate if the context so requires.

(2) Except as provided in section 14-16, this Part does not apply to:

- (a) a body corporate incorporated or registered pursuant to *The Business Corporations Act, 2021*, *The Co-operatives Act, 1996*, *The New Generation Co-operatives Act* or *The Credit Union Act, 1998*; or
- (b) any prescribed corporation or class of corporations.

2022, c 25, s.2-1.

Incorporation

2-2(1) One or more individuals or bodies corporate may incorporate a corporation by signing and delivering articles of incorporation to the Registrar.

(2) No individual may incorporate a corporation if that individual:

- (a) is less than 18 years of age;
- (b) has been found to lack capacity by a court in Canada or elsewhere; or
- (c) has the status of a bankrupt.

2022, c 25, s.2-2.

Articles of incorporation

2-3(1) Articles of incorporation must set out, with respect to the proposed corporation:

- (a) the name of the corporation;
- (b) the classes of membership interest and:
 - (i) if there will be 2 or more classes of membership interest, the rights, privileges, restrictions and conditions that constitute the membership interests of each class; and
 - (ii) if a class of membership interest may be issued in subdivisions, the authority given to the directors to determine the designation of, and the rights, privileges, restrictions and conditions attaching to, the membership interest of each subdivision;
- (c) if a right to transfer a membership interest of a corporation is to be permitted, a statement that the right to transfer a membership interest is permitted and the conditions relating to that transfer;
- (d) the number of directors or, subject to clause 9-7(a), the minimum and maximum number of directors of the corporation;
- (e) whether the corporation is a membership corporation or a charitable corporation;
- (f) any restriction on the activities that the corporation may carry on or on the powers that the corporation may exercise;
- (g) the registered office in accordance with section 4-1;
- (h) the initial directors and officers of the corporation, in accordance with section 9-6;
- (i) subject to subsections 16-19(1) and (2), the persons to whom any remaining property of the corporation is to be distributed in the course of liquidation and dissolution of the corporation; and
- (j) any other prescribed information.

(2) The articles may set out any provisions permitted by this Act or by law to be set out in the bylaws of a corporation.

(3) Subject to subsection (4), if the articles or a unanimous member agreement require a greater number of votes of directors or members than that required by this Act to effect any action, the provisions of the articles or of the unanimous member agreement prevail.

(4) The articles must not require a greater number of votes of members to remove a director than the number specified in section 9-9.

2022, c 25, s.2-3.

Delivery of articles of incorporation

2-4 An incorporator shall send articles of incorporation to the Registrar.

2022, c 25, s.2-4.

Certificate of incorporation

2-5(1) On receipt of articles of incorporation, the Registrar shall issue a certificate of incorporation in accordance with section 19-14.

(2) The Registrar may refuse to issue a certificate of incorporation if the information required by clauses 2-3(1)(g) and (h) indicates that the corporation, if it came into existence, would not be in compliance with this Act.

2022, c 25, s.2-5.

Effect of certificate

2-6 A corporation comes into existence on the date shown in the certificate of incorporation.

2022, c 25, s.2-6.

Name of corporation

2-7(1) The word “Incorporated”, “incorporée” or “Corporation” or the abbreviation “Inc.”, “inc.” or “Corp.” are to be part of the name of every corporation, but a corporation may use and may be legally designated by either the full or the abbreviated form.

(2) The Registrar may exempt a body corporate continued as a corporation pursuant to this Act from the provisions of subsection (1).

(3) Subject to subsection 2-10(2), a corporation may set out its name in its articles:

(a) in an English form, a French form, an English form and a French form or in a combined English and French form and it may use and may be legally designated by that form; or

(b) subject to the regulations, in a form that includes words in Cree, Dené or any other prescribed language.

(4) Subject to subsection 2-10(2), a corporation may, outside Canada, use and be legally designated by a name in any language.

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

(6) Subject to subsections (5) and 2-10(2), a corporation may carry on its activities under or identify itself by a name other than its corporate name, if that other name has been registered pursuant to *The Business Names Registration Act*.

2022, c 25, s.2-7.

Reserving name

2-8 The Registrar may, on request, reserve for 90 days a name for an intended corporation or for a corporation about to change its name.

2022, c 25, s.2-8.

Designating number

2-9 If requested to do so by the incorporators or a corporation, the Registrar shall assign to the corporation as its name a designating number followed by the word “Saskatchewan” and a word or expression, or the corresponding abbreviation, mentioned in subsection 2-7(1).

2022, c 25, s.2-9.

Prohibited names

2-10(1) In this section, “**business entity**” means any of the following:

- (a) a corporation or extraprovincial corporation as defined in *The Business Corporations Act, 2021*;
 - (b) a corporation or extraprovincial corporation as defined in section 1-2;
 - (c) a co-operative, extraprovincial co-operative, new generation co-operative, extraprovincial new generation co-operative, credit union, limited partnership, extraprovincial limited partnership, limited liability partnership, or extraprovincial limited liability partnership;
 - (d) any other person or persons who are required to register a business name pursuant to *The Business Names Registration Act*.
- (2) Subject to the regulations, no corporation shall be incorporated with, have, carry on its activities under or identify itself by a name that:
- (a) is reserved for another business entity, including an intended business entity;
 - (b) is identical or similar to the name of another business entity or to a trademark registered pursuant to the *Trademarks Act* (Canada), if the use of that name would be likely to confuse or mislead, unless the business entity or registrant of a trademark consents in writing to the use of the name in whole or in part and, if required by the Registrar:
 - (i) in the case of a business entity, undertakes to dissolve or change its name to a dissimilar name within 6 months after filing the articles by which the name is acquired; or

- (ii) in the case of a registrant of a trademark, undertakes to cease to carry on its business or activities, or to change its name to a dissimilar name, within 6 months after filing the articles by which the name is acquired;
 - (c) suggests or implies a sponsorship or control by or connection with the Crown or the Government of Canada or any province, territory or municipality of Canada or any ministry, department, branch, bureau, service, agency or activity of any such government or municipality, unless the concerned authority consents in writing to the proposed name;
 - (d) suggests or implies a connection with a political party or the leader of a political party;
 - (e) suggests or implies a sponsorship or control by or a connection with a university, college or polytechnic institute or a professional or other occupational association recognized by the laws of Canada or a province of Canada, unless the institution or association concerned consents in writing to the use of the proposed name; or
 - (f) is prohibited by the regulations.
- (3) Subject to the regulations, the Registrar may refuse to incorporate a corporation or to register articles amending the name of a corporation if the name:
- (a) is not distinctive because the name is too general;
 - (b) is insufficiently descriptive;
 - (c) is likely to be confused with that of a corporation that has been dissolved;
 - (d) is likely to be confused with that of any known business entity, society, club or firm;
 - (e) contains the words “credit union”, “caisse populaire” or any abbreviation or derivative of those words, without receiving the consent of the Registrar of Credit Unions pursuant to *The Credit Union Act, 1998*;
 - (f) contains the word “coopérative”, “co-operative”, “cooperative” or “pool”, or any abbreviation or derivation of those words, without receiving the consent of the Registrar of Co-operatives pursuant to *The Co-operatives Act, 1996*;
 - (g) contains the word “Canada” or “Saskatchewan” or the name of any province or territory;
 - (h) contains a word or phrase in any language that is obscene or connotes a business that is obscene or that is, in the opinion of the Registrar, otherwise objectionable on public policy grounds; or
 - (i) is for any other reason objectionable in the opinion of the Registrar.

Additional rules re names

2-11(1) The Registrar may direct a corporation to change its name in accordance with section 14-2 if, through inadvertence or otherwise, the corporation:

- (a) comes into existence or is continued with a name that contravenes this Act or the regulations; or
- (b) on an application to change its name, is granted a name that contravenes this Act or the regulations.

(2) A corporation that is continued pursuant to this Act may be continued with the name it had before that continuance, and is required to comply with subsection (1) and section 2-10.

(3) If a corporation has a designating number as its name, the Registrar may direct the corporation to change its name to a name other than a designating number in accordance with section 14-2.

(4) If a corporation has been directed pursuant to subsection (1) or (3) to change its name and has not within 60 days from the service of the directive to that effect changed its name to a name that complies with this Act, the Registrar may revoke the name of the corporation and assign to it a name and, until changed in accordance with section 14-2, the name of the corporation is the name that the Registrar assigned.

2022, c 25, s.2-11.

Costs of name change

2-12 If the Registrar directs a corporation to change its name pursuant to subsection 2-11(1) or (3), the Registrar may, in accordance with the regulations, compensate the corporation for actual costs incurred.

2022, c 25, s.2-12.

Name of revived corporation

2-13 The name of a revived corporation is prohibited if it is likely to be confused with a name granted to another business entity, as defined in subsection 2-10(1), between the date of dissolution and the date of revival of the revived corporation.

2022, c 25, s.2-13.

Certificate of amendment

2-14(1) If a corporation has had its name revoked and a name assigned to it pursuant to subsection 2-11(4), the Registrar shall issue a certificate of amendment showing the new name of the corporation and may publish notice of the change of name in the prescribed manner.

(2) The articles of the corporation are amended accordingly on the date shown in the certificate of amendment.

2022, c 25, s.2-14.

The Companies Winding Up Act does not apply

2-15 *The Companies Winding Up Act* does not apply to a corporation incorporated or continued pursuant to this Act.

2022, c 25, s.2-15.

PART 3 Capacity and Powers

Capacity of a corporation

3-1(1) A corporation has the capacity and, subject to this Act, the rights, powers and privileges of an individual.

(2) A corporation has the capacity to carry on its activities and affairs and to exercise its powers in any jurisdiction outside Saskatchewan to the extent that the laws of that jurisdiction permit.

2022, c 25, s.3-1.

Powers of a corporation

3-2(1) It is not necessary for a bylaw to be passed in order to confer any particular power on the corporation or its directors.

(2) No corporation shall:

- (a) carry on any activities or exercise any power that it is restricted by its articles from carrying on or exercising; or
- (b) exercise any of its powers in a manner contrary to its articles.

(3) No act of a corporation, including any transfer of property to or by a corporation, is invalid by reason only that the act or transfer is contrary to its articles or this Act.

2022, c 25, s.3-2.

No constructive notice

3-3 No person is affected by or is deemed to have notice or knowledge of the contents of a document or record concerning a corporation by reason only that the document or record has been filed by the Registrar or is available for inspection at an office of the corporation.

2022, c 25, s.3-3.

Authority of directors, officers and agents

3-4(1) No corporation or guarantor of an obligation of the corporation may assert against a person dealing with the corporation or with any person who has acquired rights from the corporation that:

- (a) the articles, bylaws and any unanimous member agreement have not been complied with;
- (b) the persons named in the most recent notice sent to the Registrar pursuant to section 9-6 or 9-13 are not the directors of the corporation;
- (c) the place named in the most recent notice sent to the Registrar pursuant to section 2-3 or 4-1 is not the registered office of the corporation;

- (d) a person held out by the corporation as a director, an officer or an agent of the corporation has not been duly appointed or has no authority to exercise the powers and perform the duties that are customary in the carrying out of the activities of the corporation or usual for that director, officer or agent;
 - (e) a record issued by any director, officer or agent of a corporation with actual or usual authority to issue the record is not valid or not genuine; or
 - (f) financial assistance mentioned in section 5-4 or a sale, lease or exchange of property mentioned in subsection 14-18(3) was not authorized.
- (2) Subsection (1) does not apply with respect to a person who has, or ought to have, knowledge of a situation described in that subsection by virtue of that person's relationship to the corporation.

2022, c 25, s.3-4.

Personal liability

3-5(1) Except as provided in this section:

- (a) a person who enters into, or purports to enter into, a written contract in the name of or on behalf of a corporation before it comes into existence:
 - (i) is personally bound by the contract; and
 - (ii) is entitled to the benefits of the contract; and
 - (b) the contract has effect as a contract entered into by the person mentioned in clause (a).
- (2) A corporation may adopt a written contract made in its name or on its behalf before the corporation came into existence, within a reasonable time after the corporation comes into existence, by any action or conduct signifying its intention to be bound by the contract, and on the adoption:
- (a) the corporation is bound by the contract and is entitled to the benefits of the contract as if the corporation had been in existence at the date of the contract and had been a party to it; and
 - (b) a person who purported to act in the name of or on behalf of the corporation ceases, except as provided in subsection (3), to be bound by or entitled to the benefits of the contract.
- (3) Subject to subsection (4), whether or not a written contract made before the coming into existence of a corporation is adopted by the corporation, a party to the contract may apply to the court for an order fixing obligations under the contract as joint or joint and several or apportioning liability between or among the corporation and a person who purported to act in the name of or on behalf of the corporation, and on that application the court may make any order it considers appropriate.
- (4) If expressly provided in the written contract, a person who purported to act in the name of or on behalf of the corporation before it came into existence is not in any event bound by the contract or entitled to the benefits of the contract.

2022, c 25, s.3-5.

Corporations incapable of maintaining actions

3-6(1) In this section, “**court**” means any court.

(2) A corporation that is struck off the Corporate Registry is not capable of commencing or maintaining any action or other proceeding in a court with respect to a contract made in whole or in part in Saskatchewan in the course of, or in connection with, its activities.

(3) In any action or proceeding, the onus is on the corporation to prove that it was restored to the Corporate Registry.

(4) If a corporation was struck from the Corporate Registry but is restored pursuant to this Act, any action or proceeding mentioned in subsection (2) may be maintained as if the corporation had been restored before the commencement of the action or proceeding.

(5) If an action or other proceeding has been dismissed or otherwise decided against a corporation on the grounds that an act or transaction of the corporation was invalid or prohibited by reason of the corporation having been struck from the Corporate Registry, the corporation may, on becoming restored pursuant to this Act and on obtaining leave of the court, maintain a new action or other proceeding as if no judgment had been rendered or entered.

2022, c 25, s.3-6.

PART 4**Registered Office and Records****Registered office**

4-1(1) A corporation shall at all times have a registered office consisting of:

- (a) a physical address in Saskatchewan; and
- (b) a mailing address that may be the same or different than the physical address mentioned in clause (a).

(2) No corporation shall designate a post office box as the corporation’s physical registered office mentioned in clause (1)(a).

(3) Articles required pursuant to sections 2-3, 14-12, 14-15, 14-16, 14-24 and 14-25, unless otherwise provided, must contain a notice of the registered office.

(4) Subject to subsection (2), the directors of the corporation may at any time update the registered office.

(5) A corporation shall send to the Registrar, within 15 days after any change to its registered office, a notice containing the prescribed information, and the Registrar shall file the notice.

(6) If the corporation has a registered office that is not the address where the corporation carries on its activities, a person at the address of the registered office may send to a director of the corporation, pursuant to section 19-4, together with a copy to the Registrar, a notice that that address ceases to be the registered office of the corporation 30 days after the date of the notice.

(7) A corporation that receives a notice pursuant to subsection (6) shall change the address of its registered office to another address.

(8) If a corporation, for any reason, fails to maintain a registered office in accordance with this section, the registered office is deemed to be the address in Saskatchewan of any of the directors of, or a power of attorney of, the corporation that the Registrar may assign until the time that the corporation changes its registered office to another address in accordance with this section.

2022, c 25, s.4-1.

Corporate records

4-2(1) A corporation shall prepare and maintain, at its registered office or at any other place in Saskatchewan designated by the directors, records containing:

- (a) the articles and the bylaws, and all amendments to the articles and bylaws, and a copy of any unanimous member agreement or amendment to a unanimous member agreement;
 - (b) minutes of meetings and resolutions of members;
 - (c) a notice of the directors and officers of the corporation as required by section 9-6 or 9-13;
 - (d) a securities register that complies with Part 6; and
 - (e) a register of members entitled to vote, containing the names, alphabetically or otherwise systematically arranged in a manner capable of producing information about all members in intelligible written form within a reasonable time, and the latest known addresses of each person who is or who, during the previous year, has been a member of the corporation and the date on which each became or ceased to be a member.
- (2) In addition to the records described in subsection (1), a corporation shall prepare and maintain adequate accounting records and records containing minutes of meetings and resolutions of the directors and any committee.
- (3) For the purposes of clause (1)(b) and subsection (2), if a body corporate is continued pursuant to this Act, “**records**” includes similar records required by law to be maintained by the body corporate before it was continued.
- (4) The records described in subsection (2) must be kept at the registered office of the corporation or at any other place that the directors consider appropriate and must at all reasonable times be open to inspection by the directors.
- (5) If accounting records of a corporation are kept at a place outside Saskatchewan, accounting records adequate to enable the directors to ascertain the financial position of the corporation with reasonable accuracy on a quarterly basis must be kept at the registered office or at any other place in Saskatchewan designated by the directors.

2022, c 25, s.4-2.

Access to corporate records

4-3(1) The directors and members of a corporation and their agents and legal representatives, during the usual business hours of a corporation, may:

- (a) examine the records mentioned in subsection 4-2(1); and
- (b) make copies of the records mentioned in clause (a), free of charge.

(2) If a corporation is a charitable corporation, any other person not mentioned in subsection (1), during the usual business hours of the corporation and on payment of a reasonable fee, may:

- (a) examine the records mentioned in subsection 4-2(1); and
- (b) make copies of the records mentioned in clause (a).

(3) A member of a corporation is entitled, on request and without charge, to one copy of the articles and bylaws and of any unanimous member agreement, and the amendments to them.

(4) Any member of a membership corporation and, if the corporation is a charitable corporation, any other person, on payment of a reasonable fee and on sending to a corporation or its agent the affidavit mentioned in subsection (5), may on application require the corporation or its agent to provide a list within 10 days after the receipt of the affidavit and fee containing the following information that is accurate up to a date not more than 10 days before the receipt of the request and fee:

- (a) the names of the members of the corporation;
- (b) the address of each member as shown on the records of the corporation.

(5) The affidavit required pursuant to subsection (4) is to state:

- (a) the name and address of the applicant;
- (b) the name and address for service of the body corporate if the applicant is a body corporate; and
- (c) that the list obtained pursuant to subsection (4) will not be used except as permitted pursuant to subsection (7).

(6) If the applicant is a body corporate, the affidavit required pursuant to subsection (4) shall be made by a director or officer of the body corporate.

(7) A list of members obtained pursuant to this section shall not be used by any person except in connection with:

- (a) an effort to influence the voting of members of the corporation; or
- (b) any other matter relating to the affairs of the corporation.

(8) The right to examine records or to receive a list of members pursuant to this section may be met by the corporation providing access to an electronic or paper copy of the record or list of members.

2022, c 25, s.4-3.

Form of records

4-4(1) All registers and other records required by this Act to be prepared and maintained may be in a bound or loose-leaf form or in a photographic film form, or may be entered or recorded by any system of mechanical or electronic data processing or any other information storage device that is capable of reproducing any required information in intelligible written form within a reasonable time.

(2) A corporation and its agents shall, with respect to the registers and other records required by this Act to be prepared and maintained, take reasonable precautions to:

- (a) prevent loss or destruction of the registers and other records;
- (b) prevent falsification of entries in the registers and records; and
- (c) facilitate detection and correction of inaccuracies in the registers and other records.

2022, c 25, s.4-4.

Corporate seal

4-5(1) A corporation may, but is not required to, adopt a corporate seal, and may change a corporate seal that is adopted.

(2) An instrument or agreement executed on behalf of a corporation by a director, an officer or an agent of the corporation is not invalid only because a corporate seal is not affixed to the instrument or agreement.

2022, c 25, s.4-5.

PART 5

Corporate Finance

Issue of securities

5-1(1) For the purposes of this section, “**property**” does not include a promissory note, or a promise to pay, that is made by a person to whom a security is issued, or a person who does not deal at arm’s length, within the meaning of that term in the *Income Tax Act* (Canada), with a person to whom a security is issued.

(2) Subject to the articles, the bylaws and any unanimous member agreement, securities of a corporation may be issued at any time, to any persons and for any consideration that the directors may determine.

(3) A security shall not be issued until the consideration for the security is fully paid in money or in property or past services that are not less in value than the fair equivalent of the money that the corporation would have received if the security had been issued for money.

(4) In determining whether property or past services are the fair equivalent of a money consideration, the directors may take into account reasonable charges and expenses of organization and reorganization and payments for property and past services reasonably expected to benefit the corporation.

2022, c 25, s.5-1.

Repayment

5-2(1) Debt obligations issued, pledged, hypothecated or deposited by a corporation are not redeemed by reason only that the indebtedness evidenced by the debt obligations or with respect to which the debt obligations are issued, pledged, hypothecated or deposited is repaid.

(2) Debt obligations issued by a corporation and purchased, redeemed or otherwise acquired by the corporation may be cancelled or, subject to any applicable trust indenture or other agreement, may be reissued, pledged or hypothecated to secure any existing or future obligation of the corporation, and that acquisition and reissue, pledge or hypothecation is not a cancellation of the debt obligations.

2022, c 25, s.5-2.

Annual contributions or dues

5-3 Subject to the articles, the bylaws and any unanimous member agreement, the directors may require members to make an annual contribution or pay annual dues and may determine the manner in which the contribution is to be made or the dues are to be paid.

2022, c 25, s.5-3.

Prohibited loans and guarantees

5-4(1) No corporation or affiliated corporation shall give, directly or indirectly, financial assistance by means of a loan, guarantee or otherwise:

- (a) to a member, director, officer or employee of the corporation or of an affiliated corporation or to an associate of that person for any purpose; or
 - (b) to any person for the purpose of or in connection with a purchase of a security issued or to be issued by the corporation or affiliated corporation.
- (2) Subsection (1) only applies where there are reasonable grounds to believe that:
- (a) the corporation is or would be unable to pay its liabilities as they become due after giving the financial assistance; or
 - (b) the realizable value of the corporation's assets, excluding the amount of any financial assistance in the form of a loan and in the form of assets pledged or encumbered to secure a guarantee, would, after giving the financial assistance, be less than the aggregate of the corporation's liabilities.
- (3) Subsection (1) does not apply to financial assistance given by a corporation:
- (a) to any person in the ordinary course of its activities, if the lending of money is part of the ordinary activities of the corporation;
 - (b) to any person on account of expenditures incurred or to be incurred on behalf of the corporation;
 - (c) to a holding body corporate, if the corporation is a wholly owned subsidiary of the holding body corporate;
 - (d) to a subsidiary body corporate of the corporation; or
 - (e) to employees of the corporation or any of its affiliates:
 - (i) to enable or assist them to purchase or erect living accommodation for their own occupation; or
 - (ii) in accordance with a plan for the purchase of securities of the corporation or any of its affiliates to be held by a trustee.
- (4) A contract made by a corporation in contravention of this section may be enforced by the corporation or by a lender for value in good faith without notice of the contravention.

2022, c 25, s.5-4.

Ownership of property of charitable corporations

5-5 A charitable corporation owns any property of any kind that is transferred to or otherwise vested in the corporation and does not hold any property in trust unless that property was transferred to the corporation expressly in trust for a specific purpose or purposes.

2022, c 25, s.5-5.

Investments by corporations

5-6(1) Subject to section 5-7, the limitations accompanying any gift, or the articles or bylaws, a charitable corporation may invest its funds only in those investments in which a trustee may invest pursuant to *The Trustee Act, 2009*.

(2) Subject to the limitations accompanying any gift, or the articles or bylaws, a membership corporation may invest its funds as its directors consider appropriate.

2022, c 25, s.5-6.

Property to be used to further charitable or membership activities

5-7(1) Subject to subsection (2), any profits or accretions to the value of the property of a corporation must be used to further its activities, and no part of the property or profits of the corporation may be distributed, directly or indirectly, to a member, director or officer of the corporation except as permitted pursuant to this Act.

(2) If a member of a corporation is a body corporate or association that is authorized to carry out activities on behalf of the corporation, the corporation may distribute any of its money or property to the member to carry out those activities.

2022, c 25, s.5-7.

Surrendered memberships

5-8 A corporation may accept from any member a membership in the corporation surrendered to it as a gift, and may extinguish or reduce a liability respecting an amount unpaid on that membership.

2022, c 25, s.5-8.

Member immunity and liens on memberships

5-9(1) The members of a corporation are not, in that capacity, liable for any liability of the corporation, or any act or default of the corporation except pursuant to subsection 11-15(5) or 16-21(4).

(2) The articles may provide that the corporation has a lien on a membership registered in the name of a member or the member's legal representative for a debt of that member to the corporation, including an amount unpaid with respect to a membership issued by a body corporate on the date it was continued as a corporation pursuant to this Act.

(3) A corporation may enforce a lien mentioned in subsection (2) in accordance with its bylaws.

2022, c 25, s.5-9.

PART 6
Security Certificates, Registers and Transfers

DIVISION 1
Interpretation and General

Definitions for Part

6-1 In this Part:

“**adverse claim**” includes a claim that a transfer was or would be wrongful or that a particular adverse person is the owner of or has an interest in the security; (« *opposition* »)

“**bearer**” means the person who is in possession of a security payable to bearer or endorsed in blank; (« *porteur* »)

“**broker**” means a person who is engaged in whole or in part in the business of buying and selling securities and who, in the transaction concerned, acts for or buys a security from or sells a security to a customer; (« *courtier* »)

“**delivery**” means voluntary transfer of possession; (« *délivrance* »)

“**fiduciary**” means a trustee, guardian, property guardian, committee, curator, tutor, executor, administrator or representative of a deceased person, or any other person acting in a fiduciary capacity; (« *fiducial* »)

“**fungible**”, in relation to securities, means securities of which any unit is, by nature or usage of trade, the equivalent of any other like unit; (« *fongibles* »)

“**genuine**” means free of forgery or counterfeiting; (« *authentique* »)

“**good faith**” means honesty in fact in the conduct of the transaction concerned; (« *bonne foi* »)

“**good faith purchaser**” means a purchaser for value in good faith and without notice of any adverse claim who takes delivery of a security in bearer form or of a security in registered form issued to the purchaser or endorsed to the purchaser or endorsed in blank; (« *acquéreur de bonne foi* »)

“**holder**” means a person who is in possession of a security that is issued or endorsed to the person, to bearer or in blank; (« *détenteur* »)

“**issuer**” includes a corporation:

- (a) that is required by this Act to maintain a securities register;
- (b) that issues securities in bearer form; or
- (c) that directly or indirectly creates fractional interests in its rights or property and that issues securities as evidence of those fractional interests; (« *émetteur* »)

“**overissue**” means the issue of securities in excess of any maximum number of securities that the issuer is authorized by a trust indenture to issue; (« *émission excédentaire* »)

“**purchaser**” means a person who takes an interest or right in a security by sale, mortgage, hypothec, pledge, issue, reissue, gift or any other voluntary transaction; (« *acquéreur* »)

“security” or **“security certificate”** means an instrument issued by a corporation that is:

- (a) in bearer, order or registered form;
- (b) of a type commonly dealt in on securities exchanges or markets or commonly recognized in any area in which it is issued or dealt in as a medium for investment;
- (c) one of a class, or by its terms divisible into a class, of instruments; and
- (d) evidence of a membership interest, participation or other interest in or obligation of a corporation; (« *valeur* » ou « *certificat de valeur* »)

“transfer” includes transmission by operation of law; (« *transfert* »)

“trust indenture” means a trust indenture as defined in section 7-1; (« *acte de fiducie* »)

“unauthorized”, in relation to a signature or an endorsement, means a signature or an endorsement made without actual, implied or apparent authority and includes a forgery; (« *non autorisé* »)

“valid” means issued in accordance with the applicable law and the articles of the issuer, or validated pursuant to section 6-7. (« *valide* »)

2022, c 25, s.6-1.

Application of Part

6-2 The transfer or transmission of a security is governed by this Part.

2022, c 25, s.6-2.

Form of securities

6-3(1) A security is a negotiable instrument unless its transfer is restricted and noted on the security in accordance with subsection 6-4(8).

(2) A security is in registered form if:

- (a) the security specifies a person who is entitled to the security or to the rights the security evidences and the security’s transfer is capable of being recorded in a securities register; or
- (b) the security bears a statement that the security is in registered form.

(3) A debt obligation is in order form if, by the debt obligation’s terms, the debt obligation is payable to the order of any person specified with reasonable certainty in the debt obligation or to a person to whom the debt obligation is assigned.

(4) A security is in bearer form if the security is payable to bearer according to the security’s terms and not by reason of any endorsement.

(5) A guarantor for an issuer is deemed to be an issuer to the extent of the guarantee, whether or not the obligation is noted on the security.

2022, c 25, s.6-3.

Rights of holder

6-4(1) Every security holder is entitled at the security holder's option to a security certificate that complies with this Act or a non-transferable written acknowledgement of the security holder's right to obtain a security certificate from a corporation with respect to the securities of that corporation held by the security holder.

(2) A corporation may charge a fee not exceeding the prescribed amount for a security certificate issued with respect to a transfer.

(3) A corporation is not required to issue more than one security certificate with respect to securities held jointly by several persons, and delivery of a certificate to one of several joint holders is sufficient delivery to all.

(4) A security certificate shall be signed manually by at least one director or officer of the corporation or by or on behalf of a registrar, transfer agent or branch transfer agent of the corporation, or by a trustee who certifies it in accordance with a trust indenture, and any additional signatures required on a security certificate may be printed or otherwise mechanically reproduced.

(5) **Not yet in force.**

(6) If a security certificate contains a printed or mechanically reproduced signature of a person, the corporation may issue the security certificate, notwithstanding that the person has ceased to be a director or an officer of the corporation, and the security certificate is as valid as if the person were a director or an officer at the date of its issue.

(7) The following information shall be stated on the face of each security certificate in registered form issued by a corporation:

- (a) the name of the corporation;
- (b) the words "Incorporated pursuant to *The Non-profit Corporations Act, 2022*", the words "Incorporated pursuant to the laws of Saskatchewan as a non-profit corporation" or words of like effect;
- (c) the name of the person to whom it was issued;
- (d) the number and class of securities that the certificate represents.

(8) No restriction on transfer, lien in favour of the corporation, unanimous member agreement or endorsement pursuant to subsection 14-21(1) is effective against a transferee of a security, issued by a corporation or body corporate before that corporation or body corporate is continued pursuant to this Act, who has no actual knowledge of the restriction, lien, agreement or endorsement unless the restriction, lien, agreement or endorsement is conspicuously noted or referenced on the security certificate.

(9) A corporation that is authorized to issue securities of more than one class shall cause to be stated legibly on a security certificate it issues:

- (a) the rights, privileges, restrictions and conditions attached to the securities of each class that exist when the security is issued; or

- (b) that the class of securities that it represents has rights, privileges, restrictions or conditions attached to that class and that the corporation will provide to a security holder, on demand and without charge, a full copy of the text of the rights, privileges, restrictions and conditions attached to each class authorized to be issued.
- (10) If a security certificate issued by a corporation contains the statement mentioned in clause (9)(b), the corporation shall provide to a security holder, on demand and without charge, a full copy of the text of the rights, privileges, restrictions and conditions attached to each class authorized to be issued.
- (11) A corporation may issue a certificate for a fractional security or may issue in place of the certificate for a fractional security scrip certificates in bearer form that entitle the holder to receive a certificate for a full security by exchanging scrip certificates aggregating a full security.
- (12) The directors may attach conditions to any scrip certificates issued by a corporation, including conditions that:
 - (a) the scrip certificates become void if not exchanged for a security certificate representing a full security before a specified date; and
 - (b) any securities for which the scrip certificates are exchangeable may, notwithstanding any pre-emptive right, be issued by the corporation to any person and the proceeds of them distributed rateably to the holders of the scrip certificates.
- (13) A holder of a fractional security issued by a corporation is not entitled to exercise voting rights respecting the fractional security, unless:
 - (a) the fractional security results from a consolidation of securities; or
 - (b) the articles of the corporation otherwise provide.
- (14) A holder of a scrip certificate is not entitled to exercise voting rights with respect to the scrip certificate.

2022, c 25, s.6-4.

Securities register

- 6-5(1)** A corporation shall maintain a securities register in which it records the securities issued by it in registered form, showing with respect to each class of securities:
- (a) the names, alphabetically arranged, and the latest known address of each person who is or has been a security holder;
 - (b) the number of securities held by each security holder; and
 - (c) the date and particulars of the issue and transfer of each security.
- (2) A corporation may appoint an agent to maintain a central securities register and branch securities registers.

- (3) A central securities register shall be maintained by a corporation at its registered office or at any office in Saskatchewan designated by the directors, and any branch securities registers may be kept at any place in or out of Saskatchewan designated by the directors.
- (4) Registration of the issue or transfer of a security in the central securities register or in a branch securities register is complete and valid registration for all purposes.
- (5) A branch securities register shall only contain particulars of securities issued or transferred at that branch.
- (6) Particulars of each issue or transfer of a security registered in a branch securities register shall also be kept in the corresponding central securities register.
- (7) A corporation, its agent or a trustee as defined in subsection 7-1(1) is not required to produce:
 - (a) a cancelled security certificate in registered form 6 years after the date of its cancellation; or
 - (b) a cancelled security certificate in bearer form after the date of its cancellation.

2022, c 25, s.6-5.

Dealings with registered holder

- 6-6(1)** A corporation or a trustee as defined in subsection 7-1(1) may, subject to sections 11-3, 11-4 and 11-6, treat the registered owner of a security as the person exclusively entitled to vote, to receive notices, to receive any interest or other payments with respect to the security, and otherwise to exercise all the rights and powers of an owner of the security.
- (2) Notwithstanding subsection (1), a corporation whose articles restrict the right to transfer its securities shall, and any other corporation may, treat a person as a registered security holder entitled to exercise all the rights of the security holder the person represents, if that person provides evidence as described in subsection 6-32(4) to the corporation that the person is:
 - (a) the executor, administrator, heir or legal representative of the heirs, of the estate of a deceased security holder;
 - (b) a guardian, property guardian, committee, trustee, curator or tutor representing a registered security holder who is a person who is less than 18 years of age, a dependent adult or a missing person; or
 - (c) a liquidator of, or a trustee in bankruptcy for, a registered security holder.
- (3) If a person on whom the ownership of a security devolves by operation of law, other than a person described in subsection (2), provides proof of the person's authority to exercise rights or privileges with respect to a security of the corporation that is not registered in the person's name, the corporation shall treat that person as entitled to exercise those rights or privileges.

- (4) A corporation is not required to inquire into the existence of, or see to the performance or observance of, any duty owed to a third person by a registered holder of any of the corporation's securities or by anyone whom the corporation treats, as permitted or required by this section, as the owner or registered holder of the corporation's securities.
- (5) If a person who is less than 18 years of age exercises any rights of ownership in the securities of a corporation, no subsequent repudiation or avoidance is effective against the corporation.
- (6) A corporation may treat as owner of a security the survivors of persons to whom the security was issued as joint holders, if the corporation receives proof satisfactory to the corporation of the death of any joint holder.
- (7) Subject to any applicable law relating to the collection of taxes, a person mentioned in clause (2)(a) is entitled to become a registered holder or to designate a registered holder, if the person deposits with the corporation or its transfer agent:
- (a) an affidavit or declaration of transmission made by the person mentioned in clause (2)(a), stating the particulars of the transmission;
 - (b) the security certificate that was owned by the deceased holder:
 - (i) in the case of a transfer to a person mentioned in clause (2)(a), with or without the endorsement of that person; and
 - (ii) in the case of a transfer to any other person, endorsed in accordance with section 6-20;
 - (c) any assurance the corporation may require pursuant to section 6-32; and
 - (d) either:
 - (i) the original grant of probate or of letters of administration, or a copy certified to be a true copy of one of those documents by:
 - (A) the court that granted the probate or letters of administration;
 - (B) a trust company incorporated pursuant to the laws of Canada or a province; or
 - (C) a lawyer or notary acting on behalf of the person mentioned in clause (2)(a); or
 - (ii) in the case of transmission by notarial will in the Province of Quebec, a copy of the notarial will authenticated pursuant to the laws of that province.
- (8) Notwithstanding subsection (7), if the laws of the jurisdiction governing the transmission of a security of a deceased holder do not require a grant of probate or of letters of administration with respect to the transmission, a legal representative of the deceased holder is entitled, subject to any applicable law relating to the collection of taxes, to become a registered holder or to designate a registered holder, if the legal representative deposits with the corporation or its transfer agent:
- (a) the security certificate that was owned by the deceased holder; and
 - (b) reasonable proof of the governing laws, of the deceased holder's interest in the security and of the right of the legal representative or the person designated by the legal representative to become the registered holder.

(9) Deposit of the documents required by subsection (7) or (8) empowers a corporation or its transfer agent to record in a securities register the transmission of a security from the deceased holder to a person mentioned in clause (2)(a) or to any person that the person mentioned in that clause may designate and, after that recording of the transmission, to treat the person who becomes the registered holder as the owner of those securities.

2022, c 25, s.6-6.

Overissue

6-7(1) Subject to this section, the provisions of this Part that validate a security or compel its issue or reissue do not apply to the extent that validation, issue or reissue would result in overissue.

(2) A person who is entitled to a validation or issue may, if there has been an overissue and if a valid security that is similar in all respects to the security involved in the overissue is reasonably available for purchase, compel the issuer to purchase and deliver that security to that person against surrender of the security that the person holds.

(3) If a valid security that is similar in all respects to the security involved in the overissue is not reasonably available for purchase, the person who is entitled to the validation or issue may recover from the issuer an amount equal to the price the last purchaser for value paid for the invalid security.

(4) If an issuer subsequently amends its articles or a trust indenture to which it is a party to increase its authorized securities to a number equal to or in excess of the number of securities previously authorized plus the amount of the securities overissued, the securities so overissued are valid from the date of their issue.

2022, c 25, s.6-7.

Burden of proof

6-8 The following rules apply in an action on a security:

(a) each signature on the security or in a necessary endorsement is admitted unless specifically denied in the pleadings;

(b) a signature on the security is presumed to be genuine and authorized but, if the effectiveness of the signature is in issue, the burden of establishing that it is genuine and authorized is on the party claiming under the signature;

(c) if a signature is admitted or established, production of the security entitles a holder to recover on the security unless the defendant establishes a defence or a defect going to the validity of the security;

(d) if the defendant establishes that a defence or defect exists, the plaintiff has the burden of establishing that the defence or defect is ineffective against the plaintiff or some other person under whom the claim is made.

2022, c 25, s.6-8.

Delivery of securities

6-9 Unless otherwise agreed, and subject to any applicable law, regulation or stock exchange rule, a person who is required to deliver securities may deliver any security of the specified issue:

- (a) in bearer form;
- (b) in registered form in the name of the transferee; or
- (c) endorsed to the person or in blank.

2022, c 25, s.6-9.

Notice of defect

6-10(1) The terms of a security include those stated on the security and those incorporated in the security by reference to another instrument, statute, rule, regulation or order to the extent that the incorporated terms do not conflict with those stated on the security.

(2) Subsection (1) applies to a good faith purchaser but the incorporation by reference is itself not notice of a defect to the purchaser even if the security expressly states that a person accepting it admits that notice.

(3) A security is valid in the hands of a good faith purchaser without notice of any defect going to its validity.

(4) Except as provided in section 6-12, the fact that a security is not genuine is a complete defence for the issuer even against a good faith purchaser and without notice.

(5) All other defences of an issuer, including non-delivery and conditional delivery of a security, are ineffective against a good faith purchaser without notice of the particular defence.

2022, c 25, s.6-10.

Staleness as notice of defect

6-11 After an event that creates a right to immediate performance of the principal obligation evidenced by a security, or that sets a date on or after which a security is to be presented or surrendered for redemption or exchange, a purchaser is deemed to have notice of any defect in its issue or of any defence of the issuer:

- (a) if the event requires the payment of money or the delivery of securities, or both, on presentation or surrender of the security, and those funds or securities are available on the date set for payment or exchange, and the purchaser takes the security more than one year after that date; or
- (b) if the purchaser takes the security more than 2 years after the date set for surrender or presentation or the date on which that performance became due.

2022, c 25, s.6-11.

Unauthorized signature

6-12(1) Subject to subsection (2), an unauthorized signature on a security before or in the course of issue is ineffective.

(2) An unauthorized signature on a security is effective in favour of a good faith purchaser and without notice of the lack of authority if the signature was made by:

(a) an authenticating trustee, registrar, transfer agent or other person entrusted by the issuer with the signing of the security, or of similar securities, or with the securities immediate preparation for signing; or

(b) an employee of the issuer or of a person mentioned in clause (a) who handles the security in the ordinary course of the employee's duties.

2022, c 25, s.6-12.

Completion or alteration of security

6-13(1) If a security contains the signatures necessary to its issue or transfer but is incomplete in any other respect:

(a) any person may complete the security by filling in the blanks in accordance with the person's authority; and

(b) notwithstanding that the blanks are incorrectly filled in, the security as completed is enforceable by a purchaser who took it for value and without notice of that incorrectness.

(2) A completed security that has been improperly altered, even if fraudulently altered, remains enforceable but only according to its original terms.

2022, c 25, s.6-13.

Warranties of agents

6-14(1) A person signing a security as an authenticating trustee, registrar, transfer agent or other person entrusted by the issuer with the signing of the security warrants to a good faith purchaser without notice that:

(a) the security is genuine;

(b) the person's acts in connection with the issue of the security are within the person's authority; and

(c) the person has reasonable grounds for believing that the security is in the form and within the amount the issuer is authorized to issue.

(2) Unless otherwise agreed, a person mentioned in subsection (1) does not assume any further liability for the validity of a security.

2022, c 25, s.6-14.

DIVISION 2
Purchase

Title of purchaser

6-15(1) On delivery of a security, the purchaser acquires the rights in the security that the transferor had or had authority to convey.

(2) A purchaser who was a party to any fraud or illegality affecting a security or who as a prior holder had notice of an adverse claim does not have a better position by taking from a good faith purchaser.

(3) A good faith purchaser, in addition to acquiring the rights of a purchaser, also acquires the security free from any adverse claim.

(4) A purchaser of a limited interest acquires rights only to the extent of the interest purchased.

2022, c 25, s.6-15.

Deemed notice of adverse claim

6-16(1) A purchaser of a security, or any broker for a seller or purchaser, is deemed to have notice of an adverse claim if:

(a) the security, whether in bearer or registered form, has been endorsed “for collection” or “for surrender” or for some other purpose not involving transfer; or

(b) the security is in bearer form and has a statement on it that it is the property of a person other than the transferor.

(2) The mere writing of a name on a security is not a statement for the purposes of clause (1)(b).

(3) A purchaser of a security, or any broker for a seller or purchaser, has no duty to inquire into the rightfulness of the transfer and, subject to this section, has no notice of an adverse claim.

(4) Subsection (3) applies even if the purchaser or broker has notice that a security is held for a third person or is registered in the name of or endorsed by a fiduciary.

(5) A purchaser or broker who has knowledge that a transaction is for the personal benefit of a fiduciary or is otherwise in breach of a fiduciary’s duty is deemed to have notice of an adverse claim.

2022, c 25, s.6-16.

Staleness as notice of adverse claim

6-17 An event that creates a right to immediate performance of the principal obligation evidenced by a security or that sets a date on or after which the security is to be presented or surrendered for redemption or exchange is not of itself notice of an adverse claim, except in the case of a purchase:

(a) after one year from any day set for that presentation or surrender for redemption or exchange; or

(b) after 6 months from any day set for payment of money against presentation or surrender of the security if funds are available for payment on that day.

2022, c 25, s.6-17.

Warranties

6-18(1) A person who presents a security for registration of transfer or for payment or exchange warrants to the issuer that the person is entitled to the registration, payment or exchange, except that a good faith purchaser without notice of an adverse claim who receives a new, reissued or re-registered security on registration of transfer warrants only that the person has no knowledge of any unauthorized signature in a necessary endorsement.

(2) A person who transfers a security to a good faith purchaser warrants only that:

- (a) the transfer is effective and rightful;
- (b) the security is genuine and has not been materially altered; and
- (c) the person knows of nothing that might impair the validity of the security.

(3) If a security is delivered by an intermediary known by the purchaser to be entrusted with delivery of the security on behalf of another or with collection of a draft or other claim to be collected against the delivery, the intermediary by the delivery warrants only the intermediary's own good faith and authority even if the intermediary has purchased or made advances against the draft or other claim to be collected against the delivery.

(4) A pledgee or other holder for purposes of security who redelivers a security received, or after payment and on order of the debtor delivers that security to a third person, gives only the warranties of an intermediary pursuant to subsection (3).

(5) A broker gives to the broker's customer, to the issuer and to a purchaser, as the case may be, the warranties provided in this section and has the rights and privileges of a purchaser pursuant to this section, and those warranties of and in favour of the broker acting as an agent are in addition to warranties given by the customer and warranties given in favour of the customer.

2022, c 25, s.6-18.

Right to compel endorsement

6-19 If a security in registered form is delivered to a purchaser without a necessary endorsement, the purchaser may become a good faith purchaser only as of the time the endorsement is supplied, but against the transferor the transfer is complete on delivery and the purchaser has a specifically enforceable right to have any necessary endorsement supplied.

2022, c 25, s.6-19.

Appropriate person

6-20(1) In this section, "**appropriate person**" means:

- (a) the person who is specified by the security or by a special endorsement to be entitled to the security;
- (b) if a person described in clause (a) is described as a fiduciary but is no longer serving as a fiduciary, either that person or that person's successor;
- (c) if the security or endorsement mentioned in clause (a) specifies more than one person as fiduciaries and one or more of those persons is no longer serving as a fiduciary, the remaining fiduciary or fiduciaries, whether or not a successor has been appointed or qualified;

- (d) if a person described in clause (a) is an individual and is without capacity to act for any reason, the person's fiduciary;
 - (e) if the security or endorsement mentioned in clause (a) specifies more than one person with a right of survivorship and by reason of death not all of the persons can sign, the survivor or survivors;
 - (f) a person having power to sign under applicable law or a power of attorney; or
 - (g) to the extent that a person described in clauses (a) to (f) may act through an agent, the person's authorized agent.
- (2) Whether the person signing is an appropriate person is determined as of the time of signing and an endorsement by that person does not become unauthorized for the purposes of this Division by reason of any subsequent change of circumstances.
- (3) An endorsement of a security in registered form, for the purposes of assignment or transfer, is made when an appropriate person signs either the security or a separate instrument, or when the signature of an appropriate person is written without anything further being written on the back of the security.
- (4) An endorsement may be special or in blank.
- (5) An endorsement in blank includes an endorsement to bearer.
- (6) A special endorsement specifies the person to whom the security is to be transferred, or who has power to transfer it.
- (7) A holder may convert an endorsement in blank into a special endorsement.
- (8) Unless otherwise agreed, the endorser does not, by the endorsement, assume any obligation that the security will be honoured by the issuer.
- (9) An endorsement purporting to be an endorsement of only part of a security representing units intended by the issuer to be separately transferable is effective to the extent of the endorsement.
- (10) Failure of a fiduciary to comply with an instrument that is the source of the fiduciary's power or with the law of the jurisdiction governing the fiduciary relationship, including any law requiring the fiduciary to obtain court approval of a transfer, does not render the fiduciary's endorsement unauthorized for the purposes of this Division.

2022, c 25, s.6-20.

Effect of endorsement without delivery

6-21 An endorsement of a security, whether special or in blank, does not constitute a transfer until delivery of the security on which it appears or, if the endorsement is on a separate instrument, until delivery of both the security and that instrument.

2022, c 25, s.6-21.

Endorsement in bearer form

6-22 An endorsement of a security in bearer form may give notice of an adverse claim pursuant to section 6-16, but does not otherwise affect any right to registration that the holder has.

2022, c 25, s.6-22.

Effect of unauthorized endorsement

6-23(1) The owner of a security may assert the ineffectiveness of an endorsement against the issuer or any purchaser, other than a good faith purchaser and without notice of an adverse claim who has in good faith received a new, reissued or re-registered security on registration of transfer, unless the owner:

- (a) has ratified an unauthorized endorsement of the security; or
- (b) is otherwise precluded from impugning the effectiveness of an unauthorized endorsement.

(2) An issuer who registers the transfer of a security on an unauthorized endorsement is liable for improper registration.

2022, c 25, s.6-23.

Warranties of guarantor of signature

6-24(1) A person who guarantees a signature of an endorser of a security warrants that at the time of signing:

- (a) the signature was genuine;
- (b) the signer was an appropriate person, as defined in section 6-20, to endorse; and
- (c) the signer had legal capacity to sign.

(2) A person who guarantees a signature of an endorser does not otherwise warrant the rightfulness of the transfer to which the signature relates.

(3) A person who guarantees an endorsement of a security warrants both the signature and the rightfulness of the transfer in all respects, but an issuer may not require a guarantee of endorsement as a condition to registration of transfer.

(4) The warranties mentioned in this section are made to any person taking or dealing with the security who relies on the guarantee, and the guarantor is liable to that person for any loss resulting from breach of warranty.

2022, c 25, s.6-24.

Constructive delivery of a security

6-25(1) Delivery of a security to a purchaser occurs when:

- (a) the purchaser or a person designated by the purchaser acquires possession of the security;
- (b) the purchaser's broker acquires possession of the security specially endorsed to or issued in the name of the purchaser;

- (c) the purchaser's broker sends the purchaser confirmation of the purchase and the broker in the broker's records identifies a specific security as belonging to the purchaser; or
 - (d) with respect to an identified security to be delivered while still in the possession of a third person, that person acknowledges that the security is held for the purchaser.
- (2) A purchaser is the owner of a security held for the purchaser by the purchaser's broker, but a purchaser is not a holder except in the cases mentioned in clauses (1)(b) and (c).
- (3) If a security is part of a fungible bulk, a purchaser of the security is the owner of a proportionate interest in the fungible bulk.
- (4) Notice of an adverse claim received by a broker or by a purchaser after the broker takes delivery as a holder for value is not effective against the broker or the purchaser, except that, as between the broker and the purchaser, the purchaser may demand delivery of an equivalent security with respect to which no notice of an adverse claim has been received.

2022, c 25, s.6-25.

Delivery of security

6-26(1) Unless otherwise agreed, if a sale of a security is made on an exchange or otherwise through brokers:

- (a) the selling customer's duty to deliver is fulfilled when the selling customer delivers the security to the selling broker or to a person designated by the selling broker or causes an acknowledgement to be made to the selling broker that it is held for the selling broker; and
 - (b) the selling broker, including a correspondent broker, acting for a selling customer fulfils the selling broker's duty to deliver by delivering the security or a similar security to the buying broker or to a person designated by the buying broker or by effecting clearance of the sale in accordance with the rules of the exchange on which the transaction took place.
- (2) Except as otherwise provided in this section and unless otherwise agreed, a transferor's duty to deliver a security under a contract of purchase is not fulfilled until the transferor delivers the security in negotiable form to the purchaser or to a person designated by the purchaser, or causes an acknowledgement to be made to the purchaser that the security is held for the purchaser.
- (3) A sale to a broker purchasing for the broker's own account is subject to subsection (2) and not subsection (1), unless the sale is made on an exchange.

2022, c 25, s.6-26.

Right to reclaim possession

6-27(1) A person against whom the transfer of a security is wrongful for any reason, including the person's incapacity, may, against anyone except a good faith purchaser:

- (a) reclaim possession of the security or obtain possession of any new security evidencing all or part of the same rights; or
- (b) claim damages.

(2) If the transfer of a security is wrongful by reason of an unauthorized endorsement, the owner may reclaim possession of the security or a new security even from a good faith purchaser if the ineffectiveness of the purported endorsement may be asserted against the purchaser pursuant to section 6-23.

(3) The right to reclaim possession of a security may be specifically enforced, its transfer may be restrained and the security may be impounded pending litigation.

2022, c 25, s.6-27.

Right to requisites for registration

6-28(1) Unless otherwise agreed, a transferor shall, on demand, supply a purchaser with proof of the transferor's authority to transfer a security or with any other requisite that is necessary to obtain registration of the transfer of a security, but if the transfer is not for value, it is not necessary for the transferor to provide authority to transfer unless the purchaser pays the reasonable and necessary costs of the proof and transfer.

(2) If the transferor fails to comply with a demand pursuant to subsection (1) within a reasonable time, the purchaser may reject or rescind the transfer.

2022, c 25, s.6-28.

Seizure of security

6-29 No seizure of a security or other interest evidenced by a security is effective until the person making the seizure obtains possession of the security.

2022, c 25, s.6-29.

No conversion if delivered by agent in good faith

6-30 An agent or bailee who in good faith, including observance of reasonable commercial standards if the agent or bailee is in the business of buying, selling or otherwise dealing with securities of a corporation, has received securities and sold, pledged or delivered them according to the instructions of the principal is not liable for conversion or for participation in breach of fiduciary duty, although the principal has no right to dispose of them.

2022, c 25, s.6-30.

DIVISION 3 Registration

Duty to register transfer

6-31(1) If a security in registered form is presented for transfer, the issuer shall register the transfer if:

- (a) the security is endorsed by an appropriate person, as defined in section 6-20;
- (b) reasonable assurance is given that the endorsement is genuine and effective;
- (c) the issuer has no duty to inquire into adverse claims or has discharged that duty;

- (d) any applicable law relating to the collection of taxes has been complied with;
 - (e) the transfer is rightful or is to a good faith purchaser; and
 - (f) any fee mentioned in subsection 6-4(2) has been paid.
- (2) An issuer who has a duty to register a transfer of a security is liable to the person presenting it for registration for loss resulting from any unreasonable delay in registration or from failure or refusal to register the transfer.

2022, c 25, s.6-31.

Assurance that endorsement effective

6-32(1) An issuer may require an assurance that each necessary endorsement on a security is genuine and effective by requiring a guarantee of the signature of the person endorsing the security, and by requiring:

- (a) if the endorsement is by an agent, reasonable assurance of authority to sign;
 - (b) if the endorsement is by a fiduciary, evidence of appointment or incumbency;
 - (c) if there is more than one fiduciary, reasonable assurance that all who are required to sign have done so; or
 - (d) in any other case, assurance that corresponds as closely as is practicable to the assurances set out in clauses (a) to (c).
- (2) For the purposes of subsection (1), a guarantee of the signature of a person is sufficient if it is signed by or on behalf of a person whom the issuer believes, on reasonable grounds, to be a responsible person.
- (3) An issuer may adopt reasonable standards to determine responsible persons for the purpose of subsection (2).
- (4) For the purpose of clause (1)(b), the following constitute sufficient evidence of appointment or incumbency:
- (a) in the case of a fiduciary appointed by a court, a copy of the order certified in accordance with subsection 6-6(7), and dated not earlier than 60 days before the day a security is presented for transfer; or
 - (b) in any other case, a copy of a record showing the appointment or other evidence believed by the issuer to be appropriate.
- (5) An issuer may adopt reasonable standards with respect to evidence for the purposes of clause (4)(b).
- (6) An issuer is deemed not to have notice of the contents of any record obtained pursuant to subsection (4) except to the extent that the contents relate directly to appointment or incumbency.

(7) If an issuer demands assurance additional to that specified in this section for a purpose other than that specified in subsection (4) and obtains a copy of a will, trust or partnership agreement, bylaw or similar record, the issuer is deemed to have notice of all matters contained in the record that affect the transfer.

2022, c 25, s.6-32.

Limited duty of inquiry

6-33(1) An issuer to whom a security is presented for registration has a duty to inquire into adverse claims if:

- (a) the issuer receives written notice of an adverse claim at a time and in a manner that provides the issuer with a reasonable opportunity to act on it before the issue of a new, reissued or re-registered security and the notice discloses the name and address of the claimant, the registered owner and the issue of which the security is a part; or
 - (b) the issuer is deemed to have notice of an adverse claim from a record that it obtained pursuant to subsection 6-32(7).
- (2) An issuer may discharge a duty of inquiry by any reasonable means, including notifying an adverse claimant, by registered mail sent to the address provided by the adverse claimant or, if no address has been provided, to the adverse claimant's residence or regular place of business, that a security has been presented for registration of transfer by a named person, and that the transfer will be registered unless, within 30 days after the day of mailing the notice, either the issuer:
- (a) is served with a court order; or
 - (b) is provided with an indemnity bond sufficient in the issuer's judgment to protect the issuer and any registrar, transfer agent or other agent of the issuer from any loss that may be incurred by any of them as a result of complying with the adverse claim.
- (3) Unless an issuer is deemed to have notice of an adverse claim from a record that it obtained pursuant to subsection 6-32(7) or has received notice of an adverse claim pursuant to subsection (1), if a security presented for registration is endorsed by the appropriate person as defined in section 6-20, the issuer has no duty to inquire into adverse claims and, in particular:

- (a) an issuer registering a security in the name of a person who is a fiduciary or who is described as a fiduciary is not bound to inquire into the existence, extent or correct description of the fiduciary relationship and the issuer may assume, without inquiry, that the newly registered owner continues to be the fiduciary until the issuer receives written notice that the fiduciary is no longer the fiduciary respecting the particular security;
- (b) an issuer registering a transfer on an endorsement by a fiduciary has no duty to inquire into whether the transfer is made in compliance with the record or with the law of the jurisdiction governing the fiduciary relationship; and

- (c) an issuer is deemed not to have notice of the contents of any court record or any registered document even if the record or document is in the issuer's possession and even if the transfer is made on the endorsement of a fiduciary to the fiduciary specifically or to the fiduciary's nominee.
- (4) A written notice of adverse claim received by an issuer is effective for 12 months after the day when it was received unless the notice is renewed in writing.

2022, c 25, s.6-33.

Limitation of issuer's liability

6-34(1) Except as otherwise provided in any applicable law relating to the collection of taxes, the issuer is not liable to the owner or any other person who incurs a loss as a result of the registration of a transfer of a security if:

- (a) the necessary endorsements were on or with the security; and
- (b) the issuer had no duty to inquire into adverse claims or had discharged that duty.
- (2) If an issuer has registered a transfer of a security to a person not entitled to it, the issuer shall, on demand, deliver an identical security to the owner unless:
 - (a) subsection (1) applies;
 - (b) the owner is precluded by subsection 6-35(1) from asserting any claim; or
 - (c) the delivery would result in overissue, and in that case the issuer's liability is governed by section 6-7.

2022, c 25, s.6-34.

Notice of lost or stolen security

6-35(1) The owner of a security who fails to notify the issuer of an adverse claim, in writing, within a reasonable time after the owner knows of the loss, apparent destruction or wrongful taking of the security is precluded from asserting against the issuer a claim to a new security if the issuer has registered a transfer of the security.

(2) If the owner of a security claims that the security has been lost, destroyed or wrongfully taken, the issuer shall issue a new security in place of the original security if the owner:

- (a) requests the new security before the issuer has notice that the security has been acquired by a good faith purchaser;
- (b) provides the issuer with a sufficient indemnity bond; and
- (c) satisfies any other reasonable requirements imposed by the issuer.
- (3) If, after the issue of a new security pursuant to subsection (2), a good faith purchaser of the original security presents the original security for registration of transfer, the issuer shall register the transfer unless registration would result in overissue, in which case the issuer's liability is governed by section 6-7.

(4) In addition to any rights that an issuer has by reason of an indemnity bond, the issuer may recover a new security issued pursuant to subsection (2) from the person to whom it was issued or any person taking under that person other than a good faith purchaser.

2022, c 25, s.6-35.

Agent's duties, rights, etc.

6-36(1) An authenticating trustee, registrar, transfer agent or other agent of an issuer has, with respect to the issue, registration of transfer and cancellation of a security of the issuer:

- (a) a duty to the issuer to exercise good faith and reasonable diligence; and
- (b) the same obligations to the holder or owner of a security and the same rights, privileges and immunities as the issuer.

(2) Notice to an authenticating trustee, registrar, transfer agent or other agent of an issuer is notice to the issuer with respect to the functions performed by the agent.

2022, c 25, s.6-36.

PART 7 Trust Indentures

Definitions for and application of Part

7-1(1) In this Part:

“event of default” means, subject to subsection (2), an event specified in a trust indenture on the occurrence of which:

- (a) a security interest constituted by the trust indenture becomes enforceable; or
- (b) the principal, interest and other moneys payable under the trust indenture become or may be declared to be payable before maturity; (*« cas de défaut »*)

“trust indenture” means any deed, indenture or other instrument, including any supplement or amendment to the deed, indenture or other instrument, made by a corporation after its incorporation or continuance pursuant to this Act, under which the corporation issues debt obligations and in which a person is appointed as trustee for the holders of the debt obligations issued under the trust indenture; (*« acte de fiducie »*)

“trustee” means any person appointed as trustee under the terms of a trust indenture to which a corporation is a party and includes any successor trustee. (*« fiduciaire »*)

(2) An event is not an event of default until all conditions set out in the trust indenture in connection with that event for the giving of notice or the lapse of time or otherwise have been satisfied.

(3) This Part applies to a trust indenture if the debt obligations issued or to be issued under the trust indenture are part of a distribution to the public.

2022, c 25, s.7-1.

Conflict of interest

7-2(1) No person shall be appointed as trustee if there is a material conflict of interest between the person's role as trustee and the person's role in any other capacity.

(2) A trustee shall, within 90 days after becoming aware that a material conflict of interest exists:

- (a) eliminate the conflict of interest; or
- (b) resign from office.

(3) A trust indenture, any debt obligations issued under the trust indenture and any security interest effected by the trust indenture are valid notwithstanding a material conflict of interest of the trustee.

(4) If a trustee contravenes subsection (1) or (2), any interested person may apply to the court for an order that the trustee be replaced, and the court may make an order on any terms that it considers appropriate.

2022, c 25, s.7-2.

Qualification of trustee

7-3 A trustee, or at least one of the trustees if more than one is appointed, shall be a trust corporation licensed pursuant to *The Trust and Loan Corporations Act, 1997*.

2022, c 25, s.7-3.

List of security holders

7-4(1) A holder of debt obligations issued under a trust indenture, on delivering to the trustee the statutory declaration mentioned in subsection (4) and on payment of a reasonable fee, may require the trustee to provide a list within 15 days after the receipt of the statutory declaration and fee, containing the following information that is shown on the records maintained by the trustee on the day that the request and fee are delivered to that trustee:

- (a) the names and addresses of the registered holders of the outstanding debt obligations;
- (b) the principal amount of outstanding debt obligations owned by each holder;
- (c) the aggregate principal amount of debt obligations outstanding.

(2) On the demand of a trustee, the issuer of debt obligations shall provide the trustee with the information required to enable the trustee to comply with subsection (1).

(3) If the person requiring the trustee to provide a list pursuant to subsection (1) is a body corporate, the statutory declaration required by that subsection shall be made by a director or officer of the body corporate.

(4) The statutory declaration required pursuant to subsection (1) must include:

- (a) the name and address of the person requiring the trustee to provide the list and, if the person is a body corporate, the address for service of the body corporate; and
- (b) that the list will not be used except as permitted pursuant to subsection (5).

(5) A list obtained pursuant to this section shall not be used by any person except in connection with:

- (a) an effort to influence the voting of the holders of debt obligations;
- (b) an offer to acquire debt obligations; or
- (c) any other matter relating to the debt obligations or the affairs of the issuer or guarantor of those debt obligations.

2022, c 25, s.7-4.

Evidence of compliance

7-5(1) An issuer or a guarantor of debt obligations issued or to be issued under a trust indenture shall, before doing any act pursuant to clause (a), (b) or (c), provide the trustee with evidence of compliance with the conditions in the trust indenture relating to:

- (a) the issue, certification and delivery of debt obligations under the trust indenture;
- (b) the release or release and substitution of property subject to a security interest constituted by the trust indenture; or
- (c) the satisfaction and discharge of the trust indenture.

(2) On the demand of a trustee, the issuer or guarantor of debt obligations issued or to be issued under a trust indenture shall provide the trustee with evidence of compliance with the trust indenture by the issuer or guarantor with respect to any act to be done by the trustee at the request of the issuer or guarantor.

2022, c 25, s.7-5.

Contents of declaration, etc.

7-6 Evidence of compliance as required by section 7-5 consists of:

- (a) a statutory declaration or certificate made by a director or an officer of the issuer or guarantor stating that the conditions mentioned in that section have been complied with; and
- (b) if the trust indenture requires compliance with conditions that are subject to review:
 - (i) by legal counsel, an opinion of legal counsel that the conditions have been complied with; and
 - (ii) by an auditor or accountant, an opinion or report of the auditor of the issuer or guarantor, or any other accountant that the trustee may select, that the conditions have been complied with.

2022, c 25, s.7-6.

Further evidence of compliance

7-7 The evidence of compliance mentioned in section 7-6 must include a statement by the person giving the evidence:

- (a) declaring that the person has read and understands the conditions of the trust indenture described in section 7-5;

- (b) describing the nature and scope of the examination or investigation on which the certificate, statement or opinion is based; and
- (c) declaring that the person has made an examination or investigation the person believes necessary to enable the person to make the statements or give the opinions contained or expressed in it.

2022, c 25, s.7-7.

Trustee may require evidence of compliance

7-8(1) On the demand of a trustee, the issuer or guarantor of debt obligations issued under a trust indenture shall provide the trustee with evidence in any form that the trustee may require as to compliance with any condition of the trust indenture relating to any action required or permitted to be taken by the issuer or guarantor under the trust indenture.

(2) At least once in each 12-month period commencing on the date of the trust indenture and at any other time on the demand of a trustee, the issuer or guarantor of debt obligations issued under a trust indenture shall:

- (a) provide the trustee with a certificate that the issuer or guarantor has complied with all requirements contained in the trust indenture that, if not complied with, would, with the giving of notice, lapse of time or otherwise, constitute an event of default; or
- (b) if there has been failure to comply with all requirements as described in clause (a), give particulars of that failure.

2022, c 25, s.7-8.

Notice of default

7-9 The trustee shall give to the holders of debt obligations issued under a trust indenture, within 30 days after the trustee becomes aware of the occurrence of the default, notice of every event of default arising under the trust indenture and continuing at the time the notice is given, unless the trustee reasonably believes that it is in the best interests of the holders of the debt obligations to withhold notice and so informs the issuer and guarantor in writing.

2022, c 25, s.7-9.

Duty of care

7-10 A trustee in exercising the trustee's powers and discharging the trustee's duties shall:

- (a) act honestly and in good faith with a view to the best interests of the holders of the debt obligations issued under the trust indenture; and
- (b) exercise the care, diligence and skill of a reasonably prudent trustee.

2022, c 25, s.7-10.

Reliance on statements

7-11 Notwithstanding section 7-10, a trustee is not liable if the trustee relies in good faith on statements contained in a statutory declaration, certificate, opinion or report that complies with this Act or the trust indenture.

2022, c 25, s.7-11.

No exculpation

7-12 No term of a trust indenture or of any agreement between a trustee and the holders of debt obligations issued under the trust indenture or between the trustee and the issuer or guarantor operates as to relieve a trustee from the duties imposed on the trustee by section 7-10.

2022, c 25, s.7-12.

PART 8
Receivers and Receiver-Managers

Functions of receiver

8-1 A receiver of any property of a corporation may receive, subject to the rights of secured creditors, the income from the property, pay the liabilities connected with the property and realize the security interest of those on whose behalf the receiver is appointed, but, except to the extent permitted by the court, the receiver may not carry on the activities of the corporation.

2022, c 25, s.8-1.

Functions of receiver-manager

8-2 A receiver-manager of the corporation may carry on any activities of the corporation to protect the security interest of those on whose behalf the receiver-manager is appointed.

2022, c 25, s.8-2.

Directors' powers cease

8-3 If a receiver-manager is appointed by the court or under an instrument, the powers of the directors of the corporation that the receiver-manager is authorized to exercise may not be exercised by the directors until the receiver-manager is discharged.

2022, c 25, s.8-3.

Duty to act

8-4 A receiver or receiver-manager appointed by the court shall act in accordance with the directions of the court.

2022, c 25, s.8-4.

Duty under instrument

8-5(1) A receiver or receiver-manager of a corporation appointed under an instrument shall:

- (a) act honestly and in good faith; and
- (b) deal with any property of the corporation in the receiver's or receiver-manager's possession or control in a commercially reasonable manner.

(2) A receiver or receiver-manager appointed under an instrument shall act in accordance with that instrument and any direction of the court made pursuant to section 8-6.

2022, c 25, s.8-5.

Directions given by court

8-6 On an application by a receiver or receiver-manager, whether appointed by the court or under an instrument, or on an application by any interested person, the court may make any order it considers appropriate, including an order:

- (a) appointing, replacing or discharging a receiver or receiver-manager and approving the receiver's or receiver-manager's accounts;
- (b) determining the notice to be given to any person, or dispensing with notice to any person;
- (c) fixing the remuneration of the receiver or receiver-manager;
- (d) requiring the receiver or receiver-manager, or a person by or on behalf of whom the receiver or receiver-manager is appointed, to make good any default in connection with the receiver's or receiver-manager's custody or management of the property and activities of the corporation, or relieving the receiver, receiver-manager or a person by or on behalf of whom the receiver or receiver-manager was appointed from any default on those terms that the court considers appropriate;
- (e) confirming any act of the receiver or receiver-manager; or
- (f) giving directions on any matter relating to the duties of the receiver or receiver-manager.

2022, c 25, s.8-6.

Duties of receiver and receiver-manager

8-7 A receiver or receiver-manager shall:

- (a) immediately notify the Registrar of the receiver's or receiver-manager's appointment and discharge;
- (b) take into the receiver's or receiver-manager's custody and control the property of the corporation in accordance with the court order or instrument under which the receiver or receiver-manager is appointed;
- (c) open and maintain a bank account in the receiver's or receiver-manager's name as receiver or receiver-manager of the corporation for the moneys of the corporation coming under the receiver's or receiver-manager's control;
- (d) keep detailed accounts of all transactions carried out as receiver or receiver-manager;
- (e) keep accounts of the receiver's or receiver-manager's administration that must be available during usual business hours for inspection by the directors of the corporation;
- (f) prepare at least once in every 6-month period after the date of the receiver's or receiver-manager's appointment financial statements of the receiver's or receiver-manager's administration as far as is practicable in the form required by section 13-1;
- (g) on completion of the receiver's or receiver-manager's duties, render a final account of the receiver's or receiver-manager's administration in the form adopted for interim accounts pursuant to clause (f); and

(h) file a copy of any financial statement mentioned in clause (f) and any final account mentioned in clause (g) with the Registrar within 15 days after the preparation of the financial statement or rendering of the final account, as the case may be.

2022, c 25, s.8-7.

PART 9

Directors and Officers

Power to manage

9-1 Subject to this Act, the articles and any unanimous member agreement, the directors shall manage or supervise the management of the activities and affairs of a corporation.

2022, c 25, s.9-1.

Number of directors

9-2 A membership corporation shall have one or more directors but a charitable corporation or a corporation any of the issued securities of which are or were part of a distribution to the public shall have not fewer than 3 directors, at least 2 of whom are not officers or employees of the corporation or its affiliates.

2022, c 25, s.9-2.

Bylaws

9-3(1) Unless the articles, bylaws or a unanimous member agreement provide otherwise, the directors, by resolution, may make, amend or repeal any bylaws that regulate the activities and affairs of the corporation.

(2) The directors shall submit a bylaw, or an amendment or a repeal of a bylaw, made pursuant to subsection (1) to the members at the next meeting of members, and the members, by ordinary resolution, may confirm, reject or amend the bylaw, amendment or repeal.

(3) A bylaw, or an amendment or a repeal of a bylaw, is effective from the date of the resolution of the directors pursuant to subsection (1) until it is confirmed, confirmed as amended or rejected by the members in accordance with subsection (2) or until it ceases to be effective pursuant to subsection (4) and, if the bylaw is confirmed or confirmed as amended, it continues in effect in the form in which it was so confirmed.

(4) If a bylaw, an amendment or a repeal is rejected by the members, or if the directors do not submit a bylaw, an amendment or a repeal to the members as required pursuant to subsection (2), the bylaw, amendment or repeal ceases to be effective and no subsequent resolution of the directors to make, amend or repeal a bylaw having substantially the same purpose or effect is effective until it is confirmed or confirmed as amended by the members.

(5) A member entitled to vote at a meeting of members may, in accordance with section 11-6, make a proposal to make, amend or repeal a bylaw and if adopted by the members at the meeting the bylaw, amendment or repeal is effective from the date of its adoption and requires no further confirmation by the members.

2022, c 25, s.9-3.

Organization meeting

9-4(1) After issue of the certificate of incorporation, the directors of the corporation shall hold a meeting at which the directors may:

- (a) make bylaws;
- (b) adopt forms of membership cards and certificates and other security certificates and corporate records;
- (c) authorize the issue of membership cards and certificates;
- (d) appoint officers;
- (e) appoint an auditor to hold office until the first annual meeting of members;
- (f) make banking arrangements; and
- (g) transact any other business.

(2) Subsection (1) does not apply to a body corporate to which a certificate of amalgamation has been issued pursuant to subsection 14-12(4) or to which a certificate of continuance has been issued pursuant to subsection 14-15(4).

(3) An incorporator or a director may call the meeting of directors mentioned in subsection (1) by giving not less than 5 days' notice to each director, stating the time and place of the meeting.

(4) If all the directors have died before the first meeting of directors is held, the incorporator may file a Notice of Change of Directors and set out the names and addresses of the new directors of the corporation who will carry out the responsibilities as first directors of the corporation as set out in subsection (1).

2022, c 25, s.9-4.

Qualifications of directors

9-5(1) The following persons are disqualified from being a director of a corporation:

- (a) anyone who is less than 18 years of age;
- (b) anyone who has been found by a court in Canada or elsewhere to lack capacity;
- (c) a person who is not an individual;
- (d) a person who has the status of bankrupt;
- (e) a person who is convicted of an offence in connection with the promotion, formation or management of a body corporate or unincorporated business, or of an offence involving fraud, unless:
 - (i) the court orders otherwise;

- (ii) 5 years have elapsed since the last to occur of:
 - (A) the expiration of the period set for suspension of the passing of sentence without a sentence having been passed;
 - (B) the imposition of a fine;
 - (C) the conclusion of the term of any imprisonment; and
 - (D) the conclusion of the term of any probation imposed; or
 - (iii) a pardon was granted or issued, or record suspension was ordered, in accordance with the *Criminal Records Act* (Canada) and the pardon or record suspension, as the case may be, has not been revoked or ceased to have effect.
- (2) A corporation may provide in its bylaws for qualifications of directors that are in addition to those set out in subsection (1).
 - (3) Unless the articles otherwise provide, a director of a corporation is not required to be a member of the corporation.
 - (4) No person shall act for an absent director at a meeting of directors.
 - (5) If none of the directors or officers of a corporation reside in Saskatchewan, the corporation shall appoint an attorney pursuant to section 20-13 and comply with that section as if the corporation were an extraprovincial corporation.

2022, c 25, s.9-5.

Notice of directors and officers

- 9-6(1)** Articles required pursuant to sections 2-3, 14-12, 14-15, 14-16, 14-24 and 14-25, unless otherwise provided, must include a notice of the directors and officers.
- (2) Each director named in the notice mentioned in subsection (1) holds office from the issue of the certificate of incorporation until the first meeting of members.
 - (3) Subject to clause 9-7(b), members of a corporation shall, by ordinary resolution at the first meeting of members and at each succeeding meeting at which an election of directors is required, elect directors to hold office for a term not exceeding 3 years following the election.
 - (4) It is not necessary that all directors elected at a meeting of members hold office for the same term.
 - (5) A director not elected for an expressly stated term ceases to hold office at the close of the first meeting of members following the director's election at which an election of directors is required.
 - (6) Notwithstanding subsections (2), (3) and (5), if directors are not elected at a meeting of members, the incumbent directors continue in office until their successors are elected.
 - (7) If, for any of the following reasons, a meeting of members fails to elect the number or the minimum number of directors required by the articles, the directors elected at the meeting may exercise all the powers of the directors if the number of directors so elected constitutes a quorum:
 - (a) lack of consent of any candidate;

- (b) disqualification pursuant to subsection 9-5(1);
 - (c) the death of any candidate.
- (8) The directors, if the articles of the corporation so provide, may appoint one or more directors who shall hold office for a term expiring not later than the close of the next annual meeting of members, but the total number of directors so appointed may not exceed one-third of the number of directors elected at the previous annual meeting of members.
- (9) An individual who is elected or appointed to hold office as a director is not a director, and is deemed not to have been elected or appointed to hold office as a director, unless:
- (a) the individual was present at the meeting when the election or appointment took place and the individual did not refuse to hold office as a director; or
 - (b) if the individual was not present at the meeting when the election or appointment took place:
 - (i) the individual consented to hold office as a director in writing before the election or appointment or within 30 days after it; or
 - (ii) the individual has acted as a director pursuant to the election or appointment.

2022, c 25, s.9-6.

Cumulative voting

9-7 If the articles provide for cumulative voting:

- (a) the articles shall require a fixed number and not a minimum and maximum number of directors;
- (b) each member entitled to vote at an election of directors has the right to cast a number of votes equal to the number of votes attached to the member's membership interest in the corporation multiplied by the number of directors to be elected, and may cast all of those votes in favour of one candidate or distribute them among the candidates in any manner;
- (c) a separate vote of members shall be taken with respect to each candidate nominated for director unless a resolution is passed unanimously permitting 2 or more persons to be elected by a single resolution;
- (d) if a member has voted for more than one candidate without specifying the distribution of votes, the member is deemed to have distributed the votes equally among those candidates;
- (e) if the number of candidates nominated for director exceeds the number of positions to be filled, the candidates who receive the fewest votes are eliminated until the number of candidates remaining equals the number of positions to be filled;
- (f) each director ceases to hold office at the close of the first meeting of members following that director's election at which an election of directors is required;

(g) a director may be removed from office only if the number of votes cast in favour of the director's removal is greater than the product of the number of directors required by the articles and the number of votes cast against the motion; and

(h) the number of directors required by the articles may be decreased only if the votes cast in favour of the motion to decrease the number of directors is greater than the product of the number of directors required by the articles and the number of votes cast against the motion.

2022, c 25, s.9-7.

Ceasing to hold office

9-8(1) A director of a corporation ceases to hold office when:

- (a) the director dies or resigns;
- (b) the director is removed in accordance with section 9-9;
- (c) the director becomes disqualified pursuant to subsection 9-5(1);
- (d) the director is removed by the Registrar pursuant to subsection (3); or
- (e) in the case of a director mentioned in subsection 9-21(2), the director is no longer an officer of the corporation or the representative of the specified organization, as the case may be.

(2) A resignation of a director becomes effective at the time a written resignation is sent to the corporation, or at the time specified in the resignation, whichever is later.

(3) The Registrar may remove a director from office if the Registrar receives a notice, containing the prescribed information, indicating that the appointment or election of the director did not comply with the requirements of subsection 9-6(9).

(4) A director who is removed pursuant to subsection (3) is deemed to have not been appointed as a director.

2022, c 25, s.9-8.

Removal of directors

9-9(1) Subject to subsection (2) and clause 9-7(g), the members of a corporation may, by ordinary resolution at a special meeting, remove any director or directors from office.

(2) If any class of members or subdivision of members that does not constitute a separate class of members has an exclusive right to elect one or more directors, a director so elected may only be removed by an ordinary resolution at a meeting of the members of that class or subdivision.

(3) Subject to clauses 9-7(b) to (e), a vacancy created by the removal of a director may be filled at the meeting of the members at which the director is removed or, if not so filled, may be filled pursuant to section 9-11.

(4) If all of the directors have resigned or have been removed without replacement, a person who manages or supervises the management of the activities and affairs of the corporation is deemed to be a director for the purposes of this Act.

- (5) Subsection (4) does not apply to:
- (a) an officer who manages the activities or affairs of the corporation under the direction or control of a member or other person;
 - (b) a lawyer, notary, accountant or other professional who participates in the management of the corporation solely for the purpose of providing professional services; or
 - (c) a trustee in bankruptcy, receiver, receiver-manager or secured creditor who participates in the management of the corporation or exercises control over its property solely for the purpose of the realization of security or the administration of a bankrupt's estate, in the case of a trustee in bankruptcy.

2022, c 25, s.9-9.

Attendance at meeting

9-10(1) A director of a corporation is entitled to receive notice of and to attend and be heard at every meeting of members.

(2) A director is entitled to submit to the corporation a written statement giving the reasons for the director's resignation or the reasons why the director opposes any proposed action or resolution, if the director:

- (a) resigns;
- (b) receives a notice or otherwise learns of a meeting of members called for the purpose of removing the director from office; or
- (c) receives a notice or otherwise learns of a meeting of directors or members at which another person is to be appointed or elected to fill the office of director, whether because of the director's resignation or removal or because the director's term of office has expired or is about to expire.

(3) A corporation shall immediately send a copy of the statement mentioned in subsection (2) to:

- (a) every member entitled to receive notice of any meeting mentioned in subsection (1); and
- (b) the Registrar.

(4) No corporation or person acting on its behalf incurs any liability by reason only of circulating a director's statement in compliance with subsection (3).

2022, c 25, s.9-10.

Filling vacancy

9-11(1) Subject to subsections (3) and (4), a quorum of directors may 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.

(2) If there is not a quorum of directors, or if there has been a failure to elect the number or minimum number of directors required by the articles, the directors then in office shall immediately call a special meeting of members to fill the vacancy and, if they fail to call a meeting or if there are no directors then in office, the meeting may be called by any member.

(3) If any class of members of a corporation has an exclusive right to elect one or more directors and a vacancy occurs among those directors:

(a) subject to subsection (4), the remaining directors elected by that class may fill the vacancy, except a vacancy resulting from an increase in the number or minimum number of directors for that class or from a failure to elect the number or minimum number of directors for that class; or

(b) if there are no remaining directors, any member of that class of members may call a meeting of the members of the class for the purpose of filling the vacancy.

(4) The articles may provide that a vacancy among the directors shall only be filled by a vote of the members, or by a vote of the members of any class of members having an exclusive right to elect one or more directors if the vacancy occurs among the directors elected by that class.

(5) A director appointed or elected to fill a vacancy holds office for the unexpired term of the director's predecessor.

2022, c 25, s.9-11.

Number of directors

9-12(1) The members of a corporation may amend the articles to increase or, subject to clause 9-7(h), to decrease the number of directors, or the minimum or maximum number of directors, but no decrease is to shorten the term of an incumbent director.

(2) If the members adopt an amendment to the articles of a corporation to increase or decrease the number or minimum or maximum number of directors, the members may, at the meeting at which they adopt the amendment, elect the number of directors authorized by the amendment and, for that purpose, notwithstanding subsections 14-7(1) and 19-14(2), on the issue of a certificate of amendment the articles are deemed to be amended as of the day the members adopted the amendment to the articles.

2022, c 25, s.9-12.

Notice of change of directors and officers

9-13(1) Within 15 days after a change is made among its directors and officers, or a director's or officer's address changes, a corporation shall send to the Registrar a notice containing the prescribed information setting out the change and the Registrar shall file the notice.

(2) Any interested person may apply to the court for an order to require a corporation to comply with subsection (1), and the court may so order and make any further order it considers appropriate.

2022, c 25, s.9-13.

Meeting of directors

9-14(1) Unless the articles or bylaws provide otherwise, the directors may meet at any place, and on any notice the bylaws require.

- (2) Subject to the articles or bylaws, a majority of the number of directors or minimum number of directors required by the articles constitutes a quorum at any meeting of directors and, notwithstanding any vacancy among the directors, a quorum of directors may exercise all the powers of the directors.
- (3) A notice of a meeting of directors shall specify any matter mentioned in subsection 9-15(2) that is to be dealt with at the meeting but, unless the bylaws provide otherwise, need not specify the purpose of or the business to be transacted at the meeting.
- (4) A director may waive a notice of a meeting of directors, and attendance of a director at a meeting of directors is a waiver of notice of the meeting, except if a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.
- (5) Notice of an adjourned meeting of directors is not required to be given if the time and place of the adjourned meeting is announced at the original meeting.
- (6) If a corporation has only one director, that director may constitute a meeting.
- (7) Subject to the bylaws:
 - (a) a director may, if all the directors of the corporation consent, participate in a meeting of directors or a committee of directors by means of telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, if the corporation makes available that communication facility; and
 - (b) a director participating in a meeting by means described in clause (a) is deemed for the purposes of this Act to be present at that meeting and the corporation shall determine the manner of voting at that meeting.

2022, c 25, s.9-14.

Delegation

- 9-15(1)** Directors of a corporation may appoint from their number a managing director or a committee of directors and delegate to the managing director or committee any of the powers of the directors.
- (2) Notwithstanding subsection (1), no managing director and no committee of directors has authority to:
- (a) submit to the members any question or matter requiring the approval of the members;
 - (b) fill a vacancy among the directors or in the office of auditor, or appoint additional directors;
 - (c) issue securities except in the manner and on the terms authorized by the directors;
 - (d) purchase, redeem or otherwise acquire securities issued by the corporation;
 - (e) approve any financial statements mentioned in section 13-1;
 - (f) adopt, amend or repeal bylaws; or
 - (g) establish contributions to be made, or dues to be paid, by members pursuant to section 5-3.

(3) The appointment of a managing director or committee of directors does not relieve the directors of a corporation from any liability imposed by law.

2022, c 25, s.9-15.

Validity of acts of directors and officers

9-16 An act of a director or officer is valid notwithstanding an irregularity in the director's or officer's election or appointment or a defect in the director's or officer's qualification.

2022, c 25, s.9-16.

Resolution in lieu of meeting

9-17(1) In this section, "**signed**" includes an electronic signature as defined in *The Electronic Information and Documents Act, 2000*.

(2) A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors or committee of directors:

- (a) is as valid as if it had been passed at a meeting of directors or committee of directors; and
- (b) satisfies all the requirements of this Act relating to meetings of directors or a committee of directors.

(3) A copy of every resolution mentioned in subsection (2) must be kept with the minutes of the proceedings of the directors or committee of directors.

(4) Unless a ballot is demanded, an entry in the minutes of a meeting to the effect that the chairperson of the meeting declared a resolution to be carried or defeated is, in the absence of evidence to the contrary, proof of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

2022, c 25, s.9-17.

Directors' liability

9-18(1) Directors of a corporation who vote for or consent to a resolution authorizing the issue of a security pursuant to section 5-1 for a consideration other than money are jointly and severally liable to the corporation to make good any amount by which the consideration received is less than the fair equivalent of the money that the corporation would have received if the security had been issued for money on the date of the resolution.

(2) Directors of a corporation who vote for or consent to a resolution authorizing any of the following are jointly and severally liable to restore to the corporation any amounts so distributed or paid and not otherwise recovered by the corporation:

- (a) a loan, guarantee or other financial assistance contrary to section 5-4;
- (b) a payment to a member, director or officer contrary to section 5-7;
- (c) a payment of an indemnity contrary to section 9-24;
- (d) a payment contrary to section 14-19 or 18-4.

- (3) A director who has satisfied a judgment rendered pursuant to this section is entitled to contribution from the other directors who voted for or consented to the unlawful act on which the judgment was founded.
- (4) A director liable pursuant to subsection (2) is entitled to apply to the court for an order compelling a member or other recipient to pay or deliver to the director any money or property that was paid or distributed to the member or other recipient contrary to section 5-4, 5-7, 9-24, 14-19 or 18-4.
- (5) The court may, in connection with an application pursuant to subsection (4), if the court is satisfied that it is equitable to do so, do any of the following:
- (a) order a member or other recipient to pay or deliver to a director any money or property that was paid or distributed to the member or other recipient contrary to section 5-4, 5-7, 9-24, 14-19 or 18-4;
 - (b) make any further order the court considers appropriate.
- (6) A director is not liable pursuant to subsection (1) if the director proves that the director did not know and could not reasonably have known that the security was issued for a consideration less than the fair equivalent of the money that the corporation would have received if the security had been issued for money.
- (7) For the purpose of applying *The Limitations Act* to a claim pursuant to this section, the day on which the act or omission on which the claim is based takes place is the date of the resolution authorizing the action complained of.

2022, c 25, s.9-18.

Liability of directors for wages

9-19 Directors of a corporation are jointly and severally liable, in accordance with Part II of *The Saskatchewan Employment Act*, to employees of the corporation for all debts payable to each of those employees for services performed for the corporation while those directors are directors.

2022, c 25, s.9-19.

Disclosure of interest

9-20(1) A director or officer of a corporation shall disclose to a corporation, in writing or by requesting to have it entered in the minutes of meetings of directors or of meetings of committees of directors, the nature and extent of any interest that the director or officer has in a material contract or material transaction, whether made or proposed, with the corporation, if the director or officer:

- (a) is a party to the contract or transaction;
 - (b) is a director or officer, or an individual acting in a similar capacity, of a party to the contract or transaction; or
 - (c) has a material interest in a party to the contract or transaction.
- (2) The disclosure required by subsection (1) must be made, in the case of a director:
- (a) at the meeting at which a proposed contract or transaction is first considered;

- (b) if the director was not, at the time of the meeting mentioned in clause (a), interested in a proposed contract or transaction, at the first meeting after the director becomes so interested;
 - (c) if the director becomes interested after a contract or transaction is made, at the first meeting after the director becomes so interested; or
 - (d) if an individual who is interested in a contract later becomes a director, at the first meeting after the individual becomes a director.
- (3) The disclosure required by subsection (1) must be made, in the case of an officer who is not a director:
 - (a) immediately after the officer becomes aware that the contract, transaction, proposed contract or proposed transaction is to be considered or has been considered at a meeting;
 - (b) if the officer becomes interested after a contract or transaction is made, immediately after the officer becomes so interested; or
 - (c) if an individual who is interested in a contract later becomes an officer, immediately after the individual becomes an officer.
- (4) If a material contract or material transaction, whether entered into or proposed, is one that, in the ordinary course of the corporation's activities, would not require approval by the directors or members, a director or officer shall disclose, in writing to the corporation or request to have it entered in the minutes of meetings of directors or of meetings of committees of directors, the nature and extent of the director's or officer's interest immediately after the director or officer becomes aware of the contract or transaction.
- (5) A director required to make a disclosure pursuant to subsection (1) shall not vote on any resolution to approve the contract or transaction unless the contract or transaction:
 - (a) relates primarily to the director's remuneration as a director, officer, employee or agent of the corporation or an affiliate;
 - (b) is for indemnity or insurance pursuant to section 9-24; or
 - (c) is with an affiliate.
- (6) For the purposes of this section, a general notice to the directors declaring that a director or an officer is to be regarded as interested, for any of the following reasons, in a contract or transaction made with a party is sufficient declaration of interest in relation to the contract or transaction:
 - (a) the director or officer is a director or officer, or acting in a similar capacity, of a party mentioned in clause (1)(b) or (c);
 - (b) the director or officer has a material interest in the party;
 - (c) there has been a material change in the nature of the director's or officer's interest in the party.

(7) The members of the corporation may examine the portions of any minutes of meetings of directors or of committees of directors that contain disclosures pursuant to this section, and any other records that contain those disclosures, during the usual business hours of the corporation.

(8) A contract or transaction for which disclosure is required pursuant to subsection (1) is not invalid, and the director or officer is not accountable to the corporation or its members for any profit realized from the contract or transaction, because the director was present or was counted to determine whether a quorum existed at the meeting of directors or committee of directors that considered the contract or transaction, if:

- (a) disclosure of the interest was made in accordance with subsections (1) to (6);
- (b) the directors approved the contract or transaction; and
- (c) the contract or transaction was reasonable and fair to the corporation when it was approved.

(9) If the conditions of subsection (8) are not met, a director or officer, acting honestly and in good faith, is not accountable to the corporation or to its members for any profit realized from a contract or transaction for which disclosure is required pursuant to subsection (1), and the contract or transaction is not invalid by reason only of the interest of the director or officer in the contract or transaction, if:

- (a) the contract or transaction is approved or confirmed by special resolution at a meeting of the members;
- (b) disclosure of the interest was made to the members in a manner sufficient to indicate its nature before the contract or transaction was approved or confirmed; and
- (c) the contract or transaction was reasonable and fair to the corporation when it was approved or confirmed.

(10) If a director or an officer of a corporation fails to comply with this section, the court may, on application of the corporation or any of its members, set aside the contract or transaction on any terms that the court considers appropriate, or require the director or officer to account to the corporation for any profit or gain realized on the contract or transaction, or do both of those things.

2022, c 25, s.9-20.

Officers

9-21(1) Subject to the articles, the bylaws or any unanimous member agreement:

- (a) the directors may:
 - (i) designate the offices of the corporation;
 - (ii) appoint as officers individuals of full capacity;
 - (iii) specify the duties of officers; and
 - (iv) delegate powers to officers to manage the activities and affairs of the corporation, except powers to do anything mentioned in subsection 9-15(2);

- (b) a director or member may be appointed to any office of the corporation; and
 - (c) 2 or more offices of the corporation may be held by the same person.
- (2) The articles or bylaws of a corporation may provide that:
 - (a) an officer of the corporation is, by virtue of the officer's office, a director of the corporation; and
 - (b) a representative of a specific organization is a director of the corporation.
- (3) The number of directors mentioned in subsection (2) is not to exceed one-third of the total number of directors.
- (4) The Registrar may remove an officer from office if the Registrar receives a notice containing the prescribed information, indicating that:
 - (a) the individual did not consent to hold office; or
 - (b) the individual was otherwise wrongfully appointed as an officer.
- (5) An officer who is removed pursuant to subsection (4) is deemed to have not been appointed as an officer.

2022, c 25, s.9-21.

Duty of care of directors and officers

9-22(1) Every director and officer of a corporation in exercising the director's or officer's powers and discharging the director's or officer's duties shall:

- (a) act honestly and in good faith with a view to the best interests of the corporation; and
 - (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
- (2) Every director and officer of a corporation shall comply with this Act, the regulations, articles, bylaws and any unanimous member agreement.
- (3) Subject to subsection 11-15(5), no provision in a contract, the articles, the bylaws or a resolution relieves a director or officer from the duty to act in accordance with this Act or the regulations or relieves the director or officer from liability for a breach of this Act or the regulations.
- (4) An officer or director has complied with the director's or officer's duty set out in subsection (1) if the director or officer relied in good faith on:
 - (a) financial statements of the corporation represented to the director or officer by an officer of the corporation or in a written report of the auditor of the corporation to reflect the financial condition of the corporation fairly;
 - (b) a report or advice of an officer or employee of the corporation, if it is reasonable in the circumstances to rely on the report or advice; or
 - (c) a report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by that person.

2022, c 25, s.9-22.

Dissent

9-23(1) A director who is present at a meeting of directors or committee of directors is deemed to have consented to any resolution passed or action taken at that meeting unless:

- (a) the director requests that a dissent be entered in the minutes of the meeting, or the dissent has been entered in the minutes;
 - (b) the director sends a written dissent to the secretary of the meeting before the meeting is adjourned; or
 - (c) the director sends a dissent by registered mail, courier or any other method authorized by the bylaws or delivers it to the registered office of the corporation immediately after the meeting is adjourned.
- (2) A director who votes for or consents to a resolution is not entitled to dissent pursuant to subsection (1).
- (3) A director who was not present at a meeting at which a resolution was passed or action taken is deemed to have consented to the resolution unless, within 7 days after the director becomes aware of the resolution, the director:
- (a) causes a dissent to be placed with the minutes of the meeting; or
 - (b) sends a dissent by registered mail, courier or any other method authorized by the bylaws or delivers it to the registered office of the corporation.
- (4) A director is not liable pursuant to section 9-18, 9-19 or 9-22, and has complied with the director's duties pursuant to section 9-22, if the director exercised the care, diligence and skill that a reasonably prudent person would have exercised in comparable circumstances, including reliance in good faith on:
- (a) financial statements of the corporation represented to the director by an officer of the corporation or in a written report of the auditor of the corporation to fairly reflect the financial condition of the corporation;
 - (b) a report or advice of an officer or employee of a corporation, if it is reasonable in the circumstances to rely on the report or advice; or
 - (c) a report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by that person.

2022, c 25, s.9-23.

Indemnification and insurance

9-24(1) A corporation may indemnify a director or officer of the corporation, a former director or officer of the corporation, or another individual who acts or acted at the corporation's request as a director or officer of or in a similar capacity for another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, that the individual reasonably incurs with respect to any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the corporation or other entity, if:

- (a) the individual acted honestly and in good faith with a view to the best interests of, as the case may be:
 - (i) the corporation; or

- (ii) the other entity for which, at the corporation's request, the individual acted as a director or officer or in a similar capacity; and
 - (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds to believe that the individual's conduct was lawful.
- (2) A corporation may advance moneys to a director, officer or other individual for the costs, charges and expenses of a proceeding mentioned in subsection (1), but the individual shall repay the moneys to the corporation if the individual does not fulfil the conditions set out in clauses (1)(a) and (b).
- (3) With respect to an action by or on behalf of a corporation or other entity to obtain a judgment in its favour, the corporation or other entity, with the approval of the court, may indemnify an individual mentioned in subsection (1) against all costs, charges and expenses reasonably incurred by the individual in connection with that action, or advance moneys to that individual pursuant to subsection (2) for the costs, charges and expenses reasonably incurred by the individual in connection with that action, if the individual:
 - (a) is made a party to the action because of the individual's association with the corporation or other entity as described in subsection (1); and
 - (b) fulfils the conditions set out in clauses (1)(a) and (b).
- (4) Notwithstanding subsection (1), an individual mentioned in that subsection is entitled to indemnity from the corporation against all costs, charges and expenses reasonably incurred by the individual in connection with the defence of any civil, criminal, administrative, investigative or other proceeding to which the individual is subject because of the individual's association with the corporation or other entity as described in subsection (1), if the individual seeking indemnity:
 - (a) was not judged by the court or other competent authority to have committed any fault or to have omitted to do anything that the individual ought to have done; and
 - (b) fulfils the conditions set out in clauses (1)(a) and (b).
- (5) A corporation may purchase and maintain insurance for the benefit of an individual mentioned in subsection (1) against any liability incurred by the individual in the individual's capacity:
 - (a) as a director or officer of the corporation; or
 - (b) as a director or officer of another entity, or in a similar capacity, if the individual acts or acted in that capacity at the corporation's request.
- (6) A corporation, an individual or an entity mentioned in subsection (1) may apply to the court for an order approving an indemnity pursuant to this section, and the court may so order and make any further order that it considers appropriate.
- (7) On an application pursuant to subsection (6), the court may order notice to be given to any interested person, and that person is entitled to appear and be heard in person or by counsel.

Remuneration of directors and members

9-25(1) Unless the articles of the corporation otherwise provide, a director or officer may receive reasonable remuneration for the director's or officer's services to the corporation and indemnification for the director's or officer's expenses incurred on behalf of the corporation as a director or officer, and a director or member may receive reasonable remuneration and expenses for the director's or member's services to the corporation in any other capacity.

(2) Subject to the articles, the bylaws or any unanimous member agreement, the directors of a corporation may fix the reasonable remuneration of the directors, officers and employees of the corporation.

2022, c 25, s.9-25.

Directors' and officers' liability limited

9-26(1) In this section, "**loss**" means any pecuniary or non-pecuniary loss respecting, arising out of or stemming from any act or omission of:

- (a) the corporation; or
- (b) any director, officer, employee or agent of the corporation in the exercise or supposed exercise of any powers or in the carrying out or supposed carrying out of any duties.

(2) Unless another Act expressly provides otherwise, no director or officer of a corporation is liable in a civil action for any loss suffered by any person.

(3) The limitation of liability mentioned in subsection (2) applies only if the director or officer was acting in good faith at the time of the act or omission giving rise to the loss.

(4) The limitation of liability mentioned in subsection (2) does not apply if:

- (a) the loss was caused by fraudulent or criminal misconduct by the director or officer; or
- (b) the act or omission of the director or officer that caused the loss constituted an offence against this Act, any other Act or any Act of the Parliament of Canada.

(5) This section is to be interpreted as not affecting the liability of the corporation for loss suffered by any person.

(6) Without limiting the generality of subsection (2), if damages are awarded against, or any amount is paid by, a corporation with respect to loss for which the director or officer is not liable pursuant to subsection (2), the corporation has no right of action to recover those damages or that amount against the director or officer.

2022, c 25, s.9-26.

PART 10
Members' Interests

Classes of membership

10-1(1) The articles of a corporation may provide for more than one class of membership and, if they do, they are to include the rights, privileges, restrictions and conditions that constitute the membership interest of a member of each class.

(2) The articles are to provide for at least one class of membership that entitles the members of that class to vote at all meetings of members.

(3) The articles or bylaws of a corporation may authorize indirect voting at any meeting of members and, if the articles or bylaws authorize voting in that manner, the members may vote through a representative of any subdivision of members of the corporation notwithstanding that the members of the subdivision do not constitute a separate class.

2022, c 25, s.10-1.

Memberships and subdivisions

10-2(1) The articles may authorize the issue of any class of membership interests in one or more subdivisions and may authorize the directors to determine the designation, rights, privileges, restrictions and conditions attaching to the membership interests of each subdivision, subject to the limitations set out in the articles.

(2) If any cumulative return on capital payable with respect to a subdivision of membership interests is not paid in full, the membership interests of all subdivisions of the same class participate rateably with respect to accumulated return on capital.

(3) No rights, privileges, restrictions or conditions attached to a subdivision of membership interests authorized pursuant to this section confer on a subdivision a priority respecting a return on capital over any other subdivision of membership interests of the same class that are then outstanding.

(4) Before the issue of membership interests of a subdivision authorized pursuant to this section, the directors shall send to the Registrar articles of amendment containing the prescribed information to designate a subdivision of membership interests.

(5) On receipt of articles of amendment designating a subdivision of membership interests, the Registrar shall issue a certificate of amendment in accordance with section 19-14.

(6) The articles of the corporation are amended accordingly on the date shown in the certificate of amendment.

2022, c 25, s.10-2.

Admission to membership

10-3(1) Subject to subsection (3), the directors may, by resolution, admit any person as a member or honorary member of the corporation.

(2) Unless a resolution mentioned in subsection (1) expressly confers voting rights on an honorary member or on honorary members as a class, an honorary member is not entitled to vote respecting a fundamental change pursuant to subsection 14-4(2), 14-10(3), 14-17(4) or 14-18(6) or a dissolution pursuant to subsection 16-3(2) or 16-4(3).

- (3) The articles or bylaws may provide that a resolution mentioned in subsection (1) is not effective until it has been confirmed by the members in a general meeting.
- (4) A corporation may issue membership cards or certificates as evidence of membership in the corporation, which may be in an electronic format.
- (5) The following shall be stated legibly on a membership card or certificate issued by a corporation that has more than one class of members:
 - (a) the rights, privileges, restrictions and conditions that constitute the membership interest of a member of each class;
 - (b) that the class of membership the membership card or certificate represents has rights, privileges, restrictions or conditions attached to it and that the corporation will provide to a member, on demand and without charge, a full copy of the text of those rights, privileges, restrictions or conditions, which may be in an electronic format.
- (6) A membership card or certificate issued by a body corporate before the body corporate was continued pursuant to this Act is deemed to have been issued in compliance with this Act and with the provisions of the articles of continuance of the body corporate.

2022, c 25, s.10-3.

Transfer of membership interest

10-4 Unless the articles or bylaws of a corporation otherwise provide, a membership interest of a member in the corporation is not transferable.

2022, c 25, s.10-4.

Termination of member's rights

10-5(1) Unless the articles or bylaws of a corporation provide otherwise, a membership interest of a member in the corporation is terminated when:

- (a) the member dies or resigns;
 - (b) the member is expelled or the member's membership is otherwise terminated in accordance with the articles or bylaws of the corporation;
 - (c) the member's term of membership expires; or
 - (d) the corporation is liquidated and dissolved pursuant to Part 16.
- (2) If a membership interest in a corporation is terminated, the termination and the date must be recorded in the register of members maintained pursuant to subsection 4-2(1).
- (3) Unless this Act, the articles or bylaws provide otherwise, the rights and privileges of a member in a corporation, including any rights in the property of the corporation, cease to exist when the member's membership interest in the corporation is terminated.

2022, c 25, s.10-5.

Power to discipline a member

10-6(1) The articles or bylaws may provide that the directors, members or any committee of directors or members of a corporation have power to discipline a member or to terminate the membership interest of a member.

(2) If the articles or bylaws of a corporation provide the power to discipline a member or to terminate the membership interest of a member, the articles or bylaws must set out the circumstances and the manner in which that power may be exercised.

(3) Any disciplinary action or termination of a membership interest must be done in good faith and in a fair and reasonable manner.

(4) For the purposes of subsection (3), a procedure is fair and reasonable if:

(a) a member is given notice with reasons at least 15 days before a disciplinary action or termination of membership interest; and

(b) the member is given an opportunity to be heard, orally, in writing or in another format permitted by the corporation's articles or bylaws, at least 5 days before the disciplinary action or termination of membership interest becomes effective, by the person with authority to impose or revoke the disciplinary action or termination.

(5) A notice required pursuant to this section may be given by any method reasonably intended to give actual notice, including by electronic communication.

2022, c 25, s.10-6.

Application to court

10-7 A member of a corporation who claims to be aggrieved because the member was disciplined or because the member's membership interest in the corporation was terminated may apply to the court pursuant to section 18-4.

2022, c 25, s.10-7.

PART 11

Members

Place of meetings

11-1(1) Meetings of members of a corporation shall be held at the place within Saskatchewan provided in the bylaws or, in the absence of that provision, at the place within Saskatchewan that the directors determine.

(2) Notwithstanding subsection (1), a meeting of members of a corporation may be held outside Saskatchewan if all the members entitled to vote at that meeting so agree, and a member who attends a meeting of members held outside Saskatchewan is deemed to have so agreed except when the member attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully held.

(3) Unless the bylaws otherwise provide, any person entitled to attend a meeting of members may participate in the meeting, in accordance with the regulations, if any, by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, if the corporation makes that communication facility available, and a person participating in a meeting by those means is deemed for the purposes of this Act to be present at the meeting.

(4) Unless the bylaws otherwise provide, if the directors or the members of a corporation call a meeting of members pursuant to this Act, those directors or members, as the case may be, may determine that the meeting is to be held, in accordance with the regulations, if any, entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

(5) Every meeting of members that was held in accordance with section 13.01 or 13.02 of *The Non-profit Corporations Regulations, 1997* before subsections (3) and (4) come into force is deemed to have been held in accordance with subsections (3) and (4).

(6) Notwithstanding subsections (1) and (2), if the articles so provide, meetings of members may be held outside Saskatchewan at one or more places specified in the articles.

2022, c 25, s.11-1.

Calling meetings

11-2(1) The directors of a corporation:

- (a) shall call an annual meeting of members not later than 18 months after the corporation comes into existence and subsequently not later than 15 months after holding the preceding annual meeting; and
- (b) may at any time call a special meeting of members.

(2) Notwithstanding subsection (1) but subject to subsection (3) and section 13-1, the articles of a membership corporation may provide that the directors of a corporation are required to call a meeting of members only in each second or third year following the preceding general meeting.

(3) Notwithstanding subsections (1) and (2), the members of a corporation may requisition the directors to call a meeting of members pursuant to section 11-12.

2022, c 25, s.11-2.

Fixing record date

11-3(1) The directors may fix a date as the record date for any of the following purposes:

- (a) determining members entitled to receive notice of a meeting of members;
- (b) determining members entitled to vote at a meeting of members;
- (c) determining members entitled to participate in a liquidation distribution;
- (d) determining members for any other purpose.

- (2) A record date set pursuant to subsection (1) must not be more than 50 days nor less than 15 days before the day of the event or action to which the record date relates.
- (3) If no record date is fixed:
- (a) the record date for the determination of members entitled to receive notice of a meeting of members is:
 - (i) at the close of business on the day preceding the day on which the notice is given; or
 - (ii) if no notice is given, the day on which the meeting is held;
 - (b) the record date for the determination of members entitled to vote at a meeting of members is the time of taking the vote; and
 - (c) the record date for the determination of members for any purpose other than to establish a member's right to receive notice of a meeting of members or to vote at a meeting of members is at the close of business on the day on which the directors pass the resolution relating to the record date.
- (4) If a record date is fixed, notice of the date must be given in any manner the directors determine is appropriate, including electronic communication, for the purposes of notifying members not less than 7 days before the date fixed.

2022, c 25, s.11-3.

Notice of meeting

- 11-4(1)** Notice of the time and place of a meeting of members shall be sent not more than 50 days nor less than 15 days before the meeting:
- (a) to each member entitled to vote at the meeting;
 - (b) to each director; and
 - (c) to the auditor of the corporation.
- (2) A corporation is in compliance with subsection (1) if it:
- (a) posts the relevant notice and records on a website or an internet file hosting service that can be accessed by the member without a fee payment; and
 - (b) sends a notice informing the member that the records have been posted and explains how to access them.
- (3) The corporation may send the notice mentioned in subsection (2) to the member by electronic communication if:
- (a) the member has consented to being sent that notice or record by electronic communication; or
 - (b) the articles of the corporation provide for the sending of that notice or record by electronic communication.
- (4) If a director or auditor has consented, the notice mentioned in subsection (1) and records may be sent to the director or auditor, as the case may be, in accordance with subsection (2).

- (5) A notice of meeting is not required to be sent to members who were not registered on the records of the corporation or its transfer agent on the record date determined pursuant to subsection 11-3(1) or (3), but failure to receive a notice does not deprive a member of the right to vote at the meeting.
- (6) If a meeting of members is adjourned for less than 30 days, it is not necessary, unless the bylaws otherwise provide, to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned.
- (7) If a meeting of members is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting must be given as for an original meeting.
- (8) All business transacted at a special meeting of members or at an annual meeting of members, other than the following, is deemed to be special business:
 - (a) consideration of financial statements;
 - (b) consideration of an auditor's report;
 - (c) the election of directors;
 - (d) the reappointment of an incumbent auditor;
 - (e) the consideration of bylaws submitted by the directors pursuant to subsection 9-3(2).
- (9) Notice of a meeting of members at which special business is to be transacted must:
 - (a) state the nature of that business in sufficient detail to permit the member to form a reasoned judgment concerning that business; and
 - (b) include the text of any special resolution to be submitted to the meeting.

2022, c 25, s.11-4.

Waiver of notice

11-5 A member and any other person entitled to attend a meeting of members may waive in any manner notice of a meeting of members, and attendance of that person at a meeting of members is a waiver of notice of the meeting, except if the person attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

2022, c 25, s.11-5.

Member proposal

- 11-6(1)** A member entitled to vote at a meeting of members may:
- (a) submit to the corporation notice of any matter that the member proposes to raise at the meeting, referred to in this section as a "proposal"; and
 - (b) discuss at the meeting any matter with respect to which the member would have been entitled to submit a proposal.
- (2) A corporation must include the proposal in the notice of meeting required pursuant to section 11-4.

- (3) If requested by the member, the corporation shall include in the notice of meeting required by section 11-4 or attach to the notice of meeting a statement by the member of not more than 200 words in support of the proposal, and the name and address of the member.
- (4) The member who submitted the proposal shall pay the cost of including the proposal and any statement with the notice of the meeting at which the proposal is to be presented, unless the members present at the meeting provide otherwise by a majority vote.
- (5) A proposal may include nominations for the election of directors if the proposal is signed by not less than 5% of the members of a class of members of the corporation entitled to vote at the meeting at which the proposal is to be presented or any lesser number of members as provided in the bylaws, but this subsection does not preclude nominations made at a meeting of members.
- (6) A corporation is not required to comply with subsections (2) and (3) if:
- (a) the proposal is not submitted to the corporation at least 90 days before the anniversary of the previous annual meeting of members;
 - (b) it clearly appears that the primary purpose of the proposal is to enforce a personal claim or redress a personal grievance against the corporation or its directors, officers, members or security holders;
 - (c) it clearly appears that the proposal does not relate in a significant way to the activities or affairs of the corporation;
 - (d) the corporation, at the member's request, included a proposal in a notice relating to a meeting of members held within 2 years preceding the receipt of the request, and the member failed to present the proposal, in person or by proxy, at the meeting;
 - (e) substantially the same proposal was submitted to members in a notice relating to a meeting of members held within 2 years preceding the receipt of the member's request, and the proposal was defeated; or
 - (f) the rights conferred by this section are being abused to secure publicity.
- (7) No corporation or person acting on its behalf incurs any liability by reason only of circulating a proposal or statement in compliance with this section.
- (8) If a corporation refuses to include a proposal in a notice of a meeting, the corporation shall, within 10 days after receiving the proposal, notify the member submitting the proposal in writing of its intention to omit the proposal from the notice of meeting and of the reasons for the refusal.
- (9) On the application of a member claiming to be aggrieved by a corporation's refusal pursuant to subsection (8), the court may restrain the holding of the meeting to which the proposal is sought to be presented and make any further order it considers appropriate.

(10) The corporation or any person claiming to be aggrieved by a proposal may apply to the court for an order permitting the corporation to omit the proposal from the notice of meeting, and the court, if it is satisfied that subsection (6) applies, may make any order it considers appropriate.

2022, c 25, s.11-6.

List of members

11-7(1) A corporation shall prepare a list of members entitled to receive notice of a meeting, arranged in alphabetical order and showing the number of membership interests held by each member:

- (a) if a record date is fixed pursuant to subsection 11-3(1), not later than 10 days after that date; or
 - (b) if no record date is fixed:
 - (i) at the close of business on the day before the day on which the notice is given; or
 - (ii) if no notice is given, on the day on which the meeting is held.
- (2) Subject to subsection (3), if a corporation fixes a record date pursuant to subsection 11-3(1), a person named in the list prepared pursuant to clause (1)(a) is entitled to vote the membership interest shown opposite the person's name at the meeting to which the list relates.
- (3) If a person named in the list prepared in accordance with clause (1)(a) has transferred the ownership of any membership interest after the record date, the transferee of the membership interest is entitled to vote the transferee's membership interest at the meeting if the transferee:
- (a) produces properly endorsed security certificates; or
 - (b) otherwise establishes that the transferee owns the membership interest and demands, not later than 10 days before the meeting, that the transferee's name be included in the list before the meeting.
- (4) If a corporation does not fix a record date pursuant to subsection 11-3(1), a person named in a list prepared in accordance with clause (1)(b) is entitled to vote the membership interest shown opposite the person's name at the meeting to which the list relates.
- (5) A member may examine the list of members:
- (a) during usual business hours at the registered office of the corporation; and
 - (b) at the meeting of members for which the list was prepared.

2022, c 25, s.11-7.

Quorum

11-8(1) Unless the bylaws otherwise provide, a quorum of members is present at a meeting of members, regardless of the number of persons actually present at the meeting, if the members entitled to cast a majority of the total number of votes at a meeting of members are present in person or represented by proxy.

(2) If a quorum is present at the opening of a meeting of members, the members present may, unless the bylaws otherwise provide, proceed with the business of the meeting, notwithstanding that a quorum is not present throughout the meeting.

(3) If a quorum is not present at the opening of a meeting of members, the members present may adjourn the meeting to a fixed time and place but shall not transact any other business.

(4) If a corporation has only one member, or only one member of any class of members, that member present in person or by proxy constitutes a meeting.

2022, c 25, s.11-8.

Right to vote

11-9(1) Unless the articles otherwise provide, each member of a corporation is entitled to one vote at a meeting of members.

(2) If a body corporate or association is a member of a corporation, the corporation shall recognize any individual authorized by a resolution of the directors or governing body of the body corporate or association to represent it at meetings of members of the corporation.

(3) An individual authorized pursuant to subsection (2) may exercise on behalf of the body corporate or association that the individual represents all the powers the body corporate or association could exercise if it were an individual member.

(4) Unless the bylaws provide otherwise, if 2 or more persons hold a membership interest jointly, one of those holders present at a meeting of members may in the absence of the others vote the membership interest, but if 2 or more of those persons who are present, in person or by proxy, vote, they shall vote as one on the membership interest jointly held by them.

2022, c 25, s.11-9.

Voting

11-10(1) Unless the bylaws provide otherwise, voting at a meeting of members is to be by show of hands except if a ballot is demanded by a member or proxyholder entitled to vote at the meeting.

(2) A member or proxyholder may demand a ballot either before or after any vote by show of hands.

(3) Notwithstanding subsection (1), unless the bylaws otherwise provide, any vote mentioned in that subsection may be held, in accordance with the regulations, if any, entirely by means of a telephonic, electronic or other communication facility, if the corporation makes that communication facility available.

(4) Unless the bylaws otherwise provide, any person participating in a meeting of members pursuant to subsection 11-1(3) or (4) and entitled to vote at that meeting may vote, in accordance with the regulations, if any, by means of a telephonic, electronic or other communication facility that the corporation has made available for that purpose.

(5) Unless a ballot is demanded, an entry in the minutes of a meeting of members to the effect that the chairperson of the meeting declared a motion to be carried or defeated is admissible in evidence as proof, in the absence of evidence to the contrary, of the fact without proof of the number or proportion of the votes recorded in favour of or against the motion.

2022, c 25, s.11-10.

Resolution in lieu of meeting

11-11(1) Except where a written statement is submitted by a director pursuant to subsection 9-10(2) or by an auditor pursuant to subsection 13-13(4):

(a) a resolution in writing signed by all the members entitled to vote on that resolution at a meeting of members is as valid as if it had been passed at a meeting of the members; and

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

(2) A copy of every resolution mentioned in subsection (1) must be kept with the minutes of the meetings of members.

2022, c 25, s.11-11.

Requisition of meeting

11-12(1) The directors shall call a meeting of the members on the receipt of a written requisition specifying the purpose of the meeting from:

(a) in the case of a corporation with 1,000 or more members, the lesser of 5% of the membership and 300 members, but in no case less than 100 members; and

(b) in the case of a corporation with less than 1,000 members, 10% of the membership.

(2) The requisition mentioned in subsection (1), which may consist of several copies of like form each signed by one or more members, is to state the business to be transacted at the meeting and must be sent to each director and to the registered office of the corporation.

(3) On receiving the requisition mentioned in subsection (1), the directors shall immediately call a meeting of members to transact the business stated in the requisition, unless:

(a) a record date has been fixed pursuant to subsection 11-3(1) and notice has been given pursuant to subsection 11-3(4);

- (b) the directors have called a meeting of members and have given notice pursuant to section 11-4; or
 - (c) the business of the meeting as stated in the requisition includes matters described in clauses 11-6(6)(b) to (f).
- (4) If the directors do not call a meeting within 21 days after receiving the requisition mentioned in subsection (1), any member who signed the requisition may call the meeting.
- (5) A meeting called pursuant to this section is to be called as nearly as possible in the manner in which meetings are to be called pursuant to the bylaws, this Part and Part 12.
- (6) Unless the members otherwise resolve at a meeting called pursuant to subsection (4), the corporation shall reimburse the members the expenses reasonably incurred by them in requisitioning, calling and holding the meeting.

2022, c 25, s.11-12.

Meeting called by court

- 11-13(1)** If for any reason it is impracticable to call a meeting of members of a corporation in the manner in which meetings of those members may be called, or to conduct the meeting in the manner set out in the bylaws and this Act, or if for any other reason the court considers appropriate, the court, on the application of a director or member, may order a meeting to be called, held and conducted in any manner that the court directs.
- (2) Without limiting the generality of subsection (1), the court may order that the quorum required by the bylaws or this Act be varied or dispensed with at a meeting called, held and conducted pursuant to this section.
- (3) A meeting called, held and conducted pursuant to this section is for all purposes a meeting of members of the corporation duly called, held and conducted.

2022, c 25, s.11-13.

Court review of election

- 11-14(1)** A corporation or a member or director may apply to the court to determine any controversy respecting an election or the appointment of a director or an auditor of the corporation.
- (2) On an application pursuant to this section, the court may make any order it considers appropriate, including, without limiting the generality of the foregoing:
- (a) an order restraining a director or auditor whose election or appointment is challenged from acting pending determination of the dispute;
 - (b) an order declaring the result of the disputed election or appointment;
 - (c) an order requiring a new election or appointment, and may include in the order directions for the management of the activities and affairs of the corporation until a new election is held or appointment made;
 - (d) an order determining the voting rights of members and of persons claiming to have membership interests.

2022, c 25, s.11-14.

Pooling agreement and unanimous member agreement

11-15(1) A written agreement between 2 or more members may provide that the voting rights attached to the membership interests held by them are to be exercised as provided in the agreement.

(2) An otherwise lawful written agreement among all the members of a corporation, or among all the members and a person who is not a member, that restricts, in whole or in part, the powers of the directors to manage the activities and affairs of the corporation is valid.

(3) If a person who is the beneficial owner of all the issued membership interests of a corporation makes a written declaration that restricts, in whole or in part, the powers of the directors to manage the activities and affairs of the corporation, the declaration is deemed to be a unanimous member agreement.

(4) Subject to subsection 6-4(8), a transferee of a membership interest subject to a unanimous member agreement is deemed to be a party to the agreement.

(5) A member who is a party to a unanimous member agreement has all the rights, powers and duties and incurs all the liabilities of a director of the corporation, whether arising pursuant to this Act or otherwise, to which the agreement relates to the extent that the agreement restricts the powers of the directors to manage the activities and affairs of the corporation, and the directors are relieved of their duties and liabilities, including any liabilities pursuant to section 9-19, to the same extent.

2022, c 25, s.11-15.

PART 12

Proxies

Definitions for Part

12-1 In this Part:

“form of proxy” means a written or printed form that, on completion and execution by or on behalf of a member, becomes a proxy; (« *formulaire de procuration* »)

“proxy” means a completed and executed form of proxy by which a member appoints a proxyholder to attend and act on the member’s behalf at a meeting of members. (« *procuration* »)

2022, c 25, s.12-1.

Appointing proxyholder

12-2(1) Subject to subsections (7) and (8), a member entitled to vote at a meeting of members may by means of a proxy appoint a proxyholder or one or more alternate proxyholders to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by the proxy.

(2) A proxy must be executed by the member or by the member’s personal representative authorized in writing.

- (3) A proxy is valid only at the meeting with respect to which it is given or any adjournment of that meeting.
- (4) A member may revoke a proxy:
 - (a) by depositing an instrument in writing executed by the member or by the member's personal representative authorized in writing:
 - (i) at the registered office of the corporation at any time up to and including the last business day preceding the day of the meeting, or an adjournment of the meeting, at which the proxy is to be used; or
 - (ii) with the chairperson of the meeting on the day of the meeting or an adjournment of the meeting; or
 - (b) in any other manner permitted by law.
- (5) A member or the member's personal representative may sign, by electronic signature, a proxy or a revocation of proxy.
- (6) The directors may specify in a notice calling a meeting of members a time not exceeding 48 hours, excluding Saturdays and holidays, preceding the meeting or an adjournment of the meeting before which time proxies to be used at the meeting must be deposited with the corporation or its agent.
- (7) No member is entitled to appoint a proxyholder unless the articles so provide.
- (8) A proxyholder is required to be a member of the corporation unless the articles provide otherwise.

2022, c 25, s.12-2.

Attendance at meeting

- 12-3(1)** A person who solicits a proxy and is appointed proxyholder shall attend in person or cause an alternate proxyholder to attend the meeting with respect to which the proxy is given and comply with the directions of the member who appointed the person.
- (2) A proxyholder or an alternate proxyholder has the same rights as the member by whom the proxyholder was appointed to speak at a meeting of members with respect to any matter, to vote by way of ballot at the meeting and, except if a proxyholder or an alternate proxyholder has conflicting instructions from more than one member, to vote at the meeting with respect to any matter by way of a show of hands, or any other method authorized pursuant to section 11-10.
- (3) Notwithstanding subsections (1) and (2), if the chairperson of a meeting of members declares to the meeting that, if a ballot is conducted, the total number of votes attached to securities represented at the meeting by proxy required to be voted against what to the knowledge of the chairperson will be the decision of the meeting in relation to any matter or group of matters is less than 5% of all the votes that might be cast at the meeting on the ballot:
 - (a) the chairperson, unless a member or proxy demands a ballot, may conduct the vote respecting that matter or group of matters by a show of hands, or any other method authorized pursuant to section 11-10; and

(b) a proxyholder or an alternate proxyholder may vote respecting that matter or group of matters by a show of hands, or any other method authorized pursuant to section 11-10.

2022, c 25, s.12-3.

Mail ballot

12-4 The articles or bylaws of a corporation may provide that members of the corporation may cast a ballot by mail to decide any issue respecting which the members are entitled to vote and, if the articles or bylaws so provide, the procedures that relate to collecting, counting and reporting the results of any mail ballot are to be set out in the articles or bylaws of the corporation.

2022, c 25, s.12-4.

PART 13 Financial Disclosure

Annual financial statements

13-1(1) Subject to sections 13-7 and 13-8, the directors of a corporation shall place before the members at every annual meeting:

- (a) prescribed financial statements relating to the period that began on the date the corporation came into existence and ending not more than 6 months before the annual meeting or, if the corporation has completed a financial year, the period that began immediately after the end of the last completed financial year and ending not more than 6 months before the annual meeting;
- (b) the report of the auditor, if any;
- (c) the report of the person conducting a review of the financial statements of the corporation pursuant to subsection 13-7(3) or 13-8(2), if any; and
- (d) any further information respecting the financial position of the corporation and the results of its activities required by the articles, the bylaws or any unanimous member agreement.

(2) A corporation, not less than 21 days before each annual meeting or before the signing of a resolution pursuant to clause 11-11(1)(b) in lieu of the annual meeting, shall send a copy of the records mentioned in subsection (1) or a copy of a publication of the corporation that sets out the information required to be set out in the records mentioned in that subsection to each member, except a member who has informed the corporation in writing that the member does not want a copy of those records.

(3) If, pursuant to section 11-2, a corporation is not required to hold an annual meeting, the corporation shall send a copy of the records mentioned in subsection (1) or a copy of a publication of the corporation that sets out the information required to be set out in the records mentioned in that subsection to each member not later than:

- (a) 15 months after the anniversary of the last annual meeting; or
- (b) if the records or publication were last sent in accordance with clause (a), 12 months after the anniversary of the day on which the records or publication were sent in accordance with that clause.

- (4) A corporation is in compliance with subsection (2) or (3) if the corporation:
 - (a) posts the relevant records on a website or an internet file hosting service that can be accessed by each member without a fee payment; and
 - (b) sends a written notice informing each member that the records have been posted and explaining how to access those records.
- (5) The corporation may send a notice mentioned in clause (4)(b) by electronic communication to the member if:
 - (a) the member consents to being sent that notice or those records by electronic communication; or
 - (b) the articles of the corporation provide for the sending of that notice or those records by electronic communication.
- (6) Notwithstanding subsections (2) to (5), a corporation may provide members with notice of the records mentioned in subsection (1) in accordance with the regulations, if any.

2022, c 25, s.13-1.

Consolidated statements

- 13-2(1)** A corporation shall keep at its registered office a copy of the financial statements of each of its subsidiary bodies corporate and of each body corporate whose accounts are consolidated in the financial statements of the corporation.
- (2) If a holding corporation is a membership corporation, members of the corporation and their agents and legal representatives may examine the statements mentioned in subsection (1) on request during the usual business hours of the corporation and may make copies free of charge.
 - (3) If a holding corporation is a charitable corporation, any person may examine the statements mentioned in subsection (1) on request during the usual business hours of the corporation and may make copies free of charge.
 - (4) A corporation may, within 15 days after a request to examine pursuant to subsection (2) or (3), apply to the court for an order barring the right of any person to examine in accordance with either of those subsections, and the court may, if it is satisfied that the examination would be detrimental to the corporation or a subsidiary body corporate, bar that right and make any further order it considers appropriate.

2022, c 25, s.13-2.

Approval of financial statements

- 13-3(1)** The directors of a corporation shall approve the financial statements mentioned in section 13-1 and the approval must be evidenced by the signature of one or more directors.
- (2) A corporation shall not issue, publish or circulate copies of the financial statements mentioned in section 13-1 unless the financial statements are:
 - (a) approved and signed in accordance with subsection (1); and

(b) accompanied by the report of the auditor of the corporation or the report of the person appointed pursuant to section 13-7 or 13-8 to conduct a review of the financial statements of the corporation, if any.

(3) For the purposes of this section, a signature includes an electronic signature as defined in *The Electronic Information and Documents Act, 2000*.

2022, c 25, s.13-3.

Copies to Registrar

13-4(1) Every corporation shall send a copy of the records mentioned in subsection 13-1(1) to the Registrar not more than 30 days after an annual meeting or immediately after the signing of a resolution pursuant to clause 11-11(1)(b) in lieu of an annual meeting.

(2) If a charitable corporation sends to its members or security holders interim financial statements or related records, the corporation shall immediately send copies to the Registrar.

2022, c 25, s.13-4.

Qualifications of auditor or reviewer

13-5(1) Subject to subsection (6), an auditor of a corporation, or a person who is appointed to conduct a review of the financial statements of the corporation pursuant to section 13-7 or 13-8, must be:

(a) a member in good standing of a recognized accounting profession that is regulated by *The Accounting Profession Act*; and

(b) independent of the corporation, any of its affiliates or the directors or officers of the corporation or its affiliates.

(2) For the purposes of this section:

(a) independence is a question of fact; and

(b) a person is deemed not to be independent if the person or the person's business partner:

(i) is a business partner, a director, an officer or an employee of the corporation or any of its affiliates, or a business partner of any director, officer or employee of that corporation or any of its affiliates;

(ii) beneficially owns or controls, directly or indirectly, a material interest in any security of the corporation or any of its affiliates; or

(iii) has been a receiver, receiver-manager, liquidator or trustee in bankruptcy of the corporation or any of its affiliates within 2 years before the person's proposed appointment as auditor of the corporation or as a person to conduct a review of the financial statements of the corporation.

(3) For the purposes of subsection (2), a person's "**business partner**" includes a shareholder or member of that person.

(4) An auditor or a person appointed to conduct a review of the financial statements of the corporation who becomes disqualified pursuant to this section shall, subject to subsection (6), resign immediately after becoming aware of the disqualification.

(5) An interested person may apply to the court for an order declaring an auditor or person appointed to conduct a review of the financial statements of the corporation to be disqualified pursuant to this section and the office of auditor or reviewer to be vacant.

(6) An interested person may apply to the court for an order exempting an auditor or person appointed to conduct a review of the financial statements of the corporation from disqualification pursuant to this section and the court may, if it is satisfied that an exemption would not unfairly prejudice the members, make an exemption order on any terms it considers appropriate, and that order may have retrospective effect.

2022, c 25, s.13-5.

Appointment of auditor

13-6(1) Subject to sections 13-7 and 13-8, members of a corporation, by ordinary resolution, at the first annual meeting of members and at each succeeding annual meeting or meeting mentioned in subsection 11-2(2), shall appoint an auditor to hold office until the close of the next annual meeting.

(2) An auditor appointed pursuant to section 9-4 is eligible for appointment in accordance with subsection (1).

(3) Notwithstanding subsection (1), if an auditor is not appointed at a meeting of members, the incumbent auditor continues in office until the incumbent auditor's successor is appointed.

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

2022, c 25, s.13-6.

Dispensing with auditor - membership corporation

13-7(1) The members of a membership corporation may resolve not to appoint an auditor.

(2) A resolution pursuant to subsection (1) is valid only until the next annual meeting of members.

(3) If the members of a membership corporation pass a resolution pursuant to subsection (1):

(a) they shall appoint a person who meets the requirements in section 13-5 to conduct a review of the financial statements of the corporation; and

(b) a reference to an auditor in sections 13-9, 13-10, 13-11, 13-13, 13-14, 13-15, 13-16, 13-17 and 13-18 includes a reference to a person mentioned in clause (a).

(4) The members of a membership corporation may resolve not to appoint a person to conduct a review of the financial statements of the corporation.

(5) A resolution pursuant to subsection (1) or (4) is not valid unless it is consented to by a majority of not less than two-thirds of the members, including those not otherwise entitled to vote, who vote on the resolution.

(6) Notice of a resolution to be passed pursuant to this section must be sent to all members, including members not otherwise entitled to vote, in accordance with section 11-4.

2022, c 25, s.13-7.

Dispensing with auditor - charitable corporation

13-8(1) Subject to subsection (2), the members of a charitable corporation whose revenues are less than the prescribed amount may resolve not to appoint an auditor.

(2) If the members of a charitable corporation that is described in subsection (1) resolve not to appoint an auditor pursuant to this section:

(a) they shall appoint a person who meets the requirements in section 13-5 to conduct a review of the financial statements of the corporation; and

(b) a reference to an auditor in sections 13-9, 13-10, 13-11, 13-13, 13-14, 13-15, 13-16, 13-17 and 13-18 includes a reference to a person mentioned in clause (a).

(3) Notwithstanding subsections (1) and (2), the members of a charitable corporation whose revenues are less than the prescribed amount may resolve not to appoint an auditor or a person to conduct a review of the financial statements of the corporation.

(4) A resolution pursuant to this section is valid only until the next annual meeting of members.

(5) A resolution pursuant to subsection (1) or (3) is not valid unless it is consented to by not less than 80% of the members, including those not otherwise entitled to vote, who vote on the resolution.

(6) Notice of a resolution to be passed pursuant to this section must be sent to all members, including members not otherwise entitled to vote, in accordance with section 11-4.

2022, c 25, s.13-8.

Ceasing to hold office

13-9(1) An auditor of a corporation ceases to hold office when the auditor:

(a) dies or resigns; or

(b) is removed pursuant to section 13-10.

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

2022, c 25, s.13-9.

Removal of auditor

13-10(1) The members of a corporation may, by ordinary resolution at a special meeting, remove from office the auditor other than an auditor appointed by the court pursuant to section 13-12.

(2) A vacancy created by the removal of an auditor may be filled at the meeting at which the auditor is removed or, if not so filled, may be filled pursuant to section 13-11.

2022, c 25, s.13-10.

Filling vacancy

13-11(1) Subject to subsection (3), the directors shall immediately fill a vacancy in the office of auditor.

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

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

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

2022, c 25, s.13-11.

Court appointed auditor

13-12(1) If a corporation does not have an auditor, the court, on the application of a member, may appoint and fix the remuneration of an auditor who holds office until an auditor is appointed by the members.

(2) Subsection (1) does not apply if the members have resolved pursuant to section 13-7 not to appoint an auditor.

2022, c 25, s.13-12.

Right to attend meeting

13-13(1) The auditor of a corporation is entitled to receive notice of every meeting of members and, at the expense of the corporation, to attend and be heard on matters relating to the auditor's duties as auditor.

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

(3) A director or member who sends a notice mentioned in subsection (2) shall send a copy of the notice to the corporation at the same time.

(4) An auditor is entitled to submit to the corporation a written statement giving the reasons for the auditor's resignation or the reasons why the auditor opposes any proposed action or resolution when the auditor:

- (a) resigns;
- (b) receives a notice or otherwise learns of a meeting of members called for the purpose of removing the auditor from office;
- (c) receives a notice or otherwise learns of a meeting of directors or members at which another person is to be appointed to fill the office of auditor, whether because of the resignation or removal of the incumbent auditor or because the auditor's term of office has expired or is about to expire; or
- (d) receives a notice or otherwise learns of a meeting of members at which a resolution in section 13-7 or 13-8 is to be proposed.

(5) In the case of a proposed replacement of an auditor, whether through removal or at the end of the auditor's term, the following rules apply with respect to other statements:

- (a) the corporation shall make a statement with respect to the reasons for the proposed replacement; and
- (b) the proposed replacement auditor may make a statement in which the proposed replacement auditor comments on the reasons mentioned in clause (a).

(6) The corporation shall immediately send a copy of the statements mentioned in subsections (4) and (5) to:

- (a) every member entitled to receive notice of any meeting mentioned in subsection (1); and
- (b) the Registrar.

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

(8) Notwithstanding subsection (7), a person otherwise qualified may accept appointment or consent to be appointed as auditor of a corporation if, within 15 days after making the request mentioned in that subsection, the person does not receive a reply.

(9) Unless subsection (8) applies, an appointment as auditor of a corporation of a person who has not complied with subsection (7) is void.

Examination

13-14(1) An auditor of a corporation shall make the examination that is, in the auditor's opinion, necessary to enable the auditor to report in the prescribed manner on the financial statements required by this Act to be placed before the members, except those financial statements or parts of those statements that relate to the period mentioned in clause 13-1(1)(a).

(2) Notwithstanding section 13-15, an auditor of a corporation may reasonably rely on the report of an auditor of a body corporate or an unincorporated business whose accounts are included in whole or in part in the financial statements of the corporation.

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

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

2022, c 25, s.13-14.

Right to information

13-15(1) On the demand of an auditor of a corporation, the present or former directors, officers, employees or agents of the corporation shall provide any of the following that are, in the opinion of the auditor, necessary to enable the auditor to make the examination and report required pursuant to section 13-14 and that the directors, officers, employees or agents are reasonably able to provide:

(a) information and explanations;

(b) access to records, documents, books, accounts and vouchers of the corporation or any of its subsidiaries.

(2) On the demand of the auditor of a corporation, the directors of the corporation shall:

(a) obtain from the present or former directors, officers, employees and agents of any subsidiary of the corporation the information and explanations that the present or former directors, officers, employees and agents are reasonably able to provide and that are, in the opinion of the auditor, necessary to enable the auditor to make the examination and report required pursuant to section 13-14; and

(b) provide the obtained information and explanations so obtained to the auditor.

(3) A person who makes an oral or written communication in good faith in accordance with subsection (1) or (2) is not liable in any civil proceeding arising from having made the communication.

2022, c 25, s.13-15.

Audit committee

13-16(1) A charitable corporation that solicits money or property from the public shall, and any other corporation may, have an audit committee composed of not less than 3 directors of the corporation, a majority of whom are not officers or employees of the corporation or any of its affiliates.

(2) An audit committee shall review the financial statements of the corporation before the financial statements are approved pursuant to section 13-3.

(3) The auditor of a corporation:

- (a) is entitled to receive notice of every meeting of the audit committee;
- (b) at the expense of the corporation, is entitled to attend and be heard at a meeting mentioned in clause (a); and
- (c) if so requested by a member of the audit committee, shall attend every meeting of the committee held during the term of office of the auditor.

(4) The auditor of a corporation or a member of the audit committee may call a meeting of the committee.

2022, c 25, s.13-16.

Notice of errors

13-17(1) A director or an officer of a corporation shall immediately notify the audit committee and the auditor of any error or misstatement of which the director or officer becomes aware in a financial statement on which the auditor or a former auditor has reported.

(2) If the auditor or former auditor of a corporation is notified or becomes aware of an error or misstatement in a financial statement on which the auditor has reported, and if in the auditor's opinion the error or misstatement is material, the auditor shall inform each director accordingly.

(3) When, pursuant to subsection (2), the auditor or former auditor informs the directors of an error or misstatement in a financial statement, the corporation shall:

- (a) prepare and issue revised financial statements; or
- (b) otherwise inform the members and, if the corporation is a charitable corporation, it shall inform the Registrar of the error or misstatement in the same manner as it informs the members.

2022, c 25, s.13-17.

Qualified privilege, defamation

13-18 An auditor is not liable to any person in an action for defamation based on any act done or not done or any statement made by the auditor in good faith in connection with any matter the auditor is authorized or required to do pursuant to this Act.

2022, c 25, s.13-18.

PART 14
Annual Return and Fundamental Changes

Annual return

14-1 Every corporation, on the prescribed date, shall send to the Registrar an annual return in the prescribed form.

2022, c 25, s.14-1.

Amendment of articles

14-2(1) Subject to subsection (2) and sections 14-4 and 14-5, the articles of a corporation may, by special resolution, be amended to:

- (a) change its name;
 - (b) add, change or remove any restriction on:
 - (i) the activities that the corporation may carry on; or
 - (ii) the powers that the corporation may exercise;
 - (c) change any maximum number of membership interests that the corporation is authorized to issue;
 - (d) create new classes of membership interests;
 - (e) change the designation of all or any of its membership interests and add, change or remove any rights, privileges, restrictions and conditions attached to all or any of its membership interests;
 - (f) divide any class of members into 2 or more classes or subdivisions and fix the rights and conditions of each class or subdivision;
 - (g) subject to sections 9-7 and 9-12, increase or decrease the number of directors or the minimum or maximum number of directors;
 - (h) add, change or remove restrictions on the transfer of membership interests;
 - (i) subject to clause 2-3(1)(i) and subsections 16-19(1) and (2), add, change or remove any provision relating to the disposal of the property of the corporation in the course of liquidation or dissolution; or
 - (j) add, change or remove any other provision that is permitted by this Act to be set out in the articles.
- (2) A charitable corporation may amend its articles only in a way consistent with its continuing to be a charitable corporation.
- (3) Notwithstanding subsection (2), a charitable corporation may amend its articles to become a membership corporation if it:
- (a) is not a corporation described in subsection 1-2(10); and
 - (b) is a charitable corporation by reason only of the fact that its incorporators designated it as a charitable corporation in the articles of incorporation or articles of continuance sent to the Registrar pursuant to section 2-4, 14-15 or 14-16, as the case may be.

(4) The directors of a corporation may, if authorized by the members in the special resolution effecting an amendment pursuant to this section, revoke the resolution before it is acted on without further approval of the members.

(5) Notwithstanding subsection (1), if a corporation has a designating number as a name, the directors may amend its articles to change that name to a name other than a designating number.

2022, c 25, s.14-2.

Proposal to amend

14-3(1) Subject to subsection (2), a director or a member who is entitled to vote at an annual meeting of members or a meeting mentioned in subsection 11-2(2) may make a proposal to amend the articles, and section 11-6 applies with any necessary modification.

(2) Notice of a meeting of members at which a proposal to amend the articles is to be considered must set out the proposed amendment and, if the corporation is a membership corporation and if a member is entitled to dissent pursuant to section 14-19, is to state that a member is entitled to be paid the fair value of the member's membership interest in accordance with that section, but failure to make that statement does not invalidate an amendment.

2022, c 25, s.14-3.

Class vote

14-4(1) Unless, in the case of an amendment mentioned in clause (a), (b) or (e), the articles otherwise provide, members of a class are entitled to vote separately as a class on a proposal to amend the articles to:

(a) increase or decrease any maximum number of authorized membership interests of the class;

(b) effect an exchange, reclassification or cancellation of all or part of the membership interests of the class;

(c) add, change or remove the rights, privileges, restrictions or conditions attached to the membership interests of the class, including:

(i) to reduce or remove a liquidation preference; or

(ii) to add, remove or change prejudicially voting or transfer rights of the class;

(d) increase the rights or privileges of any class of membership interests having rights or privileges equal or superior to the membership interests of the class;

(e) create a new class of membership interests equal or superior to the membership interests of the class;

(f) make any class of membership interests having rights or privileges inferior to the membership interests of that class equal or superior to the membership interests of the class; or

(g) effect an exchange or create a right of exchange of all or part of the membership interests of another class into the membership interests of the class.

(2) Subsection (1) applies whether or not a membership interest of a class otherwise carries the right to vote.

(3) A proposed amendment to the articles mentioned in subsection (1) is adopted when the members of each class entitled to vote separately as a class have approved the amendment by a special resolution.

2022, c 25, s.14-4.

Delivery of articles

14-5 Subject to any revocation pursuant to subsection 14-2(4), after an amendment has been adopted pursuant to section 14-2 or 14-4, articles of amendment containing the prescribed information must be sent to the Registrar.

2022, c 25, s.14-5.

Certificate of amendment

14-6 On receipt of articles of amendment, the Registrar shall issue a certificate of amendment in accordance with section 19-14.

2022, c 25, s.14-6.

Effect of certificate

14-7(1) An amendment becomes effective on the day shown in the certificate of amendment and the articles are amended accordingly.

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

2022, c 25, s.14-7.

Amalgamation

14-8(1) Two or more corporations, including holding and subsidiary corporations, may amalgamate as one corporation.

(2) If one of the amalgamating corporations is a charitable corporation, the amalgamated corporation is a charitable corporation.

2022, c 25, s.14-8.

Amalgamation agreement

14-9(1) Each corporation proposing to amalgamate shall enter into an agreement setting out the terms and means of effecting the amalgamation and, in particular, setting out:

(a) the provisions that are required to be included in articles of incorporation pursuant to section 2-3;

(b) the name and address of each proposed director of the amalgamated corporation;

- (c) the manner in which the membership interests of each amalgamating corporation are to be converted into membership interests of the amalgamated corporation;
 - (d) if any membership interests of an amalgamating membership corporation are not to be converted into membership interests of the amalgamated corporation and if a member is entitled to dissent pursuant to section 14-19, that the members are to be paid the fair value of each membership interest in accordance with that section;
 - (e) whether the bylaws of the amalgamated corporation are to be those of one of the amalgamating corporations and, if not, a copy of the proposed bylaws; and
 - (f) details of any arrangements necessary to perfect the amalgamation and to provide for the subsequent management and operation of the amalgamated corporation.
- (2) If a membership interest of one of the amalgamating corporations is held by another of the amalgamating corporations, that membership interest is extinguished when the amalgamation becomes effective, and no provision is to be made in the agreement for the conversion of the membership interest into a membership interest of the amalgamated corporation.

2022, c 25, s.14-9.

Members' approval

- 14-10(1)** The directors of each amalgamating corporation shall submit the amalgamation agreement for approval to a meeting of each class of members of the amalgamating corporation of which they are directors.
- (2) Subject to subsection (4), a notice of a meeting of members that complies with section 11-4 must be sent to each member of each amalgamating corporation, and must:
- (a) include or be accompanied by a copy or summary of the amalgamation agreement; and
 - (b) if one or more of the corporations is a membership corporation and if a member is entitled to dissent pursuant to section 14-19, state that a dissenting member of a membership corporation is entitled to be paid the fair value of the member's membership interest in accordance with that section, but failure to make that statement does not invalidate an amalgamation.
- (3) Each membership interest of an amalgamating corporation carries the right to vote with respect to an amalgamation, whether or not it otherwise carries the right to vote.
- (4) The members of a class of an amalgamating corporation are entitled to vote separately as a class respecting an amalgamation if the amalgamation agreement contains a provision that, if contained in a proposed amendment to the articles, would entitle those members to vote as a class pursuant to section 14-4.
- (5) Subject to subsection (6), an amalgamation agreement is adopted when the members of each amalgamating corporation have approved of the amalgamation by special resolutions of each class of members entitled to vote on that resolution.

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

2022, c 25, s.14-10.

Vertical and horizontal short-form amalgamation

14-11(1) A holding corporation and one or more of its wholly owned subsidiary corporations may amalgamate as one corporation without complying with sections 14-9 and 14-10 if:

- (a) the amalgamation is approved by a resolution of the directors of each amalgamating corporation; and
- (b) the resolutions provide that:
 - (i) the membership interests of each amalgamating subsidiary corporation are to be cancelled without any repayment of capital with respect to those membership interests; and
 - (ii) except as may be prescribed, the articles of amalgamation are to be the same as the articles of incorporation of the amalgamating holding corporation.

(2) Two or more wholly owned subsidiary corporations of the same holding corporation may amalgamate as one corporation without complying with sections 14-9 and 14-10 if:

- (a) the amalgamation is approved by a resolution of the directors of each amalgamating corporation; and
- (b) the resolutions provide that:
 - (i) the membership interests of all but one of the amalgamating subsidiary corporations are to be cancelled without any repayment of capital with respect to those membership interests; and
 - (ii) except as may be prescribed, the articles of amalgamation are to be the same as the articles of incorporation of the amalgamating subsidiary corporation whose membership interests are not cancelled.

2022, c 25, s.14-11.

Sending of articles

14-12(1) Subject to subsection 14-10(6), after an amalgamation agreement has been adopted pursuant to section 14-10 or approved pursuant to section 14-11, articles of amalgamation containing the prescribed information, including the information required by sections 4-1 and 9-6, must be sent to the Registrar.

(2) The articles of amalgamation must include an attached statutory declaration of a director or an officer of each amalgamating corporation that establishes to the satisfaction of the Registrar that:

- (a) there are reasonable grounds to believe that:
 - (i) each amalgamating corporation is able to pay its liabilities as they become due and that the amalgamated corporation will be able to do so; and
 - (ii) the realizable value of the amalgamated corporation's assets will not be less than the aggregate of its liabilities; and
- (b) there are reasonable grounds to believe that:
 - (i) no creditor will be prejudiced by the amalgamation; or
 - (ii) adequate notice has been given to all known creditors of the amalgamating corporations and no creditor objects to the amalgamation otherwise than on grounds that are frivolous or vexatious.
- (3) For the purposes of subsection (2), adequate notice is given if:
 - (a) a notice in writing is sent to each known creditor having a claim against the corporation that exceeds the prescribed amount;
 - (b) a notice is published in the prescribed manner; and
 - (c) each notice states that the corporation intends to amalgamate with one or more specified corporations in accordance with this Act and that a creditor of the corporation may object to the amalgamation within 30 days after the day of the notice.
- (4) On receipt of articles of amalgamation and the other documents required by subsections (1) and (2), the Registrar shall issue a certificate of amalgamation in accordance with section 19-14.

2022, c 25, s.14-12.

Effect of certificate

14-13 On the date shown in a certificate of amalgamation:

- (a) the amalgamation of the amalgamating corporations as one corporation become effective;
- (b) the property of each amalgamating corporation continues to be the property of the amalgamated corporation;
- (c) the amalgamated corporation continues to be liable for the obligations of each amalgamating corporation;
- (d) an existing cause of action, claim or liability to prosecution is unaffected;
- (e) a civil, criminal or administrative action or proceeding pending by or against an amalgamating corporation may continue to be prosecuted by or against the amalgamated corporation;

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

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

2022, c 25, s.14-13.

Amalgamation name

14-14(1) If 2 or more corporations amalgamate, the amalgamated corporation may have:

- (a) the name of one of the amalgamating corporations;
- (b) a distinctive combination, that is not confusing, of the names of the amalgamating corporations; or
- (c) a distinctive new name that is not confusing.

(2) Clauses (1)(b) and (c) do not apply to an amalgamation mentioned in subsection 14-11(1).

2022, c 25, s.14-14.

Continuance of an extraprovincial corporation as a Saskatchewan corporation

14-15(1) An extraprovincial corporation may, if so authorized by the laws of the jurisdiction where it is incorporated, apply to the Registrar for a certificate of continuance.

(2) An extraprovincial corporation that applies for a certificate of continuance pursuant to subsection (1) may, without so stating in its articles of continuance, effect by those articles any change or amendment to its articles, if:

- (a) the change or amendment is a change or amendment a corporation incorporated pursuant to this Act may make to its articles; and
- (b) in the case of a change or amendment mentioned in section 14-4, the change or amendment is approved in accordance with that section.

(3) Articles of continuance containing the prescribed information, including the information required by sections 4-1 and 9-6, must be sent to the Registrar.

(4) On receipt of articles of continuance described in subsection (3), the Registrar may issue a certificate of continuance in accordance with section 19-14.

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

- (a) the extraprovincial corporation becomes a corporation to which this Act applies as if it had been incorporated pursuant to this Act;
- (b) the articles of continuance are deemed to be the articles of incorporation of the continued corporation;
- (c) the certificate of continuance is deemed to be the certificate of incorporation of the continued corporation; and
- (d) the articles of the extraprovincial corporation in effect before the day shown in the certificate no longer apply.

(6) If the articles of continuance effect a change or amendment of a kind mentioned in subsection 14-2(1), a member or a former shareholder who is dissatisfied with the change or amendment may, within 2 years after the date shown in the certificate of continuance, apply to the court for an order pursuant to section 18-4 but is not entitled at any time to dissent pursuant to section 14-19 with respect to that change or amendment.

(7) When an extraprovincial corporation is continued as a corporation pursuant to this Act:

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

(8) Subject to subsection 6-4(8):

- (a) a membership interest of an extraprovincial corporation issued before the extraprovincial corporation was continued pursuant to this Act is deemed to have been issued in compliance with this Act and with the provisions of the articles of continuance regardless of whether the membership interest is fully paid and regardless of any designation, rights, privileges, restrictions or conditions set out on or referred to in the certificate representing the membership interest; and
- (b) continuance pursuant to this section does not deprive a holder of any right or privilege that the holder claims under, or relieve the holder of any liability respecting, an issued membership interest.

2022, c 25, s.14-15.

Continuance of a Saskatchewan body corporate as a corporation

14-16(1) A body corporate other than an extraprovincial corporation may apply to the Registrar for a certificate of continuance if the body corporate, by special resolution:

- (a) authorizes the directors to apply for a certificate of continuance; and
- (b) approves the articles of continuance that are to be sent to the Registrar.

(2) A body corporate that applies for a certificate of continuance pursuant to subsection (1), without so stating in its articles of continuance, may effect by those articles any change or amendment to its articles, if:

- (a) the change or amendment is a change or amendment a corporation incorporated pursuant to this Act may make to its articles; and
- (b) in the case of a change or amendment mentioned in section 14-4, the change or amendment is approved in accordance with that section.

- (3) Articles of continuance containing the prescribed information, including the information required by sections 4-1 and 9-6, must be sent to the Registrar.
- (4) On receipt of articles of continuance described in subsection (3), the Registrar may issue a certificate of continuance in accordance with section 19-14.
- (5) On the date shown in the certificate of continuance:
 - (a) the body corporate becomes a corporation to which this Act applies as if it had been incorporated pursuant to this Act;
 - (b) the articles of continuance are deemed to be the articles of incorporation of the continued corporation;
 - (c) the certificate of continuance is deemed to be the certificate of incorporation of the continued corporation;
 - (d) in the case of a body corporate mentioned in subsection (9), the name of the body corporate must be removed from the Corporate Registry pursuant to *The Business Corporations Act, 2021*;
 - (e) subject to clause (f), the articles of the body corporate in effect before the day shown in the certificate no longer apply; and
 - (f) in the case of a corporation incorporated by an Act, the provisions of that Act, subject to subsection (11), no longer apply.
- (6) If the articles of continuance effect a change or amendment of a kind mentioned in subsection 14-2(1), a member or a former shareholder who is dissatisfied with the change or amendment may, within 2 years after the date shown in the certificate of continuance, apply to the court for an order pursuant to section 18-4 but is not entitled at any time to dissent pursuant to section 14-19 with respect to that change or amendment.
- (7) When a body corporate is continued as a corporation pursuant to this Act:
 - (a) the property of the body corporate continues to be the property of the corporation;
 - (b) the corporation continues to be liable for the obligations of the body corporate;
 - (c) an existing cause of action, claim or liability to prosecution is unaffected;
 - (d) a civil, criminal or administrative action or proceeding pending by or against the body corporate may be continued to be prosecuted by or against the corporation; and
 - (e) a conviction against, or a ruling, order or judgment in favour of or against, the body corporate may be enforced by or against the corporation.
- (8) Subject to subsection 6-4(8):
 - (a) a membership interest of a body corporate issued before the body corporate was continued pursuant to this Act is deemed to have been issued in compliance with this Act and with the provisions of the articles of continuance regardless of whether the membership interest is fully paid and regardless of any designation, rights, privileges, restrictions or conditions set out on or referred to in the certificate representing the membership interest; and

- (b) continuance pursuant to this section does not deprive a holder of any right or privilege that the holder claims under, or relieve the holder of any liability respecting, an issued membership interest.
- (9) If a body corporate mentioned in subsection (1) is a body corporate with share capital, the articles of continuance to be sent to the Registrar must be accompanied by a special resolution containing the formula, terms and conditions on which:
 - (a) the body corporate is converted from a body corporate with shares to a body corporate without shares; and
 - (b) the shareholders cease to be shareholders of the body corporate and become members of the corporation.
- (10) The Lieutenant Governor in Council, by order or regulation, may permit a body corporate incorporated by or pursuant to an Act to apply pursuant to this section for a certificate of continuance but no permission is required by a body corporate incorporated pursuant to *The Business Corporations Act, 2021* or any other prescribed Act.
- (11) An order of the Lieutenant Governor in Council pursuant to subsection (10) may contain any terms, conditions and restrictions that are considered appropriate.

2022, c 25, s.14-16.

Continuance of Saskatchewan corporation in another jurisdiction

- 14-17(1)** Subject to subsection (10), a corporation may apply to the appropriate official or public body of another jurisdiction requesting that the corporation be continued as if it had been incorporated pursuant to the laws of that other jurisdiction if the corporation:
- (a) is authorized by the members in accordance with this section to make the application; and
 - (b) establishes to the satisfaction of the Registrar that its proposed continuance in the other jurisdiction will not adversely affect creditors or members of the corporation or, if the corporation is a charitable corporation, the public interest.
- (2) The approval of the Registrar to a continuance in another jurisdiction expires 6 months after the date of the approval unless, within the 6-month period, the corporation is continued pursuant to the laws of the other jurisdiction.
 - (3) A notice of a meeting of members that complies with section 11-4 must be sent in accordance with that section to each member and, if the corporation is a membership corporation and if a member is entitled to dissent pursuant to section 14-19, must state that a dissenting member is entitled to be paid the fair value of the member's membership interest in accordance with that section, but failure to make that statement does not invalidate a discontinuance pursuant to this Act.
 - (4) Each membership interest of the corporation carries the right to vote with respect to a continuance, whether or not it otherwise carries the right to vote.
 - (5) An application for continuance becomes authorized when the members voting on the application have approved of the continuance by a special resolution.

- (6) The directors of a corporation may, if authorized by the members at the time of approving an application for continuance in accordance with this section, abandon the application without further approval of the members.
- (7) On receipt of notice satisfactory to the Registrar by the corporation that the corporation has been continued pursuant to the laws of another jurisdiction, the Registrar shall file the notice and issue a certificate of discontinuance in accordance with section 19-14.
- (8) For the purposes of section 19-14, a notice mentioned in subsection (7) is deemed to be articles that are required to be sent to the Registrar.
- (9) On the date shown in the certificate of continuance:
- (a) the corporation becomes an extraprovincial corporation as if it had been incorporated pursuant to the laws of the other jurisdiction; and
 - (b) this Act, other than the portions of this Act respecting extraprovincial corporations, ceases to apply to the corporation.
- (10) A corporation must not be continued as a body corporate pursuant to the laws of another jurisdiction unless those laws provide in effect that:
- (a) the property of the corporation continues to be the property of the body corporate;
 - (b) the body corporate continues to be liable for the obligations of the corporation;
 - (c) an existing cause of action, claim or liability to prosecution is unaffected;
 - (d) a civil, criminal or administrative action or proceeding pending by or against the corporation may be continued to be prosecuted by or against the body corporate; and
 - (e) a conviction against, or a ruling, order or judgment in favour of or against, the corporation may be enforced by or against the body corporate.
- (11) A charitable corporation may only be continued as a body corporate pursuant to the laws of Canada or of a province.

2022, c 25, s.14-17.

Borrowing powers

14-18(1) Unless the articles or bylaws of, or a unanimous member agreement relating to, a corporation otherwise provide, the articles of a corporation are deemed to state that the directors of a corporation may, without authorization of the members:

- (a) borrow money on the credit of the corporation;
- (b) issue, reissue, sell, pledge or hypothecate debt obligations of the corporation;
- (c) subject to section 5-4, give a guarantee on behalf of the corporation to secure performance of an obligation of any person; and

- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the corporation, owned or subsequently acquired, to secure any obligation of the corporation.
- (2) Notwithstanding subsection 9-15(2) and clause 9-21(1)(a), unless the articles or bylaws of or a unanimous member agreement relating to a corporation otherwise provide, the directors, by resolution, may delegate the powers mentioned in subsection (1) to a director, a committee of directors or an officer.
- (3) A sale, lease or exchange of all or substantially all the property of a corporation, other than in the ordinary course of carrying on the activities of the corporation, requires the approval of the members in accordance with subsections (4) to (8).
- (4) A notice of a meeting of members that complies with section 11-4 must be sent in accordance with that section to each member and shall:
 - (a) include or be accompanied by a copy or summary of the agreement of sale, lease or exchange; and
 - (b) if the corporation is a membership corporation and if a member is entitled to dissent pursuant to section 14-19, state that a dissenting member is entitled to be paid the fair value of the dissenting member's membership interest in accordance with that section, but failure to make that statement does not invalidate a sale, lease or exchange mentioned in subsection (3).
- (5) At the meeting mentioned in subsection (4), the members may authorize the sale, lease or exchange and may fix or authorize the directors to fix any of the terms and conditions of the sale, lease or exchange.
- (6) Each membership interest of the corporation carries the right to vote respecting a sale, lease or exchange mentioned in subsection (3), whether or not it otherwise carries the right to vote.
- (7) The members of a class of members of the corporation are entitled to vote separately as a class respecting a sale, lease or exchange mentioned in subsection (3) only if that class is affected by the sale, lease or exchange in a manner different from another class.
- (8) A sale, lease or exchange mentioned in subsection (3) is adopted when the members of each class of members entitled to vote on that matter have approved of the sale, lease or exchange by a special resolution.
- (9) The directors of a corporation may, if authorized by the members approving a proposed sale, lease or exchange, and subject to the rights of third parties, abandon the sale, lease or exchange without further approval of the members.

Right to dissent

14-19(1) Subject to sections 14-24 and 18-4, a member of any class of members of a membership corporation who is entitled pursuant to subsection 16-19(3) or (4) to receive a share of any remaining property of the corporation on its liquidation and dissolution may dissent if the corporation is subject to an order pursuant to clause 14-25(4)(c) that affects the member or if the corporation resolves to:

- (a) amend its articles pursuant to section 14-2 to allow for the transferability of membership interests of that class, or add, change or remove restrictions on the transferability of membership interests of that class;
 - (b) amend its articles pursuant to section 14-2 to add, change or remove any provisions restricting the activities that the corporation may carry on;
 - (c) amalgamate with another corporation, otherwise than pursuant to section 14-11;
 - (d) be continued pursuant to the laws of another jurisdiction pursuant to section 14-17; or
 - (e) sell, lease or exchange all or substantially all its property pursuant to subsection 14-18(3).
- (2) A member of any class of members of a membership corporation who is entitled pursuant to subsection 16-19(3) or (4) to receive a share of any remaining property of the corporation on its liquidation or dissolution may dissent from an amendment to the articles effecting any change mentioned in subsection 14-4(1).
- (3) In addition to any other right the member may have, but subject to subsection 14-23(3), a member who complies with this section and sections 14-20 to 14-23 is entitled, when the action approved by the resolution from which the member dissents or an order made pursuant to subsection 14-25(4) becomes effective, to be paid by the corporation the fair value of the membership interest held by the member with respect to which the member dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.
- (4) A dissenting member may only claim pursuant to this section and sections 14-20 to 14-23 with respect to all the membership interests of a class held by the member on behalf of any one beneficial owner and registered in the name of the dissenting member.

2022, c 25, s.14-19.

Objection

- 14-20(1)** A dissenting member shall send to the corporation, at or before any meeting of members at which a resolution mentioned in subsection 14-19(1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the member of the purpose of the meeting and of the member's right to dissent.
- (2) The corporation shall, within 10 days after the members adopt the resolution, send to each member who has filed the objection mentioned in subsection (1) notice that the resolution has been adopted, but that notice is not required to be sent to any member who voted for the resolution or who has withdrawn the member's objection.
- (3) A notice sent pursuant to subsection (2) must set out the rights of the dissenting member and the procedures to be followed to exercise those rights.

(4) A dissenting member, within 20 days after the member receives a notice pursuant to subsection (2) or, if the member does not receive the notice, within 20 days after the member learns that the resolution has been adopted, shall send to the corporation a written notice containing:

- (a) the member's name and address;
- (b) the number and class of membership interests with respect to which the member dissents; and
- (c) a demand for payment of the fair value of the member's membership interest.

(5) Within 30 days after sending a notice pursuant to subsection (4), a dissenting member shall send the member's membership card or certificate to the corporation or its transfer agent.

(6) A dissenting member who fails to comply with subsections (1), (4) and (5) has no right to make a claim pursuant to section 14-19, this section or sections 14-21 to 14-23.

2022, c 25, s.14-20.

Endorsing certificate

14-21(1) A corporation shall endorse on any transferable membership card or certificate received pursuant to subsection 14-20(5) a notice that the holder is a dissenting member pursuant to section 14-19 and shall immediately return the card or certificate to the dissenting member.

(2) On sending a notice in accordance with subsection 14-20(4), a dissenting member ceases to have any rights as a member other than the right to be paid the fair value of the member's membership interest as determined pursuant to this section, except if:

- (a) the dissenting member withdraws the dissenting member's notice before the corporation makes an offer pursuant to subsection (5);
- (b) the corporation fails to make an offer in accordance with subsection (5) and the dissenting member withdraws the dissenting member's notice; or
- (c) the directors revoke a resolution to amend the articles pursuant to subsection 14-2(4), terminate an amalgamation agreement pursuant to subsection 14-10(6) or abandon an application for continuance pursuant to subsection 14-17(6), or abandon a sale, lease or exchange pursuant to subsection 14-18(9).

(3) In any of the circumstances set out in clauses (2)(a) to (c), the dissenting member's rights as a member are reinstated as of the date the notice mentioned in subsection 14-20(4) was sent.

(4) A dissenting member whose rights are reinstated pursuant to subsection (3) is entitled, on presentation and surrender to the corporation of any membership card or certificate that has been endorsed in accordance with subsection (1), to be issued, without payment of any fee, a new card or certificate representing the same number and class of membership interests as the card or certificate so surrendered.

(5) A corporation, not later than the later of 7 days after the day on which the action approved by the resolution is effective or the day the corporation receives the notice mentioned in subsection 14-20(4), shall send to each dissenting member who has sent the notice:

(a) a written offer to pay for the dissenting member's membership interest in an amount considered by the directors of the corporation to be the fair value of the interest, accompanied by a statement showing how the fair value was determined; or

(b) if subsection 14-23(3) applies, a notification that it is unable lawfully to pay dissenting members for their membership interests.

(6) Every offer made pursuant to subsection (5) for membership interests of the same class is to be on the same terms.

(7) Subject to subsection 14-23(3), a corporation shall pay for the membership interest of a dissenting member within 10 days after an offer made pursuant to subsection (5) has been accepted, but any offer lapses if the corporation does not receive an acceptance within 30 days after the offer has been made.

2022, c 25, s.14-21.

Corporation application to court

14-22(1) If a corporation fails to make an offer pursuant to subsection 14-21(5), or if a dissenting member fails to accept an offer, the corporation may, within 50 days after the action approved by the resolution is effective or within any further period that a court may allow, apply to a court to fix a fair value for the membership interest of any dissenting member.

(2) If a corporation fails to apply to a court pursuant to subsection (1), a dissenting member may apply to a court for the same purpose within a further period of 20 days or within any further period that the court may allow.

(3) An application pursuant to subsection (1) or (2) must be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting member resides, if the corporation carries on its activities in that province.

(4) A dissenting member is not required to give security for costs in an application made pursuant to subsection (1) or (2).

(5) On an application to a court pursuant to subsection (1) or (2):

(a) all dissenting members whose membership interests have not been purchased by the corporation are to be joined as parties and are bound by the decision of the court; and

(b) the corporation shall notify each affected dissenting member of the date, place and consequences of the application and of the dissenting member's right to appear and be heard in person or by counsel.

(6) On an application to a court pursuant to subsection (1) or (2), the court may determine whether any other person is a dissenting member who should be joined as a party, and the court shall then fix a fair value for the membership interests of all dissenting members.

- (7) A court may, in its discretion, appoint one or more appraisers to assist the court to fix a fair value for the membership interests of the dissenting members.
- (8) The final order of the court is to be rendered against the corporation in favour of each dissenting member and for the amount of the dissenting member's membership interest as fixed by the court.
- (9) In accordance with *The Pre-judgment Interest Act*, a court may in its discretion allow interest on the amount payable to each dissenting member from the date the action approved by the resolution is effective until the date of payment.

2022, c 25, s.14-22.

Notice that subsection (3) applies

- 14-23(1)** If subsection (3) applies, the corporation shall, within 10 days after the issue of an order pursuant to subsection 14-22(8), notify each dissenting member that it is unable lawfully to pay dissenting members for their membership interests.
- (2) If subsection (3) applies, a dissenting member, by written notice delivered to the corporation within 30 days after receiving a notice pursuant to subsection (1), may:
- (a) withdraw the member's notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the member is reinstated to the member's full rights as a member; or
 - (b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its members.
- (3) A corporation shall not make a payment to a dissenting member pursuant to this section or sections 14-19 to 14-22 if there are reasonable grounds for believing that:
- (a) the corporation is or would after payment be unable to pay its liabilities as they become due; or
 - (b) as a result of the payment, the realizable value of the corporation's assets would be less than the aggregate of its liabilities.

2022, c 25, s.14-23.

Reorganization

- 14-24(1)** In this section, "**reorganization**" means a court order made pursuant to:
- (a) section 18-4;
 - (b) the *Bankruptcy and Insolvency Act* (Canada), approving a proposal; or
 - (c) any other Act or Act of the Parliament of Canada that affects the rights among the corporation, its members and creditors.
- (2) If a corporation is subject to an order mentioned in subsection (1), its articles may be amended by the order to effect any change that might lawfully be made by an amendment pursuant to section 14-2.
- (3) If a court makes an order mentioned in subsection (1), the court may also:
- (a) authorize the issue of debt obligations of the corporation, and fix the terms; and

- (b) appoint directors in place of or in addition to all or any of the directors then in office.
- (4) After an order mentioned in subsection (1) has been made, articles of reorganization containing the prescribed information, including the information required by sections 4-1 and 9-6, if applicable, must be sent to the Registrar.
- (5) On receipt of articles of reorganization, the Registrar shall issue a certificate of amendment in accordance with section 19-14.
- (6) A reorganization becomes effective on the date shown in the certificate of amendment and the articles of incorporation are amended accordingly.
- (7) A member is not entitled to dissent pursuant to sections 14-19 to 14-23 if an amendment to the articles of incorporation is made pursuant to this section.

2022, c 25, s.14-24.

Application to court for approval of arrangement

14-25(1) In this section, “**arrangement**” includes:

- (a) an amendment to the articles of a corporation;
 - (b) an amalgamation of 2 or more corporations;
 - (c) an amalgamation of a body corporate with a corporation that results in an amalgamated corporation subject to this Act;
 - (d) a division of the activities carried on by a corporation;
 - (e) a transfer of all or substantially all the property of a corporation to another body corporate in exchange for property, money or securities of the body corporate;
 - (f) an exchange of securities of a corporation held by security holders for property, money or other securities of the corporation or property, money or securities of another body corporate;
 - (g) a liquidation and dissolution of a corporation;
 - (h) any combination of the actions described in clauses (a) to (g).
- (2) For the purposes of this section, a corporation is insolvent:
- (a) if it is unable to pay its liabilities as they become due; or
 - (b) if the realizable value of the assets of the corporation is less than the aggregate of its liabilities.
- (3) If it is not practicable for a corporation that is not insolvent to effect a fundamental change in the nature of an arrangement pursuant to any other provision of this Act, the corporation may apply to the court for an order approving an arrangement proposed by the corporation.
- (4) In connection with an application pursuant to this section, the court may make any interim or final order it considers appropriate, including, without limiting the generality of the foregoing:
- (a) an order determining the notice to be given to any interested person or dispensing with notice to any person other than the Registrar;

- (b) an order appointing counsel, at the expense of a corporation, to represent the interests of the members;
 - (c) an order requiring a corporation to call, hold and conduct a meeting of holders of securities or options or rights to acquire securities in any manner that the court directs;
 - (d) an order permitting a member to dissent pursuant to sections 14-19 to 14-23; and
 - (e) an order approving an arrangement as proposed by the corporation or as amended in any manner the court may direct.
- (5) An applicant pursuant to this section shall give the Registrar notice of the application and the Registrar is entitled to appear and be heard in person or by counsel.
- (6) After an order mentioned in clause (4)(e) has been made, articles of arrangement containing the prescribed information, including the information required by sections 4-1 and 9-6, if applicable, must be sent to the Registrar.
- (7) On receipt of articles of arrangement, the Registrar shall issue a certificate of arrangement in accordance with section 19-14.
- (8) An arrangement becomes effective on the date shown in the certificate of arrangement.

2022, c 25, s.14-25.

PART 15

Boards of Trade and Chambers of Commerce

Definitions for Part

15-1 In this Part:

“board of trade” or **“chamber of commerce”** means a corporation incorporated or continued pursuant to this Act as a membership corporation to carry on the activities of promoting and improving trade and commerce and as a result promoting and improving the economic, civic and social welfare of a district; (« *chambre de commerce* »)

“district” means a geographical area composed of one or more of the following, including a portion of one or more of the following:

- (a) a city as defined by *The Cities Act*;
- (b) a municipality as defined by *The Municipalities Act*;
- (c) a municipality as defined by *The Northern Municipalities Act, 2010*;
- (d) a reserve within the meaning of the *Indian Act* (Canada);
- (e) any other prescribed geographic region. (« *district* »)

2022, c 25, s.15-1.

Use of name

15-2(1) Except in accordance with this Part, no person shall:

- (a) carry on its activities under a name that includes “board of trade”, “chamber of commerce” or “chambre de commerce”;
- (b) adopt a new name including the words “board of trade”, “chamber of commerce” or “chambre de commerce”; or
- (c) use the words “board of trade”, “chamber of commerce” or “chambre de commerce” in connection with a description of the activities carried out by that person.

(2) Subsection (1) does not apply to:

- (a) a board of trade incorporated pursuant to the *Boards of Trade Act* (Canada); or
- (b) any other prescribed person.

2022, c 25, s.15-2.

Powers of Registrar

15-3(1) The following require the approval of the Registrar:

- (a) the incorporating of a board of trade or chamber of commerce for a district;
- (b) the changing of the district for which a board of trade or chamber of commerce exercises its activities.

(2) The Registrar may consult with any existing board of trade or chamber of commerce for the purposes of determining whether to grant approval pursuant to subsection (1).

2022, c 25, s.15-3.

No right to dissent

15-4 Sections 14-19 to 14-23 do not apply to members of a membership corporation that is a board of trade or a chamber of commerce.

2022, c 25, s.15-4.

PART 16

Liquidation and Dissolution

Application of Part

16-1(1) This Part, other than section 16-2, does not apply to a corporation that is an insolvent person or a bankrupt as those terms are defined in section 2 of the *Bankruptcy and Insolvency Act* (Canada).

(2) Any proceedings taken pursuant to this Part to dissolve or to liquidate and dissolve a corporation must be stayed if the corporation is at any time found, in a proceeding pursuant to the *Bankruptcy and Insolvency Act* (Canada), to be an insolvent person as defined in section 2 of that Act.

2022, c 25, s.16-1.

Revival

16-2(1) In this section, “**interested person**” means:

- (a) a member, a director, an officer, an employee or a creditor of the dissolved corporation;
 - (b) a person who has a contractual relationship with the dissolved corporation;
 - (c) a person who, although at the time of dissolution of the corporation was not a person described in clause (a), would be such a person if a certificate of revival is issued pursuant to this section;
 - (d) a trustee in bankruptcy or liquidator for the dissolved corporation; or
 - (e) a person designated as an interested person by an order of the court.
- (2) Any interested person may apply to the Registrar to have the body corporate revived pursuant to this Act if:
- (a) the body corporate is dissolved pursuant to this Part;
 - (b) the body corporate was dissolved pursuant to *The Non-profit Corporations Act, 1995*; or
 - (c) the incorporation of the body corporate was cancelled pursuant to *The Societies Act*.
- (3) Articles of revival containing the prescribed information must be sent to the Registrar.
- (4) On receipt of articles of revival, the Registrar may issue a certificate of revival in accordance with section 19-14.
- (5) A corporation is revived on the date shown on the certificate of revival, and from that date the corporation, subject to any reasonable terms that may be imposed by the Registrar and to the rights acquired by any person after its dissolution, or after the cancellation of its incorporation, has all the rights and privileges and is liable for the obligations that it would have had if it had not been dissolved or if its incorporation had not been cancelled.

2022, c 25, s.16-2.

Dissolution in certain circumstances

16-3(1) A corporation that has not issued securities may be dissolved at any time by resolution of all the directors.

(2) A corporation that has no property and no liabilities may be dissolved by special resolution of the members or, if it has more than one class of members, by special resolutions of the members of each class whether or not they are otherwise entitled to vote.

(3) A wholly owned subsidiary whose liabilities have been fully assumed by an affiliated corporation may be dissolved by special resolution of the members or, if it has more than one class of members, by special resolutions of the members of each class whether or not they are otherwise entitled to vote, if:

- (a) the physical address of the registered office of the affiliated corporation is located in Canada; and

- (b) a director or officer of the affiliated corporation provides a statutory declaration that the liabilities of the subsidiary have been fully assumed by the affiliated corporation.
- (4) A corporation that has property or liabilities, or both, may be dissolved by special resolution of the members or, if it has more than one class of members, by special resolutions of the members of each class whether or not they are otherwise entitled to vote, if:
 - (a) by the special resolution or resolutions the members authorize the directors to cause the corporation to distribute any property or discharge any liabilities; and
 - (b) the corporation has distributed any property or discharged any liabilities before it sends articles of dissolution to the Registrar pursuant to subsection (6).
- (5) On the dissolution of a corporation pursuant to this section, no part of its property may be distributed or transferred by the corporation to any person except as permitted pursuant to section 16-19.
- (6) Articles of dissolution containing the prescribed information must be sent to the Registrar.
- (7) On receipt of articles of dissolution, the Registrar shall issue a certificate of dissolution in accordance with section 19-14.
- (8) The corporation ceases to exist on the date shown in the certificate of dissolution.

2022, c 25, s.16-3.

Proposing liquidation and dissolution

- 16-4(1)** The directors may propose, or a member who is entitled to vote at an annual meeting of members or a meeting of members mentioned in subsection 11-2(2) may, in accordance with section 11-6, make a proposal for, the voluntary liquidation and dissolution of a corporation.
- (2) Notice of any meeting of members at which voluntary liquidation and dissolution is to be proposed is to set out the terms of the proposal.
- (3) A corporation may liquidate and dissolve by special resolution of the members or, if the corporation has more than one class of members, by special resolutions of the members of each class whether or not they are otherwise entitled to vote.
- (4) A statement of intent to dissolve containing the prescribed information must be sent to the Registrar.
- (5) On receipt of a statement of intent to dissolve, the Registrar shall issue a certificate of intent to dissolve in accordance with section 19-14.
- (6) On issue of a certificate of intent to dissolve, the corporation shall cease to carry on its activities except to the extent necessary for the liquidation, but its corporate existence continues until the Registrar issues a certificate of dissolution.
- (7) On issue of a certificate of intent to dissolve, the corporation shall:
 - (a) immediately cause a notice of the certificate to be sent to each known creditor of the corporation;

- (b) without delay, publish notice of the certificate in the prescribed manner and take reasonable steps to give notice of the issue of the certificate in every jurisdiction where the corporation was carrying on activities at the time it sent the statement of intent to dissolve to the Registrar;
- (c) proceed to collect its property, to dispose of properties that are not to be distributed in accordance with section 16-19, to discharge all its obligations and to do all other acts required to conclude its activities; and
- (d) after giving the notice required by clauses (a) and (b) and adequately providing for the payment or discharge of all its obligations, distribute its remaining property, either in money or in kind, in accordance with section 16-19.

2022, c 25, s.16-4.

Supervision by court

16-5(1) Any interested person may, at any time during the liquidation of a corporation, apply to the court for an order that the liquidation be continued under the supervision of the court as provided in this Part, and on the application the court may so order and make any further order it considers appropriate.

(2) At any time after the issue of a certificate of intent to dissolve and before the issue of a certificate of dissolution, a certificate of intent to dissolve may be revoked by sending to the Registrar a statement of revocation of intent to dissolve containing the prescribed information, if the revocation is approved in the same manner as the resolution pursuant to subsection 16-4(3).

(3) On receipt of a statement of revocation of intent to dissolve, the Registrar shall issue a certificate of revocation of intent to dissolve in accordance with section 19-14.

(4) On the date shown in the certificate of revocation of intent to dissolve, the revocation is effective and the corporation may continue to carry on its activities.

2022, c 25, s.16-5.

Right to dissolve

16-6(1) If a certificate of intent to dissolve has not been revoked and the corporation has complied with subsection 16-4(7), the corporation shall prepare articles of dissolution.

(2) Articles of dissolution containing the prescribed information must be sent to the Registrar.

(3) On receipt of articles of dissolution, the Registrar shall issue a certificate of dissolution in accordance with section 19-14.

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

2022, c 25, s.16-6.

Dissolution by court order

16-7(1) Any interested person may apply to the court for an order dissolving a corporation if the corporation has:

- (a) failed for 2 or more consecutive years to comply with the requirements of this Act with respect to the holding of meetings of members;
 - (b) failed to comply with subsection 3-2(2) or section 4-3, 13-1 or 13-2; or
 - (c) obtained any certificate pursuant to this Act by misrepresentation.
- (2) On an application pursuant to this section, the court may order that the corporation be dissolved or that the corporation be liquidated and dissolved under the supervision of the court, and the court may make any other order it considers appropriate.
- (3) On receipt of an order pursuant to this section or section 16-8:
- (a) if the order is to dissolve the corporation, the Registrar shall issue a certificate of dissolution in accordance with section 19-14; or
 - (b) if the order is to liquidate and dissolve the corporation under the supervision of the court:
 - (i) the Registrar shall issue a certificate of intent to dissolve in accordance with section 19-14; and
 - (ii) the Registrar may publish notice of the order in the prescribed manner.
- (4) The corporation ceases to exist on the date shown in the certificate of dissolution.

2022, c 25, s.16-7.

Other grounds for liquidation and dissolution pursuant to court order

16-8(1) On the application of a member, the court may order the liquidation and dissolution of a membership corporation or any of its affiliated corporations:

- (a) if the court is satisfied that, respecting that corporation or its affiliates, its activities or affairs have been carried on or conducted in a manner, its directors have exercised their power in a manner, or its actions or omissions have effected a result that:
 - (i) is oppressive or unfairly prejudicial to the interests of any security holder, creditor, member, director or officer; or
 - (ii) unfairly disregards the interests of any security holder, creditor, member, director or officer; or
- (b) if the court is satisfied that:
 - (i) a unanimous member agreement entitles a complaining member to demand dissolution of the corporation after the occurrence of a specified event and that event has occurred; or
 - (ii) it is just and equitable that the corporation should be liquidated and dissolved.

(2) On the application of a member or any other person, the court may order the liquidation and dissolution of a charitable corporation or any of its affiliated corporations:

- (a) if the court is satisfied that the result of any act or omission of the corporation or any of its affiliates, the manner in which any of the activities or affairs of the corporation or any of its affiliates are or have been carried on or conducted, or the manner in which the powers of the directors of the corporation or any of its affiliates are or have been exercised:
 - (i) is oppressive or unfairly prejudicial to the interests of any security holder, creditor, member, director or officer or the public generally; or
 - (ii) unfairly disregards the interests of any security holder, creditor, member, director or officer or the public generally; or
 - (b) if the court is satisfied that:
 - (i) a unanimous member agreement entitles a complaining member to demand dissolution of the corporation after the occurrence of a specified event and that event has occurred; or
 - (ii) it is just and equitable that the corporation should be liquidated and dissolved.
- (3) On an application pursuant to this section, a court may make any order pursuant to this section or section 18-4 that it considers appropriate.
- (4) Section 18-5 applies to an application pursuant to this section.

2022, c 25, s.16-8.

Application for supervision

16-9(1) An application to the court to supervise a voluntary liquidation and dissolution pursuant to subsection 16-5(1) must state the reasons, verified by an affidavit of the applicant, why the court should supervise the liquidation and dissolution.

(2) If the court makes an order mentioned in subsection 16-5(1), the liquidation and dissolution of the corporation is to continue under the supervision of the court in accordance with this Act.

2022, c 25, s.16-9.

Application to court

16-10(1) An application pursuant to subsection 16-8(1) or (2) is to state the reasons, verified by an affidavit of the applicant, why the corporation should be liquidated and dissolved.

(2) On an application pursuant to subsection 16-8(1) or (2), the court may make an order requiring the corporation and any person having an interest in, or claim against, the corporation to show cause, at a time and place specified in the order, not less than 4 weeks after the date of the order, why the corporation should not be liquidated and dissolved.

(3) On an application pursuant to subsection 16-8(1) or (2), the court may order the directors and officers of the corporation to provide to the court all material information known to or reasonably ascertainable by them, including:

- (a) financial statements of the corporation;
 - (b) the name and address of each member of the corporation; and
 - (c) the name and address of each known creditor or claimant, including any creditor or claimant with unliquidated, future or contingent claims, and any person with whom the corporation has a contract.
- (4) A copy of an order made pursuant to subsection (2) must be:
- (a) published as directed in the order, in the prescribed manner; and
 - (b) served on each person named in the order.
- (5) Publication and service of an order pursuant to this section is to be effected by the corporation or by any other person and in any manner that the court may order.

2022, c 25, s.16-10.

Powers of court

16-11 In connection with the dissolution or the liquidation and dissolution of a corporation, the court may, if it is satisfied that the corporation is able to pay or adequately provide for the discharge of all its obligations, make any order it considers appropriate, including, without limiting the generality of the foregoing:

- (a) an order to liquidate;
- (b) an order appointing a liquidator, with or without security, fixing the liquidator's remuneration and replacing a liquidator;
- (c) an order appointing inspectors or referees, specifying their powers, fixing their remuneration and replacing inspectors or referees;
- (d) an order determining the notice to be given to any interested person, or dispensing with notice to any person;
- (e) an order determining the validity of any claims made against the corporation;
- (f) an order, at any stage of the proceedings, restraining the directors and officers from:
 - (i) exercising any of their powers; or
 - (ii) collecting or receiving any debt or other property of the corporation, and from paying out or transferring any property of the corporation, except as permitted by the court;
- (g) an order determining and enforcing the duty or liability of any present or former director, officer or member:
 - (i) to the corporation; or
 - (ii) for an obligation of the corporation;

- (h) an order approving the payment, satisfaction or compromise of claims against the corporation and the retention of assets for that purpose, and determining the adequacy of provisions for the payment or discharge of obligations of the corporation, whether liquidated, unliquidated, future or contingent;
- (i) an order disposing of or destroying the documents and records of the corporation;
- (j) on the application of a creditor, the inspectors or the liquidator, an order giving directions on any matter arising in the liquidation;
- (k) after notice has been given to all interested parties, an order relieving a liquidator from any omission or default on any terms the court considers appropriate and confirming any act of the liquidator;
- (l) subject to section 16-18, an order approving any proposed distribution of the corporation's remaining property, in money or in kind, in accordance with section 16-19;
- (m) an order disposing of any property belonging to creditors or members who cannot be found;
- (n) on the application of any director, officer, member, security holder, creditor or the liquidator:
 - (i) an order staying the liquidation on any terms and conditions that the court considers appropriate;
 - (ii) an order continuing or discontinuing the liquidation proceedings; or
 - (iii) an order to the liquidator to restore to the corporation all its remaining property; or
- (o) after the liquidator has rendered the liquidator's final account to the court, an order dissolving the corporation.

2022, c 25, s.16-11.

Effect of order

16-12 The liquidation of a corporation commences when a court makes an order for liquidation.

2022, c 25, s.16-12.

Cessation of activities and powers

16-13(1) If a court makes an order for liquidation of a corporation:

- (a) the corporation continues in existence but shall cease to carry on its activities except to the extent that the activity, in the opinion of the liquidator, is required for an orderly liquidation; and
- (b) the powers of the directors and members cease and vest in the liquidator, except as specifically otherwise authorized by the court.

(2) The liquidator may delegate any of the powers vested in the liquidator by clause (1)(b) to the directors or members.

2022, c 25, s.16-13.

Appointment of liquidator

16-14 When making an order for the liquidation of a corporation or at any later time, the court may appoint any person, including a director, an officer or a member of the corporation or any other body corporate, as liquidator of the corporation.

2022, c 25, s.16-14.

Vacancy

16-15 If an order for the liquidation of a corporation has been made and the office of liquidator is or becomes vacant, the property of the corporation is under the control of the court until the office of liquidator is filled.

2022, c 25, s.16-15.

Duties of liquidator

16-16 A liquidator shall:

- (a) immediately after the liquidator's appointment give notice of that appointment to the Registrar and to each claimant and creditor known to the liquidator;
- (b) immediately publish notice in the prescribed manner and take reasonable steps to give that notice in every jurisdiction where the corporation carries on its activities, requiring any person:
 - (i) indebted to the corporation, to render an account and pay to the liquidator at the time and place specified any amount owing;
 - (ii) possessing property of the corporation, to deliver it to the liquidator at the time and place specified; and
 - (iii) having a claim against the corporation, whether liquidated, unliquidated, future or contingent, to present particulars of the claim in writing to the liquidator not later than 2 months after the first publication of the notice;
- (c) take into the liquidator's custody and control the property of the corporation;
- (d) open and maintain a trust account for the moneys of the corporation;
- (e) keep accounts of the moneys of the corporation received and paid out by the liquidator;
- (f) maintain separate lists of the members, creditors and other persons having claims against the corporation;
- (g) if at any time the liquidator determines that the corporation is unable to pay or adequately provide for the discharge of its obligations, apply to the court for directions;

- (h) deliver to the court and to the Registrar, at least once in every 12-month period after the liquidator's appointment or more often as the court may require, financial statements of the corporation in the form required by section 13-1 or in any other form that the liquidator considers appropriate or that the court may require;
- (i) after the liquidator's accounts are approved by the court, distribute any remaining property of the corporation in accordance with section 16-19; and
- (j) immediately after the liquidator's discharge, give notice of the discharge to the Registrar.

2022, c 25, s.16-16.

Powers of liquidator

16-17(1) A liquidator may:

- (a) retain lawyers, accountants, engineers, appraisers and other professional advisers;
 - (b) bring, defend or take part in any civil, criminal or administrative action or proceeding in the name and on behalf of the corporation;
 - (c) carry on the activities of the corporation as required for an orderly liquidation;
 - (d) sell by public auction or private sale any property of the corporation;
 - (e) do all acts and execute any documents in the name and on behalf of the corporation;
 - (f) borrow money on the security of the property of the corporation;
 - (g) settle or compromise any claims by or against the corporation; and
 - (h) do all other things necessary for the liquidation of the corporation and distribution of its property.
- (2) A liquidator is not liable if the liquidator relies in good faith on:
- (a) financial statements of the corporation represented to the liquidator by an officer of the corporation or in a written report of the auditor of the corporation to reflect fairly the financial condition of the corporation; or
 - (b) an opinion, a report or a statement of a lawyer, an accountant, an engineer, an appraiser or other professional adviser retained by the liquidator.
- (3) If a liquidator has reason to believe that any person has in the person's possession or under the person's control, or has concealed, withheld or misappropriated any property of the corporation, the liquidator may apply to the court for an order requiring that person to appear before the court at the time and place designated in the order and to be examined.
- (4) If the examination mentioned in subsection (3) discloses that a person has concealed, withheld or misappropriated property of the corporation, the court may order that person to restore it or pay compensation to the liquidator.

2022, c 25, s.16-17.

Costs of liquidation

16-18(1) A liquidator shall pay the costs of liquidation out of the property of the corporation and shall pay or make adequate provision for all claims against the corporation.

(2) Within one year after the liquidator's appointment, and after paying or making adequate provision for all claims against the corporation, the liquidator shall apply to the court:

(a) for approval of the liquidator's final accounts and for an order permitting the liquidator to distribute in money or in kind the remaining property of the corporation in accordance with section 16-19; or

(b) for an extension of time, setting out the reasons for the extension.

(3) If a liquidator fails to make the application mentioned in subsection (2), a member of the corporation may apply to the court for an order requiring the liquidator to show cause why a final accounting and distribution should not be made.

(4) A liquidator shall:

(a) give notice of the liquidator's intention to make an application pursuant to subsection (2) to the Registrar, each inspector appointed pursuant to section 16-11, each member and any person who provided a security or fidelity bond for the liquidation; and

(b) publish the notice in the prescribed manner.

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

(a) directing the Registrar to issue a certificate of dissolution;

(b) directing the custody or disposal of the records of the corporation; and

(c) subject to subsection (6), discharging the liquidator.

(6) The liquidator shall immediately send a certified copy of the court order mentioned in subsection (5) to the Registrar.

(7) On receipt of the order mentioned in subsection (5), the Registrar shall issue a certificate of dissolution in accordance with section 19-14.

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

2022, c 25, s.16-18.

Distribution of remaining property

16-19(1) After paying all claims or after making adequate provision to pay all claims against a corporation, the liquidator shall transfer any remaining property of the corporation in accordance with this section.

(2) If a person has transferred property to a corporation subject to the condition that it be returned to that person on the dissolution of the corporation, the liquidator shall transfer that property to that person.

(3) The liquidator shall transfer any remaining property of a membership corporation, other than property mentioned in subsection (2), in accordance with the articles of the corporation.

(4) If the articles of a membership corporation do not provide for the transfer of any remaining property of the corporation, on the dissolution of the corporation, the liquidator shall:

- (a) divide any remaining property of the corporation, other than property mentioned in subsection (2), in equal shares according to the number of membership interests in the corporation on that day; and
- (b) distribute one share to the holder of each membership interest.

(5) If the articles of a charitable corporation provide for the transfer of the property of the corporation on dissolution to any of the following, the liquidator shall transfer any remaining property of the corporation, other than the property mentioned in subsection (2), in accordance with the articles:

- (a) a charitable corporation;
- (b) a registered charity within the meaning of the *Income Tax Act* (Canada);
- (c) a municipality;
- (d) the Government of Canada or a government of any province or an agency of any of those governments;
- (e) any combination of the bodies described in clauses (a) to (d).

(6) If the articles of a charitable corporation do not provide for the transfer of the property of the corporation on dissolution in accordance with subsection (5), the liquidator shall apply to the court for an order pursuant to section 16-11 for the transfer of any remaining property of the corporation, other than the property mentioned in subsection (2), to:

- (a) a corporation carrying on the same or similar activities;
- (b) a registered charity within the meaning of the *Income Tax Act* (Canada);
- (c) a municipality;
- (d) the Government of Canada or a government of any province; or
- (e) any combination of the bodies described in clauses (a) to (d).

2022, c 25, s.16-19.

Custody of records

16-20 A person who has been granted custody of the records of a dissolved corporation remains liable to produce any records for 6 years following the date of its dissolution or until the expiry of any other shorter period that may be ordered pursuant to subsection 16-18(5).

2022, c 25, s.16-20.

Continuation of actions after dissolution

16-21(1) In this section, “**member**” includes the heirs and legal representatives of a member.

- (2) Notwithstanding the dissolution of a corporation pursuant to this Act:
 - (a) a civil, criminal or administrative action or proceeding commenced by or against the corporation before its dissolution may be continued as if the corporation had not been dissolved;
 - (b) subject to *The Limitations Act*, a civil, criminal or administrative action or proceeding may be brought against the corporation within 2 years after its dissolution as if the corporation had not been dissolved; and
 - (c) any property that would have been available to satisfy any judgment or order if the corporation had not been dissolved remains available for that purpose.
- (3) Service of a document on a corporation after its dissolution may be effected by serving the document on a person shown in the last notice filed pursuant to section 9-6 or 9-13.
- (4) Notwithstanding the dissolution of a corporation pursuant to this Act, a member of a membership corporation to whom any of its property has been distributed is liable to any person claiming pursuant to subsection (2) to the extent of the amount received by that member on the distribution and, subject to *The Limitations Act*, an action to enforce that liability may be brought within 2 years after the date of the dissolution of the corporation.
- (5) A court may order an action mentioned in subsection (4) to be brought against the persons who were members as a class, subject to any conditions that the court considers appropriate and, if the plaintiff establishes a claim, the court may refer the proceedings to a referee or other officer of the court who may:
 - (a) add, as a party to the proceedings before the referee or other officer, each person who was a member found by the plaintiff;
 - (b) determine, subject to subsection (4), the amount that each person who was a member shall contribute towards satisfaction of the plaintiff’s claim; and
 - (c) direct payment of the amounts determined.

2022, c 25, s.16-21.

Unknown claimants

- 16-22(1)** On the dissolution of a corporation pursuant to this Act, the portion of the property distributable to a creditor or member who cannot be found is to be converted into money and paid to the Minister of Finance.
- (2) A payment pursuant to subsection (1) is deemed to be in satisfaction of a debt or claim of the creditor or member mentioned in that subsection.
- (3) A person who establishes an entitlement to any moneys paid to the Minister of Finance pursuant to this Act is to be paid by the Minister of Finance an equivalent amount out of the general revenue fund.

2022, c 25, s.16-22.

Vesting in Crown

16-23(1) Subject to subsection 16-21(2) and section 16-22, property of a corporation that has not been disposed of at the date of its dissolution pursuant to this Act vests in the Crown in right of Saskatchewan.

(2) If a corporation is revived pursuant to section 16-2, any property other than money that vested in the Crown pursuant to subsection (1) and that has not been disposed of must be returned to the corporation and the following is to be paid to the corporation out of the general revenue fund:

- (a) an amount equal to any money received by the Crown pursuant to subsection (1);
- (b) if property other than money vested in the Crown pursuant to subsection (1) and that property has been disposed of, an amount equal to the lesser of:
 - (i) the value of the property at the date on which it vested in the Crown; and
 - (ii) the amount realized by the Crown from the disposition of that property.

2022, c 25, s.16-23.

PART 17
Investigation

Investigation

17-1(1) By application without notice or on any notice that the court may require, a member or a security holder may apply to a court having jurisdiction in the place where the physical address of the corporation's registered office is located for an order directing an investigation to be made of the corporation and any of its affiliated corporations.

(2) The court may order an investigation to be made of the corporation and any of its affiliated corporations if, on an application pursuant to subsection (1), it appears to the court that:

- (a) the activities or affairs of the corporation or any of its affiliates are or have been carried on with intent to defraud any person;
- (b) the activities or affairs of the corporation or any of its affiliates are or have been carried on or conducted, or the powers of the directors are or have been exercised, in a manner that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of a member or security holder;
- (c) the corporation or any of its affiliates was formed for a fraudulent or unlawful purpose or is to be dissolved for a fraudulent or unlawful purpose; or
- (d) persons concerned with the formation or activities or affairs of the corporation or any of its affiliates have acted fraudulently or dishonestly.

- (3) An applicant pursuant to this section is not required to give security for costs.
- (4) An application without notice pursuant to this section is to be heard in camera.
- (5) No person may publish anything relating to proceedings without notice pursuant to this section except with the authorization of the court or the written consent of the corporation being investigated.

2022, c 25, s.17-1.

Powers of court

17-2(1) In connection with an investigation pursuant to this Part, the court may make any order it considers appropriate, including an order:

- (a) to investigate;
 - (b) appointing an inspector, fixing the remuneration of an inspector, and replacing an inspector;
 - (c) determining the notice to be given to any interested person, or dispensing with notice to any person;
 - (d) authorizing an inspector to enter any premises in which the court is satisfied there might be relevant information, and to examine any thing and make copies of any document or record found on the premises;
 - (e) requiring any person to produce documents or records to the inspector;
 - (f) authorizing an inspector to conduct a hearing, administer oaths and examine any person on oath, and establishing rules for the conduct of the hearing;
 - (g) requiring any person to attend a hearing conducted by an inspector and to give evidence on oath;
 - (h) giving directions to the inspector or any interested person on any matter arising in the investigation;
 - (i) requiring an inspector to make an interim or final report to the court;
 - (j) determining whether a report of an inspector should be published and, if so, ordering any requirement for the inspector to publish the report in whole or in part or to send copies to any person the court designates;
 - (k) requiring an inspector to discontinue an investigation;
 - (l) requiring the corporation to pay the costs of the investigation.
- (2) An inspector shall send to the Registrar a copy of every report made by the inspector pursuant to this Part.

2022, c 25, s.17-2.

Powers of inspector

17-3(1) An inspector pursuant to this Part has the powers set out in the order appointing the inspector.

(2) In addition to the powers set out in the order appointing the inspector, an inspector appointed to investigate a corporation may provide to, or exchange information and otherwise cooperate with, any public official in Canada or elsewhere who is authorized to exercise investigatory powers and who is investigating, with respect to the corporation, any allegation of improper conduct that is the same as or similar to the conduct described in subsection 17-1(2).

(3) An inspector shall on request produce to an interested person a copy of any order made pursuant to subsection 17-2(1).

2022, c 25, s.17-3.

Hearing in camera and right to counsel

17-4(1) Any interested person may apply to the court for:

- (a) an order that a hearing conducted by an inspector pursuant to this Part be heard in camera; and
- (b) directions on any matter arising in the investigation.

(2) A person whose conduct is being investigated or who is being examined at a hearing conducted by an inspector pursuant to this Part has a right to be represented by counsel.

2022, c 25, s.17-4.

Incriminating statements

17-5 No person is excused from attending and giving evidence and producing documents and records to an inspector pursuant to this Part by reason only that the evidence tends to incriminate that person or subject that person to any proceeding or penalty, but none of that evidence shall be used or is receivable against that person in any proceeding subsequently commenced against that person, other than a prosecution for perjury in giving the evidence or a prosecution pursuant to section 132 or 136 of the *Criminal Code* with respect to that evidence.

2022, c 25, s.17-5.

Absolute privilege

17-6 Any oral or written statement or report made by an inspector or any other person in an investigation pursuant to this Part has absolute privilege.

2022, c 25, s.17-6.

Solicitor-client privilege

17-7 Nothing in this Part is to be construed as affecting solicitor-client privilege.

2022, c 25, s.17-7.

Inquiries

17-8 The Registrar may make inquiries of any person relating to compliance with this Act, and examine the records of the corporation that are required to be prepared and maintained pursuant to this Act.

2022, c 25, s.17-8.

PART 18 Remedies

Definitions for Part

18-1 In this Part:

“**action**” means an action pursuant to this Act; (« *action* »)

“**complainant**” means:

- (a) a member or a registered holder or beneficial owner, and a former member, registered holder or beneficial owner, of a security of a corporation or any of its affiliates;
- (b) a director or an officer or a former director or officer of a corporation or of any of its affiliates;
- (c) a creditor:
 - (i) with respect to an application pursuant to section 18-2;
 - (ii) with respect to an application pursuant to section 18-4, if the court exercises its discretion pursuant to clause (d); or
 - (iii) with respect to an application pursuant to section 18-8;
- (d) any other person who, in the discretion of the court, is a proper person to make an application pursuant to this Part. (« *plaignant* »)

2022, c 25, s.18-1.

Commencing derivative action

18-2(1) Subject to subsection (2), a complainant may apply to the court for leave to:

- (a) bring an action in the name and on behalf of a corporation or any of its subsidiaries; or
- (b) intervene in an action to which that corporation or any of its subsidiaries is a party, for the purpose of prosecuting, defending or discontinuing the action on behalf of the corporation or any of its subsidiaries.

(2) No action may be brought and no intervention in an action may be made pursuant to subsection (1) unless the court is satisfied that:

- (a) the complainant has given reasonable notice to the directors of the corporation or its subsidiary of the complainant’s intention to apply to the court pursuant to subsection (1) if the directors of the corporation or its subsidiary do not bring, diligently prosecute or defend or discontinue the action;

- (b) the complainant is acting in good faith; and
 - (c) it appears to be in the interests of the corporation or its subsidiary that the action be brought, prosecuted, defended or discontinued.
- (3) Notwithstanding subsection (2), if all the directors of the corporation or its subsidiary have been named as defendants, notice to the directors pursuant to clause (2)(a) is not required.

2022, c25, s.18-2.

Powers of court

18-3 In connection with an action brought or intervened in pursuant to section 18-2, the court may at any time make an order it considers appropriate, including, without limiting the generality of the foregoing:

- (a) an order authorizing the complainant or any other person to control the conduct of the action;
- (b) an order giving directions for the conduct of the action;
- (c) an order directing that any amount adjudged payable by a defendant in the action is to be paid, in whole or in part, directly to former and present security holders of the corporation or its subsidiary instead of to the corporation or its subsidiary;
- (d) an order requiring the corporation or its subsidiary to pay reasonable legal fees incurred by the complainant in connection with the action.

2022, c25, s.18-3.

Application to court re oppression

18-4(1) A complainant may apply to a court for an order pursuant to this section.

(2) On an application pursuant to subsection (1), a court may make an order to rectify the matters complained of if the court is satisfied that, respecting a corporation or its affiliates, its activities or affairs have been carried on or conducted in a manner, its directors have exercised their powers in a manner, or its actions or omissions have effected a result that:

- (a) is oppressive or unfairly prejudicial to any member, security holder, creditor, director or officer or, if the corporation is a charitable corporation, the public generally; or
- (b) unfairly disregards the interests of any member, security holder, creditor, director or officer or, if the corporation is a charitable corporation, the public generally.

(3) In connection with an application pursuant to this section, the court may make any interim or final order it considers appropriate, including, without limiting the generality of the foregoing:

- (a) an order restraining the conduct complained of;
- (b) an order appointing a receiver or receiver-manager;

- (c) an order to regulate a corporation's affairs by amending the articles or bylaws or creating or amending a unanimous member agreement;
 - (d) an order directing an issue or exchange of securities;
 - (e) an order appointing directors in place of or in addition to all or any of the directors then in office;
 - (f) an order directing a corporation, subject to subsection (6), or any other person, to purchase securities of a security holder;
 - (g) an order directing a corporation, subject to subsection (6), or any other person:
 - (i) to pay to a member any part of the moneys paid by the member for a membership interest; and
 - (ii) to pay to a security holder any part of the moneys paid by the security holder for securities;
 - (h) an order varying or setting aside a transaction or contract to which a corporation is a party and compensating the corporation or any other party to the transaction or contract;
 - (i) requiring a corporation, within a time specified by the court, to produce to the court or an interested person financial statements in the form required by section 13-1 or an accounting in whatever form the court may determine;
 - (j) an order compensating an aggrieved person;
 - (k) an order directing rectification of the registers or other records of a corporation pursuant to section 18-6;
 - (l) an order liquidating and dissolving the corporation;
 - (m) an order directing an investigation pursuant to Part 17 to be made;
 - (n) an order directing a corporation as to the future investment, disposition and application of its property or property under its control;
 - (o) an order upholding, modifying or setting aside a decision made pursuant to section 10-6;
 - (p) an order requiring the trial of any issue.
- (4) If an order made pursuant to this section directs amendment of the articles or bylaws of a corporation:
- (a) the directors shall immediately comply with subsection 14-24(4); and
 - (b) no other amendment to the articles or bylaws shall be made without the consent of the court, until the court otherwise orders.
- (5) A member is not entitled to dissent pursuant to sections 14-19 to 14-23 if an amendment to the articles is effected pursuant to this section.

(6) A corporation shall not make a payment to a member pursuant to clause (3)(f) or (g) if there are reasonable grounds to believe that:

- (a) the corporation is or would after that payment be unable to pay its liabilities as they become due; or
- (b) as a result of the payment, the realizable value of the corporation's assets would be less than the aggregate of its liabilities.

(7) A complainant pursuant to this section may apply in the alternative for an order pursuant to section 16-8.

(8) A complainant may not apply pursuant to this section if a remedy is available pursuant to a prescribed Act.

2022, c 25, s.18-4.

Evidence of member approval not decisive

18-5(1) An application made or an action brought or intervened in pursuant to this Part must not be stayed or dismissed by reason only that it is shown that an alleged breach of a right or duty owed to the corporation or its subsidiary has been or may be approved by the members of that corporation, but evidence of approval by the members may be taken into account by the court in making an order pursuant to section 16-8, 18-3 or 18-4.

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

(3) A complainant is not required to give security for costs in any application made or action brought or intervened in pursuant to this Part.

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

2022, c 25, s.18-5.

Application to court

18-6(1) Any interested person may apply to the court for an order with respect to the following:

- (a) the operation of:
 - (i) this Act or the regulations;
 - (ii) the Corporate Registry;
- (b) any decision of the Registrar with respect to any action that the Registrar is required or authorized to take pursuant to this Act;

- (c) to update the registers or records of a corporation if the name of a person is alleged to be or to have been wrongly entered or retained in, or wrongly deleted or omitted from, the registers or records.
- (2) An applicant pursuant to this section shall serve the Registrar with notice of the application and the Registrar is entitled to appear and be heard in person or by counsel.
- (3) In addition to subsection (2), a person making an application pursuant to clause (1)(b) respecting a corporate name shall serve the proponent of the name or any other person who, in the opinion of the court, may be affected by the decision of the Registrar.
- (4) In any proceeding pursuant to this section, the court may make any order the court considers appropriate.

2022, c 25, s.18-6.

Application by Registrar

- 18-7(1)** The Registrar may apply to the court for directions with respect to any matter concerning the Registrar's duties pursuant to this Act, and on the application the court may give any directions and make any further order that it considers appropriate.
- (2) On application to the court, the Registrar is entitled to appear and be heard in person or by counsel with respect to any application or matter that is before the court pursuant to this Act.

2022, c 25, s.18-7.

Restraining or compliance order

- 18-8** If a corporation or any director, officer, employee, agent, auditor, trustee, receiver, receiver-manager or liquidator of a corporation does not comply with this Act, the regulations, articles, bylaws or a unanimous member agreement, a complainant may, in addition to any other right the complainant has, apply to the court for an order directing any of those persons to comply with, or restraining any of those persons from acting in breach of, any provisions of this Act, the regulations, articles, bylaws or a unanimous member agreement, and on that application, the court may so order and make any further order it considers appropriate.

2022, c 25, s.18-8.

Summary application to court

- 18-9** If this Act states that a person may apply to the court, the application may be made in a summary manner by petition, notice of application, or otherwise as the rules of the court provide, and subject to any order respecting notice to interested parties or costs, or any other order the court considers appropriate.

2022, c 25, s.18-9.

Appeal

- 18-10** With leave of a judge of the Court of Appeal, any order made by the court pursuant to this Act may be appealed to the Court of Appeal.

2022, c 25, s.18-10.

PART 19
General

Approval re insurers, trust companies and loan companies

19-1(1) No corporation that is an insurer within the meaning of *The Insurance Act* shall be incorporated or continued pursuant to this Act without the written approval of the Superintendent of Insurance.

(2) No corporation that is one of the following shall be incorporated or continued pursuant to this Act without the written approval of the Superintendent of Financial Institutions:

- (a) a loan corporation as defined in *The Trust and Loan Corporations Act, 1997*;
- (b) a trust corporation as defined in *The Trust and Loan Corporations Act, 1997*.

2022, c 25, s.19-1.

Notice of intention

19-2 At least one month before making an application for written approval pursuant to section 19-1, the applicant shall advise the Superintendent of Insurance or the Superintendent of Financial Institutions, as the case may be, of its intention to make an application.

2022, c 25, s.19-2.

Restrictions on business of the corporation

19-3(1) The articles of incorporation or continuance of a corporation mentioned in section 19-1 must set out any restrictions on the business or powers of the corporation that the Superintendent of Insurance or the Superintendent of Financial Institutions, as the case may be, may require for approval pursuant to that section.

(2) After incorporation or continuance of a corporation mentioned in subsection (1), no articles of amendment, articles of amalgamation, articles of reorganization or other articles may be registered by the Registrar unless the articles are first approved by the Superintendent of Insurance or the Superintendent of Financial Institutions, as the case may be.

2022, c 25, s.19-3.

Notice to directors and members

19-4(1) Subject to subsection (4), a notice, record or document required by this Act, the regulations, the articles or the bylaws to be sent to a member or director of a corporation may be sent by a prescribed method or by regular mail addressed to, or by personal delivery to:

- (a) the member at the member's latest address as shown in the records of the corporation; and
- (b) the director at the director's latest address as shown in the records of the corporation or in the last notice filed pursuant to section 9-6 or 9-13.

(2) A director named in a notice sent by a corporation to the Registrar pursuant to section 9-6 or 9-13 and filed by the Registrar is presumed for the purposes of this Act to be a director of the corporation referred to in the notice.

(3) A notice, record or document sent by regular mail in accordance with subsection (1) to a member or director of a corporation is deemed to be received by the member or director on the seventh day following the date of its mailing unless the person to whom it is mailed establishes that, through no fault of that person, the person did not receive the notice or received it at a later date.

(4) Subject to the other provisions of this Act, a notice, record or document required to be sent or delivered pursuant to this section may be sent in accordance with *The Electronic Information and Documents Act, 2000*.

(5) If a corporation sends a notice, record or document to a member in accordance with this section and the notice, record or document is returned on 2 consecutive occasions because the member cannot be found, the corporation is not required to send any further notices, records or documents to the member until the member informs the corporation in writing of the member's new address.

2022, c25, s.19-4.

Notice to and service on corporation

19-5(1) Subject to subsection (3), a notice or document may be sent to or served on a corporation:

- (a) by leaving it at, or mailing it by registered mail addressed to, the registered office of the corporation;
- (b) by personally serving any director, officer, receiver-manager or liquidator of the corporation; or
- (c) by leaving it at the office of, by mailing it by registered mail addressed to or by personally serving any attorney of the corporation appointed pursuant to section 20-13.

(2) A notice or document sent by registered mail in accordance with subsection (1) to a corporation is deemed to be received by the corporation on the seventh day following the date of its mailing unless the corporation establishes that, through no fault of the corporation, the corporation did not receive the notice or document or received it at a later date.

(3) A notice or document may be sent to a corporation in accordance with *The Electronic Information and Documents Act, 2000*.

2022, c25, s.19-5.

How notices or documents may be sent by Registrar

19-6(1) If a notice or other document is required or permitted by this Act or the regulations to be sent by the Registrar, the Registrar may send the notice or other document by any prescribed method.

(2) The Registrar must comply with any prescribed requirements when sending a notice or other document by a prescribed method pursuant to subsection (1).

2022, c25, s.19-6.

Service of documents on the Registrar

19-7(1) A document may be served on the Registrar:

- (a) by leaving the document at the office of the Registrar in Regina;
 - (b) by a method of electronic transmission if there is a record that the document has been sent; or
 - (c) by any other prescribed means.
- (2) Service of a document pursuant to clause (1)(b) or (c) may be proved in the prescribed manner.

2022, c 25, s.19-7.

Waiver of notice

19-8(1) If a notice or document is required by this Act or the regulations to be sent, the sending of the notice or document may be waived or the time for the notice or document may be waived or abridged at any time with the consent in writing of the person entitled to the notice or document.

(2) The consent of a person mentioned in subsection (1) may be sent by electronic means in accordance with *The Electronic Information and Documents Act, 2000*.

2022, c 25, s.19-8.

Statutory declarations and affidavits

19-9(1) In this section, “**electronic signature**” means an electronic signature as defined in *The Electronic Information and Documents Act, 2000*.

(2) A statutory declaration or affidavit required pursuant to this Act or the regulations may be created or provided in accordance with *The Electronic Information and Documents Act, 2000* if the following requirements are met:

- (a) the person who makes the statutory declaration or affidavit signs it with that person’s electronic signature;
- (b) the authorized person before whom the statutory declaration or affidavit is made signs it with that person’s electronic signature;
- (c) any other prescribed requirements are complied with.

2022, c 25, s.19-9.

Certificate of corporation

19-10(1) The following may be signed by a director or an officer of a corporation:

- (a) a certificate issued on behalf of a corporation confirming any fact that is set out in the articles, the bylaws, a unanimous member agreement, the securities register, a trust indenture or any other contract to which the corporation is a party or the minutes of the meetings of the directors, a committee of directors or members;
- (b) a certified copy of the whole or any part of any record mentioned in clause (a).

(2) A certificate or certified copy described in subsection (1) is admissible in evidence as proof, in the absence of evidence to the contrary, of the facts contained in the certificate or certified copy without proof of the signature or official character of the person appearing to have signed the certificate or certification.

2022, c 25, s.19-10.

Security certificate

19-11 An entry in a securities register of, or a security certificate issued by, a corporation is, in the absence of evidence to the contrary, proof that the person in whose name the security is registered is owner of the securities described in the register or in the certificate.

2022, c 25, s.19-11.

Membership certificate

19-12 An entry in a membership register of a corporation or a membership certificate or card issued by a corporation is, in the absence of evidence to the contrary, proof that the registered owner is the owner of the membership certificate or card described in the register or in the certificate or card.

2022, c 25, s.19-12.

Copies

19-13 If a notice or document is required to be sent to the Registrar pursuant to this Act, the Registrar may accept a photocopied, photographic, fax or electronic copy of the notice or document.

2022, c 25, s.19-13.

Issuing of certificates by Registrar

19-14(1) On receiving any articles, and any other required documents, the Registrar:

- (a) shall issue the appropriate certificate respecting the articles or other required documents;
- (b) shall file a copy of the certificate;
- (c) shall either:
 - (i) send to the corporation or its representative a copy of the certificate; or
 - (ii) provide the corporation or its representative access to an electronic copy of the certificate; and
- (d) may publish notice of the issue of the certificate in the prescribed manner.

(2) A certificate mentioned in subsection (1) issued by the Registrar may be dated as of the day the Registrar receives the articles, statement or court order pursuant to which the certificate is issued or as of any later day specified by the court or person who signed the articles or statement.

(3) Notwithstanding subsection (2), a certificate of discontinuance mentioned in subsection 14-17(7) may be dated as of the day on which a corporation is continued pursuant to the laws of another jurisdiction.

2022, c 25, s.19-14.

Corrections

19-15(1) If there is an error in a certificate, notice, articles or other document related to a corporation, the directors or members of the corporation shall, on the request of the Registrar, pass the resolutions and send to the Registrar the documents required to comply with this Act, and take any other steps the Registrar may reasonably require so that the Registrar may correct the document.

(2) A certificate, notice, articles or other document corrected pursuant to subsection (1) is to bear the date of the certificate, notice, articles or other document it replaces.

(3) If a corrected certificate issued pursuant to subsection (1) materially amends the terms of the original certificate, the Registrar may give notice of the correction in the prescribed manner.

(4) The issue of a corrected certificate, notice, articles or other document in accordance with this section does not affect the rights of a person who acts in good faith and for value in reliance on the certificate, notice, articles or another document containing the error.

(5) If the corporation or any interested person is of the opinion that members, security holders or creditors would be prejudiced by a correction to a certificate, notice, articles or other document, the corporation or an interested person may apply to the court for an order determining the rights of the members, security holders or creditors, and the court may, by order, authorize the correction if it considers the correction appropriate, and may include in the order any conditions or directions pertaining to the correction that it considers appropriate.

2022, c 25, s.19-15.

PART 20
Extraprovincial Corporations

DIVISION 1
Registration

Extraprovincial corporation may register

20-1 An extraprovincial corporation may apply for registration pursuant to this Part.

2022, c 25, s.20-1.

Refusal of registration

20-2 The Registrar may refuse registration of an extraprovincial corporation if:

- (a) pursuant to the laws of the jurisdiction where it is incorporated, the extraprovincial corporation may pay dividends to its members;
- (b) the activities of the corporation are not of a benevolent, religious, charitable, philanthropic, educational, agricultural, scientific, artistic, social, professional, fraternal, sporting, athletic or similar purpose; or
- (c) the name of the corporation does not comply with Division 2.

2022, c 25, s.20-2.

Application for registration

20-3(1) An extraprovincial corporation shall apply to the Registrar for registration by submitting an application for registration containing the prescribed information.

(2) The application for registration mentioned in subsection (1) must be accompanied by:

- (a) a power of attorney in accordance with section 20-13; and
- (b) any other material or information:
 - (i) that the Registrar may require; or
 - (ii) that is prescribed.

2022, c 25, s.20-3.

Registration

20-4(1) On receipt of the application together with the material required pursuant to section 20-3, and subject to any other provisions of this Act, the Registrar shall:

- (a) register the extraprovincial corporation;
- (b) issue a certificate of registration in accordance with section 19-14 and carry out any other steps in accordance with that section; and
- (c) enter the name of the corporation on the Corporate Registry.

(2) Subject to subsection 19-14(2), an extraprovincial corporation is registered on the date the Registrar issues a certificate mentioned in subsection (1).

(3) Notice of registration may be published in the prescribed manner.

2022, c 25, s.20-4.

Termination of registration and restoral

20-5(1) The registration of an extraprovincial corporation is terminated when the name of the corporation is struck off the Corporate Registry pursuant to section 21-13.

(2) The registration of an extraprovincial corporation mentioned in subsection (1) is restored when its name is restored to the Corporate Registry in accordance with subsection 21-13(5).

(3) On the restoration of an extraprovincial corporation to the Corporate Registry pursuant to subsection (2), the Registrar shall issue a new certificate of registration in accordance with subsection 21-13(5).

(4) The termination of the registration of an extraprovincial corporation does not affect its liability for its obligations.

(5) An extraprovincial corporation that ceases to carry on its activities in Saskatchewan shall send a notice to that effect to the Registrar.

2022, c 25, s.20-5.

Effect of registration

20-6(1) An extraprovincial corporation may carry on its activities in Saskatchewan while the corporation is registered pursuant to this Act, subject to any other provisions of this Act or another Act and the provisions of the corporation's articles and certificate of registration.

(2) Registration or restoration of the registration of an extraprovincial corporation pursuant to this Act is deemed to authorize all previous acts of the corporation as if the corporation had been registered at the time of those acts, except for the purposes of a prosecution of an offence against this Act.

2022, c 25, s.20-6.

DIVISION 2**Name of Extraprovincial Corporation****Reservation of name**

20-7 The Registrar may, on request, reserve for 90 days a proposed name for an extraprovincial corporation.

2022, c 25, s.20-7.

Prohibited names

20-8(1) Section 2-10 applies to an extraprovincial corporation, with any necessary modification.

(2) Notwithstanding subsection (1), section 2-10 does not apply to a Canada corporation.

2022, c 25, s.20-8.

Objectionable name

20-9(1) If through inadvertence or otherwise an extraprovincial corporation, other than a Canada corporation, is granted, on registration or on a change of name, a name that in the opinion of the Registrar is, for any reason, objectionable:

- (a) the Registrar may direct the corporation to change its name; and
- (b) within 90 days after the date of the direction, the corporation shall change its name to a name that, in the opinion of the Registrar, is not objectionable.

(2) If the Registrar directs an extraprovincial corporation to change its name pursuant to this section, the Registrar may, in accordance with the regulations, compensate the corporation for actual costs incurred.

2022, c 25, s.20-9.

Effect of change of name of extraprovincial corporation

20-10 If an extraprovincial corporation changes its name:

- (a) the change of name does not affect any rights or obligations of the corporation, or render defective any legal proceedings by or against it; and

(b) proceedings that might have been continued or commenced by or against it under the former name may be continued or commenced by or against it under the new name.

2022, c 25, s.20-10.

Registrar discretion

20-11 The Registrar may exempt an extraprovincial corporation from section 2-10 if, in the opinion of the Registrar, the extraprovincial corporation demonstrates established precedent for the use of the name through one or more of the following:

- (a) previous registration and the use of the name in other Canadian jurisdictions;
- (b) a trade-mark registered pursuant to the *Trademarks Act* (Canada);
- (c) any other prescribed means.

2022, c 25, s.20-11.

Publication of name

20-12(1) An extraprovincial corporation shall set out its name in legible characters in all contracts, invoices, negotiable instruments and orders for goods or services issued or made by or on behalf of the corporation.

(2) Subject to subsection (1), an extraprovincial corporation may carry on activities under or identify itself by a name other than its corporate name, if that other name has been registered pursuant to *The Business Names Registration Act*.

2022, c 25, s.20-12.

DIVISION 3 Duties and Obligations

Power of attorney

20-13(1) Every extraprovincial corporation shall, before registration, file with the Registrar a duly executed power of attorney containing the prescribed information appointing the individual named in the power of attorney and residing in Saskatchewan to act as its attorney for the following purposes:

- (a) receiving service of process in all suits and proceedings by or against the corporation within Saskatchewan;
- (b) receiving all lawful notices;
- (c) declaring that service of process with respect to those suits and proceedings, and receipt of those notices, on the attorney is legal and binding.

(2) Notwithstanding subsection (1) and clause 20-3(2)(a), a power of attorney is not required if the extraprovincial corporation has a director or officer who is a Saskatchewan resident.

- (3) If the extraprovincial corporation mentioned in subsection (2) does not appoint an attorney:
- (a) every director or officer who is a Saskatchewan resident is deemed to be the extraprovincial corporation's attorney for the purposes mentioned in subsection (1); and
 - (b) service of process respecting suits, proceedings and notices mentioned in subsection (1) on one of those directors or officers is legal and binding.
- (4) An extraprovincial corporation mentioned in subsection (2) shall immediately file with the Registrar a duly executed power of attorney pursuant to subsection (1) if:
- (a) it ceases to have a director or officer who is a Saskatchewan resident; or
 - (b) it does not wish to have its directors or officers who are Saskatchewan residents act as attorneys for the purposes of subsection (1).
- (5) If an extraprovincial corporation is struck off the Corporate Registry pursuant to section 21-13, a power of attorney filed pursuant to this section is no longer effective, and any purported service on an attorney following the striking of the corporation from the Corporate Registry has no legal or binding effect.
- (6) An extraprovincial corporation shall appoint a new attorney in the manner described in subsection (1) within 15 days after any of the following occurs:
- (a) the attorney named in a power of attorney filed pursuant to this section ceases to reside in Saskatchewan, dies or resigns;
 - (b) the person named in the power of attorney provides notice to the extraprovincial corporation and the Registrar that the person did not consent to act as attorney;
 - (c) the power of attorney filed becomes invalid or ineffectual for any reason.
- (7) A resignation of an attorney is effective at the later of:
- (a) the time a written resignation is sent to the extraprovincial corporation; and
 - (b) the time specified in the written resignation.
- (8) The attorney shall send to the Registrar a copy of a written resignation sent pursuant to subsection (7).

2022, c 25, s.20-13.

Service re extraprovincial corporations

20-14 A notice or document may be served on an extraprovincial corporation in accordance with section 19-5.

2022, c 25, s.20-14.

Notices of change

20-15(1) An extraprovincial corporation shall send to the Registrar notice of any change:

- (a) in the physical or mailing address of its registered office, whether within or outside of Saskatchewan;
- (b) in the address of its attorney; and
- (c) of its directors or officers.

(2) A notice of change mentioned in this section must be sent to the Registrar not later than 15 days after the change is made.

2022, c 25, s.20-15.

Amendment to articles

20-16(1) An extraprovincial corporation shall send to the Registrar a copy of any amendment to its articles within 30 days after the day of the amendment.

(2) The Registrar may:

- (a) issue a certificate with respect to an amendment mentioned in subsection (1) in a form adapted to the circumstances; and
- (b) if the Registrar considers it to be in the public interest, publish a notice of the certificate mentioned in clause (a) in the prescribed manner.

2022, c 25, s.20-16.

Annual return

20-17 Every extraprovincial corporation shall, on the prescribed date, send to the Registrar an annual return containing the prescribed information.

2022, c 25, s.20-17.

DIVISION 4

Disabilities

Unregistered corporation incapable of maintaining actions

20-18(1) In this section, “**court**” means any court.

(2) This section does not apply to a Canada corporation.

(3) An extraprovincial corporation that is not registered pursuant to this Act is not capable of commencing or maintaining any action or other proceeding in a court with respect to a contract made in whole or in part in Saskatchewan in the course of, or in connection with, its activities.

(4) In any action or proceeding, the onus is on the extraprovincial corporation to prove that it was registered.

(5) If an extraprovincial corporation was struck from the Corporate Registry but is restored pursuant to this Act, any action or proceeding mentioned in subsection (3) may be maintained as if the corporation had been restored before the commencement of the action or proceeding.

(6) If an action or other proceeding has been dismissed or otherwise decided against an extraprovincial corporation on the grounds that an act or transaction of the corporation was invalid or prohibited by reason of the corporation not having been registered pursuant to this Act, the corporation may, on becoming registered pursuant to this Act and on obtaining leave of the court, maintain a new action or other proceeding as if no judgment had been rendered or entered.

2022, c 25, s.20-18.

Acts of unregistered extraprovincial corporation not invalid

20-19 No act of an extraprovincial corporation, including a transfer of property, rights or interests to or by the corporation, is invalid by reason only that:

- (a) the corporation was not registered pursuant to this Act; or
- (b) the act or transfer is contrary to or not authorized by its charter or similar record or any law of the jurisdiction in which the corporation is incorporated.

2022, c 25, s.20-19.

PART 21
Administration

DIVISION 1
Documents

Corporate Registry

21-1(1) The register of corporations that the Registrar was required to maintain pursuant to *The Non-profit Corporations Act, 1995* is continued as the Corporate Registry.

(2) The Corporate Registry includes the following:

- (a) subject to subsection (3), the name of every corporation that is:
 - (i) incorporated pursuant to this Act;
 - (ii) registered pursuant to this Act;
 - (iii) immediately before the coming into force of this Act, on the register of corporations in accordance with *The Non-profit Corporations Act, 1995*;
 - (iv) continued as a corporation in accordance with sections 14-15 and 14-16;
 - (v) revived in accordance with section 16-2;
 - (vi) restored to the Corporate Registry pursuant to section 21-13;
- (b) with respect to a corporation described in clause (a), all documents and information submitted to the Registrar pursuant to this Act and the regulations;

- (c) all documents created in the Corporate Registry as the result of any incorporation, registration, filing or correction made pursuant to this Act;
 - (d) any other prescribed document or information.
- (3) The Corporate Registry does not include any documents in draft form, including a document saved through an electronic submission method before the document is submitted to the Registrar for registration.
- (4) The Corporate Registry is a public registry of the people of Saskatchewan.
- (5) All information in the Corporate Registry is the property of the Government of Saskatchewan.

2022, c 25, s.21-1.

Suspension of Corporate Registry functions

21-2 The Registrar or the minister may suspend all or any services or functions of the Corporate Registry in the same manner that the Corporate Registry may be suspended pursuant to section 22-4 of *The Business Corporations Act, 2021*, and section 22-4 of *The Business Corporations Act, 2021* applies, with any necessary modification, to the suspension of the Corporate Registry pursuant to this section.

2022, c 25, s.21-2.

Documents pursuant to *The Societies Act* or *The Non-profit Corporations Act, 1995* are documents pursuant to this Act

21-3 Every document kept, filed or registered by or with the Registrar of Companies pursuant to *The Societies Act* or the Director pursuant to *The Non-profit Corporations Act, 1995* is deemed to be a document sent to the Registrar as required by this Act.

2022, c 25, s.21-3.

Right to inspect and obtain copies

21-4 Any person may, in the manner and to the extent permitted by the Registrar:

- (a) conduct a search of the Corporate Registry according to:
 - (i) the name of a corporation or the number assigned to the corporation by the Registrar;
 - (ii) the name of an extraprovincial corporation or the number assigned to the extraprovincial corporation by the Registrar;
 - (iii) any other prescribed criteria;
- (b) inspect any document required by this Act or the regulations to be sent to the Registrar;
- (c) obtain a copy of all or any part of a document mentioned in clause (b); and
- (d) require that a copy of all or any part of a document mentioned in clause (b) be certified in accordance with section 21-7.

2022, c 25, s.21-4.

Retention of documents

21-5(1) Subject to subsection (2), the Registrar is not required to produce or retain any document respecting a corporation, other than a certificate and attached articles or statement filed pursuant to section 19-14, after the expiration of the prescribed period.

(2) If a corporation is struck from the Corporate Registry, the Registrar is not required to produce or retain any document respecting that corporation after the expiration of the prescribed period.

2022, c 25, s.21-5.

Lost or destroyed documents

21-6 If the Registrar is required to provide a document on request pursuant to this Act and, after the request, the Registrar is unable to provide the document as a result of the document having been lost, mislaid or destroyed, the Registrar:

- (a) must provide to the person making the request, a record to that effect; and
- (b) may produce, instead of the lost, mislaid or destroyed document, whatever evidence relating to the document is available to the Registrar.

2022, c 25, s.21-6.

Certificate of Registrar

21-7(1) The Registrar may provide any person with a certificate stating that:

- (a) a document required to be sent to the Registrar pursuant to this Act has or has not been received by the Registrar;
- (b) a name, whether that of a corporation or not, is or is not on the Corporate Registry; or
- (c) a name, whether that of a corporation or not, was or was not on the Corporate Registry on a stated date.

(2) If this Act requires or authorizes the Registrar to issue a certificate or to certify any fact, the certificate or the certification must be signed by the Registrar or by a Deputy Registrar.

(3) A signature mentioned in subsection (2) may be produced by any means, whether graphic, electronic, digital, mechanical or otherwise.

(4) Except in a proceeding pursuant to section 16-7, without proof of the office or signature of the person purporting to have signed the certificate or certification:

- (a) a certificate or certification mentioned in subsection (2) is admissible in evidence as conclusive proof of the facts stated in the certificate or certification; and
- (b) if this Act requires or authorizes the Registrar to issue a certified copy of any document or extract from a document, the certified copy is admissible in evidence as proof, in the absence of evidence to the contrary, of its contents.

2022, c 25, s.21-7.

Registrar may refuse or accept certain documents

21-8 Notwithstanding the requirements of this Act or the regulations, the Registrar may:

- (a) refuse to receive, file or register a document that is submitted to the Registrar, if the Registrar is of the opinion that the document does not meet the requirements of, or is inconsistent with the purpose and intent of, this Act or the regulations; and
- (b) receive, file or register a document that is submitted to the Registrar, if the Registrar is of the opinion that the document meets the requirements of, or is consistent with the purposes and intent of, this Act or the regulations.

2022, c 25, s.21-8.

Correction of errors

21-9(1) The Registrar may correct an error or omission in the Corporate Registry if the Registrar:

- (a) is satisfied that an error or omission exists; and
 - (b) is satisfied as to the true facts that ought to have been recorded into the Corporate Registry.
- (2) Subsection (1) applies whether or not the error or omission was made by:
- (a) a person who submitted a document to the Registrar for filing or registration; or
 - (b) the Registrar.
- (3) Any correction made by the Registrar pursuant to this section:
- (a) must be shown in the Corporate Registry as a correction, with the date and time of the correction noted by the Registrar; and
 - (b) must be verified by affidavit or other evidence that is determined by the Registrar to be appropriate to support the correction.

2022, c 25, s.21-9.

Registrar's prohibition

21-10 Subject to the regulations, the Registrar may prohibit the filing or registering of any document in the Corporate Registry in accordance with section 22-16 of *The Business Corporations Act, 2021*.

2022, c 25, s.21-10.

Means of filing

21-11 A notice or document required or permitted by this Act to be filed with the Registrar must:

- (a) be submitted to the Registrar for filing in the prescribed manner;
- (b) in the opinion of the Registrar, be legible and suitable for photographing or for electronic or digital imaging or storage; and
- (c) be in the English language or be filed with an English translation verified in any manner satisfactory to the Registrar.

2022, c 25, s.21-11.

Proof required by Registrar

21-12 The Registrar may require that a document, or information contained in a document, required by this Act or the regulations to be sent to the Registrar be verified by affidavit or other evidence that is determined by the Registrar to be appropriate.

2022, c 25, s.21-12.

Striking name of corporation off the Corporate Registry

21-13(1) The Registrar may strike the name of a corporation off the Corporate Registry if:

- (a) the Registrar does not receive any return, notice or other document or fee required by this Act or the regulations to be sent to the Registrar;
- (b) the corporation gives notice to the Registrar that it has ceased to carry on activities in Saskatchewan;
- (c) the corporation is not entitled to carry on activities pursuant to the Act of incorporation of the jurisdiction in which it was incorporated;
- (d) the corporation is issued a certificate of discontinuance pursuant to section 14-17;
- (e) the corporation is dissolved;
- (f) the corporation does not comply with a direction of the Registrar pursuant to section 20-9;
- (g) the corporation is amalgamated with one or more other corporations;
- (h) the corporation does not meet or carry out any condition, undertaking or acknowledgment imposed pursuant to this Act or the regulations as a requirement in relation to its name;
- (i) the corporation is a bankrupt within the meaning of the *Bankruptcy and Insolvency Act* (Canada);
- (j) the membership of the corporation is a number that is less than the prescribed minimum number for incorporation;
- (k) the Registrar registered the corporation in error; or
- (l) in the case of a corporation, other than an extraprovincial corporation, the corporation:
 - (i) has not commenced to carry on its activities within 3 years after the date shown in its certificate of incorporation; or
 - (ii) has not carried on its activities for 3 consecutive years.

(2) If the Registrar is of the opinion that a corporation is in default pursuant to clause (1)(a), the Registrar shall send to the corporation a notice advising the corporation of the default and stating that, unless the default is remedied within 30 days after the date of the notice, the name of the corporation will be struck off the Corporate Registry.

(3) Section 19-5 applies, with any necessary modification, to the notice mentioned in subsection (2) but, in the case of an extraprovincial corporation, the notice may be sent by registered mail to the registered office of the corporation within or outside Saskatchewan or to the attorney appointed in accordance with section 20-13.

(4) After the expiry of the time mentioned in the notice, the Registrar may strike the name of the corporation off the Corporate Registry and the Registrar may publish notice to that effect in the prescribed manner.

(5) If the name of a corporation is struck off the Corporate Registry pursuant to this Act, the Registrar may, on receipt of an application containing the prescribed information, restore the name of the corporation to the Corporate Registry and may issue a certificate in a form adapted to the circumstances.

2022, c 25, s.21-13.

Liability of corporation continues

21-14 If the name of a corporation is struck off the Corporate Registry, the liability of the corporation and of every director or officer or member of the corporation continues and may be enforced as if the name of the corporation had not been struck off the Corporate Registry.

2022, c 25, s.21-14.

DIVISION 2

Offences and Penalties

General offences

21-15(1) A person who, without reasonable cause, contravenes any provision of this Act or the regulations for which no other penalty is specifically provided is guilty of an offence and liable on summary conviction to:

- (a) a fine of not more than \$10,000;
- (b) imprisonment for a term of not more than 6 months; or
- (c) both the fine and imprisonment.

(2) If a body corporate commits an offence pursuant to this Act or the regulations, any director or officer of that body corporate who directed, authorized, assented to, acquiesced in or participated in the commission of the offence is guilty of the offence and liable on summary conviction to the penalties mentioned in subsection (1), whether or not the body corporate has been prosecuted or convicted.

2022, c 25, s.21-15.

Offences with respect to reports

21-16(1) No person shall make or assist in making a report, return, notice or other document required by this Act or the regulations to be sent to the Registrar or to any other person that:

- (a) contains an untrue statement of a material fact; or

(b) omits to state a material fact required in the document or necessary to make a statement contained in the document not misleading in the light of the circumstances in which it was made.

(2) No person is guilty of an offence pursuant to subsection (1) if the untrue statement or omission was unknown to the person and in the exercise of reasonable diligence could not have been known to the person.

2022, c 25, s.21-16.

Order to comply, time limit, etc.

21-17(1) If a person is guilty of an offence pursuant to this Act or the regulations, any court in which proceedings with respect to the offence are taken may, in addition to any punishment it may impose, order that person to comply with the provisions of this Act or the regulations for the contravention of which the person has been convicted.

(2) A prosecution for an offence pursuant to this Act may be commenced at any time within 2 years after the time when the subject-matter of the complaint arose.

(3) No civil remedy for an act or omission is suspended or affected by reason that the act or omission is an offence pursuant to this Act.

2022, c 25, s.21-17.

DIVISION 3

Fees, Transitional, Notice of application, etc.

Fees and charges

21-18 Section 22-3 of *The Business Corporations Act, 2021* applies with respect to any fees, charges and taxes payable with respect to services provided pursuant to this Act.

2022, c 25, s.21-18.

Transitional

21-19(1) In this section, “**former Director**” means the person who was the Director pursuant to *The Non-profit Corporations Act, 1995* on the day before the coming into force of this section and includes any person who was a Deputy Director pursuant to *The Non-profit Corporations Act, 1995*.

(2) Any activity undertaken by the former Director and not completed before the coming into force of this section may be continued by the Registrar or any Deputy Registrar after the coming into force of this section as if it had been undertaken by the Registrar after the coming into force of this section.

(3) Every number, certificate, order, approval, notice and other document that was issued by the former Director, and every registration, decision or other action made or taken by the former Director, pursuant to *The Non-profit Corporations Act, 1995* or any other Act that imposes or confers a duty, power or function on the former Director before the coming into force of this section that is valid on the day before the coming into force of this section is continued and may be dealt with as if it were issued, made or taken by the Registrar.

(4) Unless the context requires otherwise, when applying another enactment to a matter governed by this Act:

- (a) a reference in that other enactment to *The Non-profit Corporations Act, 1995* is deemed to be a reference to this Act; and
- (b) a reference in that other enactment to the Director of Corporations is deemed to be a reference to the Registrar of Corporations.

(5) Without limiting the generality of subsection (4), a reference in an enactment to a corporation that is incorporated, continued, amalgamated, registered, dissolved or otherwise dealt with pursuant to this Act is deemed to include a corporation that was incorporated, continued, amalgamated, registered, dissolved or otherwise dealt with pursuant to *The Non-profit Corporations Act, 1995*.

2022, c 25, s.21-19.

Immunity

21-20(1) In this section:

“former Deputy Registrar” includes any person who was, at any time, the Deputy Director pursuant to *The Non-profit Corporations Act, 1995* or any predecessor Act respecting non-profit corporations; (« *ancien registraire adjoint* »)

“former Registrar” includes any person who was, at any time, the Director pursuant to *The Non-profit Corporations Act, 1995* or any predecessor Act respecting non-profit corporations. (« *ancien registraire* »)

(2) Except as otherwise provided in this Act, no action or proceeding lies or shall be commenced against the Crown, the minister, the Registrar, any Deputy Registrar, any former Registrar, any former Deputy Registrar, any other person authorized to act on behalf of the Registrar or any employee of the Crown if that person is acting pursuant to the authority of this Act or the regulations, for anything in good faith done, caused or permitted or authorized to be done, attempted to be done or omitted to be done by that person or by any of those persons pursuant to or in the exercise or supposed exercise of any power conferred by this Act or the regulations or in the carrying out or supposed carrying out of any responsibility imposed by this Act, the regulations or any other Act.

2022, c 25, s.21-20.

Prohibition of officers acting in conflict with responsibilities

21-21 None of the Registrar, any Deputy Registrar or any person operating under authorization from the Registrar shall, in conflict with that individual’s duties pursuant to this Act:

- (a) directly or indirectly act as the agent of any person with respect to any application, registration or other filing with respect to the Corporate Registry;
- (b) provide advice respecting the operation of the Corporate Registry for fee, reward or otherwise;
- (c) practise as a barrister or solicitor; or
- (d) serve as a director or officer of a corporation.

2022, c 25, s.21-21.

Notice to be given to Registrar

21-22 Notwithstanding any other provision of this Act, if an application is made to the court pursuant to this Act that would require the Registrar to carry out an action, the person making that application shall provide the Registrar with notice of the application.

2022, c 25, s.21-22.

DIVISION 4
Regulations

Regulations

21-23 The Lieutenant Governor in Council may make regulations:

- (a) defining, enlarging or restricting the meaning of any word or expression used in this Act, but not defined by this Act;
- (b) respecting the manner of publication of any notice, document or other information that is required to be published pursuant to this Act, including any content or other requirements;
- (c) classifying membership corporations or charitable corporations;
- (d) notwithstanding section 2-2, prescribing the minimum number of individuals or bodies corporate required to incorporate a membership corporation or a charitable corporation or any class of a membership corporation or a charitable corporation;
- (e) prescribing the form, format or contents of any notices or documents required to be sent to or issued by the Registrar;
- (f) prescribing the form, format or contents of any notice or other document sent to or by the Registrar by fax or other electronic transmission;
- (g) respecting the sending, filing or posting of notices or other documents, including the sending, filing or posting of notices or other documents by fax or other method of electronic transmission;
- (h) prescribing the qualifications of persons eligible to be appointed as an auditor of a corporation;
- (i) prescribing rules with respect to exemptions permitted by this Act;
- (j) prescribing the bylaws of corporations;
- (k) prescribing that, for the purposes of clause 13-1(1)(a), the standards, as they exist from time to time, of an accounting body named in the regulations shall be followed;
- (l) exempting any corporation or class of corporations from any provision of this Act;

- (m) respecting the names of corporations and extraprovincial corporations, including, without limiting the generality of the foregoing, regulations:
 - (i) prohibiting the use of any name or any words or expressions in a name;
 - (ii) prescribing the punctuation marks and other marks that may form part of a name;
- (n) respecting the circumstances and conditions under which a name may be searched for availability, reserved and used;
- (o) for the purposes of sections 2-12 and 20-9:
 - (i) prescribing the types of costs for which compensation may be paid where a change of name is directed;
 - (ii) governing the procedure for making a claim for compensation;
- (p) respecting the destruction, by the Registrar, of documents in the Corporate Registry;
- (q) for the purposes of subsection 13-1(6), respecting the manner of providing members with notice of records;
- (r) prescribing instances where the articles of amalgamation in a vertical and horizontal short-form amalgamation do not have to be the same as the articles of the amalgamating holding corporation;
- (s) for the purposes of subsection 14-12(3):
 - (i) prescribing the amount in excess of which creditors are required to be provided notice of amalgamation; and
 - (ii) prescribing the manner in which the notice is to be published;
- (t) prescribing districts for the purposes of section 15-1;
- (u) prescribing persons for the purposes of subsection 15-2(2);
- (v) prescribing documents or information for the purposes of subsection 21-1(2);
- (w) respecting the suspension of Corporate Registry services and functions;
- (x) prescribing criteria for the purposes of section 21-4;
- (y) prescribing the period for the purposes of section 21-5;
- (z) respecting Registrar's prohibitions for the purposes of section 21-10;
- (aa) respecting electronic attendance at meetings of members or the holding of meetings by electronic means;
- (bb) respecting electronic voting at meetings of members;
- (cc) prescribing any matter or thing required or authorized by this Act to be prescribed in the regulations;
- (dd) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary to carry out the intent of this Act.

DIVISION 5
Professional Associations

Filing of bylaws by professional association

21-24 A requirement pursuant to any Act for a person to file with the Registrar copies of a regulatory bylaw or administrative bylaw of a professional association, or an amendment to a regulatory bylaw or administrative bylaw of a professional association, is met if a single copy of the bylaw or amendment is filed with the Registrar.

2022, c 25, s.21-24.

PART 22
Repeal, Consequential and Related Amendments and Coming into Force

DIVISION 1
Repeal

SS 1995, c N-4.2 repealed

22-1 *The Non-profit Corporations Act, 1995* is repealed.

2022, c 25, s.22-1.

DIVISION 2
Consequential and Related Amendments

SS 1998, c A-5.2, section 37 amended

22-2 Clause 37(a) of *The Adoption Act, 1998* is amended by striking out “*The Non-profit Corporations Act, 1995*” and substituting “*The Non-profit Corporations Act, 2022*”.

2022, c 25, s.22-2.

SS 1997, c A-18.011, section 2 amended

22-3 Section 2 of *The Alcohol and Gaming Regulation Act, 1997* is amended in the definition of “First Nation gaming licensing authority” by striking out “*The Non-profit Corporations Act, 1995*” and substituting “*The Non-profit Corporations Act, 2022*”.

2022, c 25, s.22-3.

SS 2014, c C-7.31, section 7 amended

22-4 Clause 7(2)(b) of *The Child Care Act, 2014* is amended by striking out “*The Non-profit Corporations Act, 1995*” and substituting “*The Non-profit Corporations Act, 2022*”.

2022, c 25, s.22-4.

SS 1996, c C-37.3 amended

22-5(1) *The Co-operatives Act, 1996* is amended in the manner set forth in this section.

(2) Subsection 18(4) is repealed and the following substituted:

“(4) Where a co-operative has had its name revoked and a number assigned to it pursuant to subsection (3), the registrar:

(a) shall issue to the co-operative a certificate of amendment showing the new name of the co-operative; and

(b) may give notice of the change of name in the Gazette”.

(3) Subsection 18(6) is repealed and the following substituted:

“(6) Where the registrar receives a copy of a special resolution to change the name of a co-operative passed pursuant to section 144 and the registrar approves the new name or, in the case of an extraprovincial co-operative, a document evidencing the change of name to a name approved by the registrar, the registrar:

(a) shall enter the new name on the register in place of the former name;

(b) shall issue a certificate showing the change of name;

(c) shall inform the co-operative in writing of the change of name; and

(d) may publish notice of the change of name in the Gazette”.

(4) The following subsections are added after subsection 101(4):

“(5) Unless the bylaws otherwise provide, any person entitled to attend a general meeting of members may participate in the meeting, in accordance with the regulations, if any, by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, if the co-operative makes that communication facility available, and a person participating in a meeting by those means is deemed for the purposes of this Act to be present at the meeting.

“(6) Unless the bylaws otherwise provide, if the directors or the members of a co-operative call a general meeting of members pursuant to this Act, those directors or members, as the case may be, may determine that the meeting is to be held, in accordance with the regulations, if any, entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

“(7) Every general meeting of members that was held in accordance with section 18.1 or 18.2 of *The Co-operative Regulations, 1998* before subsections (5) and (6) came into force is deemed to have been held in accordance with those subsections”.

(5) Subsection 151(2) is amended by striking out “*The Non-profit Corporations Act, 1995*” and substituting “*The Non-profit Corporations Act, 2022*”.

(6) Subsection 162(1) is repealed and the following substituted:

“(1) When the registrar approves a special resolution passed pursuant to subsection 161(5), the registrar shall cause at the expense of the co-operative a notice of the special resolution to be published once a week for two weeks in a newspaper having general circulation in the district where the registered office of the co-operative is located”.

(7) Subsection 162(2) is repealed and the following substituted:

“(2) Notwithstanding subsection (1), if the registrar receives an affidavit from the officers of a co-operative stating that the co-operative has no assets and no liabilities and the registrar is satisfied that it is appropriate, the registrar may exempt the co-operative from subsection (1)”.

(8) Clause 163(2)(b) is amended by striking out “will be published” and substituting “may be published”.

(9) Subsection 165(4) is repealed and the following substituted:

“(4) Where the registrar receives an order made pursuant to subsection (3):

- (a) where the order is to dissolve the co-operative, the registrar shall issue a certificate of dissolution; or
- (b) where the order is to liquidate and dissolve the co-operative under the supervision of the registrar, the registrar may publish a notice in the Gazette”.

(10) Section 207 is amended by striking out “shall publish” and substituting “may publish”.

(11) Subsection 212(2) is repealed and the following substituted:

“(2) The registrar:

- (a) shall issue a supplementary certificate of registration with respect to an amalgamation of the extraprovincial co-operative or corporation; and
- (b) may publish a notice of the issuance in the Gazette”.

(12) Subsection 271(3) is repealed and the following substituted:

“(3) Subject to the other provisions of this Act, where the registrar receives duplicate originals of any articles, any bylaws or a statement pursuant to subsection (2), and they are in the prescribed form and are accompanied by any other required documents, the registrar:

- (a) shall endorse on each of the duplicate originals the word ‘Registered’ and the day of the registration;
- (b) shall issue in duplicate the appropriate certificate and attach to each certificate one of the duplicate originals of the articles, bylaws or statement;
- (c) shall file a copy of the certificate and attached articles, bylaws or statement;
- (d) shall send to the co-operative or its representative the original certificate and attached articles, bylaws or statement; and
- (e) may publish in the Gazette notice of the issuance of the certificate”.

(13) Subsection 279(3) is amended by striking out “shall” and substituting “may”.

(14) Subsection 280(3) is amended by striking out “shall” and substituting “may”.

2022, c 25, s.22-5.

SS 1995, c E-0.2, section 134.4 amended

22-6 Subsection 134.4(2) of *The Education Act, 1995* is amended by striking out “*The Non-profit Corporations Act, 1995*” and substituting “*The Non-profit Corporations Act, 2022*”.

2022, c 25, s.22-6.

SS 2019, c L-10.2, section 2-37 amended

22-7 Clause 2-37(2)(b) of *The Legislation Act* is repealed and the following substituted:

“(b) *The Non-profit Corporations Act, 2022*”.

2022, c 25, s.22-7.

SS 1998, c Q-1.01, section 76 amended

22-8 Clause 76(a) of *The Queen’s Bench Act, 1998* is amended by striking out “clause 225(2)(b) of *The Non-profit Corporations Act, 1995*” and substituting “clause 18-4(3)(b) of *The Non-profit Corporations Act, 2022*”.

2022, c 25, s.22-8.

DIVISION 3 Coming into Force

Coming into force

22-9 This Act comes into force by order of the Lieutenant Governor in Council.

2022, c 25, s.22-9.