

The Crown Corporations Act, 1993

being

Chapter C-50.101* of the *Statutes of Saskatchewan, 1993* (effective January 1, 1994) as amended by the *Statutes of Saskatchewan, 1994, c.37; 1996, c.E-6.01 and 42; 1997, c.T-22.2 and 32; 1998, c.C-45.2, P-42.1, S-35.2 and 20; 2000, c.39; 2004, c.W-17.2 and 38; 2006, c.26; 2014, c.E-13.1; and 2016, c.22.*

***NOTE:** Pursuant to subsection 33(1) of *The Interpretation Act, 1995*, the Consequential Amendment sections, schedules and/or tables within this Act have been removed. Upon coming into force, the consequential amendments contained in those sections became part of the enactment(s) that they amend, and have thereby been incorporated into the corresponding Acts. Please refer to the Separate Chapter to obtain consequential amendment details and specifics.

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.

CHAPTER C-50.101

An Act respecting the Creation and Supervision of certain Crown Corporations

PART I

Short Title and Interpretation

Short title

1 This Act may be cited as *The Crown Corporations Act, 1993*.

Interpretation

2 In this Act:

(a) **“body corporate”** means any body corporate wherever or however incorporated, other than a Crown corporation or designated subsidiary Crown corporation;

(a.1) **“business organization”** means any body corporate, organization, partnership, firm or other business;

(b) **“CIC”** means the Crown Investments Corporation of Saskatchewan continued pursuant to section 3;

(c) **“CIC Crown corporation”** means a corporation created pursuant to Part III and includes a corporation created pursuant to Part IV that is designated as a CIC Crown corporation pursuant to subsection 14(7) and a corporation designated pursuant to subsection 49(2) as a CIC Crown corporation, but does not include a corporation that is designated pursuant to subsection 11(8) as a Treasury Board Crown corporation;

(d) **“Crown”** means the Crown in right of Saskatchewan;

(e) **“Crown corporation”** means CIC, a CIC Crown corporation or a Treasury Board Crown corporation;

(f) **“designated subsidiary Crown corporation”** means any corporation that is wholly owned by the Crown, that is created or continued pursuant to an Act and that is designated in the regulations as a designated subsidiary Crown corporation;

(f.1) **“designated Treasury Board Crown corporation”** means any corporation that is wholly owned by the Crown, that is created or continued pursuant to an Act and that is designated in the regulations as a designated Treasury Board Crown corporation;

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

(h) **“subsidiary Crown corporation”** means:

(i) a CIC Crown corporation; or

(ii) a designated subsidiary Crown corporation;

(i) **“Treasury Board Crown corporation”** means a corporation created pursuant to Part IV or a designated Treasury Board Crown corporation and includes a corporation created pursuant to Part III that is designated as a Treasury Board Crown corporation pursuant to subsection 11(8) and a corporation designated pursuant to subsection 49(2) as a Treasury Board Crown corporation or deemed to be a Treasury Board Crown corporation pursuant to subsection 49(3), but does not include a corporation that is designated pursuant to subsection 14(7) as a CIC Crown corporation.

1993, c.C-50.101, s.2; 1996, c.42, s.3; 2000, c.39, s.3.

PART II
Crown Investments Corporation of Saskatchewan
 CORPORATION CONTINUED

Corporation continued

3(1) The Crown Investments Corporation of Saskatchewan is continued as a corporation.

(2) CIC is the abbreviated name of the Crown Investments Corporation of Saskatchewan and the abbreviation, when used, has the same legal effect and meaning as the full name of the Crown Investments Corporation of Saskatchewan.

(3) CIC shall not have any share capital or issue any shares.

(4) The fiscal year of CIC is the period fixed by the Lieutenant Governor in Council.

1993, c.C-50.101, s.3.

Members of CIC

4(1) CIC consists of those persons who may be appointed as members of CIC by the Lieutenant Governor in Council.

(2) The Lieutenant Governor in Council shall appoint the minister as a member of CIC.

(3) Every person appointed pursuant to this section as a member of CIC holds his or her office at pleasure for a term not greater than three years and, notwithstanding the expiry of his or her term, continues to hold office until his or her successor is appointed.

(4) Where a member of CIC is absent, ill or unable to perform his or her duties, the Lieutenant Governor in Council may appoint another person to act as a temporary member of CIC during the member’s absence, illness or disability.

(5) Those persons who are members of CIC on the day before the coming into force of this Act continue as members of CIC until their successors are appointed.

1993, c.C-50.101, s.4.

OBJECTS, PURPOSES AND POWERS

Objects and purposes of CIC

- 5(1) The objects and purposes of CIC are the following:
- (a) CIC is the holding company for all subsidiary Crown corporations and shall exercise its supervisory powers granted by this Act in the interests of all Saskatchewan residents;
 - (b) CIC is the agency for making and administering, on behalf of the Government of Saskatchewan, the investments authorized by this Act or any previous *Crown Corporations Act*.
- (2) In meeting its objects and purposes, CIC is responsible to the Lieutenant Governor in Council for all matters relating to the following:
- (a) the review and evaluation of the objectives, goals, revenues, expenses, expenditures, investments and operating results of subsidiary Crown corporations;
 - (b) the administrative policy and management practices and systems of subsidiary Crown corporations;
 - (c) the accounting policies and practices of subsidiary Crown corporations;
 - (d) the financial relationships between subsidiary Crown corporations and the Government of Saskatchewan; and
 - (e) any matters, in addition to those described in clauses (a) to (d), that the Lieutenant Governor in Council may assign to it.
- (3) In meeting its objects and purposes and in exercising its powers, CIC is subject to any directives or orders respecting finances and accounting policies and practices that are issued by Treasury Board that apply to Crown corporations.

1993, c.C-50.101, s.5; 2000, c.39, s.4.

Powers of CIC

- 6(1) CIC may:
- (a) make orders and issue directives to subsidiary Crown corporations respecting any of the matters set out in subsection 5(2);
 - (b) adopt bylaws respecting its internal methods of procedure and of conducting business;
 - (c) receive from the Minister of Finance, on behalf of a subsidiary Crown corporation, any moneys appropriated by the Legislature for that subsidiary Crown corporation;
 - (d) assume the liability for any loans and advances that are made to a subsidiary Crown corporation and that are designated by the Lieutenant Governor in Council;
 - (e) receive from a subsidiary Crown corporation any moneys that are advanced to, used in or derived from the subsidiary Crown corporation and that are designated by CIC or the Lieutenant Governor in Council, other than moneys from the Saskatchewan Auto Fund established pursuant to *The Automobile Accident Insurance Act*;

- (f) make loans and advances to and guarantee the indebtedness of any subsidiary Crown corporation that CIC considers appropriate or that the Lieutenant Governor in Council may direct;
- (g) collect any interest on moneys loaned or advanced to a subsidiary Crown corporation at a rate that CIC and the subsidiary Crown corporation may agree on or that the Lieutenant Governor in Council may direct;
- (h) subject to any orders of Treasury Board, make orders respecting the auditing of accounts of a subsidiary Crown corporation and the accounting principles to be applied by the subsidiary Crown corporation;
- (i) require a subsidiary Crown corporation to submit for review and prior approval the subsidiary Crown corporation's capital budgets, its administrative policy and management practices and systems, and its goals and objectives;
- (j) require a subsidiary Crown corporation to submit for review and prior approval any rates, charges and prices at which any goods, utilities or services are sold or provided by the subsidiary Crown corporation;
- (k) require a subsidiary Crown corporation to submit for review, evaluation and approval the results of the subsidiary Crown corporation's operations;
- (l) issue directives to subsidiary Crown corporations respecting the operations of subsidiary Crown corporations;
- (m) issue directives to subsidiary Crown corporations respecting the amount, timing and method of payment of dividends or other distributions of income;
- (n) issue directives to subsidiary Crown corporations respecting the rates at which reserves may be established for depreciation, depletion, sinking funds or any other purpose;
- (o) provide to subsidiary Crown corporations technical, accounting, clerical, industrial relations, legal or other services that subsidiary Crown corporations may require;
- (p) issue directives to subsidiary Crown corporations to make available or produce to CIC any books, records, documents, information stored on computers or other information relating to the subsidiary Crown corporation that are in the possession of the subsidiary Crown corporation;
- (p.1) subject to the approval of the Lieutenant Governor in Council, amalgamate with a subsidiary Crown corporation;
- (q) engage the services of or retain any technical, professional or other advisers, specialists or consultants that CIC considers necessary respecting its objects and purposes and powers;
- (r) conduct or finance industrial or commercial research or engage any research staff that CIC considers necessary;
- (r.1) establish, operate, administer or manage programs or policies that promote, enhance or foster employment and career opportunities in Crown corporations and subsidiary Crown corporations;

- (r.2) for the purposes of clause (r.1) and subject to subsection (8), provide financial assistance to post-secondary educational institutions in Saskatchewan that are recognized by the Minister of Learning;
 - (r.3) establish, operate, administer or manage programs or policies that promote or enhance business opportunities in and for Saskatchewan;
 - (s) establish any plant or works or acquire any equipment that CIC considers necessary;
 - (t) establish, operate, administer and manage any superannuation plan or benefits program for all or any class of employees of Crown corporations or designated subsidiary Crown corporations or any body corporate that has applied to CIC to participate in the superannuation plan or benefits program and been approved by CIC to participate;
 - (u) subject to the approval of the Lieutenant Governor in Council:
 - (i) provide loans, indemnities or any other direct or indirect financial assistance to or with respect to any business organization; or
 - (ii) guarantee any indebtedness or any other obligation incurred or undertaken by or with respect to any business organization;
 - (v) subject to the approval of the Lieutenant Governor in Council, incorporate any body corporate that CIC considers will assist CIC in meeting its objects or purposes or in exercising its powers;
 - (w) subject to the approval of the Lieutenant Governor in Council, participate in joint ventures with business organizations;
 - (x) subject to the approval of the Lieutenant Governor in Council:
 - (i) provide loans, indemnities or any other direct or indirect financial assistance to or with respect to any other participant in a joint venture in which CIC or any subsidiary Crown corporation is a participant; or
 - (ii) guarantee any indebtedness or any other obligation incurred or undertaken by or with respect to any other participant in a joint venture in which CIC or any subsidiary Crown corporation is a participant;
 - (y) carry out or engage in any function or activity assigned to CIC by the Lieutenant Governor in Council;
 - (z) do all of those things that CIC considers necessary, incidental or conducive to meeting its objects and purposes or to exercising its powers.
- (2) Where CIC has the power pursuant to subsection (1) to provide loans, advances or financial assistance, or to issue orders or directives, to a subsidiary Crown corporation, that subsidiary Crown corporation is deemed to have the authority to accept the loan, advance, financial assistance, order or directive.

- (3) Notwithstanding any other Act or law, CIC is conclusively deemed to have had the power, on and after January 1, 1988, to:
- (a) establish, operate, administer and manage any superannuation plan or benefits program for all or any class of employees of any Crown corporation or designated subsidiary Crown corporation or of another body corporate any employees of which, on the day this section comes into force, are participating in the superannuation plan or benefits program; and
 - (b) do all things that CIC considers necessary, incidental or conducive to carrying out powers mentioned in this subsection.
- (4) Where the Legislature appropriates moneys for CIC, CIC shall use those moneys only for a purpose specified by the Legislature.
- (5) Notwithstanding any other Act or law and notwithstanding any agreement or terms and conditions under which an advance was made by CIC to another Crown corporation or a designated subsidiary Crown corporation became financially liable or obligated to CIC, CIC, with the prior approval of the Lieutenant Governor in Council, may, by order:
- (a) cancel all or part of the advance, liability or obligation;
 - (b) amend, vary or revoke the terms and conditions governing the advance, liability or obligation or impose new terms and conditions; or
 - (c) transfer the obligations of the Crown corporation or designated subsidiary Crown corporation under the advance, liability or obligation to another Crown corporation or designated subsidiary Crown corporation on any terms and conditions that CIC considers advisable.
- (6) An order made pursuant to subsection (5) may be made retroactive to a day not earlier than the December 31 preceding the day on which the order is made.
- (7) Subject to subsection (8), CIC may make grants on any terms or conditions that it may prescribe to any subsidiary Crown corporation.
- (8) CIC shall obtain the approval of the Lieutenant Governor in Council before providing any financial assistance pursuant to clause (1)(r.2), or making any grant pursuant to subsection (7), that is in excess of \$50,000 in any fiscal year.

1993, c.C-50.101, s.6; 1994, c.37, s.2; 1996, c.42, s.4; 1997, c.32, s.2; 1998, c.20, s.3; 2000, c.39, s.5; 2004, c.38, s.2.

Payments to consolidated fund

- 7(1) Notwithstanding any other Act, CIC may, and when directed by the Lieutenant Governor in Council shall, pay to the Minister of Finance for deposit in the consolidated fund all or any part of the following:
- (a) funds received by CIC from a subsidiary Crown corporation pursuant to clause 6(1)(e), if the consolidated fund has provided equity capital to that subsidiary Crown corporation or CIC;
 - (b) funds derived from CIC's operations, including dividends received by CIC from a subsidiary Crown corporation, if the consolidated fund has provided equity capital to CIC.

(2) If CIC is directed by the Lieutenant Governor in Council to make a payment pursuant to subsection (1), CIC shall make that payment at the times and in the manner directed by the Lieutenant Governor in Council.

1993, c.C-50.101, s.7.

Investment services

8(1) For the purposes of establishing, operating, administering and managing a superannuation plan or benefits program mentioned in clause 6(1)(t) or managing, investing or disposing of all or any part of the assets of any superannuation plan or benefits program, CIC may:

- (a) enter into any agreements with any person;
- (b) engage the services of or retain any technical, professional or other advisers, specialists or consultants that CIC considers necessary; and
- (c) do any other thing that CIC considers necessary, incidental or conducive to those purposes.

(2) With respect to establishing, operating, administering and managing a superannuation plan or benefits program, CIC may:

- (a) charge any fees that it considers appropriate to recover its costs incurred pursuant to subsection (1); and
- (b) if CIC has established a fund for a superannuation plan or benefits program, charge against the fund all or any costs incurred by CIC pursuant to subsection (1) and other expenses related to establishing, operating, administering and managing the superannuation plan or benefits program or managing, investing or disposing of all or any part of the assets of the superannuation plan or benefits program.

1993, c.C-50.101, s.8.

Power to fix remuneration of directors

9(1) Notwithstanding any other Act, CIC shall fix the remuneration and rate of reimbursement for expenses of directors of subsidiary Crown corporations.

(2) After consulting with Treasury Board, CIC may establish a policy respecting the remuneration and reimbursement for expenses of directors of subsidiary Crown corporations.

(3) If CIC establishes a policy respecting remuneration and reimbursement for expenses of directors of subsidiary Crown corporations, CIC shall:

- (a) cause a copy of that policy to be made available for public inspection at the offices of CIC during normal business hours of CIC; and
- (b) when fixing the remuneration or providing for the reimbursement of expenses of directors of subsidiary Crown corporations pursuant to sub-section (1), comply with that policy.

1993, c.C-50.101, s.9.

Compliance with orders and directives

10 If CIC has made an order or issued a directive to a subsidiary Crown corporation pursuant to section 6, the subsidiary Crown corporation shall comply with the order or directive.

1993, c.C-50.101, s.10.

**PART III
CIC Crown Corporations**

CIC Crown corporations created

11(1) The Lieutenant Governor in Council may create a CIC Crown corporation to establish, administer, operate or manage any business, commercial or other activity or program that the Lieutenant Governor in Council may prescribe.

(2) A CIC Crown corporation is a corporation.

(3) A CIC Crown corporation consists of one or more persons appointed for the purpose by the Lieutenant Governor in Council.

(4) Every person appointed pursuant to this section as a member of a CIC Crown corporation holds his or her office at pleasure for a term not greater than three years and, notwithstanding the expiry of his or her term, continues to hold office until his or her successor is appointed.

(5) **Repealed.** 2000, c.39, s.6.

(6) When creating a CIC Crown corporation, the Lieutenant Governor in Council shall:

(a) prescribe the objects and purposes that the CIC Crown corporation shall meet;

(b) prescribe the powers that the CIC Crown corporation may exercise; and

(c) fix the fiscal year of the CIC Crown corporation.

(7) Subject to subsection (8), every CIC Crown corporation is subject to the orders and directives of CIC.

(8) The Lieutenant Governor in Council may designate as a Treasury Board Crown corporation a corporation created pursuant to this section and, on that designation, that corporation is subject to the orders and directives of Treasury Board.

1993, c.C-50.101, s.11; 2000, c.39, s.6.

Notice of creation

12(1) The Clerk of the Executive Council shall cause a notice of the creation of a CIC Crown corporation to be published in the Gazette as soon as possible after its creation.

(2) A notice required pursuant to subsection (1) must include:

(a) the name of the CIC Crown corporation;

(b) the objects and purposes of the CIC Crown corporation; and

(c) the location of the CIC Crown corporation's head office.

(3) After the creation of a CIC Crown corporation, the member of the Executive Council responsible for the CIC Crown corporation shall, in accordance with section 13 of *The Executive Government Administration Act*, lay before the Legislative Assembly a report setting out:

- (a) the name of the CIC Crown corporation;
- (b) the objects and purposes of the CIC Crown corporation; and
- (c) the location of the CIC Crown corporation's head office.

1993, c.C-50.101, s.12; 2014, c.E-13.1, s.62.

Winding-up and dissolution

13(1) The Lieutenant Governor in Council may wind up the affairs of a CIC Crown corporation and dissolve a CIC Crown corporation.

(2) The Lieutenant Governor in Council may dispose of the assets of a CIC Crown corporation being dissolved pursuant to this section and deal with the CIC Crown corporation's liabilities and obligations in any manner that the Lieutenant Governor in Council considers appropriate.

(3) At least three weeks before a CIC Crown corporation is dissolved pursuant to this section, the Clerk of the Executive Council shall cause a notice of the dissolution to be printed in the Gazette and at least one newspaper having general circulation in the area where the CIC Crown corporation's head office is located.

(4) A notice required pursuant to subsection (3) must contain:

- (a) the name of the CIC Crown corporation; and
- (b) the proposed manner of dealing with the CIC Crown corporation's assets, liabilities and obligations.

1993, c.C-50.101, s.13.

PART IV

Treasury Board Crown Corporations

Treasury Board Crown corporations created

14(1) The Lieutenant Governor in Council may create a Treasury Board Crown corporation to establish, administer, operate or manage any business, commercial or other activity or program that the Lieutenant Governor in Council may prescribe.

(2) A Treasury Board Crown corporation is a corporation.

(3) A Treasury Board Crown corporation consists of one or more persons appointed for the purpose by the Lieutenant Governor in Council.

(4) Every person appointed pursuant to this section as a member of a Treasury Board Crown corporation holds his or her office at pleasure for a term not greater than three years and, notwithstanding the expiry of his or her term, continues to hold office until his or her successor is appointed.

(5) When creating a Treasury Board Crown corporation, the Lieutenant Governor in Council shall:

- (a) prescribe the objects and purposes that the Treasury Board Crown corporation shall meet;
- (b) prescribe the powers that the Treasury Board Crown corporation may exercise; and
- (c) fix the fiscal year of the Treasury Board Crown corporation.

(6) Subject to subsection (7), every Treasury Board Crown corporation is subject to the orders and directives of Treasury Board.

(7) The Lieutenant Governor in Council may designate as a CIC Crown corporation a corporation created pursuant to this section and, on that designation, that corporation is subject to the orders and directives of CIC.

1993, c.C-50.101, s.14.

Notice of creation

15(1) The Clerk of the Executive Council shall cause a notice of the creation of a Treasury Board Crown corporation to be published in the Gazette as soon as possible after its creation.

(2) A notice required pursuant to subsection (1) must include:

- (a) the name of the Treasury Board Crown corporation;
- (b) the objects and purposes of the Treasury Board Crown corporation; and
- (c) the location of the Treasury Board Crown corporation's head office.

(3) After the creation of a Treasury Board Crown corporation, the member of the Executive Council responsible for the Treasury Board Crown corporation shall, in accordance with section 13 of *The Executive Government Administration Act*, lay before the Legislative Assembly a report setting out:

- (a) the name of the Treasury Board Crown corporation;
- (b) the objects and purposes of the Treasury Board Crown corporation; and
- (c) the location of the Treasury Board Crown corporation's head office.

1993, c.C-50.101, s.15; 2014, c.E-13.1, s.62.

Winding-up and dissolution

16(1) The Lieutenant Governor in Council may wind up the affairs of a Treasury Board Crown corporation and dissolve a Treasury Board Crown corporation.

(2) The Lieutenant Governor in Council may dispose of the assets of a Treasury Board Crown corporation being dissolved pursuant to this section and deal with the Treasury Board Crown corporation's liabilities and obligations in any manner that the Lieutenant Governor in Council considers appropriate.

- (3) At least three weeks before a Treasury Board Crown corporation is dissolved pursuant to this section, the Clerk of the Executive Council shall cause a notice of the dissolution to be printed in the Gazette and at least one newspaper having general circulation in the area where the Treasury Board Crown corporation's head office is located.
- (4) A notice required pursuant to subsection (3) must contain:
- (a) the name of the Treasury Board Crown corporation; and
 - (b) the proposed manner of dealing with the Treasury Board Crown corporation's assets, liabilities and obligations.

1993, c.C-50.101, s.16.

PART V General Provisions and Powers

Agent of Crown

- 17(1)** Every Crown corporation is for all its purposes an agent of the Crown, and all its powers may be exercised only as an agent of the Crown.
- (2) Every designated subsidiary Crown corporation is for all its purposes an agent of the Crown, and all its powers may be exercised only as an agent of the Crown.
- (3) All property of a Crown corporation or a designated subsidiary Crown corporation, all moneys acquired, administered, possessed or received from any source and all profits earned by a Crown corporation or a designated subsidiary Crown corporation are the property of the Crown and are, for all purposes including taxation of whatever nature and description, deemed to be the property of the Crown.

1993, c.C-50.101, s.17.

Head office

- 18** The head office of every Crown corporation and of every designated subsidiary Crown corporation is to be at any location in Saskatchewan that the Lieutenant Governor in Council may designate.

1993, c.C-50.101, s.18.

Capacity to contract

- 19(1)** Every Crown corporation and every designated subsidiary Crown corporation has the capacity to contract and to sue and be sued in its corporate name with respect to any right or obligation acquired or incurred by it on behalf of the Crown as if the right or obligation was acquired or incurred on its own behalf.
- (2) A Crown corporation or designated subsidiary Crown corporation, on behalf of the Crown, may contract in its corporate name without specific reference to the Crown.

1993, c.C-50.101, s.19.

Perpetual succession

20 Every Crown corporation and every designated subsidiary Crown corporation has perpetual succession.

1993, c.C-50.101, s.20.

Common seal

21 Every Crown corporation and every designated subsidiary Crown corporation shall have a common seal.

1993, c.C-50.101, s.21.

Liability in tort

22 Every Crown corporation and every designated subsidiary Crown corporation may:

- (a) sue with respect to any tort; and
- (b) be sued with respect to liabilities in tort to the extent to which the Crown is subject pursuant to *The Proceedings Against the Crown Act*, subject to any limitations on liability that are provided in the Act incorporating or continuing the Crown corporation or the designated subsidiary Crown corporation.

1993, c.C-50.101, s.22.

Board of directors

23(1) A board of directors, consisting of those persons who constitute a Crown corporation or designated subsidiary Crown corporation, shall manage the affairs and business of the Crown corporation or designated subsidiary Crown corporation.

(2) The Lieutenant Governor in Council shall designate the minister as chairperson of the board of CIC and may designate one other member of CIC as vice-chairperson.

(3) The Lieutenant Governor in Council shall designate one member of the board of a subsidiary Crown corporation as the chairperson of the board of the subsidiary Crown corporation and may designate one other member of the board as vice-chairperson of the board.

(4) The Lieutenant Governor in Council may designate one member of the board of a Treasury Board Crown corporation as chairperson of the board of the Treasury Board Crown corporation and may designate one other member of the board as vice-chairperson.

(5) The chairperson:

- (a) shall preside over all meetings of the board; and
- (b) shall perform all the duties that may be imposed on and may exercise all the powers that may be assigned to the chairperson by resolution of the board.

(6) Where the chairperson is absent or unable to act or the office of chairperson is vacant, the vice-chairperson shall perform all the duties and may exercise all the powers of the chairperson.

(7) Where the chairperson and the vice-chairperson are absent or unable to act at a meeting, the remaining members of the board may choose another person to act as chairperson for the purposes of that meeting.

1993, c.C-50.101, s.23; 1998, c.20, s.4.

Committees

24 The board of a Crown corporation or designated subsidiary Crown corporation may:

- (a) appoint any committees that it considers necessary for the efficient conduct of the affairs and business of the corporation;
- (b) prescribe the duties of any committee appointed pursuant to clause (a); and
- (c) subject to section 9, fix the remuneration and allowances for expenses of members of any committee appointed pursuant to clause (a).

2000, c.39, s.7.

Unanimous written resolutions

24.1(1) A written resolution signed by all directors of a Crown corporation or designated subsidiary Crown corporation entitled to vote on that resolution at a meeting of the board of directors, or at a meeting of a committee of directors, of the Crown corporation or designated subsidiary Crown corporation is as valid as if it had been passed at a meeting of the board of directors or committee of directors, as the case may be.

(2) A copy of every resolution mentioned in subsection (1) must be kept with the minutes of the proceedings of the board of directors or committee of directors, as the case may be.

2000, c.39, s.7.

Staff of Crown corporations

25(1) Notwithstanding *The Public Service Act, 1998*, every Crown corporation and every designated subsidiary Crown corporation may:

- (a) employ any officers and other employees that it considers necessary to meet its objects and purposes or to exercise its powers; and
- (b) determine their respective duties and powers, their conditions of employment and their remuneration.

(2) Every Crown corporation and every designated subsidiary Crown corporation has control over and shall supervise its respective officers and employees.

(3) Every Crown corporation and every designated subsidiary Crown corporation shall pay to its respective officers and employees the remuneration determined pursuant to subsection (1).

(4) Every Crown corporation and every designated subsidiary Crown corporation may:

- (a) appoint or engage any professional, administrative, technical and clerical personnel that it may require to meet its objects and purposes or exercise its powers; and
- (b) determine the salaries and other remuneration of the personnel appointed or engaged pursuant to clause (a).

1993, c.C-50.101, s.25; 1998, c.P-42.1, s.42.

Superannuation and other plans

26(1) Every Crown corporation and every designated subsidiary Crown corporation may establish and support any of the following plans for the benefit of any officers and employees of the Crown corporation or designated subsidiary Crown corporation and the dependants of those officers and employees:

- (a) a superannuation plan;
- (b) a group insurance program;
- (c) any other pension, superannuation or employee benefit program.

(2) Notwithstanding any other Act or law, a person's service with a Crown corporation or designated subsidiary Crown corporation shall be counted as service pursuant to a superannuation Act mentioned in clause (a) if that person:

(a) was, immediately prior to that person's employment by the Crown corporation or designated subsidiary Crown corporation, a contributor to:

- (i) *The Public Service Superannuation Act*;
- (ii) *The Superannuation (Supplementary Provisions) Act*;
- (iii) *The Power Corporation Superannuation Act*;
- (iv) *The Liquor Board Superannuation Act*;
- (v) **Repealed.** 1998, c.S-35.2, s.8.
- (vi) **Repealed.** 2004, c.W-17.2, s.8.

(b) continues to be a contributor pursuant to a superannuation Act mentioned in clause (a) while employed by the Crown corporation or designated subsidiary Crown corporation.

1993, c.C-50.101, s.26; 1998, c.S-35.2, s.8; 2004, c.W-17.2, s.8.

Staff of certain Treasury Board Crown corporations

27 Notwithstanding sections 25 and 26, the Lieutenant Governor in Council may designate employees of a Treasury Board Crown corporation as employees to whom *The Public Service Act*, *The Public Service Superannuation Act* and *The Superannuation (Supplementary Provisions) Act* are to apply.

1993, c.C-50.101, s.27.

Bonding

28 Every Crown corporation and every designated subsidiary Crown corporation may require any of its employees who receive or disburse moneys or who handle goods on its behalf to be bonded in the manner and in the amount that it requires.

1993, c.C-50.101, s.28.

Securities of bodies corporate

29(1) Subject to the approval of the Lieutenant Governor in Council, any Crown corporation, designated subsidiary Crown corporation or member of the Executive Council may acquire, by any means that the Crown corporation, designated subsidiary Crown corporation or member of the Executive Council considers appropriate, shares, bonds, debentures or other securities of any business organization.

- (2) A Crown corporation, designated subsidiary Crown corporation or member of the Executive Council may dispose of shares, bonds, debentures or securities acquired pursuant to this section by any means that the Crown corporation, designated subsidiary Crown corporation or member of the Executive Council considers appropriate.
- (3) All shares, bonds, debentures and securities acquired pursuant to this section are the property of the Crown.
- (4) A Crown corporation, designated subsidiary Crown corporation or member of the Executive Council may appoint any persons that the Crown corporation, designated subsidiary Crown corporation or member of the Executive Council considers appropriate to be the Crown's representatives at any meeting of any class of shareholders, bondholders, debenture-holders, security holders or creditors with respect to any shares, bonds, debentures or securities acquired pursuant to this section.
- (5) The persons appointed pursuant to subsection (4) may exercise, on behalf of the Crown, all the powers that the Crown could exercise if the Crown were an individual shareholder, bondholder, debenture-holder, security holder or creditor.
- (6) The member of the Executive Council responsible for a Crown corporation or designated subsidiary Crown corporation that acquires securities pursuant to this section shall, in accordance with section 13 of *The Executive Government Administration Act*, lay before the Legislative Assembly a copy of any contract pursuant to which the shares, bonds, debentures or other securities were acquired.
- (7) A member of the Executive Council who acquires any shares, bonds, debentures or other securities pursuant to this section shall, in accordance with section 13 of *The Executive Government Administration Act*, lay before the Legislative Assembly a copy of any contract pursuant to which the shares, bonds, debentures or other securities were acquired.
- (7.1) Where, in the opinion of the member of the Executive Council responsible for laying the contract before the Legislative Assembly, complying with subsection (6) or (7) would be detrimental to the commercial interests of the Crown including any Crown corporation or designated subsidiary Crown corporation, the member of the Executive Council is not required to comply with subsection (6) or (7), as the case may be.
- (8) Subject to the approval of the Lieutenant Governor in Council, a member of the Executive Council who acquires shares, bonds, debentures or other securities pursuant to this section may transfer those shares, bonds, debentures or other securities to CIC.
- (9) Subsections (1) to (8) do not apply to securities or categories of securities that are designated in the regulations.

Limitation on incorporation

30(1) Notwithstanding any other Act, no Crown corporation and no designated subsidiary Crown corporation shall incorporate any body corporate without the prior approval of the Lieutenant Governor in Council.

(2) Where a Crown corporation or any designated subsidiary Crown corporation incorporates a body corporate, the minister responsible for the Crown corporation or the designated subsidiary Crown corporation shall cause a notice of the incorporation to be published in the Gazette.

(3) Where a Crown corporation or any designated subsidiary Crown corporation incorporates a body corporate, the minister responsible for the Crown corporation or the designated subsidiary Crown corporation shall, in accordance with section 13 of *The Executive Government Administration Act*, lay before the Legislative Assembly a report outlining the name of the body corporate and the reasons for its incorporation.

1993, c.C-50.101, s.30; 2014, c.E-13.1, s.62.

Acquisition and disposal of property

31(1) Subject to subsection (4), a Crown corporation or designated subsidiary Crown corporation may acquire by any means it considers appropriate any property that it considers necessary or desirable to meet its objects and purposes or to exercise its powers efficiently.

(2) Subject to subsection (4), a Crown corporation or designated subsidiary Crown corporation may lease or dispose of any of its property in any manner that it considers appropriate.

(3) Without limiting the generality of subsection (1), if a Crown corporation or designated subsidiary Crown corporation acquires property by way of purchase:

- (a) it may make the purchase on deferred payments; and
- (b) it may give security on the purchased property:
 - (i) for the purchase money, or the unpaid balance of the purchase price, with interest; or
 - (ii) to a person who gives value that enables the Crown corporation or designated subsidiary Crown corporation to pay the purchase money on the purchase, in whole or in part, if the value is applied to the purchase.

(4) Where the purchase price or sale price of real property included in one transaction entered into by the Crown corporation or designated subsidiary Crown corporation exceeds the amount fixed by the Lieutenant Governor in Council, the Crown corporation or designated subsidiary Crown corporation shall obtain the approval of the Lieutenant Governor in Council before the purchase or sale.

1993, c.C-50.101, s.31.

Insurance

32(1) A Crown corporation or designated subsidiary Crown corporation may enter into any agreements that the Crown corporation or designated subsidiary Crown corporation considers necessary to insure:

- (a) the property under the Crown corporation's or designated subsidiary Crown corporation's administration against fire or any other loss or damage; or
- (b) the Crown corporation or designated subsidiary Crown corporation against loss or damage to other persons or the property of other persons.

(2) Notwithstanding any other Act or law, where a Crown corporation or designated subsidiary Crown corporation enters into an agreement pursuant to subsection (1), the Crown corporation or designated subsidiary Crown corporation is deemed to be subject to the liabilities stated in the agreement and to be covered by the insurance.

1993, c.C-50.101, s.32.

Audit

33(1) The Provincial Auditor or any other auditor or firm of auditors appointed by CIC with the approval of the Lieutenant Governor in Council for a subsidiary Crown corporation shall audit the records, accounts and financial statements of the subsidiary Crown corporation annually and at any other time that CIC may require.

(2) The Provincial Auditor or any other auditor or firm of auditors appointed by the Lieutenant Governor in Council shall audit the records, accounts and financial statements of CIC annually and at any other time that the Lieutenant Governor in Council may require.

(3) The Provincial Auditor or any other auditor or firm of auditors appointed by the Lieutenant Governor in Council for a Treasury Board Crown corporation shall audit the records, accounts and financial statements of the Treasury Board Crown corporation annually and at any other time that the Lieutenant Governor in Council may require.

1993, c.C-50.101, s.33.

Annual report

34(1) Subject to subsection (2), every Crown corporation and every designated subsidiary Crown corporation in each fiscal year shall, within 90 days of the end of its preceding fiscal year, submit to the member of the Executive Council responsible for the Crown corporation or designated subsidiary Crown corporation, in accordance with section 13 of *The Executive Government Administration Act*:

- (a) a report on its business for its preceding fiscal year; and
- (b) a financial statement showing its business for its preceding fiscal year in any form that may be required by Treasury Board.

(2) Notwithstanding section 13 of *The Executive Government Administration Act*, CIC shall submit to the minister the report and financial statement required pursuant to subsection (1) on or before the 120th day following its fiscal year end.

(3) The member of the Executive Council mentioned in subsection (1), in accordance with section 13 of *The Executive Government Administration Act*, shall lay before the Legislative Assembly each report and statement received by him or her pursuant to subsection (1).

1993, c.C-50.101, s.34; 2014, c.E-13.1, s.62;
2016, c22, s.2.

Timely disclosure of reports and documents

35(1) Where a person is required by this Act to lay a report or document before the Legislative Assembly in accordance with section 13 of *The Executive Government Administration Act*, and the Legislative Assembly is not in session when the person received the report or document, the person required to lay the report or document shall submit the report or document to the Clerk of the Legislative Assembly within 15 days of the day the report or document was received.

(2) When the Clerk of the Legislative Assembly receives a report or document pursuant to this section, the clerk shall, as soon as is possible:

(a) subject to subsection (5), cause a copy of the report or document to be delivered to each member of the Legislative Assembly who is a member of the Standing Committee of the Legislative Assembly on Crown Corporations; and

(b) make the report or document available for public inspection during normal business hours of the Clerk of the Legislative Assembly.

(3) If a person required to lay a report or document before the Legislative Assembly submits the report or document to the Clerk of the Legislative Assembly pursuant to this section, the person is deemed to have laid the report or document before the Legislative Assembly in accordance with section 13 of *The Executive Government Administration Act*.

(4) For the purposes of this section, the Legislative Assembly is not in session where it:

(a) is prorogued; or

(b) is adjourned for an indefinite period or to a day more than 15 days after the day the person required to lay a report or document receives the report or document.

(5) The requirement in clause (2)(a) to deliver a copy of a report or document to the members of the Legislative Assembly who are members of the Standing Committee of the Legislative Assembly on Crown Corporations does not apply in the period that:

(a) commences on the day a Legislative Assembly is dissolved; and

(b) ends on the first sitting day of the first session of the Legislative Assembly held after the general election held pursuant to *The Election Act, 1996* that follows the dissolution mentioned in clause (a).

1993, c.C-50.101, s.35; 1996, c.E-6.01, s.288;
2014, c.E-13.1, s.62.

Regulations

36 The Lieutenant Governor in Council may make regulations:

- (a) respecting the winding-up of the affairs of and the dissolution of any CIC Crown corporation or Treasury Board Crown corporation;
- (b) designating any Treasury Board Crown corporation that is to be a CIC Crown corporation;
- (c) designating any CIC Crown corporation that is to be a Treasury Board Crown corporation;
- (d) designating any corporation that is wholly owned by the Crown and that is created or continued pursuant to an Act as a designated subsidiary Crown corporation;
- (d.1) designating any corporation that is wholly owned by the Crown and that is created or continued pursuant to an Act as a designated Treasury Board Crown corporation;
- (e) designating securities or categories of securities for the purposes of subsection 29(9), including designating securities or categories of securities by establishing monetary or other thresholds under which securities may be acquired;
- (f) respecting any other matter or thing that is required or authorized to be prescribed in the regulations;
- (g) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary or advisable for the purposes of this Act.

1993, c.C-50.101, s.36; 1996, c.42, s.5; 2000, c.39, s.9.

Act to prevail

37 If there is any conflict between this Act and the regulations and any other Act pursuant to which a designated subsidiary Crown corporation is created or continued, this Act and the regulations prevail.

1993, c.C-50.101, s.37.

FINANCE AND ACCOUNTING

Appropriation

38(1) In this section and in sections 39 to 45.1, “**Crown corporation**” includes a designated subsidiary Crown corporation.

(2) The Minister of Finance shall pay to a Crown corporation out of the consolidated fund any moneys appropriated by the Legislature for the purposes of the Crown corporation in the amounts and at the times that are requested by the Crown corporation and agreed to by the Minister of Finance.

1993, c.C-50.101, s.38; 1996, c.42, s.6.

Borrowing power of Minister of Finance

39(1) The Minister of Finance may advance moneys to a Crown corporation out of the consolidated fund for the purposes of the Crown corporation in the amounts, at the times and on those terms and conditions that the Lieutenant Governor in Council may determine.

(2) In order to provide the moneys mentioned in subsection (1), the Lieutenant Governor in Council may authorize the Minister of Finance to borrow, within the borrowing limitation prescribed by section 43, on the credit of the Government of Saskatchewan.

(3) For the purpose of exercising the borrowing power mentioned in subsection (2), the Lieutenant Governor in Council may authorize the Minister of Finance to issue those bonds, debentures or any other securities of the Government of Saskatchewan that the Lieutenant Governor in Council considers advisable.

(4) Any moneys that the Minister of Finance is authorized to borrow pursuant to subsection (2):

(a) are to be borrowed in accordance with *The Financial Administration Act*; and

(b) may be borrowed for any term, not exceeding 40 years, approved by the Lieutenant Governor in Council.

(5) All moneys borrowed by the Minister of Finance pursuant to subsection (2) and interest and other amounts payable on those moneys, and the principal of and the interest, premium and other amounts payable on all securities issued for the purpose of the borrowing, are a charge on and are payable out of the consolidated fund.

1993, c.C-50.101, s.39.

Borrowing power of Crown corporations

40(1) Subject to the approval of the Lieutenant Governor in Council, a Crown corporation may borrow any moneys, within the borrowing limitation prescribed by section 43, that the Crown corporation requires to meet its objects and purposes or to exercise its powers, including:

(a) the repayment, renewal or refunding, from time to time, of the whole or any part of any moneys borrowed or securities issued by the Crown corporation pursuant to this Act;

(b) the repayment in whole or in part of advances made by the Minister of Finance to the Crown corporation;

(c) the payment in whole or in part of any loan or liability or of any bonds, debentures or other securities or indebtedness the payment of which is guaranteed or assumed by the Crown corporation;

(d) the payment in whole or in part of any other liability or indebtedness of the Crown corporation;

(e) funding any expenditure made by the Crown corporation in meeting any of its objects and purposes or carrying out any of its powers;

(f) repayment in whole or in part of any temporary borrowing of the Crown corporation, where the borrowing is related to carrying out any of its powers.

- (2) For the purpose of exercising the borrowing powers mentioned in subsection (1), a Crown corporation may issue any bonds, debentures or other securities, bearing any rate of interest and being payable as to principal and interest at any time, in any manner, in any place in Canada or elsewhere and in the currency of any country that the Crown corporation, with the approval of the Lieutenant Governor in Council, may determine.
- (3) A Crown corporation may issue the bonds, debentures and other securities mentioned in subsection (2) in any amounts that will realize the net sums required to meet its objects and purposes or exercise its powers.
- (4) A recital or declaration in the resolutions or minutes of a Crown corporation authorizing the issue of the securities, to the effect that the amount of those securities authorized is necessary to realize the net sums required to meet the objects and purposes or exercise the powers of the Crown corporation, is conclusive evidence of that fact.
- (5) Subject to the approval of the Lieutenant Governor in Council, a Crown corporation may, on any terms and conditions that the Crown corporation considers advisable:
- (a) sell or otherwise dispose of any bonds, debentures or other securities mentioned in subsection (2); and
 - (b) charge, pledge, hypothecate, deposit or otherwise deal with those securities as collateral security.
- (6) A Crown corporation may:
- (a) treat any securities dealt with as collateral security pursuant to subsection (5) as unissued when:
 - (i) the securities are redelivered to the Crown corporation or its nominees on or after payment, satisfaction, release or discharge in whole or in part of any indebtedness or obligation for which they may have been given as collateral; or
 - (ii) the Crown corporation again becomes entitled to the securities; and
 - (b) subject to the approval of the Lieutenant Governor in Council and the borrowing limitation prescribed by section 43:
 - (i) issue, reissue, charge, pledge, hypothecate, deposit, deal with as collateral security, sell or otherwise dispose of those securities on any terms and conditions that the Crown corporation considers advisable; or
 - (ii) cancel and issue fresh securities in the same amount and in the same form in place of the unissued securities with the same consequences.
- (7) On the issue or reissue of securities pursuant to subsection (6), a person entitled to the securities has the same rights and remedies as if the securities had not been previously issued.
- (8) A Crown corporation, by resolution or minute, may determine the form and manner in which bonds, debentures and other securities issued pursuant to this section are to be executed.

- (9) A Crown corporation, by resolution or minute, may provide that:
- (a) the seal of the Crown corporation may be engraved, lithographed, printed or otherwise mechanically reproduced on any bonds, debentures or other securities to which it is to be affixed; and
 - (b) any signature on any bonds, debentures or other securities and on the coupons, if any, attached to those securities, may be engraved, lithographed, printed or otherwise mechanically reproduced on those securities.
- (10) Where the seal of a Crown corporation or any signature is mechanically reproduced pursuant to subsection (9):
- (a) the seal of the Crown corporation is of the same force and effect as if manually affixed; and
 - (b) notwithstanding that any person whose signature is reproduced has ceased to hold office before the date of issue of the security, the signature is for all purposes valid and binding on the Crown corporation.

1993, c.C-50.101, s.40.

Temporary borrowing

41(1) Subject to the approval of the Lieutenant Governor in Council, a Crown corporation may borrow, within the borrowing limitation prescribed by section 43, by way of temporary loans from any chartered bank, trust corporation licensed pursuant to *The Trust and Loan Corporations Act, 1997* or credit union incorporated or continued pursuant to *The Credit Union Act, 1998* or from any person, any moneys, on any terms and conditions and for any purpose that the Crown corporation may determine:

- (a) by way of bank overdraft or line of credit;
 - (b) by the pledging, as security for those temporary loans, of notes, bonds, debentures or other securities of the Crown corporation pending their sale or in place of the selling of them; or
 - (c) in any other manner that the Crown corporation may determine.
- (2) A Crown corporation may execute any cheques, promissory notes or other instruments that may be necessary or desirable in connection with the borrowing of moneys and the obtaining of advances by way of temporary loans pursuant to subsection (1) in any manner that the Crown corporation may determine.

1993, c.C-50.101, s.41; 1997, c.T-22.2, s.90; 1998, c.C-45.2, s.476.

Charge on revenues

42 All interest and instalments of principal and all sinking fund and other debt service charges with respect to the securities mentioned in sections 39 to 41 shall be a first charge on the Crown corporation's revenues.

1993, c.C-50.101, s.42.

Limitation on borrowing powers

43(1) Neither the Minister of Finance nor a Crown corporation may borrow any moneys by the issue and sale of bonds, debentures or other securities or by way of temporary loans or otherwise, under the authority of this Act, where that borrowing would cause the aggregate principal amount of the outstanding bonds, debentures or other securities and the outstanding temporary loans of the Crown corporation to exceed the sum fixed by the Lieutenant Governor in Council unless the borrowing is for the purpose of paying in whole or in part any indebtedness previously incurred for the purpose of this Act.

(2) Sums raised or authorized to be raised by the Minister of Finance by way of loan pursuant to the authority of *The Financial Administration Act* for any of the objects or purposes mentioned in that Act shall not in any way limit or restrict the borrowing powers of the Minister of Finance and the Crown corporation pursuant to the authority of this Act.

1993, c.C-50.101, s.43.

Guarantee by Government

44(1) The Lieutenant Governor in Council, on any terms and conditions the Lieutenant Governor in Council considers advisable, may guarantee the payment of:

- (a) the principal, interest and premium, if any, of any bonds, debentures or other securities issued by a Crown corporation;
- (b) any loans, temporary or otherwise, raised by a Crown corporation;
- (c) any indebtedness or liability for the payment of moneys incurred by a Crown corporation or to which it may be or become subject.

(2) Any guarantee made pursuant to subsection (1) is to be in a form and manner that the Lieutenant Governor in Council may approve.

(3) The Minister of Finance, or any other officer of the Department of Finance that may be designated by the Lieutenant Governor in Council, shall sign a guarantee made pursuant to subsection (1) and, on being so signed, the Government of Saskatchewan is liable, according to the tenor of the guarantee, for the payment of:

- (a) the principal, interest and premium, if any, of the bonds, debentures or other securities;
- (b) the loans, temporary or otherwise; and
- (c) the indebtedness or liability for the payment of moneys.

(4) Any guarantee signed in accordance with subsection (3) is conclusive evidence of compliance with this section.

(5) The Lieutenant Governor in Council may make any arrangements that may be necessary for supplying the moneys required to implement any guarantee made pursuant to this section and to advance the amount necessary for that purpose out of the consolidated fund.

1993, c.C-50.101, s.44.

Investment

- 45(1)** A Crown corporation may, from time to time:
- (a) invest any part of the capital or operating moneys of the Crown corporation in any security or class of securities that is authorized:
 - (i) for the investment of moneys in the consolidated fund pursuant to *The Financial Administration Act*; or
 - (ii) for the investment of the Crown corporation's capital and operating moneys pursuant to the Act incorporating or continuing the Crown corporation;
 - (b) dispose of the investments in any manner, on any terms and in any amount that the Crown corporation considers expedient.
- (2) The Lieutenant Governor in Council may appoint the Minister of Finance or any other person to be the agent of a Crown corporation for the purposes of making investments pursuant to subsection (1) or disposing of those investments.
- (3) The Minister of Finance or other person appointed pursuant to subsection (2) may arrange all details and do, transact and execute all those deeds, matters and things that may be required for the purpose of making investments or disposing of investments pursuant to this section.

1993, c.C-50.101, s.45.

Capital market activities

- 45.1(1)** In this section, "**capital market activities**" means the issuing, executing, trading, dealing with or entering into of all or any of the following:
- (a) interest rate swaps, commodity swaps, currency swaps or forward rate agreements;
 - (b) bankers' acceptances;
 - (c) bond futures agreements, bankers' acceptance futures agreements, commodity futures agreements or foreign currency futures agreements;
 - (d) foreign currency exchange agreements or forward foreign currency exchange agreements;
 - (e) agreements to sell or purchase an option on interest rates, commodities or currencies;
 - (f) agreements to sell or purchase an option on interest rate swaps or futures, commodity swaps or futures or currency swaps or futures;
 - (g) any other instruments that may be designated by the Lieutenant Governor in Council.
- (2) A Crown corporation may engage in any capital market activities that it considers necessary, incidental or conducive to furthering its objects and purposes.

(3) Subject to subsection (4), where a Crown corporation engages in capital market activities, the Crown corporation may do all those things it considers necessary, incidental or conducive to engaging in capital market activities.

(4) The Lieutenant Governor in Council may impose any restrictions or limitations that the Lieutenant Governor in Council considers appropriate on a Crown corporation's power to engage in capital market activities.

1996, c.42, s.7.

PART VI

Directors' and Officers' Duty of Care and Indemnity

Duty of care

46(1) In exercising his or her powers and performing his or her duties, every officer and director of a Crown corporation or a designated subsidiary Crown corporation shall:

(a) act honestly and in good faith with a view to the best interests of the Crown corporation or designated subsidiary Crown corporation while taking into account the public policy and business objectives of the Crown corporation or designated subsidiary Crown corporation;

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

(c) comply with this Act.

(2) An officer or director has complied with his or her duty set out in subsection (1) and is not liable for a breach of his or her duty pursuant to subsection (1) if he or she relies in good faith on:

(a) financial statements of the Crown corporation or designated subsidiary Crown corporation represented to the officer or director by an officer of the Crown corporation or designated subsidiary Crown corporation or in a written report of the auditor of the Crown corporation or designated subsidiary Crown corporation to reflect fairly the financial condition of the Crown corporation or designated subsidiary Crown corporation; or

(b) a report of a lawyer, accountant, engineer, appraiser or other person whose position or profession lends credibility to his or her statement.

1993, c.C-50.101, s.46; 2006, c.26, s.4.

Conflict of interest

47(1) In this section, “**associate**”, when used to indicate a relationship with any person, means:

(a) any body corporate of which that person beneficially owns, directly or indirectly, more than 10% of any class of voting equity securities of the body corporate that are outstanding at that time;

- (b) any partner, other than a limited partner, of that person;
 - (c) any trust or estate in which that person has a beneficial interest or serves as a trustee or in a capacity similar to a trustee; or
 - (d) any other person who has the same residence as that person.
- (2) An officer or director of a Crown corporation or designated subsidiary Crown corporation shall disclose in writing to the Crown corporation or designated subsidiary Crown corporation, or request to have entered in the minutes of the meetings of directors, the nature and extent of his or her interest or his or her associate's interest where the officer or director:
- (a) is a party to a material contract or proposed material contract with the Crown corporation or designated subsidiary Crown corporation; or
 - (b) is a director or an officer of or has a material interest in or is an associate of any person who is a party to a material contract or proposed material contract with the Crown corporation or designated subsidiary Crown corporation.
- (3) A director shall make the disclosure required by subsection (2):
- (a) at the meeting at which a proposed contract is first considered;
 - (b) if the director or the director's associate was not then interested in a proposed contract, at the first meeting after the director or the associate becomes interested;
 - (c) if the director or the director's associate becomes interested after a contract is made, at the first meeting after the director or the associate becomes interested; or
 - (d) if a person who is interested in a contract or whose associate is interested in a contract later becomes a director, at the first meeting after he or she becomes a director.
- (4) An officer who is not a director shall make the disclosure required by subsection (2):
- (a) immediately after he or she becomes aware that the contract or proposed contract is to be considered or has been considered at a meeting of directors;
 - (b) if the officer or the officer's associate becomes interested after a contract is made, immediately after the officer or the associate becomes interested; or
 - (c) if a person who is interested in a contract or whose associate is interested in a contract later becomes an officer, immediately after he or she becomes an officer.
- (5) If a material contract or proposed material contract is one that, in the ordinary course of the Crown corporation's or designated subsidiary Crown corporation's business, would not require approval by the directors, an officer or director shall disclose in writing to the Crown corporation or designated subsidiary Crown corporation, or request to have entered in the minutes of meetings of directors, the nature and extent of his or her interest or his or her associate's interest immediately after the officer or director becomes aware of the contract or proposed contract.

(6) No director mentioned in subsection (2) shall vote on any resolution to approve the contract unless the contract is:

- (a) a contract relating primarily to his or her remuneration as a director of the Crown corporation or designated subsidiary Crown corporation or a subsidiary of the Crown corporation or of the designated subsidiary Crown corporation; or
- (b) a contract for indemnity or insurance under section 48.

(7) For the purposes of this section, a general notice to the directors by an officer or director, declaring that he or she or any of his or her associates is an officer or director of or has a material interest in a person and is to be regarded as interested in any contract made with that person, is a sufficient declaration of interest in relation to any contract made with that person.

(8) A material contract between a Crown corporation or designated subsidiary Crown corporation and one or more of its officers or directors, or between a Crown corporation or designated subsidiary Crown corporation and another person of which an officer or director of the Crown corporation or designated subsidiary Crown corporation is an officer or director or in which he or she has a material interest or which is an associate of an officer or director, is neither void nor voidable by reason only of that relationship or by reason only that a director with an interest in the contract or whose associate has an interest in the contract is present at or is counted to determine the presence of a quorum at a meeting of directors or committee of directors that authorized the contract, if:

- (a) the officer or director disclosed his or her interest in accordance with subsection (3), (4), (5) or (7), as the case may be;
- (b) the contract was approved by the directors; and
- (c) the contract was reasonable and fair to the Crown corporation or designated subsidiary Crown corporation at the time it was approved.

(9) Where an officer or director of a Crown corporation or designated subsidiary Crown corporation fails to disclose his or her interest in a material contract in accordance with this section, a court of competent jurisdiction may, on the application of the Crown corporation, designated subsidiary corporation or CIC, set aside the contract on those terms that the court considers appropriate.

(10) Nothing in this section relieves a member of the Legislative Assembly from complying with *The Members' Conflict of Interest Act*.

Indemnification and insurance

48(1) A Crown corporation or designated subsidiary Crown corporation may indemnify a director or officer of the Crown corporation or designated subsidiary Crown corporation, a former director or officer of the Crown corporation or designated subsidiary Crown corporation, or another individual who acts or acted at the Crown corporation's or designated subsidiary Crown 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 Crown corporation, designated subsidiary Crown 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 Crown corporation or designated subsidiary Crown corporation;
or

(ii) the other entity for which, at the Crown corporation's or designated subsidiary Crown 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 for believing that the individual's conduct was lawful.

(2) A Crown corporation or designated subsidiary Crown 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 must 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 Crown corporation, designated subsidiary Crown corporation or other entity to procure a judgment in its favour, the Crown corporation, designated subsidiary Crown corporation or other entity, with the approval of a 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 Crown corporation, designated subsidiary Crown 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 Crown corporation or designated subsidiary Crown 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 Crown corporation, designated subsidiary Crown corporation or other entity as described in subsection (1), if the individual seeking indemnity:
- (a) was not judged by a 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 Crown corporation or designated subsidiary Crown 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 Crown corporation or designated subsidiary Crown 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 Crown corporation's or designated subsidiary Crown corporation's request.
- (6) A Crown corporation, a designated subsidiary Crown corporation, an individual or an entity mentioned in subsection (1) may apply to a court for an order approving an indemnity pursuant to this section, and the court may so order and make any further order that it sees fit.
- (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.

PART VII
Transitional, Consequential, Repeal and Coming into Force
TRANSITIONAL

Certain corporations continued

49(1) Every corporation continued or created pursuant to *The Crown Corporations Act, 1978* is continued pursuant to this Act and may exercise the powers provided by this Act and be dealt with as if incorporated pursuant to this Act.

(2) The Lieutenant Governor in Council may designate a corporation continued pursuant to subsection (1) as a CIC Crown corporation or a Treasury Board Crown corporation.

(3) Where the Lieutenant Governor in Council does not designate a corporation continued pursuant to subsection (1) as a CIC Crown corporation or a Treasury Board Crown corporation, the corporation is deemed to be a Treasury Board Crown corporation.

(4) The board of every corporation continued pursuant to subsection (1) is continued and the members of the board continue to hold office until their successors are appointed pursuant to this Act.

1993, c.C-50.101, s.49.

CONSEQUENTIAL AMENDMENTS

50 to 57 **Dispensed.** These sections make consequential amendments to other Acts. The amendments have been incorporated into the corresponding Acts.

REPEAL

R.S.S. 1978 (Supp.), c.C-50.1 repealed

58 *The Crown Corporations Act, 1978* is repealed.

1993, c.C-50.101, s.58.