

BILL

No. 108 of 2004-05

An Act to amend *The Business Corporations Act*

(Assented to _____, 2005)

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

Short title

1 This Act may be cited as *The Business Corporations Amendment Act, 2005*.

R.S.S. 1978, c.B-10 amended

2 *The Business Corporations Act* is amended in the manner set forth in this Act.

Section 2 amended

3 Subsection 2(1) is amended:

(a) by repealing subclause (aa)(iii) and substituting the following:

“(iii) a permanent resident within the meaning of the *Immigration and Refugee Protection Act* (Canada) and ordinarily resident in Canada, except a permanent resident who has been ordinarily resident in Canada for more than one year after the time at which he or she first became eligible to apply for Canadian citizenship”; **and**

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

“(aa.1) ‘**Saskatchewan securities laws**’ means Saskatchewan securities laws as defined in clause 2(1)(rr.1) of *The Securities Act, 1988*”.

Section 20 amended

4 Subsection 20(1) is amended:

(a) in clause (a) by adding “or amendment to a unanimous shareholder agreement” after “unanimous shareholder agreement”;

(b) by striking out “and” after clause (c); and

(c) by adding the following after clause (d):

“(e) the financial statements of the corporation required by subsection 149(1); and

“(f) the statements of disclosure made by the directors pursuant to section 115”.

Section 21 amended

5(1) Subsection 21(1) is amended by striking out “creditors” and substituting “directors”.

(2) The following subsection is added after subsection 21(1):

“(1.1) Creditors of a corporation and their agents and legal representatives may examine the records mentioned in clauses 20(1)(a), (c) and (d), other than a unanimous shareholder agreement or an amendment to a unanimous shareholder agreement, during the usual business hours of the corporation, and may take extracts from those records, free of charge”.

Section 100 amended

6(1) Subsection 100(3) is repealed and the following substituted:

“(3) At least 25% of the directors of a corporation must be resident Canadians, but if a corporation has fewer than four directors, at least one director must be a resident Canadian”.

(2) Subsection 100(4) is repealed.

Section 109 amended

7(1) Subsection 109(3) is repealed and the following substituted:

“(3) Directors shall not transact business at a meeting of directors unless at least 25% of the directors present are resident Canadians”.

(2) Subsection 109(4) is repealed and the following substituted:

“(4) Notwithstanding subsection (3), directors may transact business at a meeting of directors at which fewer than 25% of the directors present are resident Canadians if:

(a) a resident Canadian director who is not present approves by writing, telephone or other means of communication the business transacted at the meeting; and

(b) at least 25% of resident Canadian directors would have been present had the director mentioned in clause (a) been present at the meeting”.

Section 110 amended

8 Subsection 110(2) is repealed and the following substituted:

“(2) If the directors of a corporation appoint a committee of directors, at least 25% of the members of the committee must be resident Canadians”.

Section 144 amended

9 Subsection 144(2.1) is repealed.

New section 144.1

10 The following section is added after section 144:

“Exemption re proxies

144.1 Sections 143 and 144 do not apply to corporations that comply with the requirements of Saskatchewan securities laws regarding proxy solicitation and information circulars”.

New section 148.1

11 The following section is added before section 149:**“Exemption re annual financial statements**

148.1 Sections 149, 153 and 154 do not apply to corporations that comply with the requirements of Saskatchewan securities laws regarding the preparation, auditing, distribution and filing of financial statements”.

Section 154.1 repealed

12 Section 154.1 is repealed.

Section 162 amended

13 The following subsection is added after subsection 162(9):

“(10) Subsections (5) to (7) do not apply to corporations that comply with the requirements of Saskatchewan securities laws regarding the change of auditor”.

Section 255 amended

14 Subclause 255(2)(b)(v) is repealed and the following substituted:

“(v) publish in the Gazette notice of the issue of the certificate, unless the certificate is a certificate of amendment that does not effect a change of the corporation’s name”.

Section 262 amended

15 Subsection 262(3) is amended by adding “or in another prescribed telephone directory or prescribed category of telephone directory” after “Saskatchewan Telecommunications”.

Section 268 amended

16 The following subsection is added after subsection 268(1.3):

“(1.4) If an extra-provincial corporation is struck off the register pursuant to section 290, 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 register has no legal or binding effect”.

Section 286 amended

17 Clause 286(1)(a) is amended by striking out “or fee”.

Section 304 amended

18 The following clause is added after clause 304(c.2):

“(c.3) prescribing the qualifications of persons eligible to be appointed as an auditor of a corporation”.

Coming into force

19 This Act comes into force on proclamation.

