

1999

CHAPTER 19

An Act to amend *The Labour-sponsored Venture Capital Corporations Act*

(Assented to May 6, 1999)

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 Labour-sponsored Venture Capital Corporations Amendment Act, 1999*.

S.S. 1986, c.L-0.2 amended

2 *The Labour-sponsored Venture Capital Corporations Act* is amended in the manner set forth in this Act.

Section 5 amended

3(1) Clause 5(c) is amended by striking out “ clause (c.1) ” and substituting “ the regulations ”.

(2) Clause 5(c.1) is repealed.

(3) Clause 5(e) is amended:

(a) in subclause (i):

(i) by adding “ or a registered retirement income fund ” after “ registered retirement savings plan ”; and

(ii) by adding “ or fund ” after “ the plan ”;

(b) in subclause (ii):

(i) by adding “ or a registered retirement income fund ” after “ registered retirement savings plan ”; and

(ii) by adding “ or fund ” after “ the plan ”;

(c) by repealing subclause (vii) and substituting the following:

“ (vii) ownership of equity shares of that class is restricted to:

(A) eligible investors or individuals who were eligible investors at the time they acquired the equity shares; or

(B) registered retirement savings plans or registered retirement income funds as defined in the *Income Tax Act* (Canada) where the sole beneficiary of each plan or fund is an eligible investor or a person who was an eligible investor at the time the sole beneficiary acquired the equity shares ”; and

(d) in subclause (xii):**(i) by striking out “ or ” after paragraph (A);****(ii) by adding “ or ” after paragraph (B); and****(iii) by adding the following paragraph after paragraph (B):**

“ (C) the holder of the shares that are to be redeemed is a registered retirement savings plan or a registered retirement income fund as defined in the *Income Tax Act* (Canada) and the sole beneficiary of the plan or fund has died ”.

(4) The following clause is added after clause 5(e):

“ (e.1) where there is more than one class of shares, the holder of any shares, other than shares mentioned in clause (e), is not entitled to receive any remaining property of the corporation in an amount that exceeds the consideration for which those shares were issued ”.

Section 13 amended**4 Subsections 13(3) and (4) are repealed.****Section 15 amended****5 Section 15 is amended:****(a) by repealing clauses (a) and (b) and substituting the following:**

“ (a) an eligible investor has transferred, in accordance with the *Income Tax Act* (Canada), his or her eligible equity shares to a registered retirement savings plan or a registered retirement income fund as defined in that Act; and

“ (b) the eligible investor or his or her spouse is the sole beneficiary of the registered retirement savings plan or the registered retirement income fund ”; **and**

(b) in the portion following clause (b) by adding “ or registered retirement income fund ” after “ registered retirement savings plan ”.**Section 18 amended****6 The following subsection is added after subsection 18(1):**

“ (1.1) Notwithstanding subsection (1), where a labour-sponsored venture capital corporation has been struck from the register of corporations pursuant to section 290 of *The Business Corporations Act*, the minister may revoke the registration of that corporation without serving notice or written reasons on the registrant ”.

Section 28 amended**7 The following clause is added after clause 28(1)(d):**

“ (d.1) prescribing the maximum annual consideration for which a Type A corporation’s equity shares may be issued ”.

Coming into force**8 This Act comes into force on proclamation.**